



MEMORANDUM

To: Senator Mary Kiffmeyer, chair
Senator Jim Carlson, ranking minority member
State Government Finance and Policy and Elections Committee
Minnesota Senate

Senator Carrie Ruud, chair
Senator Chris A. Eaton, ranking minority member
Environment and Natural Resources Policy and Legacy Finance Committee
Minnesota Senate

Representative Michael Nelson, chair
Representative Tony Albright, Republican lead
State Government Finance Division
Minnesota House of Representatives

Representative Leon Lillie, chair
Representative Josh Heintzeman, Republican lead
Legacy Finance Division
Minnesota House of Representatives

From: Sue Gens, executive director

Date: October 15, 2020

Subject: Interagency agreements and transfers

In accordance with Minnesota Laws of 2017, First Special Session, chapter 4, article 2, section 16; I am submitting this report to the chairs and ranking minority members of the state government finance and legacy finance committees, which have jurisdiction over appropriations the Arts Board receives from the general fund and the arts and cultural heritage fund.

During fiscal year 2020, the Arts Board had one interagency agreement that met the \$100,000 reporting threshold. We also had one interagency agreement that met the \$100,000 report threshold for the FY 2020-2021 biennium. We are reporting and attaching copies of both:

- MN.IT Services Service Level Agreement for enterprise IT services and personnel costs (FY 2019 agreement and October 2020 update)
- Department of Administration financial management and reporting interagency agreement
- FY 2020 Arts Board interagency agreements and transfers worksheet.

Please don't hesitate to contact me if you have questions or need additional information.

Attachments

cc: Legislative Reference Library

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Ensuring that all Minnesotans can participate in the arts



Comprehensive IT Service Level Agreement

in direct support of

Minnesota State Arts Board Business Operations

September 20, 2018

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Service Agreement – General Terms

Introduction

Revision 9/17/2018 v2.

The purpose of this Service Level Agreement (SLA) is to provide a basis for close cooperation between Minnesota IT Services (MNIT) and agencies, boards, and councils (Agency) and for support services to be provided by MNIT to the Agency, thereby ensuring that IT services are timely, cost effective, and efficient for the Agency.

The complete agreement consists of three parts:

1. Service Agreement: General Terms
2. Service Agreement: Projects and Services
3. Service Agreement: Performance Metrics

The primary objective of this SLA is to define the service delivery items that will govern the relationship between MNIT and the Agency. This SLA documents the required business-facing information technology (IT) services that support the existing Agency business processes at the existing service levels.

This SLA, and all supporting documents which are incorporated herein by reference, supersedes in its entirety any previous service level agreements between MNIT and the Agency, or any other similar agreements relating to Laws of Minnesota 2011, First Special Session chapter 10, article 4 (the IT Consolidation Act). This SLA is authorized by and implements the requirements set forth in the IT Consolidation Act.

For purposes of this SLA, “information technology” (IT) is defined as the acquisition, storage, communication, and processing of information by computers, telecommunications, applications and other software. This includes, but is not limited to: business data, voice, images, and video. IT provides an agency with business process automation, productivity tools and information delivery services to help execute the business strategy. Specific components of IT include, but are not limited to, enterprise-wide and agency-specific applications (business application software and related technical support services), system software, networks, databases, telecommunications, data centers, mainframes, servers, desktops, laptops/mobile computing devices, output devices such as printers, electronic mail, office systems, reporting, and other standard software tools, help desk, upgrades, security and IT service continuity, and maintenance and support of these systems.

The success of this SLA and the cooperative relationship created is dependent on each party understanding and fulfilling their responsibilities and generating an environment conducive to the achievement and maintenance of targeted service levels.

Objectives

- To create an environment that is conducive to a cooperative relationship between MNIT and the Agency to ensure the effective support of the Agency as it conducts its business.
- To document the roles and responsibilities of all parties taking part in the SLA.
- To ensure that the Agency receives the provision of agreed upon service levels with the support of MNIT.
- To define the services to be delivered by MNIT and the level of expected service and anticipated costs that can be expected by the Agency, thereby reducing the possibility for misunderstandings.
- To provide a common understanding of service requirements or capabilities and service levels and objectives.
- To provide a single, easily referenced document that addresses the objectives as listed above.

Review Process

This SLA will be reviewed by MNIT and the Agency no less frequently than every two years. MNIT and the Agency will maintain regular dialog and use the SLA as a basis for cooperation between the two entities in order to ensure that the Agency is receiving the services it needs.

Common Partnership

MNIT and the Agency will work collaboratively to meet the State's strategic direction and business needs and will establish a cooperative relationship to achieve efficiencies and improve the delivery of technology services.

MNIT and the Agency agree to all terms in this Agreement, including as follows:

- In conjunction with state agencies and other stakeholders, MNIT will establish and maintain a formal governance process that includes agency business participation and incorporates agency business requirements into overall IT strategy and direction.
- MNIT's oversight authority includes, but is not limited to, IT planning activities, IT budget management, IT purchasing, IT policy development and implementation, and direction of MNIT

employees. MNIT's oversight authority does not extend to the non-IT portions of the Agency's business operations, plans or needs.

- MNIT provides enterprise IT services to all state agencies, boards, and councils as defined in Minnesota Statutes, section 16E. MNIT assigns a Chief Business Technology Officer (CBTO) to work with agencies, boards, and councils to deliver and sustain agency-specific solutions to meet their unique mission system and application requirements.

MNIT Roles and Responsibilities

MNIT will work with the Agency to ensure the best interest of the state and the Agency it supports.

MNIT has the responsibility to:

- Coordinate, develop, communicate, and manage all IT strategic planning and establish the state's IT direction in the form of policies, standards, guidelines and directives.
- Collaborate with agencies to develop and determine delivery strategies for all executive branch state agency IT activity and services consistent with the IT Governance Framework.
- Manage IT resource deployment at the executive branch level based on strategic planning, service delivery strategies, Agency and executive branch business needs, and legal requirements pertaining to IT resources and IT resource funding.
- Manage all IT employees. All IT employees are MNIT employees and report up through the MNIT Commissioner.
- Perform human resources services for MNIT employees. MNIT Human Resources (HR) has authority with regard to IT-related employment including, but not limited to, transactions, classification, compensation, staffing (including hiring and termination), labor relations, unemployment, workforce planning, recruitment, training, safety and investigations.
- Work with agencies to support development of legislative initiatives related to IT.
- Determine responsibility, role and compensation for the Agency-based CBTO. Create a position description, complete performance appraisals of the Agency-based CBTO, and implement performance-related measures, including performance management.
- Implement and maintain appropriate IT internal controls for all IT-related business needs. Additionally, set information security policies and standards, and oversee the security of the state's executive branch information and telecommunications technology systems and services. MNIT will proactively identify and communicate to the Agency any

system risks, vulnerabilities, weaknesses, threats or gaps that put the Agency at risk and identify options for change to address the risk, within the parameters and limits of the resources available to MNIT. MNIT is not responsible for maintaining internal controls for Agency non-IT related business.

- Develop and maintain plans and procedures for the recovery of the state's executive branch critical information and telecommunications technology systems and services in case of system or service interruption or failure. MNIT will collaborate with executive branch state agencies to develop recovery strategies consistent with business priorities and timelines. MNIT will coordinate and communicate response and recovery activities and timelines with executive branch state agencies during a continuity incident, emergency or disaster. MNIT will also collaborate with executive branch state agencies on training, testing and exercise activities to determine and improve the effectiveness of IT continuity plans and procedures.
- MNIT will collaborate with the Agency to comply with all applicable state and federal laws, rules and regulations that affect all consolidated agencies, boards, and councils. MNIT will work with the Agency to comply with the additional agency-specific legal and/or regulatory, safety and security requirements, and state standards. If the Agency is not currently in compliance, additional resources may be required to bring the Agency into compliance.
- Provide timely, accurate invoices to the Agency at a level of detail necessary for the Agency to identify the appropriate funding source from which to make payment, and respond to agency billing questions.
- Provide regular rate and cost information to the Agency sufficient for the Agency to plan, manage, and commit funding for Agency IT services, fiscal operations, and functions related to the CBTO and MNIT employees.

The Agency Roles and Responsibilities

The Agency has the responsibility to:

- Ensure the CBTO is in a role within the Agency that directly communicates with the Commissioner, Deputy Commissioner, or equivalent.
- Include the CBTO as a regular attendee of Agency leadership team meetings to provide IT-related reports and work in partnership to ensure that the MNIT IT strategy supports the business needs of the Agency.
- Provide feedback to MNIT's Commissioner regarding the performance of the Agency's CBTO as the Agency deems appropriate.

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- Work with MNIT to perform a portion of the other administrative services and partner with MNIT on legislative functions, as needed and agreed upon by the parties to this SLA. (Specific services will be added to the local services section of this document.)
 - Collaborate with MNIT to identify and ensure Agency compliance with all applicable state and federal laws, rules, standards and regulations. If the Agency is not currently in compliance, additional resources may be required to bring the Agency into compliance.
 - Process and pay all invoices to MNIT in a timely manner. The Agency may request a credit or an amendment to a bill if there is an error.
 - Work collaboratively with MNIT and the CBTO to adhere to the policies, processes and procedures for requesting and maintaining IT services and tools, and participate in IT project management methodologies.
 - Collaborate with MNIT on MNIT's Asset Management and Inventory to ensure proper accounting for IT assets at the Agency, in compliance with federal and state statutory and regulatory requirements and policies.
 - Determine and communicate new service requirements to the CBTO based on program needs including, but not limited to, changes in service volumes and IT projects, identifying funds for new services and investments, and initiating a change to this SLA and/or the IT Budget, as prescribed by the SLA and this Section.
 - Unless otherwise approved by MNIT's Commissioner, provide at least 30 days' notice to MNIT of cancellation of projects and termination of services. This is required because MNIT is obligated under labor agreements to provide staff with a 21-day notice of layoffs.
 - Work with its CBTO to provide necessary financial accounting services and purchasing of IT goods and services for the Agency. Provide regular financial reporting sufficient to plan, manage and commit funding for Agency IT services, fiscal operations and functions related to the CBTO and MNIT employees.
 - Develop and maintain a continuity of operations plan and procedures that include the Agency's business priorities, timelines and critical information needs. Collaborate with MNIT to develop recovery strategies for the critical telecommunications and technology systems and services needed to support business services. Coordinate and communicate response and recovery activities with MNIT during a continuity incident, emergency or disaster. Work jointly with MNIT on training, testing and exercise activities to determine and improve the effectiveness of continuity plans and procedures.
 - Provide oversight, leadership, and direction for Agency IT investments and services.

The Chief Business Technology Officer Roles and Responsibilities

The CBTO represents MNIT at the Agency, oversees all Agency-based MNIT resources and employees, and reports to MNIT. The CBTO is responsible for maintaining a strong and collaborative partnership with the Agency. The CBTO has the authority and responsibility to:

- Hire and manage MNIT employees in coordination with MNIT Human Resources.
- Represent MNIT in communications with Agency leadership regarding the Agency's needs for IT services to support the Agency's unique business operations and priorities.
- Ensure that the Agency is made aware of and implements all MNIT IT policies, standards, guidelines, direction, strategies, procedures and decisions. Where the Agency does not implement the aforementioned, the CBTO will inform the Agency where and how the Agency is assuming risk. The CBTO will work with the Agency to identify and avoid risks that the Agency cannot assume because they would impair other agencies, boards, or councils.
- Report directly to, and be held accountable by MNIT for IT operational direction including, but not limited to, IT-related planning activities, purchasing, security, policy implementation and management of MNIT employees.
- Maintain regular dialog with the Agency's senior leadership to ensure that the SLA performance expectations reflect the current Agency needs and that the Agency is receiving the services it needs.
- Manage within the Agency-approved IT Budget, including determining service delivery strategies in consultation with the Agency. Work with Agency to ensure shared understanding of MNIT financial accounting and IT management and purchasing for the Agency. Provide regular financial reporting sufficient for the Agency to plan, manage, and commit funding for IT services and other IT operations.

Data Handling Roles and Responsibilities

- The Agency's electronic data that is housed on MNIT-managed technology belongs to the Agency and is subject to the Agency's direction and control. MNIT is the custodian of the Agency's electronic data. The State Chief Information Officer is not the responsible authority under Minnesota Statutes, Chapter 13 (the Data Practices Act) for the Agency's data that resides on MNIT managed technology equipment. Agencies will work collaboratively with MNIT to ensure that MNIT has the appropriate resources to adhere to all policies and requirements provided by the Agency in order to protect the Agency's data.

- Should MNIT receive a data request for the Agency's data, MNIT will not produce the requested data. However, MNIT will assist in retrieving the data housed on MNIT-managed technology if requested by the Agency to do so.
- Should an Agency receive a request for MNIT data, the Agency will not produce the requested data.
- Should a request include Agency data and MNIT data, MNIT and the Agency will work together to appropriately respond to the request.
- Minnesota Statutes, Chapter 16E, requires the Agency to share data, including not public Agency data, with MNIT as necessary for MNIT to provide IT services and equipment to the Agency. Sharing data as required by Chapter 16E, and in the manner prescribed in the Data Practices Act, does not affect the classification of any not public data shared with MNIT and is not intended to waive any privileges afforded to not public data under applicable law.
- In accordance with the Data Practices Act, MNIT will only access and use not public agency data that it is the custodian of in relation to a work assignment or project on behalf of the Agency.
- Should MNIT or the Agency become aware of a known or suspected security incident or potential breach of an Agency's electronic data, each will promptly notify the other. MNIT will work to identify the deficiency that led to the breach and to correct, mitigate and remediate the deficiency, which may require additional Agency resources. The Agency will be responsible for complying with the notice and regulatory requirements under the Data Practices Act and other applicable state and federal laws, rules, and regulations for any breaches of Agency data.
- This SLA is not meant to supersede, waive, or violate data handling roles and responsibilities set forth in state law, federal law, or any applicable data sharing and/or business associate agreement between MNIT and Agency.

Budget Scope

Enterprise rate-based services and services provided by the CBTO will be billed directly to the Agency. The CBTO will work with the Agency's Chief Financial Officer (CFO) and other appropriate finance staff as designated by the CFO to develop budget for local services, and to ensure that all IT expenditures are accounted for, such as staffing, hardware, software, supplies, training, and administrative costs. Staffing costs include legal and settlement costs for MNIT employees assigned to the Agency. All IT budget expenditures must be approved by the CBTO or delegate.

MNIT and the Agency will collaborate to determine appropriate accounting processes to support the Agency's payment of all MNIT bills. MNIT and the Agency will cooperatively plan and communicate regarding IT expenditures and billing.

Acceptance

In the IT Consolidation Act, the Minnesota Legislature required the Chief Information Officer to enter into a Service Level Agreement governing the provision of IT systems and services, assets, and personnel with each state agency. STATE GOVERNMENT, INNOVATIONS AND VETERANS OMNIBUS BILL, 2011 Minn. Session Law Serv. 1st Special Session, Ch. 10, Art. 4 (S.F. 12).

For the departments, agencies, offices, councils, boards, commissions and other entities in the executive branch of Minnesota State government that are subject to IT Consolidation, the use of MNIT is required by the State Legislature. MNIT recognizes that providing IT services is most successfully done in close partnership with the Agency. MNIT and the Agency representative will memorialize their formal partnership by adding their signatures to this document.

Dispute Management

The parties agree to cooperate with each other in the performance of the duties and responsibilities under this SLA. Each party to this SLA will make every effort to avoid disputes by clearly documenting communication and engaging the applicable chain of command as necessary. If the parties are unable to reach an agreement with respect to any dispute related to the services, terms, and provisions of this SLA, the Agency's Commissioner/CEO/Executive Director and MNIT's Commissioner will meet to determine further action. If no agreement can be reached, the Agency and MNIT will participate in conflict resolution proceedings managed by the Bureau of Mediation Services.

Liability

Each party shall be responsible for claims, losses, damages and expenses which are proximately caused by the acts or omissions, including lack of funding, of that party or its agents, employees or representatives acting within the scope of their duties. Nothing herein shall be construed to limit either party from asserting against third parties any defenses or immunities (including common law, statutory and constitutional) it may have, nor shall anything herein be construed to create a basis for any claim or suit when none would otherwise exist. This provision shall survive the termination of this SLA.

Additional Provisions

The terms of this SLA are not intended to supersede or violate any applicable bargaining unit contracts, state laws, or federal laws. If any provision of this SLA is determined to be unenforceable, then such

provision will be modified to reflect the parties' intention. All remaining provisions of this SLA shall remain in full force and effect.

Law to Govern

This SLA shall be interpreted and enforced in accordance with the laws of the State of Minnesota. Any legal proceedings arising out of this SLA, or breach thereof, shall be adjudicated in the state courts of Minnesota, and venued in Ramsey County, Minnesota.

Assignment

Neither MNIT nor the Agency shall assign or transfer any rights or obligations under this SLA without the prior written consent of the other party. This provision must not be construed to limit MNIT's ability to use third party contractors or products to meet its obligations under this SLA.

Service Agreement – Projects and Services

Template version 8/31/2018 v2.

This section provides information related to the various projects and services provided to agencies. Further information on each project or service is available through the agency-based CBTO or their designee.

Projects

Definitions:

- **Project:** a temporary endeavor undertaken to create a unique product, service or result. It has a start date, specific goals and conditions, defined responsibilities, a budget, a plan, and end date. Examples include, but are not limited to, developing a new product or service, developing or acquiring a new or modified information system, upgrades, and releases.
- **IT Project:** an effort to acquire or produce information and telecommunications technology systems and services.
- **Total expected project cost:** direct staff costs, all supplemental contract staff and vendor costs, and costs of hardware and software development or purchase.

Projects can have multiple funding sources including:

- A specific legislative appropriation called a Biennial IT (BIT) project.

- A 2001 fund allocation known as an Odyssey Fund project.
- An internal agency budget allocation known as an Agency Funded project.

Each of these project types is documented in the MNIT Enterprise Project Management Office (ePMO) project and program management system. Projects documented in this fashion are incorporated by reference in this SLA. Documentation on each project is available through the agency-based CBTO or their designee.

Services

There are five types of services available:

1. Enterprise Services
2. Shared Services
3. Center of Excellence Services
4. Local Services
5. Enterprise Security Services

Enterprise Services are standard services that all executive branch agencies are required to utilize to ensure consistency and business interoperability within government. Examples include: email and calendaring, phones, networks, servers, desktop/laptop computers and related support services. These services have biennial enterprise rates approved by Minnesota Management and Budget (MMB) and are uniform across all agencies.

Shared Services are standard services that executive branch agencies may utilize to support their business operations. Alternatively, this type of service may also be provided on a single agency basis by Minnesota IT Services (MNIT) staff partnering with agencies. An example is Geospatial services. This service has biennial enterprise rates approved by MMB and are uniform across all agencies that utilize the shared service.

Center of Excellence Services are services that executive branch agencies may utilize to support their business operations. Typically these services are provided to multiple agencies by MNIT staff located at a single agency office. Examples include: FileNet Document Management, and Identity and Access Management (IAM) services are provided by MNIT staff located at the MNIT/DHS office, and are used by a number of other agencies. These services have rates set by the service provider and approved by MMB and are uniform across all agencies that utilize the service.

Local Services are services that are provided by MNIT staff located at an agency office, and are provided to serve business operations only at that agency. Examples include: Application Support and Development, Application Management, Application Operations, Project Management Office functions including Project Management, Business Analyst and Quality Assurance functions. These services are provided on a 'pass-through' basis for staff salaries and benefits, and any IT purchases not covered by an Enterprise, Shared, or Center of Excellence Service.

Enterprise Security Services are provided to all Minnesota IT Services executive branch customers at a core level. These services include: Security Operations, Threat and Vulnerability Management, Access and Identity Management, and Governance, Risk, and Compliance. Within these services, additional protective services are provided.

A detailed description of each service, pricing and delivery terms associated with that service may be found on the [MNIT public website](#).

Services documented in this fashion are incorporated by reference in this SLA.

Delivered Services

Enterprise Services Summary

Service Details	Summary Description
Service Name	Database Administration
Included	<ul style="list-style-type: none"> Database operational support
NOT included	<ul style="list-style-type: none"> Database logical design Application support Dedicated host, license & maintenance costs
Delivery Method	<ul style="list-style-type: none"> Fulltime support staff with access to MNIT on-premise and external cloud environments
Hours of Operation	<ul style="list-style-type: none"> Production 7x24 On-call off hours and weekends Non-production: M-F; 7 a.m.-5 p.m.

Service Details	Summary Description
Service Name	Desktop Bundle
Included	<ul style="list-style-type: none"> • Standard desktop, keyboard and mouse – replaced every 5 years. • Workstation management and protection package: firewalls, security patching and encryption • Workstation support, including remote desktop and deskside support. • Inventory management
NOT included	<ul style="list-style-type: none"> • Performance-upgraded desktop • Monitor(s) • Memory upgrade • Headset • Cameras (required to use all of the functionality of Skype for Business) • Local printer, if applicable for your agency • Ergonomic or wireless bundle of keyboard & mouse Programmable keyboard • Shorter refresh cycle (see details below)
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff for both online and deskside support
Hours of Operation	<ul style="list-style-type: none"> • 24x7x365 with following hours of support: • M-F: 7 a.m.-5 p.m.

Service Details	Summary Description
Service Name	Enterprise Software Bundle
Included	<p><u>Enterprise License:</u></p> <ul style="list-style-type: none"> • Microsoft Office 365: Word, Excel, PowerPoint, Outlook, OneNote, Access • Skype for Business • Web filtering <p><u>Kiosk License:</u></p> <ul style="list-style-type: none"> • Microsoft Office 365, Kiosk User Office Online <p><u>Enterprise and Kiosk License also include:</u></p> <ul style="list-style-type: none"> • SharePoint access license • Security awareness training • Access oversight and audit • Physical access to data centers and data • Data access security monitoring
NOT included	<ul style="list-style-type: none"> • Agency-specific software packages
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff for both online and deskside support.
Hours of Operation	<ul style="list-style-type: none"> • Access to Foundational Services (Email, SharePoint and Skype) 24x7x365 from Microsoft • Following hours of Minnesota IT Services support. M-F, 7 a.m.5 p.m.

Service Details	Summary Description
Service Name	Hosting Services
Included	<ul style="list-style-type: none"> Data Center Services and Support, physical and virtual server management and support
NOT included	<ul style="list-style-type: none"> Customer application support
Delivery Method	<ul style="list-style-type: none"> Fulltime Support staff and provided server equipment and infrastructure both on premise and in the cloud
Hours of Operation	<ul style="list-style-type: none"> 24x7x365 expected infrastructure up time M-F; 6 a.m.-6 p.m. on premise support staff On-call off hours and all day Saturday and Sunday

Service Details	Summary Description
Service Name	Local Area Network (LAN)
Included	<ul style="list-style-type: none"> Wired and wireless IP network connections within a location or campus
NOT included	<ul style="list-style-type: none"> Wide area network (WAN) connections
Delivery Method	<ul style="list-style-type: none"> Minnesota IT Services owned and managed LAN devices
Hours of Operation	<ul style="list-style-type: none"> 24x7

Service Details	Summary Description
Service Name	Laptop Bundle
Included	<ul style="list-style-type: none"> • Standard laptop, replaced every 4 years • Docking station, keyboard and mouse (replaced with laptop if necessary, monitor not included) • Workstation management and protection package: firewalls, security patching and encryption • Workstation support, including remote desktop and deskside support. • Inventory management
NOT included	<ul style="list-style-type: none"> • Performance-upgraded laptop • Monitor(s) • Memory upgrade • Headset • Cameras (required to use all of the functionality of Skype for Business) • Local printer, if applicable for your agency • Ergonomic or wireless bundle for keyboard and mouse • Programmable keyboard • Shorter refresh cycle (see details below)
Delivery Method	<ul style="list-style-type: none"> • Fulltime staff for both remote and deskside support
Hours of Operation	<ul style="list-style-type: none"> • 24x7x365 with following hours of support: • M-F; 7 a.m.-5 p.m.

Service Details	Summary Description
Service Name	Mainframe Service
Included	<ul style="list-style-type: none"> • Batch, Workload Scheduling, Mainframe Processing, Databases on the Mainframe, Mainframe DR services, replicated storage
NOT included	<ul style="list-style-type: none"> • Other Hosting services like Server and Hosting, Databases like SQL and Oracle, customer application support
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff and provided mainframe equipment and infrastructure
Hours of Operation	<ul style="list-style-type: none"> • M-F; 7 a.m.-5 p.m. On premise staff support, on-call during off hours and weekends • 24x7x365 expected infrastructure up time, 6 a.m.-6 p.m, M-F • 24x7x365 on site Batch Scheduling and Operations.

Service Details	Summary Description
Service Name	Middleware
Included	<ul style="list-style-type: none"> • Middleware software and support
NOT included	<ul style="list-style-type: none"> • Customer application support • Database charges for MQ messaging • Dedicated host charges
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff with access to the MNIT on premise and external cloud environments
Hours of Operation	<ul style="list-style-type: none"> • Production: availability 7x24 • On-call off hours and weekends • Non-production: M-F; 7 a.m.-5 p.m.

Service Details	Summary Description
Service Name	Mobile Device Management
Included	<ul style="list-style-type: none"> • Help with device enrollment • Working with agency partners to establish security standards, feature restrictions and application testing • Monitoring devices for compliance with agency partner rules and operating system requirements • Management of lost devices (wipe) • Establishing retirement parameters • Troubleshooting instructions and remote diagnostics
NOT included	<ul style="list-style-type: none"> • Device procurement. • Initial setup is provided by agency partner or local MNIT Services Staff • End user training • Forced operating system updates. • Cell carrier management • Support for accessories
Delivery Method	<ul style="list-style-type: none"> • Level 1 – Service Desk • Back office – Supported by MDM team. • Additional service provided by @agency MNIT personnel if needed.
Hours of Operation	<ul style="list-style-type: none"> • M-F; 7 a.m.-5 p.m.

Service Details	Summary Description
Service Name	Telephone
Included	<ul style="list-style-type: none"> • Telephone service using state IP services or contracted traditional services
NOT included	<ul style="list-style-type: none"> • Cellular Phones
Delivery Method	<ul style="list-style-type: none"> • Dial tone to telephone handset
Hours of Operation	<ul style="list-style-type: none"> • 24 x 7

Service Details	Summary Description
Service Name	WAN
Included	<ul style="list-style-type: none"> • IP Network Connection
NOT included	<ul style="list-style-type: none"> • Applications running on the network
Delivery Method	<ul style="list-style-type: none"> • Managed circuits and WAN devices
Hours of Operation	<ul style="list-style-type: none"> • 24 x 7

Service Details	Summary Description
Service Name	Web Management
Included	<ul style="list-style-type: none"> • SDL Web (Tridion), Drupal Shared Hosting, and Search • Website development, design, hosting, search, and support
NOT included	<ul style="list-style-type: none"> • Customer application support • Optional: Quality Assurance website tool and Web Analytics
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff with access to MNIT on-premise and external cloud environments
Hours of Operation	<ul style="list-style-type: none"> • Production availability 7x24x365

Shared Services Summary

Service Details	Summary Description
Service Name	Geospatial Shared Services
Included	<ul style="list-style-type: none"> • Enterprise Licensing for Geospatial Software • MN Geospatial Commons • Access and use of geospatial web services • Geospatial Managed Hosting • Access to PT Services for development and support of geospatial applications and web services
NOT included	
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff with access to the MNIT On-Premise and external cloud environments
Hours of Operation	<ul style="list-style-type: none"> • Production availability 7x24x365

Center of Excellence Services Summary

Service Details	Summary Description
Service Name	FileNet Electronic Document Management System (EDMS)
Included	<ul style="list-style-type: none"> • Monthly user license
NOT included	<ul style="list-style-type: none"> • Data storage
Delivery Method	<ul style="list-style-type: none"> • Agency-specific web portal
Hours of Operation	<ul style="list-style-type: none"> • High availability 24x7x365, excluding scheduled maintenance

Service Details	Summary Description
Service Name	Salesforce Development and Support (SFDC) – Center of Excellence
Included	<ul style="list-style-type: none"> Development services, licensing, storage, platform support, add-on software, professional services.
NOT included	<ul style="list-style-type: none"> Direct end user support of delivered solutions. Customers must respond to end users and escalate support requests to the MNIT when necessary.
Delivery Method	<ul style="list-style-type: none"> Service agreements define project scope, deliverables, and development resources. Professional services hours are billed for development and support.
Hours of Operation	<ul style="list-style-type: none"> Production availability 7x24x365

Service Details	Summary Description
Service Name	MN Enterprise Identity and Access Management (MNEIAM) – Center of Excellence
Included	<ul style="list-style-type: none"> Oracle IAM suite, IAM Database in Exadata appliance, and Middleware technology
NOT included	<ul style="list-style-type: none"> Load balancer, firewall, and any website development/integration outside IAM authentication
Delivery Method	<ul style="list-style-type: none"> Service delivery should occur through a centralized issue tracking tool – BMC service management method
Hours of Operation	<ul style="list-style-type: none"> 24 x7 with multi-datacenter architecture to provide high availability / up-time service of IAM system.

Local Services Summary

Service Details	Summary Description
Service Name	MSAB Application Systems and User Support. – link to detailed description
Included	<p>Manage processes to collect data from various end user systems into consolidated Access database which tracking and reporting on most of the agencies efforts.</p> <p>System support and vendor liaison to hosted grant management system. (Webgrants)</p> <p>Liaison to vendor which provide domain management for MSAB.</p> <p>Agency website maintenance and management</p> <p>Liaison to Enterprise support teams for user computer issues.</p>
NOT included	Desktop Support
Delivery Method	On-site and in person
Hours of Operation	M, T, W, Th, and F - 9am to 5:30pm

Service Details	Summary Description
Service Name	I.T. Leadership @ MSAB – link to detailed description
Included	<ul style="list-style-type: none"> A. Manager for MNIT staff dedicated to MSAB. B. IT Contract Management C. Budget Management D. Manage contract / augmentation staff. E. Back up Liaison to Enterprise teams F. Review / propose new business processes when asked
NOT included	Application Support, Desktop Support
Delivery Method	% of FTE (I.T. Director)
Hours of Operation	8:30 – 5:00 M- F

Enterprise Security Services Summary

Service Details	Summary Description
Service Name	Enterprise Vulnerability Management
Included	<ul style="list-style-type: none"> • Internal Vulnerability Scanning of desktops, servers, network devices and other supported devices • External scanning of internal facing devices • Communication of prioritized vulnerabilities • Oversight of remediation efforts on vulnerabilities • Configuration compliance scanning (emerging capability) • Web application security scanning • Veracode administration for teams using Veracode • Penetration and Red Team Services (emerging capability)
NOT included	<ul style="list-style-type: none"> • Devices not connected to MNIT managed networks • Devices not supported by TVMU tools
Delivery Method	<ul style="list-style-type: none"> • Fulltime support Staff • Automated scanning • MNIT Mall: Threat and Vulnerability Management
Hours of Operation	<ul style="list-style-type: none"> • M-F; 7 a.m.-5 p.m. • Emergency after hours support: MNIT Service Desk

Service Details	Summary Description
Service Name	Security Operations Center
Included	<ul style="list-style-type: none"> • Security Incident Response • Threat Research and SOC Daily Brief • Spam/Phishing Investigation • Security Operations Coordination • Security Monitoring • Enterprise Intrusion Detection and Prevention • Enterprise Web Content Filtering • Enterprise Endpoint Protection
NOT included	<ul style="list-style-type: none"> • Full service provided to MN executive branch and partner entities with core detection/alerting to other MNET customers • Monitoring is limited to network activity only for external MNET entities that do not participate in the Intrusion Detection and Prevention Service
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff • Email: soc@state.mn.us • Phone: 651.201.1281 • MNIT Mail: Report a Security Event
Hours of Operation	<ul style="list-style-type: none"> • Daily 6 a.m. – 6 p.m. • Emergency after hours support: MNIT Service Desk 24x7

Service Details	Summary Description
Service Name	Digital Forensics
Included	<ul style="list-style-type: none"> • Data Preservation • Data Recovery • Security Incident Investigations • eDiscovery
NOT included	<ul style="list-style-type: none"> • Devices not owned by executive branch agencies
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff • MNIT Mail: Use the Agency Data & Legal Hold Request Form • SOC Phone: 651-201-1281
Hours of Operation	<ul style="list-style-type: none"> • M-F: 6 a.m. – 2:30 p.m. • Emergency service daily 6 a.m. – 6 p.m. through the Security Operations Center • Emergency after hours support: MNIT Service Desk 24x7

Service Details	Summary Description
Service Name	Enterprise Privileged Account Management Service
Included	<ul style="list-style-type: none"> • User license • Centralized, secure storage • Automatic password rotation • Automated Workflows • Security Awareness Training • Access oversight and audit
NOT included	<ul style="list-style-type: none"> • A self-service portal for password reset • Storage of personal passwords
Delivery Method	<ul style="list-style-type: none"> • Fulltime Support staff • MNIT Mall: Privileged Account Access
Hours of Operation	<ul style="list-style-type: none"> • M-F; 7 a.m.-5 p.m. • Emergency after hours support: MNIT Service Desk

Service Details	Summary Description
Service Name	Enterprise Digital Certificate and Encryption Key Management (PKI)
Included	<ul style="list-style-type: none"> • Management of external digital certificates • Management of internal digital certificates
NOT included	<ul style="list-style-type: none"> • Management of encryption keys
Delivery Method	<ul style="list-style-type: none"> • Fulltime Support staff • MNIT Mall: Security Certificates
Hours of Operation	<ul style="list-style-type: none"> • M-F; 7 a.m.-5 p.m. • Emergency after hours support: MNIT Service Desk

Service Details	Summary Description
Service Name	Enterprise Governance, Risk, and Compliance
Included	<ul style="list-style-type: none"> • IT Audit Coordination across agencies (ie: IRS, FBI, SSA, PCI, etc) • Securing the Human (Annual Security Awareness Training) • CJIS training coordination • Security ScoreCard Metrics process ownership • Anti-phishing training coordination • Statewide Security Policy and Standards (creation, publishing, curation) • Security finding management (audit findings, exceptions) • Archer management and administration • Risk assessment process ownership
NOT included	
Delivery Method	<ul style="list-style-type: none"> • Fulltime support staff
Hours of Operation	<ul style="list-style-type: none"> • M-F, 8 a.m.-5 p.m. via GRC@state.mn.us

Service Agreement – Performance Metrics

Revision 9/14/2018 v2.

This section provides information related to the various performance metrics provided to agencies. Further information on each metric is available through the agency based CBTO or their designee.

Performance Metrics

There are multiple types of metrics available:

- Security Risk Score (contains NOT PUBLIC security information)
- Enterprise Services

CBTOs may provide other metrics, including those representing locally delivered services as needed.

The Security Risk Scorecard measures a number of key metrics and security controls for an agency yielding a numeric score on eight separate subject areas:

1. Risk Management
2. Vulnerability and Threat Management
3. Secure System Development
4. Security Configuration Management
5. Access Control
6. Monitoring and Incident Response
7. Disaster Recovery Readiness
8. Security Training and Awareness

Enterprise Services have a number of metrics available for partner agencies, including:

MN.GOV – State Web Site

1. Number of Monthly Visits
2. Average Daily Visits
3. Number of Unique Monthly Visitors
4. Number of Monthly Visitors Who Visit Once
5. Number of Monthly Visitors Who Visit More Than Once

Enterprise Applications

1. Email Activity – number of active users & volume of use
2. SharePoint file related activity – number of active users & volume of use
3. Skype for Business activity – number of active users & volume of use
4. OneDrive for Business – number of active users & file storage volume

Service Desk & Desktop Support

1. **Incidents** (when something isn't working) – for prior completed month
 - a. Quantity Total Tickets Opened
 - b. Quantity Total Tickets Resolved
 - c. Quantity Total Tickets Resolved Same Day
 - d. Average aging for remaining open tickets

- e. Percent of Tickets Resolved
 - f. Average Aging for all open and resolved tickets
2. Requests (**for additional** functionality) – for prior completed month
- a. Total Tickets Opened
 - b. Total Tickets Resolved
 - c. Total Tickets Resolved Same Day
 - d. Average aging for remaining open tickets
 - e. Percent of Tickets Completed
 - f. Average Aging for all open and resolved tickets

Hosting and Storage

- 1. Server uptime and system availability
- 2. Storage usage and growth

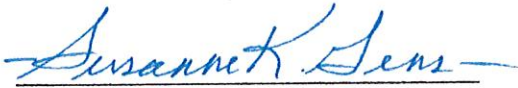
Signature Page

Under Minnesota Statutes section 16E, the Office of MN.IT Services (dba Minnesota IT Services/MNIT) provides Information Technology services to the Agency. The Agency use of these services constitutes an acceptance of this Service Level Agreement.

The MNIT Service Level Agreement is reviewed and recognized by:

Agency/Entity

The Office of MN.IT Services



Sue Gens

Executive Director
Minnesota State Arts Board

2018.12.20

Date of Signature

Johanna Clyborne

State Chief Information Officer and
Commissioner of the Office of MN.IT Services

Date of Signature

Revision Date 10/14/2020

Updated Details to Services Provided Locally to MSAB

Service Details	Summary Description
Service Name	MSAB Application Systems and User Support.
Included	Manage processes to collect data from various end user systems into consolidated Access database which tracking and reporting on most of the agencies efforts. System support and vendor liaison to hosted grant management system. (Webgrants) Liaison to vendor which provide domain management for MSAB. Agency website maintenance and management Liaison to Enterprise support teams for user computer issues.
NOT included	Desktop Support
Delivery Method	On-site and in person
Hours of Operation	M, T, W, Th, and F - 9am to 5:30pm

Service Name: MSAB Application Systems and User Support.

Description

I.T staff at MSAB will, develop, maintain and support the agencies Access databases which act as a central collecting point for many of the agency Business Divisions (State Programs).

They will also troubleshoot and engage vendors to support third party domain service providers, and the agencies hosted grant management application.

What systems or services are supported?

- MSAB Access Databases
- Dulles Webgrants
- Dreamweaver/Apache web server.
- MySQL Workbench
- Liquid web hosted services (domain provider)

What services are included?

- Ensure agency staff provided with computer equipment and software. Submit requests to MN.IT for onboarding and offboarding staff, and regular troubleshooting. Purchase and inventory equipment.
- Data collection of 1) grant applications, final reporting and grant payment, 2) advisory panel recruitment and service, 3) constituent contact information, and 4) regional arts council grant applications. Provide required reporting to agency board, MN Management and Budget, Minnesota Legislature, Legislative Coordinating Commission, and National Endowment for the Arts.
- Provide applicants with access to WebGrants online applications, transfer application and final reporting data to MS Access database for grant payment process, and required reporting to Legislative Coordinating Commission and National Endowment for the Arts.
- Maintain agency web site, add and updates pages as needed
- Maintain agency's online advisory volunteer form, download data regularly and append to agency database.
- Create and maintain effective system for meeting agency's data needs. Ensure security and integrity of agency's data and its data management system. Assess staff and agency needs on an ongoing basis to determine what modifications to agency's database system are necessary. Create and maintain documentation for data management.
- Work with MN.IT to continuously improve the Arts Board's information system and computer

What services are NOT included?

- Direct Workstation Management

How will the service be delivered?

- On-site, in person.

What are the hours of operation and how to get support?

- Local staff hours M-F 9 – 5:30.
- Service Desk is available 24/7/365 at 651-297-1111

What will the response time be?

Response Level	Definition	Example	Response Target	Return to Service Target
Priority 1 Critical	Dulles Technologies online WebGrants application	Panel or applicant unable to access system (Tom Miller of Arts Board is lead)	15 minutes	1 hour
Priority 2 High	Workstation failure	Network and email not available to users.	15 minutes	1 hour
Priority 3 Med	MS Access database down	Restore database	15 minutes	1 hour
Priority 4 Low				

What are the business responsibilities?

- Report problems and concerns in a timely fashion.
- Prioritize workload considering business priorities.
- Act as a resource as needed in meetings and other communications in regard to application needs.

When will regular maintenance be performed?

- MS Access database backup completed nightly by MN.IT, and copies maintained weekly.
- Other maintenance will be scheduled as appropriate.

Change Management Process/Termination

- Contact Stephanie Horvath/Tim Ogg



STATE OF MINNESOTA INTERAGENCY AGREEMENT

Admin's Small Agency Resource Team (SmART) seeks to improve the efficiency and effectiveness of financial and human resources services for small agencies, boards, and councils. SmART enables administrative efficiency by sharing the specialized resources and expertise of a larger administrative organization. SmART's services enable customer agencies to better focus on their core business.

This agreement is between the Minnesota Department of Administration Financial Management and Reporting (Admin) and the State Arts Board (Agency).

Agreement

1. Term of Agreement

- 1.1 **Effective date:** July 1, 2019.
- 1.2 **Expiration date:** June 30, 2021 or until all obligations have been satisfactorily fulfilled, whichever comes first.

2. Scope of Work

Admin will provide accounting transaction and other financial services to the Agency as described in Exhibits A, B and C, which are attached and incorporated into this agreement. Exhibit A describes the division of responsibilities between Admin and the Agency as it relates to this work. The success of the work that takes place under this agreement is dependent on both Admin and the Agency understanding and upholding their respective roles and responsibilities as delineated in Exhibit A. The Agency retains ownership and responsibility for its spending decisions and for ongoing implementation of appropriate business processes, while Admin provides transaction and other financial services and serves in an advisory capacity.

3. Authorized Representative

Admin's Authorized Representative is Lenora Madigan, Deputy Commissioner, 50 Sherburne Avenue, St Paul, MN 55155, or her successor.

The Agency's Authorized Representative is Sue Gens, Executive Director, ~~Park Square Court, Suite 200, 400 Sibley Street, St. Paul, MN 55101~~ or her successor. *as of July 1, 2020, 61995 Midway Bldg Suite 304*

In the event the Agency has a dispute involving services provided by Admin that cannot be resolved through normal interaction with Admin staff, the Agency, at its discretion, should contact Admin's Deputy Commissioner, Lenora Madigan, to seek resolution.

*546 Fairview Ave N
Saint Paul MN*

4. Consideration and Payment

The total cost for all services covered by this agreement is \$71,000 for FY20 and \$71,000 for FY21. The total obligation will not exceed \$142,000. Admin will invoice the Agency quarterly, in an equal amount each quarter, for the services outlined in this agreement. The Agency will approve invoices and make timely payment to Admin for the services outlined in this agreement.

55104

5. Amendments

Any amendment to this agreement, with the exception of changes to the purchasing and payment signature authorities identified in Exhibit C, must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement or their successors in office. Changes to the signature authorities in Exhibit C must be

acknowledged with a revised Exhibit C signed by the Agency's Authorized Representative or by other written communication (memo, email, etc.).

6. Government Data Practices

Admin and the Agency must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data exchanged under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by either party to this agreement. The civil remedies of Minnesota Statutes Chapter 13.08 apply to the release of the data referred to in this clause by either party.

7. Liability

Each party will be responsible for its own acts and behavior and the results thereof.

8. Termination

Either party may terminate this agreement at any time, with or without cause, upon 90 days' written notice to the other party.

STATE ENCUMBRANCE VERIFICATION *Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.*

Signed: 

Purchase Order: 179448 / 300-6809

Date: 06/30/2020

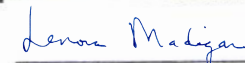
State Arts Board (Agency)

By:  (with delegated authority)
Sue Gens

Title: Executive Director

Date: 2020.06.30

Department of Administration (Admin)

By:  (with delegated authority)
Lenora Madigan

Title: Deputy Commissioner

Date: 6.30.20

**EXHIBIT A to Interagency Agreement between the
Department of Administration Financial Management and Reporting (Admin) and
State Arts Board (Agency)**

The Agency (in addition to the roles and responsibilities described in Exhibit B of this agreement) is responsible for the following:

1. Access to Information
 - Ensure separation of duties or maintain compensating internal controls.
2. Budget
 - Provide financial information to support development of the Agency's biennial budget for entry into the Budget Planning and Analysis System (BPAS) or other more current system.
 - Provide biennial budget narrative information and post to SharePoint website or other more current system.
 - Analyze and provide any research necessary to respond to fiscal note requests, and provide completed fiscal note responses to Admin for entry into the Fiscal Note Tracking system (FNTS) or other more current system.
 - Determine annual budget plan once appropriated by the Legislature.
 - Manage budgets, with assistance from Admin, to ensure that funds are allocated appropriately and not overspent.
 - Determine budget plans for grant awards or other funding sources that may arise.
3. Daily Processes
 - Provide Admin with all necessary documentation for any financial transaction to enable Admin to code transactions properly in the state's accounting and/or payroll/human resources systems to the correct accounting period and the correct expense or revenue account.
 - Ensure that all receipts \$1,000 or more are deposited daily. Receipts under \$1,000 must be deposited within the month received and must be adequately safeguarded in a locked area until deposit. Agency will provide deposit information by 1 p.m. on the business day of deposit to facilitate transaction entry in the state's accounting/procurement system.
 - In accordance with State policies and procedures, record receipts received each day in a receipts log, establish appropriate separation of duties with respect to handling of receipts, and monthly reconcile receipts information in the state's accounting/procurement system to the Agency's receipts log.
 - Date-stamp all invoices and expense reports with the date received, and forward payment documents to Admin in a timely manner to enable compliance with statutory and policy prompt payment requirements.
 - Submit approved Authorization for Travel in Electronic Inter Office Requisition (EIOR) or more current system prior to any out-of-state travel to certify that sufficient budget funds are available and the anticipated expenses are consistent with state travel policy and applicable bargaining agreements or compensation plans.
 - Submit approved Special Expense forms in EIOR or more current system prior to incurring any expenses classified in applicable policies as "special expenses" to certify that the expenses meet the policy criteria.
 - Submit completed employee or board/council/commission member travel expense reports supported by appropriate receipts, Authorization for Travel, Special Expense forms, and/or any other required documentation.
 - Maintain records of all capital assets and sensitive items in accordance with State policies and procedures, and work with Admin's Surplus Services division to dispose of surplus property.
 - Report to Admin any errors/discrepancies discovered relating to services performed by Admin under this agreement.
 - Monitor any changes of board/council/commission/advisory committee members or their places of employment and determine each board/council/commission/advisory committee member's eligibility for per diems and expenses. Submit to Admin only eligible per diems and expenses.

4. Procurement and Contracts
 - Request appropriate assistance from Admin's Office of State Procurement (OSP) and the Attorney General's Office (AG) on the development and approval of any professional/technical contracts, grant contracts, interagency agreements, annual plans, and other similar agreements.
 - Attend training offered by OSP, as needed, on the topics of state procurement and contracting.
 - Provide copies of any 16A.15-16C.05 or Purchasing Violation forms to Admin as required by statewide purchasing and contracting policies, when applicable.
5. Reports
 - Review and verify payroll reports and report any discrepancies to Admin. As part of this process, the Agency will document its review of the Payroll Posting Audit Trail as required by Admin's Verification of Payroll Posting Audit Trail Procedure.
 - Periodically review fiscal reports including the Manager's Financial Report, expenditure, encumbrance, receipts reports, and salary projection reports to ensure the integrity of the Agency's fiscal data.
6. SWIFT
 - SWIFT work processes may require various Agency employees to have system access for work processes including but not limited to electronic requisitions and approvals, asset management, contract solicitations and creation, and inquiries for access to information.
7. Other
 - Follow statewide and Admin financial policies and procedures. The Agency can implement more restrictive policies and procedures.
 - Follow Code of Conduct and Internal Control policies and procedures.
 - Ensure that any business cell phone use complies with applicable state, Admin, and/or Agency policies and procedures. The Agency must retain an Acknowledgement of Receipt/Mobile Device Services and Equipment form completed by each employee to whom a cell phone is assigned.
 - Assist Admin with information needed to complete fiscal year-end certifications.

Admin (in addition to the roles and responsibilities described in Exhibit B of this agreement) is responsible for:

1. Access to information
 - Maintain to the best of Admin's ability staff assignments and security access into the state's accounting/procurement, payroll/human resource, and budget systems to prevent access to functions that are considered incompatible for the maintenance of strong internal financial controls.
 - Ensure separation of duties or maintain compensating internal controls.
2. Budget
 - Enter biennial budget financial data into BPAS or more current system.
 - Enter completed fiscal notes into the FNTS or other more current system, and provide guidance and consultation on fiscal note development and processes.
 - Enter annual and revised budget data into the state's accounting/procurement system.
3. Daily Processes
 - Expedite the payment process by increasing an encumbrance for an invoice approved for payment by the Agency without requiring a signature, email or other approval to process the increase *if the encumbrance balance is not sufficient to cover the payment*. The encumbrance will be increased enough to allow the payment to be processed. If an encumbrance is short by more than \$2,500, Admin will contact the Agency for approval before the increase is processed.

- Process payments in accordance with the prompt pay statutory requirement.
 - Enter/process expense reports in the state's payroll system and retain original expense reports and supporting documents for audit purposes.
 - Research any errors/discrepancies reported by the Agency and correct as needed.
 - Assist with timely deposit of receipts, if needed, and enter deposit information into the proper account(s) in the state's accounting/procurement system.
 - Maintain accurate capital asset records in SWIFT based on asset information provided by the Agency and purchasing activity conducted under this agreement.
4. Procurement and Contracts
- Enter purchase orders, professional/technical contracts, grant contracts, interagency agreements, annual plans, and other similar agreements into the state's accounting/procurement system, in order to encumber funds.
 - Provide copies of any 16A.15-16C.05 or Purchasing Violation forms to OSP as required by statewide purchasing and contracting policies.
5. Reports
- Supply additional financial reports as needed.
 - Advise and consult regarding financial reports available to the Agency.
6. SWIFT
- Assist the Agency with ongoing improvements/enhancements to the SWIFT system. This includes but is not limited to coordinating the completion of assignments and assisting the Agency regarding new policies and procedures implemented with SWIFT.
7. Other
- Provide assistance as needed to support the Agency's responsibility to manage and monitor its budgets, and discuss any questions or concerns with the Agency.
 - Provide financial policies and procedures for use by the Agency.
 - Complete and submit fiscal year-end certifications to MN Management and Budget.

**EXHIBIT B to Interagency Agreement between the
Department of Administration Financial Management and Reporting (Admin) and
State Arts Board (Agency)**

This agreement is between the following agencies:

Department of Administration Financial Management and Reporting (Admin)

State Arts Board (Agency)

Admin agrees to process the following transactions for the Agency:

Payments will be processed in accordance with prompt payment statutory requirements (i.e. within 30 days of the later of the receipt of an invoice or receipt of goods or services).

Purchase orders requiring no bid process will be created within 4 days of receipt of a properly completed/approved EIOR Purchase Request in FMR. The time required to create orders requiring bid processes is highly variable, thereby precluding one standard target period for order creation.

The following additional terms apply to this agreement and are categorized by the basic steps in the purchasing and payment process:

Purchase Request

An EIOR (or other more current system) purchase request must be completed by the Agency and submitted to Admin for all purchases. The agency is responsible for providing complete and correct specifications and related information on any purchase request forms submitted to Admin. Timely processing of orders is dependent on a correct and complete purchase request. The Agency must allow sufficient lead time when submitting a purchase request to allow for the normal purchasing process and shipment of goods or services.

As an addendum to this Interagency Agreement, the Agency will provide the names of its employees authorized to approve purchases. An updated Exhibit C or other written communication (memo, email, etc.) is required each time the list changes. An updated Exhibit C may be executed without formal amendment of the Interagency Agreement.

Purchase Order

Purchase orders that Admin creates will comply with Authority for Local Purchase (ALP) requirements and other applicable statutory and policy requirements.

Admin will advise the Agency regarding purchasing requirements (i.e. when a state contract purchase is required) as needed.

Admin will transmit purchase orders under this agreement to the Agency. The Agency will transmit purchase orders to vendors as appropriate. The Agency will not initiate orders by phone calls to vendors or other means prior to the creation of a purchase order or other appropriate encumbering transaction in the state's accounting/procurement system by Admin unless necessary due to an emergency as defined by statute.

M.S. 16C.10 defines an emergency as a threat to public health, welfare, or safety that threatens the functioning of government, the protection of property, or the health or safety of people. The normal

solicitation process is not required for emergency purchases, but the Agency must contact Admin as early as possible so that Admin can inform OSP in writing and enlist their assistance as is appropriate. If time permits, this contact should occur before making an emergency purchase, but if time does not permit, the Agency is expected to act promptly to address the emergency.

The Agency is responsible for distribution of pertinent documents to its property management coordinator or other personnel.

Contract

The Agency must not direct a contractor to begin work until Admin has encumbered funds and the contract or agreement has been executed. Prior to encumbering an Annual Plan Agreement, the Agency will provide a copy of its approved Annual Plan to Admin. The Agency will provide Admin with a fully signed copy of each contract that is executed.

Receipt of Goods or Services

Goods ordered will be shipped directly to the Agency unless the purchase request indicates otherwise.

The Agency must document the date goods or services are received. Packing slips, receiving reports, work orders or other documentation indicating receipt of goods/services must be sent to Admin to support invoices to be paid.

The Agency is responsible for notifying its property management coordinator of receipt of goods when necessary.

Invoices

Vendors will be instructed to send invoices directly to the Agency unless otherwise agreed or transmitted through the state's accounting/procurement system. After date-stamping invoices upon receipt and applying payment approval as discussed in the next section of this agreement, the Agency will promptly forward invoices to Admin to enable payment within the statutory time period established for prompt payment or any more restrictive payment terms agreed to.

Payment Authorization

The Agency must provide authorization to pay each invoice, which may be indicated on the invoice itself. Invoices for services received under a contractual agreement (i.e., professional technical, grant, and other similar contracts) must be authorized for payment by the person designated in the contract as the state's authorized representative. If the contract does not specify a state's authorized representative, an Agency staff person with delegated authority to approve invoices will sign the invoice to approve payment.

Payment Processing

Admin will process payments in accordance with the prompt pay requirements established by M.S. 16A.124 Subd 3. Prepayments are not allowed unless permitted by state policy. The Agency and Admin are responsible for meeting the state's prompt payment goal that 98% of invoices are paid within 30 days.

Filing of Documents

All documents must be retained in accordance with applicable records retention policies.

Admin will retain the original purchase request, copy of the purchase order, the original packing slip or

other similar documentation, and the original invoice unless otherwise agreed.

SWIFT Implementation

As SWIFT is improved and enhanced, business processes may change. As system expertise increases and future phases are implemented, policy and process changes may continue. Examples include electronic purchase requests, asset management, approvals, signatures, sourcing, and contracts.

SWIFT implementation may affect whether documents are retained in paper or electronic form.

**EXHIBIT C to Interagency Agreement between the
Department of Administration Financial Management and Reporting (Admin) and
State Arts Board (Agency)**

Date _____ Agency _____

Agency Head Signature _____

Policy and Recommendations Regarding Separation of Duties

In accordance with state accounting policy, *agencies shall separate the financial duties of their employees to provide appropriate control in the processing of transactions. In those instances where separation is not feasible, e.g., a small agency or board with limited employees, compensating controls such as independent review must be established.*

The Agency should separate duties among employees to ensure that no one person has control over the entire order and payment approval process. For optimum internal control:

- The person(s) authorized to approve purchase requests should not also be authorized to approve payments and vice versa.
- If two persons are authorized to approve both purchases and payments, neither person should perform both functions for any one purchase/payment transaction. For any one purchase/payment, one person should approve the purchase, and the other should approve the payment.
- In the event that one person approves purchase requests and payments for the same purchase/payment transaction(s), the Agency must document and implement compensating controls such as independent review of detailed expenditure reports.
- If at any time the Agency cannot maintain optimum separation of duties, the Agency should document the circumstances preventing optimum separation, and identify the compensating controls that will be implemented.

Signatures of Staff Authorized to Approve Purchase Requests

PRIMARY:

Name Specific conditions on approval authority

BACKUP:

Name Specific conditions on approval authority

Signatures of Staff Authorized to Approve Payments

PRIMARY:

Name Specific conditions on approval authority

BACKUP:

Name Specific conditions on approval authority