



**State of Minnesota  
Department of Finance**

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July 16, 2007

The Honorable Loren Solberg, Chair  
House Ways and Means Committee  
443 State Office Building

The Honorable Richard Cohen, Chair  
Senate Finance Committee  
121 State Capitol

The Honorable Lyndon Carlson, Chair  
House Finance Committee  
479 State Office Building

The Honorable Don Betzold, Chair  
Senate State Government Budget Division  
111 State Capitol

The Honorable Phyllis Kahn, Chair  
House State Government Finance Committee  
255 State Office Building

Dear Members of the 2007 Legislature:

The Laws of Minnesota 2007, Chapter 148, Article 1, Section 31, authorizes state agencies to carry forward up to \$5.756 million from fiscal year 2007 to fiscal year 2008 for technology purposes. Based on discussion with agency representatives, Finance developed a plan for distributing carryforward authority in a way that advances enterprise, shared, and individual agency goals for technology investments.

Under this plan, carryforward authority is provided first to a limited number of agency-sponsored technology projects, with the remainder distributed proportionally across agencies. The agency-sponsored technology projects listed below were selected based on: (1) multi-agency impact, and/or (2) potential to increase efficiencies or make a demonstrative improvement in state services. Each of these projects will be funded and managed by the agency sponsors. Constitutional offices will also receive authority to carry forward up to \$200,000 each for technology purposes. The remaining authority will be distributed on a pro rata basis to agencies based on their general fund cancellation. Carryforward authority amounts of less than \$1,000 will be coordinated centrally within small agency technology initiatives rather than distributed to individual agencies.

**AGENCY-SPONSORED TECHNOLOGY PROJECTS**

<b>Commerce/Public Utilities Commission</b> <i>up to \$400,000 GF</i>	<u>eAssess System Replacement</u> – Replace 15 year-old system for tracking, invoicing, and maintaining accounts receivable for Commerce, PUC, and Attorney General work on docketed utility cases.
<b>Employment and Economic Development</b> <i>up to \$300,000 GF</i>	<u>Website Rebuild</u> – Assess and rebuild website to eliminate gaps, duplication, and other issues that impede customer service. Designed to coordinate with eventual launch of a new state portal.
<b>Enterprise Technology</b> <i>up to \$400,000 GF</i>	<u>Technology Budget and Rate System</u> – General fund portion of cost for a system to replace a spreadsheet-based system for OET budget and rate-setting.
<b>Finance (and other agencies)</b> <i>up to \$1,350,000 GF</i>	<u>Budget Information System Replacement</u> – In coordination with MAPS upgrade/replacement, replace 20 year-old system used to manage and produce fiscal and narrative documents for operating and capital budgets, as well as record the fiscal impact of legislation.



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<b>Labor and Industry</b> <i>up to \$300,000 GF</i>	<u>Licensing Data Consolidation</u> – Planning phase for integration of five business licensing systems into one. Next step in consolidation of five formerly separate licensing operations into DOLI, and necessary preparation for migration to state enterprise licensing system.
<b>Natural Resources</b> <i>up to \$758,000 GF, Game &amp; Fish, and NR</i>	<u>Land Records Management System</u> – Additional funding to implement a system to provide detailed land information to decision-makers, local units of government, and the public. Coordinated with Real Property Management System to avoid duplication.
<b>Revenue</b> <i>up to \$450,000 GF</i>	<u>Integrated Tax System</u> – Additional funding to implement a system to support the full range of agency functions for all 28 tax types, including accurate and comprehensive data collection, risk mitigation, and single source for direct taxpayer access.

Section 31 also requires a report by July 15, 2007, on funds carried forward for technology purposes. Although fiscal year 2007 ended on June 30, agencies have until mid-August to close out their accounts. For this reason, only preliminary data is available at this time. Under the implementation plan, agencies with sponsored projects may carry forward up to \$3.958 million, with \$1.798 million remaining for distribution among other agencies. The attached report shows preliminary data on amounts carried forward as of July 13. In accordance with Section 31, these amounts have been transferred from general fund appropriations to special revenue accounts and then carried forward in the special revenue fund.

Questions regarding this report may be directed to Abigail Read in the Department of Finance at (651) 201-8025.

Sincerely,

Jim Schowalter  
 State Budget Director

- CC: Kevin Lundeen, Minnesota Senate  
 Bill Marx, Minnesota House of Representatives  
 Matt Massman, Minnesota Senate  
 Helen Roberts, Minnesota House of Representatives

## CARRYFORWARD FOR TECHNOLOGY

Minnesota Laws of 2007, Chapter 148, Article 1, Section 31

Amounts Carried Forward as of July 13, 2007

AGENCY	PROJECT	FUND	ORG	AP UNIT	CARRYFORWARD AS OF 7/13/2007	
COMMERCE DEPT	eASSESS SYSTEM REPLACEMENT	200	0000	A05	\$200,000	*
EMPLOYMENT & ECONOMIC DEVELPMT	WEBSITE REBUILD	200	0000	903	\$300,000	*
ENTERPRISE TECHNOLOGY OFFICE	TECHNOLOGY BUDGET / RATE SYSTEM	200	TECH	601	\$400,000	
FINANCE DEPT	BUDGET INFORMATION SYSTEM	200	4000	048	\$1,350,000	
LABOR AND INDUSTRY DEPT	LICENSING DATA CONSOLIDATION	200	0000	DAT	\$300,000	
PUBLIC UTILITIES COMMISSION	eASSESS SYSTEM REPLACEMENT	200	0000	CFW	\$200,000	
				<b>TOTAL</b>	<b>\$2,750,000</b>	

\* Amounts have been transferred to an FY07 special revenue account but will not carry forward until a manual or automatic balance forward is processed

Prepared by Department of Finance  
July 16, 2007