
IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 340 of

563

Agency IT Plan Contact Data

Joan Becker
Director of Administration
Department of Financial Institutions
2000 Schafer St Suite G
Bismarck, ND 58501
jmbecker@nd.gov
701-328-9958

Robert Entringer
Asst Commissioner
Department of Financial Institutions
2000 Schafer St Suite G
Bismarck, ND 58501
renting@nd.gov
701-328-9936

Review of Agency's IT Architecture

The types of software supported by the Department include MS Vista, GENESYS, ALERT, and ED (provided by FDIC) which runs locally on our examiner's computers. Considerations for software updates are based on the needs of the Department, compatibility with GENESYS, and the desire to operate consistent versions throughout the Department to avoid compatibility issues. The Department standards are based on the compatibility of software with the FDIC and Federal Reserve issued software used in the examination process. The Department is in the last stage of implementing an EDMS system. This will allow for further automation of applications and forms used by the Department. The database of records will provide Department staff immediate access to information such as financial institutions examinations, applications, and any correspondence received regarding a financial institution or licensee. The Department upgraded the operating system on the laptop computers from Windows Vista Business to Window Vista Enterprise to take advantage of the Windows BitLocker Drive Encryption. The Department also purchased email encryption software from ASAP Software, the license installment is ZIX solution and we are currently in our second year of the three year license. The Department plans to use the State email encryption once the license expires.

The Department will continue to enhance the Department web page and upgrade the Department records management program. The Department has ongoing cost for programming to the records management program. The Department continually works on automating the licensing applications process by simplifying access to the necessary forms for companies attempting to do business in this state. Placing the web page on the state website, the Department is joining in the cooperative effort to develop a shared infrastructure. The Department is continually placing additional information on its website, accessible at the fingertips of North Dakota and U.S citizens. The Department is exploring the purchase of a software system to replace the records management program due to the possible phasing out of PowerBuilder; the records management program runs on PowerBuilder. The Department will need to budget for replacement of this software in the 2011-2013 or 2013-2015 biennium.

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 341 of

563

The Department plans to replace all of the laptops and desktop computers every other biennium. This would allow the Department to maintain consistency throughout the office concerning the types and versions of software used. The types of software will be determined based on compatibility with FDIC examination software programs. Computer replacement will be in the 2011–2013 budget.

The Credit Union division uses computers leased from the National Credit Union Association (NCUA). These units are used to access the NCUA network and upload examination information to NCUA. The computers are not connected to the state network and use dial access and modem to connect to the NCUA. NCUA provides the hardware and software to the Department at no cost.

The Department of Financial Institutions does not have an IT Department nor are there any fulltime equivalent employees dedicated solely to information technology. The Department uses the ITD staff for installing and assisting users to adapt to new software. The Department also uses ITD for contract work and services, reviewing and updating hardware and software, implementing a network within the Department that is connected to the statewide network, troubleshooting, upgrading, and training of staff. No outside technical support is provided by the Department. The Department has been able to meet the information technology needs through the use of Department personnel and ITD staff.

The Department goals and objectives are to continue developing EDMS that will automate all Department records by completing an imaging process to provide accessibility to records by field staff, eliminate storage space within the Department, and disaster recovery of original records. The conversion of existing data into an electronic format will provide Department staff immediate access to information such as financial institutions examinations, applications, and any correspondence received regarding a financial institution or licensee. This will provide and maintain public confidence in North Dakota financial institutions by ensuring the financial industry operates in a safe and sound manner while complying with applicable rules and laws.

The Department will begin using the Nationwide Mortgage Licensing System (NMLS) which is provided by The Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators in the second half of 2009. We will join 14 other states that currently use NMLS to license and track mortgage originators. To date, 42 state agencies representing 40 states have committed to participate in the system, which became operational on January 2, 2008. NMLS is a Web-based system that allows state-licensed mortgage lenders, mortgage brokers, and loan officers to apply for, amend, update or renew a license online for all participating state agencies using a single set of uniform applications. This allows state regulators the framework to address some of the gaps experienced in state and federal oversight of the mortgage industry. The Department needs a program upgrade to our records management system to be able to download information from the NMLS system.

Planned Infrastructure Activities and Changes

The Department of Financial Institutions (DFI) operates out of five locations, the Bismarck main office and four field offices in Bismarck, Minot, Grand Forks, and Fargo. The Department is considering closing the field office in Minot due to turnover; however this will increase the Bismarck field staff from 4 to 8 examiners and will not change the IT budget. The Department is adding two FTE, one bank examiner and one consumer investigator; the Department needs to purchase IT equipment for the new FTE such as a laptop computer and hookup for telephone and internet. All other locations have telephone, fax, email system, T1 lines, or cable internet access. The Department replaced all desktop (6) and laptop (18) computers this biennium. The Department plans to replace again in the 2011-2013 biennium. IT activity includes monthly telephone expenses, local and long distance charges, monthly T1 line, Metro Area Network Access (Fiber), cable internet access for each field location, and long distance charges which are incurred when crews are away from a major city with local access. The Department will continue to access the State Enterprise System. Daily backup of all files is conducted by ITD, with data stored at

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 342 of

563

the State Capital as well as off site. The Department is connected to the ITD server and will continue to operate a network system in order to provide access to Department information by multiple users. The hardware and software plans will be monitored to ensure upgrades to software and replacement hardware are obtained according to the replacement schedule.

The Department will continue to enhance the Department web page and upgrade the Department records management program. The Department has ongoing cost for programming to the records management program. The Department continually works on automating the licensing applications process by simplifying access to the necessary forms for companies attempting to do business in this state. Placing the web page on the state website, the Department is joining in the cooperative effort to develop a shared infrastructure. The Department is continually placing additional information on its website, accessible at the fingertips of North Dakota and U.S citizens. The Department is exploring the purchase of a software system to replace the records management program due to the possible phasing out of PowerBuilder; the records management program runs on PowerBuilder. The Department will need to budget for replacement of this software in the 2011-2013 or 2013-2015 biennium.

Currently, there is no technology equipment other than computers and printers that are critical to this agency. The Department plans to replace all of the laptops and desktop computers every other biennium. This would allow the Department to maintain consistency throughout the office concerning the types and versions of software used. Replacement will be in the 2011–2013 budget. New laptops will need to be purchase for the two new FTE. Monitors and portable printers will be replaced as needed. The Department will be purchasing a printer and fax machine for the main office and will purchase a copier, fax, scanner combination for each field office.

The Credit Union division uses computers leased from the National Credit Union Association (NCUA). These units are used to access the NCUA network and upload examination information to NCUA. The computers are not connected to the state network and use dial access and modem to connect to the NCUA. NCUA provides the hardware and software to the Department at no cost.

The Department of Financial Institutions does not have an IT Department nor are there any fulltime equivalent employees dedicated solely to information technology. The Department also uses ITD for contract work and services, reviewing and updating hardware and software, implementing a network within the Department that is connected to the statewide network, troubleshooting, upgrading, and training of staff. No outside technical support is provided by the Department. The Department has been able to meet the information technology needs through the use of Department personnel and ITD staff.

The Department goals and objectives are to continue developing EDMS that will automate all Department records by completing an imaging process to provide accessibility to records by field staff, eliminate storage space within the Department, and disaster recovery of original records. The conversion of existing data into an electronic format will provide Department staff immediate access to information such as financial institutions examinations, applications, and any correspondence received regarding a financial institution or licensee. This will provide and maintain public confidence in North Dakota financial institutions by ensuring the financial industry operates in a safe and sound manner while complying with applicable rules and laws.

The Department will begin using the Nationwide Mortgage Licensing System (NMLS) which is provided by The Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators in the second half of 2009. We will join 14 other states that currently use NMLS to license and track mortgage originators. To date, 42 state agencies representing 40 states have committed to participate in the system, which became operational on January 2, 2008. NMLS is a Web-based system that allows state-licensed mortgage lenders, mortgage brokers, and loan officers to apply for, amend, update or renew a license online for all participating state agencies using a single set of uniform applications. This allows state regulators the framework to address some of the gaps experienced in state and federal oversight of the mortgage industry. The Department needs a program upgrade to our records management system to be able download information from the NMLS system. One time cost of \$117,351 for an interface of the National Mortgage Licensing System data into the Department's Records Management System. This amount includes an estimated \$102,044 based on requirements received during the

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 343 of

563

interview process plus an additional \$15,307 for scope changes. The additional 15% is based on ITD's experience with scope changes in projects this size. Including this additional amount will give the Department the flexibility to cover typical scope changes, and remain within the budgeted amount. ITD estimated \$660 per month for the ongoing cost of running the application. This amount includes the hosing charges, estimated storage and Software Development maintenance cost.

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: Infrastructure

Date: 11/20/2008

Time: 8:25 AM

Page 344 of

563

1. If applicable, describe the reason for any extraordinary increase or decrease in your infrastructure costs.

One time cost of \$117,351 for an interface of the National Mortgage Licensing System data into the Department's Records Management System. ITD estimated \$660 per month for the ongoing cost of running the application. This amount includes the hosing charges, estimated storage and Software Development maintenance cost.

2. Total number of desktop computers: 6

Number of desktops for which you are requesting replacement funding: 0

Average replacement cost/desktop: 2,100

3. Total number of laptop computers: 19

Number of laptops for which you are requesting replacement funding: 0

Average replacement cost/laptop: 1,700

What state planning region are these desktop/laptop computers located?

Region 1	0	2	4	3	0	4	5	5	4	6	0	7	14	8	0
----------	---	---	---	---	---	---	---	---	---	---	---	---	----	---	---

4. What percentage of these pcs are running the following operating systems:

(total should be equal to 100%)

Open Source OS	0 %
MAC OS	0 %
Windows Vista	100 %
Windows XP	0 %
Other	0 %

5. What additional expenditures are being paid out of non-appropriated funds?

Please explain:

IT Asset Management Plan

Currently, there is no technology equipment other than computers and printers that are critical to this agency. The Department plans to replace all of the laptops and desktop computers every other biennium. This would allow the Department to maintain consistency throughout the office concerning the types and versions of software used. The types of software will be determined based on compatibility with FDIC examination software programs. Computer replacement will be in the 2011–2013 budget. New laptops will need to be purchased for the two new FTE. Monitors and portable printers will be replaced as needed. The Department will be purchasing a printer and fax machine for the main office and will purchase a copier, fax, scanner combination for each field office.

The Department is exploring the purchase of a software system to replace the records management program due to the possible phasing out of PowerBuilder; the records management program runs on PowerBuilder. The Department will need to budget for replacement of this software in the 2011-2013 or 2013-2015 biennium.

The Department of Financial Institutions does not have an IT Department nor are there any fulltime equivalent employees dedicated solely to information technology. The Department uses the ITD staff for installing and assisting users to adapt to new software. The Department also uses ITD for contract work and services, reviewing and updating

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 345 of

563

hardware and software, implementing a network within the Department that is connected to the statewide network, troubleshooting, upgrading, and training of staff. No outside technical support is provided by the Department. The Department has been able to meet the information technology needs through the use of Department personnel and ITD staff.

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: **Infrastructure**

Date: 11/20/2008

Time: 8:25 AM

Page 346 of

563

		CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT5310	IT SOFTWARE AND SUPPLIES	\$20,846	\$19,328	\$0	\$19,328	\$24,000
IT5510	IT EQUIPMENT UNDER \$5000	\$41,771	\$10,600	\$0	\$10,600	\$47,100
IT6010	IT DATA PROCESSING	\$129,990	\$169,388	\$0	\$169,388	\$161,363
IT6020	IT COMMUNICATIONS	\$34,092	\$40,281	\$0	\$40,281	\$45,700
	Total Budget:	\$226,699	\$239,597	\$0	\$239,597	\$278,163
242	FINANCIAL INSTIT. REGULATORY FUND	\$226,699	\$239,597	\$0	\$239,597	\$278,163
	Total Funding:	\$226,699	\$239,597	\$0	\$239,597	\$278,163

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: INF-001 Interface NMLS into Records Management System

Date: 11/20/2008

Time: 8:25 AM

Page 347 of

563

Agency Priority - 1 Project Type: Major enhancement/upgrade

Project description

The project includes interfacing DFI's Record Management System with data from the National Mortgage Licensing System (NMLS). The Application/Licenses for Mortgage Consumers would be entered/maintained using NMLS's secured internet website. Some of the data would need to be imported into the Oracle table(s) for ND to be able to process Complaints and/or Exams for this data in the Department's Records Management System PowerBuilder system.

Briefly describe the business need or problem driving the proposed project.

To license and track mortgage originators. NMLS is a Web-based system that allows state-licensed mortgage lenders, mortgage brokers, and loan officers to apply for, amend, update or renew a license online for all participating state agencies using a single set of uniform applications.

Describe how the project is consistent with the organizations mission.

This allows state regulators the framework to address some of the gaps experienced in state and federal oversight of the mortgage industry.

Describe the anticipated benefits of the project and who will derive the benefits.

This will provide and maintain public confidence in North Dakota financial institutions by ensuring the financial industry operates in a safe and sound manner while complying with applicable rules and laws. This will also provide Department staff immediate access to information such as examinations, applications, and any correspondence received regarding a licensee.

Describe the impact of not implementing the project.

Will not allow the Department to track mortgage originators on a national level. The state may lose the right to regulate the mortgage industry.

Identify any risks associated with implementing this project and explain how the risks will be mitigated.

Not being able to interface with our Records Management System which will force the Department to manual in put all information into the Records Management System.

Describe the additional costs?

N/A

Enter any additional costs for the project that are not included in IT Object Codes used in the Project Cost Screen?

Additional Costs? -	\$0	
Optional Project Costs -	\$0	
Total Project Cost? -		\$0

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: INF-001 Interface NMLS into Records Management System

Date: 11/20/2008

Time: 8:25 AM

Page 348 of

563

Tot Proj Costs + Optionals -

\$0

What additional expenditures are being paid out of non-appropriated funds?

N/A

IT Plan – Agency Submitted

413 DEPT OF FINANCIAL INST

Version: 2009-B-01-00413

Project: INF-001 Interface NMLS into Records Management System

Date: 11/20/2008

Time: 8:25 AM

Page 349 of

563

		CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT6010	IT DATA PROCESSING	\$0	\$117,351	\$0	\$117,351	\$0
	Total Budget:	\$0	\$117,351	\$0	\$117,351	\$0
242	FINANCIAL INSTIT. REGULATORY FUND	\$0	\$117,351	\$0	\$117,351	\$0
	Total Funding:	\$0	\$117,351	\$0	\$117,351	\$0