



INFORMATION TECHNOLOGY MANAGEMENT STUDY SUBCOMMITTEE

Room 494 Federal Building, • P.O. Box 201711 • Helena, MT 59620-1711 • (406) 444-2986 • FAX (406) 444-3971

COMMITTEE MEMBERS

REPRESENTATIVE BOB RANEY, CHAIRMAN
REPRESENTATIVE TOM ZOOK
SENATOR GREG JERGESON
SENATOR TOM BECK

LFD STAFF

PAM JOEHLER, SENIOR FISCAL ANALYST
GREG DeWITT, SENIOR FISCAL ANALYST
CINDY CAMPBELL, COMMITTEE SECRETARY

MINUTES

October 7, 1999

Room 487, Federal Building

Helena, Montana

ROLL CALL FOR OCTOBER 7, 1999

Rep. Bob Raney

Rep. Tom Zook

Sen. Tom Beck

Sen. Greg Jergeson

Pam Joehler, Senior Fiscal Analyst

Greg DeWitt, Associate Fiscal Analyst

Cindy Campbell, Committee Secretary

Call to Order (Tape 1A-022)

The first meeting of the Information Technology Management Study Subcommittee was called to order at 10:20 a.m. by Representative Bob Raney, Chair, on Thursday, October 7, 1999. The meeting was held in Room 487 of the Federal Building, Helena, Montana.

Representative Raney welcomed the members and presented opening remarks.

1. Workplan Discussion and Approval (Tape 1A-025)

Pam Joehler explained the details of HB 2 which directs the information technology management study. (Exhibit 1) HB 2 directs the subcommittee to report its findings to the 57th Legislature and the Governor. Following Mrs. Joehler's presentation, **Representative Raney** asked Lois Menzies, Director of Department of Administration (DOA), to comment on DOA plans to achieve the directives of HB 2 with regard to this study. Jane Hamman, OBPP, stated they had put together a list of information technology accounts (objects of expenditure) to be used in reporting FY 2000 actual expenditures, base year information, and 2003 biennium budget requests and would make this list available to the committee. (Exhibit 2)

The proposed committee work plan was also presented by Pam Joehler, which included a background summary of HB 2, an explanation of committee resources (budget and staff), key tasks, timetable, and tentative meeting dates and potential agenda items. (Exhibit 3) Other handouts for the committee included elicited comments from Representative Lindeen (Exhibit 4) and a publication from Information Services Division, DOA, titled State of Montana 1999-2000 Information Technology Plan (Exhibit 5).

Representative Raney commented on the proposed work plan, specifically the statement in the Committee Resources section which proposes funding an analysis of Montana's management of information technology (IT) as it compares to private business and other states to be performed by a private consultant. With the committee's budget of \$15,000 he felt this was a great opportunity to hire an independent contractor for this task.

Greg DeWitt distributed copies of information on the Gartner Group, which was obtained from the Internet. (Exhibit 6) The Gartner Group's web page states they are "the world's leading authority on information technology." Mr. DeWitt shared with the committee questions he posed to the Gartner Group during his telephone conversation with them, the purpose being to ascertain their degree of expertise on the issue aforementioned. Jane Hamman mentioned that Governing Magazine was in the process of doing a survey on this particular topic and suggested the possibility of having a representative of the magazine come and talk to the committee. **Senator Beck** commented that this could have some merit as long as it was an unbiased opinion. Tony Herbert, ISD, noted that DOA has a contract with Gartner Group, which is an independent entity, and is excellent in this field of expertise.

Senator Jergeson commented that specific problems should be identified prior to hiring a consultant. The committee members turned to discussion on sorting out the problems with the current information technology system. **Senator Jergeson** stated that many legislators don't understand the "techies" (information technology positions) and suggested an in-depth workshop for legislators. **Senator Beck** suggested identifying the specific costs and looking at the compatibility of the various state systems, i.e., SABHRS and Banner. **Senator Jergeson** noted the difficulty in determining the exact cost being expended on the different aspects of IT is that

the systems are so integrated. Then there is the IT equipment and IT personnel, those who are “techies” and those who simply use the equipment in their every day job. Pam Joehler agreed with him and talked about the definition of IT for the purposes of this study. **Representative Zook** expressed frustration in being told that the computer systems save time, when there is no proof that they actually do save time. **Representative Raney** stated that these are exactly the type of questions that staff should pose to the consultants.

The discussion on the definition of IT and identifying specific costs continued with Tony Herbert explaining the differences between “techies” and the users of the IT systems. He talked about the difficulty in identifying the costs because in most agencies there are cases where some FTEs may be doing IT work as part of their regular “non-IT” job and it is difficult to separate the two. Pam Joehler distributed copies of the IT accounts list, developed by OBPP, to committee members and commented that it was a good starting point. She stated that the list was developed during the last legislative session and includes existing expenditure IDs with the exception of three or four new ones, but is not all-inclusive and items could be added to it.

The discussion then turned to identification of needs versus wants. Tony Herbert pointed out the need to be cognizant of the pace of technology and pointed out that new technology can be a need as well as want. Committee members talked about the importance of determining whether new technology is a need or a want.

2. Overview of Existing IT Oversight, Advisory & Strategic Planning Organizations (Tape 1B-508)

Lois Menzies presented an overview of existing IT oversight, advisory and strategic planning organizations. (Exhibit 7) Her presentation consisted of two main categories: 1) existing governance structure in Montana state government and 2) strategic planning. There are seven different governance groups in Montana which are: 1) Information Technology Advisory Council (ITAC); 2) Information Technology Managers Council (ITMC); 3) Summit Net Executive Council (SEC); 4) Montana Geographic Information Council (MGIC); 5) Montana Public Safety Communications Council (MPSCC); 6) 9-1-1 Advisory Council; and 6) SABHRS Executive Council. She provided details on the function, policy level, representation, number of

members, and budgetary role for each group and stated the type of technology each one oversees. She also gave specific examples of the type of issues they may be involved in, i.e., the 9-1-1 Advisory Council was instrumental in obtaining additional funding from the legislature for the 9-1-1 program.

A lengthy discussion was held regarding the type of decisions these groups make and who is impacted by the decisions. **Representative Raney** commented that these decisions are driven by DOA and not by the legislature and may be decisions that affect the public and cost the taxpayer money. He asked Lois Menzies how and to what degree the legislature is involved in the decisions made by these groups. She stated there is a separation of power, not constitutionally, but practically, and there is a question of how much the legislature wants to get involved in these types of issues. Ms. Menzies stated that it is important to her to work closely with the legislature, especially when there is an issue of funding, so that she has a base of support before making a final decision. Therefore, from a practical standpoint, having the legislature more involved is a positive thing. She also stated that all the meetings of these groups are open to the public and they do encourage legislators to attend. Ms. Menzies felt that adding some legislator members to ITAC would be a good idea. However, she did mention that at times it has been difficult to generate legislator interest in some of the committees as the issues are sometimes very basic “nuts & bolts”. She mentioned an upcoming electronic commerce strategic planning session which she and Tony Herbert will be participating in and invited participation from the IT Information Management Study Subcommittee.

Representative Raney asked committee members for input on what level they would like to be involved. **Senator Jergeson** commented that he felt the executive branch was doing a good job with the direction of IT via these committees. The question is, how do we educate the legislature so they can make informed decisions regarding funding.

Tony Herbert suggested looking at other states’ models to see how they work compared to Montana’s hybrid model. He felt this would be helpful in determining the appropriate level of legislative input.

Pam Joehler asked Lois Menzies for an explanation on the interaction of these various IT groups, commenting that the legislature might become more involved by asking these groups to consider particular issues in making IT decisions for the state. Ms. Menzies stated that the ITAC and ITMC work more closely together than the others, but they all have some overlapping membership and she chairs most of the committees. Therefore, she is able to keep all committees informed about important issues discussed in other committees and the resulting decisions. **Representative Zook** suggested legislative involvement via some type of reporting system through the LFC.

3. SABHRS (formerly MT PRRIME) (Tape 2A-521)

Representative Raney asked Jim Turner, Senior Fiscal Analyst, for an overview of his presentation to the LFC on Friday, October 8, 1999. Mr. Turner summarized his presentation, stating that most of the problems with the SABHRS system which are being publicized have been resolved. The state agencies are still experiencing problems with reporting data and reporting capabilities and he will detail these problems during the presentation the LFC.

4. Joint Oversight Committee on State Management Systems: Update (Tape 2A-700)

Greg DeWitt presented an overview report on accomplishments of the Joint Oversight Committee on State Management Systems (Exhibit 8), which is no longer a functioning committee. He stated that they were an oversight committee on the DOA data processing information activities. They also recommended that the DOA, Office of Public Instruction, and Department of Commerce discuss computer compatibility with local governments. **Representative Raney** asked if the formation of the IT Information Management Study Subcommittee was a result of no action on the part of the Joint Oversight Committee on State management Systems on the same issues facing this subcommittee. **Senator Jergeson** responded to this question, stating that HB 89 anticipated it would be a permanent committee because of the ongoing process of oversight on the part of the legislature on all the IT issues in state government. However, SB 11 eliminated it as a permanent committee and delegated this oversight of the IT to the LFC. Now that the LFC is the oversight committee, this subcommittee was formed and it will be ongoing process and the subcommittee will probably cover some of the same issues.

Representative Raney asked why this committee was eliminated. **Senator Beck** stated that to the best of his recollection SB 11 was just trying to cut back on the number of interim committees and felt the oversight of IT could be accomplished by the LFC; that it was an unintended consequence and not a deliberate action to get rid of this committee.

Tony Herbert again brought up the upcoming electronic commerce strategic planning session and stated they were thinking of possibly scheduling it for a day and a half in Helena. They plan to have some expert speakers on the agenda for one day to talk about what is happening in the business of technology. He offered to keep the IT subcommittee informed of the schedule and invited them to participate. The date for this has not yet been set, but will probably be scheduled in December or January. **Senator Jergeson** asked if they could schedule it in conjunction with the LFC and subcommittee meeting dates. **Representative Raney** suggested that this conference or a similar workshop be made available to all interested legislators. Tony Herbert will work with Pam Joehler in trying to coordinate the conference.

Senator Beck commented that the legislators need to know how to use the computers and how to access the information they need, which is probably more important to them than knowledge on IT plans for the future. Tony Herbert stated that they will take this into consideration and try to plan for something that will work for everyone. **Representative Raney** suggested that legislative leadership plan some IT sessions for the legislators next fall prior to the next session. **Senator Beck** stated this is something that the Legislative Council could take care of and will bring this idea to the Council at its next meeting. LFD staff will also work on this in conjunction with DOA and the Legislative Council.

Senator Beck also brought up the idea of contracting with a consultant as was discussed previously. **MOTION:** He moved that the LFD staff research the options for a consultant to provide an unbiased evaluation of Montana's governance structure. **VOTE:** Motion carried unanimously.

Senator Beck asked for clarification on the list of IT accounts from OBPP and how this will assist the legislature with the budget during the next session. **Senator Jergeson** responded that the information from this list will be used to assist in developing an IT budget for each of the agencies. He commented that the LFD staff in conjunction with the agency staff could evaluate the list for completeness and then the subcommittee could make recommendations for a collaborative decision with administration between OBPP and LFD on which items will be used. The agencies could then include these items when submitting budget requests to the Governor's office.

Representative Raney listed the following as the items that the subcommittee would like staff to do prior to the next meeting: 1) work with OBPP and DOA to determine whether the existing list is complete or if there are items they feel should be added to or deleted from the list; 2) define what items will be included as IT expenditures.

5. Governance Concepts and Perceptions (Tape 2B-315)

Pam Joehler presented information on governance concepts and perceptions for the purpose of assisting the subcommittee in determining what governance is and how it relates to funding. (Exhibit 9) She commented that governance involves more than just deciding budgets. It is also about making strategic and policy decisions on using information technology to conduct business. Funding is related to governance but governance is more than funding. Mrs. Joehler told the subcommittee members it is important for them to make some governance decisions, and staff will be presenting more information at future meetings to assist them in their decision-making.

During discussion on governance, **Senator Jergeson** brought up the following situation to illustrate where governance becomes an issue. One agency might purchase one type of system then another agency a different type and then the systems may not be compatible.

Representative Raney asked that the staff notify the members of the LFC, as well as Representative Lindeen and Senator Taylor of the future meetings of ITAC. He also asked that agendas be sent to them.

Directions for staff for the next subcommittee meeting were clarified.

Next Meeting

The next meeting will be scheduled in conjunction with the LFC meeting, which is scheduled for December 9 and 10, 1999.

ADJOURNMENT

Meeting adjourned at 3:00 p.m.

Representative Bob Raney, Chairman

Cindy Campbell, Committee Secretary