

LONG-RANGE INFORMATION TECHNOLOGY PROGRAM

Program Description

The Long-Range Information Technology Program (LRITP) provides an alternative method of funding large information technology (IT) investments. The LRITP consolidates all major IT projects in one appropriation bill and defines major IT enterprises as capital projects. All of the executive branch projects included in the LRITP program will be overseen by the state chief information officer (CIO) within the Department of Administration (DOA).

Summary of Legislative Action

The Sixty-third Legislature provided total appropriations of \$20.9 million for nine major IT projects in HB 10. The figure below shows the projects by agency, project name, and fund type.

Long-Range Information Technology Program (LRITP)						
Project Appropriations - HB 10 - 2015 Biennium						
Agency / Project	LRITP Capital Projects Funds	State Special	Federal Special	Proprietary	Total	
Administration						
DOA Public Safety Communications System	\$3,000,000				\$3,000,000	
Computerized Maintenance Management System				350,000	350,000	
Enhance Data Security	2,000,000				2,000,000	
Electronic Records Mgt./Electronic Mgt. Grants	1,000,000				1,000,000	
Commissioner of Political Practices						
Campaign Reporting Service Database Rewrite	502,400				502,400	
Environmental Quality						
Remediation Information Management System	700,000	1,060,000	40,000		1,800,000	
Transportation						
Maintenance Management System		2,000,000			2,000,000	
Secretary of State						
Information Management System Phase 2	4,078,385				4,078,385	
Legislative Branch						
Session Systems Replacement Project	<u>6,146,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,146,000</u>	
Total Projects	<u>\$17,426,785</u>	<u>\$3,060,000</u>	<u>\$40,000</u>	<u>\$350,000</u>	<u>\$20,876,785</u>	

Project Descriptions

The following is a brief description of the projects shown in the table above. The appropriations are provided to the department of administration unless otherwise noted.

Department of Administration

- Public Safety Communications System Maintenance and Operations - \$3,000,000 LRITP Capital Projects Fund (05031) – This project will fund the expansion of the public safety communications system administered by the Montana Statewide Interoperability Governing Board (SIGB). The project includes \$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
- Computerized Maintenance Management System - \$350,000 GSD Proprietary Funds (06528) – This project will fund 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 track and develop deferred maintenance projects for the 40 buildings they manage

- Enhance Data Security - \$2,000,000 LRITP Capital Projects Fund (05031) – This project will expand and enhance measures to address potential security gaps in state information technology systems and networks, to prevent hackers from gaining access to Montanan’s confidential information
- Electronic Records Management/Electronic Content Management Matching Grants - \$1,000,000 LRITP Capital Projects Fund (05031) – This project will provide funding for the development of electronic record creation, management, storage, and retrieval processes. In approving this project, the legislature requested that an IT system result from the work.

Commissioner of Political Practices

- Campaign Reporting Service / Database Rewrite - \$502,400 LRITP Capital Projects Fund (05031) – 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.

Department of Environmental Quality

- Remediation Information Management System - \$700,000 LRITP Capital Projects Fund (05031), \$240,000 Petroleum Storage Tank Cleanup SSR (02058), \$610,000 Environmental Quality Protection SSR (02162), \$210,000 LUST Cost Recovery SSR (02565), \$40,000 EPA Brownfields Grant FSR (03973) – This project will replace the current remediation 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 - \$2,000,000 Restricted Highway SSR (02422) – This project will replace the current Maintenance Management System (MMS) legacy system with a full-featured MMS to improve timeliness, accuracy of data collection, and employee efficiency. The new system would also support all of the maintenance programs within the maintenance division, instead of only supporting general maintenance operations.

Secretary of State

- Information Management System, Phase 2 - \$4,078,385 LRITP Capital Projects Fund (05031) – This project will 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.

Legislative Services Division

- Session Systems Replacement Project - \$6,146,000 LRITP Capital Projects Fund (05031) – This is a major enterprise-level business system replacement project to upgrade multiple aging systems, including process design, MCA/annotations, LAWS database, editor system, HB2 automation, Engrossing and Enrolling, and the MCA online system, all used to support the legislative session and related post session publication processes. The appropriation is provided to the Legislative Services Division.

Funding

Funding for LRITP capital projects is made through the LRITP capital projects fund. The LRITP fund has no revenue distributions directed to the upgrades of state IT, but instead relies on fund transfers and agency funds to pay the costs of major IT projects. The LRITP capital projects fund will begin the 2015 biennium with a balance of \$6.0 million. As shown in the figure to the right, HB 10 contains a general fund transfer of \$11.5 million. Consequently, the beginning fund balance along with the anticipated fund revenues are expected to equal the capital project fund appropriations of \$17.4 million, and a \$0 fund balance is expected at the end of the 2015 biennium.

Long-Range Information Technology Capital Project Fund (05031)	
Working Capital Balance, 2015 Biennium	
Estimated Beginning Fund Balance (7/1/2013)	\$5,975,000
Revenues	
Transfer from the General Fund	<u>\$11,451,785</u>
2015 Biennium Revenues	11,451,785
Fund Appropriations ¹	
LRITP Projects	<u>(17,426,785)</u>
Total Appropriations	(17,426,785)
Estimated Ending Fund Balance (6/30/2015)	\$0
¹ HB 10	

Executive Budget Comparison

The Sixty-third Legislature increased the appropriation for LRITP from the executive recommendation by \$644,000 or 3.2%. The changes from the executive budget request include:

- o A cost reduction for the Secretary of State project – (\$356,000)
- o The addition of the Electronic Records Management project - \$1.0 million

Program Comparison - Long-Range Information Technology Program				
Budget Item	Budget 2015 Biennium	Budget 2015 Biennium	Biennium Change	Biennium % Change
Projects Cost	<u>Appropriated</u> \$20,232,785	<u>Proposed</u> \$20,876,785	\$644,000	3.18%
Total Costs	\$20,232,785	\$20,876,785	\$644,000	3.18%
Capital Project Fund	0	5,975,000	5,975,000	-
General Fund ¹	16,782,785	\$11,451,785	(5,331,000)	-31.76%
State Special	3,060,000	3,060,000	0	0.00%
Federal Special	40,000	40,000	0	0.00%
Other/Proprietary	350,000	350,000	0	0.00%
Total Funds	\$20,232,785	\$20,876,785	\$644,000	3.18%
¹ General fund is a transfer to the capital project fund				

The legislature also reduced the transfer of general fund to the capital projects fund by \$5.3 million in recognition of the existing fund balance at the beginning of the 2015 biennium.

Other Legislation

The Sixty-third Legislature did not enact any legislation that would directly impact the LRITP program.