

For Immediate Release
September 15, 2010

Contact: Meredith Pickett
(701) 255-0460 or (701) 425-3914

JAEGER SPENDS \$2 MILLION OF TAXPAYER DOLLARS ON COMPUTER SYSTEM TO NOWHERE

(BISMARCK, N.D.) -- Today State Representative and Secretary of State candidate Corey Mock revealed that Secretary of State Al Jaeger misspent \$770,000 of taxpayers' money on a computer program that did not work, causing the project to be abandoned. He then spent an additional \$1.3 million on a project that is currently 35% behind schedule.

"Jaeger has spent over \$2 million over 4 years and has nothing to show for it," said Mock. "Despite spending this money, North Dakota is still one of the few states in the nation where businesses cannot file paperwork electronically. Jaeger has mismanaged the project from the beginning and as a result, North Dakota is stuck in the dark ages."

In 2006, Jaeger acquired an existing electronic central filing system from the North Carolina Office of Secretary of State. The project was approved and chosen by Jaeger and was intended to replace the existing central indexing system created nearly twenty years ago.

The project was abandoned in 2008 because the central filing system from North Carolina was found to be flawed by software architects.

Jaeger then requested \$2.04 million from the legislature for another computer system. But so far the office has spent \$1.3 million on a project that is currently 35% behind schedule, according to Jaeger's report to the IT interim Committee of the legislature on June 28. The company that Jaeger contracted with has furloughed a majority of its development team and is unsure if or when the project can continue. Jaeger chose the same company that designed the first failed system from North Carolina.

"Al Jaeger was elected on the promise to clean up mismanagement in the Secretary of State's office, but now he has created a huge mess that wasted millions of taxpayer dollars and resulted in a six-week business registration backlog. Instead of updating the office he has spent two million dollars on a computer system to nowhere."

"This is not Jaeger's first instance of mismanagement. He outsourced our ballot printing to a bankrupt company, left a candidate off the ballot and waited three weeks to tell him about it, and has paid out hundreds of thousands of dollars in overtime. This is a pattern that has to be broken, and it is why I am running to be the next Secretary of State."

-END-