



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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Director  
AMY CARLSON

DATE: June 3, 2012  
TO: Legislative Finance Committee Members  
FROM: Kris Wilkinson, Senior Fiscal Analyst  
RE: 2013 Biennial Information Technology Report

By statute, the Legislative Finance Committee (LFC) monitors the information technology policies of the Department of Administration with specific attention to:

- (a) identification of information technology (IT) issues likely to require future legislative attention; and
- (b) the evaluation of proposed information technology policy changes and the fiscal implications of the proposed changes. According to statute the LFC shall provide written responses to the department of administration communicating the committee's positions and concerns on proposed policy changes.

In addition, statute allows the LFC to accumulate, compile, analyze, and provide information relevant to existing or proposed legislation on how information technology can be used to impact the welfare of the state and to prepare legislation to implement any proposed changes involving information technology. As part of its responsibilities, the LFC reviews the 2013 Biennial Information Technology Report (report), which is included on the agenda for the June 2013 meeting. [http://leg.mt.gov/content/Publications/fiscal/interim/2013\\_financemty\\_June/2013-Biennial-Report.pdf](http://leg.mt.gov/content/Publications/fiscal/interim/2013_financemty_June/2013-Biennial-Report.pdf)

Legislative Fiscal Division (LFD) staff have reviewed the report and have the following comments and options for LFC consideration.

- 1) Statute requires that an inventory of state information services, equipment, and proprietary software be included in the report (Pgs. 7, 12 and 38). The Select Committee on Efficiency in Government discussed the need for a complete inventory of IT assets, including system of life expectancy data. During legislative deliberations of HB 10, a request for the operations and maintenance costs of the systems being requested was identified as an information need of the appropriation committee. The LFD has reviewed an inventory listing of IT systems operated and maintained by state agencies. The listing is not comprehensive and does not include either system of life expectancy data or operations and maintenance costs of the systems.

Option:

The LFC could request that an asset inventory be developed and presented at the September 2014 LFC meeting prior to the 2015 legislative session. This would allow for the information to be incorporated into the budget process and to include system of life expectancy and operations and maintenance costs as part of the inventory.

- 2) The legislature passed HJR 2, a resolution to study the management of electronic records including the creation of a process for collecting, preserving, and managing public electronic records while maintaining security (Pgs. 10 and 34). The Legislative Council assigned the study to the Local Government and Education Interim Committee. HB 10 included an appropriation of \$1.0 million in long range information technology program funds (LRITP) for electronic records management and electronic content management matching grants. At the time HB 10 was amended to include the funding, usage of the funding was not well-defined.

Option:

The LFC may wish to request updates on:

- o Proposed uses of the LRITP funding for electronic records management and electronic content management matching grants
  - o The workplan and recommendations of the Local Government and Education Interim Committee
- 3) One area of efficiency identified in the report is the goal of involving communities of interest (groups of state agencies working with common or related business objectives) in IT strategic planning (Pg. 13). The report identifies the Montana Integrated Justice Information Sharing Advisory Group as an example of progress towards this goal. Other communities of interest currently exist within state government.

Option:

The LFC could request an additional report on the existing and proposed communities of interest within state government for the November 2013 meeting. In addition or instead, the LFC could host a panel discussion of other communities of interest and how they are providing efficiency within state government. Another example is the education community, which is working on the longitudinal database for student records.

- 4) A discussion on a new grant and loan management system is included within the report as a mechanism used to achieve the goal of implementing common business applications and shared services across governmental units (Pg. 14). The system has been configured to serve four state agencies. Expansion of the system might be used to develop additional shared services. However, changes may reduce the ability of the system to address specific agency needs.

Option:

To identify issues with developing statewide common business applications and share services the LFC may wish to host a panel discussion on the practicality of having additional state agencies utilizing the new system at the March 2013 meeting.

- 5) A listing of agency accomplishments is provided on pages 17-33. While the listing provides information on the projects that are complete or substantially complete, projects that have been deferred, delayed, or cancelled are not included. This information is of interest to the LFC as it represents changes in the IT workload and policies of state agencies and the State Information Technology Services Division (SITSD).

Option:

The LFC may wish to request a report on the projects that are not completed for the September 2013 meeting.

- 6) The Legislative Audit Division completed an audit of the Montana Information Technology Act (MITA) and made recommendations to SITSD (Pg. 33). SITSD has developed a corrective action plan for the audit. In addition, the LAD reviews implementation of the corrective action plan after the agency has had the time to put the plan into place.

Option:

The LFC could request that the LAD present its follow-up report to the audit when it is complete.

- 7) Additional recommendations by the Select Committee on Efficiency in Government (committee) included having a plan for future mobile computing needs and cloud-hosting environments developed, security concerns that should be addressed, and a strategy for a wireless network.

Option:

To follow-up on the committee recommendations, the LFC could request status reports on these areas at the September 2013 and June 2014 meetings with discussion in the September 2014 meeting on the need for legislation or appropriations in the next biennial budget to address these areas of IT policy.