

**2015 HOUSE APPROPRIATIONS**

**HB 1021**

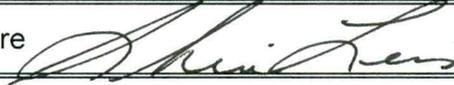
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
1/12/2015  
Recording Job# 21810

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expense of the information technology department; and to provide for transfers.

## Minutes:

See attachments A, B

**Chairman Thoreson:** Opened the hearing on HB1021. All members were present except for Representative Vigesaa.

**Sean Smith, ND Legislative Council:** Did a brief review of information found on the ND Legislative Council website.

**Chairman Thoreson:** That is under agency budget information?

**Sean Smith:** Correct.

**Lori Laschkewitsch, ND Office of Budget and Management:** Did a brief review of information found on their state website.

**Chairman Thoreson:** So the one we want to go to is not IBARS but the next one?

**Lori Laschkewitch:** Correct. You want to click on state budget.

Lori Laschkewitch continued with her presentation.

**Vice Chairman Brandenburg:** What's the difference between the blue and the black?

**Lori Laschkewitsch:** The black is our sub schedule that that agency doesn't have any information in so there's nothing to click. There's no document behind the black. The blue ones are where they do have information; because not all agencies have grants.

Lori Laschkewitsch continued with her presentation:

**Mike Ressler, Chief Information Officer, ND Information Technology Department:** See testimony attachment A.

**Representative Kempenich:** You're not going to change the model of how they're doing things. Would they just have to go through another step. Is that what the issue is?

**Mike Ressler:** The governor didn't wish to force that consolidation; didn't introduce that bill into his budget. He's supportive of ITD providing those services for state agencies; but he would like the agency to ask for the service and not to be forced into it. I believe it is true when an agency has their information hosted at ITD, it will cost them more than what they are paying to do it themselves. The primary reason is when ITD provides a service, we do include all of our costs in that service.

**Vice Chairman Brandenburg:** Looking at these agencies, there gets to be a point where they can't do anymore without expanding their system. We seem to have this discussion earlier in the session. If we could get that discussion sooner than later it would be better.

**Mike Ressler:** We are more than happy to be available if an agency is ever interested in pursuing using ITD services.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** If you could go back to that slide and go into detail a little further. There's a pretty significant change in federal funds. Do you have an explanation of what that is and if it's later we can go into it then.

**Mike Ressler:** I actually don't have a slide here. We are asking \$2 million worth of funds for First Net. Last biennium there was a broadband initiative; where there were a number of entities that were eligible for getting broadband grants. If they were funneled through ITD, we would accept federal funds to pursue those.

**Chairman Thoreson:** Was that the grants through USDA, RUS, etc? Was it other grants?

**Mike Ressler:** I think it was other grants.

**Chairman Thoreson:** There's been a lot of different federal broadband grants to the rural areas. I wasn't certain of which ones you were working with.

**Mike Ressler:** I deleted that slide.

**Chairman Thoreson:** If you can get that information at some point.

**Representative Glassheim:** Going back to what you said about double billing; there's about \$139 million of special funds. Does that mean that in our budgeting agencies are spending \$139 million and then you're spending \$139 million. Is the governor's budget \$139 million more than it really is?

**Mike Ressler:** Yes. Anytime there are special funds like this that means you appropriate dollars to the state agencies. This isn't all for state agencies we do a lot of business with K-12 where we do some billing out; but the bulk of it is state government. About 1/3 of this \$139 million is general fund dollars, about 1/3 is special funds for agencies like game and fish, licensing/revenue and about 1/3 is federal funds from agencies. We're called an internal service fund. We provide service to other state entities. In order to do that properly, you give the authority to the agencies and let them make their decisions. When they spend their money at ITD it looks as though you're spending that same dollar twice. That's why it's called special fund authority; it's not actual money until the agency gives it to us.

**Mike Ressler:** Continued with his testimony.

**Chairman Thoreson:** Do you now have people doing this who are not dedicated strictly to this work? Would these people replace them or would these be enhancements to what you currently have?

**Mike Ressler:** These wouldn't just be dedicated to server patching. Every system administrator as part of their job has a responsibility for a portfolio of servers; and part of their job is to patch their servers. We need to add more bodies to be more aggressive in patching.

**Representative Kempenich:** We're getting to the point where you can't pull the plug on this stuff.

**Mike Ressler:** Absolutely. I personally believe we can't ever back up.

**Representative Kempenich:** Can't you isolate?

**Mike Ressler:** There are all types of layers of security. One type is technology that encrypts data in the event that someone would steal a laptop; and all the laptops that we buy today come with encrypted disk, you would need the encryption key to see what was on the drive. Another thing is called multi-factor authentication. All our applications today require credentials i. e. user id and password; this adds another layer of security. This is called a token and when you are in your computer with user id and password you now have to have this code that is good for about 30 seconds. If you have your credentials plus that second layer of authentication, now you can enter. We've deployed this where we have entities who have access to very critical data.

**Chairman Thoreson:** You keep talking about the bad guys. What is it they're after? Are they after personal information? Are you seeing one particular thing if there's a tax on the system that they're trying to get after?

**Mike Ressler:** Based on the people we know are stealing information; they are interested in all kinds of things. The ones that worry us are the ones that possibly have broken in and nobody know they broke in. I would think their motivation is to gain information so they can make money.

**Chairman Thoreson:** Last year I had my credit cards being used in London England by somebody.

**Vice Chairman Brandenburg:** How do they get the mechanics to do this?

**Mike Ressler:** Many times what happens is that someone will find a vulnerability in some software that's written. Once somebody finds a vulnerability, they broadcast that in their network. The one I like to talk about is the "fishing" attempts. That's where you get this email to you and you open it up; and it looks like it's coming from the source of who's sending it. They make it look like it's real. They put a link and they get your credentials. There's also something called "spear fishing". They'll find out what's going on in your community and they'll send it to 30 people. Their goal is to get the credentials from somebody and to get into their account.

**Vice Chairman Brandenburg:** That's what concerns me and you don't know if you really want to do that even if you know it's ok.

**Mike Ressler:** Instead of hitting the link, bring up the address on your computer and chances are you've already signed up with that account.

Mike Ressler continued with his testimony.

**Representative Kempenich:** Is this all new money that the agencies are getting? Is it stuff they're already doing?

**Mike Ressler:** A portion would be used money. At some point these 10 agencies were asking for updates to their laptops or Microsoft office licenses in their budget. So they were requesting those dollars. If this service would get funded and these 10 agencies would buy that ITD, a portion of that would no longer need to be asked for; but, the portion that would be an increase to that agency would be the people time.

**Vice Chairman Brandenburg:** Are these agencies already in ITD?

**Mike Ressler:** They are not. With the exception of the Secretary of State's office and the department of agriculture, all of the others are doing this on their own. The Secretary of State and agriculture departments are buying their own laptops; that's not a part of the service. If this should be funded, it would be part of the service.

**Chairman Thoreson:** Just to be clear, these agencies have shown an interest in this?

**Mike Ressler:** Correct.

**Chairman Thoreson:** This was included in the governor's budget for them.

**Mike Ressler:** That's correct; just for them. This wasn't included for the other agencies that the study said should be part of ITD but are not. I believe there's a bill which is HB1053; which is heard on Thursday and there's a fiscal note attached to that. See attachment B.

**Chairman Thoreson:** Which bill is that?

**Mike Ressler:** I believe it's HB1053.

**Representative Glassheim:** What does that do?

**Mike Ressler:** It says all the other agencies that have 100 people or less; it implements the study based on I. Bailey's recommendation.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** I've said this before where you can take a negative from 100 years ago and get a print off of it from photos; but, a floppy disk from 1988 is ancient.

**Mike Ressler:** Exactly.

Mike Ressler continued with his testimony.

**Representative Skarphol:** I would like to back up to the desktop support issue. I found the fiscal note on HB1053. The fiscal note on HB1053 is \$6.1 million and your desktop support figure is \$1.8 million. Can you briefly tell us what the difference is invested in?

**Mike Ressler:** The \$1.8 million is just to do the 10 agencies you see here. The fiscal note for HB1053 would be to include these 10 agencies plus all the other agencies that didn't ask for it. I do believe that fiscal note has that double accounting; so it shows that appropriation you give the agency and it then shows the appropriation of ITD.

**Representative Skarphol:** So the \$1.8 million in your budget is included in the \$6.1 million that's in the bill.

**Mike Ressler:** Correct.

**Representative Skarphol:** So the additional would flow to your agency in the event the bill were to pass as is.

**Mike Ressler:** Correct. I believe of that \$6.1 million; roughly half of that is what ITD would collect. It shows the appropriation to the agency and ITD and then adds the two together.

**Representative Skarphol:** If half goes to you, what would the other half be used for in that event?

**Mike Ressler:** The other half is what the agencies get so they can give us the money.

**Representative Glassheim:** The actual cost is \$3 million?

**Mike Ressler:** Correct.

Mike Ressler continued with his testimony.

**Representative Kempenich:** How many FTE's are moving around? How many are new for the agencies in general?

**Mike Ressler:** Of the 15 ITD's asking for; only the OMB position is really a transfer. There's 14 brand new ones to state government as a whole of the 15 we're requesting.

**Representative Skarphol:** If you don't see a reduction in higher education, where does the individual transfer from? Is it coming out of one of the institutions?

**Mike Ressler:** It's coming out of UND.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** This was the report issued about a week or two ago?

**Mike Ressler:** It was.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** You said you just renewed that. Is that correct?

**Mike Ressler:** That's correct.

**Chairman Thoreson:** For how long a period?

**Mike Ressler:** I believe internet is 3 years and the phone network is for 4 years. We have the option to renew.

**Chairman Thoreson:** The reason I asked was in the technology world the length of time is a lifetime.

**Mike Ressler:** We were somewhat concerned as we were approaching that we were seeing the need; based on our current rates that we had in contract we thought it would be a substantial increase in the request. We're very pleased with their response.

Mike Ressler continued with his testimony.

**Representative Kempenich:** How far along are they on that?

**Mike Ressler:** The whole state has been flown. I believe that 98% of it has been imaged and stored locally.

**Chairman Thoreson:** If that isn't correct just get back to us.

**Mike Ressler:** I sure will.

**Representative Kempenich:** You don't deal with the DOT do you?

**Mike Ressler:** All three parties are working together.

**Representative Kempenich:** It's frustrating because there's money in all those budgets for this.

**Mike Ressler:** I'm not aware of any agency trying to double dip.

**Chairman Thoreson:** This is one area I would like to look into a little deeper when we come back as to where the agencies are and how far along they are.

**Vice Chairman Brandenburg:** Do they come get it from you or do you get it from them? How is that all put together?

**Mike Ressler:** I believe Bob who is not here today can answer those questions.

**Chairman Thoreson:** Let's mark that down that maybe we will have him come next time around.

**Mike Ressler:** All the data that ITD stores; very little would be what we would say we own. That's true on all the disk storage we have.

Mike Ressler continued with his testimony.

**Representative Kempenich:** Have we been spending that money or is this new money coming in?

**Mike Ressler:** Since we have asked for general funds from the legislature in the past, we haven't needed them because we've had these other grants. I think this 2015-2017 biennium is going to be the first biennium where we don't see a lot of federal funds available; so now we need the general funds.

**Representative Skarphol:** When you come back can you bring a list of the strings attached to the federal dollars we've receive; what they've asked for in return for giving us those dollars?

**Mike Ressler:** Absolutely. You'll find there are very little strings attached.

Mike Ressler continued with his testimony.

**Representative Kempenich:** It looks like most of your money is going to contractual services. Can you bring a breakdown of those contractual services?

**Mike Ressler:** We do have a number of those contractors on board today and they've been onboard somewhat from the beginning.

**Representative Kempenich:** You've been using federal funds.

**Mike Ressler:** We've been using federal funds to pay for their services. We have under 5 developers of our own.

**Representative Kempenich:** It's a fairly large increase; so, we'd like to look at that further.

**Mike Ressler:** In the comparison, roughly, \$4.5 million is additional. That is the one-time funding. In our budget we have roughly \$6,550,000.00 of one-time spending. The biggest chunk is coming from this program; \$4.5 million which is one-time.

**Chairman Thoreson:** Recessed the hearing.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
1/12/2015  
Recording Job# 21841

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachment A and B

**Chairman Thoreson:** Resumed the hearing on HB1021.

Mike Ressler continued with his testimony. See attachment A.

**Chairman Thoreson:** Who's offering the bill grant?

**Mike Ressler:** It would be the state.

**Chairman Thoreson:** So this would be a state general program.

**Mike Ressler:** Yes. There are no federal funds tied to this.

**Chairman Thoreson:** Would that be just for equipment? Do you have a breakdown of what it would be used for? If somebody applies for it what can they and can they not use it for?

**Jody French, Director, Education Technology Council:** The bill grants are earmarked for 3 specific things; one is to improve their wireless.

**Chairman Thoreson:** Would that be school districts?

**Jody French:** Yes. The second item they can purchase is devices; typically, what schools refer as a one to one program. This would help them build on what they have.

**Chairman Thoreson:** For instructional coaching that involves people time. Does that mean they can go out and hire somebody to do that and use these funds for FTE positions?

**Jody French:** There aren't enough dollars for a school to ever hire an FTE in that approach. They could probably use it to secure some coaching services from EDUTECH or any other agency in the state that provides instructional coaching or they could pay one of their existing teachers.

**Chairman Thoreson:** It can be used for devices. That would include tablets, pc's, other devices?

**Jody French:** Yes.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** You said the price was cheap and the quality was cheap?

**Mike Ressler:** The quality was cheap.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** Online learning is where the future is going. How does this work when it's time shifted to where the person using wants interaction with the instructor? Is it traditional ways like email? Is there a turnaround time where I can get answers to questions I have?

**Mike Ressler:** There's a teacher involved in every class that's taught to every student who's learning a class. They have the opportunity to use the telephone, use the internet, use whatever means available to them.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** A breakdown of the curriculum specialist would be appreciated.

**Mike Ressler:** It's the person who knows how to use the system.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** So there's 24 now; but, they're not fulltime?

**Mike Ressler:** Correct.

**Chairman Thoreson:** They're teachers with other schools or other places within the state?

**Mike Ressler:** Yes.

**Chairman Thoreson:** Do you reach out to them or how do they come online with the program?

**Mike Ressler:** When he has an opening he reaches out and then they respond.

**Chairman Thoreson:** Are those teachers all in North Dakota or are any of them located out of state?

**Mike Ressler:** I believe they are all in state.

**Representative Boehning:** When they're teaching these classes online are they being recorded so the student can go back and watch them at a later time?

**Mike Ressler:** That is how it's done. You're buying curriculum and then you go through it on your own.

**Representative Boehning:** How does that all work?

**Jody French:** The curriculum that the center for distance education purchases is very dynamic. There may be recordings of lectures; but, that isn't the bulk of it. A lot of it is content, interactive videos, different content that's available on the internet. The teacher is there as a support system; they all have smart phones and online office hours.

**Representative Boehning:** I've heard where there's some college classes. The lectures are recorded so the student can go back and watch again; or if they missed class they can watch. Then if they have questions, they can go back and ask them. Is that something we're going to trend to?

**Jody French:** Speaking for the center of distance education that is the norm.

**Representative Hogan:** I am interested in how many non-North Dakota are enrolled in our programs.

**Jody French:** I would need to get that specific number; but, it's dramatically reduced from previous bienniums.

**Representative Hogan:** Do you have a sense of why?

**Jody French:** Places like the Florida Virtual School and Jefferson County; all were states that put a lot of money into their distance education system so many customers migrated there. The customer that we have at the center for distance education now; that aren't instate are primarily home school students and students from Alaska. A lot of their purchases are just people that are home schooling that buy online curriculum.

**Representative Glassheim:** There are 24 volunteer teachers and 13,000 enrollments? That averages out to about 500 per teacher.

**Jody French:** The 24 temps are almost full-time teachers they're just unable to fill them with 40 hours per week.

**Representative Glassheim:** Do you have more than 24 teachers?

**Jody French:** Yes we have a full staff of teachers as well.

**Representative Glassheim:** Approximately how many full-time teachers do you have?

**Jody French:** We believe it's around 20.

**Chairman Thoreson:** Would it be possible to have a breakdown of this with the information?

**Jody French:** We'll be happy to do that.

**Representative Hogan:** Can we also have a list of the courses you offer?

**Jody French:** We would be happy to.

Mike Ressler continued with his testimony.

**Representative Hogan:** Do you know if parochial schools or the private schools are using this same technology?

**Mike Ressler:** We do have a number of private schools that have also picked power school to be their student information system. If they pick it, they have to pay for it; where if you're a public school, then the legislature has picked up the cost of that product.

**Representative Hogan:** Do you ever get information from the parochial schools?

**Mike Ressler:** If it's ever given, it's given to DPI for whatever their needs are. ITD is just hosting that application.

**Chairman Thoreson:** There are questions about this and I had a couple of people approach me knowing this budget was going to be heard.

**Mike Ressler:** I just want to mention that all the data we have in the Xcel DS or in power school is data that existed in some other format before we ever put that into a central hub. We aren't collecting any new data as a result of these systems. This is data that existed prior to.

**Representative Glassheim:** Is there personal data like addresses and phone numbers of students collected?

**Mike Ressler:** That's something that we could bring; right off hand I couldn't tell you all the different types of data that's in there. But, it exists, it's called a data dictionary. It shows all the data fields we collect.

Mike Ressler continued with his testimony.

**Vice Chairman Brandenburg:** Let's go back to slide 28. Some of the unintended consequences of preparing kids for college in high school are that a lot of those kids are people that would be music. A lot of schools in the state have dropped music from their

curriculum because the kids are taking online college credits. I wanted to share that discussion with you because it's happening up in DPI right now.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** I hear that there is going to be a solution.

**Mike Ressler:** There is a bill that I believe is going to be introduced that will pick up the program in ITD's budget and move it over to the Attorney General's budget. It gives some clarity to this; but, the way it's structured today is when a law enforcement individual pulls somebody over and wants to get some individual on that individual, because this is in ITD's budget, they have to make 2 calls. They can get the state information on the person they picked up; but, they can't get the FBI data without making a second call. See attachment B.

**Chairman Thoreson:** When it does come you would be supportive of that?

**Mike Ressler:** I would be supportive.

**Representative Skarphol:** Who would ultimately be in charge?

**Mike Ressler:** I'm the chair of the board.

**Representative Skarphol:** Will you continue to be the chair of the board?

**Mike Ressler:** I don't believe so. I believe the board will not be a policy setting board; it will be an advisory board.

**Representative Skarphol:** Will the Attorney General's office have full responsibility for all aspects of this?

**Mike Ressler:** Yes; with advice given from the board.

**Chairman Thoreson:** Does your position then move to the Attorney General's office?

**Mike Ressler:** Yes.

Mike Ressler continued with his testimony.

**Chairman Thoreson:** What I would ask with this since it is \$1 million in general funds, is to have a breakdown on this.

**Mike Ressler:** We would be happy to do that.

**Representative Hogan:** Can we get a spreadsheet on how many counties and cities are involved in Stars and Lerms?

**Mike Ressler:** Absolutely.

**Representative Hogan:** I know it was controversial when it started and I just wanted where we were in terms of rolling it out.

**Molly Brooks, Director, Criminal Justice Information:** We have now case volume wise 60% of the case volume in the state of North Dakota goes through our Stars program. We also have a request to get some additional funding. If we do get that funding, we're looking at raising that number to 80% of the volume very quickly. On the Lerms program we have approximately ½; as far as the number of agencies go in the state on that program. It is currently mostly smaller agencies; although we do have a move to include more of the medium size. We recently also added a jail management system component to that software. So we do have almost ½ of the state's correctional facilities moving on to that as well.

**Representative Kempenich:** Are you getting any federal funds out of this anymore?

**Mike Ressler:** We are not.

**Representative Kempenich:** I know the Attorney General's office was getting some funds at one time.

**Mike Ressler:** We've definitely seen a number of federal sources that we relied on dry up over the years.

Mike Ressler continued with his testimony.

**Representative Skarphol:** On the 2013-2015 budget the \$3.1 million; is there any one-time funding in there? If so, how much?

**Dan Sipes:** I have to look.

**Chairman Thoreson:** If you could get that for us.

**Mike Ressler:** I think this is a program that probably does have that. The Office of Management and Budget has structured this that if you're doing any enhancements; they label that as one-time.

**Representative Skarphol:** I would ask Legislative Council to keep us apprised of the previous biennium one-time monies that are in the budget.

Mike Ressler continued with his testimony.

**Representative Kempenich:** Who are the state holders?

**Sheldon Wolf, Director, Health Information Technology:** We have about 170 different stakeholders out there. The majority of those are providers. We have not signed up a payer yet. We've had continual conversations with Sanford Health and also Blue Cross

Blue Shield. The other majority of them are state agencies that we're able to have information sharing going on. We're providing the backbone for handling immunizations.

**Representative Kempenich:** I know that human services have another program that they're trying to get going. Is it associated with this?

**Sheldon Wolf:** I don't think it is. This is more related to the clinical data; sending information back and forth, etc.

**Representative Skarphol:** You say 170 clients; does that include clinics? Can you give us a little idea how far down this is going?

**Sheldon Wolf:** When we sign on, for example, Sanford that includes all their hospitals, clinics and then we go from there all the way on down Mid Dakota Clinic, etc. It's a wide range of them all the way in between.

**Representative Skarphol:** Let's use myself as an example. If I go down to one of the clinics in town, is that clinic in town; where I have never been before, able to at this time access all of my records electronically? Is that still down the road?

**Sheldon Wolf:** It depends because we build an interface with each of the providers. When they turn that interface on, then the information from that point forward gets put on. We didn't go back and historically build it; it's moving forward.

**Representative Skarphol:** The people that are working with the system that you are in charge of; are they 100% North Dakota entities? If so, at what point in time is this information going to be transferrable to my doctor I'm seeing in Arizona?

**Sheldon Wolf:** I have 3 other staff that are all working in North Dakota. We are working with a company called Orion Health. Orion Health is a worldwide company that builds the infrastructure. We build all the interfaces in the state of North Dakota. We are also working with nonprofit called Healthy Way. This is a corporation that was started from the office of national coordinator that will allow us to be able to exchange information with other states and also with other federal entities.

**Representative Skarphol:** Do you have additional security requirements over and above what's typical in state government? Are there federal security issues that you have to comply with because of HIPPA that are paid for by someone other than the state of North Dakota?

**Sheldon Wolf:** We have to follow the HIPPA rules and regulations and we push those down to our vendor. We make sure that they have the audits and everything done; we get those on a yearly basis. We also have a business associate agreement signed with them and also with the 170 participants; so they all have to follow the HIPAA rules and regulations, etc.

Mike Ressler continued with his testimony.

**Mike Ressler:** To answer Representative Skarphol's question of how much of this budget for the \$3.1 million was one-time? It was \$800,000.00. So roughly the \$800,000.00 plus the \$200,000.00 is asking for the same thing going into the next biennium.

Mike Ressler continued with his testimony.

**Vice Chairman Brandenburg:** Could you do a breakdown to match the green sheets?

**Mike Ressler:** I would be happy to do so.

**Representative Skarphol:** You talked a little bit about agencies buying software that's on the cloud. What's your comfort level with the security on that?

**Mike Ressler:** Nervous from the standpoint that you don't have control. You're relying on somebody's confidence in how good their system is. When an agency purchases a program, if it's not hosted at ITD, they need to submit the waiver. The amount of effort that we're putting in is not all that great. We're just looking at how secure the data center is, the backup, etc. I think there's a risk. When you're in charge, you know where your weaknesses are and you can work around those.

**Representative Kempenich:** They trace a lot of these breaches coming from inside.

**Mike Ressler:** All of these systems have great logging. The challenge is going through all the logs to make sure that the system is working right.

**Chairman Thoreson:** Closed the hearing.

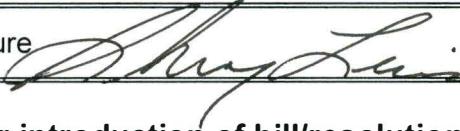
# 2015 HOUSE STANDING COMMITTEE MINUTES

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## Explanation or reason for introduction of bill/resolution:

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## Minutes:

See attachment A

**Chairman Thoreson:** Opened the hearing on HB1021.

**Sean Smith, Fiscal Analyst, ND Legislative Council:** Explained the changes to the green sheet.

**Mike Ressler, CIO, Information Technology Department:** See attachment A.

3:30-6:44

**Tom Trenbeath, Chief Deputy Attorney General, ND Office of the Attorney General:** Explained why the CGIS system should be taken out of the ITD budget and transferred to the Attorney General's budget.

**Chairman Thoreson:** This money would be taken from ITD; but we'll see it in the second half when we get the AG's budget?

**Tom Trenbeath:** Yes.

**Chairman Thoreson:** The Senate appropriation's has your bill the Attorney General budget right now?

**Tom Trenbeath:** They do.

**Chairman Thoreson:** They're aware of this also?

**Tom Trenbeath:** They are; we talked to them last week.

**Chairman Thoreson:** This is mostly prompted by the federal government?

**Tom Trenbeath:** It wouldn't give us direct access to their information for our purposes to share with our law enforcement officers; unless we're associated with a law enforcement agency.

**Dan Sipes, Deputy CIO, North Dakota Information Technology Department:** Went through the green sheet.

**Chairman Thoreson:** That person would work directly with the schools?

**Dan Sipes:** That would be correct. He would work on two main areas; one area would be as we find things on the network that need remediation, they would help coordinate a response. They would also go around to schools and educate on best practices around network and server security.

**Chairman Thoreson:** Let's say there's a school district that isn't as secure as others; this person would help secure their system or would they work with people in that district to do it? What would be the role in the interfacing between the two?

**Dan Sipes:** We would envision this person going out and coordinating the school to improve their posture.

Dan Sipes continued with his testimony.

**Chairman Thoreson:** Another part of government is paying for them; but you're charging them for those services.

**Dan Sipes:** That's correct.

Dan Sipes continued with his testimony.

**Chairman Thoreson:** Why were those people transferred from the agencies they're in now to ITD?

**Dan Sipes:** As Lisa Felder moved over; she asked if we would take over that responsibility. The person moved over to our staff but continued to be funded under higher education. We have in the past contracted with contractors; they come with a higher rate than our FTE. This would allow us to keep the functionality and enhancements in Connect ND and OMB had a staff person they could transfer to us.

**Representative Skarphol:** Are there commensurate reductions of those two FTE's in higher education and OMB with regard to this transfer?

**Dan Sipes:** For the OMB budget, I believe there is a commensurate reduction; in higher education I don't believe that it works that way. I don't know that they reduced an FTE; they just gave us the staff person.

**Representative Skarphol:** Let's have council check on that. You mentioned that you're seeing increasing audits; that's federal audits that you're referring to?

**Dan Sipes:** The preponderance of the increase is definitely in federal audits. Last June we were undergoing three audits at the same time from different federal agencies.

**Representative Skarphol:** Those audits are to ensure that you are not building up reserves? Were they financial or security audits?

**Dan Sipes:** They were focused purely on security. We're also seeing the same thing in agencies like the Bank of North Dakota, PERS, the state auditor's office.

Dan Sipes continued with his testimony.

**Chairman Thoreson:** There's \$2 million in the First Net grant correct? What's that being used for and how long do you expect to still have that one?

**Dan Sipes:** Yes. First Net would be for us to go out and study and plan for First Net; which is an initiative for emergency responders to build out communications infrastructure.

**Chairman Thoreson:** I've been having some discussions with some people about communications with first responders, law enforcement, EMT's, fire, etc. If that money is there; what it's being used for, how long will you expect to have it, what's the best use we can get out of it while we do still have it.

Dan Sipes continued with his testimony.

**Representative Skarphol:** I'm going to suggest that a 15 FTE increase is going to be a bit difficult. Can you give us a priority list of those that are most critical?

**Dan Sipes:** We can work on that and talk about which FTE's are the most critical.

Dan Sipes continued with his testimony.

**Chairman Thoreson:** That is where we don't have federal money anymore and we're taking that over?

**Dan Sipes:** That's correct.

Dan Sipes continued with his testimony.

**Chairman Thoreson:** The \$4.5 million isn't replacing federal money?

**Dan Sipes:** In the past there were one-time costs that were federal dollars. As we continue to buildup we have not identified any grants at this point to fund the buildup.

**Chairman Thoreson:** Items 7 and 12 are an \$8 million chunk of change.

**Dan Sipes:** Right.

**Chairman Thoreson:** If there would be some way to get a listing of what each of those are for; if there was anything identified. Anytime you hear that we're replacing federal dollars with state dollars, we're going to have questions.

**Dan Sipes:** When we meet next time, we'll dig further into this.

Dan Sipes continued with his testimony.

**Representative Skarphol:** There is more competition in this from other regions of the country. Can you explain the need for this increase if we're having less clients?

**Mike Ressler:** About 10 years ago we saw a trend where we saw an interest from out of state people in the program. So the enrollments were growing every biennium or each year. Then we saw a peak where the competition came in and there were other out of state providers providing it; thus stealing a lot of the out state clients that were coming in. In the meantime, we never saw the enrollments slow down on the state side internally.

**Representative Skarphol:** The in-state enrollments didn't slow down?

**Mike Ressler:** Correct. Now we're seeing a huge growth in the in-state enrollments for multiple reasons; one is schools are having a hard time finding teachers, video grants have provided a solution. We've seen there are a number of students who haven't been able, for instance, to take a French class because when that's offered via video it's at 10:00 in the morning and they have another commitment. This online education has seen a real increase; along with the remediation there's been a lot of activity. The enrollments have gone from about 7,000 for the biennium of 2013-2015; the estimated growth is 13,000 with the majority of those being in-state enrollments.

**Representative Boehning:** What do they charge and who pays for it? I'm assuming that if it's a class that a school district doesn't have a teacher; they pay for the class. If it's something I want to take; do they pay the same price for it?

**Mike Ressler:** The costs per class averages about \$300 per class. If it's a state of North Dakota student, the state general fund buys down 2/3 of that cost; then the school district or the student pays the other \$100.00. If it's an out of state student, they pay the full \$300.00 fee.

**Representative Boehning:** If it's a class that's needed in the district and we have to go online to take the class, the student ends up having to pay some of it also?

**Mike Ressler:** If the school is requiring the class or it's part of the curriculum, the school pays for it and not the student. I believe the times the student pays is if they're home schooled or if someone is interested in taking something that's not part of the normal school curriculum.

**Representative Skarphol:** The dollar amount of increase that's being requested for the increased capability for the SLEDS Program, do those increased capabilities as a result of that provide the school with increased capabilities overall? Is this an endeavor to try and

provide more capacity to the entire system so that when that eventuality may happen so that the capability is there?

**Mike Ressler:** The purpose of the state longitudinal data system is to gather this information and then do that longitudinal trending and studies. The \$4.5 million is broken into three separate databases that we included inside the state longitudinal data system. One is centered around K-12; so the information that's there gets sent back to schools, administrators and teachers so they can do that analysis to determine where the improvements are that they can make based on the results. There's a job service component which will be to enhance the data warehouse in that area; similar response will be to gather information and then use it for legislators to determine if they should invest in grants in this area. The third component is the higher education portion.

Dan Sipes continued with his testimony.

**Representative Boehning:** If you go to line item 2; you have 4 new FTE's and a total budget of \$1 million. How's that broken out?

**Dan Sipes:** In item 2 almost all of that \$1 million; with \$500,000.00 being general funds and \$500,000.00 being special funds, it's for salaries and fringes. There are some operating expenses; but, the bulk of it is for salaries and fringes for those 4 FTE.

**Representative Boehning:** On the following line you have 1 FTE at \$225,000.00 for the biennium. Is that the normal rate for the analyst; \$112,000.00 a year?

**Dan Sipes:** For the positions envisioned here, yes. It would depend upon the classification of the individual. For the positions that we're looking at hiring there about \$225,000.00 to \$250,000.00 salaries and fringes for the biennium would be a close number.

**Representative Boehning:** Line item 5 you have \$1.8 million. I hope that's not all salaries and fringes.

**Dan Sipes:** No. There are 2 FTE's and just under \$500,000.00 would be for salaries and wages, operating expenses and some software. \$1.36 million is for hardware and software that we would deploy out.

**Representative Skarphol:** Those 10 agencies that you're going to give desktop support to are part of the system already. Right?

**Dan Sipes:** Those 10 agencies when we talk about consolidation, probably did not have any servers to begin with so there was never any consolidation. The difference would be that they're not getting their desktop support services from ITD today. Today they're either doing it with an administrative assistant or they may have a technology person or they may be trying to get that from different vendors in town on an as needed basis.

**Representative Skarphol:** I'm assuming they're paying a fee to ITD for the services that they get from ITD.

**Dan Sipes:** For services other than desktop they would be paying the services for whatever they're using. Today they aren't paying any fees to ITD for their desktop services.

**Representative Skarphol:** Help me understand when the charge for the help desk started to take among the agencies that have been utilizing the help desk services and how that was initiated.

**Dan Sipes:** We've run a help desk for a long time. The services we provide from the help desk have always been embedded in our rates. Typically, we see a lot of that in the technology fee that we charge them. If they have another service that they're buying, a portion of that rate will be to run our help desk services. If they would call the help desk today, we wouldn't today provide them desktop services; because we don't have the FTE to support the service if it's a desktop problem.

**Representative Skarphol:** That's what I'm having a little difficulty understanding. Some agencies your charging a fee for their services; but, when you say that you're charging a fee for their desktop support. It's not the normal fee or rate that they're charged.

**Dan Sipes:** Just to clarify your question; if you're asking if we're charging agencies today a fee for desktop support in any of rates, the answer is no; other than we had a pilot with the secretary of state and the department of agriculture.

**Representative Skarphol:** All agencies pay something for service and some agencies get desktop support from that service charge and others don't?

**Dan Sipes:** No. None of the agencies in the rates that we get today; other than those 2 pilot agencies, who are paying a separate fee, get any desktop support. If they have a problem with their desktop they're handled internally and don't call us today.

**Representative Skarphol:** All agencies do it except those 2 pilots.

**Dan Sipes:** That's correct.

**Representative Boehning:** Are we going to save anything for the agencies? Is there a cost savings in doing this project?

**Dan Sipes:** I would say there are some offset in agency budgets. There were certain agencies, not because they weren't trying; they weren't as aggressive in managing their technology. We might spend more in some agencies; but we'll manage it in a more aggressive fashion.

**Bob Nutsch, GIS Program Manager, Information Technology Department:** See testimony attachment A.

**Chairman Thoreson:** With the database, you say it's for both novices and professionals?

**Bob Nutsch:** In years past, GIS was more technically tuned. A person had to know a lot more about what the data format was like, the type of data, where it's located. Because we

can leverage our Oracle databases at ITD, we can centrally store this agency data. If someone is just starting out, in their profession the person in each agency can say here's the database and this is how you connect.

**Chairman Thoreson:** What type of things are they going to find in the database that's helpful to them?

**Bob Nutsch:** Across the board, the most common things are location. There are all sorts of reference type information. Beyond that, it becomes very specific.

**Chairman Thoreson:** So there are many different levels to drill down to.

**Bob Nutsch:** Correct.

Bob Nutsch continued with his testimony.

**Representative Boehning:** This information that you're giving is this all free information that you're getting? Do we have to pay for some of it to get meshed into the system?

**Bob Nutsch:** Eighty percent of the data is derived from agencies core businesses. They're working with this data as part of their business case. They have justification for building these data sets. It's not free; but then we use this data and maximize those tax dollars.

**Representative Vigesaa:** The agencies that are using the hub, are they billed in any way for you to house this information?

**Bob Nutsch:** The GIS hub was constructed was constructed several biennium's ago with the core purpose of having one place that people could store their data. As an inducement to that, the GIS hub was all general funded. To answer your question; typically, no, there are times when we do charge the agency if there's something more specific. That means if there's a development of an application, if there's something very specific for a data set.

**Representative Skarphol:** I think what you're trying to tell us that there was a philosophy adopted about the time this was developed of enterprise funds. As an enterprise fund, you were available to all agencies to store this information.

**Bob Nutsch:** That's correct.

**Representative Skarphol:** As someone who may want to utilize this, I could search this GIS and I could say I want to know where every water permit issued in the state of North Dakota is on a map. That map could be pulled up and it could show you the location of every water permit. Is that not correct?

**Bob Nutsch:** That's correct.

**Representative Skarphol:** If I wanted to know where every water disposal facility was, I could add that to it. Correct?

**Bob Nutsch:** That would be correct with a caveat. That sort of question drives the generation of that data.

**Representative Skarphol:** That's kind of where I was going; because, the first item I mentioned was a water commission item that would be furnished by a state agency. The second item is a private sector item that needs some state approval. So the private sector would have to have some motivation to do this unless required to do so.

**Bob Nutsch:** That would be my understanding.

**Representative Skarphol:** As government do we make requirements on the private sector that would cause them to have to furnish information to the GIS. Do we require pipeline routes to be registered on the GIS or do they only have to go to one call?

**Bob Nutsch:** Pipelines have come up several times. The first thing would be the security; the locations of those. Then would be the confidential aspect; trying to protect the company's assets. In terms of the GIS hub being part of the agency, we work with the agency to acquire that data and make it available. However, if we were to make it available, the first question would be is if it's public or confidential. We leave it up to the agency to put data together.

**Representative Skarphol:** What you provide is a service to both the public sector and the private sector without a lot of enforcement abilities to ensure all information might be available. If it's there it's available free of charge.

**Bob Nutsch:** That's correct. We're a partner with the agencies.

**Representative Skarphol:** And the private sector.

**Bob Nutsch:** The private sector through the agencies. If a private sector organization came and asked us to put together data and make it available, I would try to do that; but I would always defer to the agency responsible for that sort of data.

**Representative Boehning:** The EMS system in the state has access to a certain point. When are they alerted that something is going on? Do they have access to that 100% of the time?

**Bob Nutsch:** That sort of data we don't have on the hub.

**Representative Boehning:** We're putting all these gas lines and oil lines; how soon do they get you that information? Is it just when the company decides to give it to you? Do we have something in law that says they have to have it to you within 6 months?

**Bob Nutsch:** That's an example of leaving it up to the agency. Our general public data sets vary from irregular updates to nightly updates.

**Representative Hogan:** I'm curious with how you work with local political subdivisions. I know they're doing a lot of GIS work and is it plugged into the statewide system.

**Bob Nutsch:** It varies. Some of local subs have GIS resources, sometimes they have none, sometimes they have quite good. In all cases, as a committee, we try to work with those people.

**Representative Glassheim:** Do you know if the GIS system has oil spills and barrels of spills, where they are and can it be mapped?

**Bob Nutsch:** When I look at some sites; I think we can map that. We always leave it up to the agency; they are the authority and they have mandates that they can and can't do certain things.

**Representative Glassheim:** It is available to the public?

**Bob Nutsch:** That's correct.

**Representative Vigesaa:** Do you keep track of how often the hub is accessed? Are there any pieces of information that you could charge a nominal fee for obtaining that information?

**Bob Nutsch:** I do track that and it varies. Last year we averaged over 1,100 downloads per month. Toward the end of last year we were averaging a little over 2 million hits per month and that growth has been going up.

**Representative Vigesaa:** The nominal fee for accessing some of that data?

**Bob Nutsch:** No we don't. We've talked about it at times, for cost recovery. There are a number of reasons for that. Studies have shown that the cost it takes to take publicly created data and create systems and subscription service; to sell that data doesn't recoup those initial costs.

Bob Nutsch continued with his testimony.

**Representative Skarphol:** Is that's required by the agriculture department of people that have bees; that they provide the information to the agriculture department?

**Bob Nutsch:** I believe it is. I believe it is one of their requirements.

**Representative Skarphol:** Does a bee keeper enter it into a program that the agriculture department provides so it automatically gets transferred to this map?

**Bob Nutsch:** I would need to verify this answer to be sure. When I was in a meeting with them last December, it sounded like they were moving more towards an electronic system. The majority of them are still paper based and they get that information to the department of agriculture and then someone types that information in.

**Chairman Thoreson:** I'm looking in the area of the Standing Rock Tribe and I only see a couple of spots. How do we work with the sovereign nations on getting information? Is that entered into this database? How do we gather overall information in those areas?

**Bob Nutsch:** It's very much like the political sub question. Some of the tribes have GIS resources; some don't. Typically, we don't work real closely with them.

**Chairman Thoreson:** It stood out because there was heavy concentration in that area and then it just disappears.

**Bob Nutsch:** Often times in that case we might get those from another entity.

**Chairman Thoreson:** Recessed the discussion.

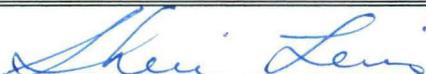
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
1/21/2015  
Recording Job# 22269

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachment A.

**Chairman Thoreson:** Reopened the hearing on HB1021.

**Sheldon Wolf, Health Information Technology Director, Information Technology Department:** Explained SB2160 and how it applies to the budget for the Information Technology Department. See attachment A.

**Chairman Thoreson:** Would there be an interface for the general public to access this or would it just be agencies and other governmental organizations?

**Sheldon Wolf:** If there would be something beneficial for people to see, maybe we could put those type of things in there once you're able to gather that information. We also have to bring in the HIPPA rules.

**Chairman Thoreson:** The biggest thing with this would be patient confidentiality; with HIPPA and the Affordable Care Act reporting requirements. What would there be on here to ensure that someone isn't accessing our health records?

**Sheldon Wolf:** You would want to have everything at a very high rolled up level; it couldn't be on an individual basis.

**Representative Boehning:** Could I say that I don't want to be in this system? Could I be exempted?

**Sheldon Wolf:** We're at a very high level with this. Our main goal in the next 2 years is to take it out and study. There needs to be a way for people to opt out of research.

**Representative Boehning:** You have patient care and schools in there. If one of these kids were my student and he was ADH' that information is going to be out there?

**Sheldon Wolf:** Those types of things would be out there and that's one of the conversations we need to have as how to make sure we secure that data.

**Representative Boehning:** I don't know who in the school would have access to that but are they going to have access to other students and schools?

**Sheldon Wolf:** They would have access but they would have rolled up data; not data on an individual person. SCR4012 deals with studying privacy and security.

**Chairman Thoreson:** SCR4012.

**Sheldon Wolf:** That's correct.

Sheldon Wolf continued with his testimony.

**Chairman Thoreson:** So SB2160 is the gearing up portion?

**Sheldon Wolf:** That's correct.

**Representative Boehning:** I think that the people who want to know the information should be paying for it.

**Sheldon Wolf:** I think that's a good idea, we could definitely include that in our RFP.

**Representative Boehning:** This could be a \$20 million per biennium program.

**Sheldon Wolf:** It could be depending on how far you want to go with it.

**Representative Skarphol:** I agree with you for the most part. My favorite show is "Person of Interest" and it gets a little scary when we're creating all these hubs and all this information is being collected in central points.

**Sheldon Wolf:** There are a lot of people that have that same thinking; in thinking about it and that's why we really need to do a study around health care data.

**Representative Skarphol:** With everyone carrying a cell phone with GIS in it; I don't believe that exists anymore.

**Chairman Thoreson:** I'm not sure that we'll ever get back to that point. Do other entities, states, federal government; do they have anything similar to this that you're aware of? If so, have we gone down the path of looking at how they do things to protect privacy?

**Sheldon Wolf:** There are states that are starting it. Maryland is starting to look at it, Colorado is having some conversations around it. There are states that are looking to do

similar type of things. We would do an RFP to bring in an expert in this area and pull that information in from what other states are doing.

**Chairman Thoreson:** Once this would be up and going. We're not hearing this bill but talking about the points that would affect this budget. There's another \$1.9 million that would help get this if it's approved as is. Is that for any FTE or staff time? What commitment of people will this take if we do go forward with this program?

**Sheldon Wolf:** This is a starting point to it. For salaries and fringes we were looking at 3 FTE; one to start 2 years into the biennium; and then 2 after that to start looking to pull information together. \$500,000.00 would be for the consultant; which would be to complete that strategic and operational plan and then \$204,000.00 for research of the rules and regulations and data sharing agreements we may need to have.

**Chairman Thoreson:** On the top of page 3 under subsection 5 it says the health information hub office may solicit and receive monies from public and private sources. You could accept donations to this?

**Sheldon Wolf:** We could accept donations.

**Chairman Thoreson:** Would that be from industry? Where would these dollars come from?

**Sheldon Wolf:** It could be any of those sources. It could be private funds or federal funds.

**Chairman Thoreson:** Why was that language included in the bill?

**Sheldon Wolf:** I included it as it was the same the information exchange piece that's in there; so that if the funds become available, they would be available for us to be able to use.

**Chairman Thoreson:** A health information exchange is not the same as a health exchange? So this couldn't be used or converted into something to market health insurance?

**Sheldon Wolf:** This has nothing to do with the health benefit exchange at all.

**Chairman Thoreson:** Has this bill been heard?

**Sheldon Wolf:** It's been heard in Senate human services.

**Chairman Thoreson:** They're working on it at this time?

**Sheldon Wolf:** They're working on it at this time. There were 2 changes to the bill; there was a little changing of the confidentiality. There was a question regarding there's no FTE authority in there.

**Chairman Thoreson:** If it gets a favorable recommendation there, I'm guessing the next stop is Senate appropriations.

**Sheldon Wolf:** Yes.

**Representative Boehning:** You're going to have to look at a way to alert the public; that we opt out unless we opt in.

**Sheldon Wolf:** I think it's the opposite of what you have just said; where you're opted in until you opt out. That is something we need to have some conversations about as we move forward.

**Representative Boehning:** If it comes to the committee, I think there may be an amendment.

**Sheldon Wolf:** That's why we brought it here.

**Mike Ressler:** Explained SB2051.

**Mike Ressler:** Explained HB1053.

**Chairman Thoreson:** The study that you referenced, is that linked on the website?

**Sean Smith, Fiscal Analyst, ND Legislative Council:** It should be on our website.

**Representative Glasheim:** Tell me again on this fiscal note?

**Mike Ressler:** Explained the fiscal note to HB1053.

**Representative Glasheim:** On the \$6.1 million that all goes away?

**Mike Ressler:** Most of that goes away because it includes the \$4.2 million. The reason it does is that ITD has to be able to receive the \$4.2 million that's given to the agencies. It's called special funds on our side.

**Representative Glasheim:** So the \$1.9 million difference is real money?

**Mike Ressler:** One half of it is real money; because there are other funds the agencies have. You also have to match those funds on ITD's side.

**Representative Boehning:** Can you give us a breakdown of how many devices this will be? Will that include printers, fax machines, etc? What's the list out there and how many in each agency?

**Mike Ressler:** The only research we did was on the 10 agencies that asked. We determined that for every 250 people in an agency; we would need a desktop support person. We used that information to calculate the fiscal note. If you add all 29 agencies on this list, it's 1,700 people. Some people don't have a device; and other people have 2

devices. We'd roll it out one agency at a time. So for these 10 agencies that are interested, we're going to pick one of these agencies.

**Representative Boehning:** You're looking at how many FTE/s for this project?

**Mike Ressler:** We asked for 2 FTE's for those 10 agencies that are included in the governor's budget. In the event these other 19 would get included, the fiscal note includes 4 more people; so a total of 6 to do the service.

**Representative Boehning:** Not all of these agencies are in the tower are they?

**Mike Ressler:** That's correct.

**Representative Boehning:** If I need someone to take a look at my desktop, how long am I going to have to wait if I'm working on the weekend and I need to get something done?

**Mike Ressler:** Those are questions we have to work through and a lot of this stuff we can do remotely. Part of what's included in this rate is the software that you put on in the monitoring software; so that much of this you can fix without physically touching the computer.

**Representative Boehning:** The 2 FTE's are new FTE's but do you have other staff that will be backing them up? Is that going to be integrated into the whole department?

**Mike Ressler:** Absolutely. We currently have 4 staff today that maintain ITD, the department of agriculture and the secretary of state.

**Representative Boehning:** You said it was agriculture and secretary of state for which you already have 4 people?

**Mike Ressler:** We are providing the desktop services and we currently have 4 FTE's that maintain ITD as well as those 2 agencies.

**Representative Skarphol:** For every 250 employees you need 1 FTE?

**Mike Ressler:** Correct.

**Representative Hogan:** Why is the secretary of state both places?

**Mike Ressler:** Today in our pilot billing, we billed only for the people component. They didn't follow our billing instructions; this was the remaining portion. We estimate a laptop would cost \$100.00/month per laptop. Roughly, the FTE portion is all they put in their budget; so they would have to add the other portion.

**Representative Hogan:** So that would need to be corrected by us.

**Mike Ressler:** I don't know if the secretary of state is asking for that.

**Representative Glassheim:** HB1053 is really opposed by the governor; because this is a mandatory inclusion.

**Mike Ressler:** He did not include it in his budget. He included the 10 agencies listed above; but, did not include the 19 listed below.

**Representative Glassheim:** Have these other agencies been contacted? Do we know if they do or don't want to be included?

**Mike Ressler:** I was at the hearing and most of them were not interested in investing in this service; primarily because of the dollars.

**Representative Skarphol:** With the fiscal note and Lori's analysis, these entities had some cost that they incurred to contract with someone to provide these services. Can we get an idea of what that amounted to by agency?

**Becky Deichert, Fiscal Analyst, Office of Management and Budget:** In the agencies that I had, we took into account their expenses they already had in there and decreased the request by that amount.

**Mike Ressler:** There is a correction on page 2 line 14; under one-time funding descriptions, for 2015-2017 it shows \$8 million and that should be \$4.5 million. Then line 16 where it talks about the less estimated income; the \$3.5 million should be removed. Then line 15 would have to be adjusted accordingly by \$3.5 million.

**Representative Skarphol:** Line 23 on page 1 is going to go away and so is line 10 on page 2; are they not?

**Chairman Thoreson:** It's going to come out of here. When we work on this bill we'll have to get an amendment to remove that. You're right in the end.

**Representative Skarphol:** That will change that \$6.5 million.

**Chairman Thoreson:** So all these numbers are going to change.

**Mike Ressler:** I was thinking there was going to be a separate bill to do that in. I haven't seen a separate bill that does that.

**Chairman Thoreson:** That's what I'm wondering. Tom Trenbeath had said that the Senate had that; but I don't know that it's in SB2003.

**Mike Ressler:** It's not.

**Chairman Thoreson:** We're going to watch this and we'll get amendments ready when we work on the bill.

**Mike Ressler:** There are two more bills and they are HB1453 and HB1461.

**Chairman Thoreson:** Let's get those so we'll have them at that time.

**Mike Ressler:** There talking about what you can collect for data. Those two bills address that and they start saying exactly what data you can collect.

**Chairman Thoreson:** Closed the discussion.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
1/28/2015  
Recording Job# 22690

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachment A

**Chairman Thoreson:** Opened the discussion on HB1021.

**Mike Ressler, CIO, ND Information Technology Department:** Made introductions for topics to be discussed.

**Duane Schell, Director of Network Service, ND Information Technology Department:** See attachment A.

**Chairman Thoreson:** Were grants given to other entities; such as localities or different levels government or just at the state level?

**Duane Schell:** The grants were given at the state level on behalf of the state. We are representing the state as a whole.

**Chairman Thoreson:** Were this the same type of grant that other states and territories were awarded or were there different levels or different types of grants?

**Duane Schell:** Every state and territory received a very similar grant. The grant guidance had the types of things that we're doing were all delineated in the grant application. The dollar amount was what varied. I believe they did the grant sizing in terms of dollars were predicated on size and demographic.

**Chairman Thoreson:** So neighboring states of similar sizes they had a similar thing if they were to apply?

**Duane Schell:** Correct:

**Chairman Thoreson:** Was that data shared amongst states once they implemented what the grant was to be used for?

**Duane Schell:** Yes. There is a number of consortiums that are existing and coming out of just relationships; one of them is the western states alliance that we're referring to ourselves as. We've been active in that and there are about 12 states that are actively participating in information sharing amongst those states. There are also the regional FEMA territories that the FirstNet authority is looking at in terms of alliances.

Duane Schell continued with his presentation.

**Vice Chairman Brandenburg:** Are the different agencies talking about the cost of this? I'm hearing different costs for this anywhere from \$80 million to \$150 million to take this infrastructure and fix it up. Where are we at with that?

**Duane Schell:** I suspect you're talking about the radio network?

**Vice Chairman Brandenburg:** Yes. The system that they have needs to be talked about because this is a big cost. What's the right way to do it? Are you involved with it?

**Duane Schell:** FirstNet is not the same as land mobilization. I represent Mr. Ressler as his designee on the SIEC. The SIEC has the commission to study reviewing our radio networks. We did actively participate in that effort. The result of that study is back and there is a need to augment that radio network. My understanding is that topic is attached to the department of emergency services budget bill.

**Vice Chairman Brandenburg:** You're a part of that I would suspect.

**Duane Schell:** Yes. We have been very actively involved in that study. We leveraged our relationship with Televate to assist in commissioning the study and review of that radio infrastructure.

**Vice Chairman Brandenburg:** Emergency management is taking the lead on it right now?

**Duane Schell:** SIEC is taking the lead on that. The SIEC is that inner-operability board that represents all of the public safety entities. General Sprynczynatyk chairs that board.

**Vice Chairman Brandenburg:** If we could have a list of that board.

**Representative Skarphol:** I think we would like to see a flow chart of the entities participating in this. What I understand is that your work is in the area of providing the data system for these entities to work on and have a highly effective and efficient one. I think Representative Brandenburg is talking about is a radio communications between these entities that are simultaneous with this. How does that all tie together?

**Duane Schell:** That's something we can do as a brief overview. The FirstNet project is a data network; it will have voice capabilities, but it's primarily geared as a data network.

Land mobile radio is there voice communications system. They are 2 separate projects; we're involved with both of those.

**Representative Skarphol:** In addition on that flow chart, could you give us a dollar amount that are in various budgets that would influence the outcome of this project?

**Duane Schell:** We can certainly do that

**Chairman Thoreson:** On FirstNet this will be an additional carrier choice to those who might use it; correct? Are you going to be building out a network of your own towers and sites to provide the data or are you going to be buying bulk from one of the existing providers and using that as your backbone? Is that yet to be determined?

**Duane Schell:** That's yet to be determined. The federal statute and all the conversation that is happening is all highly predicated on partnering.

**Chairman Thoreson:** If you're going to be providing this is it going to be limited to these entities or could a private sector business or individual have this as a choice.

**Duane Schell:** The definition in statute is limited to public safety. North Dakota has an opportunity to divine what that means. There are some very clear answers to the obvious public safety customers. The challenge becomes these ancillary that assessed how we would allow them on the network when they're assisting in public safety events.

**Chairman Thoreson:** If I'm a business providing coverage in an area where service is poor from the carriers that we have now, if there are guidelines they're going to have to be defined. Will this, if it is a separate entity, fall under FCC title 2 regulation like a common carrier?

**Duane Schell:** There's nothing I'm aware of that would exempt this entity from all the regulatory entities that carriers have to abide by.

**Representative Skarphol:** If I'm correct you're 100% grant funded with federal dollars. Is that a correct assumption?

**Duane Schell:** The grant was designed as an 80/20 match. We are fulfilling our 20% match based on people's time. Our match has been fulfilled on time donated by the local community and all the members of public safety as they've been participating in these events.

**Representative Skarphol:** With so many things that we do in federal government; are you paralleling any other effort that has fallen short of what we'd like to see happening? If so, what point in time will we recognize that this is more costly than we want to go forward with? When does the decision have to be made to move forward or abandon the project?

**Duane Schell:** The system is intended to be designed as a fee for service. Since it is a fee for service model and no one is being forced to use it. North Dakota could have the opportunity of allowing FirstNet to leverage some of those assets. What those assets are

yet we're not sure. We should be wrapping up most of our planning activities for North Dakota by spring of this year; all of that information will be provided to FirstNet. The 56 states and territories are doing the same things. They'll already working on designs based on assumed criteria. At some point they will be giving us a plan. We can actively choose to participate in what that plan is, we can chose to be a passive bystander; there is an option to opt out. There are strings attached to opting out; the state of North Dakota would have to come up with an alternative plan.

**Representative Skarphol:** You said we do have the opportunity to opt out but it's difficult because we have to build our own. You're saying because of the fact we took the grant we are committed to something.

**Duane Schell:** I don't envision a scenario where they'll force us into any financial or resource obligation. They could present an option where we could augment the network.

**Representative Boehning:** Do you have an idea of how many devices you would be servicing?

**Duane Schell:** I do have that number; I can get that to you. The radio network is somewhere in the neighborhood of 17,000 devices.

Duane Schell continued with his presentation.

**Vice Chairman Brandenburg:** Why as they work on this technology have they taken the ability for the phone and made it less strength and power. I know it was to track and find you. Why has the technology gone backward?

**Duane Schell:** The bag phone technology did have more power. Many folks in law enforcement have boosters that emulate that capability. In hand held devices there are primarily two factors for why they are the way they are. The first one is battery life; those boosters take a lot more power. The other part is the radiation and the concerns over radiation levels in these devices.

**Vice Chairman Brandenburg:** Is that why they it may impact your brain cells?

**Duane Schell:** Yes.

**Chairman Thoreson:** There was a switch from analog to digital to free up spectrum. That's one of the reasons the old phones were phased out by the FCC.

**Duane Schell:** Part of that was the analog/digital conversion. Most of those decisions are about band width utilization; which is a very high premium asset.

**Chairman Thoreson:** But the other people that still had the bag phones were still able to get a signal for a while; but then they shut down the analog side of it.

**Duane Schell:** The changes have all happened as part of technology; part of it is power, part of it's the analog/digital conversion, part of it is the frequencies that they have evolved to over time. Today's 4G networks are all running in the 700 megahertz spectrum.

**Chairman Thoreson:** In a situation like this if FirstNet is in place; and it's for the emergency responders, if someone came forward and said it's a public safety issue to myself because I don't have service with the traditional carriers, could a case be made that it would be something that you would allow them onto the network?

**Duane Schell:** It's something that's certainly been debated. One area that has been talked about is the life safety aspect of it. No decision has been made but there is a lot of debate about allowing 911 from anybody to roam over to this network.

**Representative Boehning:** Do you have a rough cost estimate of how much this is going to cost?

**Duane Schell:** The FirstNet authority has been given \$7 billion to start this network. There are a number of people that have tried to put together estimates. The commercial carriers claim that they hundreds of billions of dollars to build their networks. Any number I gave you would be a guess.

**Representative Boehning:** So you don't have any guess for what it would cost us?

**Duane Schell:** In terms of building an LTE network on our own; I have not gone through that excise to do that ourselves.

**Representative Skarphol:** Since this is voluntary on the part of those entities that could take advantage of it, if they don't take advantage of it, what are they going to use?

**Duane Schell:** They'll continue on doing what they're doing today. There are folks because of their budgets are choosing not to; but it is a popular service in the public safety community today. The problem we're trying to solve is improving the service that they have and making it more reliable.

**Representative Boehning:** Is there a way that we can work with Verizon or AT&T if there's an emergency that they could slow down or push those people off the network and give you guys priority without having to build a whole new system?

**Duane Schell:** That was debated heavily for a number of years leading up to this. The commercial carriers don't have a lot of interest in doing that. Part of it is the technology restriction and part of it is the spectrum and the way wireless networks work. With the technology today you need to have that dedicated spectrum; and spectrum is at a premium. Most of the carriers today don't have a lot of spectrum that they'd be willing to give up.

**Representative Boehning:** Wouldn't it be better for them to work with you so they wouldn't lose their revenue and would cost us less?

**Duane Schell:** That is the carrot that's out there in terms of this public/private partnership. FirstNet has the band width, spectrum, and defined customer base. The hope is to bring the carriers to the table with FirstNet to develop that public/private partnership.

**Vice Chairman Brandenburg:** If we worked with public policy and some law changes; instead of getting pictures of my grandkids I might get them a little later; and you'd have more room for EMS situations? Is that what I'm understanding with the discussion we're having?

**Duane Schell:** I think that's the path we're on with a public/private partnership; FirstNet owning that spectrum, the band width will be there, the carriers would likely own and operate a lot of the equipment and that's a viable business model that would seem attractive and affordable to the public safety community.

**Representative Skarphol:** If I'm understanding some of the discussions at the federal level, in regard to the utilization of the internet for downloading massive amounts; they have a desire to be able to charge different rates for that utilization vs normal utilization. That's being resisted on the part of the current administration. If there were that capability to have varying rates and priorities it may enable something other than what is being proposed today. Is that correct?

**Duane Schell:** What you're referring to is the concept of net neutrality. Most of that discussion is surrounding the wired networks.

**Represent Skarphol:** Surrounding wired?

**Duane Schell:** The fiber networks. The debate is whether or not the internet should be free and open or if business have the ability to have tiered offerings. Those types of concepts can apply to the wireless networks as well. The ability to manage priority with the wired networks is easier than it is in a wireless network; the physics around wireless spectrum, etc. isn't as clean as it is on a wired network.

**Mike Ressler:** I don't believe there were any strings attached; meaning the opt in/opt out was going to be a requirement of each state and territory; whether or not you accepted any federal funds.

**Representative Skarphol:** If the opting out is difficult, there are strings attached. If there were no strings attached, it wouldn't be difficult; you could merely opt out. The opting out must have some parameter's that have to be met. Is that correct?

**Mike Ressler:** My point that I wanted to make had nothing to do with receiving with receiving the funds. If we would have said we didn't want the grant funds, the rules were the same for us whether or not we took the money.

**Representative Skarphol:** In order for the opt out not to be difficult, could we repay the federal dollars and be done?

**Duane Schell:** We have 3 options. The opt out does obligate you to some things. The one where you wouldn't be obligated is the middle tier; so you can actively participate in building it or opting out. The middle tier is to do nothing; and let them build it and not have a whole lot of input in it; that's the one where there are zero strings attached.

**Representative Kempenich:** You have net neutrality; the FCC's going to rule on that? Are you following that?

**Duane Schell:** We are following that, there is a ruling forthcoming. This has been a discussion going on for many years. I don't see that conversation ending any time soon.

**Rob Kaspari,** Director, EduTech: See attachment A.

**Chairman Thoreson:** Any idea why it was moved into SB2013?

**Rob Kaspari:** I think it was to make it a little cleaner designation vs a fraction of the per pupil payment.

**Chairman Thoreson:** Do you know the amount in that line item in SB2013?

**Rob Kaspari:** It's about \$6 million.

Rob Kaspari continued with his testimony.

**Chairman Thoreson:** What are the state and federal reports? Are they outside of the scope that you show there?

**Rob Kaspari:** Schools have to report different data sets to the federal government; whether it's for civil rights or reduced lunch counts.

**Chairman Thoreson:** This doesn't go to the department of education; does it go to other federal entities also?

**Rob Kaspari:** It's for the state; there are some reports to the federal government.

**Chairman Thoreson:** Who in the federal government receives them? Does it just go to the department of education or other federal entities that might be picking up information from that?

**Rob Kaspari:** The office of civil rights receives reports on occasion.

**Chairman Thoreson:** To what level is the information? Is it down to specific names of students or is it just generalizations? I've had questions from constituents about this and the concerns of privacy and what information is being reported on children to various government entities.

**Rob Kaspari:** It's more aggregate data. It wouldn't necessarily drill down to student names.

**Representative Skarphol:** Could you provide us with a list of what federal entities receive information from there?

**Rob Kaspari:** Yes, I can provide that for you.

**Representative Skarphol:** Can you also give us an idea of what a federal entity asks for, receives and what's required to be provided?

**Rob Kaspari:** Yes, we can do that.

**Lisa Feldner, Chairman, Longitudinal Data System:** Power School data just goes to the state. The department of public instruction does federal reporting; not Power School, not EduTech and not the SLDS. The data belongs to the schools and they report it to DPI.

**Chairman Thoreson:** From the district level it's their data?

**Lisa Feldner:** It's their data; it doesn't belong to ITD at all. It's only reported what DPI is required to report to federal agencies; and it's from their system not from Power School. The data originates in Power School; but I don't want you to get the idea that either the SLDS or Power School directly sends information off to the federal government.

**Representative Skarphol:** I think we'd still like the information that's provided to the federal government; and you can indicate the source of that information.

**Chairman Thoreson:** It is something that's coming up more and more often. I just want to make sure we have the right information to go back and answer when questions come.

**Lisa Feldner:** One of things that we hear is that parents think this data is in the cloud somewhere. Power School is in the data center, the SLDS is there, STARS is there, the data warehouses for Job Service and sooner higher education is there. That data never leaves and goes out in the cloud.

**Chairman Thoreson:** It's good to have a breakdown. It's good information to say there's a firewall to prevent them from getting that information.

**Vice Chairman Brandenburg:** I see the positive of Power School; but, my concern is if a student is having trouble at some point and this information is being shared sometime later in their life this information will be made available to colleges or employment.

**Lisa Feldner:** We don't want that to happen either. The data belongs to the school district and that's who owns it. When we do these research things on remediation, that data is never released identifiably. The only people who see identifiable data are the school districts and DPI.

**Representative Skarphol:** Do the powers that be that house this data, do they have any idea if there attempted hacks of that data? If so, can you tell us the frequency?

**Lisa Feldner:** That would be an ITD question.

**Dan Sipes, Deputy CIO, Information Technology Department:** That's why we put security measures around that to try and prevent that. We have different security measures for different systems. We know people are trying to get at our data center; but, I wouldn't see a specific attempt against Power School.

**Representative Skarphol:** It's to give reassurance to the public if there is some reliable information that it is being more than adequately protected.

**Dan Sipes:** We do undergo audits on a regular basis that look at the controls that we have in place, do we best practices in place, do we have the proper monitoring tools, intrusion detection, intrusion prevention, firewalls, etc.

Rob Kaspari continued with his testimony.

**Chairman Thorseon:** In that middle column where it says schools may collect; is that optional information?

**Rob Kaspari:** Yes it is.

**Chairman Thoreson:** Do you have any idea of how many of the Power School users or districts are using those fields?

**Rob Kaspari:** No I don't know.

**Chairman Thoreson:** The "opt out" information; people have a choice to opt out of the information?

**Rob Kaspari:** I believe it's a data field for directory information that you could keep track of which students parents would request their student information to "opted out".

**Tracy Korsmo, Statewide longitudinal Data System:** The 'opt out' indicators are really used internally by the school districts; they'll create different "opt outs". We do have an "opt out" of NDUS reporting. By statute all 10<sup>th</sup> and 11<sup>th</sup> graders need to be reported to the university system; we do allow them to "opt out" of reporting that through the SLDS. There's a few more "opt out" indicators but it's mostly local "opt outs".

**Chairman Thoreson:** It's not pertaining to opting out of the fields above in that column?

**Tracy Korsmo:** No. It has nothing do with that.

**Chairman Thoreson:** Say I don't want to list who my dentist is or any of those things. Do you have the ability to "opt out" under this system?

**Tracy Korsmo:** When it comes to fields like that, if the parents don't answer the questions, it's not going to be in there.

**Representative Kempenich:** Power School is being funded through the DPI budget?

**Rob Kaspari:** That's correct.

**Representative Kempenich:** There's \$4.9 million still sitting in ITD.

**Mike Ressler:** The funding is actually in DPI; but ITD bills DPI for that service. This is where that money passes from one agency to another.

**Representative Kempenich:** How come there's over \$1 million between what's in the budget and what you're reporting?

**Dan Sipes:** I believe the way the funding was derived last biennium was as a foundation aid and so they were trying to set aside the same money. Last biennium we had a disaster recovery expenditure that was higher. So as we projected our current expenses in our budget, it looks to be a little less. I think they were just taking for the formula that they had set aside in foundation aid last time; and setting it aside in a slightly different format in their budget.

**Chairman Thoreson:** Recessed the discussion.

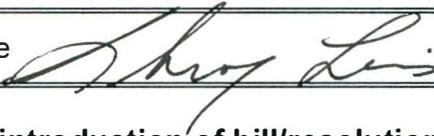
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
1/28/2015  
Recording Job# 22706

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachments A through E

**Chairman Thoreson:** Reopened the discussion on HB1021.

**Dan Sipes:** See attachment B and C.

**Representative Kempenich:** Do you have breakdowns of the special funds of the other agencies?

**Dan Sipes:** We don't have it by agency. Where you see the fund 780, about 1/3 will come from general funds from other agencies, 1/3 will come from federal funds from other agencies and 1/3 will come from special funds.

**Representative Skarphol:** The duplicative monies like the \$4.9 million that Representative Kempenich mentioned earlier, is duplicated in the K-12 budget. Is that a correct statement?

**Adam Mathiak, Fiscal Analyst, ND Legislative Council:** In general with the way ITD's budget works the funding is in the agency budget and then it also shows up in ITD's budget. So there is some duplication.

**Representative Skarphol:** When we look at the total budget number of all of the budgets, when we add it all up, some of the numbers are in two different budgets and therefore reflected twice. Is that a correct statement?

**Adam Mathiak:** That would be correct.

**Representative Skarphol:** Can legislative council put together a report that would tell us what duplicated dollars are in the ITD budget and where they exist in what other budget? Can you show us the dollars that are in the ITD budgets by bill number?

**Lori Laschkewitch, Fiscal Analyst, Office of Management and Budget:** The only thing we could pull is the amounts requested in the budgets in the IT account codes. It's not a perfect number. If an agency budgeted for IT contractual services, we don't know if they're going to end up contracting with an outside vendor or if they're going to be contracting with ITD. The ITD data processing for the most part would be paid to ITD.

**Representative Skarphol:** If the number for Power School in the ITD budget is \$4.9 million, and the number reflected in the K-12 budget is \$6 million; I don't care. Then I can ask what the difference is. Too often if there are numbers in two different budgets we don't recognize that unless we have both budgets.

**Lori Laschkewitch:** As far as reconciling it with the ITD budget, ITD isn't going to have a breakout of what they're expecting to get from each of those agencies. I don't think it's possible since ITD doesn't have any idea who their money is going to come from.

**Vice Chairman Brandenburg:** Is there a way that OMB can track that so that we can look at it?

**Lori Laschkewitch:** I think it's a long time thought that has been on people's mind; because DOT, for example, you're going to appropriate that general fund transfer to somebody's budget and DOT is going to have a special fund appropriation to spend that money.

**Representative Boehning:** I've seen other committees that with IT their budgets are intertwined. Would it be possible to put all IT money in IT and if the agency wants to contract separately, they would do the negotiations the money would come out of the ITD budget instead of these separate funds?

**Mike Ressler:** That conversation came up years ago. When they made that change and put the money in the agencies, it put it on the agency to justify things. We're not in the best position to decide if they need a particular service. My opinion would be based on history, it's best to put the money in the agencies and make them responsible if they need it.

**Lori Laschkewitch:** In addition to what Mike said, it doesn't give us the opportunity to capture federal and special funds. If we put it all in ITD's budget, the whole amount would have to be general funds; because we have no way of taking federal funds and allocating them to ITD without actual expenditures. It's a lot more expensive to the state if we have everything centralized. It can only be used with general funds.

**Representative Glassheim:** I see in this list for ITD the code for special fund expenditures is 780. Why couldn't you track where things come into 780 from other agencies?

**Lori Laschkewitch:** I believe when agencies pay their bill to ITD, they don't have to identify the source of their funds. They get a bill and transfer that money to ITD. ITD has no idea whether they use 70% federal funds, 20% special funds.

**Representative Glassheim:** They don't know what agency it comes from?

**Lori Laschkewitch:** They know what agency it came from, they just don't what the funding mix of that agency used to spend that money.

**Representative Glassheim:** You could break it out to know what agencies are consistent.

**Dan Sipes:** From a backwards looking perspective we know the revenue that we've generated in the past and the agencies it's come from. We again don't know the funding source. What we don't know is who is going to buy our services in the future.

**Representative Glassheim:** So some of your budget is speculative and if you don't get it, you don't spend it. You can only do it retrospectively; but, not for next year's budget.

**Dan Sipes:** Yes.

**Al Peterson, Director, Center of Distance Education:** See attachment A, D, E.

**Chairman Thoreson:** How much longer will that take place?

**Al Peterson:** We're in the phase down right now. We'll announce that in two years it won't exist.

**Chairman Thoreson:** Does it generate revenue?

**Al Peterson:** It generates revenue.

**Chairman Thoreson:** Will that revenue go away with the program? Will you need to find other funding sources?

**Al Peterson:** Yes. It is being replaced. Right now we are moving some of those entities.

Al Peterson continued with his testimony.

**Representative Boehning:** Do the teachers use their school prep work that they use for their classroom at the high school they're teaching at? How does that part work?

**Al Peterson:** Our teachers are full time to us. There are some part-time teachers for us that are full-time at a school. It's a mix. Many of our part-time teachers are retired teachers; but the full-time teachers that's their jobs.

**Representative Skarphol:** The diploma you issue, is it a GED or a normal high school diploma? The courses that you teach, is there a higher than average percentage of those courses that are advanced courses; as opposed to core classes?

**Al Peterson:** A lot of the students that come to us will ask for advanced classes and electives; but since we're a fully accredited school, we have core classes. The most enrollments went into our agricultural classes. We have about 25 different agricultural classes. Yes we do advanced placement courses. We did do credit courses; but since college can deliver them cheaper than we can, we don't get much business. It's a full diploma; and it's NCAA approved. Sometimes online schools don't go to the NCAA. The reason we do this is because we get kids that are in hockey and want to go to Division 1. If you're not NCAA approved, you don't get to go.

**Representative Vigesaa:** How is the data that you collect interfaced with Power School?

**Al Peterson:** The way our data is interfaced is none of our students are our own; except for the diploma program. They may not be from this state. With Power School, we're looked at as a sub-contractor; we have to get signoff's for each student so when we're done we're the teacher of record, but we send the transcript to the school. We don't keep that.

**Representative Vigesaa:** All of your curriculum is included in the Power School reporting though?

**Al Peterson:** Yes it is. Some schools do note it; that it came from us, some do not.

**Representative Kempenich:** Are the public schools accessible?

**Al Peterson:** Yes. Every school can access us. In the last 2 years, every school has used us for at least 1 course. We had 1,200 North Dakota enrollments for the 2009-2011 biennium. This next year we're predicting 12,000 enrollments.

**Representative Vigesaa:** The enhancement or adjustment for this current budget. Maybe you could elaborate a little on the increase requested for this biennium?

**Al Peterson:** The budget we came up with has basically 3 buckets. We have labor, we are going to have to buy courses and then we have fixed costs like rent, utilities, etc. Then we come up with a figure of what we need to replace. What you're seeing reflected there; that's how much it's going to take at present cost to students if we take on 12,000 students. Special funds for us are tuition and fees; because no one gets into our school free. It's less for North Dakota kids as we have had state funding so we can keep them at a reasonable price; out of state students pay full price.

**Mike Ressler:** As we get into SLDS, in our budget request 2015-2017; it's the \$10,033,401.00 and we broke that into categories. We're asking for 7 FTE's, there's an operations hosting and software, there are current contract development that are working on the infrastructure, as well as the one-time projects for \$4.5 million.

**Tracy Korsmo, SLDS Program Manager, ND Information Technology Department:**  
See attachment A

**Chairman Thoreson:** BI stands for?

**Tracy Korsmo:** Business Intelligence.

Tracy Korsmo continued with his testimony.

**Chairman Thoreson:** Is that something where it's funded in Job Service's budget to work on that also?

**Tracy Korsmo:** No.

**Chairman Thoreson:** You're just working in conjunction with them.

**Tracy Korsmo:** Yes.

**Chairman Thoreson:** What is the security and predicted analytics and visualization?

**Tracy Korsmo:** It's three things on one line. We're going to keep on working on security in the system. We're at 3,500 teachers and we expect that to double by the end of next year. We know that they're going to want more security rules, more auditing of their security and the ability for districts to manage their own security.

**Chairman Thoreson:** Who will provide the auditing of the security?

**Tracy Korsmo:** Anything that we can automate and make reports for, we will do so. I know there is a bill out there that's requiring us to do an annual audit. At that point, we'll have to determine what form of a security audit we want.

**Chairman Thoreson:** Who do you work with now? Do you work with outside security firms or do you have information you gather in that area?

**Tracy Korsmo:** Today we work with ITD's security infrastructure. We follow ITD's standards on all our technology. We're creating data sets and starting to use them. Predicted analytics is a new thing. As far as visualization, we're running short on graphics that put GIS on it. We'll be investing in data visualization technologies as well.

**Representative Kempenich:** What is the number; it shows \$4.5 million. What is your budget for this build out?

**Tracy Korsmo:** The one time funding for this next biennium is \$4.5 million. We were just notified that with the Workforce Reinvestment Act and Workforce Innovation and Opportunity Act.

**Chairman Thoreson:** These are federal programs I'm guessing?

**Tracy Korsmo:** Yes, they're run by job service. All their participants go to training providers. Job service contracts with those training providers which are Train ND, tribal colleges, privates/publics schools. The new reauthorization now requires that every participant be measured for outcomes, wages, type of job, or degrees/certificates. They require the training provider to do that. Job service is concerned about losing training providers. They will be working with us and offering that service to bring in private data into the SLDS so that we can perform those measures for them. Job service is going to sign up for Risk2; which is an interstate data exchange so they can find out where people are going out of state and what their wages are to meet these measurements.

**Representative Kempenich:** I guess that's what's driving your staffing?

**Tracy Korsmo:** We have one FTE for contractual resources.

**Representative Skarphol:** Is not ITD subject to an annual IT security audit by varying contractors? If so, do they pay special attention to the various divisions to ensure that all the implications that are possible might be addressed?

**Dan Sipes:** We are subject to a biannual audit on the security side and state auditor does it every 2 years. We do have other audits that come on specific programs by the federal government or possibly by a private auditor. When they do the general controls, they are looking across the width of our organization at the pervasive controls. We do have the opportunity to point them in the areas we think are the greatest risk.

Tracy Korsmo continued with his testimony.

**Chairman Thoreson:** So you said the student can use this to send their transcripts to any North Dakota institution. Did they have access to the system to do this or do they have go through somebody within the school to have them send those transcripts on their behalf?

**Tracy Korsmo:** There's a pilot program for student level access into their own transcript as well as the parent.

**Chairman Thoreson:** Do they have access to any other areas or just that portion?

**Tracy Korsmo:** That's what we want to expand on. The scholarship is based on the transcript level information. If we can start predicting that they are scholarship eligible, then we can bring that into the scholarship application.

Tracy Korsmo continued with his presentation.

**Representative Glassheim:** What else are you doing with the university with this \$4.5 million build out?

**Tracy Korsmo:** We're building warehouses for those environments. K-12 has their own warehouse. We're building a warehouse for the North Dakota university system. When those data sharing agreements are put in place, then the SLDS team works on the data

integration between those students; and determine needed remediation, and provide high school feedback reports.

**Representative Glassheim:** That would be at the K-12 level; but, will the university system use this as a basis for accepting or not accepting people?

**Tracy Korsmo:** No. College admission standards are based on the criteria of the North Dakota university system. This type of information would not be available to university admissions people. Projections of remediation on a high school student would not be available to North Dakota university system personnel.

**Representative Glassheim:** It would just help within their high school education?

**Tracy Korsmo:** Yes. At the student level it's going to the teacher saying we're predicting remediation on the student. It also allows the school administrator to evaluate their own programs and audit what they've been doing.

**Chairman Thoreson:** Closed the discussion.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
2/4/2015  
Recording Job# 23245

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Shirley L. L...*

## Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expense of the information technology department; and to provide for transfers.

## Minutes:

See attachment A.

**Chairman Thoreson:** Opened the discussion on HB1021.

**Mike Ressler, CIO, ND Information Technology Department:** See testimony attachment A.

**Chairman Thoreson:** That big number would possibly be over a period of time to do the whole project. Correct?

**Mike Ressler:** That link spreads it out over the biennium should the state wish to pursue that.

Mike Ressler continued with his presentation.

**Representative Boehning:** We were talking about \$160 million for upgrading the state radio operations. Why would we do that one and then work on the FirstNet? Could we do the FirstNet and don't do the other one?

**Mike Ressler:** It is two different initiatives. The \$160 million was the study that said we have a number of dead in the state of North Dakota. The bulk of the \$160 million is a lot of the radios; that you would have to replace. I believe the number of radios is 17,000. FirstNet's first attempt will be to address data connections; it won't do voice. I think it will be about 5 years or more before FirstNet replaces what we have today.

**Representative Skarphol:** Could you remind us why satellites can't do this?

**Mike Ressler:** There's a certain amount of data that you can upload and download. Today the technology isn't there.

Mike Ressler continued with his presentation.

**Chairman Thoreson:** Do the future devices number include the current devices or is that in addition to what is showing?

**Mike Ressler:** The future devices does include the current. They see themselves going from 2,600 smart phones to 3,100.

**Vice Chairman Brandenburg:** The \$5 million which is in the EMS budget and the \$2 million that's in your budget; is that going to fix the problem that we have today?

**Mike Ressler:** This won't address our problem. This won't put access to all the dead spots that exist today.

**Representative Boehning:** Was Sprint able to use the towers?

**Mike Ressler:** You're always using the cellular service these companies have or you're using the towers. We partner with the cell phone companies for law enforcement.

**Representative Boehning:** That was the technology that was out there. I don't know if anybody uses it anymore.

**Chairman Thoreson:** I'm not certain either.

**Dan Sipes, Deputy CIO, ND Information Technology Department:** Explained spend down report that was handed out at a previous meeting.

**Representative Skarphol:** Does council prepare the spend down reports that we've been seeing where it goes through the end of the year?

**Adam Mathiak, Fiscal Analyst, ND Legislative Council:** We don't prepare that. That's something that would be done in IBARS or PeopleSoft.

**Lori Laschkewitsch, Fiscal Analyst, Office of Management and Budget:** It sounds like it's something that maybe out of PeopleSoft.

**Representative Skarphol:** In the past we've seen spend down reports that showed where the agency was compared to what they were appropriated vs what they have actually spent.

**Lori Laschkewitsch:** I know there are several agencies that prepare that as a spreadsheet. There is a 75% rule where agencies aren't allowed to spend more than 75% of their salaries and operating lines in excess of the biennium.

**Vice Chairman Brandenburg:** Did those projects happen during that time of year and not biennium?

**Dan Sipes:** I would think yes on the special funds. I think in 2011-2013 there were some expenditures in relation to the HIT Program.

**Chairman Thorseon:** That was the health information technology?

**Dan Sipes:** Yes. Big projects can make our special funds move around quite a bit.

**Representative Skarphol:** On page 5 you have the education technology council. In column for 2013-2015 it has \$223,000.00 for expenditures; but the appropriation for the biennium was \$1.8 million. Why is it that they only spent \$223,000.00 in the first year of the biennium? Could you explain that as an example?

**Dan Sipes:** If you look at the education technology council there's a grants, benefits and claims; and if you look at column 4, you'll see the bulk of that budget; \$1.3 million for the 2013-2015 biennium is for grants, benefits and claims. In the first year of the biennium, most of the grants and claims haven't been handed out and you'll see a significant spend coming out of that in the second year of the biennium as they award the grants and claims.

**Representative Skarphol:** Why is it that the grants aren't given out; some in the first year and some in the second year? Why is it that way?

**Jody French, Director, Education Technology Council:** There are times that we study more and spend the money in the second year. We've been doing more studying on interactive television; that's something where the numbers fluctuate and change.

**Representative Kempenich:** Those grants are issued not so much by you but it's to the schools and then it comes through you?

**Dan Sipes:** These are general funded grants that the state appropriates with general funds and then Jody and her team set up the application criteria. The school is awarded, and it's based on a matching concept.

**Representative Kempenich:** These aren't grants going from DPI to schools? This is direct?

**Dan Sipes:** That's correct.

**Representative Kempenich:** Is there an initiative out there now that you're trying to identify?

**Dan Sipes:** There's a significant initiative out there to put more technology in the hands of students. There's an initiative to partner with schools to build up their wireless infrastructure and other technology infrastructure so they can better use technology in the hands of the students.

**Representative Skarphol:** Do the schools now have internet 2?

**Dan Sipes:** I believe that they now have internet 2.

**Representative Skarphol:** But they have to pay the cost associated with it?

**Jody French:** There's cooperation with the university system to use internet 2. It doesn't come as a cost to schools but it is an infrastructure change.

**Representative Boehning:** What is internet 2?

**Dan Sipes:** Internet 2 started out as a high speed band width network to get around the internet congestion. It started with higher education institutions for research and then it was expanded to include K-12.

**Representative Boehning:** What kind of speed are we talking about?

**Dan Sipes:** It would be gigabyte speeds if you can afford the network conductivity on your end.

**Representative Boehning:** On the first sheet, can you walk me through line 2?

**Dan Sipes:** Explained line 2 on the first sheet of his presentation.

**Representative Kempenich:** The statewide data system is a new initiative? Why the increase in that?

**Dan Sipes:** That would be the SLEDS initiative that we were talking about. That was funded in the past with about \$2 million of general funds; and then we had federal grants that were flowing through DPI to help with the build out of the SLEDS system. What we're asking for in the upcoming biennium related to SLEDS is the federal funding to roll that out will go away. That \$10 million is constituted of a \$5.5 million ongoing general fund appropriation and then a \$4.5 million one-time funding.

**Representative Kempenich:** Can you repeat that?

**Dan Sipes:** If we're looking at column 5 which is the change, of that change \$4.5 million is one-time; and \$3.5 million is ongoing. This will result in column 6 a total of \$5.5 million ongoing and \$4.5 million on-time funding which equals \$10 million.

**Representative Kempenich:** That's the \$1.93 million is how it's been put together in the past and you're keeping the percentages the same going forward with an increased amount.

**Dan Sipes:** That's correct.

**Representative Kempenich:** So that was pretty much all federal funding to start with?

**Dan Sipes:** The funds in our budget last biennium were all general funds and the federal funding was flowing through DPI.

**Representative Kempenich:** So everything is consolidated?

**Dan Sipes:** That's true.

**Representative Kempenich:** It just jumps out because it's a 427% increase.

**Dan Sipes:** Yes.

**Representative Skarphol:** Under the statewide data system; under contractual services there's an 11,656% increase to \$5.5 million from \$47,000.00.

**Dan Sipes:** I believe you're still looking at SLEDS; so I believe the change would have been the majority of the contractor dollars in 2013-2015 would not have been in our budget because they were federally funded and we would have used the federal grants from DPI. We expect to pay the contractors going forward should you choose to fund it out of our funds with general funds.

**Representative Skarphol:** You have about a \$1.5 million increase in software; is that part of SLEDS as well?

**Dan Sipes:** At this point in the SLEDS evolution we have not made a significant investment in the major software components. Most of it has been in the build out.

Dan Sipes continued with his presentation.

**Representative Skarphol:** Repeat the other fund numbers please.

**Dan Sipes:** Repeated the previous information.

**Representative Kempenich:** Is this duplicated? Is this \$5.5 million part of that or is it additional to that initiative?

**Dan Sipes:** If we're talking about SLEDS; in the current budget with the way we anticipated all those funds; they are only reflected one time in the entire state of North Dakota budget as general funds.

**Representative Skarphol:** During the last legislative session there was discussion about the help desk and the potential transfer of individuals from DPI to ITD. There was going to be a study between the two agencies. What were the conclusions of that?

**Mike Ressler:** I Bailey was the vendor that DPI hired to do the study. They made a couple of recommendations and one of them was a help desk. Today all calls go to the Edutech help desk. I Bailey had another recommendation around desktop support. We hired a consultant to look at what we should do with desktop support. When they looked at DPI, they recommended that DPI take their two desktop people and move those people to ITD.

**Representative Skarphol:** What's the best solution?

**Mike Ressler:** I'm thinking the fact that they didn't put them into their budget makes me think they feel they need to keep them.

**Steve Snow, MIS Director, Department Public Instruction:** What ITD is going to provide for the help desk is just hardware. We would still need those people to do what we do for desktop support.

**Representative Skarphol:** So if someone calls your help desk, you can help them with everything they need or are there times when you have to refer them to ITD?

**Steve Snow:** There are two things, there's a helpdesk and then there's desktop support. Our two staff for the desktop support, supports everyone within DPI. The help desk refers a lot of different hands that do things.

**Representative Kempenich:** You're 780 fund is the bulk of your funds; about \$137 million and it's generating from someplace else.

**Vice Chairman Brandenburg:** It's good for us to look at this.

**Representative Skarphol:** There was a question that CGIS was going to get transferred to the AG's office. On the green sheet #2, is that something that would be moved along with CGIS?

**Mike Ressler:** Yes it is.

**Representative Skarphol:** Is there anything else on this sheet that would go?

**Mike Ressler:** I'm thinking the base budget would go as well?

**Representative Skarphol:** Number 3 on the green sheet provides funding for higher education video services including 1 FTE; other funds. Can you explain that?

**Mike Ressler:** That is where we received the employee to do the video services. We call it special funds because we intend to bill back to higher education for those services.

**Representative Skarphol:** You're going to hire someone to do this?

**Mike Ressler:** We took that person and moved them to Bismarck. This biennium they're still on their payroll; but, if you approve this next biennium they'll be on our payroll and we'll bill them back which will pay for that individual.

**Representative Skarphol:** Are you sure you're going to get that person because I understood that that person didn't want to move and higher education was going to keep that person.

**Mike Ressler:** He's physically here working today.

**Representative Skarphol:** We were told last night no new FTE's. Which ones can you get along without?

**Mike Ressler:** I'm not surprised because with the revenue forecast you'll be looking at cuts.

**Chairman Thoreson:** It's not that we won't do things before the session adjourns; but at this point we have to look at the big picture.

**Mike Ressler:** We'll give you a priority list. To answer the question, I'd explain a little about our process. The governor's office has been very generous in the past. Last biennium we didn't ask for any FTE's. At the beginning of the budget cycle we went to each division director and asked what they needed based on the new demands. They came back with 38 positions and we decided where we could do contracting and vendor work and brought that list down to 25. The governor's office gave us 15.

**Chairman Thoreson:** We do ask the tough questions.

**Mike Ressler:** On that list I'll show if they're special funds or general funds.

**Representative Kempenich:** If you could give us some information on why the SLEDS program needs to stay.

**Mike Ressler:** Each position has a story to it.

**Representative Skarphol:** I don't know how familiar you are with internet 2 but it provides some outstanding opportunities for education. Is that couple of young guys that were utilizing internet 2 at NDSU, are they still working in that environment? Where you could walk through the Indian village?

**Mike Ressler:** I think that still exists.

**Representative Skarphol:** You can walk through a hologram of an Indian village and part of what the intent was is that it would enable the heritage center to take their fossils and put them on the internet so that researchers could physically pick those fossils up. What would the cost theoretically be for schools to utilize it? How substantial would the bandwidth need be?

**Mike Ressler:** I think as we've increased the bandwidth with the schools; the large schools could deal with it today.

**Representative Kempenich:** Where are we at with internet 2?

**Mike Ressler:** It's quieted down. There was a real fear on the legislature's part because the Telco lobbyists came in and said they have the ability to buy all the bandwidth you want to provide. There's legislation today that says we can only use Northern Tier for research and development. The law still exists.

**Chairman Thoreson:** Closed the discussion.

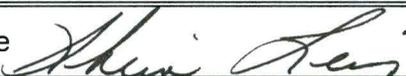
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
2/13/2015  
Recording Job# 23854

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expense of the information technology department; and to provide for transfers.

## Minutes:

See attachment A. *Handout #1*

**Chairman Thoreson:** Opened the discussion on HB1021.

**Mike Ressler, CIO, Information Technology Department:** See attachment A.

**Chairman Thoreson:** It's still funded through another agency but it's paid to you for the position.

**Mike Ressler:** Correct.

Mike Ressler continued with his presentation.

**Chairman Thoreson:** Did HB1053 have FTE's in it?

**Mike Ressler:** It did. It had 4 FTE's which are not reflected here. It was not in the governor's budget; therefore, we didn't ask for it. It was part of the fiscal note.

**Chairman Thoreson:** If that bill were adopted there would be 4 additional FTE's brought into ITD.

**Mike Ressler:** Correct.

**Chairman Thoreson:** One of the things we've been having some discussion about is in our committee we have the highway patrol budget and in the Senate they have emergency services; and the issue is of the telecommunications between the various agencies. The more we hear about that the more the rationale is to at least start some type of pathway of bringing these various emergency agencies to a unified system. My thought is if we're going to start something, maybe ITD would be a place for it.

**Mike Ressler:** My thoughts are that in South Dakota the state radio program is part of their bureau of information technology.

**Chairman Thoreson:** The BIT.

**Mike Ressler:** That's correct. I have a tendency to believe we should put programs in the agency that has the responsibility of the business. My experience has been if you have an agency that doesn't want to work with ITD, we're excluded unless the legislature puts some mandate in some code that forces them to do it.

**Representative Skarphol:** (Unintelligible)

**Mike Ressler:** The interim IT committee was to study the need for the lack of connectivity for emergency services. The chairman brought it up multiple times on the agenda and we had no input. I was shocked when I read the Televate study to say that there was a need.

**Chairman Thoreson:** I was on that committee also and I agree with that.

**Representative Skarphol:** Who was doing the study?

**Chairman Thoreson:** There were a bunch of different agencies involved.

**Mike Ressler:** Because we didn't have enough money to another phase of this study, we had a number of agencies that contributed. Televate was commissioned by ZIAC.

**Representative Skarphol:** I think the primary responsibility at the onset belongs in ITD and the agency to cooperate and to have an understanding at the beginning that eventually it's going to transfer.

**Representative Hogan:** The other issue is that there isn't just one agency. I think because of the complexity of the players that if we give it one primary user you may create problems and ITD is a neutral body for everyone.

**Representative Skarphol:** I agree with Representative Hogan.

**Chairman Thoreson:** Very honestly you have the expertise to at least start looking down the road to see where all these other agencies need to be.

**Mike Ressler:** That's what we did with CGIS. I could see next session that the center for distance education could be moved back to DPI.

**Chairman Thoreson:** Maybe we'll start working on some language.

**Representative Boehning:** I would move over the base payroll changes, the salary increase of 3% and 3%, health insurance and the negative \$19 million.

**Representative Skarphol:** Numbers 6 and 7 on that sheet, are they in addition to the governor?

**Mike Ressler:** They are in the governor's budget.

**Chairman Thoreson:** Closed the discussion.

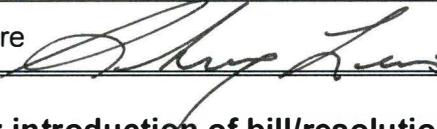
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
2/16/2015  
Recording Job# 23915

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expense of the information technology department; and to provide for transfers.

## Minutes:

**Chairman Thoreson:** Opened the discussion on HB1021.

**Representative Skarphol:** Made a motion to take line 23 out. The criminal justice information system security package \$60,000.00; that can go as well?

**Mike Ressler, CIO, ND Information Technology Department:** Yes.

**Representative Skarphol:** That would be in that motion as well.

**Representative Kempenich:** That CDE money is hinged on increased work load. Is that correct?

**Mike Ressler:** That's general funds. It's 2/3 general funds and the 1/3 is billed to the schools or in the event it's someone from out of state; all \$300.00 is all special fund.

**Vice Chairman Brandenburg:** You have 15 FTE's and we talked about all the positions. You said numbers 6 and 7 for the desktop support you didn't need because they went in HB1053?

**Mike Ressler:** The governor put 10 agencies in his budget to come on board; those 2 are needed for the 10 agencies for desktop support. HB1053 has a fiscal note for 4 an additional 4 should you bring everyone on board.

**Vice Chairman Brandenburg:** How many of these FTE's do you really have to have?

**Representative Skarphol:** I suggest that we take the first seven off that sheet.

**Vice Chairman Brandenburg:** I would move the base salary, the 3% and 3%, health insurance, the first seven FTE's.

**Representative Skarphol:** So, on the worksheet we'd be down to \$60,000.00 that I suggested we cross out. Everything below that we're still discussing. Correct?

**Chairman Thoreson:** Correct.

**Allan Knudson, Fiscal Analyst, ND Legislative Council:** You're adding which 7 positions.

**Chairman Thoreson:** Here's a copy of the sheet.

**Vice Chairman Brandenburg:** In that motion we would remove the \$19 million from the 2013-2015 capital assets.

**Representative Skarphol:** With regard to the \$3.8 million and the \$9.1 million that's money in other budgets that you strictly get spending authority for?

**Mike Ressler:** Yes. If you take the \$19 million, which is all the equipment dollars we've spent, that would be all money that agencies will spend with ITD and then we will buy additional disk storage and replenish servers.

**Representative Skarphol:** So the only real money we'd be putting in this budget is the \$53,506.00. The \$3.8 million and \$9.1 million are in other budgets; so the only real money we'd transfer if we move those items over is the \$53,000.00?

**Mike Ressler:** That's correct. It's the general fund portion.

**Representative Skarphol:** I'd recommend we'd move that over.

**Representative Glassheim:** What is the \$3.5 million for program analyst and ongoing operations?

**Mike Ressler:** That's the state longitudinal data system. That's \$3.5 million of general fund money to replace what we used to pay for the state longitudinal data system with grant dollars. The grant dollars are now expired.

**Representative Glassheim:** Have we moved that?

**Representative Skarphol:** Is that FTE referenced in that \$3.5 million among the 7 that we did give you; would that be an additional one that you'd need?

**Mike Ressler:** That would be position 12.

**Representative Hogan:** In the bottom under one-time funding items is another \$4.5 million; for the same project. So it's a total of \$8 million?

**Mike Ressler:** Correct.

**Vice Chairman Brandenburg:** I want to go to the \$600,000.00 for the K-12 area network. What is that?

**Mike Ressler:** It's equipment for the K-12 network. Today the general fund provides all the connectivity for all the schools in the state; this is the equipment portion. Every biennium there's an equipment component that's automatically removed because we never carry forward equipment dollars.

**Vice Chairman Brandenburg:** The \$250,000.00 is probably the same thing on the distance education.

**Mike Ressler:** That's to provide some additional teachers/support so we can be better positioned for college readiness. If you go down to the one-time funding, there's \$1 million of criminal justice there that could be removed.

**Representative Hogan:** Do we need to talk about an amendment for implementing the Televate study?

**Chairman Thoreson:** If we were to put it in ITD for now with the understanding that someday someone else would get it, what would you need to get something like this up and running?

**Mike Ressler:** You're talking about the \$5 million that's in the department of emergency services budget to deploy the state radio program?

**Representative Kempenich:** We have some money in the highway patrol and it still is with all communications and making sure it works. Most states around us have put together some type of trunk system in their emergency communication.

**Chairman Thoreson:** Do we need to do an RFP process then?

**Mike Ressler:** Should we get to the procurement phase we would need an RFP.

**Representative Skarphol:** Large projects need to have an executive committee. Does this project have an executive committee?

**Mike Ressler:** There has not been a formal initiation of this project. No, there is no executive steering committee; ZIAC is the body that's providing the guidance.

**Representative Skarphol:** I don't want to put \$5 million anywhere and start a \$160 million project. How do we put language in place that gives you sufficient authority over this to make sure that coming back next session, we have a legitimate proposal without stepping on toes? Is \$5 million required to do that?

**Mike Ressler:** I believe the Televate study has somewhat of a rollup plan included in it; which estimates the \$160 million. The report was generated so late in the session that they

picked \$5 million just to get it started. I believe you could spend \$5 million and not over commit on it.

**Representative Skarphol:** I'm not sure I'm committed to spending the \$160 million. Over what time frame are we looking at spending the \$160 million?

**Mike Ressler:** I believe in the study it laid it out over three biennium.

**Representative Skarphol:** So \$5 million this time, \$60 million or \$70 million next time, and the balance the third time?

**Mike Ressler:** Radios are probably the biggest portion of that \$160 million; and radios are what go out to all the individual law enforcement.

**Representative Hogan:** What percentage of that \$160 million is state and how much is local?

**Mike Ressler:** I don't think it specifically identified that. It just said there a total cost in how the state wants to pay for that; and that will be up to the state?

**Representative Hogan:** Isn't some of that also for local jurisdictions?

**Mike Ressler:** You could argue the radios are directly tied to the individuals who use the radios.

**Representative Hogan:** So it truly may not be a state expense.

**Mike Ressler:** You may have counties or institutions that have no money or they chose not to spend it there.

**Representative Hogan:** It's the leadership we're looking for.

**Mike Ressler:** Yes.

**Representative Skarphol:** I understand that we want ITD to be heavily involved in this project. Maybe we need to put language in that states the head of ITD shall chair the executive committee; that would put it in Mike's hands.

**Representative Glassheim:** I thought the conversation was that we want to stop various agencies going ahead with their plans and we wanted ITD to lead a project design study over the next two years.

**Representative Skarphol:** Do you believe the Televate study is the study needed to be done and that that will be the guidance? Do you believe we don't need other study but that we need to start moving?

**Mike Ressler:** I'm not sure but I think so. I'd like to talk to those people who were heavily involved in the study.

**Representative Skarphol:** I move that we make ITD the lead of the trunk system based on the Televate study.

**Representative Glassheim:** Seconded the motion.

**Representative Skarphol:** I would move the \$3.5 million over for SLEDS and leave the \$4.5 million where it is.

**Representative Glassheim:** We're leaving the K-12 \$600,000.00 out?

**Vice Chairman Brandenburg:** We have to move that over.

**Chairman Thoreson:** The K-12 cost to continue \$600,000.00 would be moved over to the House version.

**Vice Chairman Brandenburg:** I'll move the \$600,000.00 not the \$250,000.00

**Representative Skarphol:** How about the grants for K-12 in the one-time; the \$1,050,000.00?

**Representative Vigesaa:** Maybe Mike could just go over that again.

**Mike Ressler:** These are the grant dollars that Jody French would get for EduTech; they would be a matching grant. It would allow schools to make an investment in more wireless infrastructure; therefore, use some of the technologies available via the internet in the individual grant.

**Representative Skarphol:** Hasn't there been roughly that amount of money in your budget for those purposes every biennium?

**Mike Ressler:** Correct.

**Representative Skarphol:** I would suggest we move that across as well.

**Vice Chairman Brandenburg:** We need to move the line item transfer language over as well in section 3.

**Mike Ressler:** Remember we were going to remove lines 15 and 16 on HB1021.

**Chairman Thoreson:** Right.

**Mike Ressler:** I think line 14 was supposed to say \$4.5 million.

**Representative Skarphol:** We didn't move that across.

**Mike Ressler:** You moved that \$1,050,000.00 and that would be replaced.

**Representative Vigesaa:** The top seven on this list for FTE's; the video position, is that one on the sheet that's the telecommunications analyst?

**Mike Ressler:** Yes.

**Representative Vigesaa:** We moved over the \$3.5 million; does that include an FTE?

**Representative Skarphol:** That includes an FTE.

**Mike Ressler:** Correct.

**Representative Skarphol:** Was there not a comment made that the video person was someone that had been in higher education?

**Mike Ressler:** Yes.

**Representative Skarphol:** It was in the higher education budget?

**Mike Ressler:** No. When they put their budget together for the 2015-2017 biennium; they did not include it.

**Representative Skarphol:** It was previously and now it's in your budget?

**Mike Ressler:** Correct.

**Vice Chairman Brandenburg:** I just want to clarify that we're moving over 8 FTE's.

**Representative Glassheim:** I'm sad about the digital stuff. It seemed to me working with the historical society it was interesting to get the records digitized.

**Chairman Thoreson:** I understand where we are right now and that may be something we can revisit.

**Chairman Thoreson:** Closed the discussion.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
2/18/2015  
Recording Job# 24043

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expense of the information technology department; and to provide for transfers.

## Minutes:

See attachment A.

**Chairman Thoreson:** Opened the discussion on HB1021.

**Representative Skarphol:** On the new language on the second page, maybe we should add some language in the most cost effective manner.

**Chairman Thoreson:** We can add a line in there to indicate it's the intention that this is done thoroughly but cost effectively.

**Mike Ressler, CIO, ND Information Technology Department:** I think it reads well.

**Representative Boehning:** Why was there a decrease on the base payroll changes? Is it because we took the 3 FTE's for CGIS out of that equation?

**Sean Smith, Fiscal Analyst, ND Legislative Council:** That's exactly right. It's removing the CGIS.

**Vice Chairman Brandenburg:** Made a motion to move the amendments.

**Representative Skarphol:** Seconded the motion.

Voice vote: Motion carried.

**Vice Chairman Brandenburg:** Made a motion for a "Do Pass as Amended".

**Representative Skarphol:** Seconded the motion

Roll call vote 8 Yeas 0 Nays 0 Absent

Representative Glassheim carried the bill.

Chairman Thoreson: Closed the discussion.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee  
Roughrider Room, State Capitol

HB 1021  
2/19/2015  
Job #24189

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Kenneth M. Tolson*

## Explanation or reason for introduction of bill/resolution:

Provide an appropriation for defraying expenses of Information Technology Department

## Minutes:

**Chairman Delzer** called the hearing to order on HB 1021.

**Chairman Delzer:** We did get an updated fiscal note on HB 1359, which we passed out. We're going to hang onto that for a little bit because it's still pretty high, and we're going to see if we can come up with some better language to reduce it even a little more. One other thing, and I think we'll share this: this is the extraction and production taxes in Sept. 2014, it was 181 of extraction tax and 151 of production tax. In February 2015, it was 106 extraction and 89 in production. Let's go to 1021. Who's carrying that?

**Representative Glassheim:** I have that, due to my deep expertise in IT. It was that or the Racing Commission. I did make a list of the amounts that we removed from the Governor's budget, and I think they're impressive, and I just wanted to say the numbers because they get to be pretty large. We took our 4.5-million for statewide longitudinal study, 1-million for CGIS; and we took out 3.1-million for the base level CGIS; 250,000 for K-12 Center for Distance Education; 60,000 for CGIS security package, 210,000 for digital archives FTE; that was supposed to be for the Historical society; 2.5-million for five FTEs for CDE; 251,000 for another security analyst; 51,000 for health insurance; xx,000 for retirement increase; 197,000 for performance increase; and one million for the 4-and-4, the 3-and-3. So all of that amounted to about \$13.6-million or more. That brought the total request down almost to the same amount as last time. We'd asked for \$186-million and it was cut down to about \$172-million. (Introduced Amendment #15.8129.01001) Going to the amendment, number 0101 21021, let me just do the first page, the first part. Section 4, legislative intent: There had been some discussion of radio communications. We're kind of in a bad way. Nothing talks to anything else. Counties don't talk to cities; cities don't talk to highway patrol. It's not a good situation. However, preliminary estimates were somewhere in the 160-million range, and we weren't going to do that quite this year. I didn't think Jeff would go over 150-million. But we know we know we have to do something to get it together. And the question then is, in what agency does it sit? Who is the lead in getting this to happen?

We were pretty clear. We want a neutral party, not Highway Patrol, not counties, not cities, not BCI, not Emergency Services. We wanted a neutral party to be involved in organizing it while staying in touch with all of them. So we had basically intent language that ITD will lead a group that will study this over the interim. There was a study that they develop a process to implement the recommendations in the most cost-effective manner. That doesn't commit us to anything, but that's where we wanted to go. I thought we would have Legislative Council go through the items, some of them are complex and involve things beyond my depth. Maybe they can walk us through it.

**Sean Smith, Legislative Council:** Footnote 1 provides the base payroll change. #2 provides the performance and health increases. Footnote 3 provides eight new FTE positions. Footnote #4 provides funding for operational changes including \$2-million for anticipated increases in software maintenance fees from software vendors. Footnote 5 provides funding for increasing operations equipment purchases including \$8.6-million for IT equipment. Footnote 6 provides funding for increasing costs to continue operations of the K-12 area network. Footnote 7 removes 2013-15 capital assets in federal funds. Footnote 8 removes the Criminal Justice Information Systems. That is transferred to the Attorney General, and that removes three positions, three FTE. Footnote #9 provides one-time funding for the Education Technology Council for a grant program for K-12 education to provide wireless infrastructure.

**Chairman Delzer:** What is that? Who gets the money? Rep. Glassheim, do you have that?

**Representative Glassheim:** Edutech Council gets that. They provide assistance to any...

**Chairman Delzer:** But where do we have a K-12 school that doesn't already have it? What are we doing; just giving them money?

**Rep. Glassheim:** I don't even think this involves giving them money for actual physical things. This involves helping them come up to speed. We heard there's a whole bunch of smaller schools that don't have very good wireless connection.

**Chairman Jeff Delzer:** It seems to me we've always had that in DPI as well. This is wireless infrastructure, is what the amendment says. Is that true?

**Rep. Thoreson:** We're looking, Mr. Chairman.

**Chairman Delzer:** The \$600-thousand for K-12 wide area network. Is that what they used to, at one time, schools were paying \$10 a child for that. Is that a different program?

**Representative Brandenburg:** This Edutech is upgrades of high-speed wireless, so they'd be able to make the connections; it goes to the schools. It's also tied in with DPI and this is planted here in this upgrade. And it's a combination with DPI and ITD.

**Chairman Delzer:** But did you ask who's getting it?

**Rep. Brandenburg:** Well, the schools are.

**Chairman Delzer:** Which schools?

**Rep. Brandenburg:** There's a whole list. I don't have that, but we did ask that question.

**Representative Monson:** My information may be kind of old, but I do know that IT provides all the IVAN video for all the schools, and there's line charges and all that, just like to the courthouses; every courthouse has IVAN; every K-12 school has interactive video as well.

**Chairman Delzer:** Sean, is your wording right in the amendment then? Is it infrastructure? Or is this existing stuff that we're paying for? If it's IVAN, that's one thing. But if this is new wires within a school.

**Rep. Thoreson:** Most of the testimony given to us by ITD is in electronic form, so I'm trying to find it here on their website. I believe these were for wireless upgrades. The schools are wired, but with the implementation of more wireless devices, tablets and such, I believe it was to have additional; sometimes these are strained if you have many devices on there at once.

**Chairman Delzer:** Did you ask them if there's ever going to be a time it's done?

**Rep. Thoreson:** I guess the answer to that is, it's probably not going to be done. I understand your concern, but it's got more things going on.

**Chairman Delzer:** It's like anything. As long as we keep funding it, they keep doing it.

**Rep. Thoreson:** I guess the thing is, in a lot of cases, some schools are going to the tablets rather than textbooks, and so, if they're using it for that purpose, we obviously need to keep a watch on it, but it's another thing they need.

**Rep. Brandenburg:** I asked Mike, do we really need to do this, because it does seem like a lot of money going to the schools. It's part of the technology upgrades that need to be done to keep this program in place. It's there.

**Chairman Delzer:** We started this long before we went to the formula of 80 percent being funded by the state. I don't know if we've looked at that.

**Rep. Skarphol:** Edutech actually provides Powerschool, professional development for our educators, they provide regional IT specialists, they do the active directory for the school, they do the E-ray support services, they provide the help desk, and biggest and most important and most costly and the most current-is all of the video stuff that these schools have gotten into. And because of that, they have additional needs for capacity. We have schools that pay for additional T-1 lines, but some of the smaller schools haven't had the benefits of that, so that as things progress, and as education changes, and as more stuff goes on line, and more of that educational process involves video, they need additional capacity. And that's what Edutech does: provide the resources to help schools who are

unable to utilize those services, to get them more technologically current. It's an ongoing process, as we get some of them done, there's additional needs in other ones. And it's a constantly evolving and increasing need.

**Chairman Delzer:** I can understand it's ongoing and I can respect what it's doing, but when we changed our funding formula last time and added another 800-million, it's something we need to look at when DPI comes around.

**Chairman Delzer:** Any further questions on the amendment? The five FTEs ended up, we're looking at system analyst, desktop support specialist. We're doing this desktop switchover and I can agree with that. If we have to add to that, But are we seeing where we can remove support in any of the other agencies

**Representative Streyle:** I know DPI, there was a separate study done on DPI specifically, and the recommendation of that study were to move two people into ITD.

**Rep. Skarphol:** That desktop support is for those agencies that we've brought across, and they will provide the services for those 29 that we're going to change. And two of those seven are transfers; one from the university system and one from OMB. The Connect ND is a transfer from OMB, the video position is a transfer from the university system. I asked if there was a commensurate reduction in the university budget, but they couldn't answer that for me. And the other three people are all security analysts to insure that we have adequate batching done and security throughout the system.

**Representative Glassheim:** The one from OMB will be reduced from their budget. Those two desktop support specialists are for the top tier of the agencies, which requested to go into desktop support. If that other bill passes, then 19 others; and there would be three or four additional people at one per 250 devices.

**Rep. Kempenich:** Here's the breakdown of the large projects. That's included in this budget because IT gets most of it. They've got Secretary of State, \$3-million, Judicial Branch, it's \$2.17 and that's that disaster recovery. We took out the juvenile case management. The Health Department has \$1.7-million; Human Services has \$60.8-million that they're looking at. Job Service has just about just about \$14-million. Labor has 56,000. Work Safety has \$6-million. DOCR has \$1.1. And then Parks and Rec has 372. DOT has one for 589 and that vehicle registration system for \$2.5. For a total of others is \$94.7-million.

**Chairman Delzer:** Further questions?

**Representative Glassheim:** I'll move Amendment .01001 to 1021.

**Rep. Skarphol:** Second.

**Chairman Delzer:** We have a motion by Rep. Glassheim to amend HB 1021 with .01001, seconded by Rep. Skarphol. Discussion?

**Rep. Bellew:** Maybe I wasn't paying attention, but with new FTEs, the very last one was program analyst. One for \$3.5-million?

**Rep. Glassheim:** No. That's the state longitudinal study, and it's one FTE. The rest of it is all operating and computer stuff. No, the analyst is not getting \$2.5-million.

**Chairman Delzer:** Further questions? If not, all those in favor of amending 1021 with .01001, signify by saying aye.

VOICE VOTE HELD

MOTION IS CARRIED.

**Rep. Glassheim:** I would move a Do Pass on HB 1021 as amended.

**Rep. Thoreson:** Second:

**Chairman Delzer:** Moved and seconded for a Do Pass As Amended on 1021. Discussion?

ROLL CALL VOTE HELD

YES: 21 NO: 2 ABSENT: 0

MOTION IS CARRIED

Rep. Glassheim will carry.

*Handwritten:*  
2-20-15  
183

Fiscal No. 1

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1021

Page 1, line 2, after the semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$51,553,251	\$6,737,019	\$58,290,270
Accrued leave payments	2,626,084	(2,626,084)	0
Operating expenses	64,734,643	5,003,479	69,738,122
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	739,555	6,607,946
Statewide longitudinal data system	1,870,754	3,634,655	5,505,409
Educational technology council	1,614,609	1,092,695	2,707,304
EduTech	8,052,094	1,035,401	9,087,495
K-12 wide area network	4,928,177	77,984	5,006,161
Geographic information system	1,245,294	26,722	1,272,016
Health information technology office	4,750,723	632,634	5,383,357
Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$2,834,099	\$172,448,080
Less estimated income	<u>149,674,553</u>	<u>(511,094)</u>	<u>149,163,459</u>
Total general fund	\$19,939,428	\$3,345,193	\$23,284,621
Full-time equivalent positions	340.30	5.00	345.30"

Page 2, replace lines 10 through 17 with:

"Criminal justice information sharing projects	\$800,000	0
Educational technology council grants	200,000	1,050,000
Archiving study	100,000	0
Geographic information system projects	<u>215,000</u>	<u>0</u>
Total all funds	\$1,315,000	\$1,050,000
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	\$1,315,000	\$1,050,000"

Page 2, after line 26, insert:

**"SECTION 4. LEGISLATIVE INTENT - RADIO COMMUNICATIONS.** It is the intent of the sixty-fourth legislative assembly that the information technology department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the sixty-fourth legislative assembly that the information technology department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

2013

House Bill No. 1021 - Information Technology Department - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$51,553,251	\$6,737,019	\$58,290,270
Operating expenses	64,734,643	5,003,479	69,738,122
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	739,555	6,607,946
Statewide longitudinal data system	1,870,754	3,634,655	5,505,409
Educational technology council	1,614,609	1,092,695	2,707,304
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Geographic information system	1,245,294	26,722	1,272,016
Health information technology office	4,750,723	632,634	5,383,357
Criminal justice information sharing	3,069,361	(3,069,361)	
Federal stimulus	6,800,000	(6,800,000)	
Accrued leave payments	2,626,084	(2,626,084)	
Total all funds	\$169,613,981	\$2,834,099	\$172,448,080
Less estimated income	149,674,553	(511,094)	149,163,459
General fund	\$19,939,428	\$3,345,193	\$23,284,621
FTE	340.30	5.00	345.30

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

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Adds New Positions <sup>3</sup>	Adds Funding for Operational Changes <sup>4</sup>	Adds Funding for Operations Equipment <sup>5</sup>	Adds Funding to Continue K-12 Wide Area Network <sup>6</sup>
Salaries and wages	\$2,730,029	\$3,286,407	\$1,375,747	(\$655,164)		
Operating expenses			1,639,254	3,364,225		
Capital assets					8,850,000	
Center for distance education	256,812	271,111		219,743		
Statewide longitudinal data system	12,321	89,112	3,500,000	33,222		
Educational technology council	5,003	23,979		13,713		
EduTech	415,664	344,314		275,423	300,000	
K-12 wide area network	8,329	33,616		36,039		600,000
Geographic information system	2,824	14,195		9,703		
Health information technology office	41,094	54,010		537,530		
Criminal justice information sharing				31,012		
Federal stimulus	(350,000)					
Accrued leave payments	(2,626,084)					
Total all funds	\$495,992	\$4,116,744	\$6,515,001	\$3,865,446	\$9,150,000	\$600,000
Less estimated income	423,488	3,467,078	2,729,000	3,811,940	9,150,000	0
General fund	\$72,504	\$649,666	\$3,786,001	\$53,506	\$0	\$600,000
FTE	0.00	0.00	8.00	0.00	0.00	0.00

	Removes 2013-15 Capital Assets and Federal Funds <sup>7</sup>	Removes Criminal Justice Information System <sup>8</sup>	Adds One-Time Funding for the Education Technology Council <sup>9</sup>	Total House Changes
Salaries and wages				\$6,737,019
Operating expenses				5,003,479
Capital assets	(12,500,600)			(3,650,600)
Center for distance education	(8,111)			739,555
Statewide longitudinal data system				3,634,655
Educational technology council			1,050,000	1,092,695
EduTech	(300,000)			1,035,401

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K-12 wide area network	(600,000)			77,984
Geographic information system				26,722
Health information technology office				632,634
Criminal justice information sharing		(3,100,373)		(3,069,361)
Federal stimulus	(6,450,000)			(6,800,000)
Accrued leave payments				(2,626,084)
Total all funds	(\$19,858,711)	(\$3,100,373)	\$1,050,000	\$2,834,099
Less estimated income	(19,250,600)	(842,000)	0	(511,094)
General fund	(\$608,111)	(\$2,258,373)	\$1,050,000	\$3,345,193
FTE	0.00	(3.00)	0.00	5.00

<sup>1</sup> Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$405,754	\$2,264,521	\$2,670,275
Health insurance increase	243,912	1,202,557	1,446,469
Total	\$649,666	\$3,467,078	\$4,116,744

<sup>3</sup> The following funding and FTE positions are added:

	FTE	General Funds	Other Funds	Total
Information systems analysts	3.00	\$286,001	\$467,000	\$753,001
Telecommunications analyst	1.00		225,000	225,000
ConnectND project transferred from the Office of Management	1.00		225,000	225,000
Desktop support specialists	2.00		1,812,000	1,812,000
Programmer analyst	1.00	3,500,000		3,500,000
Total	8.00	\$3,786,001	\$2,729,000	\$6,515,001

<sup>4</sup> Funding is added for operational changes, including \$2 million for anticipated increases in software maintenance fees from software vendors.

<sup>5</sup> Funding is added for increasing operations equipment purchases, including \$8.6 million for information technology equipment purchases and replacement costs.

<sup>6</sup> Funding is added for increasing cost-to-continue operations of the K-12 wide area network.

<sup>7</sup> Funding is removed for 2013-15 capital assets and federal funds.

<sup>8</sup> Funding is removed for the criminal justice information sharing system transferred to the Attorney General.

<sup>9</sup> One-time funding is added for the Education Technology Council for a grant program for K-12 education to provide wireless infrastructure, to provide students with access to Internet services and to expand instructional coaching for teachers.





Date: 2/19/15

Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1021

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 15. 8129.01001

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By: Glassheim                      Seconded By: Thoreson

Representatives	Yes	No	Absent	Representatives	Yes	No	Absent	Representatives	Yes	No	Absent
Chairman Jeff Delzer		✓		Representative Nelson	✓			Representative Boe	✓		
Vice Chairman Keith Kempenich	✓			Representative Pollert		✓		Representative Glassheim	✓		
Representative Bellew	✓			Representative Sanford	✓			Representative Guggisberg	✓		
Representative Brandenburg	✓			Representative Schmidt	✓			Representative Hogan	✓		
Representative Boehning	✓			Representative Silbernagel	✓			Representative Holman	✓		
Representative Dosch	✓			Representative Skarphol	✓						
Representative Kreidt	✓			Representative Streyle	✓						
Representative Martinson	✓			Representative Thoreson	✓						
Representative Monson	✓			Representative Vigasaa	✓						

Totals

(Yes)	<u>21</u>
No	<u>2</u>
Absent	<u>0</u>
Grand Total	<u>23</u>

Floor Assignment: Glassheim

If vote is on an amendment, briefly indicate intent: \_\_\_\_\_

**REPORT OF STANDING COMMITTEE**

**HB 1021: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1021 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

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Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$2,834,099	\$172,448,080
Less estimated income	<u>149,674,553</u>	<u>(511,094)</u>	<u>149,163,459</u>
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Archiving study	100,000	0
Geographic information system projects	<u>215,000</u>	<u>0</u>
Total all funds	\$1,315,000	\$1,050,000
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Total general fund	\$1,315,000	\$1,050,000"

Page 2, after line 26, insert:

**"SECTION 4. LEGISLATIVE INTENT - RADIO COMMUNICATIONS.** It is the intent of the sixty-fourth legislative assembly that the information technology department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the sixty-fourth legislative assembly that the information technology department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	Base Budget	House Changes	House Version
Salaries and wages	\$51,553,251	\$6,737,019	\$58,290,270
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Federal stimulus	6,800,000	(6,800,000)	
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<b>Total all funds</b>	<b>\$169,613,981</b>	<b>\$2,834,099</b>	<b>\$172,448,080</b>
Less estimated income	149,674,553	(511,094)	149,163,459
<b>General fund</b>	<b>\$19,939,428</b>	<b>\$3,345,193</b>	<b>\$23,284,621</b>
FTE	340.30	5.00	345.30

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

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Adds New Positions <sup>3</sup>	Adds Funding for Operational Changes <sup>4</sup>	Adds Funding for Operations Equipment <sup>5</sup>	Adds Funding to Continue K-12 Wide Area Network <sup>6</sup>
Salaries and wages	\$2,730,029	\$3,286,407	\$1,375,747	(\$655,164)		
Operating expenses			1,639,254	3,364,225		
Capital assets					8,850,000	
Center for distance education	256,812	271,111		219,743		
Statewide longitudinal data system	12,321	89,112	3,500,000	33,222		
Educational technology council	5,003	23,979		13,713		
EduTech	415,664	344,314		275,423	300,000	
K-12 wide area network	8,329	33,616		36,039		600,000
Geographic information system	2,824	14,195		9,703		
Health information technology office	41,094	54,010		537,530		
Criminal justice information sharing				31,012		
Federal stimulus	(350,000)					
Accrued leave payments	(2,626,084)					
<b>Total all funds</b>	<b>\$495,992</b>	<b>\$4,116,744</b>	<b>\$6,515,001</b>	<b>\$3,865,446</b>	<b>\$9,150,000</b>	<b>\$600,000</b>
Less estimated income	423,488	3,467,078	2,729,000	3,811,940	9,150,000	0
<b>General fund</b>	<b>\$72,504</b>	<b>\$649,666</b>	<b>\$3,786,001</b>	<b>\$53,506</b>	<b>\$0</b>	<b>\$600,000</b>
FTE	0.00	0.00	8.00	0.00	0.00	0.00

	Removes 2013-15 Capital Assets and Federal Funds <sup>7</sup>	Removes Criminal Justice Information System <sup>8</sup>	Adds One-Time Funding for the Education Technology Council <sup>9</sup>	Total House Changes
Salaries and wages				\$6,737,019
Operating expenses				5,003,479
Capital assets	(12,500,600)			(3,650,600)
Center for distance education	(8,111)			739,555
Statewide longitudinal data system				3,634,655
Educational technology council			1,050,000	1,092,695
EduTech	(300,000)			1,035,401
K-12 wide area network	(600,000)			77,984
Geographic information system				26,722
Health information technology office				632,634
Criminal justice information sharing		(3,100,373)		(3,069,361)
Federal stimulus	(6,450,000)			(6,800,000)
Accrued leave payments				(2,626,084)
<b>Total all funds</b>	<b>(\$19,858,711)</b>	<b>(\$3,100,373)</b>	<b>\$1,050,000</b>	<b>\$2,834,099</b>
Less estimated income	(19,250,600)	(842,000)	0	(511,094)
<b>General fund</b>	<b>(\$608,111)</b>	<b>(\$2,258,373)</b>	<b>\$1,050,000</b>	<b>\$3,345,193</b>
FTE		0.00	(3.00)	5.00

<sup>1</sup> Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases

and for other base payroll changes.

<sup>2</sup> The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$405,754	\$2,264,521	\$2,670,275
Health insurance increase	243,912	1,202,557	1,446,469
Total	\$649,666	\$3,467,078	\$4,116,744

<sup>3</sup> The following funding and FTE positions are added:

	FTE	General Funds	Other Funds	Total
Information systems analysts	3.00	\$286,001	\$467,000	\$753,001
Telecommunications analyst	1.00		225,000	225,000
ConnectND project transferred from the Office of Management	1.00		225,000	225,000
Desktop support specialists	2.00		1,812,000	1,812,000
Programmer analyst	1.00	3,500,000		3,500,000
Total	8.00	\$3,786,001	\$2,729,000	\$6,515,001

<sup>4</sup> Funding is added for operational changes, including \$2 million for anticipated increases in software maintenance fees from software vendors.

<sup>5</sup> Funding is added for increasing operations equipment purchases, including \$8.6 million for information technology equipment purchases and replacement costs.

<sup>6</sup> Funding is added for increasing cost-to-continue operations of the K-12 wide area network.

<sup>7</sup> Funding is removed for 2013-15 capital assets and federal funds.

<sup>8</sup> Funding is removed for the criminal justice information sharing system transferred to the Attorney General.

<sup>9</sup> One-time funding is added for the Education Technology Council for a grant program for K-12 education to provide wireless infrastructure, to provide students with access to Internet services and to expand instructional coaching for teachers.

**2015 SENATE APPROPRIATIONS**

**HB 1021**

# 2015 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

HB 1021  
3/5/2015  
Job # 24400

- Subcommittee  
 Conference Committee

Committee Clerk Signature

*Alice Grove for Rose Janning*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the information technology department

### Minutes:

Electronic Power Point attached

Legislative Council - Sean Smith  
OMB - Lori Laschkewitsch

**Chairman Holmberg** called the committee to order on HB 1021.

### **Mike Ressler, Chief Information Officer, ND State Information Technology Department:**

(Electronic testimony attached to audio recording)  
Power Point Testimony - Attachment 1

7:19 **Senator Carlisle:** Ten out of how many agencies went to desktop services?

**Mike Ressler:** There are 10 here. There are 19 that are in HB1053 that are not included here and then all the large agencies that have 100 people or more were excluded, completely, because chances are they already have their own desktop services and staff. Of the 29 agencies that fall in that 100 and below, 10 of them said "I want it", and 19 said "we don't need it because we have ways to get that service". What ITD is asking for here is the special fund authority so that in the event of providing services to those 10 agencies we will be able to collect their dollars to do so, and it was funded in the House. There was another study that was done during the interim by a consultant and for a number of years you've heard of the challenge that we are having over at the historical society where we provide them a whole lot of information for archive purposes and, as a result, current data that is starting to be sent over isn't in the form of paper anymore. It's in the form of digital, electronic format, and so what they are wrestling with is they are getting all this different data for archive purposes and its maybe on cassette tapes. The challenge that they have is that they are going to have to keep that media current, as well as they are going to have to take a lot of what was on paper and start doing conversion. I won't get too deep into the study but the consulting group recommended that ITD request some funding as well as the historical society request some funding. They were in front of you for the first half and you

funded their portion of it. We on the House side were not quite as successful. We had asked for the 1 FTE based on the study and then what we call a records management position and in all honesty they are going to have to work together. What I told the House is if you don't fund it at the state historical society, you do not need to fund ours. But if you fund theirs, theirs isn't going to complete their assignment unless you fund ours as well. It needs to be a package. We shouldn't have put them in separate budgets. Our intention is not to confuse you. We asked for 2 positions which are almost a transfer of position. The very first one is something called the video technician and Lisa Feldner gets credit for that. When she became the CIO for higher education she said that it doesn't make sense that they do video at the higher ed level when we have all the video for K-12 and so, in a sense, she took a position that existed up there and moved that over to ITD and actually took the person with the position and we are going to have that transferred over to us. The individual is actually working today in our facility. What makes this a little different than the second one is, in higher ed they don't actually have positions so this isn't an easy one where you can say that we removed a position from higher ed and we added one to ITD and it's been a position neutral change because they don't have positions, it looks like ITD grew one which we did. The second position is really OMB saying we got some additional work that we want to do in our Connect ND program and so they had a vacant position that they transferred over to ITD and that really is a net zero gain. Both of these were approved on the House side.

The next program is the K-12 network and I would be remiss if I didn't say thank you for all of your support that you've given K-12. This program is the network connectivity. For a number of bienniums we have been providing network connections to all schools. And the legislature has been funding that with general fund dollars. Today, we provide not only all the network connectivity, which is the pipes going into the school, and we provide their internet access and then we have a array program which is an array program individual and what we get there, about 64% or \$3.7 million is paid by the array program each biennium. Which is a good deal for the state. The final comment I want to make is sometimes there is confusion about ITD: are you actually laying fiber and do you own that infrastructure? We do not. We go out about every 3 or 4 years to say we are looking for network connectivity. Over the years DCN has been winning that bid. We are starting to get some competition, MIDCO, Century Link, are 2 companies that have started competing for that business. We have definitely seen the price come down. As a result, we have been able to keep our costs the same at the same time we have really increased the bandwidth that we have put out into the schools. That is a partnership that I am very proud of and I think has been working very well over the years. If you look at the comparisons, the difference that the House took out was really the salary package because the House actually did do a very nice job for ITD and funded most of what we asked for with the exception of a couple big programs. Where you see those dollar differences, it's really the salary package. It's the retirement and then that market inequity component.

Another program in our budget, and the reason that I draw this one out is because it's a separate line. GIS is one of those programs. GIS exists in many state agencies and over the years it became apparent that it would be nice if there was a central hub someplace so that each entity isn't required to store their own data. That is the purpose of the GIS hub. It's been funded over the years, as a result of generosity on the legislatures part as well as the vision that the governor has had to say let's continue to do that and there are a number

of different programs that are GIS. To me, at first GIS didn't mean a lot but over the years nowadays you almost don't go out to a website where you aren't looking at a picture. Most people today are not interested in data and so everything is a picture. It's a program that is very well run and provides a lot of value. We are looking to keep that budget pretty much the same this biennium. The House was supportive.

Jumping onto the next program, some of you have heard about the state-wide longitudinal data system. This is something that started in 2007 and, as a result, it's another one of those partnerships between multiple agencies. Anytime that we have something like that we usually put a group of people together that give oversight and you can see the membership of the SLDS committee. It really hasn't changed over the years. There are 2 legislators that participate in this committee. This is a program that got a little bit of attention when you heard about the common core conversation. There was concern about what does the Statewide Longitudinal System hold? It is the collection of a lot of school information, as well as higher ed information, K-12, as well as workforce on development from job services. The purpose of this slide is to give you a pictorial as to all the different programs that reside in what we call the state longitudinal data system. We actually blow it up a little higher than that and we started what we call a Business Intelligence Competency Center. If you have heard of terms like data warehousing, the box on your right in blue, there's a number of state agencies who are starting to require that we start doing more data warehousing because there is value in storing data and being able to acquire that data quickly. That is a component that has been going on for some time. I would tell you that almost all the effort in this area have gone into the SLDS side and it really started with the K-12 portion. What I'm trying to depict by the numbers that you see is to run the SLDS program is about \$5.5 million/biennium. You can see those are general fund dollars. Up until this biennium, we've always found the majority of that through federal funds and so we've known that at some point those federal funds are going to run out and that we will need general funds in the future. This is that biennium where we are going to need those general funds dollars. We asked for \$4.5 million in projects and you can see the 3 programs are the 3 data warehouses that really exist is the workforce through job service; the K-12 portion which is where we put most of our effort in and then higher ed has received some grants to do on data warehousing at their level. You can see the federal dollars that we have received in the past, which are the green numbers, and those are the dollars that we've been using to build the program, enhance it, and then maintain it. The \$4.5 million is what we are asking for to continue to enhance the program. Here's an example of, instead of saying DPI go ask for the money you want for K-12; higher ed ask for your portion; and workforce ask for yours. The committee got together and said here's what we think we need to do over the next 2 years, let's put it in the SLDS program and ask for it there. You should not see a duplication from any of the other agencies coming and asking for money. (meter 17:47-18:18).

If you look at the governor's budget, we broke it into two components, the \$3.5 million which we needed to get to that \$5.5 million to run the program, because that's the amount that we had in the federal grant in the current biennium. This was funded by the House so we received the \$3.5 million to keep the programs going and then we asked for the \$4.5 million for the 3 entities to do programs. They took that out of our budget. In all fairness to the House, they really didn't say they were opposed to it. What we tried to do on one slide and there is more detail if you care to go into it, on how would we spend that \$4.5 million

and what are the exact systems that we would develop or enhance in order to work through the 15-17 biennium. As you can see, the governor's request was \$10 million of general funds. The House approved the \$5.5 which was to keep the operations running, and took the projects out for follow-up with conversations at conference committee time.

I'm going to jump into the education side. The first of the 3 being the North Dakota Educational Technology Council. You can see their mission and they also have a body of people that give direction and guidance. It's an organization or group that gets together on a regular basis and provides direction and leadership. In the past we've always received some operations money, which is the staffing and programs. Every biennium we've been given some dollars for doing grants. In the past we've used those dollars for things like transformational video grants or other video type equipment. The ETC has always used those dollars, usually in the form of opening it up for schools to apply for it and then do some form of match. It's good to hear that schools have done a very nice job of deploying video in their classrooms. I haven't been asking for more video equipment. The plan going into the 15-17 biennium was to talk about: now there is all this technology in the classroom, we had these great technology pipes into the schools, the challenge is now it requires so much wireless activity because everyone is carrying around a device in the classroom or in one of the video rooms. There is a need for more infrastructure to be put into the wireless component inside the school. The game plan in the governor's budget was to take \$1.5 million and then open those up the same way, where it would be an option for schools, if they are interested, to apply for it and then have to do a match. The difference is roughly \$1,050,000 is the one-time portion that is in this budget because we had a portion that we were receiving in grants in the past and we just put the 2 together to get to the \$1.5 million. That is what that would be used for, if approved. It's called the Build Program which is bringing wireless into the schools.

The next program, North Dakota Center for Distance Education, their whole purpose is to provide middle and high school students, regardless of where they are located, equal access to educational opportunities. There has been a whole lot of growth in this area over the last number of years. The program has changed. There was a time when we were building the curriculum and then offering it out. We found there was some real competition out there where people were able to buy this from other providers in other states. What's been done, instead of building the program, we are procuring the curriculum. That's really driven the cost of delivering that curriculum to the students of North Dakota. This slide gives you some of the growth that we've seen in this area. In 2009-2011, there's been about 1224 enrollments that were provided. In the 13-15 biennium, that jumped all the way up to a little over 6000 enrollments. Notice the number of schools who are participating. We are projecting in the 15-17 biennium to have it grow substantially higher, which is maybe as many as 9000 enrollments and most schools in the state of North Dakota are accessing this through one form or another. The bullet on the bottom is talking about the 300 retired teachers. It's obvious that it's harder to find teachers and keep them employed so we are tapping into the retired teachers that are out there. That works well because they can come in and teach portions of classes. From a competitive standpoint, why is it that it's growing? Teachers are hard to find, not just for elective classes, but also for core classes. There's a very need for special students in offering them the proper classes. Alternative schools are not available out in the rural areas. Advanced classes are not always available in some of the rural schools. That is becoming more of a demand.

Remedial classes is something that is taking a whole lot of interest recently. Through the SLDS there's been a number of research events that have taken place and what they have determined is that maybe the time to be offering remedial classes is not when you get to college but prior to getting to college which would be down at the high school level. The CDE program offers a wonderful opportunity for students to participate in that as well. Due to the challenges that schools have with getting students in the right classes at the right time can create challenges. That are some of the reasons why we've seen the growth. On the House side, the House funded the base budget but there were the 2 programs where they said there's a lot of general fund dollars there, we're just going to take it off the plate. This was the other program they took off the plate. They said we will discuss that at conference committee. In our conversations, they didn't say they were opposed to the program. They felt that, based on where we are in the budget cycle, and with the revenue forecasts coming in on March 18, they wanted to hold off. That will have a real impact on this program if there is not some way that we cannot bring some of this back in.

The general fund pays for 2/3 of the classes for North Dakota kids and then the school or the student pays the other 1/3. What would we do with those dollars today? Today, Mr. Peterson has a little over 20 temporary teachers above the teachers that he has on staff. Because of the growth what we were really intending to do was not take all 20 teachers and make them permanent but take 5. And why did we pick 5? We actually picked a bigger number but the number has been getting chopped as it goes through the budget process and we came up with the 5 that we got in the governor's budget. The purpose would be to take some of those positions because they truly are full-time people and make them full-time employees. The other general fund dollars then would be used so that we could continue to hire the temporary teachers because we are going to need those dollars. The special funds is that other portion. It's money that we would be receiving but without special fund authority we don't have the ability to collect those dollars. The legislature has to give us a special fund.

There has been a real interest in the need for college and career readiness. Senator Flakoll had done some work during the interim and they recommended we put aside \$250,000 for college and career readiness. That all got cut out of the House budget. We are respectfully asking that when we get to our subcommittee if we can have some more conversation around that. If you ask the question, are you guys efficient and are you effective in providing that service, the purpose of this slide is to try and address a little bit of that. Our intention is not to tell you that we want to close down all the schools and have everything run through the center for distance education, but it was a good way to do some analysis to say, are you doing it at what rate? If you spend a million dollar at the North Dakota CDE, you could run about 1200 academic credits through. In a normal high school, for that same amount of money, you could probably get about 600 credits through. Looking at it a different way, we try to say, you could get 8 courses for 7 students in each of those courses for \$24,000. At North Dakota Center for Distance Education, you could do that same thing, taking out the books, for about \$5,600. We really believe that the program is a well-run program.

The third and final education program, the EduTech group, that is the group that is responsible for assisting our teachers in helping them use technology in the classroom. The next two slides, tell you a little bit about the services. You've all heard about power

school by now and we've got power school deployed throughout all the public schools in North Dakota. Many of the private schools have actually jumped on power school as well. Power school gives you the ability to go online and see how your student is doing. It's a student administration system. We've had great reviews from that. They do other things as well. Provide professional development. Microsoft agreed to offer Office 365 to all the public K-12 schools at no charge. The technology is getting pushed out into the schools. The second slide talks about some of the other services that the EduTech group is responsible. They have to have a help desk program and then the video program as well.

We had asked for 4 security positions. I talked about the 2 that were funded. The 1 fusion center that was not. The 4<sup>th</sup> one was also a general funded position that we said we really needed to provide and beef-up our security in the schools. You've all heard the story that you are only as strong as your weakest link and we really do believe that. Based on the resources available to K-12 schools, there are some schools that have very good resources and money and the ability to do good security all the way down to the smaller schools that maybe struggle sometimes with security. The idea was to ask for a general funded position for security dedicated for the EduTech division so they could go out and work with the schools. The House did fund this position.

31:26 **Senator Heckaman:** My question is on some positions where schools don't have expertise, do you work through the regional education associations on any of these issues to staff maybe one person in one or two regions to work on IT issues?

**Mike Ressler :** We have not done that up till now.

**Jody French, Director, Educational Technology Council:** The organizations under the ETC do work with the regional education association in some respects, particularly on data. The ETC employs a data steward. She does training for all of the REA's and works on special projects with them. We help them with Power School, to see it from the REA level. IT security is just a service that we haven't been able to offer but I do foresee that there will be collaboration with those REAs because they are so few resources to go around and it is such a challenging area.

**Mike Ressler:** The next slide then shows the change that we had on the EduTech program. The program pretty much came out even. There is an error there.

33:58 **Senator O'Connell :** That's because you are going to transfer 5 people over to the AG's office because you are following federal law? So law enforcement can access all the files together?

**Mike Ressler:** Yes, we are actually transferring 3 positions because 2 were always in the AG's budget which was kind of a mess. We had 3 people in our budget, 2 in theirs. We are going to move our 3. Move it into their 2. Where the federal requirements came in is in order for the state to be able to have a law officer call in and not have to talk to 2 different data bases, you had to be a law enforcement entity. You had to have an OIR number. We didn't have that because we were a technology department. We believe it is going to be more efficient and easier for law enforcement to get the data they need.

37:35 **Senator Robinson** where are we in ND among medical providers.

**Mike Ressler:** The final program is the Health Information Technology program. I mentioned Sheldon Wolff. (meter 35:03-37:25)

**Senator Robinson:** For our benefit, where are we in North Dakota, in terms of being fully converted to health information technology, among the various medical providers?

**Sheldon Wolff:** In ND, we've been leading the pack, depending upon what survey you look at. A lot of physicians are at 80%. You look at the hospitals, the critical access hospitals, pretty much just about everybody has switched over to an electronic health records system. In North Dakota we are really leading the way and a little bit of the credit has to go to you guys by putting money in for low interest loans, those type of things. They have taken advantage of that and put in electronic health record systems.

**Senator Robinson:** I've been to a couple clinics in the last few weeks, and each time they have accessed my personal information. I'm just wondering how close we are to having that in place.

42:00 **Chairman Holmberg:** What is the interface with adjutant general? WE had the budget and we heard a lot from our friends at Motorola. Are they working on this bill too?

**Mike Ressler:** They are the impetus behind this bill, because we would RFP this initiative and so it wouldn't necessarily go to Motorola but they are a leader in this area. They have sold many of these systems in other states. I would say North Dakota is probably behind most states when it comes to trunked networks. They provided a lot of input into the study. They would be happy to respond to an RFP. \$160 million is a lot of money. Not quite half, but a large portion would be for law enforcement radios. When you think about everybody that carries a radio out in the field, it would replace those radios and get everybody up to speed. No one entity is off working on this by themselves. This is everybody really working together, understanding that if we would ever go down this path, that's a lot of money. It would require a concentrated effort.

**Senator G. Lee:** I was just trying to get the FTE numbers in my mind straight. Our cheat sheet says 15, and on your spreadsheet it shows that you are asking for 12 more. It looks like they funded 8?

**Mike Ressler:** We asked for 15 but if you take the 3 that left because of CJIS, it's a net of 12. Of those 15 we asked for, the House funded 8 of them.

**Senator Bowman:** When we are talking about technology with radios and \$160M program, is the equipment that we're going to be purchasing for this, is it going to be working so that everybody has access to this, or is it going to be just directed toward the EMS? I would think that with computers today you wouldn't need all these radios, but evidently you need both.

**Mike Ressler:** I don't want anybody to think that it's \$160M for radios. It would be adding towers and getting more coverage out into all the dead spots. The purpose of this program

would be for fire, police, law enforcement. It's not for the average citizen to jump onto that network and use it for anything. What we are seeing is that technology is becoming more much compatible and it can be used for multiple purposes. There's a security concern around law enforcement. I don't want to give the impression that because it can be shared that it would be shared. There would be division.

**HB 1053 - Interim Study** (46:03) by Eide Bailly. They went out to look at what is the need for agencies to have desktop support service to maintain cell phones, printers, laptops and desktops. They came back and determined that any agency of 100 employees or more already have something in place don't need to pursue a state-wide desktop support service from ITD. They recommended that below 100 then you should be part of it. When it came to the interim IT committee, they created a bill draft that said let's implement the study. The governor's position was that I am not going to mandate the study but I will offer that if any agency has an interest in it, I will fund it. That's where there were 29 agencies identified in the Eide Bailly study that said you should buy your service from ITD and ITD should provide it. Only 10 of those 29 said they were interested in doing that. The governor funded 10, HB1053 is going to be coming over because it passed on the House side with no funding. Ten are funded. I believe 19 are not and that will be what the Senate will discuss.

**Senator G. Lee** 47:37 -- Maybe for Sheldon, in terms of the medical record integration, are there a lot of stand-alone systems out there or is there an integrated across the state in terms of accessibility from one medical system to another for information?

**Sheldon Wolff** : It's kind of a combination of a few things out there. We do have some stand-alone systems in some facilities. We do have some larger systems that are putting in systems and then renting out space to small providers and using those systems with them. On top of that, the money that we've got is really connecting all those together. The electronic health record systems are the city streets and the health information network is the interstate highway. We are actually connecting them all together so that the information can be shared no matter what type of system they have. That's the part that we're working on and the money we have in our budget is for the connections of those.

**Senator G. Lee**: That's what we're getting close to accomplishing?

**Sheldon Wolff**: It's kind of a 2-stage process. The first thing that they need to do is purchase an electronic health records system. And then once they have those in place, then we can start connecting them through the interfaces and those type of things and we are working with putting about 50 different entities right now in the state to get them connected.

**Senator Carlisle**: Two things, Senator Bowman and I would like a hard copy of testimony. And would you explain what's Power schools?

**Mike Ressler**: Power Schools is a student administration system. Bismarck Public Schools was the first school to show an interest in this student administration system. In 2001 Apple was the vendor that was selling that product. Bismarck Schools purchased it. Kirk Wolff was the CIO at the time and they came to ITD and said would you host it. The

vision at that time was for other schools to jump on that product, should it prove to be valuable. It is the grading system. It's the attendance system. Teachers can put out their homework assignments. It allows parents and students to sign on and see that information. I believe in 2009 or 2011 the legislature mandated that it be standardized across all public schools and in 2013 Jody completed that deployment. That completes our testimony and we thank you for all your support.

**Senator Carlisle:** I know that IT is operating out of a new building. Is your office over there now or here?

**Mike Ressler:** I have 2 offices. During session, the governor said that he wanted the CIO to be here. I'm here for the 4 months.

**Senator Robinson:** Has the transition gone well?

**Mike Ressler:** It's gone outstandingly well. Lexstar is the vendor that built the building for the state. It is not a state-owned building. Today you still read in the newspaper that the state is spending money on buildings. We are leasing that building. I give John Boyle credit because without him I never could have negotiated what we have. We are paying \$12/sq.ft. for that building. We hope you can get a tour of that facility. We pay what is called CAM charges so in total, \$17/sq. ft./year for rent guaranteed for 10 years. We have the option to renew for a second 10 by whatever the inflation index is from year 9 to 10.

**Chairman Holmberg** subcommittee: Senator Wanzek, Senator G. Lee, Senator Robinson.

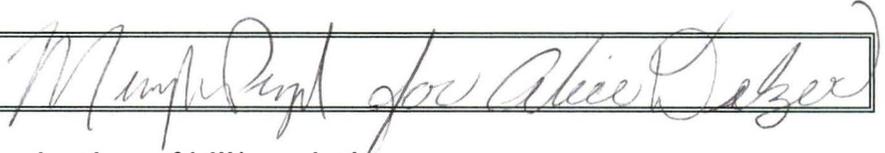
# 2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

HB 1021  
3/27/2015  
Job # 25563 (32:51)

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing on ITD

## Minutes:

3 Attachments

**Chairman Wanzek** opened the subcommittee hearing on HB 1021 at 11:30 am in regards to HB 1021. All subcommittee members were present: Senator Gary Lee, Chairman Wanzek and Senator Robinson. Sean Smith, Legislative Council and Lori Laschkewitsch, OMB, were also present.

**Mike Ressler**, CEO of ITD, (*see attachment #1*)

**Ressler:** The House did a nice job with ITD, and did not make a lot of cuts to our budget; however they made their cuts in the general funded areas. My primary initiative for getting back is the Center for Distance Education. What it does is for all of the schools primarily 6-12 that don't have the ability to offer certain classes, you can see the trend of number of schools that are participating in this program. The primary reason for the growth is because we have a number of schools that are having difficulty finding teachers. Over the years there are advanced placement courses that not every school has the ability to offer. The demand is high. This was one of the Governor's initiatives years ago and as the program was started, it was determined that we should buy down a portion of those classes on behalf of the North Dakota students. The Governor has funded that the general fund pays for 2/3 of the class and then we make the school or school 1/3. If it is homeschooled they pay just a 1/3 and if it is an out of state student, they pay the full amount. If the demand for that program goes up, there's only so much money.

**Senator Wanzek:** The state buying down the cost benefits the homeschooled and non-public schools as well?

**Ressler:** That is correct. If their school had the ability to offer that class, of course they would get it there, but if they don't have the resources to provide that then this is a substitute.

(6:05) **Alan Peterson**, Director for Center for Distance Education

**Senator Robinson:** Economically do we have schools that would benefit more from this method rather than finding a teacher?

**Peterson:** There is no attempt to put anybody out of a job. It is supervised study rather than independent study, so somebody needs to be at the school. There needs to be a proctor of some sort in the room if there are multiple students. If you are in a small school in North Dakota with 300 or less in K-12, when you are in high school you will have about 60 courses to pick from. If you are in a larger school in the state you will 185 to choose from. You are not taking any advanced classes and if you won't be able to get a foreign language except through us. We try to offer all of those things but what we've found is that we are now teaching a lot of core courses simply because some of the schools can't get Math teachers.

There is a lot of apprehension about if it is as good as an instructor. If the instructor is working to optimum level then it is not as good, but there are a lot of things that go on in a classroom that there are some advantages to being online. We manage to the individual child and not to the overall classroom, constantly working one-on-one. Incidentally all of our classes are backed by teachers at our place. The labor is the expensive part.

Minto, North Dakota will have taken 172 courses from us by the end of this year and they didn't eliminate any teachers. Students took core courses from their teachers. Little Rutherford has taken 65 courses and Strasburg is to over 125. They don't have an alternative; I don't know how they would get those courses if we didn't provide it for them.

**Senator Gary Lee:** Is the money we are talking about on the green sheet with the new 4 teacher FTEs and the 1 program analyst for 2.5? (see attachment #2)

**Sean Smith** (Legislative Council): Correct.

**Ressler:** (see attachment #3) Page 29 shows a summary of the funding that was taken out of our budget from the House. That is what we ask would be restored. It is a portion of general funds as well as special funds. Special funds are the dollars that we would collect for the other 1/3 portion. The 5 positions are listed on that sheet correlates with the reductions we saw in the House.

**Peterson:** Some don't see us as a statewide entity because we are located in Fargo. We are not only teaching individual kids, we are now teaching classes. In some schools, we are now the Science Department.

**Ressler:** The Center for Distance Education is our number one priority to bring back. If schools are not able to provide those classes they will not be able to offer it to the students across the state. This is more of a need than a want. We did not foresee the growth; it's a good example of the demand that is out there for the students.

The second priority is the security position. Yesterday morning the state experienced a denial of service attack. Most of the time you don't see these things from a security perspective, but security is the number one priority in ITD. Most denial of service attacks are never seen because we manage to block them. It's not necessarily a breach. One of the positions we asked for in the Governor's budget was a general funded position to be housed at the Fusion Center. The Fusion Center is the state local intelligence center out at

the Department of Emergency Services. We are very focused on government because that is role. We put the position of a security person in ITD with the idea that that security person would be working with other ITD security people. We could rotate them in and out of the fusion center, and it will give us the best leverage on security. I will have Dan speak more on that initiative.

(15:45) **Dan Sipes**, Deputy CIO at ITD

**Sipes:** There are similar entities in every state like the fusion center where their focus is not state government but critical infrastructure- power, banking and schools. They try to reach out beyond just state government. The intent is to be a hub of information both with what is happening within the state and communicated with the Department of Homeland Security. We belong to a state-wide consortium of states and had early warning because of entities across the nation. You can see the cascading effects and that is the whole purpose of these fusion centers, to coordinate locally within the state and then coordinate that up national. We would then staff this person to Mike's point so that we don't get competing lines of talent. We could take our security staff, engage with that person, and then contribute to the fusion center not in a way that would be different than how we are communicating with the state. We'd also see then that person at the fusion center going out and talking to power companies, facilitating conversations. There is a value when you have a person that has what is happening at the state and then being able to extrapolate that and create conversations with critical infrastructure.

**Senator Robinson:** How many security persons do we have in ITD?

**Sipes:** We have 6 right now who are dedicated to security. It is part of every person's job at ITD, but we have 6 dedicated.

**Senator Wanzek:** We like working off the green sheet. Is that under the information system's security analyst's line?

**Sipes:** If you look at line 2, you will see that the original bill was for 4 FTE, and you can see that they only funded 3. The one they didn't fund was the general funded fusion center FTE.

**Senator Gary Lee:** Another FTE that they considered to be removed was the electronic records manager position, correct?

**Ressler:** Correct, there was that initiative in which we hired a consultant who looked at the records over at the Historical society. The consultant's recommendation was to put in an FTE in the Historical Society and put an FTE in ITD. Theirs would be a state archivist position and ours would be this records manager position. I believe they got theirs got approved for funding in the Senate and is now in the House.

**Senator Gary Lee:** Do you see this as a critical position as well?

**Ressler:** If I had to prioritize of the four initiatives, this would be number 4. I would have the SLDS as the number 2 initiative.

**Senator Robinson:** What happens to those agencies that operate their own systems? Do they have less security? We have agencies that want to go their own way.

**Ressler:** We are responsible for the state network. For all of those entities that host their applications in our data center, we take on the responsibility of the security around the data center and many of the hosting computer components. As Dan said everybody plays a role

in security from an application standpoint. For those agencies that we have allowed to host their own infrastructure, ITD is not providing the security component around the hosting. We are still doing the network, but we aren't doing all then there is responsibility that gets pushed out the agencies. We make large investments in not only staff but in tools that give our people the ability to block, recognize and monitor things. For agencies that are doing their own thing from a hosting standpoint, they don't have those tools because they don't have the funding to pay for those tools. It doesn't mean we are not working with them but in most cases they are probably working on their own.

**Senator Robinson:** Are they assessed in any type of fee for service for what you are doing for the greater good of the state system?

**Ressler:** From a network standpoint, they are paying their fair share there. They are not paying for our data center costs because they don't have anything in our data center. They are only paying for what they host in their facility, wherever their facility is.

**Ressler:** As you can see on page 6 of the handout, it is that \$251,000 that was removed by the House for the fusion center position. It's more difficult to see on the green sheet primarily because the green sheet doesn't differentiate between the four positions.

**Senator Gary Lee:** It looks like there is a transfer of dollars by the House to the Attorney General's office?

**Ressler:** That is the Criminal Justice Information Sharing System (CJIS) program that was in ITD's budget. It is now going to be moved over to the Attorney General's budget because of FBI rules.

**Senator Wanzek:** We move all of CJIS out of ITD and into the Attorney General's?

**Ressler:** Correct, the whole program. We had 3 of the FTE's in our budget and they had 2 of the FTE's in theirs. It makes sense.

**Senator Gary Lee:** They took the \$1M out?

**Ressler:** Correct.

**Ressler:** There were 4 cuts. The only other cut we haven't talked about is the state longitudinal data system. \$4M was what the request was.

**Senator Wanzek:** You said this was your second priority?

**Ressler:** Correct. We need something to continue on. We will try to help you come up with a dollar amount that is reasonable. I would hate for it to be an all or nothing attempt.

**Senator Wanzek:** Are you referring to the one time funding?

**Ressler:** Correct. Over the years we have always received federal grants to pay for that program. We've been advertising for a number of years that at some point the federal grants are going to go away. There may be some potential to get some future grants, but we don't know that. We need general funds to get us to where we are at the operational amount. That was the \$3.5M that was appropriated by the House. Then we asked for a separate \$4.5M for one time funding which is projects related to 3 main programs: University System, job services and K-12.

(28:05) **Senator Gary Lee:** Does it make sense to you for having those teacher FTE's in your budget?

**Ressler:** Yes, it makes sense to put it into our budget which has the Center for Distance Education budget it in. The majority of the teachers they have are actually temporary teachers. We are asking for 4 new positions because we believe the demand is not going to go down. There is a need to make some of these long-term temporary people a permanent FTE. That is the reason for the request.

**Senator Gary Lee:** You have temporaries that you are trying to move into full time jobs?

**Ressler:** We have additional workload that we are forecasting coming in. if we were given those 4 positions, we would open those up. I'm sure the certain temporary teachers that are there full time would probably apply and be the selected candidates.

**Senator Gary Lee:** The temporaries are doing the work now?

**Peterson:** We have 10.5 FTEs and nearly 36 part times. Approximately 5 of those 36 are working to what would be equivalent to full time. There is plenty of work for the individuals.

**Senator Wanzek:** In section 3, it allows you for transfers between the operating and salary operating. That has always been standard, correct?

**Ressler:** Correct. We still go through OMB if ever need to make a line item transfer.

**Senator Wanzek:** You are responsible for the insulation of state-wide radio communications?

**Ressler:** That is not something ITD asked for. There is a \$116M recommendation that if we put in a trunk system across the state and then equipped all locals (emergency, law enforcement, fire) with radios that are capable of handling trunk systems, that initiative would be about \$116M project. The House wants ITD to manage that initiative. I don't think their intent was for ITD to take over state radio, but the House Appropriations believes that ITD should be the one to coordinate, manage and facilitate the project. That was added in the House. That is not something Governor asked for.

**Senator Wanzek** closed the subcommittee meeting.

# 2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

HB 1021  
4/2/2015  
JOB # 25776

Subcommittee  
 Conference Committee

Committee Clerk Signature

*Katie Oliver for Alice Wanzek*

## Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for ITD

## Minutes:

Chairman Wanzek called the subcommittee hearing to order on Thursday, April 02, 2015 at 3:00 pm in the Harvest Room in regards to HB 1021. All subcommittee members were present: Chairman Wanzek, Senator Gary Lee and Senator Robinson. Lori Laschkewitsch, OMB and Sean Smith, Legislative Council was also present.

Senator Wanzek: The last time we met we went through some of the changes that the House had made. Al Peterson was here, the CDE, Center of Distance Education was 5 FTE top priorities. We talked about the fusion security analyst, the statewide longitude data system funding project. Summarize the 5 FTE and the importance of putting them back.

Mike Ressler: Chief Officer of ITD. The 4 initiatives the House removed, one those being the center for distance education which I did say were the number one priority to reinstate. If you look at that you can see there was \$1,500,000 of general fund money used to hire 5 teachers as well as provide funding for contract teachers. There was that \$997,279 of special funds so I would ask that you consider the whole amount the demand is only growing.

Senator Wanzek: Isn't it true that we went from 1,200 to 10,000 students in a few years?

Mike Ressler: Yes that is correct.

Senator Wanzek: Can I ask how many FTEs are in that area?

Mike Ressler: There are currently 25.8 FTE in that program today and roughly 30 contract teachers in some form or another.

Senator Wanzek: I like independent agreement. Part time.

Mike Ressler: They are not all full time, 6 are full time, and the others are doing portions of an FTE.

Mike Ressler: I went to the national governor's association cyber security summit and we were learning. The one position that the House cut in our budget was that fusion center position and if you remember that was the one that General Sprynczynatyk asked to add a security person in their fusion center with the idea there would be a security component in that group. The vision of the fusion center position is important and I would want to say that it would provide a great value for the state of North Dakota.

Senator Gary Lee: Did you say that was in his budget or in yours?

Mike Ressler: That's the number 2 on the green sheet; it is a \$251,000 general initiative that the house took out.

Senator Gary Lee: There is 3 system security analysis that are still in there, and the one that was left off is the fusion one.

Senator Wanzek: When he said we didn't get one of them he meant one of the four not we didn't get any of them.

Senator Robinson: This position is entirely dedicated to security and the fusion center?

Mike Ressler: Today we have security that we provide inside our walls for state government. At the fusion center that have different analysis that specialize in different industries and they do not have a security analysis over there today.

Senator Robinson: This person could serve the entire state of North Dakota, would there be overlap for providing Lisa's operation in Higher Education?

Mike Ressler: It is more than technology and government. It would be an ITD employee; they could work with higher ed also.

Senator Wanzek: Can you provide me with a profile of who is trying to get into our system? What is the profile of one?

Mike Ressler: It's governments, its individuals, it could be very smart people, China happens to be one, most of the time the hacks are originated out of country. Their intent can be for multiple reasons to get personal information. In all cases they are doing it for profit but that profit doesn't have to be financial.

Senator Wanzek: Too bad they are using their intelligence in such a negative way.

Mike Ressler: There was a gentlemen at this conference, a CEO of a security company, who was responsible for going in after the fact and doing the remediation and determine what all occurred. He determined that 91% of the hacks that he has encountered are the result of sphere fishing, it's not the broad, it is very personal, their purpose to get your password, once they get in, you got that data.

Senator Wanzek: I see email or text, if it looks personal who's this. So the need is to stay one step ahead of them. Do any of them are they ever identified and prosecuted?

Mike Ressler: They were at one time but I really believe today most of the offenses are coming from overseas and there is no ability to prosecute them even if you do catch them.

Dan Sypes: Deputy Director NCIL, The change is and why the meeting was held, we are dealing with nation state activity, the expectation that United States will be impacted, the push is to get communication between the states, the feds, infrastructure providers in the state so that if something happens, you have already the communication vehicle in place. So that was the whole premise of this. Within state, between states and the whole federal government.

Senator Robinson: Mike referenced the IT committee. This has been an agenda topic quite often and it's only going to get worse. Preparedness is the challenge and as prepared as we might be security can be compromised. You have to be so careful; some of the most skilled individuals are in this business.

Mike Ressler: So the message is in regards to email is if you don't know the person who sends an email, delete it. But this was a gentlemen very skilled, he got an email from his sister, or so he thought, it had a picture of him and her and he noticed a misspelled word, she might not be the person that would send an email like that, and they managed to get his picture off Facebook, and he was supposed to click some credential. You can still get tricked.

Senator Wanzek: I've seen that on Facebook, where someone would click on that, when they didn't actually send it out.

Senator Robinson: One last comment, given the scope of the responsibilities, are we being realistic that one person can do.

Mike Ressler: one person is not going to do this. In Oklahoma they have 13 people dedicated to security, 3 of them dedicated to just monitoring.

Senator Wanzek: Can you tell us our numbers in that?

Mike Ressler: We have 6 dedicated security people, this would add 3 more and the 4<sup>th</sup> one would be for the fusion center.

Senator Wanzek: Did you have it in your presentation that you asked for?

Mike Ressler: We didn't ask for 20 in security, we asked for 2 more in the governor's budget, and we were not given those from a security standpoint. But we feel this is a great start and can do some great things going forward.

Senator Wanzek: If we can get it back to the executive budget that could work out.

Mike Ressler: At the convention they kept using the metaphor Pearl Harbor of cyber security. Most people are concerned about utilities, water, dams, new cars have computers in them and somebody can hack in and shut down while you are driving. Our infrastructure is run off of computers.

Senator Wanzek: Describe what the intent was for the \$4,500,000 onetime funding.

Mike Ressler: The state longitudinal data system asked for \$4,500,000 to continue to enhance the program. To just give you a high level overview, I spoke of putting sleds into ITD, that was done as sleds start touching multiple entities in state government there is one central point where that is being done and so the three entities that we have funding in there for are K-12 education, DPI over the last 6 years has received a number of federal grants that we have coordinated with them to put this infrastructure in place, the second area was workforce development so they get a \$1,000,000 grant that would take workforce data, there is roughly 3 different warehouses. The thought process behind that is they won't work independently either, it all starts with someone in K-12 that moves up through higher education and ends up out in the workforce. What the purpose of this program is to provide information for all kinds of reasons, security is a key component of this. It is very protected, very secured; most of the reports that come out won't be personally identifiable individuals.

Tracy Korsmo: ITD, SLDS Program Manager. As Mike described these three systems we were lucky enough to receive federal grants to receive federal grants to build the core systems. The workforce component, primarily Job Service that \$1,000,000 didn't go that far and it's state funding that needs to bring this forward. The vision from the commerce department and the governor's office is that whole workforce development supply and demand. We are getting good K-12 data now, we are starting to get good post-secondary data in now but how do we look at. North Dakota is lagging on getting that information to legislators, the governor, and the public. A big component in the next biennium is going to be in the workforce development, the other area that is of major concern is the university system. We are working on a grant with the university system that has been an extremely positive engagement, we are addressing some of the business issues that they have with their data, working a lot with data quality and we will finish this grant up this next year. Hopefully we can transition to a new statewide report using modern reporting tools. The other area is the K-12 area with the educational portals, great success electronic with transcripts and it is being positively received by the school districts. That will be a student and parent program will be able to log on and see the transcripts as well. We are under the current project to take that data and calculate whether they are scholarship eligible for them and provide progress monitoring starting in the 10<sup>th</sup> grade. What we will do with the portal then is work with the university system to initiate the college application process. In K-12 we have about 3,500 teachers using this tool; we are providing student level dashboards, early warning indicators, predicting whether or not they will need remediation in post-secondary. North Dakota teachers and educators are seeing that value in data and have a hunger to use the data to affect the outcomes of their students. Part of the budget is getting them the data they are requesting in a much more interactive way.

Senator Wanzek: What is power school?

Tracy Korsmo: That is where we get our data. We harvest the data out of power school that is stored a secured warehouse.

Senator Wanzek: \$4,500,000, I was told that maybe it will be possible to get by with a little less?

Mike Ressler: There is a possibility we are always looking for federal grants. In the past we have been successful and if we are successful, we won't need all this money. Anytime we did receive federal funds, we will carry it over.

Senator Wanzek: Leadership asked about that.

Mike Ressler: If we were successful with some grants we would be able to do with less.

Senator Wanzek: To complete the work, federal grants or general fund it pretty much is going to require all \$4,500,000.

Mike Ressler: If we got \$2,500,000 that would be taking a chance on these grants but if we were told that we would not be getting the \$4,500,000 I would give away \$2,500,000, then I think we could if for some reason we did not receive those funds, have Tracy slow down.

Senator Robinson: The responsibility as a committee, the \$2,000,000 if we free that up with state longitudinal data certainly helps. My personal opinion, I think the employees at the center for distance education are pretty critical, there are a lot of schools out there depending on it. I've heard enough on security, I think we'd be sorry if we don't go down that road. We may go 2 years with no problems, and we may have problems tomorrow. I think that position for the fusion center is pretty important.

Senator Gary Lee: What I heard on the fusion grants pretty vital as well as the CDE, based on the data we received.

Mike Ressler: What I heard on the fusion grants I think it is pretty vital to re think that position as well as the CDE in terms of some of those positions and looking to be moved back in based on the data we have received.

Senator Wanzek: We are moving all of CJSS out of ITD.

Senator Gary Lee: If they can get by with less, \$4,500,000 to \$2,500,000.

Senator Wanzek I think we are really close. I would like to sleep on it one night. You presented a good case why we need to put some of these things back in. I want to be sure this is the right direction.

Mike Ressler: That 4<sup>th</sup> item, item number 6 the records management position. If you remember there was a consultant they determined that a position should be in the historical society and a position be put in ITD the house is improving that. We don't do this often. It is in the historical society.

Senator Wanzek: So if we hired that one and we didn't hire this one would it defeat the purpose?

Mike Ressler: It would devastate the work of the other.

Mike Ressler: The purpose of the program, as the historical society is starting to get more electronic records. . We are behind, unfortunately the equipment that reads that kind of equipment isn't being made any more, they need an archivist position, and then we need that position in our department who is more technical and records management who will work with the person at the historical society. If there is need put it in the right budget these two need to be together.

Senator Wanzek: Would the historical budget provide general fund dollars on both sides.

Mike Ressler: If it was put in our budget we would ask for special and then bill them. Yes, general funds on both sides.

Senator Wanzek we will take that into consideration.

There was no further discussion and Senator Wanzek closed the subcommittee hearing on HB 1021.

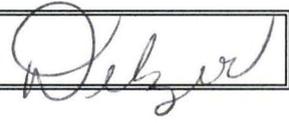
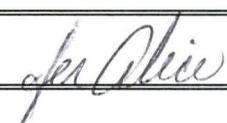
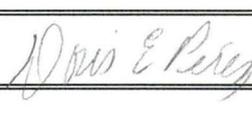
# 2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

HB 1021  
4/7/2015  
JOB # 25859

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A subcommittee hearing for the Information Technology Department (ITD)

## Minutes:

No testimony submitted

**Chairman Wanzek** called the subcommittee hearing to order on Tuesday, April 07, 2015, at 10:00 am in the Harvest Room in regards to HB 1021. All subcommittee members were present: **Chairman Wanzek**, **Senator Gary Lee** and **Senator Robinson**. **Nick Creamer**, OMB and **Sean Smith**, Legislative Council were also present. **Mike Ressler** and **Dan Sypes** were also present from the Department.

We had gotten thru the discussion of all the changes the House made. Start with the Center for Distance Education Program the 5 FTEs in the executive budget were removed by the House. What are the thoughts of the committee on addressing that issue?

**Senator Gary Lee:** I think they make a pretty good case by the volume of business increase; my suggestion would be to look at 4 FTE's put back.

**Senator Wanzek:** run a motion on each one? Why don't we go with the others? I would support that.

**Senator Gary Lee** I think putting that fusion position back would be an important thing to do in terms of security. I would add that one back. Those are the FTE's I put on my list for consideration.

**Senator Wanzek:** the archivist we are not going to consider?

**Senator Gary Lee** yes I did not include those.

The other thing we talked about was the state wide longitudinal data system. There was some discussion on that in the amount of \$2.5M in terms of useful dollars for what needs to be done, I would suggest the \$2.5M be put back in

**Senator Wanzek:** the Cejss one is going into the attorney general's office.

**Mike Ressler**, State CIO, in regard to the CDE positions, there were the general fund dollars, the special funds dollars. The importance of receiving the special fund dollars authority \$997K, is so CDE can actually collect that one third portion that they bill the schools, or if it is an out of state student they bill them the whole amount. I would ask that you consider putting the special fund authority in their budget. The general funds weren't just for salaries it was also to help buy down the two thirds portion. If you just do the 4 FTEs and no general fund dollars there are other general fund dollars I would ask you to consider because without those dollars they wouldn't be able to buy down classes.

**Senator Wanzek:** so part of the \$1.5M in general funds is not just for the salaries of the additional FTEs?

**Mike:** Correct it is also to get general fund dollars to buy down classes. They buy down classes by paying a vendor for class's software and then they have teachers who then provide the teaching. Dan do you have the breakdown on that \$1.5M? Based on Sen. Lees' recommendation you are going to go into the pay plan and say what are the salaries for the 4 FTEs? That could be around \$½ M, and that wouldn't get Dr. Peterson what he needs. He needs the general fund dollars to also pay for the extra classes he is going to buy.

**Dan Sypes**, Director of ITD, I think the 5 FTEs between salaries and fringe benefits was probably around \$1M, there was also some temporary staff. That is how we got to \$1.5M. I want to visit with Shawn to make sure my numbers match. It is a combination of the actual fringes and salaries for the FTE plus the contractors; we'd have to figure that out, also temp staff. (7.14) I would want to visit with Sean about that.

**Senator Wanzek** if you took 4/5 of the \$1.5 would that be it? (Was told yes)

**Mike:** we should be able to get to that number.

**Senator Gary Lee:** the dollars include the FTEs that we suggest put back, plus the benefits, and plus the temporaries. He was told that was correct.

**Senator Wanzek:** would it be safe to say that we would be willing to fund the 4 FTEs plus the additional dollars for operating that they are referring to? We wouldn't know exactly what the number would be but we would essentially be taking one FTE's salary off these lines. Any other issues, all the other are self-explanatory. Will adjust he health insurance and some of the other lines to cover the new FTEs

**Mike:** did you include the special fund authority in Sen. Lee's recommendation? The \$997? We have \$120M special fund authority. You were not granting us any dollars; you were giving us the ability to collect dollars from other agencies. The center for distance ed. is identical, any time they are billing others for their services to collect those dollars the legislature has to authorize them special fund authority to collect them. Without it they don't have the ability to receive them. Who pays for those funds? It would be the schools

**Senator Wanzek:** are we receiving those funds now? We have every biennium to put in the special fund authority?

**Mike:** Yes, that is why the ITD budget is so big, because about \$120 of 30 million of that is what makes it look like we are double spending when in fact we are not.

**Sean** Yes, I understand. The question I had for CDE is which positions; there are 4 teacher positions and 1 programmer analyst. You had a specific one you wanted?

**Senator Gary Lee** I didn't and I'd let them decide on those. So is that section 3 in the bill? Transfer of funds. Where does it say you need transfer of authority for special funds? Has it been missing all the time?

**Mike:** that has nothing to do with the transfer. Any time a state agency is special funded, you need to authorize it to either get general, special or federal funds. This would be additional. The original base budget that you are approving, this is additional, so as he is increasing his classes, this is the difference of the portion that other entities are paying. It would have to be spelled out because the House never approved it.

**Sean Smith**, Legislative Council, basically what you are doing is providing appropriation of that amount; it is providing the authority to collect it basically.

**Mike** it's the collecting it.

**Senator Robinson** for many years there were no general fund dollars, many legislators don't understand it, it is a fee for service agency, we could tell all the agencies to go out and contract. What we have done is consolidate it, by doing it we hope to have a better system, uniformity and better prices. As agencies contract with ITD, ITD gives them their fee schedule and those dollars come from the general fund. It is the way we have been operating. If need authority to accept and spend those dollars. We don't object to getting it right.

**Mike** it is item 13 on the green sheet. When the House did not approve the CDE 5 FTEs, they did not approve the general funds and the special funds the authority. You have to do both.

**Senator Wanzek:** as long as the experts know what to do. I feel it would be like coming you with our farm budget. Is there anything else? We can put together a motion on the amendment: add 4 FTE's back to CDE line item, the numbers will be adjusted to reflect the removal of 1 FTE from those numbers; we will leave it up to ITD as to which one it will be

**Mike** I will go back to Dr. Peterson, of those 5 you are not getting one, which one do you want to take out then tell Sean and Sean will remove it from the budget.

**Senator Wanzek** and then add 1 security analyst for the center. And then add \$2.5 of general fund into the statewide longitudinal data system, a onetime funding. Did I miss anything? Was told the health insurance correction has already been taken out.

**Senator Robinson** the general fund buy-down on classes, we are going to approve that. And then the \$997 special fund authority.

**Senator Gary Lee** so move. 2<sup>nd</sup> by **Senator Robinson**

**Senator Wanzek:** any other questions. We will bring this before the whole committee. Seeing none, all in favor say aye. It carried. The hearing was closed on 1021.

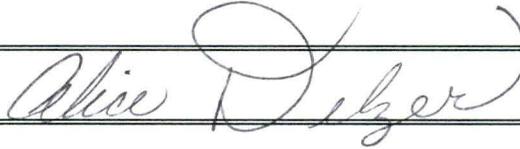
# 2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

HB 1021  
4/9/2015  
Job # 25954

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Information Technology Department. ITD  
(Do Pass as Amended)

## Minutes:

Attachments 1 - 2

**Chairman Holmberg** called the committee to order on Thursday, April 09, 2015 in regards to HB 1021. All committee members were present. Adam Mathiak, Legislative Council and Lori Laschkewitsch, OMB were also present.

**Senator Wanzek** presented Attachment # 1- Amendment # 15.8129.02001 and explained the amendments. The major changes we made were the House had not included the 7 requests, in the executive budget there was 5 FTE teachers and programmer anylist for the Center for Distance Education, the House did not put any of them in. The sheet # 2, ND Center for Distance Education (NDCDE) shows you the growth of that program. From 2011 biennium of 1200 students to today there is over 12,000 students participating in this. There are a number of teachers involved in this that are temporary full-time essentially and we thought it would be worthwhiile to make them full time and provide for that in the line item which is one of the major changes. It results in an increase of \$2.4M, which about \$1M is other funds and \$1.4M general funds. Also there was a request for a security analyst at the fusion center. The House did not fund that. We thought that was an important position with all the hacking and the problems with maintaining security within our systems that it was vital to have that additional person added. Then there was the one time funding of \$4.5M for statewide longitudinal data systems. The IT department thinks they can get some federal funds, they would need some general funds, rather than putting the \$4.5M in there we felt \$.2.5 would meet their needs and they could supplement that with some federal funds through a grant program they are going to look at. Those are the major changes. It ends up adding about \$4.1M to the House version, the committee voted to adopt these amendments. (3.41)

**Senator Wanzek moved the amendment # 15.8129.02001. 2<sup>nd</sup> by Senator Robinson .**

**Senator Robinson:** Senator Wanzek did a good job of explaining the amendments and commented about the concerns of security, and that was one reason the subcommittee felt

very strongly about the fusion FTE. I think our people are doing a good job with our security. I saw the website and it showed where we are having nations attacking us, much of this is coming from China. It looked like shooting stars, it was extremely active. The bottom line we need to be prepared, or we will compromise our security. Even though we are prepared, there is still danger there. They made the case for the fusion center. This is a case that will not go away. We'll get this in the conference committee.

**Chairman Holmberg:** I sense the House will not be very pleased about the longitudinal data center. I don't think they are very excited about that at all. That is what conference committee is for. All in favor of the amendment say aye. It carried.

**Senator Wanzek moved Do Pass as Amended on HB 1021. 2<sup>nd</sup> by Senator Gary Lee .**

**Chairman Holmberg:** Call the roll on Do Pass as Amended on HB 1021.

A Roll Call vote was taken. Yea: 13; Nay: 0; Absent: 0. **Senator Wanzek** will carry the bill.

The hearing was closed on HB 1021.

*x/19/15  
 Done  
 1/2*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$51,553,251	\$6,559,964	\$58,113,215
Accrued leave payments	2,626,084	(2,626,084)	0
Operating expenses	64,734,643	5,029,479	69,764,122
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	3,128,214	8,996,605
Statewide longitudinal data system	1,870,754	6,129,907	8,000,661
Educational technology council	1,614,609	1,091,338	2,705,947
EduTech	8,052,094	1,247,897	9,299,991
K-12 wide area network	4,928,177	75,271	5,003,448
Geographic information system	1,245,294	26,044	1,271,338
Health information technology office	4,750,723	629,921	5,380,644
Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$7,771,990	\$177,385,971
Less estimated income	<u>149,674,553</u>	<u>305,431</u>	<u>149,979,984</u>
Total general fund	\$19,939,428	\$7,466,559	\$27,405,987
Full-time equivalent positions	340.30	10.00	350.30"

Page 2, after line 12, insert:

"Statewide longitudinal data system	0	2,500,000"
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Page 2, replace lines 14 through 16 with:

"Total all funds	\$1,315,000	\$3,550,000
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	\$1,315,000	\$3,550,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Information Technology Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$51,553,251	\$58,290,270	(\$177,055)	\$58,113,215
Operating expenses	64,734,643	69,738,122	26,000	69,764,122
Capital assets	12,500,600	8,850,000		8,850,000
Center for distance education	5,868,391	6,607,946	2,388,659	8,996,605
Statewide longitudinal data system	1,870,754	5,505,409	2,495,252	8,000,661
Educational technology council	1,614,609	2,707,304	(1,357)	2,705,947
EduTech	8,052,094	9,087,495	212,496	9,299,991
K-12 wide area network	4,928,177	5,006,161	(2,713)	5,003,448
Geographic information system	1,245,294	1,272,016	(678)	1,271,338
Health information technology office	4,750,723	5,383,357	(2,713)	5,380,644
Criminal justice information sharing	3,069,361			

2022

Federal stimulus	6,800,000			
Accrued leave payments	2,626,084			
Total all funds	\$169,613,981	\$172,448,080	\$4,937,891	\$177,385,971
Less estimated income	149,674,553	149,163,459	816,525	149,979,984
General fund	\$19,939,428	\$23,284,621	\$4,121,366	\$27,405,987
FTE	340.30	345.30	5.00	350.30

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

	Adjusts Funding for Health Insurance Premium Increases <sup>1</sup>	Adds Funding for Centers for Distance Education <sup>2</sup>	Adds Funding for Security Analyst <sup>3</sup>	Adds One-Time Funding for Statewide Longitudinal Data System <sup>4</sup>	Total Senate Changes
Salaries and wages	(\$177,055)				(\$177,055)
Operating expenses			26,000		26,000
Capital assets					
Center for distance education	(17,638)	2,406,297			2,388,659
Statewide longitudinal data system	(4,748)			2,500,000	2,495,252
Educational technology council	(1,357)				(1,357)
EduTech	(20,351)		232,847		212,496
K-12 wide area network	(2,713)				(2,713)
Geographic information system	(678)				(678)
Health information technology office	(2,713)				(2,713)
Criminal justice information sharing					
Federal stimulus					
Accrued leave payments					
Total all funds	(\$227,253)	\$2,406,297	\$258,847	\$2,500,000	\$4,937,891
Less estimated income	(180,754)	997,279	0	0	816,525
General fund	(\$46,499)	\$1,409,018	\$258,847	\$2,500,000	\$4,121,366
FTE	0.00	4.00	1.00	0.00	5.00

<sup>1</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

<sup>2</sup> Funding is added for the Centers for Distance Education for K-12 education, including funding for temporary employees, software, contractual services and repairs (\$1,706,578), as well as 4 teacher FTE positions (\$678,791) and related salary increases (\$20,928).

<sup>3</sup> Funding is added for a security analyst FTE position (\$225,000) and related operating expenses (\$26,000) and salary increase (\$7,847) to provide security at the Fusion Center.

<sup>4</sup> One-time funding is added for contractor and development expenses to continue the statewide longitudinal data system project.

Date: 4-9-15  
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1021

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 15.8129.02001

- Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Wanzek    Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Heckaman		
Senator Bowman			Senator Mathern		
Senator Krebsbach			Senator O'Connell		
Senator Carlisle			Senator Robinson		
Senator Sorvaag					
Senator G. Lee					
Senator Kilzer					
Senator Erbele					
Senator Wanzek					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*Voice Vote Carried.*

Date: 4-9-15  
Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1021

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Wanzek Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Wanzek

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1021, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1021 was placed on the Sixth order on the calendar.

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

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Re-number accordingly

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General fund				
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**Department No. 112 - Information Technology Department - Detail of Senate Changes**

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Federal stimulus					
Accrued leave payments					
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2015 CONFERENCE COMMITTEE

HB 1021

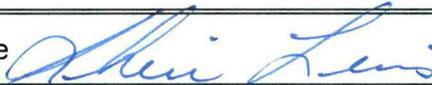
# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
4/16/2015  
Recording Job# 26179

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

"Click to enter attachment information."

**Chairman Skarphol:** Opened the conference committee on HB1021.

**Senator Wanzek:** Explained the changes to HB1021.

**Chairman Skarphol:** You did not add the \$250,000.00 for remedial?

**Senator Wanzek:** We did not add it. We thought that was part of our amendment but it did not get added.

**Chairman Skarphol:** FTE's are an issue on our side of the hall. Did you have discussions as to the value of providing the four full time equivalents vs continuing with the contractual services?

**Senator Wanzek:** We discussed it somewhat.

**Senator Robinson:** We did have discussion and we had a couple of different presentations. They are using contractual contracts with some of their staff; but, the growth to 12,000 projected for this fall is such that we felt they made the case that the bulk of their staff need to be on board in more of a structured way than contract. They are going to use some contracts. There are some schools that are having their entire school accessing instruction from this center.

**Representative Streyle:** I distinctly remember if the study came back and showed that it was feasible to consolidate that the Senate would be fully behind; yet that bill went to the floor and died 46-1. The study clearly said that we should consolidate; but we spent \$200,000.00 and it went down the drain. The same thing happened on the desktop study which couldn't have been more clear that that would have been a benefit also; that was another \$130,000.00. That bill was taken to the floor and killed as well. I thought we had a

fairly solid agreement that if that study dictated either one of them that we would proceed forward in some sort and yet none of that happened.

**Senator Wanzek:** I would have to be honest and I can't with certainty tell you that's what the study said. I didn't review that. I thought it was brought to my attention that the study didn't necessarily indicate that the way to go was for total consolidation.

**Senator Robinson:** We followed this through the interim on the IT committee and the momentum that was behind this effort dissipated in a hurry. The testimony provided on the floor was surprising and the lack of support was also surprising. At this point in time, the support of the Senate is not there.

**Representative Streyle:** There were 10 agencies that put the desktop in their base budget of around \$250,000.00. The study clearly said that it should be a 250:1 ratio. If that's the case, we'd have to remove one of those desktop support personnel; which would then leave one and that wouldn't be adequate. I would propose that we should add all agencies under 40 users should be required to have this desktop service; which would then add another roughly 250 people, getting you to your 250:1 ratio. It's roughly \$750,000.00 one time and \$750,000.00 ongoing for the biennium.

**Chairman Skarphol:** How many agencies are we talking about?

**Representative Streyle:** I'm talking about 10 or 12 agencies; it's all of them under 40 FTE.

**Mike Ressler, CIO, ND Information Technology Department:** If you pick agencies, not counting the 10 that are in there, there are 8 agencies that are below 40.

**Chairman Skarphol:** Can you run off the agencies for us?

**Mike Ressler:** I can. The agencies are the governor's office, office of administrative hearings, aeronautics commission, retirement and investment office, PERS, veteran's affairs, department of financial institutions and the university system.

**Representative Streyle:** That's on a document in the desktop study that I Bailey did. I can print it out.

**Chairman Skarphol:** Did you have any other issues that you want to visit today?

**Representative Streyle:** I understand the need for the CDE with the growing enrollment. If there's anything we can do to help students out before hand, it's probably not a bad investment.

**Chairman Skarphol:** We're looking for savings if we can find them. When we heard this, there was the discussion about the transfer of CGIS out of ITD to the attorney general's office. The discussion was that there were six people moving. However, there are only five that left ITD; but there are six that showed up in the attorney general's budget.

**Senator Wanzek:** I always view these first meetings as an opportunity to figure out where we're both at.

**Representative Streyle:** I can provide the information on the desktop. As far as the consolidation, I understand that there is no appetite for that. I think at a minimum oil and gas should be in there because they're the biggest target. I think that agency should absolutely be consolidated in.

**Senator Wanzek:** It sounds like there is support for CD and programming for remedial.

**Representative Streyle:** I said I could see the need for it. I don't know if we can do them or not in this budget if there aren't cuts elsewhere. The programming that they're delivering is of valuable and it does help our kids be more prepared.

**Chairman Skarphol:** Closed the conference committee.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
4/17/2015  
Recording Job# 26234

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

"Click to enter attachment information."

**Chairman Skarphol:** Opened the conference committee on HB1021.

**Chairman Skarphol:** With the statewide longitudinal data system; the governor recommended a \$2.5 million increase and we ended up with \$8 million. Am I missing something? I don't see that we cut it on the House side.

**Mike Ressler, CIO, ND Information Technology Department:** The governor had in his budget an \$10 million request for SLDS; it was broke into a \$2 million portion which was ongoing. Because we were no longer receiving federal funds in that area, \$3.5 million was ongoing operations and then put in one time funding of \$4.5 million for projects. When we came in front of the House, the House gave us the \$3.5 million; but removed the \$4.5 million.

**Chairman Skarphol:** For the one time projects.

**Mike Ressler:** Correct. Then the Senate put in \$2.5 million which is where we are today.

**Chairman Skarphol:** The \$250,000.00 for the CDE readiness. Would you comment on that?

**Mike Ressler:** Inside the governor's request we had asked for a number of areas with regards to getting additional funds for the Center for Distance Education. We had originally set up the full amount which was the \$1.53 million and that was general funds. The \$997,279.00 was special funds. There was a separate \$250,000.00 for remedial services and that was generated via conversation prior to the governor putting together this budget with Senator Flakoll and Kirsten Baesler. They determined that we have to start having

more remedial classes available at the K-12 level before they get to college. That was not funded in either the House or the Senate.

**Representative Streyle:** On the \$2.5 million project money; are there known projects out there or do we just need money to fund them should they be there?

**Mike Ressler:** There are three different data warehouses that constitute the state longitudinal data system; there's K-12, higher education and workforce data warehouse. We identified initiatives in all three data warehouses and came up with the \$4.5 million. Those are designated projects and many of them have started in this biennium; it's the continuation.

**Representative Streyle:** Is there any carry over?

**Mike Ressler:** For the first time we will not have any carry over money going into the next biennium. Every biennium we've always been given some general funds; because we didn't know if the federal funds were going to be there or if we'd spend the federal funds. The governor and the legislature gave us general funds and we didn't spend them; because we used the federal funds first, they became carry over. At the end of 2013-2015 we will have spent all the general fund dollars and then we will just be using new appropriation.

**Chairman Skarphol:** On this document that I'm referring to it shows \$6.7 million federal funds for DPI, \$3.9 million federal for higher education, \$1 million for workforce. Can you enlighten me?

**Mike Ressler:** As we received federal funds in different programs we still constituted all that under the SLDS Program. The DPI \$6.7 million were the first federal funds we received; those are all spent.

**Chairman Skarphol:** This is not money that's available; this is what you've invested in this so far.

**Mike Ressler:** Correct. There are still some higher education federal funds available that we're spending; but all the workforce has spent and all the DPI has been spent.

**Chairman Skarphol:** The ongoing cost of this?

**Mike Ressler:** Is the \$5.5 million.

**Chairman Skarphol:** The projects that you had that were one time projects?

**Mike Ressler:** That is \$4.5 million.

**Chairman Skarphol:** How many times have we had one time projects for multiple millions?

**Mike Ressler:** Since the beginning of this program there's always been one time projects.

**Chairman Skarphol:** Maybe we should just quit referring to them as one time projects and be realistic?

**Mike Ressler:** The purpose of the one time is we have to request it; it's not a guarantee.

**Representative Streyle:** If we wanted to add not as much, a place that we could cut down for this biennium would be the one time project money and then fund some of these other important areas. The college readiness piece seems to me a really good idea in light of all the work that was done on the higher education budget. The fusion center security I think should be a high priority. The House didn't fund the CDE and if that one time money gets reduced, we could fund some of these other things.

**Senator Wanzek:** I'm interested in what Representative Streyle is saying. I would have to do a little more of my own research.

**Representative Streyle:** Obviously the Senate felt the CDE was a high priority and very important being that it was funded at the level it was requested. The House didn't fund anything in the one-time money. If it was necessary to fund the CDE, I'd say you'd reduce the one-time money to cover whatever within reason the increase.

**Senator Wanzek:** I'm assuming that the other Senators are with me. I feel pretty firm about the CDE and the remedial dollars and the security person. I'd have to give that some consideration. Are you talking about eliminating it or a reduction?

**Representative Streyle:** If a person would go down to \$1 million or less on the one time projects, you could basically fund everything on your list at the same level.

**Chairman Skarphol:** So what you're suggesting is if we went to the \$1 million on the one time funding for statewide and added back in the \$250,000.00 for the remedial and then cost potentially of the addition of the other entities into the consolidation?

**Representative Streyle:** We would first have to decide on the CDE and what the right number is there. That would determine what that bucket would cost. The fusion center is a pretty critical piece in my mind. The desktop piece could play into this also. I would propose that oil and gas be consolidated and not allowed to be exempted by OMB. There'd be some one time money needed there; maybe \$250,000.00.

**Chairman Skarphol:** The CDE; the addition of the four teachers, I can support that. The FTE situation is always bothersome.

**Representative Glassheim:** This business of putting people in at the last minute and there hasn't been a hearing and hasn't passed in any other form. It bothers me. I understand the desire for it.

**Chairman Skarphol:** What Representative Streyle is suggesting is if we're going to give ITD two desktop support people, it would be logical to have enough desktops for them to support. The other alternative is to take out one of the desktop support people.

**Representative Streyle:** The House did pass HB1053 which did include 32 agencies. The Senate killed it. The House did pass that bill. It included mandating much more than that; it was 1,787 users and 32 agencies. Ten of those put it in their budget; so it was 22 additional. This would be in my mind half way. This would add 245 FTE's to support on top of the 239 that are already in the budgets and are going to pass to get to 500; that gets to what the study said; that a 250:1 ratio is appropriate for that. The consolidated piece of oil and gas; we didn't pass that bill. This year we passed it. Last biennium the interim study clearly said they should be outside of the AG's office.

**Representative Wanzek:** You're talking about adding or requiring some agencies to utilize more desktop services. You also are going to include consolidating oil and gas into the ITD department?

**Representative Streyle:** There are going to be two separate amendments. The agencies that would be added in that aren't in their budgets now would be administrative hearings, governor's office, legal counsel, PERS, RIO, university system, career tech, department of trust lands, financial institutions and state library. Those are all the agencies from when the study was done that are 40 users or less. They did recommend that commerce, parks and recreation, DPI, OMB also go in. The consolidation piece was killed in the Senate 20-51. Oil and gas would be a separate amendment for that consolidation of service.

**Chairman Skarphol:** Can you tell us why you think that oil and gas is so critical?

**Representative Streyle:** I believe the hardware should be here and to transfer the servers aren't that hard.

**Senator Wanzek:** From my own perspective I'm willing to look at the desktop piece. As far as the consolidation, I can tell you that won't pass the Senate. Visiting with legislators that were involved with SB2051, I can almost assure you that that will be very difficult to achieve.

**Chairman Skarphol:** I think the reason that Representative Streyle feels as strongly as he does is because the equipment itself is in an unsecure situation.

**Representative Streyle:** I'm frustrated that we had this conference committee last time. We paid \$200,000.00 for the study and it told us what we need to do and we completely ignored every single word in that document.

**Senator Wanzek:** I don't mean to be disparaging his passion or his view on that. We had the discussion and we had the bill; it was a policy bill. We're discussing the differences on the numbers between the House and the Senate and I know it will raise a red flag. It's going to be very difficult to do. We can discuss this some more.

**Chairman Skarphol:** Closed the conference committee.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
4/22/2015  
Recording Job# 26346

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachment A and B

**Chairman Skarphol:** Opened the conference committee on HB1021.

**Representative Streyle:** I did have an amendment on it; but I would be agreeable to doing what Senator Wanzek handed out. This would add 193 FTE's into it and getting our total not quite to the 500 but an acceptable level to make the two FTE's cost effective.

**Senator Wanzek:** See attachment A.

**Chairman Skarphol:** You're talking about the group that's right below the yellow box on the right side? The dollars that would be needed are represented are on the far right side, the \$987,155.00.

**Senator Wanzek:** That's correct. Some of them have some money in their budget for desktop services. They did look at the budgets that have some funding in there; subtracted and netted it out.

**Senator Lee:** Is there a cost savings in doing it this way?

**Representative Streyle:** Looking at this no. It's hard to put a number on what the efficiency would be. In each one of these agencies there's somebody doing it right now; so how do you quantify the percentage of time they're using. They're going to get more efficient by default because they don't have to worry about this anymore. It's taking the burden off the agency head.

**Chairman Skarphol:** One of the things from my perspective that it accomplishes is the fact that we have an entity, ITD that is responsible to insure that all the patches are taking place in a timely fashion.

**Representative Glassheim:** If we put the money in the budget, what happens if they then chose not to do this? Have we already spoken with them and they're ok with doing it?

**Senator Wanzek:** The intent or the record should show that it's our intention that they do this.

**Representative Streyle:** I hope the intent is there and it gets done. I think this is a fair compromise and I think this is going to be a successful endeavor. What should be noted in this; unless they broke them down, they're assuming in the one-time funding that every computer has to be replaced. We know that's not the case. I would assume that there should be some turn back.

**Representative Glassheim:** Have these agencies been spoken to? Do they know this is happening to them?

**Senator Wanzek:** I didn't speak with them but I did speak with Pam Sharp and Lori Laschkewitsch; and I'm certain that they have been in contact with them.

**Chairman Skarphol:** Lori is that correct?

**Lori Laschkewitsch, Fiscal Analyst, ND Office of Management and Budget:** Yes. We've spoken with these agencies to find out what their concerns were and where they fell in this. These numbers have been confirmed with them over this period.

**Chairman Skarphol:** See attachment B.

**Senator Wanzek:** I'm curious job service didn't feel that they had authorization to do it?

**Chairman Skarphol:** I don't think it's an authorization issue. I think it's just an unwillingness; because it's been discussed multiple times.

**Senator Lee:** Do you know what the Century Code is about and why it's there?

**Sean Smith, Fiscal Analyst, ND Legislative Council:** That section is for education. It's a United States code and it discusses pre-K through 12<sup>th</sup> grade.

**Chairman Skarphol:** We can get more information on this; rather than go ahead with it today. The chair of the SLEDS program asked for this; because she'd had multiple discussions with regard to it; even with the Governor's office. There's been implied willingness; but it's never happened.

**Senator Lee:** This essential requires them to give this information?

**Chairman Skarphol:** That's correct.

**Senator Lee:** We don't know that they're resisting for some legal requirement or under age?

**Chairman Skarphol:** We can certainly ask, we don't need to finish this up today.

**Senator Wanzek:** I'm trying to understand what type of unemployment data. Is any of it private data?

**Chairman Skarphol:** This arose rather quickly and the individual who brought it to my attention was in Chicago at the time. We haven't had a chance to talk and I think that individual will be back today to where we can have a conversation.

**Representative Glassheim:** On unemployment data I understand that we would want from them and they can give it to us. How do they package program evaluations?

**Mike Ressler, CIO, ND Information Technology Department:** I had heard conversations in the past that there was data that was required by the SLDS to do analysis. At one time job service felt they didn't have the authority to give this. I'm not familiar with other information specific to what Representative Glassheim's talking about.

**Chairman Skarphol:** The House side likes to keep things as revenue neutral as we can; so, with the actions we've discussed we're going to add \$1.25 million. I would like to suggest that we reduce the amount of SLEDS in their one time projects; from \$2.5 million to \$1.25 million. That would basically cover what we've done.

**Senator Wanzek:** Since we're going to mull over the previous amendment, maybe we can mull it over. Hopefully we can come next time and be prepared to do something.

**Chairman Skarphol:** I'm fully amenable to that.

**Chairman Skarphol:** It was suggested to me that your rates are too high and it was suggested to me that we take a flat 3% off your rates. Do you have federal issues that arise in your rate setting?

**Mike Ressler:** Absolutely. Where the federal regulations come into play where state agencies get federal funds to pay for ITD services. We have to guarantee that we're generating too much money. The government has no problem if we're losing money. They make sure that we bill everyone consistently. That is reviewed on a regular basis to make sure that state government; not just North Dakota but all states, aren't billing the federal government and then taking those dollars and putting them in the general fund.

**Chairman Skarphol:** The amount of profit that you can generate and have in reserve is regulated as to what that can amount to.

**Mike Ressler:** It is. It's two times your monthly expenditures; the first month is needed because we provide the service and bill the agencies. We need a month to collect that; so we're one month behind. They let you have another month in reserve to run your business.

**Chairman Skarphol:** I needed to have you refresh my memory on that.

**Representative Streyle:** Where are we at with CDE and the fusion center?



**Chairman Skarphol:** As it stands the fusion center is in and we've expressed intent to put the CDE money in.

**Chairman Skarphol:** Closed the conference committee.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

HB1021  
4/22/2015  
Recording Job# 26374

Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide an appropriation for defraying the expenses of the information technology department; and to provide for transfers.

## Minutes:

See attachment A

**Chairman Skarphol:** Opened the conference committee on HB1021.

**Senator Wanzek:** I've visited with a number of different people and I visited with Job Service and asked them if they would want to be present for the meeting. I understand the intent is not privileged information; it's collected data for the purposes of doing studies for education and workforce development for commerce.

**Chairman Skarphol:** It's my understanding that commerce has wanted to do this for two years. Personally, I feel it's important to that they have this data. There's nothing private that's going to be exposed.

**Senator Wanzek:** I was told that it's somewhat similar to the information we've been gathering from the tax department related to those matters that we had passed already in the legislature. I've been told also that there is a lot of federal law regarding this.

**Darrin Brostrom, Director, ND Job Service:** We weren't aware of this amendment until an hour ago. We did pass a bill this session that would allow commerce the information they would request to validate the outcomes that employers would receive based on economic development grants. I'm not sure if we're talking SLEDS or commerce. This amendment doesn't fit into the disclosure of information section of unemployment insurance law; we'd have to look at this to see if there is any conflict between the two. We currently do share with SLEDS; so this seems somewhat redundant. We would need to send this to the department of labor to get approved.

**Representative Streyle:** You know what they're trying to get at or it would be shared. What are you not sharing that you want? There's clearly a problem here otherwise there wouldn't be an amendment. What are you not providing that they want?

**Darrin Brostrom:** I'm not sure. We have been working with Lisa Feldner and Tracy Korsmo and their attorneys on SLEDS. We do share currently the information necessary. The problem that they may be trying to get through here is the display of information. We're required to keep that information aggregate.

**Chairman Skarphol:** I'm reassured that it will be stripped of all identity.

**Darrin Brostrom:** This doesn't say that and that's where our concern is.

**Representative Streyle:** It says "mandatory provisions of information confidentiality"; that wording in itself would strip all that language would it not?

**Darrin Brostrom:** We would have to talk with our attorneys. Looking at it it's extremely broad.

**Chairman Skarphol:** It's my understanding that this ongoing difference of opinion has been going on prior to Marin Daily's leaving. Marin Dailey was on the verge of having this agreement done when she left. I'm going to have this committee to pass this language and if they do and you have a problem with it, you're going to have to come back with something we can address it on OMB.

**Darrin Brostrom:** We'll do whatever is necessary.

**Chairman Skarphol:** I'm going to ask this committee to put this language in because I think there has been some resistance to providing the information requested and I think that resistance is probably not well founded. You're going to have to justify why we should not do this on another bill. If these folks on this committee aren't willing to put this on, I guess we're not going to get done tonight.

**Representative Streyle:** Made a motion to move the amendment.

**Senator Wanzek:** Seconded the motion.

**Roll call vote:** 3 Yeas 3 Nays 0 Absent.

**Motion passed.**

**Senator Wanzek:** I'm assuming that if this is not in compliance with federal law, wouldn't federal law take precedence anyway?

**Chairman Skarphol:** I would assume that.

**Senator Wanzek:** If it is truly out of compliance, I'm sure federal law is not going to let us do it.

**Chairman Skarphol:** See attachment A.

**Senator Wanzek:** That would require increasing special funding within the budget of \$500,000.00. I was assuming it was going to be within the budget; but this would give them the authority to spend an additional \$500,000.00 if they can find it. Right?

**Chairman Skarphol:** Sheldon, do you have resources to spend?

**Sheldon Wolf, Director, Health Information Technology:** We wanted to have the appropriation so we had the authority to spend it if we had it.

**Chairman Skarphol:** This would give them the ability to spend the dollars if they can raise them some way.

**Senator Wanzek:** This is not dollars that are already in their budget; they're looking for an additional \$500,000.00.

**Chairman Skarphol:** Correct.

**Senator Robinson:** Made a motion to move the amendment.

**Senator Wanzek:** Seconded the motion.

**Roll call vote:** 6 Yeas 0 Nays 0 Absent

**Motion carried.**

**Senator Wanzek:** Made a motion for the Senate to recede from its amendments and to further amend.

**Senator Robinson:** Seconded the motion.

**Senator Wanzek:** I know there is some questioning about the unemployment data; but I'm assuming that if the federal law is that clear and that strong, with the understanding if there is a serious issue we'll try to make sure and follow up with something on the OMB budget.

**Representative Glassheim:** I would be a lot more comfortable with this if you say it's been talked about for years; that job service is not giving information, if I could see an exact list of the things you wanted that you're not getting.

**Chairman Skarphol:** The chairperson of the SLEDS program will be back in Bismarck about 7:00 tonight. I will ask that person to be here tomorrow to talk to us individually about this.

**Roll call vote:** 6 Yeas 0 Nays 0 Absent

**Chairman Skarphol:** Closed the conference committee.

OK  
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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

That the Senate recede from its amendments as printed on pages 1529-1531 of the House Journal and pages 1323 and 1324 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide appropriations to certain agencies for desktop support services; to provide a legislative report;"

Page 1, line 2, remove "and"

Page 1, line 2, after "transfers" insert "; to create and enact a new section to chapter 54-59 of the North Dakota Century Code, relating to centralized desktop support services; and to amend and reenact the new section to chapter 54-59 of the North Dakota Century Code as created by section 8 of Senate Bill No. 2326, as approved by the sixty-fourth legislative assembly, relating to the mandatory disclosure of information to the information technology department"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$51,553,251	\$6,559,964	\$58,113,215
Accrued leave payments	2,626,084	(2,626,084)	0
Operating expenses	64,734,643	6,262,534	70,997,177
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	3,378,214	9,246,605
Statewide longitudinal data system	1,870,754	4,879,907	6,750,661
Educational technology council	1,614,609	1,091,338	2,705,947
EduTech	8,052,094	1,247,897	9,299,991
K-12 wide area network	4,928,177	75,271	5,003,448
Geographic information system	1,245,294	26,044	1,271,338
Health information technology office	4,750,723	1,129,921	5,880,644
Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$8,505,045	\$178,119,026
Less estimated income	<u>149,674,553</u>	<u>2,038,486</u>	<u>151,713,039</u>
Total general fund	\$19,939,428	\$6,466,559	\$26,405,987
Full-time equivalent positions	340.30	10.00	350.30"

Page 2, after line 12, insert:

"Health data study	0	500,000
Statewide longitudinal data system	0	1,250,000"

Page 2, replace lines 14 through 16 with:

"Total all funds	\$1,315,000	\$2,800,000
Less estimated income	<u>0</u>	<u>500,000</u>
Total general fund	\$1,315,000	\$2,300,000"

Page 2, after line 20, insert:

**"SECTION 3. HEALTH DATA STUDY - REPORT TO INFORMATION TECHNOLOGY COMMITTEE.** The health information technology office line item includes the sum of \$500,000, from special funds, federal funds, or other funds, for the purpose of hiring a consultant to provide a health data study, for the biennium beginning July 1, 2015, and ending June 30, 2017. Before July 1, 2016, the information technology department shall report the findings of the consultant to the information technology committee."

Page 3, after line 2, insert:

**"SECTION 6. AMENDMENT.** Section 8 of Senate Bill No. 2326, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

**State agencies - Mandatory provision of information - Confidentiality.**

1. The information technology department may request from any state agency:
  - a. All information required by 20 U.S.C. 9871(e)(2)(D); and
  - b. Any other educational information the statewide longitudinal data system committee determines is required for a longitudinal data system to comply with state or federal law; and
  - c. Unemployment insurance wage data from job service North Dakota for education and workforce development program evaluations, except that job service North Dakota may not disclose any data identifying an individual.
2. Subject to applicable restrictions on the use and disclosure of confidential information required to comply with federal and state privacy laws, any state agency receiving a request for information under subsection 1 shall provide the information at the time and in the manner required by the information technology department.

**SECTION 7.** A new section to chapter 54-59 of the North Dakota Century Code is created and enacted as follows:

**Required use of centralized desktop support services.**

1. The following state agencies shall obtain centralized desktop support services from the information technology department:
  - a. Office of administrative hearings.
  - b. Office of the governor.
  - c. Commission on legal counsel for indigents.
  - d. Public employees retirement system.
  - e. North Dakota university system office.
  - f. Department of career and technical education.
  - g. Department of financial institutions.
  - h. Department of veterans' affairs.

- i. Aeronautics commission.
- j. Tobacco prevention and control executive committee.
- k. Council on the arts.
- l. Agriculture commissioner.
- m. Department of labor and human rights.
- n. Indian affairs commission.
- o. Protection and advocacy project.
- p. Secretary of state.
- q. State treasurer.
- r. State auditor.
- s. Securities department.

2. The office of management and budget, after receiving advice from the information technology department, shall establish policies and guidelines for the delivery of desktop support services, including the transition from existing systems to functional consolidation, with consideration given to the creation of efficiencies, cost-savings, and improved quality of service. For purposes of this section "desktop support services" means technical assistance and device management relating to the use of personal computers and peripheral devices.

**SECTION 8. APPROPRIATION - DESKTOP SUPPORT.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds and other income to the agencies named for the purpose of defraying the expenses of desktop support services provided by the information technology department, for the biennium beginning July 1, 2015, and ending June 30, 2017.

<u>Agency</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Office of administrative hearings	\$0	\$17,600	\$17,600
Office of the governor	97,760	0	97,760
Commission on legal counsel for indigents	214,855	0	214,855
Public employees retirement system	0	152,950	152,950
North Dakota university system office	175,350	0	175,350
Department of career and technical education	210,590	0	210,590
Department of financial institutions	0	66,325	66,325
Department of veterans' affairs	34,635	0	34,635
Aeronautics commission	0	17,090	17,090
<b>Total</b>	<b>\$733,190</b>	<b>\$253,965</b>	<b>\$987,155</b>

**SECTION 9. ONE-TIME FUNDING.** The following amounts reflect the 2015-17 one-time funding items included in the appropriations in section 8 of this Act:

<u>Agency - One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>
Office of administrative hearings	\$0	\$14,040
Office of the governor	45,200	0
Commission on legal counsel for indigents	122,275	0

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Public employees retirement system	0	77,370
North Dakota university system office	81,750	0
Department of career and technical education	106,750	0
Department of financial institutions	0	66,325
Department of veterans' affairs	26,895	0
Aeronautics commission	0	14,810
Total	\$382,870	\$172,545"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Summary of Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
<b>Governor's Office</b>						
Total all funds	\$0	\$0	\$97,760	\$97,760	\$0	\$97,760
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$97,760	\$97,760	\$0	\$97,760
<b>Information Technology Department</b>						
Total all funds	\$169,613,981	\$172,448,080	\$5,670,946	\$178,119,026	\$177,385,971	\$733,055
Less estimated income	149,674,553	149,163,459	2,549,580	151,713,039	149,979,984	1,733,055
General fund	\$19,939,428	\$23,284,621	\$3,121,366	\$26,405,987	\$27,405,987	(\$1,000,000)
<b>Office of Administrative Hearings</b>						
Total all funds	\$0	\$0	\$17,600	\$17,600	\$0	\$17,600
Less estimated income	0	0	17,600	17,600	0	17,600
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Commission on Legal Counsel for Indigents</b>						
Total all funds	\$0	\$0	\$214,855	\$214,855	\$0	\$214,855
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$214,855	\$214,855	\$0	\$214,855
<b>Public Employees Retirement System</b>						
Total all funds	\$0	\$0	\$152,950	\$152,950	\$0	\$152,950
Less estimated income	0	0	152,950	152,950	0	152,950
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>University System Office</b>						
Total all funds	\$0	\$0	\$175,350	\$175,350	\$0	\$175,350
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$175,350	\$175,350	\$0	\$175,350
<b>Dept. of Career and Technical Education</b>						
Total all funds	\$0	\$0	\$210,590	\$210,590	\$0	\$210,590
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$210,590	\$210,590	\$0	\$210,590
<b>Department of Veterans' Affairs</b>						
Total all funds	\$0	\$0	\$34,635	\$34,635	\$0	\$34,635
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$34,635	\$34,635	\$0	\$34,635
<b>Aeronautics Commission</b>						
Total all funds	\$0	\$0	\$17,090	\$17,090	\$0	\$17,090
Less estimated income	0	0	17,090	17,090	0	17,090
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Department of Financial</b>						

Institutions							
Total all funds	\$0	\$0	\$66,325	\$66,325	\$0	\$66,325	\$66,325
Less estimated income	0	0	66,325	66,325	0	66,325	66,325
General fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bill total							
Total all funds	\$169,613,981	\$172,448,080	\$6,658,101	\$179,106,181	\$177,385,971	\$1,720,210	\$1,720,210
Less estimated income	149,674,553	149,163,459	2,803,545	151,967,004	149,979,984	1,987,020	1,987,020
General fund	\$19,939,428	\$23,284,621	\$3,854,556	\$27,139,177	\$27,405,987	(\$266,810)	(\$266,810)

**House Bill No. 1021 - General Fund Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office			\$97,760	\$97,760		\$97,760
Office of Administrative Hearings						
Commission on Legal Counsel for Indigents			214,855	214,855		214,855
Public Employees Retirement System						
University System Office			175,350	175,350		175,350
Dept. of Career and Technical Education			210,590	210,590		210,590
Department of Veterans' Affairs			34,635	34,635		34,635
Aeronautics Commission						
Department of Financial Institutions						
Total general fund			\$733,190	\$733,190		\$733,190

**House Bill No. 1021 - Other Funds Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office						
Office of Administrative Hearings			17,600	17,600		17,600
Commission on Legal Counsel for Indigents						
Public Employees Retirement System			152,950	152,950		152,950
University System Office						
Dept. of Career and Technical Education						
Department of Veterans' Affairs						
Aeronautics Commission			17,090	17,090		17,090
Department of Financial Institutions			66,325	66,325		66,325
Total other funds			\$253,965	\$253,965		\$253,965

**House Bill No. 1021 - All Funds Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office			\$97,760	\$97,760		\$97,760
Office of Administrative Hearings			17,600	17,600		17,600
Commission on Legal Counsel for Indigents			214,855	214,855		214,855
Public Employees Retirement System			152,950	152,950		152,950
University System Office			175,350	175,350		175,350
Dept. of Career and Technical Education			210,590	210,590		210,590

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Department of Veterans' Affairs			34,635	34,635	34,635
Aeronautics Commission			17,090	17,090	17,090
Department of Financial Institutions			66,325	66,325	66,325
Total all funds			\$987,155	\$987,155	\$987,155
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding of \$987,155, of which \$733,190 is from the general fund is provided to the listed agencies for defraying the cost of desktop support services provided by the Information Technology Department. The appropriations include the following one-time funding items relating to desktop support:

	General Fund	Other Funds	Total
Governor's office	\$45,200		\$45,200
Office of Administrative Hearings		\$14,040	14,040
Commission on Legal Counsel for Indigents	122,275		122,275
Public Employees Retirement System		77,370	77,370
North Dakota University System Office	81,750		81,750
Department of Career and Technical Education	106,750		106,750
Department of Financial Institutions		66,325	66,325
Department of Veterans' Affairs	26,895		26,895
Aeronautics Commission		14,810	14,810
<b>Total</b>	<b>\$382,870</b>	<b>\$172,545</b>	<b>\$555,415</b>

**House Bill No. 1021 - Information Technology Department - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$51,553,251	\$58,290,270	(\$177,055)	\$58,113,215	\$58,113,215	
Operating expenses	64,734,643	69,738,122	1,259,055	70,997,177	69,764,122	1,233,055
Capital assets	12,500,600	8,850,000		8,850,000	8,850,000	
Center for distance education	5,868,391	6,607,946	2,638,659	9,246,605	8,996,605	250,000
Statewide longitudinal data system	1,870,754	5,505,409	1,245,252	6,750,661	8,000,661	(1,250,000)
Educational technology council	1,614,609	2,707,304	(1,357)	2,705,947	2,705,947	
EduTech	8,052,094	9,087,495	212,496	9,299,991	9,299,991	
K-12 wide area network	4,928,177	5,006,161	(2,713)	5,003,448	5,003,448	
Geographic information system	1,245,294	1,272,016	(678)	1,271,338	1,271,338	
Health information technology office	4,750,723	5,383,357	497,287	5,880,644	5,380,644	500,000
Criminal justice information sharing	3,069,361					
Federal stimulus	6,800,000					
Accrued leave payments	2,626,084					
<b>Total all funds</b>	<b>\$169,613,981</b>	<b>\$172,448,080</b>	<b>\$5,670,946</b>	<b>\$178,119,026</b>	<b>\$177,385,971</b>	<b>\$733,055</b>
Less estimated income	149,674,553	149,163,459	2,549,580	151,713,039	149,979,984	1,733,055
<b>General fund</b>	<b>\$19,939,428</b>	<b>\$23,284,621</b>	<b>\$3,121,366</b>	<b>\$26,405,987</b>	<b>\$27,405,987</b>	<b>(\$1,000,000)</b>
FTE	340.30	345.30	5.00	350.30	350.30	0.00

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

	Adjusts Funding for Health Insurance Premium Increases <sup>1</sup>	Adds Funding for Centers for Distance Education <sup>2</sup>	Adds Funding for K-12 College and Career Readiness <sup>3</sup>	Adds Funding for Security Analyst <sup>4</sup>	Adds Funding for Desktop Support <sup>5</sup>	Adds One-Time Funding for Statewide Longitudinal Data System <sup>6</sup>
Salaries and wages	(\$177,055)					
Operating expenses				26,000	1,233,055	
Capital assets						
Center for distance education	(17,638)	2,406,297	250,000			

Statewide longitudinal data system	(4,748)					1,250,000
Educational technology council EduTech	(1,357)			232,847		
K-12 wide area network	(20,351)					
Geographic information system	(2,713)					
Health information technology office	(678)					
Criminal justice information sharing	(2,713)					
Federal stimulus						
Accrued leave payments						
<b>Total all funds</b>	<b>(\$227,253)</b>	<b>\$2,406,297</b>	<b>\$250,000</b>	<b>\$258,847</b>	<b>\$1,233,055</b>	<b>\$1,250,000</b>
Less estimated income	(180,754)	997,279	0	0	1,233,055	0
<b>General fund</b>	<b>(\$46,499)</b>	<b>\$1,409,018</b>	<b>\$250,000</b>	<b>\$258,847</b>	<b>\$0</b>	<b>\$1,250,000</b>
FTE	0.00	4.00	0.00	1.00	0.00	0.00

	Adds One-Time Funding for Health Care Study <sup>7</sup>	Total Conference Committee Changes
Salaries and wages		(\$177,055)
Operating expenses		1,259,055
Capital assets		
Center for distance education		2,638,659
Statewide longitudinal data system		1,245,252
Educational technology council EduTech		(1,357)
K-12 wide area network		212,496
Geographic information system		(2,713)
Health information technology office	500,000	(678)
Criminal justice information sharing		497,287
Federal stimulus		
Accrued leave payments		
<b>Total all funds</b>	<b>\$500,000</b>	<b>\$5,670,946</b>
Less estimated income	500,000	2,549,580
<b>General fund</b>	<b>\$0</b>	<b>\$3,121,366</b>
FTE	0.00	5.00

<sup>1</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month. The same as the Senate.

<sup>2</sup> Funding is added for the Centers for Distance Education for K-12 education, including funding for temporary employees, software, contractual services and repairs (\$1,706,578), as well as 4 teacher FTE positions (\$678,791) and related salary increases (\$20,928), the same as the Senate version.

<sup>3</sup> Provides funding to Centers for Distance Education to offer remedial and advanced placement courses. The Senate did not provide the funding.

<sup>4</sup> Funding is added for a security analyst FTE position (\$225,000) and related operating expenses (\$26,000) and salary increase (\$7,847) to provide security at the Fusion Center, the same as the Senate version.

<sup>5</sup> Funding is provided for the Information Technology Department to provide desktop support services to the following agencies:

1. Office of Administrative Hearings.
2. Office of the Governor.
3. Commission on Legal Counsel for Indigents.

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4. Public Employees Retirement System.
5. North Dakota University System Office.
6. Career and Technical Education.
7. Department of Veterans' Affairs.
8. Aeronautics Commission.
9. Department of Financial Institutions.

The Senate did not provide funding for the desktop support services.

<sup>6</sup> One-time funding is added for contractor and development expenses to continue the statewide longitudinal data system project. The Senate provided one-time funding of \$2.5 million for the project.

<sup>7</sup> Provides one-time funding from special funds, federal funds, or other funds to hire a consultant to provide a health care study. The Senate did not provide funding for the study.

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This amendment also provides:

- A new section which amends Section 8 of House Bill No. 2326 as approved by the 64<sup>th</sup> Legislative Assembly which requires Job Service North Dakota to disclose unemployment insurance wage data for education and workforce development evaluations, unless it is individual data.
- A new section which provides \$500,000 from the health information technology office line item for the purpose of hiring a consultant to conduct a health care study. The funding is considered one-time funding.
- A section requiring certain agencies to obtain desktop support services from the Information Technology Department.

**2015 HOUSE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB1021 as (re) engrossed

**House Government Operations Committee**

- Action Taken**
- HOUSE accede to Senate Amendments
  - HOUSE accede to Senate Amendments and further amend
  - SENATE recede from Senate amendments
  - SENATE recede from Senate amendments and amend as follows
  
  - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Wanzek                      Seconded by: Senator Robinson

Representatives						Senators					
	4-16	4-17	4-22	Yes	No		4-16	4-17	4-22	Yes	No
Robert Skarphol	X	X	X	X		Terry Wanzek	X	X	X	X	
Roscoe Streyle	X	X	X	X		Gary Lee	X	X	X		X
Flint Glassheim	X	X	X		x	Larry Robinson	X	X	X		X
Total Rep. Vote						Total Senate Vote					

Vote Count                      Yes: 3                      No: 3                      Absent: 0

House Carrier \_\_\_\_\_ Senate Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: To require that job service give information to the commerce department to track how many graduates have left the state- Motion passed.

**2015 HOUSE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB1021 as (re) engrossed

**House Government Operations Committee**

- Action Taken**
- HOUSE accede to Senate Amendments
  - HOUSE accede to Senate Amendments and further amend
  - SENATE recede from Senate amendments
  - SENATE recede from Senate amendments and amend as follows
  
  - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Robinson      Seconded by: Senator Wanzek

Representatives						Senators					
	4-16	4-17	4-22	Yes	No		4-16	4-17	4-22	Yes	No
Robert Skarphol	X	X	X	X		Terry Wanzek	X	X	X	X	
Roscoe Streyle	X	X	X	X		Gary Lee	X	X	X	X	
Ellet Glassheim	X	X	X	X		Larry Robinson	X	X	X	X	
Total Rep. Vote						Total Senate Vote					

Vote Count      Yes: 6      No: 0      Absent: 0

House Carrier \_\_\_\_\_ Senate Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: To increase special funding by \$500,000.00 and give ITD the authority to spend it. Motion passed.



**REPORT OF CONFERENCE COMMITTEE**

**HB 1021, as engrossed:** Your conference committee (Sens. Wanzek, G. Lee, Robinson and Reps. Skarphol, Streyle, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1529-1531, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1529-1531 of the House Journal and pages 1323 and 1324 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide appropriations to certain agencies for desktop support services; to provide a legislative report;"

Page 1, line 2, remove "and"

Page 1, line 2, after "transfers" insert "; to create and enact a new section to chapter 54-59 of the North Dakota Century Code, relating to centralized desktop support services; and to amend and reenact the new section to chapter 54-59 of the North Dakota Century Code as created by section 8 of Senate Bill No. 2326, as approved by the sixty-fourth legislative assembly, relating to the mandatory disclosure of information to the information technology department"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$51,553,251	\$6,559,964	\$58,113,215
Accrued leave payments	2,626,084	(2,626,084)	0
Operating expenses	64,734,643	6,262,534	70,997,177
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	3,378,214	9,246,605
Statewide longitudinal data system	1,870,754	4,879,907	6,750,661
Educational technology council	1,614,609	1,091,338	2,705,947
EduTech	8,052,094	1,247,897	9,299,991
K-12 wide area network	4,928,177	75,271	5,003,448
Geographic information system	1,245,294	26,044	1,271,338
Health information technology office	4,750,723	1,129,921	5,880,644
Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$8,505,045	\$178,119,026
Less estimated income	149,674,553	2,038,486	151,713,039
Total general fund	\$19,939,428	\$6,466,559	\$26,405,987
Full-time equivalent positions	340.30	10.00	350.30"

Page 2, after line 12, insert:

"Health data study	0	500,000
Statewide longitudinal data system	0	1,250,000"

Page 2, replace lines 14 through 16 with:

"Total all funds	\$1,315,000	\$2,800,000
Less estimated income	<u>0</u>	<u>500,000</u>
Total general fund	\$1,315,000	\$2,300,000"

Page 2, after line 20, insert:

**"SECTION 3. HEALTH DATA STUDY - REPORT TO INFORMATION TECHNOLOGY COMMITTEE.** The health information technology office line item includes the sum of \$500,000, from special funds, federal funds, or other funds, for the purpose of hiring a consultant to provide a health data study, for the biennium

beginning July 1, 2015, and ending June 30, 2017. Before July 1, 2016, the information technology department shall report the findings of the consultant to the information technology committee."

Page 3, after line 2, insert:

"**SECTION 6. AMENDMENT.** Section 8 of Senate Bill No. 2326, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

**State agencies - Mandatory provision of information - Confidentiality.**

1. The information technology department may request from any state agency:
  - a. All information required by 20 U.S.C. 9871(e)(2)(D); ~~and~~
  - b. Any other educational information the statewide longitudinal data system committee determines is required for a longitudinal data system to comply with state or federal law; and
  - c. Unemployment insurance wage data from job service North Dakota for education and workforce development program evaluations, except that job service North Dakota may not disclose any data identifying an individual.
2. Subject to applicable restrictions on the use and disclosure of confidential information required to comply with federal and state privacy laws, any state agency receiving a request for information under subsection 1 shall provide the information at the time and in the manner required by the information technology department.

**SECTION 7.** A new section to chapter 54-59 of the North Dakota Century Code is created and enacted as follows:

**Required use of centralized desktop support services.**

1. The following state agencies shall obtain centralized desktop support services from the information technology department:
  - a. Office of administrative hearings.
  - b. Office of the governor.
  - c. Commission on legal counsel for indigents.
  - d. Public employees retirement system.
  - e. North Dakota university system office.
  - f. Department of career and technical education.
  - g. Department of financial institutions.
  - h. Department of veterans' affairs.
  - i. Aeronautics commission.
  - j. Tobacco prevention and control executive committee.
  - k. Council on the arts.

- l. Agriculture commissioner.
  - m. Department of labor and human rights.
  - n. Indian affairs commission.
  - o. Protection and advocacy project.
  - p. Secretary of state.
  - q. State treasurer.
  - r. State auditor.
  - s. Securities department.
2. The office of management and budget, after receiving advice from the information technology department, shall establish policies and guidelines for the delivery of desktop support services, including the transition from existing systems to functional consolidation, with consideration given to the creation of efficiencies, cost-savings, and improved quality of service. For purposes of this section "desktop support services" means technical assistance and device management relating to the use of personal computers and peripheral devices.

**SECTION 8. APPROPRIATION - DESKTOP SUPPORT.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds and other income to the agencies named for the purpose of defraying the expenses of desktop support services provided by the information technology department, for the biennium beginning July 1, 2015, and ending June 30, 2017.

<u>Agency</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Office of administrative hearings	\$0	\$17,600	\$17,600
Office of the governor	97,760	0	97,760
Commission on legal counsel for indigents	214,855	0	214,855
Public employees retirement system	0	152,950	152,950
North Dakota university system office	175,350	0	175,350
Department of career and technical education	210,590	0	210,590
Department of financial institutions	0	66,325	66,325
Department of veterans' affairs	34,635	0	34,635
Aeronautics commission	0	17,090	17,090
<b>Total</b>	<b>\$733,190</b>	<b>\$253,965</b>	<b>\$987,155</b>

**SECTION 9. ONE-TIME FUNDING.** The following amounts reflect the 2015-17 one-time funding items included in the appropriations in section 8 of this Act:

<u>Agency - One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>
Office of administrative hearings	\$0	\$14,040
Office of the governor	45,200	0
Commission on legal counsel for indigents	122,275	0
Public employees retirement system	0	77,370
North Dakota university system office	81,750	0
Department of career and technical education	106,750	0
Department of financial institutions	0	66,325
Department of veterans' affairs	26,895	0
Aeronautics commission	0	14,810
<b>Total</b>	<b>\$382,870</b>	<b>\$172,545"</b>

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Summary of Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
<b>Governor's Office</b>						
Total all funds	\$0	\$0	\$97,760	\$97,760	\$0	\$97,760
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$97,760	\$97,760	\$0	\$97,760
<b>Information Technology Department</b>						
Total all funds	\$169,613,981	\$172,448,080	\$5,670,946	\$178,119,026	\$177,385,971	\$733,055
Less estimated income	149,674,553	149,163,459	2,549,580	151,713,039	149,979,984	1,733,055
General fund	\$19,939,428	\$23,284,621	\$3,121,366	\$26,405,987	\$27,405,987	(\$1,000,000)
<b>Office of Administrative Hearings</b>						
Total all funds	\$0	\$0	\$17,600	\$17,600	\$0	\$17,600
Less estimated income	0	0	17,600	17,600	0	17,600
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Commission on Legal Counsel for Indigents</b>						
Total all funds	\$0	\$0	\$214,855	\$214,855	\$0	\$214,855
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$214,855	\$214,855	\$0	\$214,855
<b>Public Employees Retirement System</b>						
Total all funds	\$0	\$0	\$152,950	\$152,950	\$0	\$152,950
Less estimated income	0	0	152,950	152,950	0	152,950
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>University System Office</b>						
Total all funds	\$0	\$0	\$175,350	\$175,350	\$0	\$175,350
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$175,350	\$175,350	\$0	\$175,350
<b>Dept. of Career and Technical Education</b>						
Total all funds	\$0	\$0	\$210,590	\$210,590	\$0	\$210,590
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$210,590	\$210,590	\$0	\$210,590
<b>Department of Veterans' Affairs</b>						
Total all funds	\$0	\$0	\$34,635	\$34,635	\$0	\$34,635
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$34,635	\$34,635	\$0	\$34,635
<b>Aeronautics Commission</b>						
Total all funds	\$0	\$0	\$17,090	\$17,090	\$0	\$17,090
Less estimated income	0	0	17,090	17,090	0	17,090
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Department of Financial Institutions</b>						
Total all funds	\$0	\$0	\$66,325	\$66,325	\$0	\$66,325
Less estimated income	0	0	66,325	66,325	0	66,325
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Bill total</b>						
Total all funds	\$169,613,981	\$172,448,080	\$6,658,101	\$179,106,181	\$177,385,971	\$1,720,210
Less estimated income	149,674,553	149,163,459	2,803,545	151,967,004	149,979,984	1,987,020
General fund	\$19,939,428	\$23,284,621	\$3,854,556	\$27,139,177	\$27,405,987	(\$266,810)

**House Bill No. 1021 - General Fund Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office			\$97,760	\$97,760		\$97,760

Insert LC: 15.8129.02005

Office of Administrative Hearings			
Commission on Legal Counsel for Indigents	214,855	214,855	214,855
Public Employees Retirement System			
University System Office	175,350	175,350	175,350
Dept. of Career and Technical Education	210,590	210,590	210,590
Department of Veterans' Affairs	34,635	34,635	34,635
Aeronautics Commission			
Department of Financial Institutions			
Total general fund	\$733,190	\$733,190	\$733,190

**House Bill No. 1021 - Other Funds Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office						
Office of Administrative Hearings			17,600	17,600		17,600
Commission on Legal Counsel for Indigents						
Public Employees Retirement System			152,950	152,950		152,950
University System Office						
Dept. of Career and Technical Education						
Department of Veterans' Affairs						
Aeronautics Commission			17,090	17,090		17,090
Department of Financial Institutions			66,325	66,325		66,325
Total other funds			\$253,965	\$253,965		\$253,965

**House Bill No. 1021 - All Funds Summary**

	Base Budget	House Version	Conference Committee Changes <sup>1</sup>	Conference Committee Version	Senate Version	Comparison to Senate
Governor's Office			\$97,760	\$97,760		\$97,760
Office of Administrative Hearings			17,600	17,600		17,600
Commission on Legal Counsel for Indigents			214,855	214,855		214,855
Public Employees Retirement System			152,950	152,950		152,950
University System Office			175,350	175,350		175,350
Dept. of Career and Technical Education			210,590	210,590		210,590
Department of Veterans' Affairs			34,635	34,635		34,635
Aeronautics Commission			17,090	17,090		17,090
Department of Financial Institutions			66,325	66,325		66,325
Total all funds			\$987,155	\$987,155		\$987,155
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding of \$987,155, of which \$733,190 is from the general fund is provided to the listed agencies for defraying the cost of desktop support services provided by the Information Technology Department. The appropriations include the following one-time funding items relating to desktop support:

	General Fund	Other Funds	Total
Governor's office	\$45,200		\$45,200
Office of Administrative Hearings		\$14,040	14,040
Commission on Legal Counsel for Indigents	122,275		122,275
Public Employees Retirement System		77,370	77,370
North Dakota University System Office	81,750		81,750

Department of Career and Technical Education	106,750		106,750
Department of Financial Institutions		66,325	66,325
Department of Veterans' Affairs	26,895		26,895
Aeronautics Commission		14,810	14,810
<b>Total</b>	<b>\$382,870</b>	<b>\$172,545</b>	<b>\$555,415</b>

**House Bill No. 1021 - Information Technology Department - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$51,553,251	\$58,290,270	(\$177,055)	\$58,113,215	\$58,113,215	
Operating expenses	64,734,643	69,738,122	1,259,055	70,997,177	69,764,122	1,233,055
Capital assets	12,500,600	8,850,000		8,850,000	8,850,000	
Center for distance education	5,868,391	6,607,946	2,638,659	9,246,605	8,996,605	250,000
Statewide longitudinal data system	1,870,754	5,505,409	1,245,252	6,750,661	8,000,661	(1,250,000)
Educational technology council	1,614,609	2,707,304	(1,357)	2,705,947	2,705,947	
EduTech	8,052,094	9,087,495	212,496	9,299,991	9,299,991	
K-12 wide area network	4,928,177	5,006,161	(2,713)	5,003,448	5,003,448	
Geographic information system	1,245,294	1,272,016	(678)	1,271,338	1,271,338	
Health information technology office	4,750,723	5,383,357	497,287	5,880,644	5,380,644	500,000
Criminal justice information sharing	3,069,361					
Federal stimulus	6,800,000					
Accrued leave payments	2,626,084					
<b>Total all funds</b>	<b>\$169,613,981</b>	<b>\$172,448,080</b>	<b>\$5,670,946</b>	<b>\$178,119,026</b>	<b>\$177,385,971</b>	<b>\$733,055</b>
Less estimated income	149,674,553	149,163,459	2,549,580	151,713,039	149,979,984	1,733,055
<b>General fund</b>	<b>\$19,939,428</b>	<b>\$23,284,621</b>	<b>\$3,121,366</b>	<b>\$26,405,987</b>	<b>\$27,405,987</b>	<b>(\$1,000,000)</b>
FTE	340.30	345.30	5.00	350.30	350.30	0.00

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

	Adjusts Funding for Health Insurance Premium Increases <sup>1</sup>	Adds Funding for Centers for Distance Education <sup>2</sup>	Adds Funding for K-12 College and Career Readiness <sup>3</sup>	Adds Funding for Security Analyst <sup>4</sup>	Adds Funding for Desktop Support <sup>5</sup>	Adds One-Time Funding for Statewide Longitudinal Data System <sup>6</sup>
Salaries and wages	(\$177,055)					
Operating expenses				26,000	1,233,055	
Capital assets						
Center for distance education	(17,638)	2,406,297	250,000			
Statewide longitudinal data system	(4,748)					1,250,000
Educational technology council	(1,357)					
EduTech	(20,351)			232,847		
K-12 wide area network	(2,713)					
Geographic information system	(678)					
Health information technology office	(2,713)					
Criminal justice information sharing						
Federal stimulus						
Accrued leave payments						
<b>Total all funds</b>	<b>(\$227,253)</b>	<b>\$2,406,297</b>	<b>\$250,000</b>	<b>\$258,847</b>	<b>\$1,233,055</b>	<b>\$1,250,000</b>
Less estimated income	(180,754)	997,279	0	0	1,233,055	0
<b>General fund</b>	<b>(\$46,499)</b>	<b>\$1,409,018</b>	<b>\$250,000</b>	<b>\$258,847</b>	<b>\$0</b>	<b>\$1,250,000</b>
FTE	0.00	4.00	0.00	1.00	0.00	0.00

	Adds One-Time Funding for Health Care Study <sup>7</sup>	Total Conference Committee Changes
Salaries and wages		(\$177,055)
Operating expenses		1,259,055

Capital assets		
Center for distance education		2,638,659
Statewide longitudinal data system		1,245,252
Educational technology council		(1,357)
EduTech		212,496
K-12 wide area network		(2,713)
Geographic information system		(678)
Health information technology office	500,000	497,287
Criminal justice information sharing		
Federal stimulus		
Accrued leave payments		
Total all funds	\$500,000	\$5,670,946
Less estimated income	500,000	2,549,580
General fund	\$0	\$3,121,366
FTE	0.00	5.00

<sup>1</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month. The same as the Senate.

<sup>2</sup> Funding is added for the Centers for Distance Education for K-12 education, including funding for temporary employees, software, contractual services and repairs (\$1,706,578), as well as 4 teacher FTE positions (\$678,791) and related salary increases (\$20,928), the same as the Senate version.

<sup>3</sup> Provides funding to Centers for Distance Education to offer remedial and advanced placement courses. The Senate did not provide the funding.

<sup>4</sup> Funding is added for a security analyst FTE position (\$225,000) and related operating expenses (\$26,000) and salary increase (\$7,847) to provide security at the Fusion Center, the same as the Senate version.

<sup>5</sup> Funding is provided for the Information Technology Department to provide desktop support services to the following agencies:

- Office of Administrative Hearings.
- Office of the Governor.
- Commission on Legal Counsel for Indigents.
- Public Employees Retirement System.
- North Dakota University System Office.
- Career and Technical Education.
- Department of Veterans' Affairs.
- Aeronautics Commission.
- Department of Financial Institutions.

The Senate did not provide funding for the desktop support services.

<sup>6</sup> One-time funding is added for contractor and development expenses to continue the statewide longitudinal data system project. The Senate provided one-time funding of \$2.5 million for the project.

<sup>7</sup> Provides one-time funding from special funds, federal funds, or other funds to hire a consultant to provide a health care study. The Senate did not provide funding for the study.

This amendment also provides:

- A new section which amends Section 8 of House Bill No. 2326 as approved by the 64<sup>th</sup> Legislative Assembly which requires Job Service North Dakota to disclose unemployment insurance wage data for education and workforce development

evaluations, unless it is individual data.

- A new section which provides \$500,000 from the health information technology office line item for the purpose of hiring a consultant to conduct a health care study. The funding is considered one-time funding.
- A section requiring certain agencies to obtain desktop support services from the Information Technology Department.

Engrossed HB 1021 was placed on the Seventh order of business on the calendar.

2015 TESTIMONY

HB 1021

Department 112 - Information Technology Department  
 House Bill No. 1021

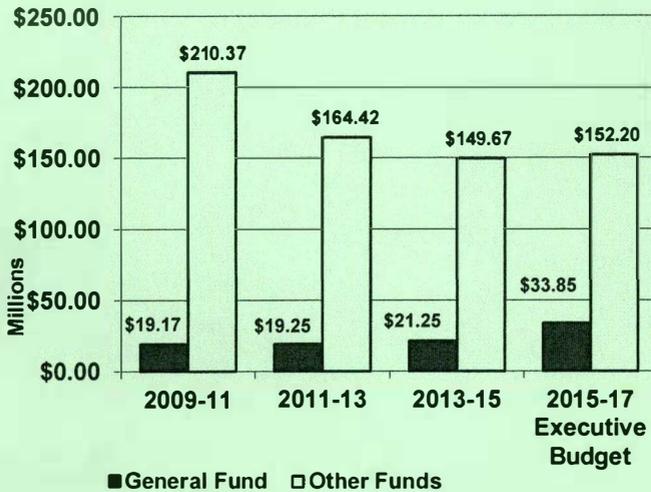
**Executive Budget Comparison to Prior Biennium Appropriations**

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	355.30	\$33,848,358	\$152,201,793	\$186,050,151
2013-15 Legislative Appropriations	340.30	21,254,428	149,674,553	170,928,981
Increase (Decrease)	15.00	\$12,593,930	\$2,527,240	\$15,121,170

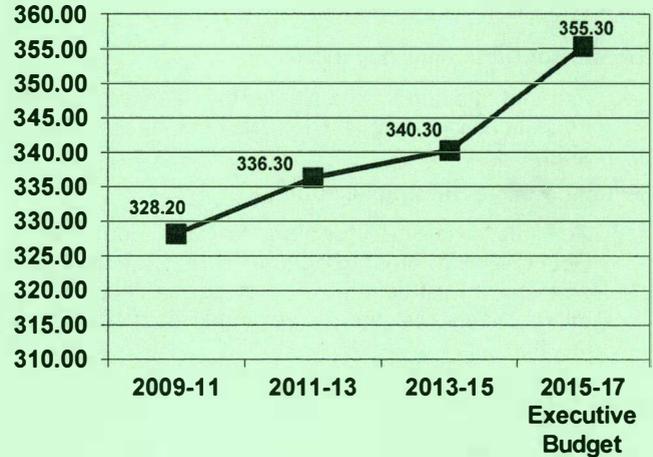
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$27,298,358	\$6,550,000	\$33,848,358
2013-15 Legislative Appropriations	19,939,428	1,315,000	21,254,428
Increase (Decrease)	\$7,358,930	\$5,235,000	\$12,593,930

Agency Funding



FTE Positions



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$33,848,358	\$152,201,793	\$186,050,151
2015-17 Base Level	19,939,428	149,674,553	169,613,981
Increase (Decrease)	\$13,908,930	\$2,527,240	\$16,436,170

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$3,673,827 relates to performance increases, \$197,482 is for market equity adjustments, \$1,498,285 is for health insurance increases, and \$389,196 is for retirement contribution increases	\$1,136,657	\$4,622,133	\$5,758,790
2. Provides funding to implement multifactor authentication as required by criminal justice information security guidelines including 4 FTE information system security analysts	\$537,001	\$467,000	\$1,004,001
3. Provides funding for higher education video services including 1 FTE telecommunications analyst position	\$0	\$225,000	\$225,000
4. Provides funding for development, maintenance, and enhancement of ConnectND project including 1 FTE position transferred from the Office of Management and Budget	\$0	\$225,000	\$225,000

5. Adds funding to implement desktop support services for state employees including 2 FTE desktop support computer and network specialists	\$0	\$1,812,000	\$1,812,000
6. Provides funding for 1 FTE electronic records manager position to pursue planning and implementation of digital archives	\$210,000	\$0	\$210,000
7. Provides funding for the statewide longitudinal data system for ongoing operations and 1 FTE programmer analyst position	\$3,500,000	\$0	\$3,500,000
8. Increases funding for operational changes, including \$2 million for anticipated increases in software maintenance fees from software vendors	\$53,506	\$3,855,940	\$3,909,446
9. Increases funding for operations equipment purchases including \$8.6 million for information technology equipment purchases and replacement costs	\$0	\$9,150,000	\$9,150,000
10. Adds funding for costs to continue operations of the K-12 network	\$600,000	\$0	\$600,000
11. Provides <b>one-time funding</b> for continued development of selected projects for the criminal justice information system	\$1,000,000	\$0	\$1,000,000
12. Provides <b>one-time funding</b> for contractor and development expenses to continue the statewide longitudinal data system project	\$4,500,000	\$0	\$4,500,000
<b>Center for Distance Education</b>			
13. Provides funding for the Center for Distance Education for K-12 education, including 4 FTE teachers and 1 FTE programmer analyst position	\$1,539,149	\$997,279	\$2,536,428
<b>Educational Technology Council</b>			
14. Provides <b>one-time funding</b> for the Education Technology Council for a grant program for K-12 education to provide wireless infrastructure, to provide students with access to Internet services and to expand instructional coaching for teachers	\$1,050,000	\$0	\$1,050,000

### 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.

### Continuing Appropriations

There are no continuing appropriations for this agency.

### Major Related Legislation

**House Bill No. 1053 - Centralized Desktop Support Services** - Requires state agencies to obtain centralized desktop support services from the Information Technology Department, except the legislative and judicial branches and selected other large state agencies, based on the results of a hardware relocation and consolidation study.

**Senate Bill No. 2051 - Hardware relocation and consolidation** - Removes the ability of the Office of Management and Budget to exempt state agencies from the required use of hosting services and other information technology-related services provided by the Information Technology Department. As a result, the information and technology hardware operated by the Department of Mineral Resources, Public Service Commission, and the State Water Commission must be relocated and consolidated to the Information Technology Department.

**Information Technology Department - Budget No. 112**  
**House Bill No. 1021**  
**Base Level Funding Changes**

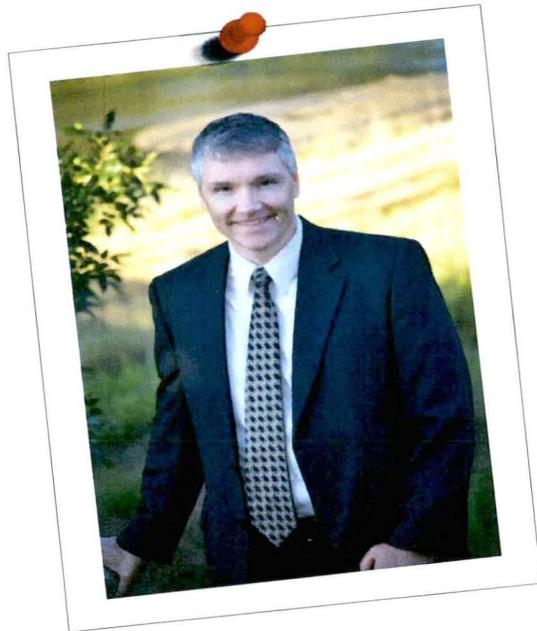
	Executive Budget Recommendation			Total
	FTE Positions	General Fund	Other Funds	
<b>2015-17 Biennium Base Level</b>	340.30	\$19,939,428	\$149,674,553	\$169,613,981
<b>2015-17 Ongoing Funding Changes</b>				
Base payroll changes		\$80,728	\$423,488	\$504,216
Salary increase - Performance		651,501	3,022,326	3,673,827
Salary increase - Market		112,609	84,873	197,482
Retirement increase		76,819	312,377	389,196
Health insurance increase		295,728	1,202,557	1,498,285
FTE information systems security analysts	4.00	537,001	467,000	1,004,001
FTE Telecommunications analyst	1.00		225,000	225,000
Transfers FTE from OMB for ConnectND project	1.00		225,000	225,000
New FTE teachers and programmer analyst	5.00	1,539,149	997,279	2,536,428
New FTE desktop support specialists	2.00		1,812,000	1,812,000
New FTE programmer analyst and ongoing operation:	1.00	3,500,000		3,500,000
New FTE digital archives	1.00	210,000		210,000
Criminal justice information system security package		60,000		60,000
Cost to continue K-12 area network		600,000		600,000
Operational changes		53,506	3,855,940	3,909,446
ITD operations equipment			9,150,000	9,150,000
K-12 center for distance education college and career readiness		250,000		250,000
Removes 2013-15 capital assets and federal funds		(608,111)	(19,250,600)	(19,858,711)
<b>Total ongoing funding changes</b>	15.00	\$7,358,930	\$2,527,240	\$9,886,170
<b>One-time funding items</b>				
K-12 Educational Technology Council grants		\$1,050,000		\$1,050,000
Criminal justice information system projects		1,000,000		1,000,000
Statewide longitudinal systems		4,500,000		4,500,000
Federal Stimulus		0	0	0
<b>Total one-time funding changes</b>	0.00	\$6,550,000	\$0	\$6,550,000
<b>Total Changes to Base Level Funding</b>	15.00	\$13,908,930	\$2,527,240	\$16,436,170
<b>2015-17 Total Funding</b>	355.30	\$33,848,358	\$152,201,793	\$186,050,151

**Other Sections in House Bill No. 1021**

Line item transfers

**Executive Budget Recommendation**

Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.



**HB 1021**  
**Information Technology**  
**Department**

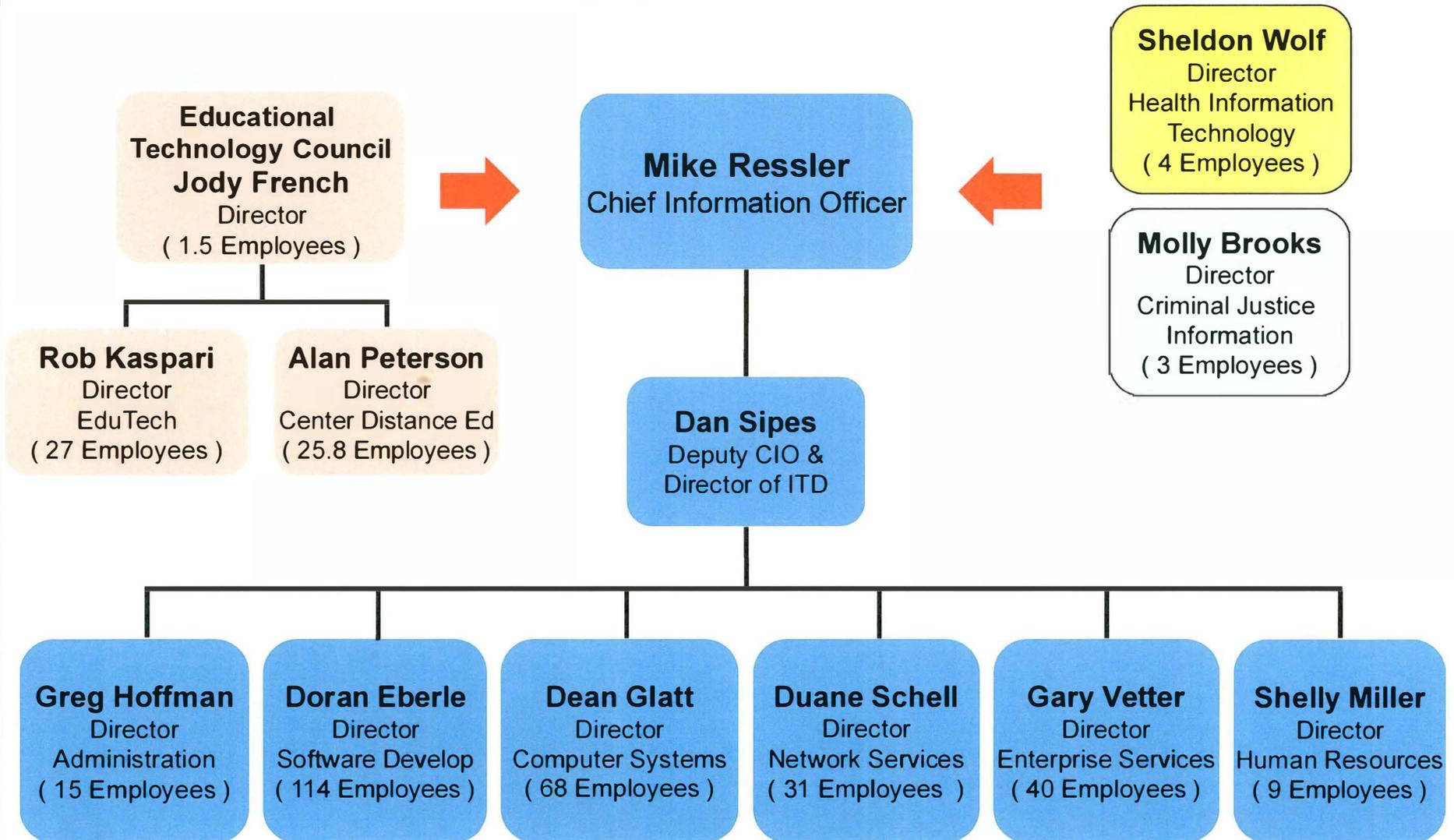
**Presentation to the**  
**House Appropriations Committee**  
**Government Operations Division**

**Mike Ressler**  
**CIO**

**January 12, 2015**  
**Medora Room**



January 2015





*ITD Programs*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations				
K-12 Network				
Geographic Information System				
Statewide Longitudinal Data System				
Educational Technology Council				
Center for Distance Education				
EduTech				
Criminal Justice Information Sharing				
Health Information Technology				
<b>Total</b>				



2013-15 Budget

Program	General Funds	Special Funds	Federal Funds	Total
ITD Operations	843,166	127,549,748	4,300,000	132,692,914
K-12 Network	4,864,216	100,000	-	4,964,216
Geographic Information System	1,394,997	-	75,000	1,469,997
Statewide Longitudinal Data System	5,530,843	-	-	5,530,843
Educational Technology Council	1,228,322	100,000	500,000	1,828,322
Center for Distance Education	4,238,173	2,052,536	-	6,290,709
EduTech	3,344,828	5,210,125	-	8,554,953
Criminal Justice Information Sharing	3,136,263	192,000	650,000	3,978,263
Health Information Technology	378,377	4,445,144	4,500,000	9,323,521
<b>Total</b>	<b>24,959,185</b>	<b>139,649,553</b>	<b>10,025,000</b>	<b>174,633,738</b>



## ITD Operations

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 - 17 Request	<b>1,451,298</b>	<b>134,893,460</b>	<b>2,013,121</b>	<b>138,357,879</b>
2013 – 15 Budget	<b>843,166</b>	<b>127,549,748</b>	<b>4,300,000</b>	<b>132,692,914</b>
Difference	<b>608,132</b>	<b>7,343,712</b>	<b>- 2,286,879</b>	<b>5,664,965</b>

Governor's Salary Package      **67,332**                      **4,336,835**                      **4,404,167**



## ITD Operations

### Security Focused

2 New Positions in ITD Operations (Special Funds)

Dedicated to server patching and network configuration

\$467,000

1 New Position located in ND Fusion Center (General Funds)

\$312,000



## ITD Operations

# Desktop Support Services

2 New Positions + Hardware / Software (Special Funds)

\$1,812,000

Ten agencies were provided funding in Governor's Budget

- Auditors Office
- Center for Tobacco
- Council on the Arts
- Dept. of Agriculture
- Dept. of Labor
- Indian Affairs
- Protection and Advocacy
- Secretary of State
- Securities
- State Treasurer



## ITD Operations

# Digital Archives

1 New Records Management Position (General Funds)

**\$210,000**

Tournesol Consulting Study recommended 2 FTE

( 1 in ITD and 1 in State Historical Society – Digital Archivist)

Also recommendation in the State Historical Society budget is:

\$200,000 for contract labor

\$236,800 for ITD hosting fees (disk storage and backup)



## ITD Operations

### Additional Support Services

1 Video technician / person transferred from Higher Ed (Special Funds)

\$225,000

1 ConnectND developer / position transferred from OMB (Special Funds)

\$225,000



## K-12 Network

ITD provides network bandwidth, Internet access, and now video services to the schools

Ethernet (10MB to 100MB) circuits

Approximately 64% or \$ 3,700,000 is paid by the Federal E-rate program each biennium

ITD renewed network and Internet contract with Dakota Carrier Network (DCN)



### *K-12 Network*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>4,916,268</b>	<b>100,000</b>		<b>5,016,268</b>
2013 – 15 Budget	<b>4,864,216</b>	<b>100,000</b>		<b>4,964,216</b>
Difference	<b>52,052</b>	<b>0</b>		<b>52,052</b>



## Geographic Information Systems (GIS)

GIS is the use of computer systems for storing, assembling, manipulating, and displaying geographically referenced material.

Prior to the creation of the GIS hub State government agencies were creating and storing data separately with numerous versions. Data sharing was problematic.



# GIS Program Examples / Activity



## ND DES Base Map Project

GIS Hub web services  
average 2.4 million  
transactions/month

### Visual ND - Applications

Click on a thumbnail image to view the content. You may find it helpful to use the search tool, switch between grid view/list view, or to click one of the items in the sort bar.

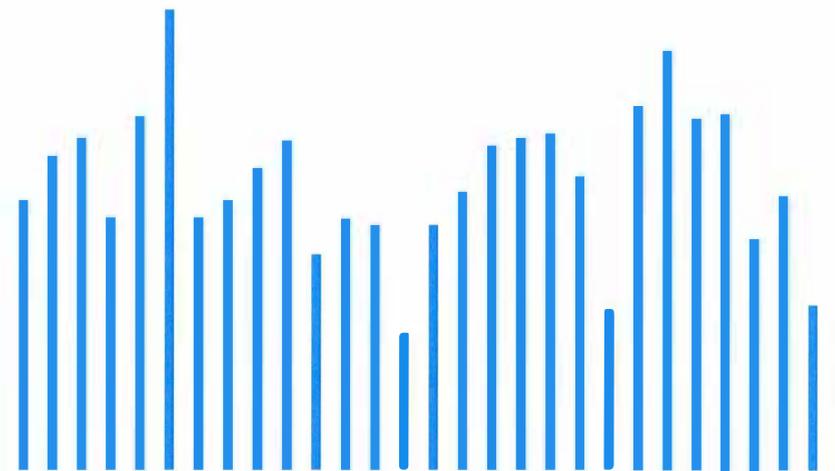
Search maps

Sort by **Grid** Tile Type Ratings Avg. Rating Comments Views

- North Dakota Snowmobile Trails**  
Web Mapping Application by NDDOT/PLS. Last Modified: Feb 10, 2014  
Snowmobile trails courtesy of Snowmobile North Dakota and ICF Parks and Recreation  
(142 views)
- North Dakota Department of Agriculture Weed and Other Mapping**  
Web Mapping Application by NDDOT/PLS. Last Modified: Aug 20, 2014  
Track and view weeds over time to see the progress of weed control over several years. You are also able to view Aplyric, Organic farms, Veterinary and Wherry locations in North Dakota.  
(113 views)
- NDDOT Construction Projects**  
Web Mapping Application by NDDOT/PLS. Last Modified: Jul 30, 2014  
Shows NDDOT construction projects.  
(120 views)
- PLOTS Guide**  
Web Mapping Application by NDDOT/PLS. Last Modified: Apr 4, 2014  
North Dakota Game and Fish Department PLOTS Guide  
(4,019 views)
- Fishery Status and Driving Directions**  
Web Mapping Application by NDDOT/PLS. Last Modified: Feb 4, 2014  
Fishery Status and Driving Directions of ND Game and Fish Department Fishing Waters.  
(438 views)

**These applications are contributed by state agencies**  
These applications are to be used within a web browser running on a PC or mobile device. These can be mapping applications and non-mapping applications.

## Visual ND



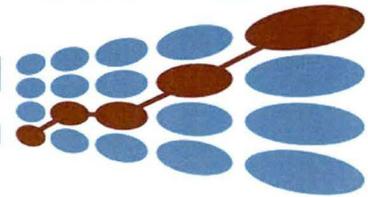


## Geographic Information Systems (GIS)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>1,201,710</b>		<b>75,000</b>	<b>1,276,710</b>
2013 – 15 Budget	<b>1,394,997</b>		<b>75,000</b>	<b>1,469,997</b>
<b>Difference</b>	<b>- 193,287</b>		<b>0</b>	<b>- 193,287</b>



## Statewide Longitudinal Data System



### SLDS Committee Membership

- Higher Education
- Dept. of Public Instruction
- Chief Information Officer
- Career & Technical Education
- Job Service
- Commerce Dept.
- Human Services
- Educational Technology Council
- ND Council of Educational Leaders
- Workforce Development Council
- 2 Members of Legislative Assembly
  - Rep. Mike Nathe
  - Sen. Don Schaible



## Business Intelligence Competency Center

### Statewide Longitudinal Data System (SLDS)

**\$ 5,533,401**  
**General Funds**

ITD  
SLDS Program  
**\$ 4,500,000**  
**General Funds**

Workforce  
Job Service  
**\$1,005,000**  
**Federal Funds**

K-12  
DPI  
**\$ 6,723,090**  
**Federal Funds**

Higher Ed  
**\$ 3,900,000**  
**Federal Funds**

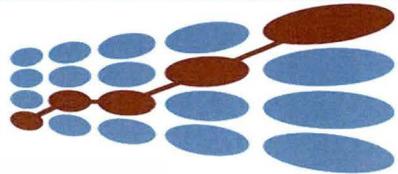
### Other State Initiatives

OMB  
Human Services  
Treasurer  
DOT  
DHS Eligibility  
K-12 Identity Mgmt

**Special Funds**



## Statewide Longitudinal Data System

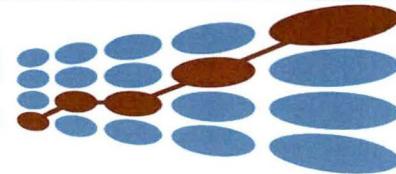


### Program Status

- ✓ New web portal with research reports and data dictionary included at <https://slds.ndcloud.gov>
- ✓ Expansion of SLDS environment that supports K12, Workforce and now NDUS warehouses
  - Completed the K12 and JSND grant objectives, currently executing NDUS grant
  - Progressed with NDUS warehouse to provide historical time injected
- ✓ Completed first iteration on a teacher student support dashboard which includes (enrollment, course schedules, course outcomes, attendance, program participation, transcript)
  - Predictive Analytics performed on ND HS graduates requiring remediation in ND colleges and a risk indicator is now available on teacher dashboards predicting the need for remediation
  - Approximately 3,500 school teachers and school administrators have been trained in the use of school and student dashboards in the SLDS
- ✓ Completed School / District / REA Performance Dashboards for K12 schools and districts
- ✓ Continue supporting Succeed 20/20 measures and AdvancED
- ✓ Included ND Distant Education students in the SLDS for CDE to evaluate student data



## Statewide Longitudinal Data System

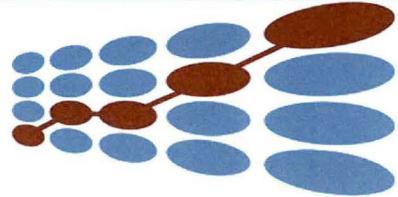


### Program Status

- ✓ Performing training on use of the SLDS for teachers and administrators as well as advanced trainings on using data in the class-room.
- ✓ Completing security interface which requires districts to reauthorize all their SLDS users yearly.
- ✓ Performed research on postsecondary remediation effectiveness, Advanced Placement and Dual Credit courses, postsecondary employment transition and associate degree on-time completion. Research results are publically available on the SLDS site.
- ✓ Rollout and finishing eTranscripts
  - All 11 ND institutions
  - Private: Univ. of Mary, Jamestown, M State, Minn. Community Colleges, Northland Community in MN
  - Statewide high school training through winter 2015, over 80 districts have been trained
- ✓ Currently piloting a student/parent portal from PowerSchool into eTranscripts / education portal. Students and parents will be able to request transcripts be sent and in the future apply for the ND State Scholarship and potentially start the application to college from this site.



## Statewide Longitudinal Data System



### General Funds

Requesting 1 new position – technical position (ETL)

**\$4,500,000** one-time funding for enhancing the K-12, Workforce, and Higher Education data warehouses:

- Reauthorization of Workforce Investment Act - measure all programs providing service
- 2<sup>nd</sup> generation of teacher & school dashboards which allow interaction to measure interventions
- Adult Ed, CTE data sets
- Job Service research and reports on supply and demand of workforce
- Include private workforce development and training data (tribal colleges WFD grants)
- NDUS warehouse
- BI Tool reporting system
- Education Portal Expansions
  - ND Scholarship
  - ND College application integration
  - eTranscript expansions / interface to NDUS imaging system
- Predictive Analytics and Visualization



## State Longitudinal Data System (SLDS)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>10,033,401</b>			<b>10,033,401</b>
2013 – 15 Budget	<b>5,530,843</b>			<b>5,530,843</b>
<b>Difference</b>	<b>4,502,558</b>			<b>4,502,558</b>

**\$ 4,500,000 is one-time**



## North Dakota Educational Technology Council

### Mission

Develop technology systems and coordinate their use to enhance and support educational opportunities for elementary and secondary education.



## ETC Membership

### Voting Members

ND Chief Information Officer  
NDUS-Chief Information Officer  
ND Assn. of Technical Leaders  
ND Career & Technical Education  
ND Council of Education Leaders  
ND School Board Assn.  
ND Special Education Directors  
State Assn. of Non-Public Schools  
Two School District Reps (one teacher)  
Two Dept. of Public Instruction Representatives

### Non-Voting Members

Director of ND ETC  
Director of the ND CDE  
Director of EduTech

Jody French, Director  
ND ETC

Alan Peterson, Director  
ND Center for Distance Ed

Rob Kaspari, Director  
EduTech



## North Dakota Educational Technology Council

### General Funds

Staffing & Programs	\$ 519,698
Build Grants for Schools	<u>\$ 1,595,000</u>
<b>Total General Funds</b>	<b>\$ 2,114,698</b>

The Build Grant Program will improve wireless infrastructure, increase student access to internet connected services and expand instructional coaching for educators. Funds granted to schools will require a 50% match.



## *Educational Technology Council (ETC)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>2,114,698</b>	<b>100,000</b>	<b>500,000</b>	<b>2,714,698</b>
2013 – 15 Budget	<b>1,228,322</b>	<b>100,000</b>	<b>500,000</b>	<b>1,828,322</b>
Difference	<b>886,376</b>	<b>0</b>	<b>0</b>	<b>886,376</b>

**\$ 1,050,000 is one-time**



## Mission

Ensure that all North Dakota middle and high school students, regardless of location, have equal access to educational opportunities that meet or exceed all expectations for the quality of student learning.



**ND Schools have dramatically increased usage of NDCDE services**

(ND 2013-14 enrollment **doubled** compared to 2012-13  
**1,850** enrollments 2012-13, **3,850** enrollments 2013-14)

**NDCDE estimates over 13,000 student enrollments in the 2015-17**

**biennium:** 12,000 ND student enrollments – up from 1,200 ND enrollments in 2009-11

**Conditions impacting NDCDE 2013-15 enrollment increases continue to exist for the foreseeable future:**

- Teacher shortages
- Increased numbers of students (population growth in east and west ND)
- Limited course choices for students in small, rural schools (40,000 of ND's 100,000 K-12 students receive their educations in schools with less than 400 students K-12)



### **NDCDE's clients – schools, students and parents, expect us to hold the line on course prices**

- NDCDE actual course costs are an average of \$300 (or more) per enrollment (the amount paid by non-ND students)
- NDCDE's price to North Dakota students, schools and parents is on average \$100 per enrollment

### **NDCDE continues to provide all stakeholders a high return on their investment**

- NDCDE generates HS credits at 50% the average cost of ND public schools
- NDCDE student completion rate for all courses is over 95% (90% is considered the gold standard)
- All public schools in ND have used at least one NDCDE service in the past year



**ndCDE** North Dakota  
**CENTER FOR DISTANCE EDUCATION**

Funding for program growth

State pays 67% of class for ND students / schools

Requesting 5 new positions (**General Funds**)

1 Math Teacher

1 English Teacher

1 Social Studies Teacher

1 Science Teacher

1 Curriculum Specialist

Funding for temporary teacher positions (**General Funds**)

Funding for curriculum growth (**Special Funds**)

Funding for college and career readiness (**General Funds**) \$250,000



### *Center for Distance Education (CDE)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>6,483,666</b>	<b>3,050,000</b>		<b>9,533,666</b>
2013 – 15 Budget	<b>4,238,173</b>	<b>2,052,536</b>		<b>6,290,709</b>
<b>Difference</b>	<b>2,245,493</b>	<b>997,464</b>		<b>3,242,957</b>



## Mission

Provide North Dakota educators and students with opportunities that extend learning in the classroom and beyond focusing on the use of technology to improve student achievement.



# EDUTECH

education technology services

## Services to Schools

**PowerSchool Services** to provide training, implementation and support to schools that use PowerSchool – deployed in all public schools

**Partnership with DPI** to provide training and technical readiness support for the on-line NDSA in 2015.

**Professional Development** for PK-12 educators to use software/hardware and to integrate technology into classroom instruction

**Regional IT Specialists** to deliver customized professional development and instructional coaching to educators in their regions

**Statewide K12 Active Directory** and Office365 for Schools.



# EDUTECH

education technology services

## Services to Schools

**IT Services** to provide e-mail, web hosting, internet filtering, desktop anti-virus and blogging/podcasting services

**E-rate Support Services** to provide training and compliance information

**Helpdesk Services** to support customers in the use of EduTech's services such as PowerSchool, Office 365 and internet filtering

**Videoconference Enrichment Events** to offer students and teachers the opportunity to participate in national/international collaborations, content programs and professional development

**Sponsor the Positive Social Media ND Tour** featuring Kat Perkins



# EDUTECH

education technology services

Requesting 1 new security position (General Funds)

Provide training / best practices for K-12 schools

\$225,000



### *EduTech*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>3,843,707</b>	<b>5,586,780</b>		<b>9,430,487</b>
2013 – 15 Budget	<b>3,344,828</b>	<b>5,210,125</b>		<b>8,554,953</b>
<b>Difference</b>	<b>498,879</b>	<b>376,655</b>		<b>875,534</b>

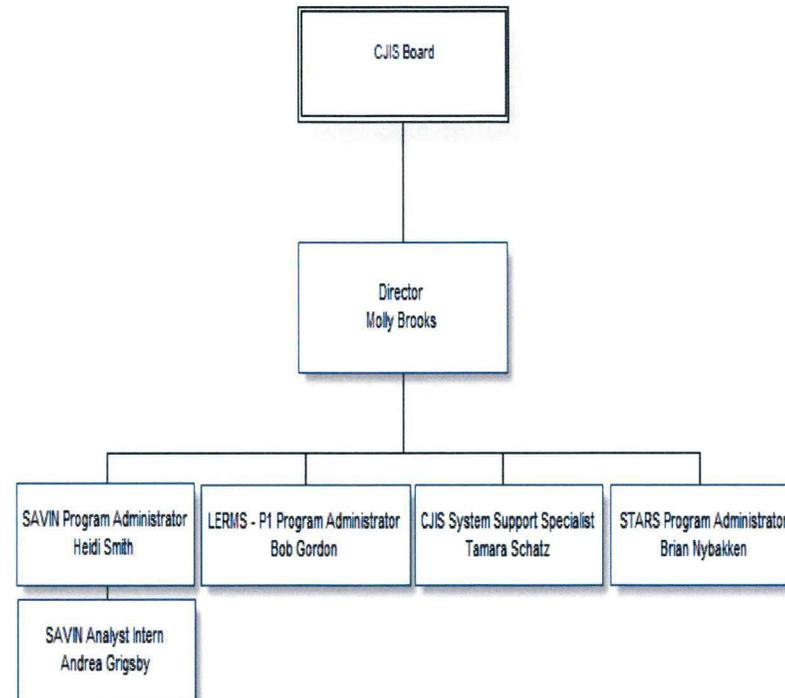
Governor's Salary Package      **239,989**                      **222,317**                                      **462,306**



## Criminal Justice Information Sharing (CJIS) Governance

### CJIS Board (sets policy & provides oversight)

- **CIO of State of North Dakota**  
Mike Ressler
- **Office of Attorney General**  
Thomas Trenbeath
- **Judicial Branch**  
Sally Holewa
- **Chiefs of Police Association**  
Keith Schroeder
- **Bureau of Criminal Investigation**  
Dallas Carlson
- **Department of Corrections**  
Amy Vorachek
- **Highway Patrol**  
Brandon Solberg
- **ND State's Attorney Association**  
Kara Schmitz-Olson
- **ND Sheriffs and Deputies Association**  
Rick Majerus
- **Department of Transportation**  
Russ Buchholz
- **Department of Emergency Services**  
Mike Lynk
- **Member at Large**  
Bonnie Storbakken





- **PORTAL:** is a statewide system where authorized criminal justice users are able to search information in a one stop system. Current information includes Booking records, Criminal History records, Protection Orders, Parole and Probation information, DNA, Offender Registration, Concealed Weapons, CWIS, Motor Vehicle, Drivers License information, Watercraft Licenses, and multiple law enforcement incident records. In addition to the search functionality, the system includes notification capabilities that facilitates the tracking of an individual / event.
- **STARS:** is a statewide records management system offered to State's Attorneys to automate business process and allow information sharing with other agencies.
- **LERMS:** is a statewide records management system offered to law enforcement to automate business process and allow information sharing with other agencies.
- **ND SAVIN:** is the Statewide Automated Victim Information Notification system. Victims may register to receive important offender status notification.



Requesting **\$1,000,000 in general funds** future development:

- CJIS Broker Implementation
- State's Attorney e-Charging
- Law Enforcement e-Charging
- Aggregated Federal and State Data Security Analysis
- Coordinated Access
- Statewide Automated Victim Info Network Security
- CST Adoption
- Law Enforcement Records Management System P1 Interfaces
- Portal Improvements
- Aggregated Federal and State Data Security



## *Criminal Justice Information Sharing (CJIS)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>3,400,219</b>	<b>236,000</b>	<b>650,000</b>	<b>4,286,219</b>
2013 – 15 Budget	<b>3,136,263</b>	<b>192,000</b>	<b>650,000</b>	<b>3,978,263</b>
<b>Difference</b>	<b>263,956</b>	<b>44,000</b>	<b>0</b>	<b>307,956</b>

**\$ 1,000,000 is one-time**



## ND HIT Advisory Committee



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

- **Governor's Office** – representing state government interests
- **North Dakota Legislature** – representing state legislature
- **Center for Rural Health** – representing rural healthcare facilities/communities & academic institutions
- **ND State CIO** – representing state government interests
- **ND Department of Health** – representing the Department of Health
- **ND Department of Human Services** – representing the Department of Human Services
- **North Dakota Health Care Review** - representing Quality Improvement Organization (QIO)
- **ND Medical Association** – representing physicians
- **ND Healthcare Association** – representing hospitals
- **ND BlueCross BlueShield** - representing third-party payer
- **ND Health Information Management Association (HIMA)** - representing health information management workforce
- **Local Public Health Unit** – representing local public health units
- **AARP** – representing consumers
- **Large tertiary and small rural hospitals** – representing hospitals
- **Long Term Care Association** – representing long term care
- **EMS Association** – representing EMS



## North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

170+ Organizations have signed Participation and Business Associate Agreements with NDHIN

6 Prospective Payment Hospitals

36 Critical Access Hospitals

Public health organizations, long term care, pharmacies, clinics etc.

Direct Secure Messaging

Web based Direct – 680+ users

XDR Direct (EHR system functionality) – 1,500+ users

Query Based Services

Onboarding over 50 organizations right now (data providers)

Unique Patient Records – 615,000 (Nov 2014)

User Accounts set up to access patient data – 1,000 + providers (Nov 2014)

Automatic Immunization, reportable conditions and syndromic reporting to the Health Department

Future Functionality: Medication information and image exchange



## North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

<b>Health Information Technology Office</b>	<b>\$ 403,391</b>
<b>Operations</b> ( Provides authority for billing stakeholders )	<b>\$ 4,497,432</b>
<b>Federal Appropriation</b> ( Potential grants)	<b><u>\$ 500,000</u></b>
<b>Total 2015-17 Budget Request</b>	<b>\$ 5,400,823</b>



## *Health Information Technology (HIT)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
2015 – 17 Request	<b>403,391</b>	<b>4,497,432</b>	<b>500,000</b>	<b>5,400,823</b>
2013 – 15 Budget	<b>378,377</b>	<b>4,445,144</b>	<b>4,500,000</b>	<b>9,323,521</b>
Difference	<b>25,014</b>	<b>52,288</b>	<b>- 4,000,000</b>	<b>- 3,922,698</b>



2015–17 Budget Request

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	1,451,298	134,893,460	2,013,121	138,357,879
K-12 Network	4,916,268	100,000	-	5,016,268
Geographic Information System	1,201,710	-	75,000	1,276,710
Statewide Longitudinal Data System	10,033,401	-	-	10,033,401
Educational Technology Council	2,114,698	100,000	500,000	2,714,698
Center for Distance Education	6,483,666	3,050,000	-	9,533,666
EduTech	3,843,707	5,586,780	-	9,430,487
Criminal Justice Information Sharing	3,400,219	236,000	650,000	4,286,219
Health Information Technology	403,391	4,497,432	500,000	5,400,823
<b>Total</b>	<b>33,848,358</b>	<b>148,463,672</b>	<b>3,738,121</b>	<b>186,050,151</b>



**2015–17 Budget Changes**

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	<b>608,132</b>	<b>7,343,712</b>	<b>- 2,286,879</b>	<b>5,664,965</b>
K-12 Network	<b>52,052</b>			<b>52,052</b>
Geographic Information System	<b>- 193,287</b>			<b>- 193,287</b>
Longitudinal Data System	<b>4,502,558</b>			<b>4,502,558</b>
Educational Technology Council	<b>886,376</b>			<b>886,376</b>
Center for Distance Education	<b>2,245,493</b>	<b>997,464</b>		<b>3,242,957</b>
EduTech	<b>498,879</b>	<b>376,655</b>		<b>875,534</b>
Criminal Justice Information Sharing	<b>263,956</b>	<b>44,000</b>		<b>307,956</b>
Health Information Technology	<b>25,014</b>	<b>52,288</b>	<b>- 4,000,000</b>	<b>- 3,922,698</b>
<b>Difference</b>	<b>8,889,173</b>	<b>8,814,119</b>	<b>- 6,286,879</b>	<b>11,416,413</b>



## ITD 2015–17 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
2015 – 17 Request	33,848,358	148,463,672	3,738,121	186,050,151	355.3
2013 – 15 Budget	24,959,185	139,649,553	10,025,000	174,633,738	340.3
Difference	8,889,173	8,814,119	- 6,286,879	11,416,413	15.0

**\$ 6,550,000 is one-time**



THANK YOU!!!

January 12, 2015 Attachment B  
HB1021

15.0157.03000

**FISCAL NOTE**  
Requested by Legislative Council  
12/19/2014

Bill/Resolution No.: HB 1053

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$5,189,657	\$0	\$2,987,040
Expenditures	\$0	\$0	\$4,204,419	\$6,174,896	\$2,472,540	\$3,501,540
Appropriations	\$0	\$0	\$4,204,419	\$6,174,896	\$2,472,540	\$3,501,540

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB1053 would require 29 state agencies to obtain desktop support services from ITD. Section 1 of the bill requires ITD to provide desktop services to these 29 agencies.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

HB1053 has the following fiscal impact from Section 1 of the bill. 10 of the 29 agencies have already requested these services from ITD and the funding impact for those 10 agencies is included in the Governor's budget. This fiscal note includes the impact for all 29 agencies. Four desktop support FTE will be added to ITD's staff (2.00 are already included in the executive recommendation) to support the staffing to computer ratios recommended in the Desktop Study report.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

2015-17: Revenue that will be received from agencies for desktop services is \$5,189,657 (including \$873,659 in the Executive Recommendation).

2017-19: \$2,987,040 for Special Fund Revenue that will come to ITD from rates charged to State Agencies

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The following items are the double expenditure impact that must be reflected in agency budgets since ITD receives its funding from charges to agencies.

2015-17:

\$5,189,657 in Special Fund Expenditures in ITD's budget for six incremental FTE's, hardware, software and operating expenses to provide the desktop support services to state agencies.

\$4,204,419 for General Fund Expenditures in agency budgets for fees from ITD; \$985,239 for Other Fund Expenditures and for Other Fund Appropriations in agency budgets for fees from ITD.

2017-19:

\$2,987,040 in Special Fund Expenditures in ITD's budget for staffing, hardware, software and operating expenses to provide the desktop support services to state agencies.

\$2,472,540 for General Fund Expenditures and \$514,500 for Other Fund Expenditures in agency budgets for fees from ITD.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The following items are the double appropriation impact that must be reflected in agency budgets since ITD receives its funding from charges to agencies. Assuming each affected agency has normal line item appropriations these appropriations would all be line 30 appropriations.

2015-17:

\$5,189,657 in Special Fund Appropriations in ITD's budget for six incremental FTE's, hardware, software and operating expenses to provide the desktop support services to state agencies. The appropriation would be in Fund 780 with \$1,179,068 in line 10 and the remaining appropriation in line 30.

\$4,204,419 for General Fund Appropriations in agency budgets for fees from ITD; \$985,239 for Other Fund Appropriations in agency budgets for fees from ITD. Included in those appropriations is \$802,328 general fund authority and \$71,331 other fund authority in agency budgets in the executive recommendation.

2017-19: \$2,987,040 in Special Fund Appropriations in ITD's budget for staffing, hardware, software and operating expenses to provide the desktop support services to state agencies. The appropriation would be in Fund 780 with \$1,179,068 in line 10 and the remaining appropriation in line 30.

\$2,472,540 for General Fund Appropriations and \$514,500 for Other Fund Appropriations in agency budgets for fees from ITD.

**Name:** Lori Laschkewitsch

**Agency:** Office of Management and Budget

**Telephone:** 701-328-2685

**Date Prepared:** 01/06/2015

HB 1053 Fiscal Note

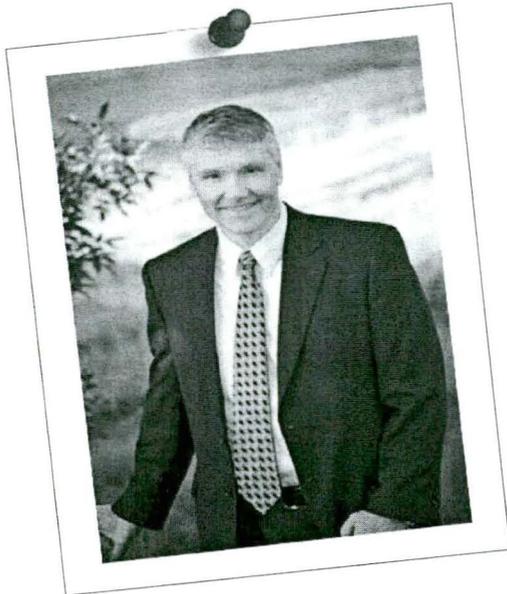
Agencies included in Executive Recommendation				2017-2019		
Agency	General	Other	Total	General	Other	Total
Center for Tobacco	-	56,831	56,831	-	23,520	23,520
Council on the Arts	15,800	-	15,800	14,700	-	14,700
Dept of Agriculture	352,912	-	352,912	226,380	-	226,380
Dept of Labor	46,118	-	46,118	38,220	-	38,220
Indian Affairs	21,775	-	21,775	14,700	-	14,700
Protection and Advocacy	132,838	-	132,838	82,320	-	82,320
Secretary of State	96,000	-	96,000	91,140	-	91,140
State Treasurer	20,880	-	20,880	23,520	-	23,520
State Auditors	69,200	14,500	83,700	158,760	-	158,760
Securities	46,805	-	46,805	26,460	-	26,460
<b>Total Executive Recommendation</b>	<b>802,328</b>	<b>71,331</b>	<b>873,659</b>	<b>676,200</b>	<b>23,520</b>	<b>699,720</b>

Remaining Agencies included in Desktop Study						
Agency	General	Other	Total	General	Other	Total
Governor's Office	78,390	-	78,390	52,920	-	52,920
Admin Hearings	-	27,363	27,363	-	14,700	14,700
Aeronautics	32,835	-	32,835	17,640	-	17,640
Career and Tech Ed	147,758	-	147,758	79,380	-	79,380
Commerce	377,603	-	377,603	202,860	-	202,860
Trust Lands	-	169,648	169,648	-	91,140	91,140
DPI	547,250	-	547,250	294,000	-	294,000
Financial Institutions	-	158,703	158,703	-	85,260	85,260
Historical	377,603	-	377,603	202,860	-	202,860
Insurance	-	273,625	273,625	-	147,000	147,000
Legal Council	180,593	-	180,593	97,020	-	97,020
NDPERS	-	180,593	180,593	-	97,020	97,020
OMB	716,898	-	716,898	385,140	-	385,140
Parks & Rec	300,988	-	300,988	161,700	-	161,700
RIO	-	103,978	103,978	-	55,860	55,860
Deaf	246,263	-	246,263	132,300	-	132,300
Sec of State	78,508	-	78,508	-	-	-
Library	164,175	-	164,175	88,200	-	88,200
University System	109,450	-	109,450	58,800	-	58,800
Veterans Affairs	43,780	-	43,780	23,520	-	23,520
<b>Total Other Agencies</b>	<b>3,402,091</b>	<b>913,908</b>	<b>4,315,998</b>	<b>1,796,340</b>	<b>490,980</b>	<b>2,287,320</b>
<b>Total All Agencies</b>	<b>4,204,419</b>	<b>985,239</b>	<b>5,189,657</b>	<b>2,472,540</b>	<b>514,500</b>	<b>2,987,040</b>



North Dakota  
Information Technology Department



## **HB 1021 Information Technology Department**

**Presentation to the  
House Appropriations Committee  
Government Operations Division**

**Mike Ressler  
CIO**

**January 21, 2015  
Medora Room**



# Agenda

- Criminal Justice Information Sharing (CJIS)
- Green Sheet Overview
- Geographic Information System (GIS)
- SB 2160 – Health Information Hub
- SB 2051 – Centralization of PSC, Water Commission and Oil & Gas
- HB 1053 – Desktop Support Service
- HB 1021 Correction



*North Dakota Criminal Justice Information Sharing*

3



## HB1021 Green Sheet

### FTE Summary

#### General Funded FTE (9)

- Security (1 FTE for the ND Fusion Center, 1 FTE for K-12 Security)
- Center for Distance Education (4 Teachers, 1 Curriculum Specialist)
- Statewide Longitudinal Data System (1 programmer for ETL)
- Digital Archives (1 FTE for Records Manager focusing on digital records)

#### Special Funded FTE (6)

- Security (2 FTE for data center and network security)
- Desktop Support Services (2 FTE)
- Video Services (1 FTE for staff person transferred from Higher Ed)
- ConnectND (1 FTE for developer transferred from OMB)



## Geographic Information Systems (GIS)

- ❖ **The GIS Hub is a Platform for Agencies to:**
  - Share data internally
  - Share data and maps with the public
  
- ❖ **The GIS Hub is Supported by 13 Agencies**
  - Executive Order established the GISTC
  - Stewards load and maintain the data
  - GIS Hub infrastructure hosted by ITD



## Geographic Information Systems (GIS)

- ❖ **Two Main Components of the GIS Hub**
  - Database – accessed by agency users internally and with other agencies
  - Web – agencies share data and maps for internal and public use



## GIS Program Example Application

# Surface Water Quality - Dept. of Health Data Updated Nightly

North Dakota nd.gov Official Website North Dakota State Government

**NORTH DAKOTA**  
DEPARTMENT OF HEALTH

### Surface Water Quality Data For North Dakota

SEARCH STATIONS

Text Search

Search Criteria 1:

Search Criteria 2:

Search Criteria 3:

Graphic Search

SELECTED STATIONS

MAP TOOLS

MAPLAYERS

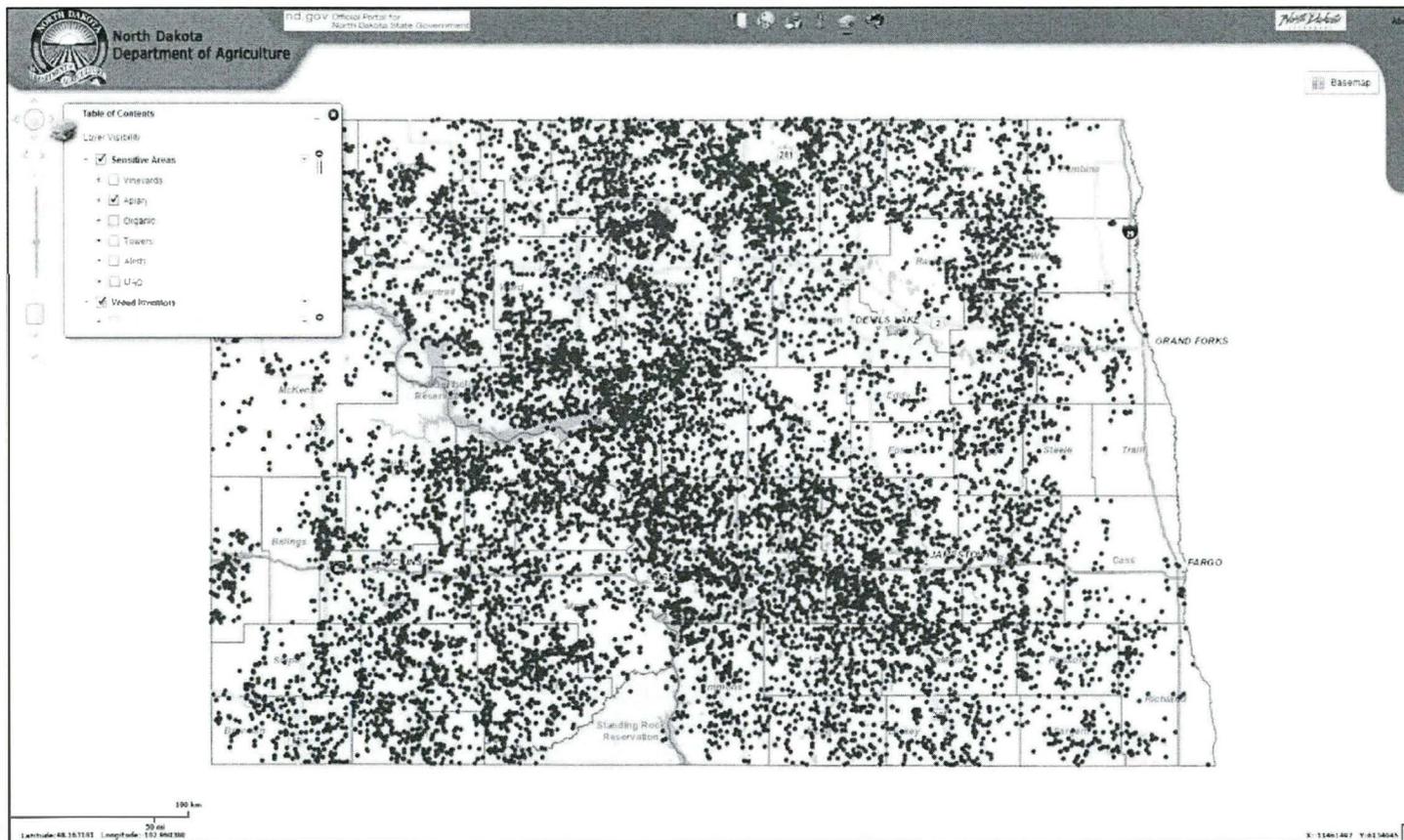
Map showing Surface Water Quality Data for North Dakota. The map displays county boundaries and numerous data points representing water quality stations across the state. A search interface is visible on the left side of the map.

North Dakota Game and Fish Department, ND GIS Hub | North Dakota Department of Health, Division of Water



GIS Program Example Application

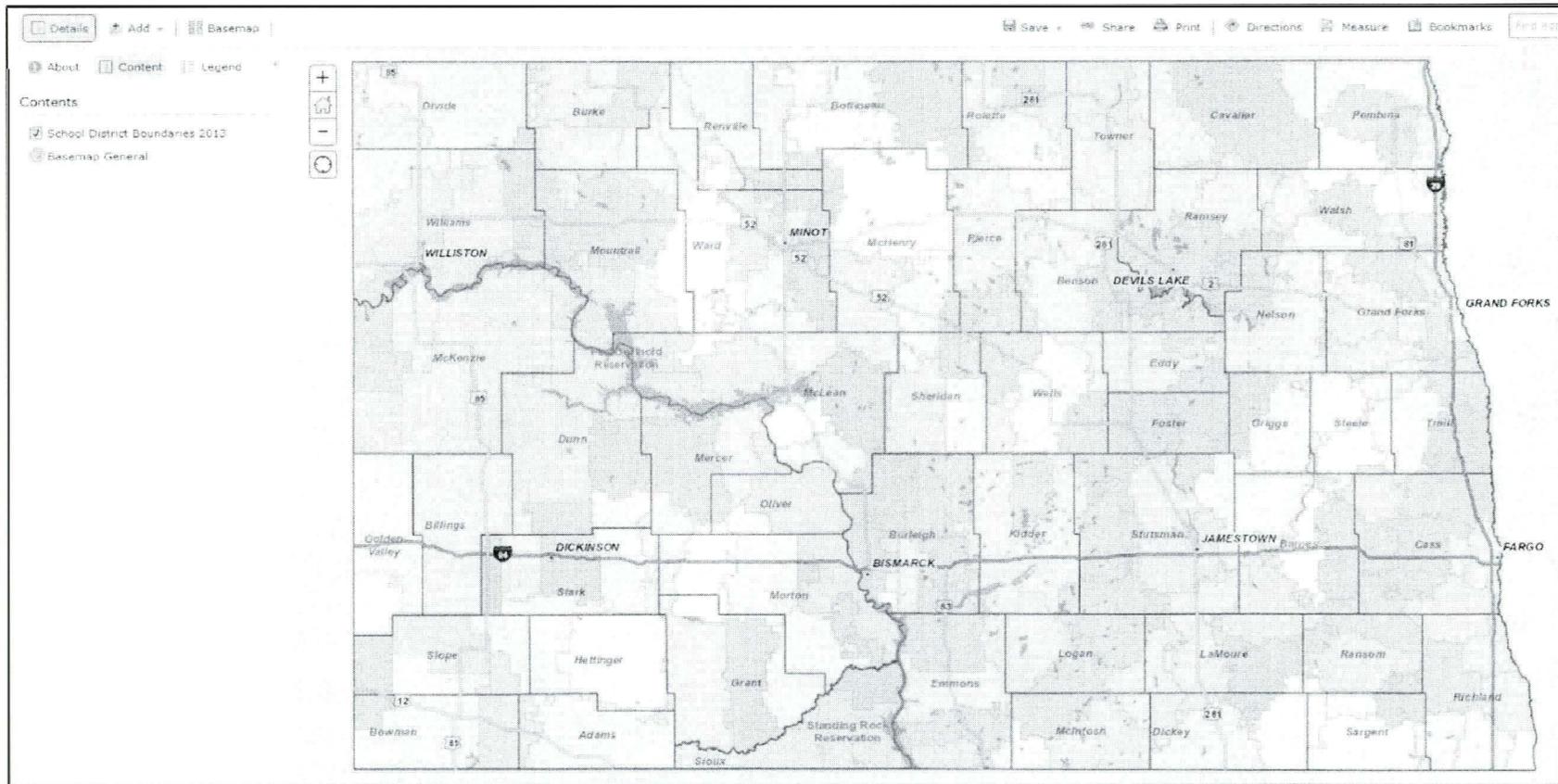
# Beehive Locations - Dept. of Agriculture





GIS Program Example Application

# School Districts - Dept. of Public Instruction



b



North Dakota  
Information Technology Department

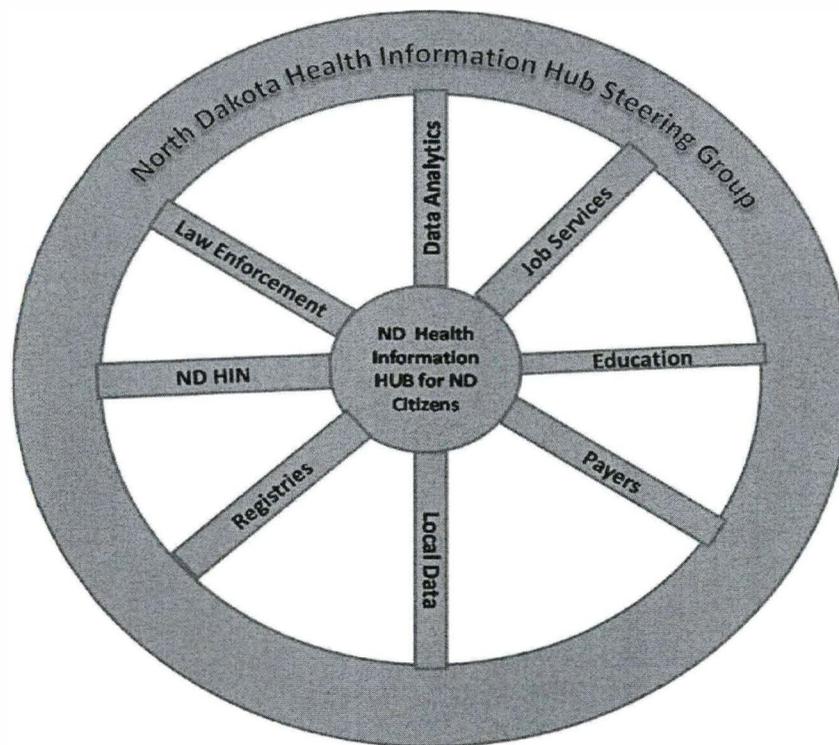
# North Dakota Health Information Hub

Senate Bill 2160

01



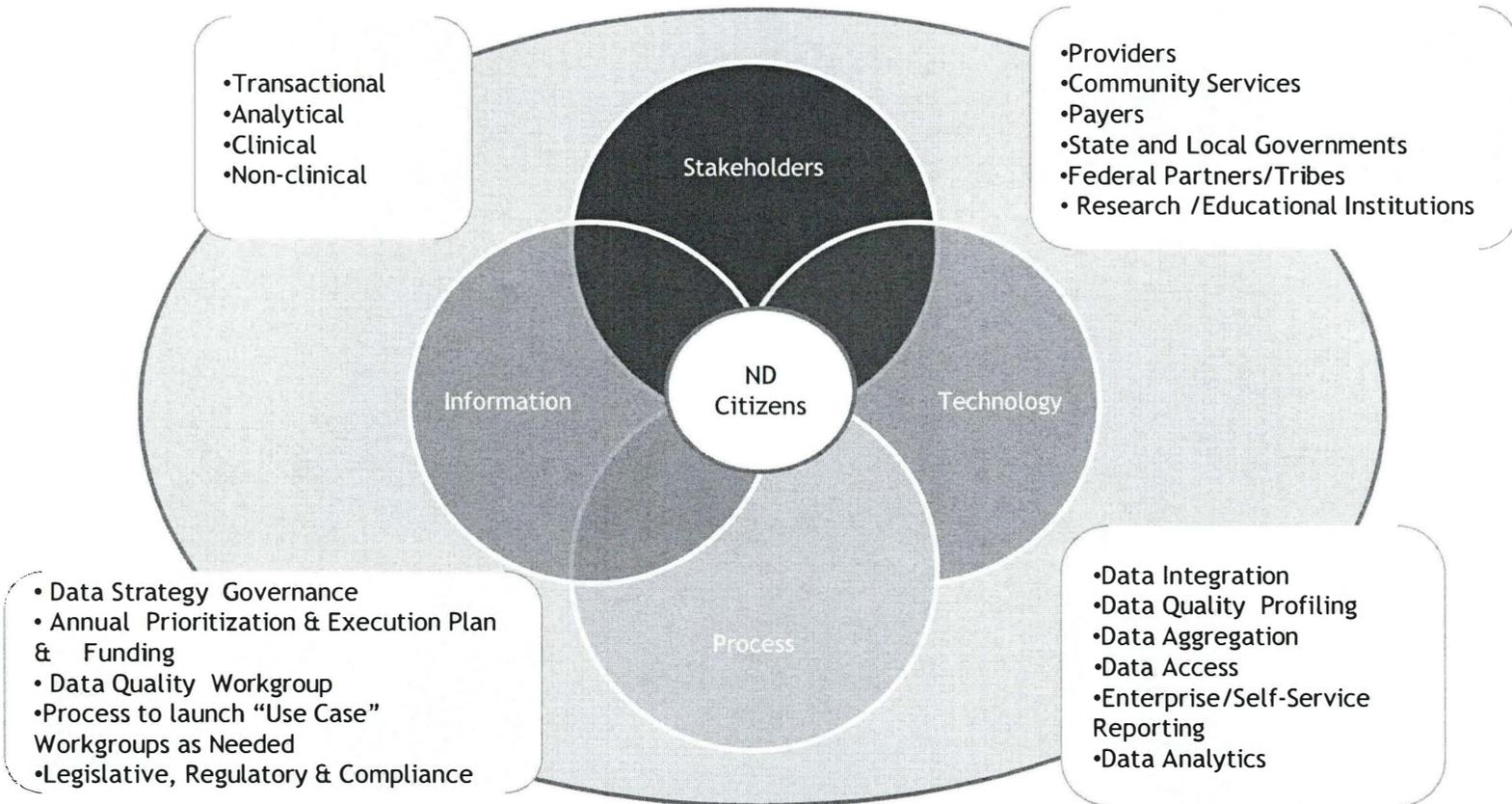
North Dakota Health Information HUB





# Multi-Dimensional Domain

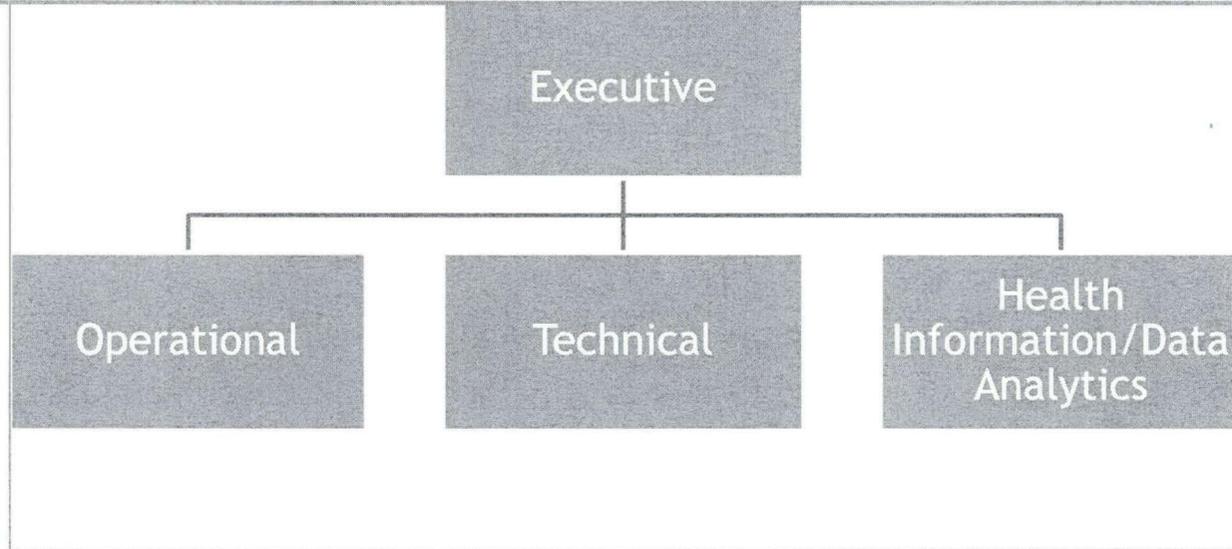
## Communication Strategy



12



# Organizational Structure



13



## Use Case Scenarios and Key Stakeholders

	Clinicians	Public Health	Pharmacies	LTC	Law Enforcement	QIOs	State Government	Federal Partners/Tribes	School Systems	CHNA aggregated data	Laboratories	Community Clinics and Health Centers	Payers
Patient care substance abuse	X		X							X		X	
RHIO	X		X	X							X	X	
Research	X									X			
Registries ( Brain injury, immunizations, controlled substances, etc.)	X	X	X	X	X	X	X	X	X	X		X	
Population Health/ Medical Home	X	X	X	X		X	X	X	X	X	X	X	X
Schools	X	X								X		X	

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# Registries

2015 Proposed Bills prepared by the Legislative Council for the Human Service Committee include:

- Traumatic brain injury registry
- Behavioral health data registry

- The proposed ND Health Information HUB could house registries where consistent review and analysis of the data could create efficiencies, improve quality, benefit policy makers, support strategy and allocation of resources, support key stakeholders and North Dakota citizens.
- Registries housed within the ND Health Information Hub would create a single point of access and may be a benefit to other organizations that are not necessarily health care related

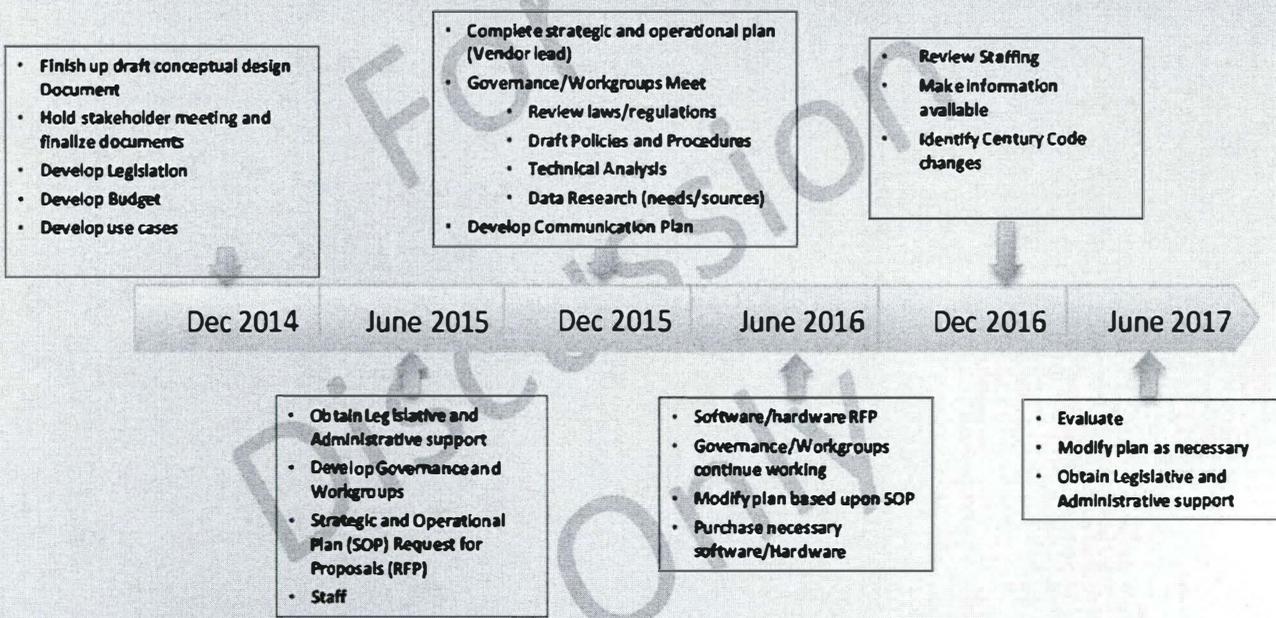
Examples of key stakeholder organizations and exchanges that may benefit from the ND Health Information Hub :

- Human Services
- Department of Health
- Health Agencies (American Heart Association, American Cancer Society, etc.)
- Health care provider(s)
- Law Enforcement
- Research investigator
- Others

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# North Dakota Health Information Hub Timeline



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## Appropriation - General Funds

Items	Amount	Notes
Salary & Fringes	\$530,000	3 FTE (1 for two years and 2 for one year)
Consultant	500,000	Complete Strategic and Operational Plan
Legal Fees	204,000	Attorney General and Outside Counsel Time
Governance	10,000	Travel, Phone calls, etc.
Project Management	156,000	Manage the project
Software	500,000	Estimate to start the process
Total	\$1,900,000	

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# Discussion

Questions?

18





**Centralization Bill  
PSC, Water Commission, and Oil & Gas**

Senate Bill 2051

19



# Desktop Services

House Bill 1053

20



## ITD Operations

# Desktop Support Services

2 New Positions + Hardware / Software (Special Funds)

\$1,812,000

Ten agencies were provided funding in Governor's Budget

- Auditors Office
- Center for Tobacco
- Council on the Arts
- Dept. of Agriculture
- Dept. of Labor
- Indian Affairs
- Protection and Advocacy
- Secretary of State
- Securities
- State Treasurer

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# Correction House Bill 1021

- ✓ One-Time Funding on Page 2, Line 14  
S/B \$4,500,00 instead of \$8,000,000
  - ✓ Change Line 15, Page 2  
S/B "Total general fund \$6,550,000"
  - ✓ Remove Lines 16-17, Page 2

22



THANK YOU!!!

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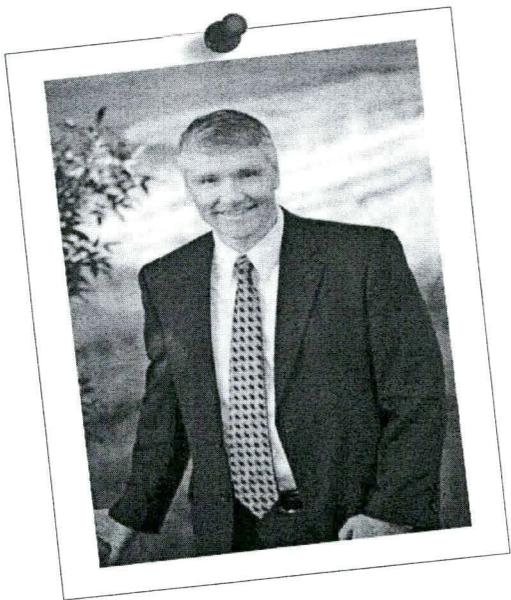
HB 1021

January 28, 2015

Attachment A



**North Dakota**  
Information Technology Department



**HB 1021**  
**Information Technology**  
**Department**

**Presentation to the**  
**House Appropriations Committee**  
**Government Operations Division**

**Mike Ressler**  
**CIO**

**January 28, 2015**  
**Medora Room**



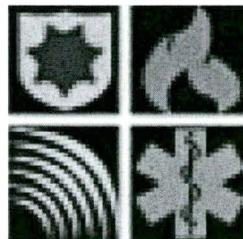
# Agenda

- FirstNet
- EduTech - PowerSchool Application
- Center for Distance Education (CDE)
- State Longitudinal Data System (SLDS)

2



North Dakota  
Information Technology Department



**FirstNet™**

First Responder Network Authority

**Duane Schell**

**Network Services Director**



North Dakota  
Information Technology Department



**FirstNet™**

4  
**VISION**

**To provide emergency responders with the first nationwide, high-speed, wireless broadband network dedicated to public safety**





- Born out of the 9/11 Commission Report
- Part of the Middle Class Tax Relief and Job Creation Act
  - Enacted February 22, 2012
- Established the First Responder Network Authority (FirstNet)





- Nationwide wireless data network for public safety ( Think "4G" )
- Provides additional features commercial networks don't
  - Dedicated spectrum
  - Priority + Pre-emption
  - Increased reliability





## What will FirstNet do for you?

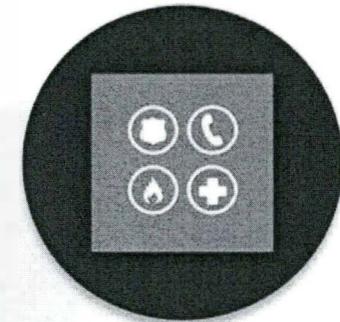


### Communication

- Video: 1-to-many
- Messaging
- Images
- Group Text
- Voice: Non-Mission Critical

### Applications

- Your applications (Private, Selective sharing)
- FirstNet Applications
- Syndicated Applications

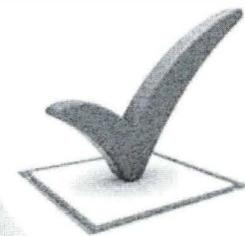


### Services

- Data Storage
- Recordkeeping
- Search
- Databases (CJIS, etc.)

### Capabilities

- NOC Status
- Activation
- Product Ordering
- Dynamic Priority Access





- State & Local Implementation Grant Program – SLIGP
  - Education & outreach
  - Governance & needs assessment
  - Carrier network assessment
  - Technology utilization survey
  - Asset identification
  
- ND awarded \$1.1M
  - Partnership ITD, DES, SIEC





- FirstNet will be an additional “carrier” that public safety entities could choose to use
  - Business model + pricing is yet to be determined
- Next Steps
  - Continuation of planning activities
  - Submission of results to FirstNet
  - FirstNet will develop and provide a plan to ND
  - ND will have a choice





North Dakota  
Information Technology Department

**EDUTECH**  
education technology services

**Rob Kaspari**  
**EduTech Director**



# EDUTECH

education technology services

## PowerSchool History

### Student Information System

- Piloted in 2001 by Bismarck Public Schools
- Rolled out to interested schools for 8 years
- Required in legislation in 2009 (HB 1400)
- All Public Schools online in January 2013



# EDUTECH

education technology services

## PowerSchool Roles

- ITD provides licensing and hosting
- EduTech provides implementation, training & support
  - EduTech also provides some services to support E-transcript & SLDS
- Funding is a line item in DPI (SB 2013)



# EDUTECH

education technology services

## PowerSchool Features

- Daily- attendance, announcements, assignments, grades, meal tracking and parent access
- Reports- transcripts, discipline logs, class population, demographics, GPAs, assessment reports and state and federal reports



# EDUTECH

education technology services

## PowerSchool Benefits

- Cost effective
- Common processes & reporting
- Common training & support materials
  - Face to face training
  - Online support documents, templates & videos
  - Support (phone, email & chat)
- Ease of data transition to STARS & SLDS



## PowerSchool Data Fields

Demographics		Special Programs	PowerSchool Generated
First Name	Guardian 1 First & Last Name	Special Ed Serving Unit	Guardian & Student Web ID
Last Name	Guardian 1 Work Phone	Alternative Ed	Guardian & Student Password
Middle Name or Initial	Guardian 1 Employer	Immigrant	Historical Grades
DOB	Guardian 1 Home Phone	Migrant	All Course Enrollments
Gender	Guardian 2 first & Last Name	Refugee	All School Enrollments
Ethnicity	Guardian 2 Work Phone	Homeless	Class Rank
Race	Guardian 2 Employer	Section 504	Cum GPA
District of Residence	Guardian 2 Home Phone	21st Century	Discipline Alert
Lunch Status	Guardian 1 Email	Targeted Title I	Log Entries
Direct Cert	Guardian 2 Email	BIA	Attendance
Street	Guardian Alert	Student With Child	
City		Displaced Homemaker	<b>Testing Info</b>
State		Received GED	ACT Scores
Zip		Date Approved to Graduate	
Phone Number		EII Information	
Transfer From State			
Transfer From City		<b>Schools May Collect</b>	
Transfer From School		Emergency/Medical Contact	
Student Email		Doctor	
Mother's Name		Dentist	
Mother's Day Phone		Allergies	
Father's Name		Medical Alert	
Father's Day Phone		Immunizations	
		Parent Military Info	
		Opt-out Info	



**North Dakota**  
Information Technology Department

Office: (701) 451-7409

Cell: (701) 566-2303

Robert.Kaspari@k12.nd.us

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**Like us on FB.me/edutechnd**  
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**North Dakota**  
Information Technology Department



**ndCDE** North Dakota  
**CENTER FOR DISTANCE EDUCATION**

**Dr. Alan Peterson**

**ND Center for Distance Education**  
**Director**



## ND Century Code requires NDCDE to

- 1) Serve students regardless of their locations,
- 2) Focus on student learning,
- 3) Provide quality curriculum,
- 4) Assure adequate contact time between teacher and student,
- 5) Apply suitable educational technology,
- 6) Monitor the adequacy and quality of course delivery.

## Circumstances that lead to enrolling at NDCDE

- Local school does not offer the course(s) – advanced, technical and elective
- Course schedule is conflicted (NDCDE delivers *asynchronously*)
- Highly qualified teacher is not available at the school
- Teacher is not qualified to teach a specific course
- Medical condition forces at home schooling
- Credit recovery and remediation are needed
- Teacher takes a leave of absence
- Bullying has occurred
- Supplementation / enhancements are needed to school's curriculum
- Home school or group home school is necessary

Online Course/Curriculum Publishers/Vendors



ND CDE Management Team

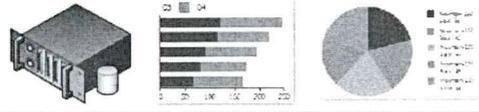


Qualified Instructors



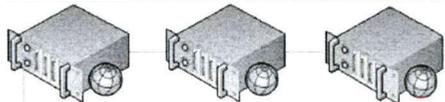
Supply Chain Mgmt

On-Demand Reporting App (ODRA)

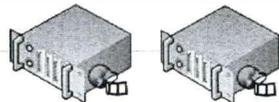


Review / Vet Courses and Vendors  
Manage Course Deployment Process and Lifecycle

Learning Platforms Hosting 414 Courses



Learning Management Systems



Content Management Systems



Exam Admin

Guardian

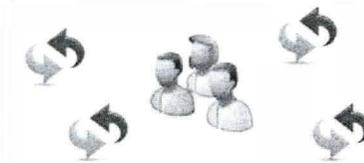
Student

Instructor Office Hours

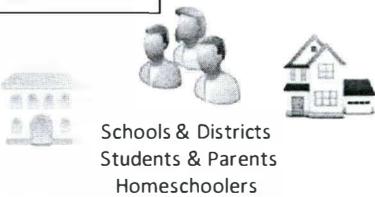


Virtual Meeting Rooms  
Smartphones / Skype  
Email  
Text / Instant Message

Processes to Steer Guide Improve



Stakeholders



Schools & Districts  
Students & Parents  
Homeschoolers

Enrollments

Grades, Activity, Pacing

Student Information System (SIS)

ndcde.org

New Student

Commerce System

Enrollment Registration

Business and Accounting

Human Resources

Onboarding

Onboarding

Customizable Applications



## Facts related to Curriculum, Instruction and Expertise

### Curriculum

- 412 Middle and High School Courses (all approved by DPI & AdvancED)
- Hand outs of courses are available to you
- [www.ndcde.org](http://www.ndcde.org) – Courses

### Instruction

- Teachers = 11.8 FTE, 5 Full-Time Temporary, 22 Part-Time Temporary
  - ✓ Student Load – FTE and FTT = 120 students per semester (300 per year)  
PTT = from 5-60 students per semester (pay per student)
  - ✓ Instructional Load – Courses highly qualified = average is 10 preps (7-18)
- Technical, Teacher, and Curriculum Support = 3.5 FTE, 1.0 FTT
- Counseling, Administration, Supervision and Training = 4.0 FTE

### Expertise

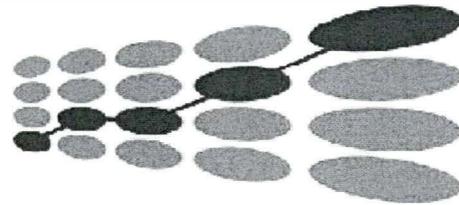
- Office, Store and Business Operations = 4.5 FTE
- Communications, System, Computer Support = 2.0 FTE, 1.0 FTT

**ND Student Enrollments** – 2013/15 = 9,000 (7,000), 2015/17 = 12,000

*NDCDE is equivalent to 500 FTE students grades 7-12  
equal to Valley City Public School grades 7-12*



**Statewide Longitudinal  
Data System**

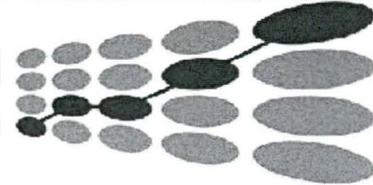


**Tracy Korsmo**

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**Statewide Longitudinal  
Data System**

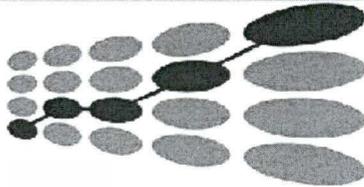


<b>Salaries / Benefits ( 7 FTE )</b>	<b>\$ 1,580,487</b>
<b>Operations / Hosting / Software</b>	<b>\$ 1,405,728</b>
<b>Contract Development</b>	<b>\$ 2,547,186</b>
<b>One-Time Projects</b>	<b><u>\$ 4,500,000</u></b>
<b>Total 2015-17 Budget Request</b>	<b>\$10,033,401</b>

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## Statewide Longitudinal Data System



One-Time Funding \$4,500,000

For enhancing the K-12, Workforce, and Higher Education data warehouses:

- Reauthorization of Workforce Investment Act - measure service programs
- Teacher & school dashboards which allow interaction to measure interventions
- Adult Ed, CTE data sets
- Job Service research and reports on supply and demand of workforce
- Private workforce development & training data (tribal colleges WFD grants)
- NDUS warehouse
- BI Tool reporting system
- Education Portal Expansions
  - ND Scholarship
  - ND College application integration
  - eTranscript expansions / interface to NDUS imaging system
- Security and Predictive Analytics / Visualization



THANK YOU!!!

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*January 28, 2015*

*HB 1021*

*Attachment B*

Agency: Inform Technology

cy No: 00112

1 Object/Revenue		2	3	4	5	6	7
Description		2011-13 Biennium Expenditures	2013-15 First Year Expenditures	2013-15 Biennium Appropriation	2015-17 Base Budget Changes	2015-17 Recommendation	
Code							
001	ITD General Fund Expenditures	5,451,693	4,740,557	10,905,269	9,718,928	16,086,628	0
002	ITD Federal Fund Expenditures	4,486,897	2,418,009	10,025,000	359,627	3,738,121	0
200	ITD K-12 Support	13,478,983	6,041,676	14,647,491	2,175,000	16,461,453	0
206	Center for Distance Education	4,972,547	2,957,122	6,290,709	2,787,649	9,533,666	0
325	Health Information Exchange	782,714	1,070,638	4,823,521	0	4,900,823	0
780	ITD Special Fund Expenditures	108,083,274	60,422,909	127,941,748	15,188,153	135,329,460	0
<b>TOTAL BY APPROPRIATION ORGS</b>		<b>137,256,108</b>	<b>77,650,911</b>	<b>174,633,738</b>	<b>30,229,357</b>	<b>186,050,151</b>	<b>0</b>
10	Salaries and Wages	44,042,080	24,809,990	50,898,087	1,755,375	59,715,903	0
12	Accrued Leave Payment	0	36,442	2,626,084	0	0	0
30	Operating Expenses	55,106,655	30,704,986	64,834,643	5,057,333	69,791,976	0
50	Capital Assets	10,690,274	5,526,601	12,500,600	8,850,000	8,850,000	0
51	Technology Project Carryover	1,720,814	2,233,068	3,704,757	0	0	0
70	Center for Distance Education	4,972,547	2,957,122	6,086,913	2,787,649	9,533,666	0
71	Statewide Data System	0	269,403	1,903,976	8,000,000	10,033,401	0
72	Educational Technology Council	1,043,450	223,724	1,828,322	1,050,000	2,714,698	0
73	Edutech	7,689,531	3,753,894	8,327,517	525,000	9,430,487	0
74	Wide Area Network	4,792,147	2,067,757	4,964,216	600,000	5,016,268	0
76	Geographic Information System	1,030,092	512,525	1,469,997	0	1,276,710	0
77	Health Info Technology Office	782,714	1,070,638	4,788,253	500,000	5,400,823	0
78	Criminal Justice Information Sharing	2,409,557	1,388,848	3,900,373	1,104,000	4,286,219	0
79	Federal Stimulus Funds	2,976,247	2,095,913	6,800,000	0	0	0
<b>TOTAL BY OBJECT SERIES</b>		<b>137,256,108</b>	<b>77,650,911</b>	<b>174,633,738</b>	<b>30,229,357</b>	<b>186,050,151</b>	<b>0</b>
FED	Federal Funds	4,486,897	2,418,009	10,025,000	359,627	3,738,121	0
GEN	General Fund	17,242,047	10,800,509	24,959,185	13,412,265	33,848,358	0
SPEC	Special Funds	115,527,164	64,432,393	139,649,553	16,457,465	148,463,672	0
<b>TOTAL BY FUNDS</b>		<b>137,256,108</b>	<b>77,650,911</b>	<b>174,633,738</b>	<b>30,229,357</b>	<b>186,050,151</b>	<b>0</b>
	FTE	336.30	340.30	340.30	0.00	332.45	0.00
	Vacant	0.00	0.00	0.00	15.00	22.85	0.00
<b>TOTAL AUTHORIZED EMPLOYEES</b>		<b>336.30</b>	<b>340.30</b>	<b>340.30</b>	<b>15.00</b>	<b>355.30</b>	<b>0.00</b>

HB 1021

January 28, 2015 Attachment C

Agency Info Technology  
 Program 03 Information Technology Dept (Lvl 1)  
 Reporting Level 03-000-000-00-00-00000000

1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Description	Code						
10 Salaries and Wages							
Salaries - Permanent	511000	32,378,868	18,268,321	36,871,952	1,140,000	40,443,730	0
Health Increase	511012	0	0	0	0	1,131,270	0
Retirement Increase	511013	0	0	0	0	303,326	0
Salary Budget Adjustment	511900	0	0	0	197,482	197,482	0
Temporary Salaries	513000	260,550	43,426	330,000	0	264,000	0
Overtime	514000	496,839	22,114	444,000	0	120,000	0
Fringe Benefits	516000	10,905,823	6,476,129	13,252,135	417,893	14,358,279	0
Salary Increase	599110	0	0	0	0	2,419,749	0
Benefit Increase	599160	0	0	0	0	478,067	0
TOTAL		44,042,080	24,809,990	50,898,087	1,755,375	59,715,903	0
MEANS OF FUNDING							
FirstNet	G239	0	10,985	25,000	0	178,494	0
Federal Funds TOTAL		0	10,985	25,000	0	178,494	0
State General Fund	001	456,665	220,851	457,190	491,290	1,022,237	0
General Fund TOTAL		456,665	220,851	457,190	491,290	1,022,237	0
Special Fund Budget	003	0	0	0	84,873	84,873	0
ITD Service Fund 780	780	43,585,415	24,578,154	50,415,897	1,179,212	58,430,299	0
Special Funds TOTAL		43,585,415	24,578,154	50,415,897	1,264,085	58,515,172	0
TOTAL		44,042,080	24,809,990	50,898,087	1,755,375	59,715,903	0
12 Accrued Leave Payment							
Salaries - Permanent	511000	0	36,442	2,626,084	0	0	0
TOTAL		0	36,442	2,626,084	0	0	0
MEANS OF FUNDING							
State General Fund	001	0	4,156	373,087	0	0	0
General Fund TOTAL		0	4,156	373,087	0	0	0
Independent Study Operating Fd 274	274	0	0	1,036	0	0	0
PowerSchool Fund 300	300	0	0	95,255	0	0	0
Health Information Exchange Fd 325	325	0	0	21,675	0	0	0
ITD Service Fund 780	780	0	32,286	2,135,031	0	0	0
Special Funds TOTAL		0	32,286	2,252,997	0	0	0
TOTAL		0	36,442	2,626,084	0	0	0
30 Operating Expenses							
Travel	521000	514,006	295,602	887,000	40,000	927,000	0
Supplies - IT Software	531000	19,524,134	9,833,673	19,490,120	2,574,880	22,065,000	0
Supply/Material-Professional	532000	18,732	11,668	25,000	0	25,000	0
Bldg, Ground, Maintenance	534000	7,089	0	0	0	0	0

Agency Info Technology  
 Program 03 Information Technology Dept (Lvl 1)  
 Reporting Level 03-000-000-00-00-00-00000000

1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
Office Supplies	536000	58,416	40,995	52,100	26,000	78,100	0
Postage	541000	10,273	5,703	12,500	0	12,500	0
Printing	542000	37,025	13,321	40,100	0	40,100	0
IT Equip Under \$5,000	551000	1,180,741	396,393	1,426,000	835,000	2,261,000	0
Other Equip Under \$5,000	552000	45,401	8,669	259,000	36,000	295,000	0
Office Equip & Furn Supplies	553000	163,833	46,469	90,000	0	90,000	0
Utilities	561000	91,491	55,773	125,000	0	125,000	0
Insurance	571000	45,937	16,143	55,000	0	55,000	0
Rentals/Leases-Equip & Other	581000	578	0	0	950,000	950,000	0
Rentals/Leases - Bldg/Land	582000	1,982,393	1,083,495	3,240,000	314,179	3,554,179	0
Repairs	591000	2,286,096	404,621	1,000,000	0	1,000,000	0
IT - Data Processing	601000	180,708	108,884	739,223	60,318	799,541	0
IT - Communications	602000	5,008,061	2,111,049	4,502,100	4,000	4,506,100	0
IT Contractual Srvc and Rprs	603000	22,963,704	15,707,301	31,574,500	161,027	31,635,527	0
Professional Development	611000	715,636	433,164	995,000	55,929	1,050,929	0
Operating Fees and Services	621000	169,364	88,532	201,000	0	201,000	0
Fees - Professional Services	623000	103,037	43,531	121,000	0	121,000	0
<b>TOTAL</b>		<b>55,106,655</b>	<b>30,704,986</b>	<b>64,834,643</b>	<b>5,057,333</b>	<b>69,791,976</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
E911 Grant	G220	868,089	24,912	25,000	(25,000)	0	0
RUS Grant	G234	8,271	0	0	0	0	0
FirstNet	G239	0	264,293	1,950,000	(115,373)	1,834,627	0
<b>Federal Funds TOTAL</b>		<b>876,360</b>	<b>289,205</b>	<b>1,975,000</b>	<b>(140,373)</b>	<b>1,834,627</b>	<b>0</b>
State General Fund	001	270,620	244,999	361,423	167,638	429,061	0
<b>General Fund TOTAL</b>		<b>270,620</b>	<b>244,999</b>	<b>361,423</b>	<b>167,638</b>	<b>429,061</b>	<b>0</b>
ITD Service Fund 780	780	53,959,675	30,170,782	62,498,220	5,030,068	67,528,288	0
<b>Special Funds TOTAL</b>		<b>53,959,675</b>	<b>30,170,782</b>	<b>62,498,220</b>	<b>5,030,068</b>	<b>67,528,288</b>	<b>0</b>
<b>TOTAL</b>		<b>55,106,655</b>	<b>30,704,986</b>	<b>64,834,643</b>	<b>5,057,333</b>	<b>69,791,976</b>	<b>0</b>
<b>50 Capital Assets</b>							
Other Capital Payments	683000	5,379,249	2,504,100	2,504,100	0	0	0
Equipment Over \$5000	691000	609,977	793,150	1,396,500	250,000	250,000	0
IT Equip/Sftware Over \$5000	693000	4,701,048	2,229,351	8,600,000	8,600,000	8,600,000	0
<b>TOTAL</b>		<b>10,690,274</b>	<b>5,526,601</b>	<b>12,500,600</b>	<b>8,850,000</b>	<b>8,850,000</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
RUS Grant	G234	384,006	0	0	0	0	0
<b>Federal Funds TOTAL</b>		<b>384,006</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
ITD Service Fund 780	780	10,306,268	5,526,601	12,500,600	8,850,000	8,850,000	0
<b>Special Funds TOTAL</b>		<b>10,306,268</b>	<b>5,526,601</b>	<b>12,500,600</b>	<b>8,850,000</b>	<b>8,850,000</b>	<b>0</b>

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1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
TOTAL		10,690,274	5,526,601	12,500,600	8,850,000	8,850,000	0
51 Technology Project Carryover							
Salaries - Permanent	511000	379,021	0	0	0	0	0
Temporary Salaries	513000	66,195	91,565	100,000	0	0	0
Overtime	514000	435	0	0	0	0	0
Fringe Benefits	516000	114,061	7,056	10,000	0	0	0
Travel	521000	6,069	26,459	30,000	0	0	0
Supplies - IT Software	531000	48,616	13,660	475,000	0	0	0
Office Supplies	536000	268	0	0	0	0	0
Printing	542000	58	0	0	0	0	0
IT Equip Under \$5,000	551000	4,547	1,614	32,000	0	0	0
Office Equip & Furn Supplies	553000	2,079	0	0	0	0	0
Rentals/Leases - Bldg/Land	582000	115	5,625	10,000	0	0	0
IT - Data Processing	601000	717,845	951,906	1,000,000	0	0	0
IT - Communications	602000	4,011	0	0	0	0	0
IT Contractual Srvc and Rprs	603000	344,427	1,135,064	2,016,037	0	0	0
Professional Development	611000	2,977	0	1,000	0	0	0
Operating Fees and Services	621000	15,777	119	30,720	0	0	0
Fees - Professional Services	623000	14,313	0	0	0	0	0
TOTAL		1,720,814	2,233,068	3,704,757	0	0	0
MEANS OF FUNDING							
State General Fund	001	1,720,814	2,233,068	3,704,757	0	0	0
General Fund TOTAL		1,720,814	2,233,068	3,704,757	0	0	0
TOTAL		1,720,814	2,233,068	3,704,757	0	0	0
70 Center for Distance Education							
Salaries - Permanent	511000	2,473,543	1,358,891	2,729,619	480,000	3,310,942	0
Health Increase	511012	0	0	0	0	133,853	0
Retirement Increase	511013	0	0	0	0	29,062	0
Temporary Salaries	513000	0	0	0	564,000	564,000	0
Overtime	514000	3,164	0	0	0	0	0
Fringe Benefits	516000	1,021,161	594,039	1,114,823	349,850	1,620,162	0
Travel	521000	46,746	39,171	97,225	1,221	98,446	0
Supplies - IT Software	531000	281,202	107,245	231,500	997,279	1,228,779	0
Supply/Material-Professional	532000	17,299	4,372	12,680	0	12,680	0
Food and Clothing	533000	592	477	1,000	0	1,000	0
Bldg, Ground, Maintenance	534000	3,659	279	4,200	0	4,200	0
Miscellaneous Supplies	535000	321	2,228	20,800	0	20,800	0
Office Supplies	536000	255,652	188,489	481,000	0	481,000	0
Postage	541000	84,516	35,418	83,880	0	83,880	0
Printing	542000	29,164	5,072	14,200	0	14,200	0
IT Equip Under \$5,000	551000	19,365	50,085	100,780	0	100,780	0

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1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
Other Equip Under \$5,000	552000	87	85	100	0	100	0
Office Equip & Furn Supplies	553000	23,576	5,096	10,000	0	10,000	0
Utilities	561000	34,259	24,571	39,500	0	39,500	0
Insurance	571000	951	3,279	3,700	0	3,700	0
Rentals/Leases-Equip & Other	581000	91,340	30,394	38,200	0	38,200	0
Rentals/Leases - Bldg/Land	582000	4,234	600	4,370	0	4,370	0
Repairs	591000	27,115	20,059	34,120	0	34,120	0
Salary Increase	599110	0	0	0	0	201,305	0
Benefit Increase	599160	0	0	0	0	46,183	0
IT - Data Processing	601000	26	0	0	0	0	0
IT - Communications	602000	37,644	25,509	64,000	0	64,000	0
IT Contractual Svcs and Rprs	603000	2,400	135	5,000	395,299	400,299	0
Professional Development	611000	36,101	22,733	38,870	0	38,870	0
Operating Fees and Services	621000	42,178	19,189	67,485	0	67,485	0
Fees - Professional Services	623000	436,152	419,706	881,750	0	881,750	0
Medical, Dental and Optical	625000	100	0	0	0	0	0
Extraordinary Repairs	684000	0	0	8,111	0	0	0
<b>TOTAL</b>		<b>4,972,547</b>	<b>2,957,122</b>	<b>6,086,913</b>	<b>2,787,649</b>	<b>9,533,666</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
State General Fund	001	2,625,200	1,952,930	4,035,413	1,789,149	6,483,666	0
<b>General Fund TOTAL</b>		<b>2,625,200</b>	<b>1,952,930</b>	<b>4,035,413</b>	<b>1,789,149</b>	<b>6,483,666</b>	<b>0</b>
Independent Study Operating Fd 274	274	2,347,347	1,004,192	2,051,500	998,500	3,050,000	0
<b>Special Funds TOTAL</b>		<b>2,347,347</b>	<b>1,004,192</b>	<b>2,051,500</b>	<b>998,500</b>	<b>3,050,000</b>	<b>0</b>
<b>TOTAL</b>		<b>4,972,547</b>	<b>2,957,122</b>	<b>6,086,913</b>	<b>2,787,649</b>	<b>9,533,666</b>	<b>0</b>
<b>71 Statewide Data System</b>							
Salaries - Permanent	511000	0	169,796	927,287	144,000	1,080,528	0
Health Increase	511012	0	0	0	0	30,224	0
Retirement Increase	511013	0	0	0	0	8,104	0
Fringe Benefits	516000	0	56,526	327,240	52,535	382,855	0
Travel	521000	0	8,483	10,000	0	10,000	0
Supplies - IT Software	531000	0	595	257,187	1,803,465	2,060,652	0
IT Equip Under \$5,000	551000	0	0	5,000	0	5,000	0
Salary Increase	599110	0	0	0	0	65,695	0
Benefit Increase	599160	0	0	0	0	13,081	0
IT - Data Processing	601000	0	19,393	289,356	500,000	789,356	0
IT - Communications	602000	0	2,469	4,000	0	4,000	0
IT Contractual Svcs and Rprs	603000	0	0	47,186	5,500,000	5,547,186	0
Professional Development	611000	0	2,193	5,000	0	5,000	0
Operating Fees and Services	621000	0	5,028	26,720	0	26,720	0
Fees - Professional Services	623000	0	4,920	5,000	0	5,000	0
<b>TOTAL</b>		<b>0</b>	<b>269,403</b>	<b>1,903,976</b>	<b>8,000,000</b>	<b>10,033,401</b>	<b>0</b>

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1 Object/Revenue  Decription  Code	2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
<b>MEANS OF FUNDING</b>						
State General Fund 001	0	269,403	1,903,976	8,000,000	10,033,401	0
General Fund TOTAL	0	269,403	1,903,976	8,000,000	10,033,401	0
TOTAL	0	269,403	1,903,976	8,000,000	10,033,401	0
72 Educational Technology Council						
Salaries - Permanent 511000	240,138	137,570	290,161	0	294,824	0
Health Increase 511012	0	0	0	0	8,636	0
Retirement Increase 511013	0	0	0	0	2,211	0
Fringe Benefits 516000	81,177	48,749	104,528	0	104,868	0
Travel 521000	31,842	9,656	31,000	0	31,000	0
Supplies - IT Software 531000	659	851	900	0	900	0
Supply/Material-Professional 532000	75	175	200	0	200	0
Office Supplies 536000	620	760	800	0	800	0
Postage 541000	439	131	200	0	200	0
Printing 542000	1,217	237	300	0	300	0
IT Equip Under \$5,000 551000	44,173	738	2,000	0	2,000	0
Other Equip Under \$5,000 552000	655	861	1,000	0	1,000	0
Rentals/Leases - Bldg/Land 582000	8,579	5,152	38,000	0	38,000	0
Repairs 591000	169	706	1,000	0	1,000	0
Salary Increase 599110	0	0	0	0	17,926	0
Benefit Increase 599160	0	0	0	0	2,600	0
IT - Data Processing 601000	750	0	0	0	0	0
IT - Communications 602000	1,758	1,358	3,500	0	3,500	0
IT Contractual Srvcs and Rprs 603000	167,716	141	300	0	300	0
Professional Development 611000	7,646	6,587	6,600	0	6,600	0
Operating Fees and Services 621000	2,060	2,197	2,833	0	2,833	0
IT Equip/Sftware Over \$5000 693000	63,091	0	0	0	0	0
Grants, Benefits & Claims 712000	390,686	7,855	1,345,000	1,050,000	2,195,000	0
TOTAL	1,043,450	223,724	1,828,322	1,050,000	2,714,698	0
<b>MEANS OF FUNDING</b>						
RUS Grant G234	0	0	500,000	0	500,000	0
Federal Funds TOTAL	0	0	500,000	0	500,000	0
State General Fund 001	997,305	215,869	1,228,322	1,050,000	2,114,698	0
General Fund TOTAL	997,305	215,869	1,228,322	1,050,000	2,114,698	0
ITD Service Fund 780 780	46,145	7,855	100,000	0	100,000	0
Special Funds TOTAL	46,145	7,855	100,000	0	100,000	0
TOTAL	1,043,450	223,724	1,828,322	1,050,000	2,714,698	0
73 Edutech						

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1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
Salaries - Permanent	511000	3,313,822	1,783,871	3,582,232	144,000	4,084,920	0
Health Increase	511012	0	0	0	0	133,854	0
Retirement Increase	511013	0	0	0	0	30,637	0
Temporary Salaries	513000	2,263	0	0	0	0	0
Overtime	514000	32,220	1,856	2,000	0	0	0
Fringe Benefits	516000	1,223,723	688,344	1,445,548	52,536	1,557,060	0
Travel	521000	395,969	166,550	417,000	5,000	422,000	0
Supplies - IT Software	531000	1,274,718	633,494	1,440,937	80,500	1,521,437	0
Supply/Material-Professional	532000	3,166	1,014	4,000	0	4,000	0
Bldg, Ground, Maintenance	534000	0	95	100	0	100	0
Miscellaneous Supplies	535000	7,802	4,445	10,000	0	10,000	0
Office Supplies	536000	10,572	2,472	5,200	1,000	6,200	0
Postage	541000	1,319	343	2,000	0	2,000	0
Printing	542000	17,915	5,294	17,000	0	17,000	0
IT Equip Under \$5,000	551000	89,476	22,137	90,000	5,000	95,000	0
Other Equip Under \$5,000	552000	17,573	6,925	25,000	0	25,000	0
Office Equip & Furn Supplies	553000	4,365	905	8,000	0	8,000	0
Rentals/Leases-Equip & Other	581000	0	223	500	500	1,000	0
Rentals/Leases - Bldg/Land	582000	132,252	75,714	280,000	98,964	378,964	0
Repairs	591000	2,314	477	3,000	0	3,000	0
Salary Increase	599110	0	0	0	0	248,365	0
Benefit Increase	599160	0	0	0	0	49,450	0
IT - Data Processing	601000	335,053	81,449	300,000	0	300,000	0
IT - Communications	602000	61,366	31,680	71,000	500	71,500	0
IT Contractual Svcs and Rprs	603000	60,306	208,423	230,000	(170,000)	60,000	0
Professional Development	611000	68,615	32,198	72,000	7,000	79,000	0
Operating Fees and Services	621000	21,888	5,985	21,000	0	21,000	0
Fees - Professional Services	623000	472	0	1,000	0	1,000	0
Equipment Over \$5000	691000	29,351	0	25,000	0	0	0
IT Equip/Sftware Over \$5000	693000	578,828	0	275,000	300,000	300,000	0
Grants, Benefits & Claims	712000	4,183	0	0	0	0	0
<b>TOTAL</b>		<b>7,689,531</b>	<b>3,753,894</b>	<b>8,327,517</b>	<b>525,000</b>	<b>9,430,487</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
State General Fund	001	3,044,096	1,648,173	3,212,647	254,188	3,843,707	0
<b>General Fund TOTAL</b>		<b>3,044,096</b>	<b>1,648,173</b>	<b>3,212,647</b>	<b>254,188</b>	<b>3,843,707</b>	<b>0</b>
PowerSchool Fund 300	300	0	1,958,906	4,464,870	170,812	4,936,780	0
EduTech Fund 408	408	61,205	146,815	650,000	100,000	650,000	0
ITD Service Fund 780	780	4,584,230	0	0	0	0	0
<b>Special Funds TOTAL</b>		<b>4,645,435</b>	<b>2,105,721</b>	<b>5,114,870</b>	<b>270,812</b>	<b>5,586,780</b>	<b>0</b>
<b>TOTAL</b>		<b>7,689,531</b>	<b>3,753,894</b>	<b>8,327,517</b>	<b>525,000</b>	<b>9,430,487</b>	<b>0</b>
74 Wide Area Network							

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1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
Salaries - Permanent	511000	529,314	295,968	605,000	0	611,616	0
Health Increase	511012	0	0	0	0	17,270	0
Retirement Increase	511013	0	0	0	0	4,588	0
Overtime	514000	25,804	0	0	0	0	0
Fringe Benefits	516000	180,985	104,744	216,009	0	217,722	0
Travel	521000	6,838	915	12,000	0	12,000	0
Supplies - IT Software	531000	223,764	89,889	161,377	0	161,377	0
Supply/Material-Professional	532000	0	0	500	0	500	0
Office Supplies	536000	67	0	2,000	0	2,000	0
IT Equip Under \$5,000	551000	27,417	25,475	45,000	0	45,000	0
Office Equip & Furn Supplies	553000	2,335	0	5,000	0	5,000	0
Rentals/Leases - Bldg/Land	582000	91,160	61,562	70,000	0	70,000	0
Repairs	591000	0	0	1,000	0	1,000	0
Salary Increase	599110	0	0	0	0	18,235	0
Benefit Increase	599160	0	0	0	0	3,630	0
IT - Data Processing	601000	8,772	2,390	30,000	0	30,000	0
IT - Communications	602000	8,790	4,274	5,000	0	5,000	0
IT Contractual Svcs and Rprs	603000	3,017,091	1,420,603	3,202,830	0	3,202,830	0
Professional Development	611000	11,937	5,361	6,000	0	6,000	0
Operating Fees and Services	621000	9,216	313	2,500	0	2,500	0
IT Equip/Sftware Over \$5000	693000	648,657	56,263	600,000	600,000	600,000	0
<b>TOTAL</b>		<b>4,792,147</b>	<b>2,067,757</b>	<b>4,964,216</b>	<b>600,000</b>	<b>5,016,268</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
State General Fund	001	4,792,147	2,067,757	4,864,216	600,000	4,916,268	0
<b>General Fund TOTAL</b>		<b>4,792,147</b>	<b>2,067,757</b>	<b>4,864,216</b>	<b>600,000</b>	<b>4,916,268</b>	<b>0</b>
ITD Service Fund 780	780	0	0	100,000	0	100,000	0
<b>Special Funds TOTAL</b>		<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>0</b>
<b>TOTAL</b>		<b>4,792,147</b>	<b>2,067,757</b>	<b>4,964,216</b>	<b>600,000</b>	<b>5,016,268</b>	<b>0</b>
<b>76 Geographic Information System</b>							
Salaries - Permanent	511000	160,750	85,744	178,638	0	181,224	0
Health Increase	511012	0	0	0	0	4,318	0
Retirement Increase	511013	0	0	0	0	1,360	0
Fringe Benefits	516000	50,217	28,447	59,843	0	60,081	0
Travel	521000	8,520	3,045	4,800	0	4,800	0
Supplies - IT Software	531000	151,589	69,170	362,500	0	147,500	0
Office Supplies	536000	0	8	100	0	100	0
Printing	542000	0	0	100	0	100	0
IT Equip Under \$5,000	551000	1,945	0	500	0	500	0
Rentals/Leases - Bldg/Land	582000	0	55	500	0	500	0
Repairs	591000	0	0	500	0	500	0
Salary Increase	599110	0	0	0	0	11,018	0

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1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
Benefit Increase	599160	0	0	0	0	2,193	0
IT - Data Processing	601000	504,068	214,193	688,216	0	688,216	0
IT - Communications	602000	1,361	571	1,000	0	1,000	0
IT Contractual Svcs and Rprs	603000	127,492	45,303	102,000	0	102,000	0
Professional Development	611000	16,552	16,845	20,000	0	20,000	0
Operating Fees and Services	621000	224	85	1,300	0	1,300	0
Fees - Professional Services	623000	7,374	49,059	50,000	0	50,000	0
<b>TOTAL</b>		<b>1,030,092</b>	<b>512,525</b>	<b>1,469,997</b>	<b>0</b>	<b>1,276,710</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							
GIS Grant	G208	0	0	75,000	0	75,000	0
<b>Federal Funds TOTAL</b>		<b>0</b>	<b>0</b>	<b>75,000</b>	<b>0</b>	<b>75,000</b>	<b>0</b>
State General Fund	001	1,030,092	512,525	1,394,997	0	1,201,710	0
<b>General Fund TOTAL</b>		<b>1,030,092</b>	<b>512,525</b>	<b>1,394,997</b>	<b>0</b>	<b>1,201,710</b>	<b>0</b>
<b>TOTAL</b>		<b>1,030,092</b>	<b>512,525</b>	<b>1,469,997</b>	<b>0</b>	<b>1,276,710</b>	<b>0</b>
<b>77 Health Info Technology Office</b>							
Salaries - Permanent	511000	189,744	162,162	644,970	0	674,136	0
Health Increase	511012	0	0	0	0	17,270	0
Retirement Increase	511013	0	0	0	0	5,056	0
Fringe Benefits	516000	55,415	54,101	218,287	0	230,215	0
Travel	521000	10,889	6,224	20,000	0	20,000	0
Supplies - IT Software	531000	192,578	141,258	1,159,151	0	1,159,151	0
Supply/Material-Professional	532000	1,132	698	1,000	0	1,000	0
Office Supplies	536000	53	300	500	0	500	0
Postage	541000	0	2,327	5,000	0	5,000	0
Printing	542000	600	1,132	2,000	0	2,000	0
IT Equip Under \$5,000	551000	5,543	385	4,000	0	4,000	0
Rentals/Leases - Bldg/Land	582000	0	2,580	40,000	0	40,000	0
Repairs	591000	403	0	0	0	0	0
Salary Increase	599110	0	0	0	0	40,988	0
Benefit Increase	599160	0	0	0	0	8,162	0
IT - Data Processing	601000	132,353	140,871	645,000	0	645,000	0
IT - Communications	602000	3,443	6,089	10,000	0	10,000	0
IT Contractual Svcs and Rprs	603000	151,009	189,440	1,001,345	500,000	1,501,345	0
Professional Development	611000	14,903	4,235	8,000	0	8,000	0
Operating Fees and Services	621000	92	2,338	404,000	0	404,000	0
Fees - Professional Services	623000	0	7,919	275,000	0	275,000	0
Grants, Benefits & Claims	712000	0	334,302	335,000	0	335,000	0
Transfers Out	722000	24,557	14,277	15,000	0	15,000	0
<b>TOTAL</b>		<b>782,714</b>	<b>1,070,638</b>	<b>4,788,253</b>	<b>500,000</b>	<b>5,400,823</b>	<b>0</b>
<b>MEANS OF FUNDING</b>							

Agency Information Technology  
 Program 03 Information Technology Dept (Lvl 1)  
 Reporting Level 03-000-000-00-00-00-00000000

1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
HIE Grant	G219	0	0	0	500,000	500,000	0
Federal Funds TOTAL		0	0	0	500,000	500,000	0
State General Fund	001	331,606	171,067	364,784	0	403,391	0
General Fund TOTAL		331,606	171,067	364,784	0	403,391	0
Health Information Exchange Fd 325	325	451,108	899,571	4,423,469	0	4,497,432	0
Special Funds TOTAL		451,108	899,571	4,423,469	0	4,497,432	0
TOTAL		782,714	1,070,638	4,788,253	500,000	5,400,823	0
78 Criminal Justice Information Sharing							
Salaries - Permanent	511000	386,282	176,359	453,588	0	425,016	0
Health Increase	511012	0	0	0	0	21,590	0
Retirement Increase	511013	0	0	0	0	4,852	0
Temporary Salaries	513000	10,543	173,565	252,120	0	265,988	0
Fringe Benefits	516000	132,978	66,625	227,461	0	250,389	0
Travel	521000	33,487	16,070	52,400	0	52,400	0
Supplies - IT Software	531000	886,869	445,206	854,400	224,000	1,078,400	0
Supply/Material-Professional	532000	194	0	1,100	0	1,100	0
Miscellaneous Supplies	535000	5,486	6,110	10,500	0	10,500	0
Office Supplies	536000	3,607	641	2,100	0	2,100	0
Postage	541000	479	2,829	5,500	0	5,500	0
Printing	542000	934	1,219	3,250	0	3,250	0
IT Equip Under \$5,000	551000	1,536	0	8,500	0	8,500	0
Other Equip Under \$5,000	552000	5,132	0	3,500	0	3,500	0
Office Equip & Furn Supplies	553000	2,756	0	2,500	0	2,500	0
Rentals/Leases - Bldg/Land	582000	33,777	28,335	64,600	0	64,600	0
Repairs	591000	327	0	0	0	0	0
Salary Increase	599110	0	0	0	0	39,346	0
Benefit Increase	599160	0	0	0	0	7,834	0
IT - Data Processing	601000	403,652	418,565	833,900	455,000	1,035,440	0
IT - Communications	602000	15,517	6,557	18,500	0	18,500	0
IT Contractual Svcs and Rprs	603000	436,297	34,375	1,054,054	425,000	932,514	0
Professional Development	611000	25,764	5,985	19,200	0	19,200	0
Operating Fees and Services	621000	23,940	6,407	32,000	0	32,000	0
Fees - Professional Services	623000	0	0	1,200	0	1,200	0
TOTAL		2,409,557	1,388,848	3,900,373	1,104,000	4,286,219	0
MEANS OF FUNDING							
CJIS Grant	G149	0	0	600,000	0	600,000	0
CJIS Savin Grant	G207	250,284	21,906	50,000	0	50,000	0
Federal Funds TOTAL		250,284	21,906	650,000	0	650,000	0
State General Fund	001	1,973,502	1,259,711	3,058,373	1,060,000	3,400,219	0

Agency Information Technology  
 Program 03 Information Technology Dept (Lvl 1)  
 Reporting Level 03-000-000-00-00-00-00000000

1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
General Fund TOTAL		1,973,502	1,259,711	3,058,373	1,060,000	3,400,219	0
ITD Service Fund 780	780	185,771	107,231	192,000	44,000	236,000	0
Special Funds TOTAL		185,771	107,231	192,000	44,000	236,000	0
TOTAL		2,409,557	1,388,848	3,900,373	1,104,000	4,286,219	0
79 Federal Stimulus Funds							
Salaries - Permanent	511000	427,749	206,634	250,000	0	0	0
Fringe Benefits	516000	144,267	73,752	100,000	0	0	0
Travel	521000	62,736	21,392	150,000	0	0	0
Supplies - IT Software	531000	586,263	426,577	3,020,000	0	0	0
Printing	542000	1,256	9,024	20,000	0	0	0
IT Equip Under \$5,000	551000	10,531	0	0	0	0	0
Office Equip & Furn Supplies	553000	685	0	0	0	0	0
Rentals/Leases - Bldg/Land	582000	8,088	1,388	4,000	0	0	0
IT - Data Processing	601000	615,205	375,416	500,000	0	0	0
IT - Communications	602000	16,787	10,487	20,000	0	0	0
IT Contractual Srvc and Rprs	603000	747,049	496,033	2,193,000	0	0	0
Professional Development	611000	3,487	1,878	2,000	0	0	0
Operating Fees and Services	621000	3,819	275	1,000	0	0	0
Fees - Professional Services	623000	132,858	40,246	100,000	0	0	0
Grants, Benefits & Claims	712000	215,467	432,811	440,000	0	0	0
TOTAL		2,976,247	2,095,913	6,800,000	0	0	0
MEANS OF FUNDING							
Broadband Mapping	G217	1,017,509	390,364	2,300,000	0	0	0
HIE Grant	G219	1,958,738	1,705,549	4,500,000	0	0	0
Federal Funds TOTAL		2,976,247	2,095,913	6,800,000	0	0	0
TOTAL		2,976,247	2,095,913	6,800,000	0	0	0
Agency TOTALS							
TOTAL EXPENDITURES		137,256,108	77,650,911	174,633,738	30,229,357	186,050,151	0
Federal Funds							
CJIS Grant	G149	0	0	600,000	0	600,000	0
CJIS Savin Grant	G207	250,284	21,906	50,000	0	50,000	0
GIS Grant	G208	0	0	75,000	0	75,000	0
Broadband Mapping	G217	1,017,509	390,364	2,300,000	0	0	0
HIE Grant	G219	1,958,738	1,705,549	4,500,000	500,000	500,000	0
E911 Grant	G220	868,089	24,912	25,000	(25,000)	0	0
RUS Grant	G234	392,277	0	500,000	0	500,000	0
FirstNet	G239	0	275,278	1,975,000	(115,373)	2,013,121	0
TOTAL		4,486,897	2,418,009	10,025,000	359,627	3,738,121	0

Agency Information Technology  
 Program 03 Information Technology Dept (Lvl 1)  
 Reporting Level 03-000-000-00-00-00-00000000

1 Object/Revenue		2 2011-13 Biennium Expenditures	3 2013-15 First Year Expenditures	4 2013-15 Biennium Appropriation	5 2015-17 Base Budget Changes	6 2015-17 Recommendation	7
Decription	Code						
General Fund							
State General Fund	001	17,242,047	10,800,509	24,959,185	13,412,265	33,848,358	0
TOTAL		17,242,047	10,800,509	24,959,185	13,412,265	33,848,358	0
Special Funds							
Special Fund Budget	003	0	0	0	84,873	84,873	0
Independent Study Operating Fd 274	274	2,347,347	1,004,192	2,052,536	998,500	3,050,000	0
PowerSchool Fund 300	300	0	1,958,906	4,560,125	170,812	4,936,780	0
Health Information Exchange Fd 325	325	451,108	899,571	4,445,144	0	4,497,432	0
EduTech Fund 408	408	61,205	146,815	650,000	100,000	650,000	0
ITD Service Fund 780	780	112,667,504	60,422,909	127,941,748	15,103,280	135,244,587	0
TOTAL		115,527,164	64,432,393	139,649,553	16,457,465	148,463,672	0
TOTAL FUNDING		137,256,108	77,650,911	174,633,738	30,229,357	186,050,151	0
AUTHORIZED EMPLOYEES							
FTE		336.30	340.30	340.30	0.00	332.45	0.00
Vacant		0.00	0.00	0.00	15.00	22.85	0.00
TOTAL AUTHORIZED EMPLOYEES		336.30	340.30	340.30	15.00	355.30	0.00

# ND CDE's High School Online Courses

2014-2015 Courses

ENGLISH	COURSE CODE
Creative Writing	HEN2111B
English I, First Semester	HEN2221B
English I, Second Semester	HEN2222B
English II, First Semester	HEN3231B
English II, Second Semester	HEN3232B
English III, Language and Composition, First Semester	HEN3241B
English III, American Literature, Second Semester	HEN2242B
English IV, First Semester	HEN2251B
English IV, Second Semester	HEN2252B
Gothic Literature: Monster Stories	HEN2261B
Journalism I, First Semester	HEN1321B
Journalism I, Second Semester	HEN1322B
Mythology and Folklore: Legendary Tales	HEN3121B
<b>New!</b> Public Speaking	HEN1411B
<b>New!</b> Theater, Cinema & Film Production	HEN1421B

SCIENCE	COURSE CODE
<b>New!</b> Anatomy and Physiology, First Semester	HSC1281B
<b>New!</b> Anatomy and Physiology, Second Semester	HSC1282B
Astronomy: Exploring the Universe	HSC1231B
Biology, First Semester	HSC1261B
* Biology, Second Semester	HSC1262B
* Chemistry, First Semester	HSC1301G
* Chemistry, Second Semester	HSC1302G
* Environmental Science, First Semester	HSC1311G
* Environmental Science, Second Semester	HSC1312G
Forensic Science I: Secrets of the Dead	HSC3141B
Forensic Science II: More Secrets of the Dead	HSC2221B
* Physical Science, First Semester	HSC1271B
* Physical Science, Second Semester	HSC1272B
* Physics, First Semester	HSC2991B
* Physics, Second Semester	HSC2992B
Wildlife Management	HSC3091B

AGRICULTURE AND TECHNICAL EDUCATION	COURSE CODE
Foundations of Agriculture, Carpentry and Building Construction	HTE1051B
Intro to Agriculture, Agricultural Mechanics I (Auto Fundamentals concentration)	HTE2021B
Small Pet Care	HAG2031B

COMPUTER EDUCATION	COURSE CODE
Advanced Computer Science (Programming, Second Semester (Game Design))	HCO2071B
<b>New!</b> Computer Programming, Robotics	HCO1131B
* Computer Science Applications	HCO5011B

SOCIAL STUDIES	COURSE CODE
Alaska History	HSS2431B
American Government, First Semester	HSS3031B
American Government, Second Semester	HSS3032B
Archeology: Detectives of the Past	HSS2451B
Criminology: Inside the Criminal Mind	HSS2411B
Economics	HSS4061B
<b>New!</b> History of the Holocaust	HSS1481B
Introduction to Anthropology: Uncovering Human Mysteries	HSS2441B
Law & Order: Introduction to Legal Studies	HSS2301B
North Dakota Studies	HSS1291B
Personal Psychology I: The Road to Self Discovery	HSS2311B
Personal Psychology II: Living in a Complex World	HSS2312B
Sociology I: The Study of Human Relationships	HSS2401B
Sociology II: Your Social Life	HSS2402B
* United States History, First Semester	HSS1561B
* United States History, Second Semester	HSS1562B
World Geography, First Semester	HSS2211B
World Geography, Second Semester	HSS2212B
World History, First Semester	HSS2011B
World History, Second Semester	HSS2012B
World Religions: Exploring Diversity	HSS2391B

NELSON ACADEMY OF AGRICULTURE SCIENCES	COURSE CODE
Agribusiness I	HAG1061B
Agricultural Careers	HAG1071B
Animal Science - Introduction	HAG1091B
Animal Science - Beef Production	HAG1101B
Animal Science - Sheep Production	HAG1111B
Animal Science - Swine Production	HAG1121B
Crop Science	HAG1131B
Equine Science I	HAG1141B
Equine Science II	HAG1142B
Farm Business Management - Introduction	HAG1151B
Farm Business Management - Financial Planning	HAG1181B
Greenhouse Technology	HAG1211B
Introduction to Agriculture	HAG1221B
Leadership	HAG1231B
Plant Science	HAG1243B
Veterinary Science I	HAG1241B
Veterinary Sciences II	HAG1242B

MUSIC	COURSE CODE
Beginning Piano	HMU1061B
Music Appreciation - The Enjoyment of Listening	HMU4041B

ART	COURSE CODE
Art Appreciation	HAR2161B
Digital Photography I	HAR1181B
Digital Photography II: Discovering Your Creative Potential	HAR1182B
<b>New!</b> Fashion and Interior Design	HAR1191B
Fashion Design	HAR2051B

ADVANCED PLACEMENT	COURSE CODE
* AP Art History, First Semester	HAR2171B
* AP Art History, Second Semester	HAR2172B
AP Calculus AB, First Semester	HMA1291B
AP Calculus AB, Second Semester	HMA1292B
* AP Computer Science A, First Semester	HCO1121B
* AP Computer Science A, Second Semester	HCO1122B
AP English Language and Composition, First Semester	HEN3211B
AP English Language and Composition, Second Semester	HEN3212B
AP English Literature and Composition, First Semester	HEN1201B
AP English Literature and Composition, Second Semester	HEN1202B
AP Environmental Science, First Semester	HSC1161B
AP Environmental Science, Second Semester	HSC1162B
AP Human Geography, First Semester	HSS2221B
AP Human Geography, Second Semester	HSS2222B
AP Macroeconomics	HSS1321B
AP Microeconomics	HSS1331B
AP Psychology, First Semester	HSS3341B
AP Psychology, Second Semester	HSS3342B
* AP Statistics, First Semester	HMA3141B
* AP Statistics, Second Semester	HMA3142B
* AP United States Government and Politics	HSS1556B

\* UPDATED for 2014-2015



**NDCDE.org**  
 Phone: 701.298.4830  
 Fax: 701.298.4858  
 E-mail: ndcde.enroll@ndcde.org

# ND CDE's High School Online Courses

2014-2015 Courses

BUSINESS EDUCATION	COURSE CODE
Accounting I, First Semester	HBU3011B
Accounting I, Second Semester	HBU3012B
Accounting II, First Semester	HBU1171B
Accounting II, Second Semester	HBU1172B
Business Fundamentals	HBU2041B
Hospitality & Tourism: Traveling the Globe	HBU1131B
International Business: Global Commerce in the 21st Century	HBU1121B
Introduction to Social Media	HBU1181B
Keyboarding	HBU4051B
Marketing	HBU1091B
Personal Finance	HBU3081B
<b>New!</b> Sports and Entertainment Marketing	HBU1141B
Web Design	HBU3111B

WORLD LANGUAGE	COURSE CODE
French I, First Semester	HWL4011B
French I, Second Semester	HWL5012B
French II, Third Semester	HWL4013B
French II, Fourth Semester	HWL4014B
French III, Fifth Semester	HWL2015B
French III, Sixth Semester	HWL2016B
French IV, Seventh Semester	HWL2017B
French IV, Eighth Semester	HWL2018B
German I, First Semester	HWL4021B
German I, Second Semester	HWL4022B
German II, Third Semester	HWL4023B
German II, Fourth Semester	HWL4024B
German III, Fifth Semester	HWL2025B
German III, Sixth Semester	HWL2026B
German IV, Seventh Semester	HWL2027B
German IV, Eighth Semester	HWL2028B
Latin I, First Semester	HWL3031B
Latin I, Second Semester	HWL4032B
Latin II, Third Semester	HWL3033B
Latin II, Fourth Semester	HWL3034B
Spanish I, First Semester	HWL4061B
Spanish I, Second Semester	HWL4062B
Spanish II, Third Semester	HWL4063B
Spanish II, Fourth Semester	HWL4064B
Spanish III, Fifth Semester	HWL3065B
Spanish III, Sixth Semester	HWL3066B
Spanish IV, Seventh Semester	HWL3067B
Spanish IV, Eighth Semester	HWL2068B

GENERAL EDUCATION	COURSE CODE
Thinking and Learning Strategies	HGE1011B

MATH	COURSE CODE
* Algebra I, First Semester	HMA1251G
* Algebra I, Second Semester	HMA1252G
* Algebra II, First Semester	HMA1261G
* Algebra II, Second Semester	HMA1262G
Consumer Math, First Semester	HMA2021B
Consumer Math, Second Semester	HMA2022B
* Geometry, First Semester	HMA1271G
* Geometry, Second Semester	HMA1272G
<b>New!</b> Integrated Math I, First Semester	HMA1211G
<b>New!</b> Integrated Math I, Second Semester	HMA1212G
<b>New!</b> Integrated Math II, First Semester	HMA1221G
<b>New!</b> Integrated Math II, Second Semester	HMA1222G
<b>New!</b> Integrated Math III, First Semester	HMA1231G
<b>New!</b> Integrated Math III, Second Semester	HMA1232G
* Prealgebra, First Semester	HMA1241G
* Prealgebra, Second Semester	HMA1242G
* Precalculus, First Semester	HMA1281G
* Precalculus, Second Semester (Trigonometry)	HMA1282G

PHYSICAL EDUCATION AND HEALTH	COURSE CODE
* Advanced PE I	HPH2071B
* Advanced PE II	HPH2072B
<b>New!</b> Drugs & Alcohol	HPH1181B
* Exercise Science	HPH2101B
<b>New!</b> First Aid & Safety	HPH1171B
* Fitness Fundamentals I	HPH2061B
* Fitness Fundamentals II	HPH2062B
Health	HPH5051B
Intro to Group Sports	HPH2121B
Intro to Individual Sports	HPH2131B
Running	HPH2141B
Strength Training	HPH2151B
Walking Fitness	HPH2161B

HIGH STAKES TESTING	COURSE CODE
College Entrance Exam Preparation	HCP1001E

CREDIT RECOVERY	COURSE CODE
* Algebra I, First Semester	HMA1181CRB
* Algebra I, Second Semester	HMA1182CRB
* Algebra II, First Semester	HMA1191CRB
* Algebra II, Second Semester	HMA1192CRB
* American Government	HSS1501CRB
* American History, First Semester	HSS1511CRB
* American History, Second Semester	HSS1512CRB
* Biology, First Semester	HSC1241CRB
* Biology, Second Semester	HSC1242CRB
* Chemistry, First Semester	HSC1171CRB
* Chemistry, Second Semester	HSC1172CRB
* Credit Recovery Health	HPH2081CRB
* Credit Recovery PE 1	HPH2091CRB
* Credit Recovery PE 2	HPH2092CRB
* Earth Science, First Semester	HSC3181CRB
* Earth Science, Second Semester	HSC3182CRB
* Economics	HSS1521CRB
* English I, First Semester	HEN1351CRB
* English I, Second Semester	HEN1352CRB
* English II, First Semester	HEN1361CRB
* English II, Second Semester	HEN1362CRB
* English III, First Semester	HEN1371CRB
* English III, Second Semester	HEN1372CRB
* English IV, First Semester	HEN1381CRB
* English IV, Second Semester	HEN1382CRB
* Geometry, First Semester	HMA1201CRB
* Geometry, Second Semester	HMA1202CRB
* Physical Science, First Semester	HSC3201CRB
* Physical Science, Second Semester	HSC3202CRB
* World History, First Semester	HSS1531CRB
* World History, Second Semester	HSS1532CRB

FAMILY AND CONSUMER SCIENCE	COURSE CODE
Family and Consumer Science	HFC2131B
<b>New!</b> Introduction to Culinary Arts	HFC1151B
Nutrition	HFC2111B
Personal Management -Independent Living	HFC3071B
Real World Parenting	HFC2121B
Relationships	HFC1081B

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**NDCDE.org**

Phone: 701.298.4830

Fax: 701.298.4858

E-mail: [ndcde.enroll@ndcde.org](mailto:ndcde.enroll@ndcde.org)



# ND CDE's Middle School Online Courses

## 2014-2015 Courses

**CHOICE**  
NORTH DAKOTA  
CENTER FOR DISTANCE EDUCATION  
2013-2014

ART	COURSE CODE
MS Orientation to Art/2-D	MAR1051B
MS Photography: Drawing with Light	MAR1081B

ENGLISH	COURSE CODE
MS Language Arts 6, First Semester	MEN1041M
MS Language Arts 6, Second Semester	MEN1042M
MS Language Arts 7, First Semester	MEN1051M
MS Language Arts 7, Second Semester	MEN1052M
MS Language Arts 8, First Semester	MEN1061M
MS Language Arts 8, Second Semester	MEN1062M

MATHEMATICS	COURSE CODE
* MS Math 6, First Semester	MMA1101G
* MS Math 6, Second Semester	MMA1102G
* MS Math 7, First Semester	MMA1111G
* MS Math 7, Second Semester	MMA1112G
* MS Math 8, First Semester	MMA1121G
* MS Math 8, Second Semester	MMA1122G

PHYSICAL EDUCATION AND HEALTH	COURSE CODE
MS Fitness Basics 1	MPH1101B
MS Fitness Basics 2	MPH1102B
MS Health	MPH2091B
MS Introduction to Group Sports 1	MPH1121B
MS Introduction to Group Sports 2	MPH1122B
MS Introduction to Individual Sports 1	MPH1111B
MS Introduction to Individual Sports 2	MPH1112B

NELSON ACADEMY OF AGRICULTURE SCIENCES	COURSE CODE
MS Agriculture Careers	MAG1011B
MS Animal Science - Introduction	MAG1021B
MS Introduction to Agriculture	MAG1091B
MS Leadership	MAG1101B
MS Plant Science	MAG1111B

FAMILY AND CONSUMER SCIENCE	COURSE CODE
MS Family and Consumer Science	MFC2031B
MS Life Skills	MFC2021B

BUSINESS EDUCATION	COURSE CODE
MS Keyboarding	MBU1091B

GENERAL EDUCATION	COURSE CODE
MS Critical Thinking, Problem Solving, and Learning	MGE1011B

SCIENCE	COURSE CODE
MS Earth Science, First Semester	MSC3031B
MS Earth Science, Second Semester	MSC3032B
MS General Science, First Semester	MSC4011B
MS General Science, Second Semester	MSC4012B
MS Life Science, First Semester	MSC2021M
MS Life Science, Second Semester	MSC2022M

SOCIAL STUDIES	COURSE CODE
* MS U.S. History, First Semester	MSS1051B
* MS U.S. History, Second Semester	MSS1052B
MS World Geography, First Semester	MSS2021B
MS World Geography, Second Semester	MSS2022B
MS World History, First Semester	MSS2011B
MS World History, Second Semester	MSS2012B

WORLD LANGUAGES	COURSE CODE
MS Spanish - Beginning, First Semester	MWL1061B
MS Spanish - Beginning, Second Semester	MWL1062B
MS Spanish - Intermediate, First Semester	MWL1071B
MS Spanish - Intermediate, Second Semester	MWL1072B

MUSIC	COURSE CODE
Middle School Music 6	MMU2011B
Middle School Music 7	MMU2021B
Middle School Music 8	MMU2031B

COMPUTER EDUCATION	COURSE CODE
<b>New!</b> MS Computer Programming, Robotics	MCO1011B

\* UPDATED for 2014-2015



# NDCDE.org

Phone: 701.298.4830

Fax: 701.298.4858

E-mail: [ndcde.enroll@ndcde.org](mailto:ndcde.enroll@ndcde.org)

Requirements for Middle School courses vary from state to state. The courses listed are designed to meet the requirements for students in the sixth, seventh, and eighth grades. There will be instances, however, when these courses will apply to students in other grade levels and situations. If you have questions, please feel free to call the ND CDE academic advisor at 701-298-4833.



# ND CDE's Middle School Print Courses

2014-2015 Courses

ENGLISH	COURSE CODE
MS Sixth Grade English, First Semester	MEN1011P
MS Sixth Grade English, Second Semester	MEN1012P
MS Seventh Grade English, First Semester	MEN2021P
MS Seventh Grade English, Second Semester	MEN2022P
MS Eighth Grade English, First Semester	MEN2031P
MS Eighth Grade English, Second Semester	MEN2032P

SCIENCE	COURSE CODE
MS Earth Science, First Semester	MSC2031P
MS Earth Science, Second Semester	MSC2032P
MS General Science, First Semester	MSC2011P
MS General Science, Second Semester	MSC2012P
MS Life Science, First Semester	MSC2021P
MS Life Science, Second Semester	MSC2022P

MATHEMATICS	COURSE CODE
MS Sixth Grade Math, First Semester	MMA1011P
MS Sixth Grade Math, Second Semester	MMA1012P
MS Seventh Grade Math, First Semester	MMA2021P
MS Seventh Grade Math, Second Semester	MMA2022P
MS Eighth Grade Math, First Semester	MMA2031P
MS Eighth Grade Math, Second Semester	MMA2032P

SOCIAL STUDIES	COURSE CODE
MS North Dakota Studies	MSS1051P
MS US History, First Semester	MSS2031P
MS US History, Second Semester	MSS2032P
MS World Geography, First Semester	MSS2021P
MS World Geography, Second Semester	MSS2022P
MS World History, First Semester	MSS1011P
MS World History, Second Semester	MSS1012P



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**CHOICE**  
NORTH DAKOTA  
CENTER FOR DISTANCE EDUCATION  
2013-2014

# ND CDE's High School Print Courses

## ENGLISH

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
American Literature	•	•	HEN2091P
British Literature	•	•	HEN2121P
Contemporary Novel	•	•	HEN2151P
Creative Writing	•	•	HEN2111P
Freshman Language and Composition	•	•	HEN2031P
Freshman Literature	•	•	HEN1171P
Junior Language and Composition	•	•	HEN1071P
Mythology	•	•	HEN1311P
Senior Language and Composition	•	•	HEN1081P
Sophomore Language and Composition	•	•	HEN2051P
Sophomore Literature	•	•	HEN1181P
World Literature	•	•	HEN2161P

## PHYSICAL EDUCATION AND HEALTH

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Alcohol, Tobacco, and Other Drugs	•	•	HPH3011P
First Aid	•	•	HPH2021P
Fitness for Life	•	•	HPH3031P
Health	•	•	HPH3051P
Individual and Team Sports	•	•	HPH2041P

## MATH

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Algebra, First Semester	•	•	HMA2041P
Algebra, Second Semester	•	•	HMA2042P
Advanced Algebra, First Semester	•	•	HMA2061P
Advanced Algebra, Second Semester	•	•	HMA2062P
Consumer Math, First Semester	•	•	HMA2021P
Consumer Math, Second Semester	•	•	HMA2022P
Geometry, First Semester	•	•	HMA3051P
Geometry, Second Semester	•	•	HMA3052P
Precalculus, First Semester	•	•	HMA3081P
Precalculus, Second Semester (Trigonometry)	•	•	HMA3082P

## SOCIAL STUDIES

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Alaska History	•	•	HSS1431P
American Government, First Semester	•	•	HSS3031P
American Government, Second Semester	•	•	HSS3032P
Economics	•	•	HSS3061P
Law and Justice	•	•	HSS2081P
North Dakota Studies	•	•	HSS1291P
<b>New!</b> Psychology	•	•	HSS1571P
U.S. History, First Semester	•	•	HSS2021P
U.S. History, Second Semester	•	•	HSS2022P
World Geography, First Semester	•	•	HSS2211P
World Geography, Second Semester	•	•	HSS2212P
World History, First Semester	•	•	HSS2011P
World History, Second Semester	•	•	HSS2012P

## SCIENCE

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Entomology			HSC2071P
Environmental Science	•	•	HSC1101P
Ornithology			HSC2081P
Physical Science, First Semester	•	•	HSC2011P
Physical Science, Second Semester	•	•	HSC2012P
Wildlife Management	•	•	HSC3091P



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# ND CDE's High School Print Courses

## BUSINESS EDUCATION

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Marketing		•	HBU1091P
Personal Finance		•	HBU1081P

## ADVANCED PLACEMENT

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
AP Calculus AB, First Semester	•	•	HMA1091P
AP Calculus AB, Second Semester	•	•	HMA1092P
AP English Literature and Composition, First Semester	•	•	HEN1201P
AP English Literature and Composition, Second Semester	•	•	HEN1202P

## ART

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Advanced Drawing	•	•	HAR1121P
Basic Drawing	•	•	HAR1021P
Beginning Painting	•	•	HAR2031P
Calligraphy	•	•	HAR1041P
Creative Art and Design	•	•	HAR1141P
Fashion Design	•	•	HAR2051P
Graphic Design	•	•	HAR1101P

## DRIVER EDUCATION

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Driver Education			HDR1011P

## WORLD LANGUAGES

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Introduction to Hispanic Literature	•		HWL1081P

## AGRICULTURE AND TECHNICAL EDUCATION

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Intro to Agriculture, Agricultural Mechanics I (Auto Fundamentals)		•	HTE2021P
Intro to Agriculture, Agricultural Mechanics II (Small Engines)		•	HTE2071P
Introduction to Horticulture		•	HAG1081P
Introduction to Veterinary Science		•	HSC1131P
Modern AgriScience		•	HAG1051P
Small Pet Care		•	HAG2031P

## FAMILY AND CONSUMER SCIENCE

	ND ACADEMIC SCHOLARSHIP	ND CAREER AND TECH SCHOLARSHIP	COURSE CODE
Child Development		•	HFC2011P
Nutrition and Wellness		•	HFC1091P
Personal Management		•	HFC2071P
Relationships		•	HFC1081P
Social Skills		•	HFC2031P



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# ND CDE: North Dakota's Online School

New HIGH SCHOOL ONLINE Courses Available July 1, 2014

CHOICE CENTER FOR DISTANCE EDUCATION

## ENGLISH

Creative Writing	EN	ENR00110
English I, First Semester	EN	ENR01110
English I, Second Semester	EN	ENR01120
English II, First Semester	EN	ENR02110
English II, Second Semester	EN	ENR02120
English III, Language and Composition, First Semester	EN	ENR03110
English III, Language and Composition, Second Semester	EN	ENR03120
English III, American Literature, Second Semester	EN	ENR03130
English III, World Literature	EN	ENR03140
English III, Second Semester	EN	ENR03150
English Literature Master Studies	EN	ENR03160
JournaLink I, Semester 1	EN	ENR03170
JournaLink I, Semester 2	EN	ENR03180
Writers and Publishers: Legendary Tales	EN	ENR03190

## PHYSICAL EDUCATION AND HEALTH

Advanced PE I	PE	PEP00110
Advanced PE II	PE	PEP00120
Drug & Alcohol	PE	PEP00130
Exercise Science	PE	PEP00140
First Aid & Safety	PE	PEP00150
Fitness Fundamentals I	PE	PEP00160
Fitness Fundamentals II	PE	PEP00170
Health	PE	PEP00180
Intro to Group Sports	PE	PEP00190
Intro to Individual Sports	PE	PEP00200
Running	PE	PEP00210
Strength Training	PE	PEP00220
Walking Fitness	PE	PEP00230

## WORLD LANGUAGE

French I, First Semester	FL	FLR01110
French I, Second Semester	FL	FLR01120
French II, First Semester	FL	FLR02110
French II, Second Semester	FL	FLR02120
French III, First Semester	FL	FLR03110
French III, Second Semester	FL	FLR03120
German I, First Semester	FL	FLR04110
German I, Second Semester	FL	FLR04120
German II, First Semester	FL	FLR05110
German II, Second Semester	FL	FLR05120
German III, First Semester	FL	FLR06110
German III, Second Semester	FL	FLR06120
Latin I, First Semester	FL	FLR07110
Latin I, Second Semester	FL	FLR07120
Latin II, First Semester	FL	FLR08110
Latin II, Second Semester	FL	FLR08120
Spanish I, First Semester	FL	FLR09110
Spanish I, Second Semester	FL	FLR09120
Spanish II, First Semester	FL	FLR10110
Spanish II, Second Semester	FL	FLR10120
Spanish III, First Semester	FL	FLR11110
Spanish III, Second Semester	FL	FLR11120
Spanish IV, First Semester	FL	FLR12110
Spanish IV, Second Semester	FL	FLR12120

## COMPUTER EDUCATION

Advanced Computer Science	CS	CSR00110
Programming, Second Semester	CS	CSR00120
Game Design	CS	CSR00130
Computer Science Applications	CS	CSR00140

## SOCIAL STUDIES

Alaska History	SS	SSR00110
American Government, First Semester	SS	SSR01110
American Government, Second Semester	SS	SSR01120
Archaeology: Detectives of the Past	SS	SSR01130
Criminology: Inside the Criminal Mind	SS	SSR01140
Economics	SS	SSR01150
North Dakota History of the Holocaust	SS	SSR01160
Introduction to Anthropology: Uncovering Human Mysteries	SS	SSR01170
Law & Order: Introduction to Legal Studies	SS	SSR01180
North Dakota Studies	SS	SSR01190
Personal Psychology I: The Road to Self Discovery	SS	SSR01200
Personal Psychology II: Living in a Complex World	SS	SSR01210
Sociology I: The Study of Human Relationships	SS	SSR01220
Sociology II: Your Social Life	SS	SSR01230
United States History, First Semester	SS	SSR02110
United States History, Second Semester	SS	SSR02120
World Geography, First Semester	SS	SSR03110
World Geography, Second Semester	SS	SSR03120
World History, First Semester	SS	SSR04110
World History, Second Semester	SS	SSR04120
World Religions: Exploring Diversity	SS	SSR04130

## AGRICULTURE AND TECHNICAL EDUCATION

Foundations of Agriculture, Carpentry and Building Construction	AG	AGR00110
Intro to Agriculture, Agricultural Mechanics I (Agriculture Fundamental Concentration)	AG	AGR00120
Small Pet Care	AG	AGR00130

## NELSON ACADEMY OF AGRICULTURE SCIENCES

Agriculture I	AG	AGR01110
Agricultural Careers	AG	AGR01120
Animal Science - Introduction	AG	AGR01130
Animal Science - Beef Production	AG	AGR01140
Animal Science - Sheep Production	AG	AGR01150
Animal Science - Swine Production	AG	AGR01160
Crop Science	AG	AGR01170
Equine Science I	AG	AGR01180
Equine Science II	AG	AGR01190
Farm Business Management - Introduction	AG	AGR01200
Farm Business Management - Financial Planning	AG	AGR01210
Comprehensive Technology	AG	AGR01220
Introduction to Agriculture	AG	AGR01230
Leadership	AG	AGR01240
Plant Science	AG	AGR01250
Veterinary Science I	AG	AGR01260
Veterinary Sciences II	AG	AGR01270

## ART

Art Appreciation	AR	ARR00110
Digital Photography I	AR	ARR00120
Digital Photography II: Discovering Your Creative Potential	AR	ARR00130
Fashion Fashion and Interior Design	AR	ARR00140
Fashion Design	AR	ARR00150

## FAMILY AND CONSUMER SCIENCE

Family and Consumer Science	FC	FCR00110
Nutrition	FC	FCR00120
Personal Management	FC	FCR00130
Real World Parenting	FC	FCR00140
Relationships	FC	FCR00150

## SCIENCE

Astronomy: Exploring the Universe	SC	SCR00110
Biology, First Semester	SC	SCR01110
Biology, Second Semester	SC	SCR01120
Chemistry, First Semester	SC	SCR02110
Chemistry, Second Semester	SC	SCR02120
Environmental Science, First Semester	SC	SCR03110
Environmental Science, Second Semester	SC	SCR03120
Forensic Science I: Secrets of the Dead	SC	SCR03130
Forensic Science II: More Secrets of the Dead	SC	SCR03140
Physical Science, First Semester	SC	SCR04110
Physical Science, Second Semester	SC	SCR04120
Physics, First Semester	SC	SCR05110
Physics, Second Semester	SC	SCR05120
Webb Management	SC	SCR05130

## ADVANCED PLACEMENT

AP Art History, First Semester	AP	APR00110
AP Art History, Second Semester	AP	APR00120
AP Calculus AB, First Semester	AP	APR01110
AP Calculus AB, Second Semester	AP	APR01120
AP Computer Science A, First Semester	AP	APR02110
AP Computer Science A, Second Semester	AP	APR02120
AP English Language and Composition, First Semester	AP	APR03110
AP English Language and Composition, Second Semester	AP	APR03120
AP English Literature and Composition, First Semester	AP	APR04110
AP English Literature and Composition, Second Semester	AP	APR04120
AP Environmental Science, First Semester	AP	APR05110
AP Environmental Science, Second Semester	AP	APR05120
AP Human Geography, First Semester	AP	APR06110
AP Human Geography, Second Semester	AP	APR06120
AP Macroeconomics	AP	APR07110
AP Microeconomics	AP	APR08110
AP Psychology, First Semester	AP	APR09110
AP Psychology, Second Semester	AP	APR09120
AP Statistics, First Semester	AP	APR10110
AP Statistics, Second Semester	AP	APR10120
AP United States Government and Politics	AP	APR11110

## BUSINESS EDUCATION

Accounting, First Semester	BE	BER00110
Accounting, Second Semester	BE	BER00120
Accounting II, First Semester	BE	BER01110
Accounting II, Second Semester	BE	BER01120
Business Fundamentals	BE	BER02110
Hospitality & Tourism: Traveling the Globe	BE	BER03110
International Business Global Connections in the 21st Century	BE	BER04110
Marketing	BE	BER05110
Marketing	BE	BER05120
Personal Finance	BE	BER06110
Small Business and Entrepreneurship	BE	BER07110
Web Design	BE	BER08110

## GENERAL EDUCATION

Thinking and Learning Strategies	GE	GER00110
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## MATH

Algebra I, First Semester	MA	MAR01110
Algebra I, Second Semester	MA	MAR01120
Algebra II, First Semester	MA	MAR02110
Algebra II, Second Semester	MA	MAR02120
Consumer Math, First Semester	MA	MAR03110
Consumer Math, Second Semester	MA	MAR03120
Essential Math: Algebra/Geometry Concepts	MA	MAR04110
Essential Math: Reasoning/Logical Concepts	MA	MAR04120
General Math, First Semester	MA	MAR05110
General Math, Second Semester	MA	MAR05120
Geometry, First Semester	MA	MAR06110
Geometry, Second Semester	MA	MAR06120
Prealgebra, First Semester	MA	MAR07110
Prealgebra, Second Semester	MA	MAR07120
Pre-Calculus, Second Semester (Trigonometry)	MA	MAR08110

## DUAL CREDIT

Calculus I	DC	DCR00110
Calculus II	DC	DCR00120
College Composition I	DC	DCR00130
College Composition II	DC	DCR00140

## CREDIT RECOVERY

Algebra I, First Semester	CR	CRR01110
Algebra I, Second Semester	CR	CRR01120
Algebra II, First Semester	CR	CRR02110
Algebra II, Second Semester	CR	CRR02120
American Government	CR	CRR03110
American History, First Semester	CR	CRR04110
American History, Second Semester	CR	CRR04120
Biology, First Semester	CR	CRR05110
Biology, Second Semester	CR	CRR05120
Chemistry, Second Semester	CR	CRR06110
Credit Recovery Health	CR	CRR07110
Credit Recovery PE I	CR	CRR08110
Credit Recovery PE II	CR	CRR09110
Earth Science, First Semester	CR	CRR10110
Earth Science, Second Semester	CR	CRR10120
Economics	CR	CRR11110
English I, First Semester	CR	CRR12110
English I, Second Semester	CR	CRR12120
English II, First Semester	CR	CRR13110
English II, Second Semester	CR	CRR13120
English III, First Semester	CR	CRR14110
English III, Second Semester	CR	CRR14120
English IV, First Semester	CR	CRR15110
English IV, Second Semester	CR	CRR15120
Geometry, First Semester	CR	CRR16110
Geometry, Second Semester	CR	CRR16120
Physical Science, First Semester	CR	CRR17110
Physical Science, Second Semester	CR	CRR17120
World History, First Semester	CR	CRR18110
World History, Second Semester	CR	CRR18120

## MUSIC

Music Appreciation: The Enjoyment of Listening	MU	MUR00110
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## HIGH STAKES TESTING

College Entrance Exam Preparation	HT	HTR00110
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\* UPDATED for 2014-2015

- ▶ LICENSED NORTH DAKOTA TEACHERS WORK WITH YOU ONE-ON-ONE
- ▶ WORK ANYTIME AND ANYWHERE
- ▶ NORTH DAKOTA SCHOLARSHIP APPROVED COURSES
- ▶ NCAA APPROVED COURSES
- ▶ ENROLL:
  - ▶ QUICKLY AND EASILY ONLINE
  - ▶ ANYTIME THROUGHOUT THE YEAR



**NDCDE.org**

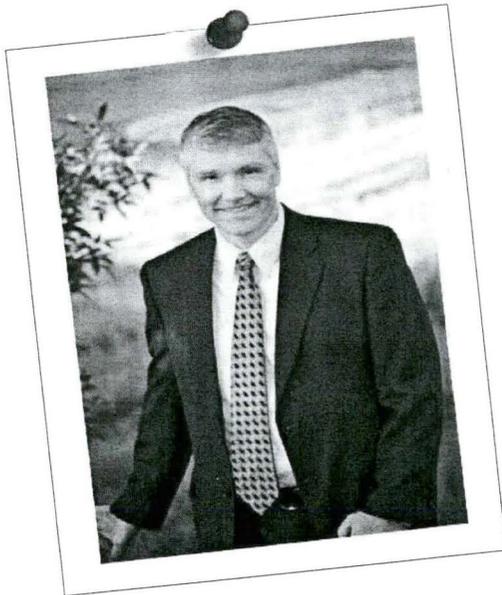
Phone: 701.231.6000  
 Fax: 701.231.6052  
 E-mail: ndcde.enroll@ndcde.org

**ND CDE ALSO PROVIDES MIDDLE SCHOOL COURSES.**

For course descriptions, visit our website at: [www.NDCDE.org](http://www.NDCDE.org)



**North Dakota**  
Information Technology Department



# **HB 1021**

## **Information Technology Department**

**Presentation to the  
House Appropriations Committee  
Government Operations Division**

**Mike Ressler**  
**CIO**

**February 4, 2015**  
**Medora Room**



# Agenda

- Answers to Previous Questions
- Spend Down Report



**Information Technology Department  
Broadband / Radio Projects  
February 4, 2015**

**Dept. of Emergency Services**

**ND Radio Interoperability  
Network  
\$5,000,000  
General Funds**

**Information Technology Dept.**

**FirstNet Program  
\$2,013,121  
Federal Funds**

**Statewide Interoperability Exec Committee  
( SIEC )**

N.D.C.C 37-17.3-02.2

**Members**

Adjutant General	ND Sheriff's & Deputies Assn
State Radio	ND Emergency Mgrs Assn
Homeland Security	ND Fire Chiefs Assn
Highway Patrol	ND Emergency Medical Assn
Dept of Transportation	ND Police Chiefs Assn
Information Tech Dept	ND Peace Officers Assn
	ND 911 Assn

ND Radio Interoperability Network: Upgrade & enhance mission critical public safety voice / radio communications.  
Televate Study estimated the total cost to deploy at \$160 million.

FirstNet Program: Planning activities for mission critical public safety data communications.

W



7

- ❑ **Televate Report**

North Dakota Statewide Radio Systems Assessment & Evolution Study

<http://www.nd.gov/itd/files/publications/nd-radio-systems-study.pdf>

- ❑ **ND Radio Interoperability Network Brochure**

<http://www.nd.gov/itd/files/publications/nd-rin-brochure.pdf>



## Public Safety Survey

Survey Response Demographics:

Number of responses to the survey	1,143
Number of paid staff represented	22,248
Number of volunteers represented	15,007
Number of part time staff represented	2,848

Discipline Breakdown:

Law Enforcement	28.31%
Fire	27.71%
EMS, Medical Serv, Mass Care	13.55%
Other Public Safety ( DHS, etc.)	10.24%
Transportation	1.81%
Public Works	3.31%
Public Schools	1.20%

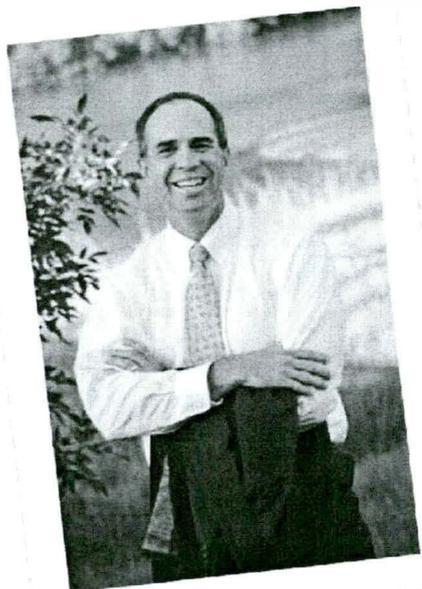
Current Devices:

Smart Phones	2,611
Tablets	913
USB Modems	562
Vehicle Modems	668
Toughbooks	1,229

Future Devices:

Smart Phones	3,188
Tablets	1,735
USB Modems	638
Vehicle Modems	962
Toughbooks	1,326

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# Spend Down Report

**Dan Sipes**  
**Deputy CIO**



THANK YOU!!!

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Information Technology Department  
New Position Request  
February 5, 2015

Priority	Position Description
1	Security Analyst
2	Security Analyst
3	Security Analyst
4	Video Position / University System
5	ConnectND Programmer - OMB Transfer
6	Desktop Support
7	Desktop Support
8	CDE - Math Teacher
9	CDE - English Teacher
10	CDE - Soc Studies Teacher
11	CDE - Science Teacher
12	SLDS - Business Intelligence Analyst
13	Security Analyst - Fusion Center
14	CDE - Curriculum Specialist
15	Records Management - Digital Archives Study
	RED - General Funded
	Blue - Special Funded

#B1021

February 13, 2015  
Handout #1

## Information Technology Department - Budget No. 112

## House Bill No. 1021

## Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2015-17 Biennium Base Level</b>	340.30	\$19,939,428	\$149,674,553	\$169,613,981	340.30	\$19,939,428	\$149,674,553	\$169,613,981
<b>2015-17 Ongoing Funding Changes</b>								
Base payroll changes		\$80,728	\$423,488	\$504,216				\$0
Salary increase - Performance		651,501	3,022,326	3,673,827				0
Salary increase - Market		112,609	84,873	197,482				0
Retirement increase		76,819	312,377	389,196				0
Health insurance increase		295,728	1,202,557	1,498,285				0
FTE information systems security analysts	4.00	537,001	467,000	1,004,001				0
FTE Telecommunications analyst	1.00		225,000	225,000				0
Transfers FTE from OMB for ConnectND project	1.00		225,000	225,000				0
New FTE teachers and programmer analyst	5.00	1,539,149	997,279	2,536,428				0
New FTE desktop support specialists	2.00		1,812,000	1,812,000				0
New FTE programmer analyst and ongoing operations	1.00	3,500,000		3,500,000				0
New FTE digital archives	1.00	210,000		210,000				0
Criminal justice information system security package		60,000		60,000				0
Cost to continue K-12 area network		600,000		600,000				0
Operational changes		53,506	3,855,940	3,909,446				0
ITD operations equipment			9,150,000	9,150,000				0
K-12 center for distance education college and career readiness		250,000		250,000				0
Removes 2013-15 capital assets and federal funds		(608,111)	(19,250,600)	(19,858,711)				0
Other change				0				0
Other change				0				0
Other change				0				0
Other change				0				0
<b>Total ongoing funding changes</b>	15.00	\$7,358,930	\$2,527,240	\$9,886,170	0.00	\$0	\$0	\$0
<b>One-time funding items</b>								
K-12 Educational Technology Council grants		\$1,050,000		\$1,050,000				\$0
Criminal justice information system projects		1,000,000		1,000,000				0
Statewide longitudinal systems		4,500,000		4,500,000				0
Federal Stimulus		0	0	0				0
Other one-time funding item				0				0
Other one-time funding item				0				0
Other one-time funding item				0				0
Other one-time funding item				0				0
<b>Total one-time funding changes</b>	0.00	\$6,550,000	\$0	\$6,550,000	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	15.00	\$13,908,930	\$2,527,240	\$16,436,170	0.00	\$0	\$0	\$0
<b>2015-17 Total Funding</b>	355.30	\$33,848,358	\$152,201,793	\$186,050,151	340.30	\$19,939,428	\$149,674,553	\$169,613,981

Other Sections in House Bill No. 1021

Line item transfers

Executive Budget Recommendation

Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.

House Version

2

HB 1021

February 18, 2015

Attachment A

Information Technology Department - Budget No. 112  
House Bill No. 1021  
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Governor's Recommendation			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2015-17 Biennium Base Level</b>	340.30	\$19,939,428	\$149,674,553	\$169,613,981	340.30	\$19,939,428	\$149,674,553	\$169,613,981	0.00	\$0	\$0	\$0
<b>2015-17 Ongoing Funding Changes</b>												
Base payroll changes		\$80,728	\$423,488	\$504,216		\$72,504	\$423,488	\$495,992		(\$8,224)		(\$8,224)
Salary increase - Performance		651,501	3,022,326	3,673,827		405,754	2,264,521	2,670,275		(245,747)	(757,805)	(1,003,552)
Salary increase - Market		112,609	84,873	197,482				0		(112,609)	(84,873)	(197,482)
Retirement increase		76,819	312,377	389,196				0		(76,819)	(312,377)	(389,196)
Health insurance increase		295,728	1,202,557	1,498,285		243,912	1,202,557	1,446,469		(51,816)		(51,816)
FTE information systems security analysts	4.00	537,001	467,000	1,004,001	3.00	286,001	467,000	753,001	(1.00)	(251,000)		(251,000)
FTE Telecommunications analyst	1.00		225,000	225,000	1.00		225,000	225,000				0
Transfers FTE from OMB for ConnectND project	1.00		225,000	225,000	1.00		225,000	225,000				0
New FTE teachers and programmer analyst	5.00	1,539,149	997,279	2,536,428				0	(5.00)	(1,539,149)	(997,279)	(2,536,428)
New FTE desktop support specialists	2.00		1,812,000	1,812,000	2.00		1,812,000	1,812,000				0
New FTE programmer analyst and ongoing operation:	1.00	3,500,000		3,500,000	1.00	3,500,000		3,500,000				0
New FTE digital archives	1.00	210,000		210,000				0	(1.00)	(210,000)		(210,000)
Criminal justice information system security package		60,000		60,000				0		(60,000)		(60,000)
Cost to continue K-12 area network		600,000		600,000		600,000		600,000				0
Operational changes		53,506	3,855,940	3,909,446		53,506	3,811,940	3,865,446			(44,000)	(44,000)
ITD operations equipment			9,150,000	9,150,000			9,150,000	9,150,000				0
K-12 center for distance education college and career readiness		250,000		250,000				0		(250,000)		(250,000)
Removes 2013-15 capital assets and federal funds		(608,111)	(19,250,600)	(19,858,711)		(608,111)	(19,250,600)	(19,858,711)				0
Removes base level for criminal justice information system				0	(3.00)	(2,258,373)	(842,000)	(3,100,373)	(3.00)	(2,258,373)	(842,000)	(3,100,373)
Other change				0				0				0
<b>Total ongoing funding changes</b>	<b>15.00</b>	<b>\$7,358,930</b>	<b>\$2,527,240</b>	<b>\$9,886,170</b>	<b>5.00</b>	<b>\$2,295,193</b>	<b>(\$511,094)</b>	<b>\$1,784,099</b>	<b>(10.00)</b>	<b>(\$5,063,737)</b>	<b>(\$3,038,334)</b>	<b>(\$8,102,071)</b>
<b>One-time funding items</b>												
K-12 Educational Technology Council grants		\$1,050,000		\$1,050,000		\$1,050,000		\$1,050,000		\$0		\$0
Criminal justice information system projects		1,000,000		1,000,000				0		(1,000,000)		(1,000,000)
Statewide longitudinal systems		4,500,000		4,500,000				0		(4,500,000)		(4,500,000)
Federal Stimulus		0	0	0				0		0	0	0
Other one-time funding item				0				0				0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$6,550,000</b>	<b>\$0</b>	<b>\$6,550,000</b>	<b>0.00</b>	<b>\$1,050,000</b>	<b>\$0</b>	<b>\$1,050,000</b>	<b>0.00</b>	<b>(\$5,500,000)</b>	<b>\$0</b>	<b>(\$5,500,000)</b>
<b>Total Changes to Base Level Funding</b>	<b>15.00</b>	<b>\$13,908,930</b>	<b>\$2,527,240</b>	<b>\$16,436,170</b>	<b>5.00</b>	<b>\$3,345,193</b>	<b>(\$511,094)</b>	<b>\$2,834,099</b>	<b>(10.00)</b>	<b>(\$10,563,737)</b>	<b>(\$3,038,334)</b>	<b>(\$13,602,071)</b>
<b>2015-17 Total Funding</b>	<b>355.30</b>	<b>\$33,848,358</b>	<b>\$152,201,793</b>	<b>\$186,050,151</b>	<b>345.30</b>	<b>\$23,284,621</b>	<b>\$149,163,459</b>	<b>\$172,448,080</b>	<b>(10.00)</b>	<b>(\$10,563,737)</b>	<b>(\$3,038,334)</b>	<b>(\$13,602,071)</b>
<b>Other Sections in House Bill No. 1021</b>												
				<b>Executive Budget Recommendation</b>				<b>House Version</b>				

Line item transfers

**Executive Budget Recommendation**

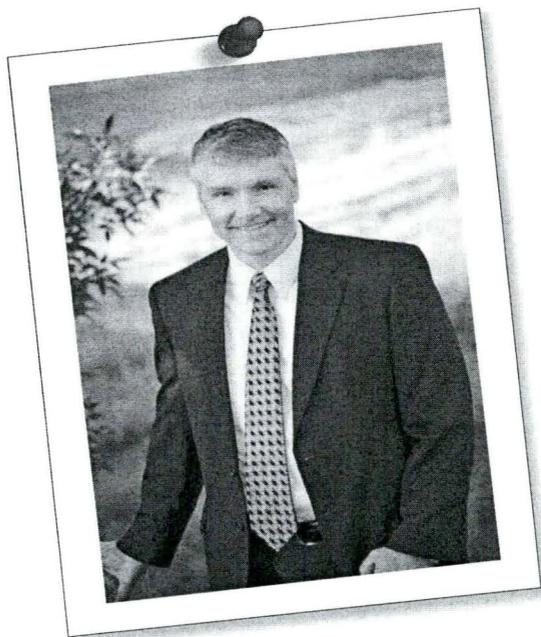
Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.

**House Version**

Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.

Legislative Intent - Radio Communications

Is the intent of the sixty-fifth legislative assembly that the information technology department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency. It is further the intent of the sixty-fifth legislative assembly that the information technology department develop a process to implement the recommendations of the North Dakota Statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee



3-5-15  
# /

**HB 1021**  
**Information Technology**  
**Department**

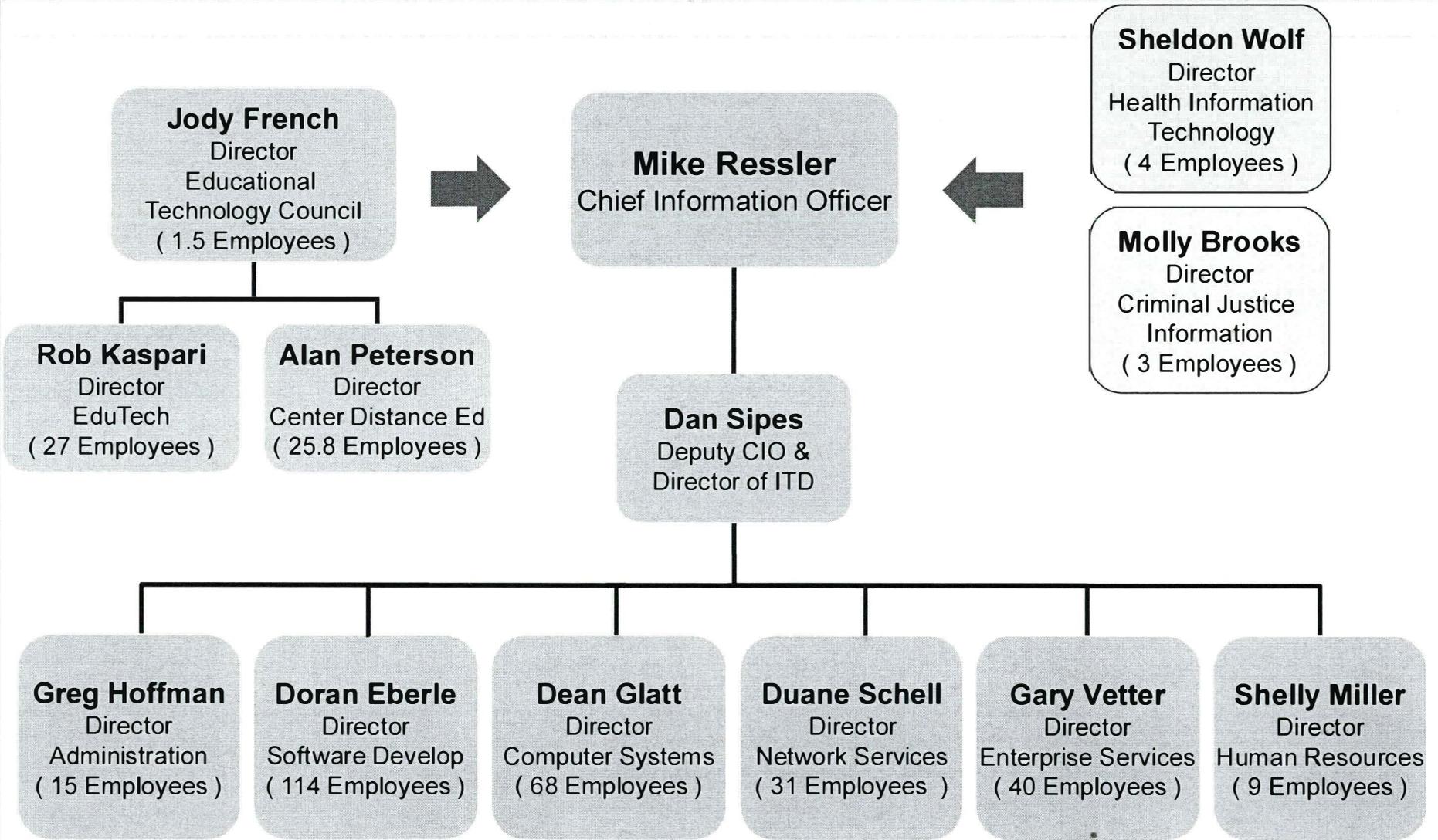
**Presentation to the**  
**Senate Appropriations Committee**

**Mike Ressler**  
**CIO**

**March 5, 2015**  
**Harvest Room**



January 2015





*ITD Programs*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations				
K-12 Network				
Geographic Information System				
Statewide Longitudinal Data System				
Educational Technology Council				
Center for Distance Education				
EduTech				
Criminal Justice Information Sharing				
Health Information Technology				
<b>Total</b>				



North Dakota  
Information Technology Department

2013-15 Budget

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	843,166	127,549,748	4,300,000	132,692,914
K-12 Network	4,864,216	100,000	-	4,964,216
Geographic Information System	1,394,997	-	75,000	1,469,997
Statewide Longitudinal Data System	5,530,843	-	-	5,530,843
Educational Technology Council	1,228,322	100,000	500,000	1,828,322
Center for Distance Education	4,238,173	2,052,536	-	6,290,709
EduTech	3,344,828	5,210,125	-	8,554,953
Criminal Justice Information Sharing	3,136,263	192,000	650,000	3,978,263
Health Information Technology	378,377	4,445,144	4,500,000	9,323,521
<b>Total</b>	<b>24,959,185</b>	<b>139,649,553</b>	<b>10,025,000</b>	<b>174,633,738</b>



## ITD Operations

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	1,052,315	133,812,956	2,013,121	136,878,392
2015 - 17 Request	1,451,298	134,893,460	2,013,121	138,357,879
Difference	- 398,983	- 1,080,504	0	- 1,479,487

2013 – 15 Budget	843,166	127,549,748	4,300,000	132,692,914
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Governor's Salary Package      67,332      4,336,835      4,404,167



## ITD Operations

### **Security Focused**

2 New Positions in ITD Operations (Special Funds)

Dedicated to server patching and network configuration

\$467,000

### **House Did Not Fund**

1 New Position located in ND Fusion Center (General Funds)

\$251,000



## ITD Operations

# Desktop Support Services

2 New Positions + Hardware / Software (Special Funds)

\$1,812,000

Ten agencies were provided funding in Governor's Budget

- Auditors Office
- Center for Tobacco
- Council on the Arts
- Dept. of Agriculture
- Dept. of Labor
- Indian Affairs
- Protection and Advocacy
- Secretary of State
- Securities
- State Treasurer

1.7

1.7



## ITD Operations

# Digital Archives

## *House Did Not Fund*

1 New Records Management Position (General Funds)

\$210,000

Tournesol Consulting Study recommended 2 FTE

( 1 in ITD and 1 in State Historical Society – Digital Archivist )

Also recommendation in the State Historical Society budget is:

\$200,000 for contract labor

\$236,800 for ITD hosting fees (disk storage and backup)

1.8



## ITD Operations

### Additional Support Services

1 Video technician / person transferred from Higher Ed (Special Funds)

\$225,000

1 ConnectND developer / position transferred from OMB (Special Funds)

\$225,000

1.9



## K-12 Network

ITD provides network bandwidth, Internet access, and now video services to the schools

Ethernet (10MB to 100MB) circuits

Approximately 64% or \$ 3,700,000 is paid by the Federal E-rate program each biennium

ITD renewed network and Internet contract with Dakota Carrier Network (DCN)

1.10



### *K-12 Network*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	4,906,161	100,000		5,006,161
2015 – 17 Request	4,916,268	100,000		5,016,268
Difference	- 10,107	0		- 10,107
2013 – 15 Budget	4,864,216	100,000		4,964,216



## Geographic Information Systems (GIS)

GIS is the use of computer systems for storing, assembling, manipulating, and displaying geographically referenced material.

Prior to the creation of the GIS hub State government agencies were creating and storing data separately with numerous versions. Data sharing was problematic.

1.12

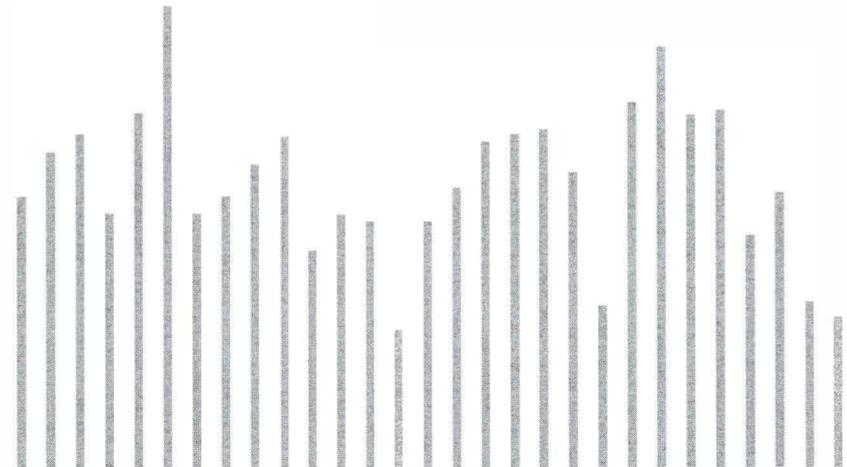


## GIS Program Examples / Activity



**ND DES Base  
Map Project**

**GIS Hub web services  
average 2.4 million  
transactions/month**



### Visual ND - Applications

Click on a thumbnail image to view the content. You may find it helpful to use the search tool, switch between grid/overlay view, or to click on the filter icons in the sort bar.

Search results

Sort by: **Date** | Title | Type | Ratings | Avg. Rating | Comments | Views

- North Dakota Snowmobile Trails**  
Web Mapping Application by NDOR/NDP. Last Modified: Jan 30, 2014  
Snowmobile trails courtesy of Snowmobile North Dakota and ND Parks and Recreation  
45 views
- North Dakota Department of Agriculture Cited and Other Mapping**  
Web Mapping Application by NDOR/NDP. Last Modified: Aug 27, 2013  
Cited and Other Mapping application displays cited and other control over several years. You are also able to view agency, Organic farms, orchards, and other locations in North Dakota.  
43 views
- NDOT Construction Projects**  
Web Mapping Application by NDOR/NDP. Last Modified: Oct 30, 2014  
Shows NDOT construction projects  
33 views
- PLOTS Guide**  
Web Mapping Application by NDOR/NDP. Last Modified: Nov 4, 2014  
North Dakota Game and Fish Department PLOTS Guide  
429 views
- Fishery Status and Drilling Directions**  
Web Mapping Application by NDOR/NDP. Last Modified: Apr 16, 2014  
Fishery Status and Drilling Directions of ND Game and Fish Department Fishing Waters  
400 views

These applications are contributed by state agencies

These applications are to be viewed within a web browser running on a PC or mobile device. They can be mapping applications and non-mapping applications.

**Visual ND**



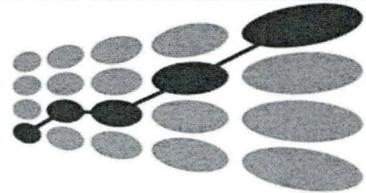
## *Geographic Information Systems (GIS)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	1,197,016		75,000	1,272,016
2015 – 17 Request	1,201,710		75,000	1,276,710
Difference	- 4,694		0	- 4,694

2013 – 15 Budget	1,394,997		75,000	1,469,997
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## Statewide Longitudinal Data System



### SLDS Committee Membership

- Higher Education
- Dept. of Public Instruction
- Chief Information Officer
- Career & Technical Education
- Job Service
- Commerce Dept.
- Human Services
- Educational Technology Council
- ND Council of Educational Leaders
- Workforce Development Council
- 2 Members of Legislative Assembly
  - Rep. Mike Nathe
  - Sen. Don Schaible

1.15



## Business Intelligence Competency Center

### Statewide Longitudinal Data System (SLDS)

\$ 5,533,401  
General Funds

ITD  
SLDS Program  
\$ 4,500,000  
General Funds

Workforce  
Job Service  
\$1,005,000  
Federal Funds

K-12  
DPI  
\$ 6,723,090  
Federal Funds

Higher Ed  
\$ 3,900,000  
Federal Funds

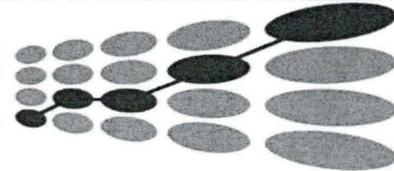
### Other State Initiatives

OMB  
Human Services  
Treasurer  
DOT  
DHS Eligibility  
K-12 Identity Mgmt  
  
Special Funds

1.16



## Statewide Longitudinal Data System



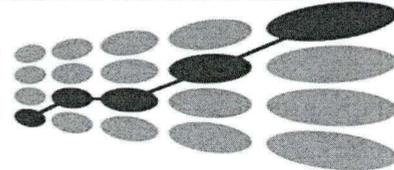
### Program Status

- ✓ New web portal with research reports and data dictionary included at <https://slds.ndcloud.gov>
- ✓ Expansion of SLDS environment that supports K12, Workforce and now NDUS warehouses
  - Completed the K12 and JSND grant objectives, currently executing NDUS grant
  - Progressed with NDUS warehouse to provide historical time injected
- ✓ Completed first iteration on a teacher student support dashboard which includes (enrollment, course schedules, course outcomes, attendance, program participation, transcript)
  - Predictive Analytics performed on ND HS graduates requiring remediation in ND colleges and a risk indicator is now available on teacher dashboards predicting the need for remediation
  - Approximately 3,500 school teachers and school administrators have been trained in the use of school and student dashboards in the SLDS
- ✓ Completed School / District / REA Performance Dashboards for K12 schools and districts
- ✓ Continue supporting Succeed 20/20 measures and AdvancED
- ✓ Included NDCDE students in the SLDS for NDCDE to evaluate student data

1.17



## Statewide Longitudinal Data System



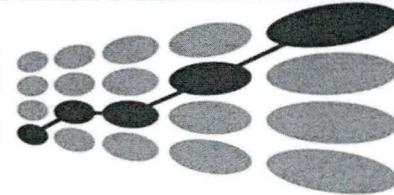
### Program Status

- ✓ Performing training on use of the SLDS for teachers and administrators as well as advanced trainings on using data in the class-room.
- ✓ Completing security interface which requires districts to reauthorize all their SLDS users yearly.
- ✓ Performed research on postsecondary remediation effectiveness, Advanced Placement and Dual Credit courses, postsecondary employment transition and associate degree on-time completion. Research results are publically available on the SLDS site.
- ✓ Rollout and finishing eTranscripts
  - All 11 ND institutions
  - Private: Univ. of Mary, Jamestown, M State, Minn. Community Colleges, Northland Community in MN
  - Statewide high school training through winter 2015, over 80 districts have been trained
- ✓ Currently piloting a student/parent portal from PowerSchool into eTranscripts / education portal. Students and parents will be able to request transcripts be sent and in the future apply for the ND State Scholarship and potentially start the application to college from this site.

1.18



**Statewide Longitudinal  
Data System**



**General Funds**

\$3,500,000

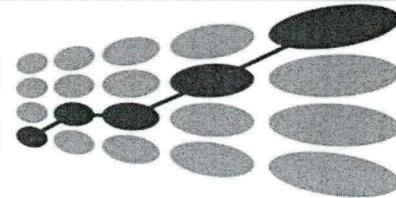
K-12 Grant and Workforce Grant have expired  
Need General Funds to maintain program

Requesting 1 new position – technical position (ETL)

1.19



## Statewide Longitudinal Data System



### General Funds

### House Did Not Fund

\$4,500,000 one-time funding for enhancing the K-12, Workforce, and Higher Education data warehouses:

- Reauthorization of Workforce Investment Act - measure all programs providing service
- 2<sup>nd</sup> generation of teacher & school dashboards which allow interaction to measure interventions
- Adult Ed, CTE data sets
- Job Service research and reports on supply and demand of workforce
- Include private workforce development and training data (tribal colleges WFD grants)
- NDUS warehouse
- BI Tool reporting system
- Education Portal Expansions
  - ND Scholarship
  - ND College application integration
  - eTranscript expansions / interface to NDUS imaging system
- Predictive Analytics and Visualization

1.20



## *State Longitudinal Data System (SLDS)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	5,505,409			5,505,409
2015 – 17 Request	10,033,401			10,033,401
Difference	- 4,527,992			- 4,527,992
2013 – 15 Budget	5,530,843			5,530,843



## North Dakota Educational Technology Council

### Mission

Develop technology systems and coordinate their use to enhance and support educational opportunities for elementary and secondary education.



## ETC Membership

### Voting Members

ND Chief Information Officer  
NDUS-Chief Information Officer  
ND Assn. of Technical Leaders  
ND Career & Technical Education  
ND Council of Education Leaders  
ND School Board Assn.  
ND Special Education Directors  
State Assn. of Non-Public Schools  
Two School District Reps (one teacher)  
Two Dept. of Public Instruction Representatives

### Non-Voting Members

Director of ND ETC  
Director of the ND CDE  
Director of EduTech

Jody French, Director  
ND ETC

Alan Peterson, Director  
ND Center for Distance Ed

Rob Kaspari, Director  
EduTech



North Dakota Educational Technology Council

General Funds

Staffing & Programs	\$ 519,698
Build Grants for Schools	<u>\$ 1,595,000</u>
Total General Funds	\$ 2,114,698

The Build Grant Program will improve wireless infrastructure, increase student access to internet connected services and expand instructional coaching for educators. Funds granted to schools will require a 50% match.

1.24



## *Educational Technology Council (ETC)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	2,107,304	100,000	500,000	2,707,304
2015 – 17 Request	2,114,698	100,000	500,000	2,714,698
Difference	- 7,394	0	0	- 7,394

2013 – 15 Budget	1,228,322	100,000	500,000	1,828,322
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\$ 1,050,000 is one-time



## Mission

Ensure that all North Dakota middle and high school students, regardless of location, have equal access to educational opportunities that meet or exceed all expectations for the quality of student learning.

1.26



**ndCDE** North Dakota  
CENTER FOR DISTANCE EDUCATION

## **NDCDE is a Necessary Component of North Dakota's Education System: Recent Growth is a Reflection of Need.....not Want**

- 2009 / 2011 School Years
  - 73 ND Schools / year – 1,224 Total Student Enrollments
  - 12 ND Schools – 30 classes taught by CDE (no local teacher available)
- 2013 / 2015 School Years (through February 18, 2015)
  - 168 ND Schools / year – 6,008 Total Student Enrollments
  - 50 ND Schools – 104 classes taught by CDE (no local teacher available)
- 2015 / 2017 School Years ( Projected\* )
  - 175 ND Schools – 9,000 Student Enrollments
  - 60 ND Schools --- 149 classes taught by CDE (no local teacher available)

*\*300 retired teachers were persuaded to fill 300 unfilled positions in ND for 2014 / 2015*

1.27



**ndcde** North Dakota  
CENTER FOR DISTANCE EDUCATION

## Why is NDCDE Growing so Aggressively?

### **NDCDE Systematically Assesses Customer Needs. NDCDE's Findings:**

- ND Schools cannot find qualified teachers for both core and elective courses.
- Special student needs cannot be met by several ND schools.
- Alternative schools are not available to ND rural students.
- Advanced classes, including Advanced Placement (AP) courses, are not available to hundreds of ND students.
- Remedial classes are not available to hundreds of students.
- There are dozens of schedule mismatches within schools, and between schools, many impacting students' access to courses.

1.28



**ndCDE** North Dakota  
CENTER FOR DISTANCE EDUCATION

## *House Did Not Fund*

\$ 1,789,149 (General Funds)      \$ 997,279 (Special Funds)

Funding for program growth

State pays 67% of class for ND students / schools

Requesting 5 new positions (General Funds)

Math Teacher ; English Teacher ; Social Studies Teacher

Science Teacher ; Curriculum Specialist

Funding for temporary teacher positions (General Funds)

Funding for curriculum growth (Special Funds)

Funding for college and career readiness (General Funds)

1.29



**ndcde** North Dakota  
CENTER FOR DISTANCE EDUCATION

### **NDCDE's Services are Cost Effective**

- \$1,000,000 provided to a ND High School produces 600 academic credits
- \$1,000,000 provided to NDCDE produces 1,200 academic credits

#### **Viewed another way –**

8 courses with 7 students in each would cost a ND school approximately \$24,000 for a part-time teacher, instructional materials and textbooks.

The same scenario with NDCDE providing the teacher and courses would cost \$5,600 plus the cost of a para or proctor (no books).

#### ***House reductions to HB 1021 will result in –***

- *2,000 less academic credits available to ND students*
- *4,000 ND students unable to access 4,000 courses over 2 years*
- *Less students qualified for ND scholarships and prepared for college or work* 1,30



***Center for Distance Education (CDE)***

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	4,555,225	2,052,721		6,607,946
2015 – 17 Request	6,483,666	3,050,000		9,533,666
Difference	- 1,928,441	- 997,279		- 2,925,720
2013 – 15 Budget	4,238,173	2,052,536		6,290,709



# EDUTECH

education technology services

## Mission

Provide North Dakota educators and students with opportunities that extend learning in the classroom and beyond focusing on the use of technology to improve student achievement.



# EDUTECH

education technology services

## Services to Schools

**PowerSchool Services** to provide training, implementation and support to schools that use PowerSchool – deployed in all public schools

**Partnership with DPI** to provide training and technical readiness support for the on-line NDSA in 2015.

**Professional Development** for PK-12 educators to use software/hardware and to integrate technology into classroom instruction

**Regional IT Specialists** to deliver customized professional development and instructional coaching to educators in their regions

**Statewide K12 Active Directory** and Office365 for Schools.

1.33



# EDUTECH

education technology services

## Services to Schools

**IT Services** to provide e-mail, web hosting, internet filtering, desktop anti-virus and blogging/podcasting services

**E-rate Support Services** to provide training and compliance information

**Helpdesk Services** to support customers in the use of EduTech's services such as PowerSchool, Office 365 and internet filtering

**Videoconference Enrichment Events** to offer students and teachers the opportunity to participate in national/international collaborations, content programs and professional development

**Sponsor the Positive Social Media ND Tour** featuring Kat Perkins

1,34



# EDUTECH

education technology services

Requesting 1 new security position (General Funds)

Provide training / best practices for K-12 schools

\$225,000

1.35



## *EduTech*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	3,563,397	5,524,098		9,087,495
2015 – 17 Request	3,843,707	5,586,780		9,430,487
Difference	- 280,310	- 62,682		- 342,992

2013 – 15 Budget	3,344,828	5,210,125		8,554,953
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Governor's Salary Package	239,989	222,317	462,306
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## *Criminal Justice Information Sharing (CJIS)*

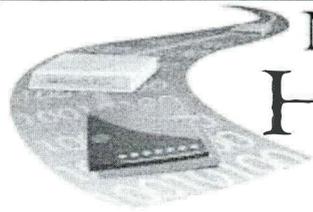
<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	0	0	0	0
2015 – 17 Request	3,400,219	236,000	650,000	4,286,219
Difference	- 3,400,219	- 236,000	- 650,000	- 4,286,219

2013 – 15 Budget	3,136,263	192,000	650,000	3,978,263
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Moved the CJIS Program over to the Attorney General's Office



## ND HIT Advisory Committee



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

- **Governor's Office** – representing state government interests
- **North Dakota Legislature** – representing state legislature
- **Center for Rural Health** – representing rural healthcare facilities/communities & academic institutions
- **ND State CIO** – representing state government interests
- **ND Department of Health** – representing the Department of Health
- **ND Department of Human Services** – representing the Department of Human Services
- **North Dakota Health Care Review** - representing Quality Improvement Organization (QIO)
- **ND Medical Association** – representing physicians
- **ND Healthcare Association** – representing hospitals
- **ND BlueCross BlueShield** - representing third-party payer
- **ND Health Information Management Association (HIMA)** - representing health information management workforce
- **Local Public Health Unit** – representing local public health units
- **AARP** – representing consumers
- **Large tertiary and small rural hospitals** – representing hospitals
- **Long Term Care Association** – representing long term care
- **EMS Association** – representing EMS



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

170+ Organizations have signed Participation and Business Associate Agreements with NDHIN  
6 Prospective Payment Hospitals  
36 Critical Access Hospitals  
Public health organizations, long term care, pharmacies, clinics etc.

## Direct Secure Messaging

Web based Direct – 680+ users

XDR Direct (EHR system functionality) – 1,500+ users

## Query Based Services

Onboarding over 50 organizations right now (data providers)

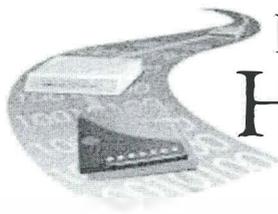
Unique Patient Records – 615,000 (Nov 2014)

User Accounts set up to access patient data – 1,000 + providers (Nov 2014)

Automatic Immunization, reportable conditions and syndromic reporting to the Health Department

Future Functionality: Medication information and image exchange

1.39

North Dakota  
Health Information Technology*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

<b>Health Information Technology Office</b>	<b>\$ 403,391</b>
<b>Operations</b> ( Provides authority for billing stakeholders )	<b>\$ 4,497,432</b>
<b>Federal Appropriation</b> ( Potential grants)	<b><u>\$ 500,000</u></b>
<b>Total 2015-17 Budget Request</b>	<b>\$ 5,400,823</b>

1.40



### *Health Information Technology (HIT)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	397,794	4,485,563	500,000	5,383,357
2015 – 17 Request	403,391	4,497,432	500,000	5,400,823
Difference	- 5,597	- 11,869	0	- 17,466

2013 – 15 Budget	378,377	4,445,144	4,500,000	9,323,521
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**Governor's 2015–17 Budget Request**

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	1,451,298	134,893,460	2,013,121	138,357,879
K-12 Network	4,916,268	100,000	-	5,016,268
Geographic Information System	1,201,710	-	75,000	1,276,710
Statewide Longitudinal Data System	10,033,401	-	-	10,033,401
Educational Technology Council	2,114,698	100,000	500,000	2,714,698
Center for Distance Education	6,483,666	3,050,000	-	9,533,666
EduTech	3,843,707	5,586,780	-	9,430,487
Criminal Justice Information Sharing	-	-	-	0
Health Information Technology	403,391	4,497,432	500,000	5,400,823
<b>Total</b>	<b>30,448,139</b>	<b>148,227,672</b>	<b>3,088,121</b>	<b>181,763,932</b>



**2015–17 Budget Changes**

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	608,132	7,343,712	- 2,286,879	5,664,965
K-12 Network	52,052			52,052
Geographic Information System	- 193,287			- 193,287
Longitudinal Data System	4,502,558			4,502,558
Educational Technology Council	886,376			886,376
Center for Distance Education	2,245,493	997,464		3,242,957
EduTech	498,879	376,655		875,534
Criminal Justice Information Sharing	- 3,136,263	- 192,000	- 650,000	- 3,978,263
Health Information Technology	25,014	52,288	- 4,000,000	- 3,922,698
<b>Difference</b>	<b>5,488,954</b>	<b>8,578,119</b>	<b>- 6,936,879</b>	<b>7,130,194</b>



## ***ITD 2015–17 Budget Request***

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>	<b>FTE's</b>
<b>2015 – 17 Request</b>	<b>30,448,139</b>	<b>148,227,672</b>	<b>3,088,121</b>	<b>181,763,932</b>	<b>352.3</b>
<b>2013 – 15 Budget</b>	<b>24,959,185</b>	<b>139,649,553</b>	<b>10,025,000</b>	<b>174,633,738</b>	<b>340.3</b>
<b>Difference</b>	<b>5,488,954</b>	<b>8,578,119</b>	<b>- 6,936,879</b>	<b>7,130,194</b>	<b>12.0</b>

**\$ 5,550,000 is one-time**



**North Dakota**  
Information Technology Department

**House 2015–17 Budget**

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	1,052,315	133,812,956	2,013,121	136,878,392
K-12 Network	4,906,161	100,000	-	5,006,161
Geographic Information System	1,197,016	-	75,000	1,272,016
Statewide Longitudinal Data System	5,505,409	-	-	5,505,409
Educational Technology Council	2,107,304	100,000	500,000	2,707,304
Center for Distance Education	4,555,225	2,052,721	-	6,607,946
EduTech	3,563,397	5,524,098	-	9,087,495
Criminal Justice Information Sharing	-	-	-	0
Health Information Technology	397,794	4,485,563	500,000	5,383,357
<b>Total</b>	<b>23,284,621</b>	<b>146,075,338</b>	<b>3,088,121</b>	<b>172,448,080</b>



*House 2015–17 Budget Changes*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	- 398,983	- 1,080,504		- 1,479,487
K-12 Network	- 10,107			- 10,107
Geographic Information System	- 4,694			- 4,694
Longitudinal Data System	- 4,527,992			- 4,527,992
Educational Technology Council	- 7,394			- 7,394
Center for Distance Education	- 1,928,441	- 997,279		- 2,925,720
EduTech	- 280,310	- 62,682		- 342,992
Criminal Justice Information Sharing				
Health Information Technology	- 5,597	- 11,869		- 17,466
<b>Difference</b>	<b>- 7,163,518</b>	<b>- 2,152,334</b>		<b>- 9,315,852</b>



## House Amendment

### **SECTION 4. LEGISLATIVE INTENT - RADIO COMMUNICATIONS.**

It is the intent of the sixty-fourth legislative assembly that the information technology department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the sixty-fourth legislative assembly that the information technology department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee.

1.47



THANK YOU!!!

1.48

HB 1021

#1

Subcom

3-27-15

# North Dakota Center for Distance Education (NDCDE)

NDCDE is a Necessary Component of North Dakota's Education System:  
Recent Growth is a Reflection of Need.....not Want  
Local Teachers are NOT Available

- 2009-11 School Years
  - 73 ND Schools / year – 1,224 Total Student Enrollments
  - 12 ND Schools – 30 classes taught by CDE
  
- 2011-13 School Years
  - 124 ND Schools / year – 3,650 Total Student Enrollments
  - 18 ND Schools – 54 classes taught by CDE
  
- 2013-15 School Years ( Projected by June 30, 2015 )
  - 168 ND Schools / year – 8,500 Total Student Enrollments
  - 60 ND Schools – 116 classes taught by CDE
  
- 2015-17 School Years ( Projected )
  - 180 ND Schools / year – 12,000 Student Enrollments
  - 70 ND Schools --- 160 classes taught by CDE

## 70% of ND Student Enrollments for 2013-15 are Core Courses

Enrollments are grouped by the following classifications:

- **Core:** English, Math, Science, and Social Studies
- **Required and Elective:** Business Education, Agriculture, PE/Health, World Languages, Family and Consumer Science, Advanced Placement, and Credit Recovery
- **Development:** College Lab for Math and English (CLEM)

3-22-15  
 #2  
 HB 1021

Department 112 - Information Technology Department  
 House Bill No. 1021

Executive Budget Comparison to Prior Biennium Appropriations

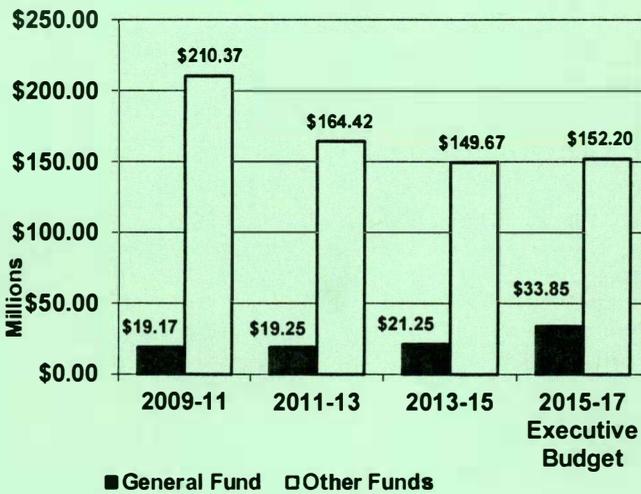
	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	355.30	\$33,848,358	\$152,201,793	\$186,050,151
2013-15 Legislative Appropriations	340.30	21,254,428	149,674,553	170,928,981
Increase (Decrease)	15.00	\$12,593,930	\$2,527,240	\$15,121,170

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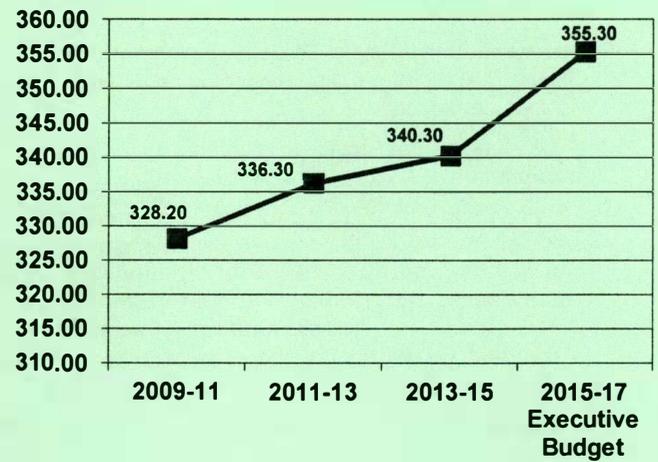
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$27,298,358	\$6,550,000	\$33,848,358
2013-15 Legislative Appropriations	19,939,428	1,315,000	21,254,428
Increase (Decrease)	\$7,358,930	\$5,235,000	\$12,593,930

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$33,848,358	\$152,201,793	\$186,050,151
2015-17 Base Level	19,939,428	149,674,553	169,613,981
Increase (Decrease)	\$13,908,930	\$2,527,240	\$16,436,170

First House Action

Attached as an appendix is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Executive Budget Highlights  
 (With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$3,673,827 relates to performance increases, \$197,482 is for market equity adjustments, \$1,498,285 is for health insurance increases, and \$389,196 is for retirement contribution increases. The House provided funding for performance salary increases of 2 to 4 percent per year and funding for health insurance increases, but did not include funding for market equity increases or funding for retirement contribution increases.	\$1,136,657	\$4,622,133	\$5,758,790

2. Provides funding to implement multifactor authentication as required by criminal justice information security guidelines including 4 information system security analyst FTE positions. <b>The House provided 3 new system security analyst FTE positions and related funding.</b>	\$537,001	\$467,000	\$1,004,001
3. Provides funding for higher education video services including 1 telecommunications analyst FTE position	\$0	\$225,000	\$225,000
4. Provides funding for development, maintenance, and enhancement of ConnectND project including 1 FTE position transferred from the Office of Management and Budget	\$0	\$225,000	\$225,000
5. Adds funding to implement desktop support services for state employees including 2 desktop support computer and network specialist FTE positions	\$0	\$1,812,000	\$1,812,000
6. Provides funding for 1 electronic records manager FTE position to pursue planning and implementation of digital archives. <b>The House did not provide the FTE position and related funding.</b>	\$210,000	\$0	\$210,000
7. Provides funding for the statewide longitudinal data system for ongoing operations and 1 programmer analyst FTE position	\$3,500,000	\$0	\$3,500,000
8. Increases funding for operational changes, including \$2 million for anticipated increases in software maintenance fees from software vendors	\$53,506	\$3,855,940	\$3,909,446
9. Increases funding for operations equipment purchases including \$8.6 million for information technology equipment purchases and replacement costs	\$0	\$9,150,000	\$9,150,000
10. Adds funding for costs to continue operations of the K-12 network	\$600,000	\$0	\$600,000
11. Provides <b>one-time funding</b> for continued development of selected projects for the criminal justice information system. <b>The House did not provide the funding for the project. Additionally, the House removed from the base budget 3 FTE positions and all funding for the criminal justice information sharing system transferred to the Attorney General.</b>	\$1,000,000	\$0	\$1,000,000
12. Provides <b>one-time funding</b> for contractor and development expenses to continue the statewide longitudinal data system project. <b>The House did not provide funding for the project.</b>	\$4,500,000	\$0	\$4,500,000
<b>Center for Distance Education</b>			
13. Provides funding for the Center for Distance Education for K-12 education, including 4 teacher FTE positions and 1 programmer analyst FTE position. <b>The House did not provide the new FTE positions and related funding.</b>	\$1,539,149	\$997,279	\$2,536,428
<b>Educational Technology Council</b>			
14. Provides <b>one-time funding</b> for the Education Technology Council for a grant program for K-12 education to provide wireless infrastructure, to provide students with access to Internet services and to expand instructional coaching for teachers	\$1,050,000	\$0	\$1,050,000

### 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.

**Legislative Intent - Radio Communications** - It is the intent of the 64<sup>th</sup> Legislative Assembly that the Information Technology Department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the 64<sup>th</sup> Legislative Assembly that the Information Technology Department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the Statewide Interoperability Executive Committee.

### **Continuing Appropriations**

There are no continuing appropriations for this agency.

### **Major Related Legislation**

**Senate Bill No. 2160** - Provides an appropriation of \$750,000 from the general fund to the Information Technology Department for a health information hub office and a health information hub executive committee.

**House Bill No. 1011** - Provides legislative intent that the Information Technology Department be responsible for the oversight of the installation of any radio communications equipment by an executive branch state agency and to develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study.

**House Bill No. 1053 - Centralized Desktop Support Services** - Requires state agencies to obtain centralized desktop support services from the Information Technology Department, except the legislative and judicial branches and selected other large state agencies, based on the results of a hardware relocation and consolidation study.

**Information Technology Department - Budget No. 112  
House Bill No. 1021  
Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2015-17 Biennium Base Level</b>	340.30	\$19,939,428	\$149,674,553	\$169,613,981	340.30	\$19,939,428	\$149,674,553	\$169,613,981
<b>2015-17 Ongoing Funding Changes</b>								
Base payroll changes		\$80,728	\$423,488	\$504,216		\$72,504	\$423,488	\$495,992
Salary increase - Performance		651,501	3,022,326	3,673,827		405,754	2,264,521	2,670,275
Salary increase - Market		112,609	84,873	197,482				0
Retirement increase		76,819	312,377	389,196				0
Health insurance increase		295,728	1,202,557	1,498,285		243,912	1,202,557	1,446,469
FTE information systems security analysts	4.00	537,001	467,000	1,004,001	3.00	286,001	467,000	753,001
FTE Telecommunications analyst	1.00		225,000	225,000	1.00		225,000	225,000
Transfers FTE from OMB for ConnectND project	1.00		225,000	225,000	1.00		225,000	225,000
New FTE teachers and programmer analyst	5.00	1,539,149	997,279	2,536,428				0
New FTE desktop support specialists	2.00		1,812,000	1,812,000	2.00		1,812,000	1,812,000
New FTE programmer analyst and ongoing operations	1.00	3,500,000		3,500,000	1.00	3,500,000		3,500,000
New FTE digital archives	1.00	210,000		210,000				0
Criminal justice information system security package		60,000		60,000				0
Cost to continue K-12 area network		600,000		600,000		600,000		600,000
Operational changes		53,506	3,855,940	3,909,446		53,506	3,811,940	3,865,446
ITD operations equipment			9,150,000	9,150,000			9,150,000	9,150,000
K-12 center for distance education college and career readiness		250,000		250,000				0
Removes 2013-15 capital assets and federal funds		(608,111)	(19,250,600)	(19,858,711)		(608,111)	(19,250,600)	(19,858,711)
Removes base level for criminal justice information system				0	(3.00)	(2,258,373)	(842,000)	(3,100,373)
<b>Total ongoing funding changes</b>	<b>15.00</b>	<b>\$7,358,930</b>	<b>\$2,527,240</b>	<b>\$9,886,170</b>	<b>5.00</b>	<b>\$2,295,193</b>	<b>(\$511,094)</b>	<b>\$1,784,099</b>
<b>One-time funding items</b>								
K-12 Educational Technology Council grants		\$1,050,000		\$1,050,000		\$1,050,000		\$1,050,000
Criminal justice information system projects		1,000,000		1,000,000				0
Statewide longitudinal data systems		4,500,000		4,500,000				0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$6,550,000</b>	<b>\$0</b>	<b>\$6,550,000</b>	<b>0.00</b>	<b>\$1,050,000</b>	<b>\$0</b>	<b>\$1,050,000</b>
<b>Total Changes to Base Level Funding</b>	<b>15.00</b>	<b>\$13,908,930</b>	<b>\$2,527,240</b>	<b>\$16,436,170</b>	<b>5.00</b>	<b>\$3,345,193</b>	<b>(\$511,094)</b>	<b>\$2,834,099</b>
<b>2015-17 Total Funding</b>	<b>355.30</b>	<b>\$33,848,358</b>	<b>\$152,201,793</b>	<b>\$186,050,151</b>	<b>345.30</b>	<b>\$23,284,621</b>	<b>\$149,163,459</b>	<b>\$172,448,080</b>

**Other Sections in House Bill No. 1021**

Line item transfers

**Executive Budget Recommendation**  
Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.

**House Version**  
Section 3 authorizes the Office of Management and Budget to make transfers of funds between line items as necessary for the development and implementation of information technology projects.

2.4

Legislative intent - Radio communications

Executive Budget Recommendation

House Version

Adds legislative intent that the Information Technology Department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the 65<sup>th</sup> Legislative Assembly that the Information Technology Department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee.

2.5

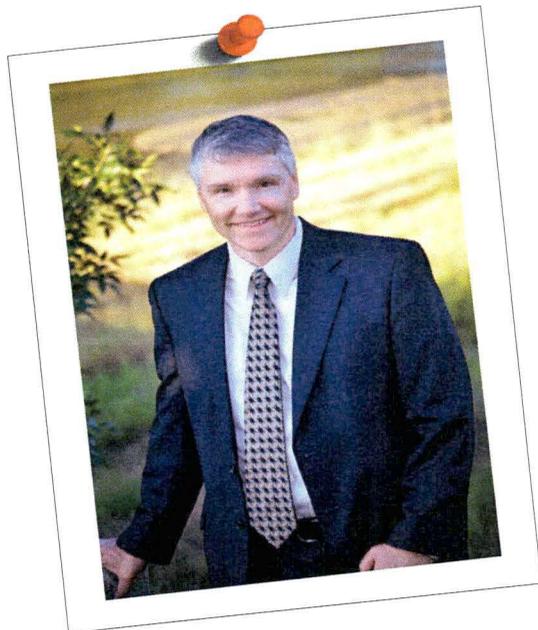


# 3

HB 1021

3.27-15

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## HB 1021 Information Technology Department

Presentation to the  
Senate Appropriations Committee

Mike Ressler  
CIO

March 5, 2015  
Harvest Room





*ITD Programs*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations				
K-12 Network				
Geographic Information System				
Statewide Longitudinal Data System				
Educational Technology Council				
Center for Distance Education				
EduTech				
Criminal Justice Information Sharing				
Health Information Technology				
<b>Total</b>				



North Dakota  
Information Technology Department

2013-15 Budget

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	843,166	127,549,748	4,300,000	132,692,914
K-12 Network	4,864,216	100,000	-	4,964,216
Geographic Information System	1,394,997	-	75,000	1,469,997
Statewide Longitudinal Data System	5,530,843	-	-	5,530,843
Educational Technology Council	1,228,322	100,000	500,000	1,828,322
Center for Distance Education	4,238,173	2,052,536	-	6,290,709
EduTech	3,344,828	5,210,125	-	8,554,953
Criminal Justice Information Sharing	3,136,263	192,000	650,000	3,978,263
Health Information Technology	378,377	4,445,144	4,500,000	9,323,521
<b>Total</b>	<b>24,959,185</b>	<b>139,649,553</b>	<b>10,025,000</b>	<b>174,633,738</b>



## ITD Operations

Program	General Funds	Special Funds	Federal Funds	Total
House Budget	1,052,315	133,812,956	2,013,121	136,878,392
2015 - 17 Request	1,451,298	134,893,460	2,013,121	138,357,879
Difference	- 398,983	- 1,080,504	0	- 1,479,487
2013 - 15 Budget	843,166	127,549,748	4,300,000	132,692,914

Governor's Salary Package      **67,332**                      **4,336,835**                      **4,404,167**



## ITD Operations

### Security Focused

2 New Positions in ITD Operations (**Special Funds**)

Dedicated to server patching and network configuration

**\$467,000**

### **House Did Not Fund**

1 New Position located in ND Fusion Center (**General Funds**)

**\$251,000**



## ITD Operations

# Desktop Support Services

2 New Positions + Hardware / Software (Special Funds)

\$1,812,000

Ten agencies were provided funding in Governor's Budget

- Auditors Office
- Center for Tobacco
- Council on the Arts
- Dept. of Agriculture
- Dept. of Labor
- Indian Affairs
- Protection and Advocacy
- Secretary of State
- Securities
- State Treasurer



## ITD Operations

### Digital Archives

# *House Did Not Fund*

1 New Records Management Position (General Funds)

**\$210,000**

Tournesol Consulting Study recommended 2 FTE

( 1 in ITD and 1 in State Historical Society – Digital Archivist )

Also recommendation in the State Historical Society budget is:

\$200,000 for contract labor

\$236,800 for ITD hosting fees (disk storage and backup)



## ITD Operations

### Additional Support Services

1 Video technician / person transferred from Higher Ed (Special Funds)

**\$225,000**

1 ConnectND developer / position transferred from OMB (Special Funds)

**\$225,000**



## K-12 Network

ITD provides network bandwidth, Internet access, and now video services to the schools

Ethernet (10MB to 100MB) circuits

Approximately 64% or \$ 3,700,000 is paid by the Federal E-rate program each biennium

ITD renewed network and Internet contract with Dakota Carrier Network (DCN)



### K-12 Network

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	4,906,161	100,000		5,006,161
2015 – 17 Request	4,916,268	100,000		5,016,268
Difference	- 10,107	0		- 10,107
2013 – 15 Budget	4,864,216	100,000		4,964,216



## Geographic Information Systems (GIS)

GIS is the use of computer systems for storing, assembling, manipulating, and displaying geographically referenced material.

Prior to the creation of the GIS hub State government agencies were creating and storing data separately with numerous versions. Data sharing was problematic.

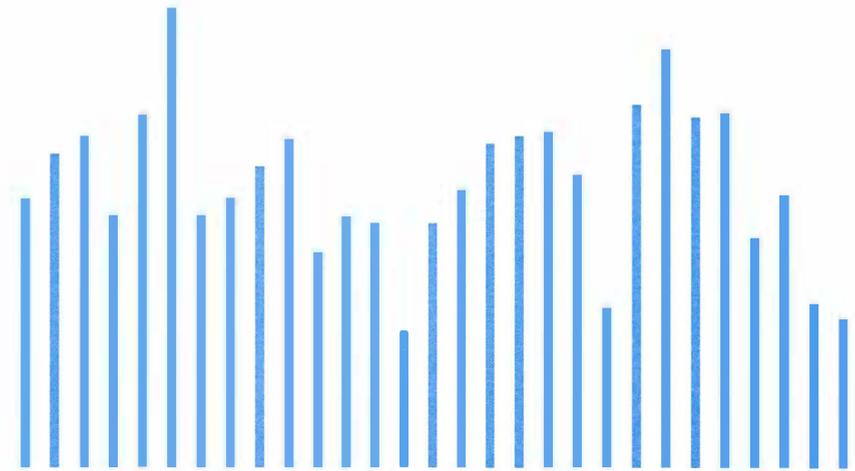


## GIS Program Examples / Activity



### ND DES Base Map Project

GIS Hub web services  
average 2.4 million  
transactions/month



### Visual ND - Applications

Click on a thumbnail image to view the content. You may find it helpful to use the search tool, switch between grid view/list view, or to click one of the items in the sort bar.

Search more

Sort by: Date | Title | Type | Rating | Avg. Rating | Comments | Views

- North Dakota Snowmobile Trails**  
Web Mapping Application by NDDOTHub. Last Modified Sep 26, 2014  
Snowmobile trails courtesy of Snowmobile North Dakota and HD Parks and Recreation  
(12 views)
- North Dakota Department of Agriculture Weed and Other Mapping**  
Web Mapping Application by NDDOTHub. Last Modified Aug 20, 2014  
Tracks and weed weeds over time to see the progress of weed control over several years. You are also able to view Agency, Organic farms, Vineyards and Winery locations in North Dakota  
(13 views)
- NDDOT Construction Projects**  
Web Mapping Application by NDDOTGIS. Last Modified Jul 23, 2014  
Shows NDDOT construction projects.  
(28 views)
- FLOTS Guide**  
Web Mapping application by NDDOTFish. Last Modified Apr 4, 2014  
North Dakota Game and Fish Department FLOTS Guide  
(4,815 views)
- Fishery Status and Driving Directions**  
Web Mapping Application by NDDOTFish. Last Modified Apr 4, 2014  
Fishery Status and Driving Day users & ND Game and Fish Department Fall/Winter status  
(426 views)

These applications are contributed by state agencies

These applications are to be used within a web browser running on a PC or mobile device. These can be mapping applications and non-mapping applications.

### Visual ND

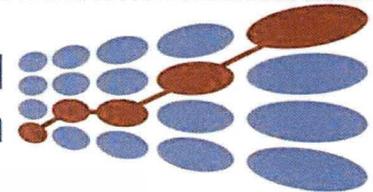


## Geographic Information Systems (GIS)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	<b>1,197,016</b>		<b>75,000</b>	<b>1,272,016</b>
2015 – 17 Request	<b>1,201,710</b>		<b>75,000</b>	<b>1,276,710</b>
Difference	<b>- 4,694</b>		<b>0</b>	<b>- 4,694</b>
2013 – 15 Budget	<b>1,394,997</b>		<b>75,000</b>	<b>1,469,997</b>



## Statewide Longitudinal Data System



### SLDS Committee Membership

- Higher Education
- Dept. of Public Instruction
- Chief Information Officer
- Career & Technical Education
- Job Service
- Commerce Dept.
- Human Services
- Educational Technology Council
- ND Council of Educational Leaders
- Workforce Development Council
- 2 Members of Legislative Assembly
  - Rep. Mike Nathe
  - Sen. Don Schaible



## Business Intelligence Competency Center

### Statewide Longitudinal Data System (SLDS)

**\$ 5,533,401**  
General Funds

ITD  
SLDS Program  
**\$ 4,500,000**  
General Funds

Workforce  
Job Service  
**\$1,005,000**  
Federal Funds

K-12  
DPI  
**\$ 6,723,090**  
Federal Funds

Higher Ed  
**\$ 3,900,000**  
Federal Funds

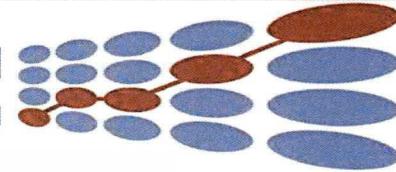
### Other State Initiatives

OMB  
Human Services  
Treasurer  
DOT  
DHS Eligibility  
K-12 Identity Mgmt

Special Funds



## Statewide Longitudinal Data System

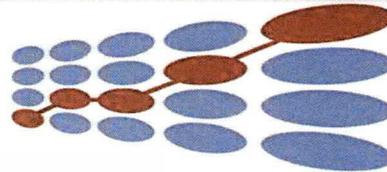


### Program Status

- ✓ New web portal with research reports and data dictionary included at <https://slds.ndcloud.gov>
- ✓ Expansion of SLDS environment that supports K12, Workforce and now NDUS warehouses
  - Completed the K12 and JSND grant objectives, currently executing NDUS grant
  - Progressed with NDUS warehouse to provide historical time injected
- ✓ Completed first iteration on a teacher student support dashboard which includes (enrollment, course schedules, course outcomes, attendance, program participation, transcript)
  - Predictive Analytics performed on ND HS graduates requiring remediation in ND colleges and a risk indicator is now available on teacher dashboards predicting the need for remediation
  - Approximately 3,500 school teachers and school administrators have been trained in the use of school and student dashboards in the SLDS
- ✓ Completed School / District / REA Performance Dashboards for K12 schools and districts
- ✓ Continue supporting Succeed 20/20 measures and AdvancED
- ✓ Included NDCDE students in the SLDS for NDCDE to evaluate student data



## Statewide Longitudinal Data System

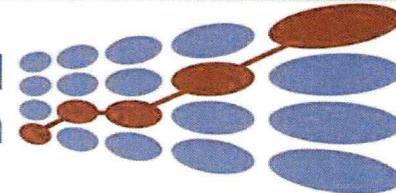


### Program Status

- ✓ Performing training on use of the SLDS for teachers and administrators as well as advanced trainings on using data in the class-room.
- ✓ Completing security interface which requires districts to reauthorize all their SLDS users yearly.
- ✓ Performed research on postsecondary remediation effectiveness, Advanced Placement and Dual Credit courses, postsecondary employment transition and associate degree on-time completion. Research results are publically available on the SLDS site.
- ✓ Rollout and finishing eTranscripts
  - All 11 ND institutions
  - Private: Univ. of Mary, Jamestown, M State, Minn. Community Colleges, Northland Community in MN
  - Statewide high school training through winter 2015, over 80 districts have been trained
- ✓ Currently piloting a student/parent portal from PowerSchool into eTranscripts / education portal. Students and parents will be able to request transcripts be sent and in the future apply for the ND State Scholarship and potentially start the application to college from this site.



## Statewide Longitudinal Data System



### General Funds

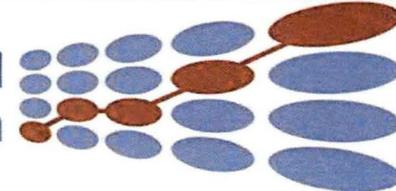
\$3,500,000

K-12 Grant and Workforce Grant have expired  
Need General Funds to maintain program

Requesting 1 new position – technical position (ETL)



## Statewide Longitudinal Data System



### General Funds

### House Did Not Fund

**\$4,500,000** one-time funding for enhancing the K-12, Workforce, and Higher Education data warehouses:

- Reauthorization of Workforce Investment Act - measure all programs providing service
- 2<sup>nd</sup> generation of teacher & school dashboards which allow interaction to measure interventions
- Adult Ed, CTE data sets
- Job Service research and reports on supply and demand of workforce
- Include private workforce development and training data (tribal colleges WFD grants)
- NDUS warehouse
- BI Tool reporting system
- Education Portal Expansions
  - ND Scholarship
  - ND College application integration
  - eTranscript expansions / interface to NDUS imaging system
- Predictive Analytics and Visualization



## State Longitudinal Data System (SLDS)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	5,505,409			5,505,409
2015 – 17 Request	10,033,401			10,033,401
Difference	- 4,527,992			- 4,527,992
2013 – 15 Budget	5,530,843			5,530,843



## North Dakota Educational Technology Council

### Mission

Develop technology systems and coordinate their use to enhance and support educational opportunities for elementary and secondary education.



## ETC Membership

### Voting Members

ND Chief Information Officer  
NDUS-Chief Information Officer  
ND Assn. of Technical Leaders  
ND Career & Technical Education  
ND Council of Education Leaders  
ND School Board Assn.  
ND Special Education Directors  
State Assn. of Non-Public Schools  
Two School District Reps (one teacher)  
Two Dept. of Public Instruction Representatives

### Non-Voting Members

Director of ND ETC  
Director of the ND CDE  
Director of EduTech

Jody French, Director  
ND ETC

Alan Peterson, Director  
ND Center for Distance Ed

Rob Kaspari, Director  
EduTech



## North Dakota Educational Technology Council

### General Funds

Staffing & Programs	\$ 519,698
Build Grants for Schools	<u>\$ 1,595,000</u>
<b>Total General Funds</b>	<b>\$ 2,114,698</b>

The Build Grant Program will improve wireless infrastructure, increase student access to internet connected services and expand instructional coaching for educators. Funds granted to schools will require a 50% match.



## *Educational Technology Council (ETC)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	2,107,304	100,000	500,000	2,707,304
2015 – 17 Request	2,114,698	100,000	500,000	2,714,698
Difference	- 7,394	0	0	- 7,394

2013 – 15 Budget	1,228,322	100,000	500,000	1,828,322
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**\$ 1,050,000 is one-time**



## Mission

Ensure that all North Dakota middle and high school students, regardless of location, have equal access to educational opportunities that meet or exceed all expectations for the quality of student learning.



**ndCDE** North Dakota  
**CENTER FOR DISTANCE EDUCATION**

**NDCDE is a Necessary Component of North Dakota's Education System:  
Recent Growth is a Reflection of Need.....not Want**

- 2009 / 2011 School Years
  - 73 ND Schools / year – 1,224 Total Student Enrollments
  - 12 ND Schools – 30 classes taught by CDE (no local teacher available)
- 2013 / 2015 School Years ( Projected by June 30, 2015 )
  - 168 ND Schools / year – 8,500 Total Student Enrollments
  - 60 ND Schools – 116 classes taught by CDE (no local teacher available)
- 2015 / 2017 School Years ( Projected )
  - 180 ND Schools – 9,000 Student Enrollments
  - 70 ND Schools --- 160 classes taught by CDE (no local teacher available)

*\*300 retired teachers were persuaded to fill 300 unfilled positions in ND for 2014 / 2015*



## Why is NDCDE Growing so Aggressively?

### **NDCDE Systematically Assesses Customer Needs. NDCDE's Findings:**

- ND Schools cannot find qualified teachers for both core and elective courses.
- Special student needs cannot be met by several ND schools.
- Alternative schools are not available to ND rural students.
- Advanced classes, including Advanced Placement (AP) courses, are not available to hundreds of ND students.
- Remedial classes are not available to hundreds of students.
- There are dozens of schedule mismatches within schools, and between schools, many impacting students' access to courses.



## *House Did Not Fund*

**\$ 1,789,149** (General Funds)      **\$ 997,279** (Special Funds)

Funding for program growth

State pays 67% of class for ND students / schools

Requesting 5 new positions (General Funds)

Math Teacher ; English Teacher ; Social Studies Teacher

Science Teacher ; Curriculum Specialist

Funding for temporary teacher positions (General Funds)

Funding for curriculum growth (Special Funds)

Funding for college and career readiness (General Funds)



**ndCDE** North Dakota  
**CENTER FOR DISTANCE EDUCATION**

### **NDCDE's Services are Cost Effective**

- \$1,000,000 provided to a ND High School produces 600 academic credits
- \$1,000,000 provided to NDCDE produces 1,200 academic credits

#### **Viewed another way –**

8 courses with 7 students in each would cost a ND school approximately \$24,000 for a part-time teacher, instructional materials and textbooks.

The same scenario with NDCDE providing the teacher and courses would cost \$5,600 plus the cost of a para or proctor (no books).

#### **House reductions to HB 1021 will result in –**

- *2,000 less academic credits available to ND students*
- *4,000 ND students unable to access 4,000 courses over 2 years*
- *Less students qualified for ND scholarships and prepared for college or work*



## Center for Distance Education (CDE)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	4,555,225	2,052,721		6,607,946
2015 – 17 Request	6,483,666	3,050,000		9,533,666
Difference	- 1,928,441	- 997,279		- 2,925,720
2013 – 15 Budget	4,238,173	2,052,536		6,290,709



## Mission

Provide North Dakota educators and students with opportunities that extend learning in the classroom and beyond focusing on the use of technology to improve student achievement.



# EDUTECH

education technology services

## Services to Schools

**PowerSchool Services** to provide training, implementation and support to schools that use PowerSchool – deployed in all public schools

**Partnership with DPI** to provide training and technical readiness support for the on-line NDSA in 2015.

**Professional Development** for PK-12 educators to use software/hardware and to integrate technology into classroom instruction

**Regional IT Specialists** to deliver customized professional development and instructional coaching to educators in their regions

**Statewide K12 Active Directory** and Office365 for Schools.



# EDUTECH

education technology services

## Services to Schools

**IT Services** to provide e-mail, web hosting, internet filtering, desktop anti-virus and blogging/podcasting services

**E-rate Support Services** to provide training and compliance information

**Helpdesk Services** to support customers in the use of EduTech's services such as PowerSchool, Office 365 and internet filtering

**Videoconference Enrichment Events** to offer students and teachers the opportunity to participate in national/international collaborations, content programs and professional development

**Sponsor the Positive Social Media ND Tour** featuring Kat Perkins



# EDUTECH

education technology services

Requesting 1 new security position (General Funds)

Provide training / best practices for K-12 schools

\$225,000



## EduTech

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	<b>3,563,397</b>	<b>5,524,098</b>		<b>9,087,495</b>
2015 – 17 Request	<b>3,843,707</b>	<b>5,586,780</b>		<b>9,430,487</b>
Difference	<b>- 280,310</b>	<b>- 62,682</b>		<b>- 342,992</b>

2013 – 15 Budget	<b>3,344,828</b>	<b>5,210,125</b>		<b>8,554,953</b>
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Governor's Salary Package	<b>239,989</b>	<b>222,317</b>	<b>462,306</b>
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## *Criminal Justice Information Sharing (CJIS)*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	0	0	0	0
2015 – 17 Request	3,400,219	236,000	650,000	4,286,219
Difference	- 3,400,219	- 236,000	- 650,000	- 4,286,219

2013 – 15 Budget	3,136,263	192,000	650,000	3,978,263
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Moved the CJIS Program over to the Attorney General's Office



## ND HIT Advisory Committee



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

- **Governor's Office** – representing state government interests
- **North Dakota Legislature** – representing state legislature
- **Center for Rural Health** – representing rural healthcare facilities/communities & academic institutions
- **ND State CIO** – representing state government interests
- **ND Department of Health** – representing the Department of Health
- **ND Department of Human Services** – representing the Department of Human Services
- **North Dakota Health Care Review** - representing Quality Improvement Organization (QIO)
- **ND Medical Association** – representing physicians
- **ND Healthcare Association** – representing hospitals
- **ND BlueCross BlueShield** - representing third-party payer
- **ND Health Information Management Association (HIMA)** - representing health information management workforce
- **Local Public Health Unit** – representing local public health units
- **AARP** – representing consumers
- **Large tertiary and small rural hospitals** – representing hospitals
- **Long Term Care Association** – representing long term care
- **EMS Association** – representing EMS



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

170+ Organizations have signed Participation and Business Associate Agreements with NDHIN

6 Prospective Payment Hospitals

36 Critical Access Hospitals

Public health organizations, long term care, pharmacies, clinics etc.

Direct Secure Messaging

Web based Direct – 680+ users

XDR Direct (EHR system functionality) – 1,500+ users

Query Based Services

Onboarding over 50 organizations right now (data providers)

Unique Patient Records – 615,000 (Nov 2014)

User Accounts set up to access patient data – 1,000 + providers (Nov 2014)

Automatic Immunization, reportable conditions and syndromic reporting to the Health Department

Future Functionality: Medication information and image exchange



# North Dakota Health Information Technology

*Quality Healthcare for all North Dakotans - Anywhere, Anytime*

<b>Health Information Technology Office</b>	<b>\$ 403,391</b>
<b>Operations</b> ( Provides authority for billing stakeholders )	<b>\$ 4,497,432</b>
<b>Federal Appropriation</b> ( Potential grants)	<b><u>\$ 500,000</u></b>
<b>Total 2015-17 Budget Request</b>	<b>\$ 5,400,823</b>



## Health Information Technology (HIT)

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
House Budget	397,794	4,485,563	500,000	5,383,357
2015 – 17 Request	403,391	4,497,432	500,000	5,400,823
Difference	- 5,597	- 11,869	0	- 17,466
2013 – 15 Budget	378,377	4,445,144	4,500,000	9,323,521



*Governor's 2015–17 Budget Request*

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	1,451,298	134,893,460	2,013,121	138,357,879
K-12 Network	4,916,268	100,000	-	5,016,268
Geographic Information System	1,201,710	-	75,000	1,276,710
Statewide Longitudinal Data System	10,033,401	-	-	10,033,401
Educational Technology Council	2,114,698	100,000	500,000	2,714,698
Center for Distance Education	6,483,666	3,050,000	-	9,533,666
EduTech	3,843,707	5,586,780	-	9,430,487
Criminal Justice Information Sharing	-	-	-	0
Health Information Technology	403,391	4,497,432	500,000	5,400,823
<b>Total</b>	<b>30,448,139</b>	<b>148,227,672</b>	<b>3,088,121</b>	<b>181,763,932</b>



2015–17 Budget Changes

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	608,132	7,343,712	- 2,286,879	5,664,965
K-12 Network	52,052			52,052
Geographic Information System	- 193,287			- 193,287
Longitudinal Data System	4,502,558			4,502,558
Educational Technology Council	886,376			886,376
Center for Distance Education	2,245,493	997,464		3,242,957
EduTech	498,879	376,655		875,534
Criminal Justice Information Sharing	- 3,136,263	- 192,000	- 650,000	- 3,978,263
Health Information Technology	25,014	52,288	- 4,000,000	- 3,922,698
Difference	5,488,954	8,578,119	- 6,936,879	7,130,194



## ITD 2015–17 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
2015 – 17 Request	30,448,139	148,227,672	3,088,121	181,763,932	352.3
2013 – 15 Budget	24,959,185	139,649,553	10,025,000	174,633,738	340.3
Difference	5,488,954	8,578,119	- 6,936,879	7,130,194	12.0

\$ 5,550,000 is one-time



House 2015–17 Budget

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	1,052,315	133,812,956	2,013,121	136,878,392
K-12 Network	4,906,161	100,000	-	5,006,161
Geographic Information System	1,197,016	-	75,000	1,272,016
Statewide Longitudinal Data System	5,505,409	-	-	5,505,409
Educational Technology Council	2,107,304	100,000	500,000	2,707,304
Center for Distance Education	4,555,225	2,052,721	-	6,607,946
EduTech	3,563,397	5,524,098	-	9,087,495
Criminal Justice Information Sharing	-	-	-	0
Health Information Technology	397,794	4,485,563	500,000	5,383,357
<b>Total</b>	<b>23,284,621</b>	<b>146,075,338</b>	<b>3,088,121</b>	<b>172,448,080</b>



House 2015–17 Budget Changes

<b>Program</b>	<b>General Funds</b>	<b>Special Funds</b>	<b>Federal Funds</b>	<b>Total</b>
ITD Operations	- 398,983	- 1,080,504		- 1,479,487
K-12 Network	- 10,107			- 10,107
Geographic Information System	- 4,694			- 4,694
Longitudinal Data System	- 4,527,992			- 4,527,992
Educational Technology Council	- 7,394			- 7,394
Center for Distance Education	- 1,928,441	- 997,279		- 2,925,720
EduTech	- 280,310	- 62,682		- 342,992
Criminal Justice Information Sharing				
Health Information Technology	- 5,597	- 11,869		- 17,466
Difference	- 7,163,518	- 2,152,334		- 9,315,852



## House Amendment

### **SECTION 4. LEGISLATIVE INTENT - RADIO COMMUNICATIONS.**

It is the intent of the sixty-fourth legislative assembly that the information technology department be responsible for the oversight of the installation of any statewide radio communications equipment by an executive branch state agency in the most cost-effective manner. It is further the intent of the sixty-fourth legislative assembly that the information technology department develop a process to implement the recommendations of the North Dakota statewide radio system assessment and evolution study as presented to the statewide interoperability executive committee.



THANK YOU!!!

April 8, 2015

4.9.15  
 #1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

Page 1, remove lines 12 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$51,553,251	\$6,559,964	\$58,113,215
Accrued leave payments	2,626,084	(2,626,084)	0
Operating expenses	64,734,643	5,029,479	69,764,122
Capital assets	12,500,600	(3,650,600)	8,850,000
Center for distance education	5,868,391	3,128,214	8,996,605
Statewide longitudinal data system	1,870,754	6,129,907	8,000,661
Educational technology council	1,614,609	1,091,338	2,705,947
EduTech	8,052,094	1,247,897	9,299,991
K-12 wide area network	4,928,177	75,271	5,003,448
Geographic information system	1,245,294	26,044	1,271,338
Health information technology office	4,750,723	629,921	5,380,644
Criminal justice information sharing	3,069,361	(3,069,361)	0
Federal stimulus funds	<u>6,800,000</u>	<u>(6,800,000)</u>	<u>0</u>
Total all funds	\$169,613,981	\$7,771,990	\$177,385,971
Less estimated income	<u>149,674,553</u>	<u>305,431</u>	<u>149,979,984</u>
Total general fund	\$19,939,428	\$7,466,559	\$27,405,987
Full-time equivalent positions	340.30	10.00	350.30"

Page 2, after line 12, insert:

"Statewide longitudinal data system	0	2,500,000"
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Page 2, replace lines 14 through 16 with:

"Total all funds	\$1,315,000	\$3,550,000
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	\$1,315,000	\$3,550,000"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Information Technology Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$51,553,251	\$58,290,270	(\$177,055)	\$58,113,215
Operating expenses	64,734,643	69,738,122	26,000	69,764,122
Capital assets	12,500,600	8,850,000		8,850,000
Center for distance education	5,868,391	6,607,946	2,388,659	8,996,605
Statewide longitudinal data system	1,870,754	5,505,409	2,495,252	8,000,661
Educational technology council	1,614,609	2,707,304	(1,357)	2,705,947
EduTech	8,052,094	9,087,495	212,496	9,299,991
K-12 wide area network	4,928,177	5,006,161	(2,713)	5,003,448
Geographic information system	1,245,294	1,272,016	(678)	1,271,338
Health information technology office	4,750,723	5,383,357	(2,713)	5,380,644
Criminal justice information sharing	3,069,361			

Federal stimulus	6,800,000			
Accrued leave payments	2,626,084			
Total all funds	\$169,613,981	\$172,448,080	\$4,937,891	\$177,385,971
Less estimated income	149,674,553	149,163,459	816,525	149,979,984
General fund	\$19,939,428	\$23,284,621	\$4,121,366	\$27,405,987
FTE	340.30	345.30	5.00	350.30

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

	Adjusts Funding for Health Insurance Premium Increases <sup>1</sup>	Adds Funding for Centers for Distance Education <sup>2</sup>	Adds Funding for Security Analyst <sup>3</sup>	Adds One-Time Funding for Statewide Longitudinal Data System <sup>4</sup>	Total Senate Changes
Salaries and wages	(\$177,055)				(\$177,055)
Operating expenses			26,000		26,000
Capital assets					
Center for distance education	(17,638)	2,406,297			2,388,659
Statewide longitudinal data system	(4,748)			2,500,000	2,495,252
Educational technology council	(1,357)				(1,357)
EduTech	(20,351)		232,847		212,496
K-12 wide area network	(2,713)				(2,713)
Geographic information system	(678)				(678)
Health information technology office	(2,713)				(2,713)
Criminal justice information sharing					
Federal stimulus					
Accrued leave payments					
Total all funds	(\$227,253)	\$2,406,297	\$258,847	\$2,500,000	\$4,937,891
Less estimated income	(180,754)	997,279	0	0	816,525
General fund	(\$46,499)	\$1,409,018	\$258,847	\$2,500,000	\$4,121,366
FTE	0.00	4.00	1.00	0.00	5.00

<sup>1</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

<sup>2</sup> Funding is added for the Centers for Distance Education for K-12 education, including funding for temporary employees, software, contractual services and repairs (\$1,706,578), as well as 4 teacher FTE positions (\$678,791) and related salary increases (\$20,928).

<sup>3</sup> Funding is added for a security analyst FTE position (\$225,000) and related operating expenses (\$26,000) and salary increase (\$7,847) to provide security at the Fusion Center.

<sup>4</sup> One-time funding is added for contractor and development expenses to continue the statewide longitudinal data system project.

#2  
4-9-15  
NB 1021

# North Dakota Center for Distance Education (NDCDE)

NDCDE is a Necessary Component of North Dakota's Education System:  
Recent Growth is a Reflection of Need.....not Want  
Local Teachers are NOT Available

- 2009-11 School Years
  - 73 ND Schools / year – 1,224 Total Student Enrollments
  - 12 ND Schools – 30 classes taught by CDE
  
- 2011-13 School Years
  - 124 ND Schools / year – 3,650 Total Student Enrollments
  - 18 ND Schools – 54 classes taught by CDE
  
- 2013-15 School Years ( Projected by June 30, 2015 )
  - 168 ND Schools / year – 8,500 Total Student Enrollments
  - 60 ND Schools – 116 classes taught by CDE
  
- 2015-17 School Years ( Projected )
  - 180 ND Schools / year – 12,000 Student Enrollments
  - 70 ND Schools --- 160 classes taught by CDE

## 70% of ND Student Enrollments for 2013-15 are Core Courses

Enrollments are grouped by the following classifications:

- **Core:** English, Math, Science, and Social Studies
- **Required and Elective:** Business Education, Agriculture, PE/Health, World Languages, Family and Consumer Science, Advanced Placement, and Credit Recovery
- **Development:** College Lab for Math and English (CLEM)

4/B1021

April 22, 2015

Attachment A

Desktop Services Fiscal Worksheet

Desktop Services Calculations										2015 - 17 Appropriation Adjustments Needed			
Agencies included in Executive Recommendation	One-Time		Cost for 2015-2017 Biennium				2017-2019 Biennium			Included 15-17 Budget	Needed 15-17 Appropriation		
	General	Other	Ongoing		Total One-time and Ongoing		Total						
			General	Other	General	Other	General	Other	Total				
Secretary of State	77,805		96,000		173,805		173,805	102,240		102,240	96,000	77,805	
State Auditors			69,200	14,500	69,200	30,400	99,600	167,760	-	167,760	99,600		
State Treasurer			20,880		20,880	-	20,880	27,840		27,840	20,880		
Center for Tobacco		35,371					56,831		40,560	40,560	56,831		
Indian Affairs	9,775		12,000		21,775	-	21,775	15,120		15,120	21,775		
Protection and Advocacy			132,838		132,838	-	132,838	83,280		83,280	132,838		
Dept of Labor			46,118		46,118	-	46,118	32,640		32,640	46,118		
Securities			46,805		46,805	-	46,805	36,960		36,960	46,805		
Dept of Agriculture			352,912		352,912	-	352,912	317,760		317,760	352,912		
Council on the Arts			15,800		15,800	-	15,800	17,280		17,280	15,800		
<b>Total Executive Recommendation</b>	<b>87,580</b>	<b>35,371</b>	<b>792,553</b>	<b>35,960</b>	<b>880,133</b>	<b>87,231</b>	<b>967,364</b>	<b>800,880</b>	<b>40,560</b>	<b>841,440</b>	<b>889,559</b>	<b>77,805</b>	
Agencies w/ less than 40.00 FTE NEED Appropriations										Included 15-17 Budget	Needed 15-17 Appropriation		
FTE	One-Time		Cost for 2015-2017 Biennium				2017-2019 Biennium						
HB 1021 - ITD	General	Other	Ongoing		Total One-time and Ongoing		Total						
18.00 Governor's Office	45,200		52,560		97,760	-	97,760	52,560		52,560	-	97,760	
5.00 Admin Hearings		14,040		16,560		30,600	30,600		16,560	16,560	13,000	17,600	
37.00 Legal Council for Indigents	122,275		148,080		270,355	-	270,355	148,080		148,080	55,500	214,855	
33.00 ND Public Employees		77,370		94,080		171,450	171,450		94,080	94,080	18,500	152,950	
30.00 University System	81,750		93,600		175,350	-	175,350	93,600		93,600	-	175,350	
27.00 Career and Tech Ed	106,750		123,840		230,590	-	230,590	123,840		123,840	20,000	210,590	
8.00 Veterans Affairs	26,895		31,440		58,335	-	58,335	31,440		31,440	23,700	34,635	
6.00 Aeronautics		14,810		17,280		32,090	32,090		17,280	17,280	15,000	17,090	
29.00 Financial Institutions		77,485		89,040		166,525	166,525		89,040	89,040	100,200	66,325	
193.00 <b>Total Additional Costs - HB 1021</b>	<b>382,870</b>	<b>183,705</b>	<b>449,520</b>	<b>216,960</b>	<b>832,390</b>	<b>400,665</b>	<b>1,233,055</b>	<b>449,520</b>	<b>216,960</b>	<b>666,480</b>	<b>245,900</b>	<b>987,155</b>	
Exempt from Desktop Services:													
<i>Have IT Staff to support software systems; Fiduciary responsibility to use retirement funds efficiently</i>													
19.00 Retirement and Investment		61,315		73,920		135,235	135,235		73,920	73,920	31,250	103,985	
<i>Have IT Staff to support software systems; Fiduciary responsibility to use trust funds efficiently</i>													
31.00 Trust Lands		115,935		138,720		254,655	254,655		138,720	138,720	50,500	204,155	
<i>Have IT Staff - Support 12 additional libraries across the state as well as own agency</i>													
29.75 State Library		173,755		208,800		382,555	382,555		208,800	208,800	50,000	332,555	
272.75 Total all agencies under 40.00 FTE		556,625	360,955	658,320	429,600	1,214,945	790,555	2,005,500	658,320	429,600	1,087,920	377,650	1,627,850

## PROPOSED AMENDMENT - HOUSE BILL NO. 1021

This memorandum provides proposed provisions that may be included in an amendment to House Bill No. 1021.

**SECTION 5. AMENDMENT.** Section 8 of Senate Bill No. 2326, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

### **State agencies - Mandatory provision of information - Confidentiality.**

1. The information technology department may request from any state agency:
  - a. All information required by 20 U.S.C. 9871(e)(2)(D); **and**
  - b. Any other educational information the statewide longitudinal data system committee determines is required for a longitudinal data system to comply with state or federal law; and
  - c. Unemployment data from job service North Dakota for education and workforce development program evaluations.
2. Subject to applicable restrictions on the use and disclosure of confidential information required to comply with federal and state privacy laws, any state agency receiving a request for information under subsection 1 shall provide the information at the time and in the manner required by the information technology department.

HB 1021

April 22, 2015

Attachment A

15.9646.01000

Prepared for Representative Skarphol

## PROPOSED AMENDMENT - HOUSE BILL NO. 1021

This memorandum provides proposed provisions that may be included in an amendment to House Bill No. 1021.

**SECTION 6. APPROPRIATION - REPORT TO INFORMATION TECHNOLOGY COMMITTEE.** There is appropriated from special funds derived from federal funds the sum of \$500,000, or so much of the sum as may be necessary, to the information technology department for the purpose of hiring a consultant to provide a health data study, for the biennium beginning July 1, 2015, and ending June 30, 2017. Before July 1, 2016, the information technology department shall report the findings of the consultant to the information technology committee. The funding appropriated in this section is considered a one-time funding item.