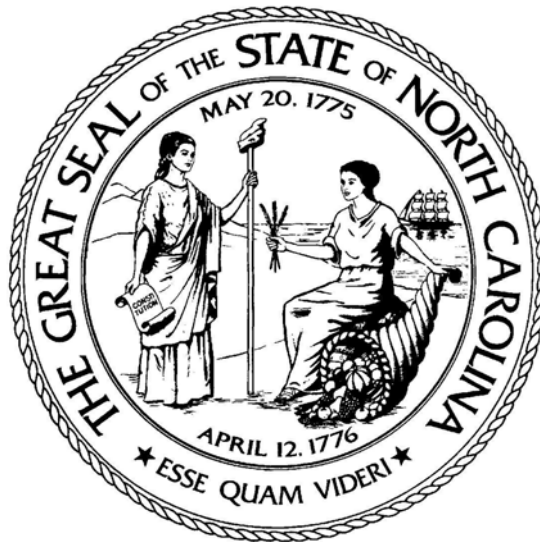


House Appropriations Subcommittee on Information Technology

Proposed Subcommittee Report for S402: Appropriations Act of 2013



**June 7, 2013
House Appropriations**

Information Technology Reserve Fund

Budget Code: 00000

	FY 2013-14	FY 2014-15
Beginning Unreserved Fund Balance	\$0	\$0
Recommended Budget		
Requirements	\$35,000,000	\$32,000,000
Receipts	\$27,000,000	\$32,000,000
Positions	0.00	0.00

Legislative Changes**Requirements:****Adjustment to IT Reserve**

(\$2,700,000) R

\$0 R

Adjusts Information Technology Reserve requirements to reflect the availability of funding by reducing requirements to reflect receipts. This includes delaying the hiring of two IT managers and one IT professional responsible for planning until second year (\$450,000), delaying the hiring of five IT analysts responsible for the build function until the second year (\$550,000), delaying network simplification until the second year, reducing MS Office by \$3,600,000 in FY 2013-2014, eliminating funding of \$400,000 in FY 2013-2014, and eliminating \$3 million for secure sign-on.

(\$5,300,000) NR

\$0 NR

0.00

0.00

Prepare/Focus (Strategic Plan)

\$0 R

\$0 R

Provides \$250,000 in FY 2013-14 to allow the State Chief Information Officer (CIO) to develop a new strategic plan that can be consistently implemented across State agencies, using a cross-agency working group to assess Statewide needs and formulate a plan. To support this effort, the State CIO will retain consultants with public and private sector expertise and estimates a requirement for 1,250 hours of support at \$200 per hour.

\$0 NR

\$0 NR

0.00

0.00

House Committee on Appropriations/Base Budget

	FY 2013-14		FY 2014-15	
Plan (Enterprise Architecture)	\$0	R	\$0	R
Provides the State CIO with funding of \$1,570,806 in FY 2013-14 and \$2,239,512 in FY 2014-15 to hire personnel with the skills necessary to ensure that the State has an enterprise architecture that can be used as the basis for planning Statewide IT support and integrating agency requirements. As part of this effort, a consistent, detailed business case development process will be created that is based on best practices and ensures that the State acquires the best support at the lowest cost. To facilitate this process, the State CIO plans to recruit personnel with the necessary expertise. These will include the following:	\$0	NR	\$0	NR
1 IT Executive	13.00		16.00	
4 IT Managers (2 hired in FY 2014-15)				
11 IT Professionals (6 hired 10/01/2013) (1 hired in FY 2014-15)				
Build (Project Management)	\$0	R	\$0	R
Provides funding of \$1,507,353 in FY 2013-14 and \$2,882,254 in FY 2014-15 to allow the State CIO to hire staff with the skills required to create and deploy a development model for Cabinet agencies that will assist them in defining software requirements and require standard methodologies for project management and system development. The State CIO has projected the following staffing requirements:	\$0	NR	\$0	NR
1 IT Executive	18.00		26.00	
3 IT Managers (1 to be hired 10/01/2013, 1 to be hired 01/01/2014)				
14 IT Analysts (6 to be hired 10/1/2013, 5 to be hired 01/01/2014)				
8 IT Analysts for 2014 (1 to be hired 10/01/2014, 1 to be hired 01/01/2015)				
Remediation (Equipment Relocation)	\$0	R	\$0	R
Provides the State CIO with funding to move information technology equipment from substandard facilities to State data centers. The associated costs are estimated as follows:	\$0	NR	\$0	NR
Vendor support of \$300,000 in FY 2013-2014	0.00		0.00	
Equipment costs of \$800,000 in FY 2013-14 & \$600,000 in FY 2014-15				

House Committee on Appropriations/Base Budget

	FY 2013-14		FY 2014-15	
Security	\$0	R	\$0	R
Ensures that State agencies are meeting IT security requirements by providing nonrecurring funding of \$1,500,000 in FY 2013-14 and \$250,000 in FY 2014-15 to allow the State CIO to conduct an assessment of their current status, then implement improvements based on identified shortfalls. To accomplish this, the services of an outside consultant will be required. The State CIO has also identified shortfalls in the IT Security staff and requires an additional IT security specialist, to be hired in January 2014, with an annual salary and benefits totaling \$142,788.	\$0	NR	\$0	NR
	1.00		1.00	
Network Simplification	\$0	R	\$0	R
Provides nonrecurring funding of \$5,250,000 in FY 2014-15 to allow for the upgrade, simplification, and modernization of the State's internal IT infrastructure to accommodate current technology. Applications will also be upgraded.	\$0	NR	\$0	NR
	0.00		0.00	
Desktop Remediation	\$0	R	\$0	R
Provides nonrecurring funding of \$16,000,000 in FY 2013-14 and \$13,300,000 in FY 2014-15 for the replacement of obsolete computers and applications.	\$0	NR	\$0	NR
	0.00		0.00	
MS Office	\$0	R	\$0	R
Provides \$2,300,000 in FY 2013-14 and FY 2014-15, as well as nonrecurring funding of \$1,715,000 in FY 2013-14 to update approximately 50,000 agency software licenses to meet current standards.	\$0	NR	\$0	NR
	0.00		0.00	
Operate (Standards and Measures)	\$0	R	\$0	R
Allows the State CIO to establish consistent, comparable IT standards and measures. To accomplish this, the State CIO has requested funding of \$185,446 in FY 2013-14 and FY 2014-15 for an IT Executive to be responsible for managing the delivery of IT services for State agencies. To enable this executive to standardize IT, the State CIO will engage the services of a consultant with nonrecurring funding of \$800,000 in FY 2013-2014 and \$500,000 in FY 2014-2015.	\$0	NR	\$0	NR
	1.00		1.00	
Customer Data	\$0	R	\$0	R
Facilitates the State CIO developing a standard State policy regarding access to and use of data held by the State, using the services of a consultant at the nonrecurring cost of \$1 million in FY 2014-2015.	\$0	NR	\$0	NR
	0.00		0.00	

House Committee on Appropriations/Base Budget

	FY 2013-14		FY 2014-15	
Secure Sign-On	\$0	R	\$0	R
Provides recurring funding of \$70,000 and nonrecurring funding of \$3,280,000 in FY 2014-15 for the upgrade of the State's identity management system to accommodate increasing security requirements for anyone accessing certain types of data.	\$0	NR	\$0	NR
	0.00		0.00	
Innovation Center	\$0	R	\$0	R
Creates an innovation center to encourage collaboration between State agencies, institutions of higher learning, citizens, and the private sector to create information technology solutions with potential benefit to the State and anyone using government services.	\$0	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	(\$2,700,000)	R	\$0	R
	(\$5,300,000)	NR	\$0	NR
	33.00		44.00	

Receipts:**Information Technology Reserve Receipts**

Sets IT Reserve receipts at \$27,000,000 in appropriations for FY 2013-14 and \$32,000,000 for FY 2014-15.

Subtotal Legislative Changes

\$0	R	\$0	R
\$0	NR	\$0	NR
\$0	R	\$0	R
\$0	NR	\$0	NR

House Committee on Appropriations/Base Budget

	FY 2013-14	FY 2014-15
Revised Total Requirements	\$27,000,000	\$32,000,000
Revised Total Receipts	\$27,000,000	\$32,000,000
	\$0	\$0
Change in Fund Balance		
Total Positions	33.00	44.00
Ending Unreserved Fund Balance	\$0	\$0

Information Technology Internal Service Fund

Budget Code: 74660

	FY 2013-14	FY 2014-15
Beginning Unreserved Fund Balance	\$16,656,521	\$16,656,521
Recommended Budget		
Requirements	\$190,000,000	\$190,000,000
Receipts	\$190,000,000	\$190,000,000
Positions	507.00	507.00

Legislative Changes**Requirements:**

Information Technology Internal Service Fund	\$0 R	\$0 R
Provides funding for the Office of Information Technology Services. For FY 2013-14 and FY 2014-15, the Fund is limited to \$190 million.	\$0 NR 0.00	\$0 NR 0.00
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR 0.00	\$0 NR 0.00

Receipts:

IT Internal Service Fund Receipts	\$0 R	\$0 R
Limits receipts for SFY 2013-14 and 2014-15 to \$190 million each year.	\$0 NR	\$0 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$0 NR	\$0 NR

House Committee on Appropriations/Base Budget

	FY 2013-14	FY 2014-15
Revised Total Requirements	\$190,000,000	\$190,000,000
Revised Total Receipts	\$190,000,000	\$190,000,000
	\$0	\$0
Change in Fund Balance		
Total Positions	507.00	507.00
Ending Unreserved Fund Balance	\$16,656,521	\$16,656,521

Information Technology Fund

Budget Code: 24667

	FY 2013-14	FY 2014-15
Beginning Unreserved Fund Balance	\$0	\$2,200
Recommended Budget		
Requirements	\$6,053,142	\$6,053,142
Receipts	\$6,053,142	\$6,053,142
Positions	33.00	33.00

Legislative Changes**Requirements:****Criminal Justice Information Network**

Provides \$189,563 in each year of the biennium to the Criminal Justice Information Network (CJIN). The CJIN is a statewide criminal justice infrastructure that allows the sharing of information between State and local criminal justice agencies.

R

NR

R

NR

Center for Geographic Information and Analysis

Provides \$495,338 in each year of the biennium for the Center for Geographic Information and Analysis (CGIA). The CGIA is the lead agency for geographic information systems (GIS) services and GIS coordination for North Carolina. CGIA provides GIS services to State and local governments as well as the private sector.

R

NR

R

NR

Enterprise Security Risk Management Office

Reduces funding for Enterprise Security Risk Management to 2011-2013 levels, leaving \$864,148 (recurring) for each year of the biennium. The Enterprise Security and Risk Management Office (ESRMO) is responsible for the development, delivery and maintenance of an information security and risk management program that safeguards the State's information assets and the supporting infrastructure against unauthorized use, disclosure, modification, damage, or loss.

(\$248,746) R

NR

(\$248,746) R

NR

House Committee on Appropriations/Base Budget

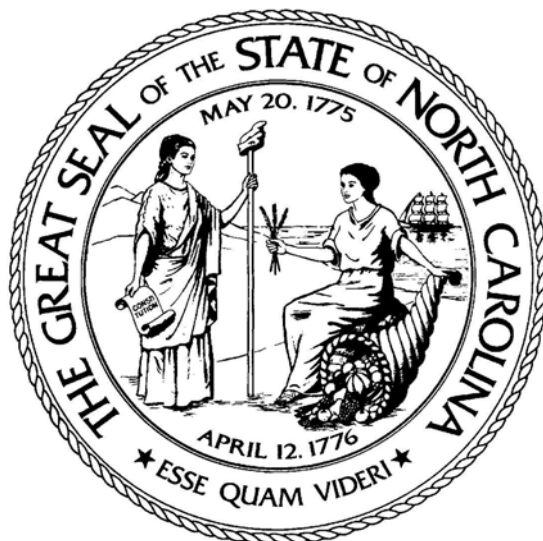
	FY 2013-14		FY 2014-15	
Enterprise Project Management Office	(\$219,116)	R	(\$219,116)	R
Reduces funding for the Enterprise Project Management Office (EPMO) to 2011-13 levels, leaving \$1,473,285 for FY 2013-14 and FY 2014-15. The EPMO was established to improve the management of IT projects in State government.		NR		NR
Architecture and Engineering	(\$48,354)	R	(\$48,354)	R
Reduces funding for the Office of Enterprise Architecture to 2011-2013 levels, providing \$851,986 for FY 2013-14 and FY 2014-15. The Office acts as a strategic planner and architect for the State's IT programs and is responsible for formulating and advancing a vision for those programs.		NR		NR
State Web Site		R		R
Provides funding of \$224,741 for FY 2013-14 and FY 2014-15 to support the operation and maintenance of the State's web site.		NR		NR
Enterprise Licenses		R		R
Provides funding of \$33,000 for FY 2013-14 and FY 2014-15 for enterprise license agreements. Enterprise license agreements support multiple agencies' IT projects and applications.		NR		NR
Consolidation	\$1,033,731	R	\$1,033,731	R
Provides recurring funding totaling \$2,054,812 for each year of the biennium, and nonrecurring funding of \$1,582,485 in FY 2013-2014 and \$3 million in FY 2014-2015 to consolidate agency infrastructure and applications.	\$1,582,485	NR	\$3,000,000	NR
	0.00		0.00	
Electronic Forms and Digital Signatures	\$900,000	R	\$900,000	R
Provides funding to continue the State's effort to develop and enterprise electronic forms and digital signatures capability.		NR		NR
Subtotal Legislative Changes	\$1,417,515	R	\$1,417,515	R
	\$1,582,485	NR	\$3,000,000	NR
	0.00		0.00	

House Committee on Appropriations/Base Budget

	FY 2013-14		FY 2014-15	
Receipts:				
Interest	\$2,200	R	\$2,200	R
Accounts for interest generated by the Information Technology Fund during FY 2012-13 and 2013-14.	\$0	NR	\$0	NR
Funding for Consolidation	\$1,417,515	R	\$1,417,515	R
Provides additional funding to continue the consolidation of State infrastructure and applications by the State Chief Information Officer.	\$1,582,485	NR	\$3,000,000	NR
Subtotal Legislative Changes	\$1,419,715	R	\$1,419,715	R
	\$1,582,485	NR	\$3,000,000	NR
<hr/>				
Revised Total Requirements	\$9,053,142		\$10,470,657	
Revised Total Receipts	\$9,055,342		\$10,472,857	
	\$2,200		\$2,200	
Change in Fund Balance				
Total Positions	33.00		33.00	
<hr/>				
Ending Unreserved Fund Balance	\$2,200		\$4,400	

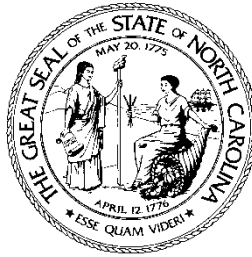
House Appropriations Subcommittee on Information Technology

Proposed Special Provisions for S402: Appropriations Act of 2013



June 7, 2013

GENERAL ASSEMBLY OF NORTH CAROLINA



SPECIAL PROVISIONS APPROPRIATIONS SUBCOMMITTEE ON INFORMATION TECHNOLOGY REPORT

JUNE 6, 2013

Report Last Updated: 6/6/13 2:54 PM

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GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

DRAFT
SPECIAL PROVISION



2013-IT-H1(S7.2)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

INFORMATION TECHNOLOGY INTERNAL SERVICE FUND

SECTION 7.2.(a) G.S. 147-33.88 reads as rewritten:

"§ 147-33.88. Information technology **budget development and reports.**

(a) ~~The Office shall develop an annual budget for review and approval by the Office of State Budget and Management prior to April 1 of each year.~~ The Office of Information Technology Services (ITS) shall develop an annual budget for review and approval by the Office of State Budget and Management (OSBM) in accordance with a schedule prescribed by the Director of the Office of State Budget and Management. The approved Information Technology Internal Service Fund budget shall be included in the Governor's budget recommendations to the General Assembly.

The Office of State Budget and Management shall ensure that State agencies have an opportunity to adjust their budgets based on any rate changes proposed by the Office of Information Technology Services and approved by the Office of State Budget and Management.

(b) The Office shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the Office's Internal Service Fund on a quarterly basis, no later than the first day of the second month following the end of the quarter. The report shall include current cash balances, line-item detail on expenditures from the previous quarter, and anticipated expenditures and revenues. The Office shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on expenditures for the upcoming quarter, projected year-end balance, and the status report on personnel position changes including new positions created and existing positions eliminated. The Office spending reports shall comply with the State Accounting System object codes."

SECTION 7.2.(b) IT Internal Service Fund. – For each year of the 2013-2015 fiscal biennium, receipts for the IT Internal Service Fund shall not exceed one hundred ninety million dollars (\$190,000,000), excluding a 60-day balance for contingencies. Rates approved by the Office of State Budget and Management (OSBM) to support the IT Internal Service Fund shall be based on this fund limit. In the event the Fund exceeds the required limit, rates shall be adjusted within 30 days. In the event that an increase in receipts for the IT Internal Service Fund is required, the Office of Information Technology services may only implement the increase after consultation with the Joint Legislative Commission on Governmental Operations.

SECTION 7.2.(c) Rate Setting. – By October 31, 2013, the State Chief Information Officer shall establish consistent, fully transparent, easily understandable rates that reflect industry standards for each service for which any agency is charged. A report explaining the rate structure shall be submitted to the Joint Legislative Commission on Governmental Operations, the Chairs of the Joint Legislative Oversight Committee on Information Technology, the House Appropriations Subcommittee on Information Technology, and the Fiscal Research Division. An interim report shall be submitted by July 30, 2013. Overhead

1 charges to agencies shall be consistently applied and shall reflect industry standards for the
2 particular service. Rate increases shall require the approval of OSBM and consultation with the
3 Joint Legislative Commission on Governmental Operations. Rate reductions may be
4 implemented following notification of OSBM.

5 **SECTION 7.2.(d)** Agency Billing and Payments. – The State Chief Information
6 Officer shall ensure that bills from the Office of Information Technology Services are easily
7 understandable and fully transparent. If a State agency fails to pay its IT Internal Service Fund
8 bill within 30 days of receipt, the Office of State Budget and Management may transfer funds
9 from the agency to fully or partially cover the cost of the bill from that agency to the IT Internal
10 Service Fund, following notification of the affected agency.

11 **SECTION 7.2.(e)** Unspecified Uses. – Any uses of the IT Internal Service Fund
12 not specifically related to the operation of the Office of Information Technology Services, to
13 include any transfers to other State agencies, shall immediately be reported to the Office of
14 State Budget and Management and the Fiscal Research Division with a detailed explanation as
15 to why it was necessary to use the Fund. The State Chief Information Officer may use the IT
16 Internal Service Fund, and any other available resources, to accelerate desktop remediation and
17 associated software upgrades, if it is in the State's best interest.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

DRAFT
SPECIAL PROVISION



2013-IT-H2(S7.4)-P

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 INFORMATION TECHNOLOGY OPERATIONS/FUNDING

2 SECTION 7.4.(a) The Office of the State Chief Information Officer (CIO) shall
3 develop an inventory of servers and server locations in State agencies. Based on this inventory,
4 the State CIO shall develop a plan to consolidate agency servers in State-owned data centers.
5 By November 1, 2013, the State CIO shall provide a written plan for accomplishing this to the
6 Joint Legislative Oversight Committee on Information Technology and the Fiscal Research
7 Division.

8 SECTION 7.4.(b) The Office of the State CIO shall identify information
9 technology applications that are hosted by vendors that are not backed up on State-owned
10 infrastructure. The State CIO shall work with impacted State agencies to develop a plan to
11 ensure that any State agency application hosted by a vendor is backed up on State-owned
12 infrastructure. By January 1, 2014, the State CIO shall provide a plan for accomplishing this to
13 the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research
14 Division.

15 SECTION 7.4.(c) Unless a change is approved by the State Chief Information
16 Officer after consultation with the Office of State Budget and Management, funds appropriated
17 to the Information Technology Fund shall be spent only as specified by the General Assembly.
18 Changes shall not result in any degradation to the information technology operations or projects
19 for which the funds were originally appropriated.

20 Any changes to the specified uses shall be reported in writing to the Chairs of the
21 Joint Legislative Oversight Committee on Information Technology, the Chair and Cochair of
22 the House Appropriations Subcommittee on Information Technology, and the Fiscal Research
23 Division.

24 SECTION 7.4.(d) The Information Technology Reserve Fund shall be established
25 in the Office of the State Chief Information Officer (CIO). It shall be interest-bearing and
26 nonreverting. The State CIO shall follow established procedures for project approval. By
27 August 1, 2013, the State Chief Information Officer shall provide a time line for completing
28 initiatives included in the IT Reserve Fund to the Joint Legislative Oversight Committee on
29 Information Technology, the House Appropriations Subcommittee on Information Technology,
30 and the Fiscal Research Division. The time line shall include the dates for completion of a
31 strategic plan, an enterprise architecture, a new business case methodology, and
32 implementation of a new project management process. Not later than the dates specified in the
33 time line, each of these documents shall be submitted to the Joint Legislative Oversight
34 Committee on Information Technology, the House Appropriations Subcommittee on
35 Information Technology, and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

DRAFT
SPECIAL PROVISION



2013-IT-H3(S7.5)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 ***STATEWIDE INFORMATION TECHNOLOGY PROCUREMENT***

2 **SECTION 7.5.** Statewide information technology procurement shall be funded
3 through fees charged to agencies using the services of the Statewide Information Technology
4 Procurement Office. The Office of the State Chief Information Officer (CIO) shall provide to
5 the Office of State Budget and Management (OSBM) a fee schedule to allow cost recovery. If
6 an agency fails to pay for services within 30 days of billing, OSBM shall transfer the unpaid
7 amount to the State Information Technology Procurement Office, following notification of the
8 affected agency.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

DRAFT
SPECIAL PROVISION



2013-IT-H4(S7.6)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

PUBLIC SCHOOL PROCUREMENT OF INFORMATION TECHNOLOGY

SECTION 7.6.(a) The State Chief Information Officer (CIO) shall work with the North Carolina Department of Public Instruction (DPI) and the Governor's Education Council to implement public school cooperative purchasing agreements for the procurement of information technology (IT) goods and services to support public schools. For purposes of this section, the phrase "public school cooperative purchasing agreement" means an agreement implemented pursuant to this section and available for local school administrative units, regional schools, charter schools, or some combination thereof, providing for collaborative or collective purchases of information technology goods and services in order to leverage economies of scale and to reduce costs.

SECTION 7.6.(b) Each public school cooperative purchasing agreement shall be based on a defined statewide information technology need to support education in the public schools. Each public school cooperative purchasing agreement shall allow for equal access to technology tools and services and shall provide a standard competitive cost throughout North Carolina for each tool or service. Public school cooperative purchasing agreements shall follow State information technology procurement laws, rules, and procedures.

SECTION 7.6.(c) By October 1, 2013, and quarterly thereafter, the Office of the State CIO and DPI shall report on the establishment of public school cooperative purchasing agreements, savings resulting from the establishment of the agreements, and any issues impacting the establishment of the agreements. The reports shall be made to the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

DRAFT
SPECIAL PROVISION



2013-IT-H5A(S7.7)

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 INFORMATION TECHNOLOGY CONTRACTS

2 **SECTION 7.7.(a)** SCIO Review. – The State Chief Information Officer (CIO)
3 shall review all State information technology (IT) contracts and shall develop a plan to
4 consolidate duplicate IT contracts and multiple IT contracts with the same vendor.

5 **SECTION 7.7.(b)** Sole Sourcing Limited. – State IT contracts, including
6 extensions of the period of performance or expansion of the scope of existing contracts, shall
7 not be sole sourced, unless the State CIO grants a specific exception to allow sole sourcing. The
8 State CIO shall immediately report any exceptions granted to the Joint Legislative Oversight
9 Committee on Information Technology and the Fiscal Research Division. The report shall
10 explain the reasons why any sole sourcing was deemed to be appropriate.

11 **SECTION 7.7.(c)** Contract Payments. – State payments under information
12 technology contracts must be in return for value received or benefits conferred to the State in
13 accordance with timely vendor performance of the contract. Therefore, all payments made by
14 the State under information technology contracts shall be linked to vendor completion of
15 specified performance standards and measures, the delivery of deliverables required under the
16 contract, or both. State information technology contracts shall include terms requiring that
17 vendors meet specific benchmarks within specified time periods. If vendors fail to meet
18 benchmarks within the specified time period, the State CIO shall suspend or terminate the
19 contract. If an agency develops a detailed risk versus reward analysis in advance that (i) is
20 reviewed and approved by the Office of the State CIO and the Office of State Budget and
21 Management and (ii) reflects industry practices, then contract payments provisions may
22 consider the level of risk that a vendor assumes under the contract.

23 **SECTION 7.7.(d)** Guaranteed Savings. – If a selected vendor presents a proposal
24 quantifying savings to the State over a specific time period, the savings shall be considered
25 guaranteed. To ensure that the State receives the guaranteed savings, the vendor shall provide
26 security to the State in the form acceptable to the Office of the State Treasurer and in an
27 amount equal to one hundred percent (100%) of the total cost of the guaranteed savings
28 contract to ensure the vendor's faithful performance. Any bonds required under this section
29 shall be subject to the provisions of Article 3 of Chapter 44A of the General Statutes. If the
30 savings resulting from a guaranteed contract are not as great as projected under the contract and
31 all required shortfall payments to the State have not been made, the State Chief Information
32 Officer may terminate the contract without incurring any additional obligation to the vendor.

33 **SECTION 7.7.(e)** The State CIO shall develop a plan to modify bulk purchasing
34 contracts, while maintaining economies of scale, to provide agencies with the option of
35 purchasing equipment on an "as-needed" basis. By September 15, 2013, the State CIO shall
36 provide the plan to the Joint Legislative Oversight Committee on Information Technology and
37 the Fiscal Research Division. The State CIO may modify the plan based upon input from the
38 Joint Legislative Oversight Committee on Information Technology and following the review,
39 shall begin implementation of the plan.

1 **SECTION 7.7.(f)** Enterprise Contracts. – The State Chief Information Officer shall
2 consult participating agency chief information officers and obtain approval from the Office of
3 State Budget and Management prior to the initiation of any enterprise project or contract and
4 shall ensure that enterprise project and contract costs are allocated to participating agencies in
5 an equitable manner. Enterprise agreements shall not exceed the participating State agencies'
6 ability to financially support the contracts.

7 The State CIO shall not enter into any enterprise information technology contracts
8 without obtaining written agreements from participating State agencies regarding the
9 apportionment of the contract cost. State agencies agreeing to participate in a contract shall:

10 (1) Ensure that sufficient funds are budgeted to support their agreed shares of
11 enterprise contracts throughout the life of the contract.

12 (2) Transfer the required funding to the Information Technology Internal
13 Service Fund in sufficient time for the Office of Information Technology
14 Services to meet vendor contract requirements.

15 **SECTION 7.7.(g)** Three-Year Contracts. – Notwithstanding the cash management
16 provisions of G.S. 147-86.11, the Office of Information Technology Services may procure
17 information technology goods and services for periods up to a total of three years where the
18 terms of the procurement contracts require payment of all or a portion of the contract price at
19 the beginning of the contract agreement. All of the following conditions shall be met before
20 payment for these agreements may be disbursed:

21 (1) Any advance payment can be accomplished within the IT Internal Service
22 Fund budget.

23 (2) The State Controller receives conclusive evidence that the proposed
24 agreement would be more cost-effective than a multiyear agreement that
25 complies with G.S. 147-86.11.

26 (3) The procurement complies in all other aspects with applicable statutes and
27 rules.

28 (4) The proposed agreement contains contract terms that protect the financial
29 interest of the State against contractor nonperformance or insolvency
30 through the creation of escrow accounts for funds, source codes, or both, or
31 by any other reasonable means that have legally binding effect.

32 The Office of State Budget and Management shall ensure the savings from any authorized
33 agreement shall be included in the IT Internal Service Fund rate calculations before approving
34 annual proposed rates. Any savings resulting from the agreements shall be returned to agencies
35 included in the contract in the form of reduced rates. Beginning October 1, 2013, ITS shall
36 submit a quarterly written report of any authorizations granted under this section to the Joint
37 Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

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SPECIAL PROVISION



2013-IT-H6(S7.8)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 INFORMATION TECHNOLOGY PERSONAL SERVICES CONTRACT
2 REQUIREMENTS

3 SECTION 7.8. Notwithstanding any provision of law to the contrary, no contract
4 for information technology personal services, or that provides personnel to perform information
5 technology functions, may be established or renewed without written approval from the
6 Statewide Information Technology Procurement Office and the Office of State Budget and
7 Management. To facilitate compliance with this requirement, the Statewide Information
8 Technology Procurement Office shall develop and document the following:

- 9** (1) Standards for determining whether it is more appropriate for an agency to
10 hire an employee or use the services of a vendor.
11 (2) A process to monitor all State agency personal services contracts, as well as
12 any other State contracts providing personnel to perform information
13 technology functions.
14 (3) A process for obtaining approval of contractor positions.

15 The Statewide Information Technology Procurement Office shall review current
16 personal services contracts and determine if each contractor is performing a function that could
17 more appropriately be performed by a State employee. Where the determination is made that a
18 State employee should be performing the function, the Statewide Information Technology
19 Procurement Office shall work with the impacted agency and the Office of State Personnel to
20 identify or create the position.

21 Beginning October 1, 2013, the Statewide Information Technology Procurement
22 Office shall report to the Joint Legislative Oversight Committee on Information Technology
23 and the Fiscal Research Division on its progress toward standardizing information technology
24 personal services contracts. In addition, the report shall include detailed information on the
25 number of personal service contractors in each State agency, the cost for each, and the
26 comparable cost (including benefits) of a State employee serving in that capacity rather than a
27 contractor.

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SPECIAL PROVISION



2013-IT-H20A(S7.9)

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

PREVENT DUPLICATION OF INFORMATION TECHNOLOGY CAPABILITIES

SECTION 7.9.(a) The Office of the State Chief Information Officer (CIO) shall develop a plan and adopt measures to prevent the duplication of information technology capabilities and resources across State agencies. When multiple agencies require the same, or substantially similar, information technology capabilities, the State CIO shall designate one State agency as the lead to coordinate and manage the capability for all State agencies, with the State CIO maintaining oversight of the effort. By October 1, 2013, the State CIO shall provide this plan to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

SECTION 7.9.(b) The Office of the State Chief Information Officer shall do all of the following to carry out the purposes of this section:

- (1) Review all current and future information technology projects to determine whether the capabilities required for each project already exist in a planned, ongoing, or completed information technology project developed by another State agency. For projects where the capability already exists, the Office of the State CIO shall assist the agency with implementing the existing capability.
- (2) Identify existing projects that can best support a specific information technology capability for multiple agencies and work to transition all agencies requiring the specific capability to the identified projects.
- (3) When State agencies request approval for new projects, determine if the information technology project can be implemented using an existing application, or if the new project has the potential to support multiple agencies' requirements.
- (4) Provide quarterly reports on progress toward eliminating duplication to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.
- (5) Ensure that contracts for information technology allow the addition of other agencies' requirements within the terms of the existing contracts.

SECTION 7.9.(c) The Office of the State Chief Information Officer shall include the University of North Carolina in the plan to prevent the duplication of information technology capabilities and resources, and the University shall provide all information requested to identify information technology capabilities and resources for the plan. Notwithstanding G.S. 147-33.80, the University shall participate in enterprise projects and initiatives conducted pursuant to G.S. 143-135.9 involving the same, or substantially similar, information technology capabilities or provide common information technology infrastructure among Executive Branch agencies, including Enterprise Resource Planning.

SECTION 7.9.(d) G.S. 147-33.72C(e) reads as rewritten:

1 "(e) Performance Contracting. – All contracts between a State agency and a private party
2 for information technology projects shall include provisions for vendor performance review
3 and accountability. The State CIO may require that these contract provisions require a
4 performance bond, include monetary ~~penalties~~–penalties, or require other performance
5 assurance measures for projects that are not completed or performed within the specified time
6 period or that involve costs in excess of those specified in the contract. The State CIO may
7 utilize cost savings realized on government vendor partnerships, as defined in G.S. 134-135.9,
8 as performance incentives for an information technology project vendor. ~~require contract~~
9 provisions requiring a vendor to provide a performance bond."

10 **SECTION 7.9.(e)** All State agencies shall coordinate any Geographic Information
11 System (GIS) initiatives through the Center for Geographic Information and Analysis (CGIA)
12 in the Office of Information Technology Services, as well as the Office of the State CIO, to
13 ensure that existing capabilities are not being duplicated. The CGIA shall monitor and approve
14 all new GIS-related information technology projects and expansion budget requests. By
15 January 1 of each year, the CGIA shall submit a written report on GIS duplication to the Joint
16 Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

17 The CGIA shall conduct a review of all GIS applications in State agencies, identify
18 instances of duplication for existing applications, and develop a plan for consolidating
19 duplicative projects. By November 1, 2013, the CGIA shall provide a report on the review to
20 the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research
21 Division.

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SPECIAL PROVISION



2013-IT-H8(S7.11)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 **STATE INFORMATION TECHNOLOGY DATA ARCHIVING**

2 **SECTION 7.11.(a)** The State Chief Information Officer (CIO) shall investigate the
3 feasibility of creating an enterprise data archiving system for State agencies that will (i) allow
4 for the effective management of data from multiple sources; (ii) provide for efficient, timely
5 responses to discovery requests and investigations; and (iii) ensure real time State agency
6 access to and use of archived files. The system shall be financed only by savings accrued as a
7 result of the project.

8 **SECTION 7.11.(b)** By December 1, 2013, the State CIO shall report to the Joint
9 Legislative Oversight Committee on Information Technology and the Fiscal Research Division
10 on the results of the feasibility assessment.

11 **SECTION 7.11.(c)** Subsequent to making the report required by this section, and
12 only if the State CIO has developed a business case that is validated by the Office of State
13 Budget and Management, then the State CIO may initiate the development of an enterprise data
14 archiving system.

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SPECIAL PROVISION



2013-IT-H9(S7.12)-P

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 **INFORMATION TECHNOLOGY/PRIVACY PROTECTION OF CITIZEN DATA**

2 **SECTION 7.12.** The Joint Legislative Oversight Committee on Information
3 Technology (the Committee), in collaboration with the State Chief Information Officer (CIO),
4 shall study establishing State requirements to safeguard the personal data of individuals
5 collected and managed by all branches of State government. The study shall be conducted with
6 the participation and assistance of agency CIOs selected jointly by the Committee and State
7 CIO. The Committee may report any legislative proposals to the 2014 Regular Session of the
8 2013 General Assembly.

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SPECIAL PROVISION



2013-IT-H10(S7.13)-P

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

1 **STATE INFORMATION TECHNOLOGY INNOVATION CENTER**

2 **SECTION 7.13.** The State Chief Information Officer (CIO) may operate a State
3 Information Technology Innovation Center (Center) to develop and demonstrate technology
4 solutions with potential benefit to the State and its citizens. The Center may facilitate the
5 piloting of potential solutions to State technology requirements. In operating the Center, the
6 State CIO shall ensure that all State laws, rules, and policies are followed. Vendor participation
7 in the Center shall not be construed to (i) create any type of preferred status for vendors or (ii)
8 abrogate the requirement that the State CIO ensure that agency and statewide requirements for
9 information technology support (including those for the Office of the State CIO and the Office
10 of Information Technology Services) are awarded based on a competitive process that follows
11 information technology procurement guidelines. Beginning July 1, 2013, the State CIO shall
12 report to the Joint Legislative Oversight Committee on Information Technology on a quarterly
13 basis on initiatives being developed and implemented within the Center, as well as on the
14 sources and amounts of resources used to support the Center.

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SPECIAL PROVISION



2013-IT-H11(S7.14)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

ENTERPRISE GRANTS MANAGEMENT

SECTION 7.14.(a) Effective August 1, 2013, the State Chief Information Officer (CIO) shall oversee the development and implementation of the enterprise grants management system. The State CIO shall review progress on the implementation of the enterprise grants management system and update the plan for its development and implementation. This plan shall include an updated inventory of current agency grants management systems and a detailed process for consolidating grants management within the State, to include a timeline for implementation. By October 1, 2013, the State CIO shall provide the updated plan to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

SECTION 7.14.(b) There is established a Grants Management Oversight Committee to coordinate the development of an enterprise grants management system. The Committee shall be chaired by the State Chief Information Officer. Committee membership shall include the Director of the Office of State Budget and Management, the State Auditor, the Department of Transportation Chief Information Officer, and the State Controller. The Committee shall:

- (1) Establish priorities for moving agencies to the enterprise system.
- (2) Establish priorities for development and implementation of system capabilities.
- (3) Define system requirements.
- (4) Approve plans associated with system development and implementation.
- (5) Review costs and approve funding sources for system development and implementation.
- (6) Ensure any system benefits are realistic and realized.

SECTION 7.14.(c) Beginning September 1, 2013, the Office of the State CIO shall report quarterly to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the status of the system, including the following information:

- (1) Agencies currently participating in the system.
- (2) Specific requirements for each agency project included in the system development.
- (3) Cost and funding sources for each agency participating in the system.
- (4) Status of each agency project included in the system.
- (5) Comparison of the status of each project to the project's time line, with an explanation of any differences.
- (6) Detailed descriptions of milestones completed that quarter and to be completed the next quarter.
- (7) Any changes in project cost for any participating agency, the reason for the change, and the source of funding, if there is a cost increase.
- (8) Actual project expenditures by agency, to date, and during that quarter.
- (9) Any potential funding shortfalls, and their impact.

- 1 (10) Any issues identified during the quarter, with a corrective action plan and a
- 2 time line for resolving each issue.
- 3 (11) Impact of any issues on schedule or cost.
- 4 (12) Any changes to agency projects, or the system as a whole.
- 5 (13) Any change requests and their costs.

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2013-IT-H13(S7.16)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

VEHICLE MANAGEMENT

SECTION 7.16.(a) The Office of the State Chief Information Officer (CIO) shall develop an implementation plan for establishing a statewide motor fleet management system. The plan shall consider consolidating individual agency and institution motor fleet management systems and include an implementation time line, a cost estimate, and a continuing funding strategy to create and operate a statewide fleet management information system to which all State agencies and institutions would be required to provide vehicle identification, utilization, and direct cost data. In formulating an implementation plan, the Office of the State Chief Information Officer shall do the following:

- (1) Consult with State agencies that own vehicles.
- (2) Review the existing fleet management information systems used by State agencies.
- (3) Examine fleet management information systems used by other state governments.
- (4) Determine whether the State should (i) expand a fleet management information system currently used by a State agency for statewide use, (ii) develop a new in-house system, or (iii) purchase a new system from an outside vendor.
- (5) Determine fees or other methods to pay the initial and ongoing costs for the system.

SECTION 7.16.(b) The Office of State Budget and Management shall assist and advise the Office of the State Chief Information Officer in developing the implementation plan and work with State agencies and institutions to identify funding from current and proposed projects and applications that could be used to support the development and implementation of the statewide motor fleet management system. The Office of State Controller shall assist and advise the Office of the State Chief Information Officer in developing the implementation plan for the statewide motor fleet management information system, including how the system interfaces with the statewide accounting system.

SECTION 7.16.(c) Beginning October 1, 2013, the State CIO shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on the implementation plan for the statewide motor fleet management information system including progress toward the development of the enterprise system, the associated costs, identified sources of funding, and any issues associated with the project.

SECTION 7.16.(d) The State CIO shall also study the feasibility of implementing a tracking system for State vehicles, based on recommendations from the Program Evaluation Division, and report the results of the study to the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Program Evaluation Oversight Committee, and the Fiscal Research Division by November 15, 2013.

1 **SECTION 7.16.(e)** Until July 1, 2015, no State or local governmental entity or
2 officer may procure or operate an unmanned aircraft system or disclose personal information
3 about any person acquired through the operation of an unmanned aircraft system unless the
4 State CIO approves an exception specifically granting disclosure, use, or purchase. Any
5 exceptions to the prohibition in this subsection shall be reported immediately to the Joint
6 Legislative Oversight Committee on Information Technology and the Fiscal Research Division.
7 The following definitions apply in this section:

8 (1) "Unmanned aircraft" means an aircraft that is operated without the
9 possibility of human intervention from within or on the aircraft.

10 (2) "Unmanned aircraft system" means an unmanned aircraft and associated
11 elements, including communication links and components that control the
12 unmanned aircraft that are required for the pilot in command to operate
13 safely and efficiently in the national airspace system.

14 **SECTION 7.16.(f)** If the State Chief Information Officer determines that there is a
15 requirement for unmanned aircraft systems for use by State or local agencies, planning may
16 begin for the possible development, implementation, and operation of an unmanned aircraft
17 system program within the State of North Carolina. This planning effort shall be accomplished
18 in coordination with the Chief Information Officer for the Department of Transportation and
19 the DOT Aviation Division Director. If the State CIO decides to plan for an unmanned aircraft
20 system program, a proposal for the implementation of the program shall be provided by March
21 1, 2014, to the Joint Legislative Oversight Committee on Information Technology, the Joint
22 Transportation Legislative Oversight Committee, and the Fiscal Research Division. At a
23 minimum, the proposal shall include the following:

24 (1) Governance structure to include the appropriate use at each level of
25 government.

26 (2) Guidelines for program implementation to include limitations on unmanned
27 aircraft system use.

28 (3) Potential participants.

29 (4) Costs associated with establishing a program.

30 (5) Potential sources of funding.

31 (6) Issues associated with establishing a program to include limitations on
32 entities that may already have purchased unmanned aircraft systems.

33 (7) Recommendations for legislative proposals.

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2013-IT-H14(S7.17)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

**TAX INFORMATION MANAGEMENT SYSTEM/ADDITIONAL PUBLIC-PRIVATE
PARTNERSHIP AUTHORIZED**

SECTION 7.17.(a) Additional Public-Private Partnership. – The Secretary of Revenue may enter into an additional public-private arrangement in order to expand the implementation of the Tax Information Management System (TIMS). All such arrangements will terminate June 30, 2018. The public-private arrangement may include terms necessary to implement additional revenue-increasing or cost-savings components if all of the following conditions are met:

- (1) The funding of the project under the arrangement comes from revenue generated by or cost savings resulting from the project.
- (2) The funding of the project is dependent on increased-revenue or cost-savings streams that are different from the existing benefits stream for the implementation of TIMS.
- (3) The project involves additional identified initiatives that will be integrated into the TIMS solution.

SECTION 7.17.(b) Contracts. – Work under an additional public-private arrangement that is authorized by this section may be contracted by requests for proposals, modifications to the existing contracts, purchases using existing contracts, or other related contract vehicles.

SECTION 7.17.(c) Management/Performance Measurement. – The Secretary of Revenue shall follow the existing model for public-private arrangement oversight and shall establish a measurement process to determine the increased revenue or cost savings attributed to the additional public-private arrangement authorized by this section. To accomplish this, the Secretary shall consult subject matter experts in the Department of Revenue, in other governmental units, and in the private sector, as necessary. At a minimum, the measurement process shall include all of the following:

- (1) Calculation of a revenue baseline against which the increased revenue attributable to the project is measured and a cost-basis baseline against which the cost savings resulting from the project are measured.
- (2) Periodic evaluation to determine whether the baselines need to be modified based on significant measurable changes in the economic environment.
- (3) Monthly calculation of increased revenue and cost savings attributable to contracts executed under this section.

SECTION 7.17.(d) Funding. – Of funds generated from increased revenues or cost savings, as compared to the baselines established by subdivision (1) of subsection (c) of this section, in the General Fund, the Highway Fund, and that State portion of the Unauthorized Substance Tax collections of the Special Revenue Fund, the sum of up to a total of sixteen million dollars (\$16,000,000) may be authorized by the Office of State Budget and Management to make purchases related to the implementation of the additional public-private

1 arrangement authorized by this section, including payments for services from non-State
2 entities.

3 **SECTION 7.17.(e)** Internal Costs. – For the 2013-2015 fiscal biennium the
4 Department of Revenue may retain an additional sum of eight million eight hundred
5 seventy-four thousand three hundred nineteen dollars (\$8,874,319) from benefits generated for
6 the General Fund since the beginning of the public-private partnership described under Section
7 6A.5(a) of S.L. 2011-145. These funds shall be used as payment of internal costs for the fiscal
8 biennium, and such funds are hereby appropriated for this purpose.

9 **SECTION 7.17.(f)** Expert Counsel Required. – Notwithstanding G.S. 114-2.3, the
10 Department of Revenue shall engage the services of private counsel with the pertinent
11 information technology and computer law expertise to negotiate and review contracts
12 associated with an additional public-private arrangement authorized under this section.

13 **SECTION 7.17.(g)** Oversight Committee. – The Oversight Committee established
14 under Section 6A.5(c) of S.L. 2011-145 shall have the same responsibilities and duties with
15 respect to an additional public-private arrangement authorized by this section as it does with
16 respect to public-private arrangements to implement TIMS and the additional Planning and
17 Design Project (PDP) components.

18 **SECTION 7.17.(h)** Reporting. – Beginning August 1, 2013, and quarterly
19 thereafter, the Department of Revenue shall submit detailed written reports to the Chairs of the
20 House of Representatives Appropriations Committee, to the Chairs of the Senate Committee on
21 Appropriations/Base Budget, to the Joint Legislative Oversight Committee on Information
22 Technology, and to the Fiscal Research Division of the General Assembly. The report shall
23 include an explanation of all of the following:

- 24 (1) Details of each public-private contract.
- 25 (2) The benefits from each contract.
- 26 (3) A comprehensive forecast of the benefits of using public-private agreements
27 to implement TIMS, the additional PDP components, and additional
28 components authorized by this section, including cost savings and the
29 acceleration of the project time line.
- 30 (4) Any issues associated with the operation of the public-private partnership.

31 **SECTION 7.17.(i)** Information Technology Project Oversight. – In addition to the
32 oversight provided by the Oversight Committee established in Section 6A.5(c) of S.L.
33 2011-145, the additional public-private arrangement authorized by this section shall be subject
34 to existing State information technology project oversight laws and statutes, and the project
35 management shall comply with all statutory requirements and other criteria established by the
36 State Chief Information Officer and the Office of State Budget and Management for
37 information technology projects. The State Chief Information Officer and the Office of State
38 Budget and Management shall immediately report any failure to do so to the Joint Legislative
39 Oversight Committee on Information Technology, the Chairs of the House of Representatives
40 and Senate Committees on Appropriations, and the Fiscal Research Division.

41 **SECTION 7.17.(j)** Section 6A.5(c) of S.L. 2011-145, as amended by Section
42 6A.3(j) of S.L.. 2012-142 reads as rewritten:

43 "SECTION 6A.5.(c) There is established within the Department of Revenue the Oversight
44 Committee for reviewing and approving the benefits measurement methodology and
45 calculation process. The Oversight Committee shall review and approve in writing all contracts,
46 including change orders, amendments to contracts, and addendums to contracts, before they are
47 executed under this section. This shall include (i) details of each public-private contract, (ii) the
48 benefits from each contract, and (iii) a comprehensive forecast of the benefits of using
49 public-private agreements to implement TIMS and the additional PDP components, including
50 the measurement process established for the Secretary of Revenue. The Oversight Committee

1 shall approve all of the fund transfers for this project. Within five days of entering into a
2 contract, the Department shall provide copies of each contract and all associated information to
3 the Joint Legislative Oversight Committee on Information Technology, the Chairs of the House
4 of Representatives and Senate Committees on Appropriations, and the Fiscal Research
5 Division.

6 The members of the Committee shall include the following:

- 7 (1) The ~~State Budget Director~~; Director of the Office of State Budget and
8 Management;
- 9 (2) The Secretary of the Department of Revenue;
- 10 (3) The State Chief Information Officer;
- 11 (4) Two persons appointed by the Governor;
- 12 (5) One member of the general public having expertise in information
13 technology appointed by the General Assembly upon the recommendation of
14 the Speaker of the House of Representatives; and
- 15 (6) One member of the general public having expertise in economic and revenue
16 forecasting appointed by the General Assembly upon recommendation of the
17 President Pro Tempore of the Senate.

18 The State Budget Director shall serve as chair of the Committee. The Committee shall set
19 its meeting schedule and adopt its rules of operation by majority vote. A majority of the
20 members constitutes a quorum. Vacancies shall be filled by the appointing authority.
21 Administrative support staff shall be provided by the Department of Revenue. Members of the
22 Committee shall receive reimbursements for subsistence and travel expenses as provided by
23 Chapter 138 of the General Statutes. The Committee shall terminate on June 30, 2018.

24 The Department shall provide copies of the minutes of each meeting and all associated
25 information to the Joint Legislative Oversight Committee on Information Technology, the
26 Chairs of the House of Representatives Appropriations Committee, the Chairs of the Senate
27 Committee on Appropriations/Base Budget, and the Fiscal Research Division."

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SPECIAL PROVISION



2013-IT-H15(S7.18)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

USE OF MOBILE COMMUNICATIONS DEVICES

SECTION 7.18.(a) By October 1, 2013, every State agency shall submit to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division a copy of the agency policy on the use of mobile communications devices. This reporting requirement is continuous such that any time a change is made to an existing policy, the agency shall submit an update immediately.

SECTION 7.18.(b) Beginning October 1, 2013, each State agency shall submit a quarterly report to the Joint Legislative Oversight Committee on Information Technology, the Fiscal Research Division, and the Office of the State Chief Information Officer (CIO) on the use of mobile electronic communications devices within the agency. The report shall include the following information:

- (1) The total number of devices issued by the agency.
- (2) The total cost of mobile devices issued by the agency.
- (3) The number and cost of new devices issued since the last report.
- (4) The contracts used to obtain the devices.

SECTION 7.18.(c) The Office of the State Chief Information Officer shall review current enterprise, and any individual agency mobile electronic communications contracts, to develop a plan to consolidate the contracts. By October 1, 2013, the Office of the State CIO shall submit a report on progress toward consolidating State agency mobile communications device contracts to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

SECTION 7.18.(d) The Office of the State CIO shall develop a policy for implementing a "bring your own device" plan for State employees. By September 1, 2013, the State CIO shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division on how the plan is to be implemented, as well as on potential issues and costs. Following consultation with the Joint Legislative Oversight Committee on Information Technology, the State CIO may implement the "bring you own device" plan.

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SPECIAL PROVISION



2013-IT-H16(S7.19)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

NEXT GENERATION SECURE DRIVER LICENSE SYSTEM

SECTION 7.19.(a) By August 1, 2013, the Chief Information Officer of the Department of Transportation shall provide a detailed report on the status of the Next Generation Secure Driver License System (NGSDLS) to the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division. At a minimum, the report on the NGSDLS shall include the following information:

- (1) Original project scope, deliverables, and milestones, including descriptions of any subsequent modifications and basis for each.
- (2) Contractual status and amendments.
- (3) Initial and current estimated costs for system development, implementation, and maintenance.
- (4) Remaining deliverables and cost to complete by phase.
- (5) Any issues, including vendor performance, identified during project development and implementation and planned corrective actions for each issue.
- (6) Programmatic impacts for Division of Motor Vehicles driver license services.
- (7) Requirements and costs to implement a process to allow persons who are homebound to apply for or renew a special photo identification card, with a color photo, and similar in size, shape, design, and background to a drivers license, by means other than personal appearance.

SECTION 7.19.(b) In the event of any changes in the NGSDLS project status occurring after submission of the report required by subsection (a) of this section, the Chief Information Officer of the Department of Transportation shall ensure that the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division are notified immediately of the changes.

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SPECIAL PROVISION



2013-IT-H17(S7.20)i

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

**STATE TITLING AND REGISTRATION SYSTEM/STATE AUTOMATED DRIVER
LICENSE SYSTEM/LIABILITY INSURANCE TRACKING AND ENFORCEMENT
SYSTEM**

SECTION 7.20.(a) The Chief Information Officer of the Department of Transportation shall continue the replacement of the State Titling and Registration System (STARS), the State Automated Driver License System (SADLS), and the Liability Insurance Tracking and Enforcement System (LITES).

SECTION 7.20.(b) By August 1, 2013, and quarterly thereafter, the Chief Information Officer of the Department of Transportation shall report to the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division on the status of each of the projects listed in subsection (a) of this section. At a minimum, the report shall include the following information for each project:

- (1) Project scope, milestones, and anticipated business process improvements.
- (2) Estimated development, implementation, and maintenance costs.
- (3) Project status, including any modifications to the project scope or revisions to baseline cost estimates.
- (4) Project accomplishments and changes in status for the previous quarter.
- (5) Actual costs incurred, by purpose and funding source, for the previous quarter.
- (6) Remaining cost to complete by project phase for the next two fiscal years.
- (7) Any issues, including vendor performance, identified during project development and implementation and planned corrective actions.

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SPECIAL PROVISION



2013-IT-H18B

Information Technology
Appropriations Subcommittee on Information Technology

Requested by: Representative

STATE PORTAL

SECTION #. The State Chief Information Officer (SCIO) shall develop a plan to implement an electronic portal that makes obtaining information, conducting online transactions, and communicating with State agencies more convenient for members of the public. The plan shall contain all of the following:

- (1) A detailed description for development and implementation of the portal, to include a list of anticipated applications to be implemented during the State fiscal years of 2013-2017.
- (2) A description of how the portal will be implemented, including the use of outside vendors, detailed information on vendor participation, and potential costs.
- (3) Detailed information on the anticipated total cost of ownership of the portal and any applications proposed for implementation during the State fiscal years of 2013-2017, including the amount of any payments to be made to any vendors supporting the project for each application and the portal as a whole.
- (4) A self-funding model for the implementation that does not increase the costs to the State.
- (5) If outsourced, a detailed, fully executable plan to return portal operations to the State, with associated costs and a detailed analysis that demonstrates that it is more cost-effective to use a vendor than to develop an application internally.

The SCIO shall report the plan to the House Appropriations Subcommittee on Information Technology, to the Senate Appropriations Committee on General Government and Information Technology, and to the Joint Legislative Oversight Committee on Information Technology prior to implementation. Participation by State agencies is voluntary, and the project shall meet all requirements for project management established by the Office of the State Chief Information Officer as well as other applicable State law and policies. No fees to support the operation of the portal may be charged by a vendor to a State agency without the express approval of the head of the agency.