

Legislative Budget Office and Minnesota Management and Budget Agreement on the Fiscal Note Tracking System and Support

This agreement is entered into between the Legislative Budget Office (hereinafter referred to as “the LBO”) and Minnesota Management and Budget (hereinafter referred to as “MMB”) as required by Laws 2017, First Special Session, Chapter 4, Article 2, Section 58, as amended by Laws 2018, Chapter 214, Article 5, Section 13.

- I. **Purpose and Scope of Agreement:** The purpose of this agreement is two-fold: 1) to set expectations for the cooperative relationship between the LBO and MMB during the transition period before the transfer of responsibility for delivering completed fiscal notes, and 2) to ensure the Fiscal Note Tracking System (hereinafter referred to as “FNTS” or “the system”) continues to be operated and maintained in partnership between MMB and the Office of MNIT Services (hereinafter referred to as “MNIT”), and is available and updated as required to support the work of agencies, the LBO, legislators and legislative staff in carrying out the fiscal note process described in M.S. 3.98.
- II. **Terms:** This agreement is effective November 1, 2018, and remains effective through June 30, 2020, unless otherwise amended by both parties. In the event a new agreement is not executed by June 30, 2020, the terms of this agreement remain in effect until a new agreement is executed. Future agreements will end on June 30 of an odd-numbered calendar year.
- III. **Definitions:** For the purposes of this agreement, the following terms have the definitions prescribed below:
 - a. **Transition Period:** The time period from November 1, 2018 through August 31, 2019.
 - b. **Fiscal Note Tracking System (FNTS):** The hardware and software that supports fiscal note requests, draft development, review, approval, tracking, notifications and the web-based publishing of fiscal notes.
 - c. **Service Level Agreement (hereinafter referred to as the “SLA”):** The agreement that defines service delivery items between MNIT and MMB as set forth in Minnesota law.
 - d. **Integrated Infrastructure:** The hardware and software that supports single sign-on and user authentication for authorized FNTS users.

- e. Maintenance and support: "Maintenance and support" includes all infrastructure, database, systems administration and application support as provided in Section 2-Local Shared Services of the SLA between MMB and MN.IT. This includes fixes to system and integrated infrastructure defects and ensuring the system is available and accessible to the LBO, state agency staff and legislative staff, and functions according to specifications necessary to support the fiscal note process.
- f. Technical assistance: "Technical assistance" is provided by MMB personnel and means the provision of training, user support, and responding to general questions related to the functionality of the system.
- g. Development and enhancements: "Development and enhancements" means the implementation of new or improved application features, custom programming and application development, as provided in Section 2-Local Application Development and Maintenance of the SLA. This also includes MMB staff resources for project management, business analysis and quality assurance services during the transition period and as agreed to between MMB and the LBO beyond the transition period
- h. System upgrades: "System upgrades" means the conversion of FNTS hardware and software to newer versions, platforms or both, including additions to server capacity.
- i. Operational control: "Operational control" means decision-making authority and jurisdiction over FNTS and the fiscal note process.
- j. Orientation and training: "Orientation and training" means making available MMB staff to meet with, train, collaborate and provide opportunities for learning to the LBO director and designated LBO staff on both FNTS and the fiscal note process during the 2019 regular session sufficient to facilitate the transfer of duties to the LBO on September 1, 2019.
- k. Enterprise Resource Planning: "Enterprise Resource Planning" (ERP) means the compilation of statewide information technology systems supporting MMB business needs. FNTS is an application within MMB's statewide ERP system.

IV. Responsibility for Costs: MMB shall direct and be responsible for the costs of maintaining and operating the current FNTS system through August 31, 2019. When operational control of FNTS transfers to the LBO on September 1, 2019, the LBO shall direct and be responsible for the costs of FNTS system maintenance and support, development and enhancements, technical assistance, system upgrades and any other services negotiated in the biennial agreement between the LBO and MMB. Services may be adjusted according to available appropriations.

V. Billing: The total annual cost of services to be negotiated between MMB and the LBO for FNTS system operations and maintenance, development and enhancements, technical assistance and system upgrades shall be agreed upon annually. Costs that MMB may charge the LBO include, but are not limited to:

- a. **Maintenance and Support Costs:** Costs allocated for maintenance and support after September 1, 2019. MMB shall bill the LBO monthly for FNTS and its proportionate

share of integrated systems maintenance and support costs under the SLA that the LBO has agreed to and been notified of in advance. MMB is responsible to make payment to MNIT for these services under the SLA.

- b. Development and Enhancement Costs:** Costs incurred for development and enhancements as directed and approved by the LBO after September 1, 2019. This may also include any system development and enhancements initiated before the transfer of operational control and approved by the LBO that are required for FNTS to meet the requirements of M.S. 3.98 for the 2020 legislative session. Payment will be based on actual costs incurred and work performed and will be paid based on receipt of an invoice and delivery and acceptance of this work by the LBO. MMB shall be responsible to make payment to MNIT for their services.
- c. Technical Assistance:** Costs allocated for technical assistance after September 1, 2019, must be based on an agreed upon level of staffing and services provided and billed according to a schedule agreed to between the parties.
- d. Orientation and Training:** MMB shall not charge the LBO for the provision of orientation and training activities prior to September 1, 2019.
- e. Other:** In addition to the services outlined in this agreement, the LBO may agree to and approve other services provided by MMB, or through the SLA between MMB and MNIT, to ensure necessary functionality of FNTS after the transition period. The LBO will only be responsible for the costs of approved services or work performed to FNTS.
- f. Invoices:** Invoices must include descriptions of costs incurred and work performed and have cost detail broken out by each of the categories noted in this section. Invoices must be paid by the LBO to MMB within 30 days of receipt of an invoice.

VI. LBO Responsibilities During the Transition Period:

- a.** Develop a transition plan in cooperation with MMB, which specifies the fiscal note process flow and transfers operational control of FNTS and the fiscal note process from MMB to the LBO by September 1, 2019.
- b.** Clearly define and communicate expectations and anticipated system changes to MMB by May 1, 2019. Detailed system development requirements must be assessed and a project plan in place before committing to a system development timeline. Application changes must be provided to MMB at least six months, or within other time limitations agreed to by the parties, before the desired production implementation date.
- c.** Prior to September 1, 2019, negotiate the payment for services according to the terms outlined in Section IV and V Responsibilities for Costs and Billing.
- d.** Negotiate performance metrics for FNTS.

VII. MMB Responsibilities During the Transition Period:

- a.** Cooperate with the LBO to develop a transition plan that transfers oversight and operational control of FNTS and the fiscal note process from MMB to the LBO on September 1, 2019.

- b. Provide orientation and training to the LBO on the fiscal note process, policies and use of FNTS, as required under Laws 2018, Chapter 214, article 5, section 15. This orientation and training will include demonstrations of FNTS functionality that is available to MMB Budget Division staff such that the LBO director and staff are able to identify anticipated system changes and prepare to assume responsibilities on September 1, 2019.
- c. Provide the LBO with legislative role access to FNTS during the transition period.
- d. Make its best effort to ensure FNTS is functioning according to the current specifications to support the development and publication of fiscal notes.

VIII. LBO Responsibilities After the Transition Period:

- a. Provide timely payment to MMB for services relating to system maintenance and support, development and enhancements, technical assistance and any other work related to FNTS and the fiscal note process specified in the annually negotiated agreement.
- b. When necessary, initiate and cooperate with MMB to review the terms of agreement and negotiate the renewal, including any amendments needed.
- c. Provide system access to preliminary and completed fiscal notes for MMB Executive Budget Officers and system access necessary for MMB Budget Operations staff to provide agreed-upon technical assistance services.
- d. Provide information on any proposed system development and enhancements to MMB so that MMB's Enterprise Resource Planning director and steering committee may review the need for FNTS resources in consideration of overall capacity and resource allocation across the MMB statewide ERP systems.
- e. In consultation with FNTS users, cooperate with MMB to identify agreed upon system maintenance and upgrade windows in consideration of other statewide system needs. Both parties will make their best efforts to avoid significant downtime of FNTS when the legislature is in session.

IX. MMB Responsibilities After the Transition Period:

- a. Make its best effort to ensure that the SLA between MMB and MNIT is sufficient to comply with the provisions of this agreement.
- b. Provide a copy of the SLA between MMB and MNIT, and any amendments to it, to the LBO for review and comment prior to the execution of the agreement or amendment.
- c. Provide payment to MNIT for FNTS system maintenance and support, development and enhancement and any other agreed upon services.
- d. Make its best effort to ensure that the system is operating and available, except during the scheduled system maintenance times as designated in the SLA after advanced notice to, and agreement by, the LBO or in the event of an unscheduled outage.
- e. In the event of an unscheduled outage impacting FNTS, promptly notify the LBO, and keep the LBO apprised of the anticipated timeline for recovery of partial and full

operational capacity. MMB will also work with the LBO to support a mechanism for completing any needed fiscal notes outside of the system during the unscheduled outage.

- f.** Notify the LBO at least 60 days prior to any planned upgrades to FNTS or integrated statewide systems infrastructure. MMB may not bill the LBO for any costs associated with FNTS upgrades that did not have prior approval from the LBO.
 - g.** Monthly reporting of FNTS performance metrics agreed upon between MMB and the LBO.
 - h.** Cooperate with the LBO to develop and support an FNTS user manual and facilitate communication to users of FNTS.
 - i.** Annually cooperate with the LBO to negotiate the renewal of this agreement, and any amendments needed.
 - j.** Participate in a FNTS user group.
 - k.** Include the LBO director, or designee, in any ERP steering committee meetings and decisions that directly impact FNTS.
- X. Authorized Agents.** The following individuals are the authorized representatives for this agreement:
 - a.** Michelle Weber, Director, LBO
 - b.** Robyn Rupp, Budget Operations Director, MMB
- XI. Appropriations:** No party is obligated to provide service or make payments in excess of appropriations available for the purposes of this agreement.
- XII. MMB and LBO.** Nothing in this agreement modifies the obligations and responsibilities under existing laws, rules, or policies for the provision of information technology services to the legislative branch or to executive branch state agencies.
- XIII. Cancellation and Amendments.** This agreement may only be cancelled with approval of the parties or as authorized or directed by law. Amendments to this agreement shall be executed in writing and signed by all parties to the agreement, or their successors.

In witness whereof, this agreement is entered into and agreed to by the following parties.

Chair, Legislative Budget Office Oversight Commission

Date

Commissioner, MMB

Date

Chair, Legislative Coordinating Commission

Date