NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

INFORMATION TECHNOLOGY COMMITTEE

Tuesday, August 24, 1999
Harvest Room, State Capitol
Bismarck, North Dakota

Senator Larry J. Robinson, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Larry J. Robinson, Rod St. Aubyn; Representatives Mary Ekstrom, Blair Thoreson, Robin Weisz; Acting Chief Information Officer Mike Ressler

Members absent: Senator Ken Solberg; Representative Doug Lemieux

Others present: See attached appendix

It was moved by Senator St. Aubyn, seconded by Representative Ekstrom, and carried on a voice vote that the minutes of the June 24, 1999, meeting be approved as distributed.

MAJOR PROJECT REPORTS

Chairman Robinson called on Ms. Nancy Walz, Information Technology Department, for comments regarding major information technology projects undertaken by various state agencies. Ms. Walz submitted written documents summarizing her presentation, copies of which are on file in the Legislative Council office. Among the documents distributed by Ms. Walz are *Information Technology Major Project Standards*, *Major Project Organizational Model*, and *Business Case Model*. Ms. Walz said the project business case model requires the agency to set forth a clear statement of the business problem that the project is designed to address and identify who will benefit from the project as well as how the agency will measure the success of the project. She said the agency is also required to provide a cost-benefit analysis and a risk analysis for the project.

In response to a question from Ms. Walz regarding the level of detail that should be provided in the report, Senator St. Aubyn said the committee should receive reports containing a list of all large projects which details the status of each project as well as the current expenditures for each project.

Ms. Walz submitted a list of 26 projects included on the large project report, a copy of which is on file in the Legislative Council office. She said quarterly reports will provide updated information regarding expenditures on the projects. Of the 26 large projects, she said, 15 will involve the expenditure of at least $250,000 during the 1999-2001 biennium. She said nine projects have not yet commenced and nine projects are in the initiation stage. Six projects are in

the execution stage and two projects have been completed, she said.

In response to a question from Senator Robinson, Ms. Walz said the Information Technology Department would like to act in a technical assistance role with agencies undertaking large projects. She said the relationship between the department and other state agencies varies depending upon the agency. She said the department should be more involved in the process in the future because many current projects were in place before the reporting requirement was established.

In response to a question from Representative Weisz, Ms. Walz said the department can provide additional information to the committee at the request of the committee with respect to the status of projects that were commenced before the large project reporting requirement.

In response to a question from Senator Robinson, Ms. Walz said agencies need flexibility to fund projects because of the nature of the process. She said the needs of the agencies often change during the process and the technology also is continually changing.

Chairman Robinson called on Mr. Tom Freier, Department of Transportation, for comments regarding the motor vehicle system project undertaken by the Department of Transportation. Mr. Freier said progress has been slow on the project, in part, because of various problems with the project vendor (Unisys). He said the department is working with Unisys to complete the project so that the project can be implemented by February 2000. Although the project has been delayed significantly, he said, Unisys is paying the department for its inconvenience and the department's cost of the project has not changed.

In response to a question from Senator Robinson, Mr. Freier said he cannot confidently assure that the project will be implemented by February 2000. However, he said, the department and Unisys are working diligently to complete the project.

Mr. Ron Richter, Department of Transportation, said because there have been additional delays in the project, completion by the spring of 2000 is not guaranteed. He said the project is much larger than was originally anticipated and Unisys had to start from

scratch on the project rather than use existing systems.

Senator St. Aubyn requested that the Department of Transportation and representatives of Unisys be invited to attend the next meeting to update the committee on the progress of the project.

YEAR 2000 (Y2K) COMPLIANCE

Chairman Robinson called on Mr. Rob Gall, Information Technology Department, for comments regarding Y2K remediation by state agencies. Mr. Gall submitted a written Y2K status report, a copy of which is on file in the Legislative Council office.

Mr. Gall said all state agencies have submitted status report information and 30 percent of all state agencies have completed 100 percent of their Y2K projects. He said 80 percent of state agencies have completed 80 percent or more of their Y2K project work. Although state boards and commissions have not been included in the monthly agency progress report, he said, a survey was sent to several boards and commissions and most of the boards and commissions indicated that Y2K testing and remediation has been completed.

In response to a question from Senator Robinson, Mr. Gall said he has some concern with certain programs in which the state and various political subdivisions are partners with respect to the progress of the political subdivisions in addressing Y2K concerns. He said county governments are of particular concern.

Mr. Ressler said it is important to understand that various reports of Y2K compliance address different issues. He said some federal audits of federal programs were done earlier and remediation has addressed concerns that were mentioned as problem areas in the audits.

In response to a question from Senator Robinson, Mr. Gall said many state agencies were unable to begin Y2K remediation projects until the beginning of the new biennium because of lack of funding. However, he said, those agencies are now making good progress in their Y2K remediation projects.

Chairman Robinson called on Mr. Terry Traynor, North Dakota Association of Counties, for comments regarding the progress of county governments in addressing Y2K concerns. Mr. Traynor said the Association of Counties periodically provides the Information Technology Department with updates on the progress of counties in addressing Y2K concerns. He said there has been reluctance in smaller counties to work on the Y2K problem. However, he said, there has been a flurry of activity lately and county officials are taking the Y2K problem more seriously.

In response to a request by Chairman Robinson, Mr. Traynor said representatives of the Association of Counties will provide the committee with an update at its next meeting regarding the progress of county governments in addressing Y2K problems.

Chairman Robinson called on Ms. Connie Sprync-zynatyk, North Dakota League of Cities, for comments regarding the progress of cities in addressing Y2K concerns. Ms. Sprynczynatyk said the League of Cities presented sessions regarding Y2K problems at its April regional meetings. She said representatives of the Division of Emergency Management also participated in those sessions that generally addressed contingency planning. She said the League of Cities is attempting to educate people with respect to Y2K concerns and will hold another seminar regarding that issue at its annual meeting in September. She said as part of its educational program, the League of Cities is educating city officials regarding the immunity legislation passed last session to address Y2K lawsuits against political subdivisions and the state (1999 House Bill No. 1037).

INFORMATION TECHNOLOGY DEPARTMENT BUSINESS PLAN

Chairman Robinson called on Mr. Gall to provide a summary of the Information Technology Department business plan. Mr. Gall submitted a written summary, a copy of which is on file in the Legislative Council office.

Mr. Gall said 1999 Senate Bill No. 2043 required the department to develop a business plan by October 15, 1999. He said the business plan will define the department's business, will improve the productivity and workflow of the department, will be supportive of the statewide information technology plan, and will provide direction for efficient and effective use of the statewide information network. He said the formation of a business plan is a good business practice that is consistent with the department's management philosophy and will provide a vision to the employees of the department as well as the customers and stakeholders of the department.

Mr. Gall said the business plan will be developed by the department staff and will be reviewed by its customers and stakeholders. He said the development of the business plan consists of three phases: (1) initiation and planning, (2) execution, and (3) closing. He said Phase 1 of the plan is completed and the execution phase is in progress.

Mr. Gall said the business plan will consist of an introduction, an executive summary, a project scope and methodology, an agency overview, an information technology vision, the goals and objectives of the department, strategies and tactics, and appendices.

In response to a question from Representative Ekstrom, Mr. Gall said the department has not gone through a specific goalsetting examination, but the statewide plan sets a strong direction and the business plan will be supportive of the statewide network.

STATE INFORMATION NETWORK

Chairman Robinson called on Mr. Jerry Fossum, Information Technology Department, for comments regarding the statewide information network. Mr. Fossum said the Telecommunications Division of the Information Technology Department is responsible for providing all voice, data, and video telecommunications for state agencies. In addition, he said, the division provides transport for the North Dakota University System, the North Dakota Interactive Video Network, the North Dakota Law Enforcement Teletype System, and the State Radio Communications Network. He said the North Dakota information network was created in 1984 through which the Information Services Division (now the Information Technology Department) and the North Dakota University System could jointly manage and operate a shared data network. He said North Dakota was the first state to combine state government and the higher education networks. He said the network was extended in 1985 to all counties to provide connectivity between the Department of Human Services and the county social service boards. In 1991, he said, the network backbone was converted to digital facilities and the Interactive Video Network was implemented.

Mr. Fossum said the North Dakota information network selected AT&T's software-defined network long-distance services in 1992 and the contract is available to political subdivisions and school districts. In 1994, he said, the information network committed to be the anchor tenant for U S West to connect a statewide frame relay network. He said the information network converted the existing private network to a router-based frame relay network and added TCP/IP protocol support. In addition, he said, in 1994 the information network began providing Internet access from the state network. He said the network selected NorthwestNet as the Internet service provider. He said the Dakota Carrier Network was completed in 1998 and the state moved its cross-LATA connections to the Dakota Carrier Network. Also in 1998, he said, asynchronous transfer mode was implemented between the Capitol in Bismarck and North Dakota State University.

Mr. Fossum said North Dakota SchoolNet currently connects over 100 schools in the state. He said the North Dakota Association of Counties provides local area network and computer support for county government. However, he said, the demand for services has taxed the association's limited resources. He said the technical network force networking between the North Dakota University System resides mainly at the University of North Dakota and North Dakota State University. North Dakota State University is responsible for academic support and the University of North Dakota is responsible for support of administrative systems, he said.

Mr. Fossum said frame relay services are provided by U S West, SRT Communications, and the North Dakota Telephone Company. He said the Information Technology Department, the University System, and North Dakota SchoolNet all use the frame relay services for wide area networks. Because U S West cannot provide cross-LATA transport, he said, the North Dakota information network leases services from the Dakota Carrier Network between Fargo and Bismarck to provide cross-LATA transport for the department and the University System. He said all state government traffic is homed to the Capitol, University System traffic is homed to either North Dakota State University or the University of North Dakota, and North Dakota SchoolNet traffic is homed to North Dakota State University and Bismarck High School. He said Bismarck High School will soon be connected via fiber optic cable to the State Capitol so that SchoolNet may share Internet access with state government.

Mr. Fossum said campus networks exist at all 11 colleges and universities, the State Hospital, the State Developmental Center, and the Youth Correctional Center. He said all buildings on the Capitol grounds and 11 other buildings throughout Bismarck are connected via fiber optic cable which is provided by Montana Dakota Utilities. In addition, he said, the Capitol is connected to U S West via fiber that is dual-routed to provide physical diversity, and the Capitol is connected to the Dakota Carrier Network over a separate fiber route.

Mr. Fossum said the department has Internet access from Sprint and is in the process of increasing its bandwidth to consolidate North Dakota SchoolNet's Internet traffic with state government's traffic. He said some elementary and secondary schools have their own Internet access generally provided by local telephone companies. The North Dakota University System, he said, has a connection to the Great Plains Network for research access to Internet 2.

Mr. Fossum said there are four separate privately leased line networks in the state. He said those networks are the North Dakota Interactive Video Network, the State Radio Communications Network, the North Dakota Law Enforcement Teletype System, and the North Dakota Mobile Data Terminal Network.

Mr. Fossum said the Information Technology Department provides and supports telephone systems for all state agencies and Bismarck State College. He said the University System manages its own telephone systems with the exception of Bismarck State College. He said the department contracts with AT&T for long-distance service and the contract is available to political subdivisions. The North Dakota Interactive Video Network runs a compressed digital video network with video rooms located on all 11 campuses, the Capitol, and the State Hospital, he said.

Mr. Fossum said many public schools have banded together to form video networks that are primarily based on broad-band coaxial cable technology. He said state agencies have made very little use of videoconferencing technology. However, he said, the department has worked on pilot projects with the Department of Transportation and the Department of Human Services and will be working with the state Court Administrator's office on the use of videoconferencing. He said the Department of Transportation is connected to a leased network much like the Interactive Video Network that connects several state transportation departments with several western universities through which continuing education is provided for Transportation Department engineers. He said the State Health Department also has a satellite downlink that is used for training and updates from federal health agencies.

Mr. Fossum said the frequent moving of state agencies into leased buildings causes problems with respect to wiring of buildings. In addition, he said, the amount of wire available may have a limited life span due to the increasing bandwidth demands. He said the department uses fiber optic cable to interconnect buildings and to interconnect wire closets within buildings, but has not invested in fiber optic cables to the desktop. He said the most pressing issue for the future is the cost and availability of broad-band services in the "last mile." He said the challenge is to extend the edge of the networks so that local access is truly local. He said the state must find a way to extend services to rural areas at an affordable cost.

Mr. Ressler said the device connection fee that the department charges state agencies has increased from $4 to $19.50. He said the department removed the user ID fee two bienniums ago. As a result of the increased device connection fee, he said, state agencies' communications costs have increased. However, he said, the costs should stabilize in the future.

In response to a question from Senator St. Aubyn, Mr. Ressler said combining SchoolNet with the state network should provide a quality service to schools for a lower cost.

Senator St. Aubyn requested that representatives of schools be placed on the agenda at the next meeting to discuss the consolidation of the SchoolNet system with the state system.

PLANNING GUIDELINES

Chairman Robinson called on Ms. Walz for comments regarding the information technology planning guidelines. Ms. Walz submitted written documents summarizing the guidelines, copies of which are on file in the Legislative Council office.

Ms. Walz said the goal of information technology planning is to provide a useful planning tool for agencies and to provide critical information for the budget process for the agency, the Office of Management and Budget, and the Legislative Assembly. In addition, she said, the plans should provide enterprise planning information and provide standards-compliance information.

She said the guidelines will require each agency to provide information regarding the agency's goals, objectives, and accomplishments. She said the guidelines will also require details regarding major activities planned and activity budgets. She said the department is working on the assumptions that legislators want to see technology budgets at the activity level of detail and want to see funding sources at the activity level of detail.

Ms. Walz said agency plans must include a list of information technology assets owned, leased, or employed by the entity. She said the list should include an inventory of hardware, such as computers and printers, and may include a fixed asset inventory. In addition, she said, the plan must list all software in use or being evaluated and list telecommunications connections. She said the plan must also include an information technology staffing plan which addresses the current number of employees and planned needs with respect to full-time employees.

Ms. Walz said areas to consider are when should changes and updates in plans be required and what should be encompassed within the definition of information technology. She said it is also difficult to focus on strategic direction when agencies are overwhelmed with detailed reporting. Therefore, she said, the information technology plans must provide flexibility to agencies. She said plans are due January 15 and detailed activity budgets are due in July.

In response to a question from Senator St. Aubyn, Ms. Walz said the department will require agencies to show the activity level of detail to legislators in the information technology budgets and show the funding source at the activity level.

In response to a question from Senator Robinson, Ms. Walz said agencies may lose sight of their plan if they are required to be too concerned with details. She said flexibility is needed to respond to technology and funding changes. However, she said, if there are substantial changes in purpose in the plan, the plans should be updated to reflect those changes.

Senator Robinson said he is comfortable with the assumptions made by the department with respect to the desire of legislators to see the activity level detail in budgets.

MISCELLANEOUS DISCUSSION

In response to a question from Senator Robinson, Mr. Ressler said the Governor's office is in the process of interviewing candidates for the chief information officer position. He said a decision may be made in early September so that the person can assume the position in October.

In response to a question from Senator St. Aubyn, Mr. Ressler said there is the potential for concern if

the new chief information officer has a totally different perspective and new direction for the department. However, he said, he believes the department is moving in the right direction and will continue to do so under a new chief information officer.

Mr. Ressler said the new advisory committee will likely be appointed within the next two weeks and he will send a list of the members to the committee once the membership is determined.

Chairman Robinson said the committee is required by law to meet at least quarterly. He said the committee should be proactive in developing a positive working relationship with the Information Technology Department. He said it is important to maintain open communication between the committee and the department.

Chairman Robinson said the next meeting of the committee will likely be in late October. He said the following items will likely be on the meeting agenda:

1. Discussion regarding the motor vehicle project with the Department of Transportation and representatives of Unisys.
2. A report on Y2K status and contingency plans by counties, cities, and school districts.
3. Discussion regarding the SchoolNet conversion to the state system.
4. A report from the chief information officer.

Senator St. Aubyn requested that various state agencies and other users of the state information network be included on the meeting agenda to comment regarding services provided by the Information Technology Department.

Chairman Robinson called on committee counsel to present a memorandum summarizing federal year 2000 liability legislation entitled *Federal Y2K Legislation - Summary*.

There being no further business, Chairman Robinson adjourned the meeting at 12:01 p.m.

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John D. Bjornson
Counsel

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Jay E. Buringrud
Assistant Director

ATTACH:1