GOVERNOR
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STATE OF MONTANA

SECTION IT: INFORMATION TECHNOLOGY SUMMARY

GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Information Technology Recommendations

Introduction - Information technology budget requests are extracted from the executive budget and presented separately in this section to comply with 17-7-123(1), MCA. Each major information technology related decision package in excess of $500,000 or $100,000 and 25 percent of the IT base expenditures of a given agency for the biennium is presented in the following.

Information technology funding requests are presented in two bills in the executive budget. House Bill 2 typically includes fund requests for operations and maintenance and may represent an ongoing cost of state government.

In contrast, new investments in information technology assets are generally appropriated as long-range capital projects in House Bill 10. These projects are investments in state service infrastructure and appropriate to be funded in a long-range program**.**

The contents of each bill are summarized below.

State Information Technology Service Division Rates - HB 2 Section R

State Information Technology Services Division (SITSD) of the Department of Administration is a proprietary program that manages central computing and telecommunications services for state government. SITSD provides central mainframe and mid-tier computer services, and manages the statewide data network called SummitNet, used by all agencies located throughout the state. SITSD provides local and long distance telephone, video and network services used by all agencies, including the university system. SITSD coordinates electronic government services for the state, and manages the states Internet presence mt.gov. SITSD also manages the security, continuity, and IT project management enterprise offices.

Funding for SITSD comes primarily from charges to state agencies for server and application hosting and data/voice network services. A significant portion of SITSD's budget is Enterprise Services. Funding for Enterprise Services comes from agency charges based on a per-user allocation.

SITSD's rates are based on the Financial Transparency Model (FTM), an activity based budgeting model. Over the past year, SITSD has defined over 200 services, allocated costs and staff time to each service, and estimated units of service provided to each agency. Rates are based on a detailed allocation of expenditures and staff time to each service. SITSD also implemented a staff time tracking system to refine the accuracy of staff time allocation. For a wide variety of services agencies will have the choice of using the service or altering the units consumed. SITSD management will have to closely monitor rates and the underlying costs to ensure a service remains competitive. Each agency's budget includes their anticipated consumption of SITSD services valued at the proposed detailed rates.

Based on decreased costs and anticipated agency usage of planned services, SITSD's FY 2012 base expenditures of $38,055,705 are requested to decrease to $37,977,550 in FY 2014 and $37,928,114 in FY 2015.

House Bill 2 Information Technology Decision Packages

Table IT-1 shows the decision packages included in House Bill 2.

Agency	Decision Package	General Fund	Sate Special Revenue	Federal Special Revenue	Other Funds	Total Funds
LEG	DP 20001 LSD Cyclical & Operational Adjustments	$1,010,092				$1,010,092
SOS	Statewide Voter Registration System SVRS	$1,384,658				
JUD	DP 1003 IT Increased FTE	$912,851				$912,851
DOR	Ongoing System Maintenance & Support	$1,000,000				
DOR	Enhance E Services for Property & State Tax	$963,946				
DPHHS	DP 9006 CHIMES Medicaid/HMK & TEAMS Systems M&O Annual	$612,381	$36,195	$6,528,418		$7,176,994
DPHHS	DP 12101 MMIS Maint. Contract	$718,641	$1,369	$2,225,879		$2,975,889

Table – IT1
House Bill 2 Information Technology Projects

Legislative Branch

	Total Agency Impact	**General Fund Total**
FY 2014	$495,919	$448,210
FY 2015	$220,382	$496,034

PL - 20001 - LSD Cyclical & Operational Adjustments –

This proposal addresses increases related to contracted services to produce, broadcast, and stream the legislature during session and the interim (TVMT) ($120,342 general fund), as well as increased costs to print the Montana Codes Annotated (state special revenue). A $35,000 special revenue fund increase in MT Codes Annotated costs in the first year is more than offset by a second year reduction of $318,712 related to the production and publication of the Codes. Also included are increased costs related to supporting the legislative session in the second year of the biennium. Such costs include temporary staff support of House and Senate secretaries, contracted services for support of the LAWS system, session network buildup, and computer-related assistance to legislators. This biennium differs from previous biennia as increases in SITSD rates and costs to address IT related projects that have been deferred offset the impact of cyclical costs. The biennial general fund adjustment related to all other division operations is a reduction of $13,396.

Secretary of State

	Total Agency Impact	General Fund Total
FY 2014	$690,629	$690,629
FY 2015	$694,029	$694,029

NP - 1501 - Statewide Voter Registration System (SVRS) -

The Secretary of State's Office (SOS) requests $1,225,906 general fund and 1.00 FTE for the biennium to maintain the annual costs of the State Wide Voter file that was mandated by the federal Help America Vote Act (HAVA) of 2002. No other funds will be received from Congress. The federal act requires states to maintain a uniform, official, centralized, interactive computerized system. The voter file must be maintained for fixes and enhancements to the system. A help desk that is staffed by one FTE provides assistance to the counties to manage uniformity and compliance.

Judiciary

	Total Agency Impact	General Fund Total
FY 2014	$466,725	$466,725
FY 2015	$446,126	$446,126

NP - 1003 - Information Technology Increased Staffing - OTO -

This proposal provides $912,851 in general fund for 7.00 additional FTE for the branch IT Division. The 7.00 FTE would be an expansion of the current IT staffing levels including 1.00 FTE IT data mining engineer/research analyst, 2.00 FTE network technicians, 1.00 FTE Sharepoint administrator, and 3.00 FTE business analysts. The FTE are needed due to the increasing demand for services from within and outside the Judicial Branch as the court systems become more automated. The request is recommended as a one-time-only appropriation.

Department of Revenue

	Total Agency Impact	General Fund Total
FY 2014	$500,000	$500,000
FY 2015	$500,000	$500,000

PL - 201 - Ongoing System Maintenance and Support Increase -

The Department of Revenue, Information Management and Technology Division requests $1,000,000 in general fund for the 2015 biennium to pay for ongoing system maintenance and support for its' core tax administration system GenTax, which handles 80% of the state general fund revenue; 100% of liquor functions; and portions of the property tax system.

	Total Agency Impact	**General Fund Total**
FY 2014	$636,276	$636,276
FY 2015	$327,670	$327,670

NP - 203 - Enhance E-Services for Property and State Taxes -

The Department of Revenue, Information Management and Technology Division requests 5.00 FTE and $963,946 in general fund for the 2015 biennium to improve and enhance electronic services for Montana citizens and businesses while providing better use and management of data within the department to fulfill its public mission. $308,175 of this request is for one-time-only funding.

Department of Public Health and Human Services

	Total Agency Impact	**General Fund Total**
FY 2014	$3,439,326	$329,953
FY 2015	$3,737,668	$282,428

PL - 9006 - CHIMES Medicaid/HMK & TEAMS Systems M&O Annual -

This present law adjustment requests $7,176,994 in total funds for the 2015 biennium, including $612,381 in general fund, $36,195 in state special revenue, and $6,528,418 in federal funds. This request annualizes costs for the maintenance & operations contract and project management of the eligibility determination systems for CHIMES Medicaid/HMK, CHIMES SNAP, CHIMES TANF, and TEAMS. The CHIMES systems are replacing the legacy TEAMS system and will accomplish all eligibility determination functions for Medicaid, Healthy Montana Kids, Supplemental Nutrition Assistance Program, and Temporary Assistance for Needy Families programs.

	Total Agency Impact	**General Fund Total**
FY 2014	$159,996	$15,997
FY 2015	$2,815,893	$702,644

PL - 12101 - MMIS Maint. Contract -

This decision package requests $2.9 million over the biennium for Medicaid Management Information System (MMIS) components. The biennial funding is $718,641 in general fund, $1,369 in state special revenue and $2,255,879 in federal funding. The department's new MMIS system is scheduled for implementation in FY 2015. The system will change from a long range information technology item (LRIT funds were used in development) to a regular House Bill 2 funded item (on-going operational item). This additional funding is necessary to manage the new operating system.

The Executive Budget includes the following recommendations for new appropriations for long range information technology projects for the 2015 Biennium.

Table F-6 shows new appropriations to LRIT projects for the 2015 Biennium. Brief descriptions of the projects follow the table.

	Table IT2				
	Long Range Information Technology Projects				
Depart	Project	GF	SSR	FSR	Proprietary
DOA	Public Safety Communications System Maintenance and Operations	$ 3,000,000			
DOA	Computerized Maintenance Management System				$ 350,000
CPP	Campaign Reporting Service / Database Rewrite	$ 502,400			
DEQ	Remediation Information Management System	$ 700,000	$ 1,060,000	$ 40,000	
MDT	Maintenance Management System		$ 2,000,000		
SOS	Information Management System Phase 2	$ 4,434,385			
LEG	Session Systems Replacement Project	$ 6,146,000			

Department of Administration – Public Safety Communications System Maintenance and Operations

The State Information Technology Services Division is requesting a general fund appropriation of $3 million to support the multi-year expansion of the public safety communications system administered by the Montana Statewide Interoperability Governing Board (SIGB). The requested funding includes the following: $1.5 million for replacement equipment to support the maintenance of the system and $1.5 million for the leased use of private telecommunications equipment and infrastructure.

Department of Administration – Computerized Maintenance Management System

The Department of Administration requests $350,000 proprietary funds for the purchase and installation of a computerized maintenance management system. The system will enable General Services Division (GSD) to use resources more efficiently, enhance customer responsiveness, and increase asset reliability. In addition, the system will provide the ability for GSD to develop deferred maintenance projects for the 40 buildings they manage.

Commissioner of Political Practices – Campaign Reporting Service / Database Rewrite

This project will utilize a single vendor to rewrite the current database and build an online application to eliminate the risk of losing functionality and system failure of the fragile current system. This system is utilized by the candidates, committees, media, public, and the Office of the Commissioner of Political Practices. The one-time cost for the system is $502,400.

Department of Environmental Quality – Remediation Management System

This project will replace the current remediation system. This system was developed using Microsoft Access 2003, which will no longer be supported by Microsoft after April 2014. The $1,800,000 project will replace the legacy system with current software and will incorporate refined business functionality identified through a process assessment and new federal and state legal requirements.

Department of Transportation – Maintenance Management System

The purpose of this IT project is to replace the current Maintenance Management System (MMS) which was developed in the 1980's. Replacing the current system with a full-featured MMS would improve timeliness, accuracy of data collection and employee efficiency.   The new system would also support all of the maintenance programs within the Division so it will no longer only support general maintenance operations.

Secretary of State – Information Management System Phase 2

The Secretary of State requests $4,434,385 for phase 2 of the Information Management System project. The purpose of this request is to replace an outdated legacy mainframe application that contains information on every registered business in Montana. It will also replace several other applications and databases that support office accounting and filing processes.