House of Representatives

STATE OF IOWA

STATE HOUSE

Des Moines, Iowa 50319

MEMORANDUM

TO: Legislative Council

FROM: Subcommittee of the Legislative Council On a State of
           Iowa Interactive Budgeting and Monitoring System
                     Representative Dunton, Chairman
                     Senator DeKoster
                     Representative Den Herder
                     Senator E. Hill
                     Senator Lamborn
                     Representative Middleswart
                     Representative Stromer
                     Senator Van Gilst

DATE: May 19, 1976

SUBJECT: State of Iowa Interactive Budgeting and Monitoring System

This is an analysis of the Coopers & Lybrand report dated April 28,
1976, on a State of Iowa Interactive Budgeting and Monitoring System.
In addition, we have added information on costs and benefits not in-
cluded in the Coopers & Lybrand report.

This report considers the need for concise, comprehensive information
on budget, revenue, non-fiscal program information, federal funds and
other data useful in decision making. In meetings on Legislative
Information Systems it has been ascertained that more and more states
are expanding their bill drafting and code retrieval computer capabilities
to encompass budgeting and monitoring procedures, usually in concert with
the Executive who can also utilize many functions of the system.

This proposal envisions such a joint effort. To this end, it is proposed
that two committees should be formed. The first would be known as the
Information System Management Committee. The members would be:

                     Speaker of the House, Chairman
                     Lieutenant Governor
                     Senate Appropriations Committee Chairman
                     House Appropriations Committee Chairman
                     Senate Appropriations Ranking Minority Member
                     House Appropriations Ranking Minority Member
                     Senate Ways and Means Committee Chairman
                     House Ways and Means Committee Chairman

This committee will be charged with general oversight of the system,
specifying required output, monitoring to assure that the system is

accessible to users, determining the standards
for privacy of data, assuring that details of cost, staffing, and contract
obligations are properly documented, and reporting to the Legislative
Council. The membership is to be determined by the Legislative Council. A
suggestion was made to assign these responsibilities to the Administration
Committee.

The second committee would be known as the Interactive Budgeting and Monitoring System Data Base Advisory Committee. The members would be:

> Commissioner of Social Services or a designee
> Department of Transportation Director or a designee
> Director of Revenue or a designee
> Executive Secretary of Board of Regents or a designee
> Legislative Fiscal Director or a designee
> State Comptroller or a designee
> Treasurer of State or a designee

The function of this committee will be coordination in the collection
of data required by the system which will be managed by a Data Base
Manager who will be independent of the agencies from which the data
comes. It is recommended, that given the above committee composition,
it would be desirable for the Data Base Manager to be an employee of
the Legislature in the Legislative Fiscal Bureau and responsible to
the Legislative Council.

The following are commended in addition to the two committees:

> The system should be designed to be implemented on a fully
> interactive time sharing computer on a demand basis. This
> will assure accessibility and security of data. Authorized
> users may access at will those (and only those) files for
> which they have been authorized and they will not be subject
> to time and personnel constraints of agencies.

> Data should be provided by agencies as required by the Information System Management Committee and the Data Base Committee.

> The system should be implemented as quickly as possible. It
> appears to be possible, assuming a July 1 start date, to be
> operational in late December. This requires the use of an
> interactive time-sharing computer (not currently available at
> any state computer installation) for the developmental process.
> We recommend use of Drake University's CDC 6400 for a period
> not to exceed 6 months. This would also promote saving in
> time and travel during the developmental process.

> The State University of Iowa Academic Computer system should be
> designated as the facility on which the Interactive Budgeting
> and Monitoring System will reside. SUI plans to install a CDC
> 6400 in September, 1976.

> The Legislative Council may also wish to consider Coopers &
> Lybrand recommendations 3, 4, and 5 on pages 37 and 38 of the
> report. A copy of these recommendations is attached.

The costs of this system for the first year appear to be:

Legislative Council

Coopers & Lybrand Contract	$387,000
To Implement on Drake University's CDC System (6 months)	23,000
Tektronics Software for SUI	3,000
SUI Computer Time	5,000
	$418,000

Legislative Fiscal Bureau

Programming for Implementation		$ 27,000
Technical Programmer	(11 months)	15,000
Terminal Rental	(10 months)	9,200
Line Charges	(10 months)	3,800
		$ 55,000

Thereafter

SUI Computer Time	$ 10,000
Technical Programmer	17,000
Terminal Rental	11,000
(Purchase $15,365)	
(Annual Maintenance Contract $1,692)	
Line Charges	4,500
	$ 42,500

VI. RECOMMENDATIONS FOR IMPLEMENTATION

The recommendations resulting from the Coopers & Lybrand study are presented below. While most of the recommendations relate to proceeding with the development and implementation of an interactive budgeting, forecasting and monitoring system, some are independent and deserve consideration on their own merit.

1. Proceed with the development and implementation of an interactive budgeting, forecasting, and monitoring system for the State of Iowa. The system should be developed using a combination of State and outside resources. This recommendation is made in view of the increasing cost and complexity of the State's government, the involvement of Federal agencies in State programs, the cost of the system relative to its significant savings potential, and the fact that the State's current systems will support the system.

2. Begin the development of an interactive budgeting, forecasting and monitoring system using computer time furnished by outside sources. Although the State currently has sufficient computer hardware to develop and operate the system, it does not presently have the appropriate hardware and software (i.e., operating systems) in combination. The CDC 6400 time sharing system at Drake University should receive prime consideration as a potential development site while the State's in-house capability is being developed.

3. Designate at least one institution or agency as the State's interactive time sharing computer center. The designated institution or agency should be charged with the responsibility of providing State-wide time sharing services. Once this service is available, the interactive budgeting, forecasting

and monitoring system should be operated on this facility. Prime consideration as potential designees should be given to the Comptroller's Data Processing (CDP), the Department of Transportation (DOT), and the academic computer centers at both the University of Iowa (UI) and Iowa State University (ISU). This recommendation should receive consideration independent of recommendations 1. and 2. above.

4. Develop a program planning and performance budgeting capability. Such a capability, when tied in with the interactive budgeting, forecasting and monitoring system, will facilitate program management by objective and the monitoring of agency progress by the Legislature and the Executive. Only by establishing agreed-upon workload and production measures can the Legislature and Executive evaluate programs from year-to-year on a consistent basis.

5. Consider amending and updating Chapter 8, Code of Iowa, to allow for the appropriation of Federal funds. Implementing this recommendation would allow total receipts and expenditures to be reflected in the State budget and assist in overall planning and control.

6. Establish an independent advisory committee, representing both Legislative and Executive viewpoints, to prepare and update the system control data base. This committee would be responsible for system administration and data base management.