NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

INFORMATION TECHNOLOGY COMMITTEE

Friday, January 18, 2008
Memorial Union, North Dakota State University
Horizon Building, Microsoft Fargo
Fargo, North Dakota

Senator Larry J. Robinson, Chairman, called the meeting to order at 8:30 a.m. at the Memorial Union, North Dakota State University (NDSU), Fargo.

Members present: Senators Larry J. Robinson, Richard Marcellais, Rich Wardner; Representatives Craig Headland, Kenton Onstad, Mark S. Owens, Robin Weisz; Chief Information Officer Lisa Feldner

Members absent: Senators Randel Christmann, Tom Seymour; Representatives Keith Kempenich, David Monson

Others present: Tony Grindberg, State Senator, Fargo

See attached appendix for additional persons present.

Chairman Robinson welcomed Representative Bob Skarphol, Legislative Council member, to the meeting.

It was moved by Senator Wardner, seconded by Representative Owens, and carried on a voice vote that the minutes of the November 16, 2007, meeting be approved as distributed.

Dr. Joseph A. Chapman, President, NDSU, welcomed the committee to campus. He said representatives of the university recently completed a successful two-week trip to India and Sri Lanka. He said the university's delegation visited five higher education institutions and returned with two signed agreements for future collaborations. He said global education allows the university's students to receive a broader, enhanced education.

REPORT FROM THE
CHIEF INFORMATION OFFICER

Ms. Lisa Feldner, Chief Information Officer, Information Technology Department, and representatives of the Information Technology Department provided:

- Updates on various information technology initiatives.
- Information regarding the department's strategic business plan for the 2007-09 biennium.
- A project startup report for the department's project management information system.

A copy of the information presented is on file in the Legislative Council office.

Updates on
Information Technology Initiatives

Ms. Feldner said 2007 House Bill No. 1219 authorizes the Information Technology Department to establish a statewide automated victim information and notification (SAVIN) system. In October 2007, she said, the department was awarded a grant from the United States Department of Justice for implementation of a SAVIN system. She said the Budget Section has deferred consideration of the department's request to accept the federal funds until its meeting in March 2008 at which time the department is to provide more information regarding ongoing costs associated with the SAVIN system. She said the interim Judiciary Committee has been assigned a study of the feasibility and desirability of establishing a SAVIN system as directed by House Bill No. 1219. She said the Judiciary Committee at its most recent meeting passed a motion encouraging the Budget Section to approve the department's request to accept the federal funds for the implementation of a SAVIN system.

In response to a question from Senator Robinson, Ms. Feldner said the estimated annual ongoing cost for the SAVIN system is $423,998. She said funding for the ongoing cost would need to be provided from the general fund.

Ms. Feldner said the Statewide Longitudinal Data System Committee is meeting regularly. She said the committee has established several working groups relating to privacy, security, existing data systems, data sharing, governance, and technical issues. She said the committee is working with representatives of the Department of Public Instruction to prepare a proposal for a federal grant to assist with the implementation of a statewide longitudinal data system.

In response to a question from Senator Robinson, Ms. Feldner said the Statewide Longitudinal Data System Committee includes representatives from the state's P-16 Education Task Force and the Governor's Commission on Education Improvement. She said the committee is working on identifying gaps in student data.

In response to a question from Representative Skarphol, Ms. Feldner said representatives of the Department of Commerce and Job Service North

Dakota are also involved with the Statewide Longitudinal Data System Committee.

Ms. Feldner said the Department of Transportation is working on an enhanced driver's license project. She said enhanced driver's licenses are being implemented in other states to allow residents to use their driver's license for crossing the Canadian border rather than a passport. She said the department has issued a request for information for enhanced driver's license software and has met with driver's license card vendors to determine costs relating to the new licenses.

In response to a question from Representative Onstad, Ms. Feldner said an enhanced driver's license would be voluntary and the Department of Transportation would charge those individuals interested in receiving an enhanced driver's license an additional fee. She said the state of Washington charges an additional fee of $15 for an enhanced driver's license.

In response to a question from Senator Robinson, Ms. Feldner said the state of Minnesota is also working on an enhanced driver's license project.

Representative Weisz said the Department of Transportation is considering charging an additional fee of $10 for an enhanced driver's license.

Ms. Feldner said in December 2004 the Information Technology Department awarded a contract for desktop and laptop acquisition to Hewlett Packard. Under the contract, she said, state agencies, higher education institutions, school districts, and political subdivisions are allowed to purchase a mainstream or power user desktop or a mainstream or power user laptop. She said from inception of the contract through September 2007, state agencies have spent $3,789,213 under the contract, resulting in savings of $1,449,053 from Western States Contracting Alliance (WSCA) prices. She said the total amount spent by all entities under the contract for the same period is $11,636,411, a savings of $4,635,055 from WSCA prices. The following is a summary of computer purchases through the contract from its inception through September 2007:

	State Agencies	Higher Education Institutions	School Districts	Political Subdivisions	Total
Desktop - Mainstream	14,484	2,420	26,862	6,707	50,473
Desktop - Power user	5,881	1,735	10,139	656	18,411
Laptop - Mainstream	5,330	3,057	3,303	939	12,629
Laptop - Power user	1,717	1,750	2,640	479	6,586
Total	27,412	8,962	42,944	8,781	88,099

In response to a question from Representative Skarphol, Ms. Feldner said the department will provide the committee with information regarding the current desktop and laptop prices under the contract with Hewlett Packard.

In November 2005 Ms. Feldner said the Information Technology Department established an information technology vendor pool to address the ongoing need for information technology contract professionals in a variety of skill-set categories. She said a state agency using the information technology contract pool will issue a work order to the applicable vendors, including a description of work, skill-sets required, and project schedule and deliverables. She said the vendors in the contract pool will respond with a project offer identifying staff and hourly rates. At the present time, she said, the vendor pool consists of 18 information technology service categories. She said the vendor pool contracts will be rebid in February 2008 and 20 additional information technology service categories will be added.

Information Technology Department - Strategic Business Plan

Mr. Mike J. Ressler, Deputy Chief Information Officer, Information Technology Department, distributed a copy of the department's 2007-09 strategic business plan, a copy of which is on file in the Legislative Council office. He said the

department's 2007-09 strategic business plan includes 23 objectives relating to the department's mission to provide leadership and knowledge to assist customers in achieving information technology. The following is a summary of the objectives included in the plan:

Perspectives	Objectives
Customer	Meet customer service delivery expectations Provide an "easy to do business with" environment Provide a positive customer experience Build and maintain strong relationships Provide information technology services as needed Provide value in information technology planning
Financial	Make cost-effective investments Manage revenue Align rates with customer business needs Manage statewide technology spending
Internal processes	Standardize processes and approaches Deliver reliable and available services Deliver solutions on schedule Deliver project on time and on budget Capture and follow up on customer feedback Continuous sharing and understanding of business needs Plan for technology change Facilitate enterprise architecture process and planning Deploy enterprise solutions
Learning and growth	Attract and hire quality people Maintain high employee satisfaction Support employee growth and development Retain talented employees

Other Information

Mr. Ressler said the Information Technology Department is in the process of completing a data center study to determine and document the future requirements of the department's data center. He said the department plans to present the recommendations from the study to the 2009 Legislative Assembly. He said the department has filled 25 of the 42 new full-time equivalent positions authorized for the 2007-09 biennium. He said employee recruitment and retention continues to be an important focus for the department.

In response to a question from Senator Robinson, Mr. Ressler said the department does communicate with the University System regarding information technology positions and necessary related skills. He said the department would like to see the institutions provide more courses in the area of project management.

Project Management Information System - Project Startup Report

Mr. Mark Molesworth, Enterprise Project Manager, Information Technology Department, provided a project startup report for the department's project management information system. A copy of the report is on file in the Legislative Council office. He said the project involves the purchase and implementation of Primavera--an enterprise project management software system--to be used by state agencies to support the application of project management principles and methodologies. He said the project is estimated to be completed in March 2008 and is estimated to cost $283,030.

In response to a question from Representative Onstad, Mr. Molesworth said the key constraints and risks identified in the project startup report have not yet impacted the implementation of the system.

LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM COMPUTER PROJECT

Mr. Jim Gienger, President, Enterprise Solutions, Inc., and project manager for the Legislative Assembly's legislative applications replacement system computer project, provided information regarding the status of the project, including a quarterly project status report. A copy of the information presented is on file in the Legislative Council office. He said the project is proceeding well. He said some issues have been documented and steps are being taken to resolve them quickly. He said no impact to the project is anticipated. He said as of December 31, 2007, 6 of the project's 46 milestones were delivered and accepted. He said 10 of the remaining 40 milestones were delivered and the Legislative Council staff is in the process of testing the deliverables. At this time, he said, project costs are within budget.

In response to a question from Senator Robinson, Mr. Gienger said he feels the project is at an acceptable position.

In response to a question from Senator Robinson, Mr. Gienger said representatives of PTC Global Services will be onsite in Bismarck on January 29, 2008, to provide a vision statement and demonstration of the new system to the Legislative Management Committee and the Legislative Council.

In response to a question from Representative Skarphol, Mr. Gienger said he would provide the committee with a summary of the project's bundles, including information on the milestones included in each bundle and the anticipated delivery date for the bundle.

ELEMENTARY AND SECONDARY EDUCATION INFORMATION TECHNOLOGY INITIATIVES

Mr. Dan Pullen, Director, Educational Technology Council, provided information regarding elementary and secondary education information technology initiatives for the 2007-09 biennium. A copy of the information presented is on file in the Legislative Council office. He said the Educational Technology Council was established to develop technology systems and coordinate their use to enhance and support the educational opportunities for elementary and secondary education. He said the council's initiatives include:

- Qwest teacher technology grants - The council administered a teacher technology grant program with funding from the Qwest Foundation. The council awarded 10 grants on a competitive basis in December 2007.
- Video classroom grants - The council will make available approximately 15 grants in the amount of $10,000 each to schools for new or upgraded video classrooms. The grants require a 60 percent local school match and will be awarded on a competitive basis in February 2008.
- Classroom transformation grants - The council will make available approximately 25 classroom transformation grants to schools. The grants require a 50 percent local school match and will be awarded on a competitive basis in February 2008.

Mr. Pullen said the Center for Distance Education, formerly known as the Division of Independent Study, has developed and published North Dakota studies fourth grade workbooks and eighth grade textbook. He said the center and the State Historical Society are collaborating to develop and publish a high school textbook entitled *North Dakota History*. He said the center anticipates the North Dakota studies resources will be available online by 2009.

In response to a question from Representative Skarphol, Mr. Pullen said the Center for Distance Education anticipates the North Dakota studies high

school textbook will be available for the 2008-09 school year.

In response to a question from Representative Skarphol, Mr. Pullen said each public high school building in the state has a T-1 connection to the state's wide area network paid for with funds from the general fund (38 percent) and federal e-rate funds (62 percent). He said 33 school districts purchase additional T-1 lines to accommodate their increasing bandwidth requirements. He said the Information Technology Department and the Educational Technology Council are working on a proposal to change the funding methodology for public school connectivity to a formula based on the number of high school students and the need for bandwidth. He said the funding methodology change is necessary to address equity and adequacy concerns.

In response to a question from Representative Skarphol, Mr. Pullen said three school districts--Fargo, West Fargo, and Bismarck--have implemented a data warehouse system to collect and analyze student data. He said three additional school districts are planning to implement the data warehouse system within a year.

HIGHER EDUCATION INFORMATION TECHNOLOGY INITIATIVES
North Dakota University System
Information Technology Issues

Mr. Randall Thursby, Chief Information Officer, North Dakota University System, provided information regarding University System technology issues. A copy of the information is on file in the Legislative Council office. He said he has worked with the State Board of Higher Education, higher education institutions, and other leadership to stabilize the ConnectND system. He said challenges exist to leverage the technology environment to enhance educational experiences, manage costs, and improve efficiencies and to improve the value of University System enterprise systems.

Mr. Thursby said funding for most systemwide information technology efforts is provided by the Legislative Assembly through the common information services pool. He said the 2007 Legislative Assembly did not provide the $250,000 of additional funding requested by the University System for network growth. He said the University System's bandwidth requirements continue to grow at approximately 50 percent per year. He said additional funding will be needed in the 2009-11 biennium to address ongoing network growth.

In response to a question from Senator Robinson, Mr. Thursby said the University System does not anticipate requesting additional funding of support for the ConnectND system for the 2009-11 biennium. He said it will be critical for the University System to receive funding to address network growth.

Northern Tier Network

Ms. Bonnie Neas, Vice President for Information Technology, NDSU, provided information regarding the status of the Northern Tier Network project. A copy of the information presented is on file in the Legislative Council office. She said the Northern Tier Network Consortium, which was founded in 2003, seeks to develop and sustain advanced networking capabilities in order to support the education, research, and economic vitality of the Northern Tier region. She said the 2007 Legislative Assembly provided one-time funding of $2,773,800 from the permanent oil tax trust fund for the Northern Tier Network infrastructure. She said the state's east and west segment and north and south segment are anticipated to be completed in 2008.

In response to a question from Representative Skarphol, Ms. Neas said the funding from the permanent oil tax trust fund is anticipated to provide for the initial investment and ongoing costs through the first year of the 2009-11 biennium.

Internet2

Ms. Rosi Kloberdanz, Director of Information Technology Client Services, NDSU, welcomed the committee to campus.

Ms. Sandy Sprafka, North Dakota State University, provided information regarding Internet2. A copy of the information presented is on file in the Legislative Council office. She said Internet2 is a research and development consortium led by higher education institutions working in partnership with private industry and other government agencies to develop and deploy advanced network applications and technologies. She said NDSU and the University of North Dakota (UND) are members of Internet2 and the other University System higher education institutions, kindergarten through grade 12 schools, and the Flatlands Disability Network are sponsored education group participants. She said Internet2 facilitates high-performance applications not possible on the Internet, supports development of revolutionary applications, allows the transfer of large data sets quickly, and allows testing of new technologies.

Dr. L. Keith Henry, Assistant Professor, University of North Dakota School of Medicine and Health Sciences, provided information regarding Internet2 capabilities and research efforts. A copy of the information presented is on file in the Legislative Council office. He said Internet2 capabilities eliminate distance factors and allow higher education institutions to recruit high-impact faculty. He said Internet2 capabilities have assisted with his research relating to the clinical relevance of the serotonin transporter.

Dr. Wei Lin, Associate Professor, NDSU, provided information regarding national ecological observatory network (NEON) research. A copy of the information presented is on file in the Legislative Council office. He said NEON research consists of scientists and engineers conducting research spanning all levels of

biological organization from molecules to whole system. He said Internet2 capabilities allow for data transfer and communication from core sites to main servers and providing real time data to researchers for data analyses and model simulations.

Mr. Leon F. Osborne, Jr., Director of the Surface Transportation Weather Research Center and the Regional Weather Information Center, UND, provided information regarding a roadway environment blowing snow model. A copy of the information presented is on file in the Legislative Council office. He said blowing snow has been identified as one of the most serious winter driving hazards in the United States. He said ability to accurately predict blowing snow in the roadway environment will provide better safety, mobility, and productivity on the nation's highways. He said research on blowing snow cannot be successfully performed in a traditional laboratory environment. He said the research must involve the environment in which blowing snow occurs and the environment is the three dimensional atmosphere along with the surface of the national highway system.

Mr. Don Larson, Coordinator of Computer Services, UND School of Medicine and Health Sciences, provided information regarding the North Dakota Health Care Research and Education Network. A copy of the information presented is on file in the Legislative Council office. He said the Health Care Research and Education Network seeks to alleviate disparities and improve educational opportunities to facilitate new and ongoing research in health care delivery in rural areas.

Ms. Kim Owen, Coordinator of Instructional Services, EduTech, provided information regarding kindergarten through grade 12 virtual learning. A copy of the information presented is on file in the Legislative Council office. She said NDSU and UND have sponsored kindergarten through grade 12 schools; therefore, all kindergarten through grade 12 schools can access Internet2 free of charge. She said the demand for virtual learning in kindergarten through grade 12 schools continues to grow.

Dr. Thomas P. Freeman, Professor, NDSU, provided information regarding the university's electron microscopy center. A copy of the information presented is on file in the Legislative Council office. He said with support from the National Science Foundation, the university has acquired a low-vacuum scanning electron microscope. He said Internet2 and commodity Internet capabilities allow for remote operation of the microscope from on-campus or off-campus sites.

Dr. Ronald Marsh, Associate Professor, UND, provided information regarding the sun, earth, and moon system. A copy of the information presented is on file in the Legislative Council office. He said the sun, earth, and moon system project is a public outreach project to bring live coverage of rare astronomical materials to the public. He said the sun, earth, and moon system webcasts have resulted in substantial press coverage for the university and collaborations with other higher education institutions.

Dr. Brian M. Slator, Professor, NDSU, provided information regarding teaching and learning with role-based computer games. A copy of the information presented is on file in the Legislative Council office. He said the Worldwide Web Instructional Committee is an ad hoc group of NDSU faculty dedicated to developing Internet-based educational software. He said current projects include visual educational research in computer science, biology, geology, and anthropology. He said major support for the projects is provided by the National Science Foundation and the United States Department of Education.

The committee recessed for lunch at 12:30 p.m. and reconvened at the NDSU Center for Technology Enterprises.

TOUR - NDSU RESEARCH AND TECHNOLOGY PARK, INC., CENTER FOR TECHNOLOGY ENTERPRISES

Mr. Tony Grindberg, Executive Director, NDSU Research and Technology Park, Inc., welcomed the committee to the Center for Technology Enterprises. He said the research and technology park is a 501(c)(3) corporation created to provide university researchers and private industry a central location to combine their talents to develop new technologies, methods, and systems. He said the park is led by an executive director and a 10-person board of directors.

Mr. Grindberg said the Center for Technology Enterprises is a technology incubator which has the capacity to house approximately 8 to 10 businesses. He said to operate within the incubator, a company must be involved in the advancement and development of new technology. He said the Bobcat Company is the incubator's anchor tenant.

The committee toured the Center for Technology Enterprises. At the conclusion of the tour, the committee recessed at 2:05 p.m. to travel to Microsoft Fargo.

TOUR - MICROSOFT FARGO

The committee reconvened at 2:35 p.m. in the Horizon Building, Microsoft Fargo.

Mr. Don Morton, Site Leader, Microsoft Fargo, welcomed the committee to the Microsoft campus. He said Microsoft Fargo employs approximately 1,315 team members. He said Microsoft Fargo is Microsoft's second largest field campus. He said the Microsoft Fargo shared services team processes approximately one million invoices resulting in approximately $12 billion in disbursements each year.

Mr. Morton said Microsoft Fargo is one of Microsoft's eight certified executive briefing centers. He said executive briefing centers provide a professional and comfortable setting where corporate and government leaders have the opportunity to ask questions and build relationships with Microsoft executives and business experts. He said Microsoft's

other certified executive briefing centers are located in Redmond, Washington; England; Germany; India; China; Denmark; and Belgium.

In response to a question from Senator Wardner, Mr. Morton said Microsoft Fargo partners with kindergarten through grade 12 to assist schools in preparing students for long-term careers.

The committee toured the Horizon Building. At the conclusion of the tour, and no further business appearing, Chairman Robinson adjourned the meeting at 3:45 p.m.

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Roxanne Woeste
Assistant Legislative Budget Analyst and Auditor

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Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1