

Information Network of Kansas Board Meeting Minutes

October 2018 Board Meeting October 2, 2018

Opening

A meeting of the INK Board was called to order at 10:11 a.m. Tuesday, October 2, 2018 at 700 SW Harrison, 2nd Floor Conference Room, Topeka, Kansas by Kathy Sachs, representing the Secretary of State, with the following members present:

Doug Gaumer, representing the Kansas Bankers Association (*by phone*)

Lucas Goff, representing the Kansas Association of Counties (*by phone*)

Aaron Kite, representing the Kansas Bar Association

Glen Yancey, CIO, Kansas Department of Health and Environment, representing the Executive Branch Chief Information Technology Officer

Gregg Wamsley, representing the Kansas Library Association

Others Present

Duncan Friend of the Information Network of Kansas, Inc.; Nolan Jones, Ashley Gordon, Brent Matile, and James Adams, Kansas Information Consortium, LLC.

Introduction: Friend explained to the members that the Governor's Office had just recently appointed Lucas Goff, the County Administrator for Cowley County to the Board as a representative of the Kansas Association of Counties and that he was attending by phone today. Friend invited Mr. Goff to introduce himself to the Board. Goff thanked the members for the opportunity to participate and provided some background on his experience and current position. He has been County Administrator since January 2017 and has been with the county for 16 years in various positions. He emphasized his understanding that the information products provided through the Network had a substantial impact to counties his size (around 37,000 residents). The other members in attendance introduced themselves and provided some background.

Sachs asked Friend where the Board stood as far as open positions. He responded that there is one opening remaining for a position reserved for a user association and no nominations have yet been submitted by the Board for it. Friend said he was happy to solicit candidates, but deferred to the Board on next steps. Sachs stated that at this point, she didn't see any reason to push for that. There were no additional comments.

Consent Agenda

The consent agenda for the meeting included the draft September 2018 INK Board minutes, the draft September 2018 Board Teleconference meeting minutes, September 2018 Network Manager Report, and the following contracts for approval: Pottawatomie County Treasurer's Office (KanPay Counter), Pottawatomie County RWD #1 Office (KanPay Counter, and Kansas Law Enforcement Memorial Foundation (KanSite/KanPay Counter).

Action Taken: Motion made to approve the Consent Agenda in its entirety by Wamsley, seconded by Yancey. Motion passes unanimously (*Kite was not yet in attendance at the meeting*).

Information Network of Kansas Board Meeting Minutes

Action Agenda

1. Network Manager Report (*Jones*)

Jones reported that the Kansas Information Consortium, LLC has joined the Topeka Chamber of Commerce. This will help them get more involved in the business community, but more significantly to get more feedback from customers – which is the business community. It provides an opportunity for development of internships and recruiting, while also supporting the growing downtown community. He noted that the growth has been so significant that it has made it more challenging to find new office space downtown that he has been looking for.

Jones then showed a video related to the Kansas Board of Nursing that KIC had developed to showcase the new Alexa App presented at the previous board meeting. He also introduced one of their project managers, Brent Matile.

Note: Aaron Kite arrived at 10:19am.

Jones then provided an update on progress on the new chatbot, *Agent Kay*. It now contains a little over 300 questions. KDOR has integrated it on their DMV side – he is not sure if they are seeing reduced calls coming in yet, however. They are continuing to expand and grow the platform. One surprising aspect is that the bulk of the questions they are getting are of a generic nature (e.g. “When is the office open? How do I register for this?”) Sachs added that the SOS office had also begun to work with it and was happy with the work Brent had done with them. She also mentioned that an upcoming Kansas Business Center advisory group meeting could help with the topic of multi-agency processes.

Action Taken: None.

2. KDOR Tax Filing demonstration (*Jones/Matile*)

Jones shared that, through this past year, their single largest project has been a complete re-write of the State Income Tax Filing System (*WebFile*). The system hasn't been updated in a long time. Brent Matile did a demo of the new WebFile system and provided the web address of the demo to those on the phone so they could follow along. They plan to have it completed later in October with a planned launch in January 2019. The user interface has been streamlined and reworked to be more user friendly. They will also be working with KDOR on marketing of the website. Friend asked Jones if everything would still work the same way as far as payment and he confirmed that it would.

Action Taken: None.

3. INK Marketing Overview (*Ashley Gordon*)

Ashley Gordon distributed a packet of recent marketing materials developed by KIC along with some in process to provide the members a chance for feedback (*a copy is attached*). She discussed their coordination between print and social media efforts, including *Agent Kay*. She discussed a specialty landing page developed for the Board of Nursing Alexa app where they are attempting to drive traffic, along with things like a custom logo, some “business cards” related to the app, along with an aid to help people interact with Alexa. She then drew their attention to some postcard sized pieces used for a campaign on Kansas Property Taxes that had actually been something suggested by their partners at the

Information Network of Kansas Board Meeting Minutes

counties, Ashely Gordon showed the Board three different concepts for them to provide feedback on with the idea they could help choose one, then it would be sent out to the County Treasurers. Yancey indicated they all looked good to him. Sachs pointed out how helpful it was to business managers to help relieve their workload.

Jones then brought up his experience that the attendees at the County Treasurer's conference knew INK by several different names: Kansas.gov, KanPay – they all knew them, but not if they didn't use the right term. Sachs brought up that there had been some discussion at the last meeting about getting down to just one name, altering legislation – she thought that would be wise. Jones agreed that it would help to clean it up and build up their reputation with one name, whatever it is. Sachs noted that there had been differences of opinions on the board at different times – there was a time that people were bothered with KIC saying they were INK. But, she thinks it is confusing to not be the State – KIC is employee by statute and should stay away from KIC completely. Sachs asked what the members thought, as there had been strong opinions the other way previously. Jones said he would prefer a tighter association with the state – as he is already competing with some companies that try to imply they are the state.

Sachs asked if there was anyone on the Board was uncomfortable identifying themselves as INK. Yancey said, no, that they are the official Kansas government web presence and, irrespective of the relationship of the network manager to the entity – that is kind of something else - so from a marketing perspective, they just need to be the State of Kansas. Jones said they were always careful to make sure people understood their role versus the board's. Sachs said that by statute they were an employee, so that clears it up for her.

Ashley Gordon showed a draft copy of other marketing material, noting that they also had recently invested in hiring a full-time marketing coordinator to help create materials, brand identity, social media, marketing campaigns, and media. Jones expressed that he was excited about what they were doing and hoped to “win some contests” this year – he wanted recognition for the state for that. He closed by showing the invitation for the second annual technology showcase and informed the board members about it.

Friend closed by noting that the talk of January and the go-live for *WebFile*, plus new branding efforts reminded him to ask if they have an inventory list of all the places they will to make changes, say, in the February timeframe for letterhead and websites related to the election. In some cases, for example, there will definitely be new officials, and, in the past, there have been legacy apps that it is a heavy lift to go in and change and people need a quick turnaround. Jones said yes, and also noted that they – INK – will have a new address this year.

Action Taken: None.

4. INK 2019 Business Plan - (Jones)

Jones moved to discuss the 2019 Business Plan and metrics. Jones stated that it has been very helpful getting feedback from the Board. What was contained there is the 21 key proposed objectives for 2019. What is not included is contractual obligations and the idea that they need to be building new services. There are some listed, like a drone application, but finding new applications is a continuous process for them. He then highlighted several items, including building staff capabilities, ITIL, and cloud certification, and the proposed drone-focused project. He also highlighted the desire to focus on their

Information Network of Kansas Board Meeting Minutes

social media capabilities.

Sachs asked Yancey how important he thought it was that those kinds of efforts went through the Governor's office. Yancey responded that in the Executive Branch, the social media "czar" for any agency tends to be a communications officer in each agency. He explained he felt the genesis of this was looking for innovative areas where INK can extend its brand and capabilities. And, he felt that, as a general rule, agencies need help in how to utilize social media effectively and how to get into the flow of it so that they are doing town hall events and Facebook events that reach people. A press release isn't the same as engaging social media. Sachs confirmed she was just saying it seemed like that would be run by the Governor – he generally agreed, but wasn't sure if when there was a change in the Governor's office if that would impact how that is working. This was followed by a significant discussion of web accessibility and mobile design.

Sachs closed this agenda item by asking if, in terms of housekeeping, the Business Plan could be voted on today. Friend answered that the Business Plan is defined in the contract and requires a budget that has not yet been completed – that is due in the contract by December 1.

Sachs asked if there would be a problem bifurcating it. One of her goals would be – the business plan is due in December it ends up being approved in June. So, to bifurcate the money from the goals would make sense. Done and done – this is it, and now you budget for what this says. Friend said he would defer to the board. Probably around \$4-5 million dollars is what they receive for doing business with the Board, so if one did it just conceptually, it would be what's in this Business Plan plus the other work they do in maintenance, if one feels comfortable with this for that amount – or if you want more. He assumes it (revenue) would be roughly similar to what it was – there have been a couple of reductions for Kansas Department of Revenue leaving and Secretary of State leaving, I assume that will still be over \$4 million dollars – that's the history of it, so it is the Board's call on how they want to do it. Jones added that he felt comfortable that he can accomplish the plan with the budget where it's going to be – they are not making it conditional on anything financial.

Sachs stated that she felt it was irresponsible to not approve a business plan a month before they start business. She asked if anyone objected to the idea that the business plan should be due earlier than December 1. There were no comments. Friend noted that the part before them could be approved, but, per the contract, the Business Plan includes, like, nine different pieces – the budget, material they provide about their organization – so, he wouldn't think of it so much as the business plan, maybe if it were given a name, like approving this "component" of the business plan – call it that so it would be distinguished what was in the Business Plan, then you should be fine. Jones said he would appreciate it. Yancey says he struggles a little bit because of the term business plan. In private industry, one can't have a business plan that doesn't have a base budget, so you can't approve it before you have that. On the other hand, one may have goals and objectives for the next operating / business year that the business plan would still speak to. He is OK in that sense. Sachs said that she would just have trouble turning in to her boss, on December 1 and not have some kind of commitment for something she was going to start doing in January. She would even have trouble budgeting without some belief that you've heard it and discussed it and that was where things were going to go. Yancey suggested that if the request was to take the "draft" off of it and say that the Board found it acceptable, he would make that motion.

Information Network of Kansas Board Meeting Minutes

Action Taken: Yancey motioned to approve the requested amendments to the primary objectives for the 2019 business plan, seconded by Kite. Motion passes unanimously.

There was a question after the motion had been approved about when the budget was due. Friend responded that it was by December 1, and then read the provision from the contract aloud that contained the required components of the business plan:

“In consultation with INK staff, (they) shall deliver the Business Plan to INK not later than December 1 of each year.” Friend continued that it had the following components (from the contract):

“(a) a summary of current operations and modifications thereto; (b) a projection of the addition of DPEs, Agencies and subscribers and users to the Network together with a description of changes necessary to facilitate those additions; (c) Hardware and Software to be added to maintain and augment the Network; (d) a list of all Third Party Software packages which are held by KIC and used as part of the INK Network shall be prepared and updated annually so the list of information required will be consistently current and complete; (e) a list of all employees, levels of compensation by functional category, projected minimum staffing levels required to support projected operations; (f) a proposed budget for operation of the Network; (g) recommendations with respect to fee adjustments, the reasons therefore and the potential impact thereof; and (h) the Business Plan may state performance expectations.”

Sachs responded that it doesn't seem like any business would meet in December to really make a plan for January to go forward. Yancey said there had to be a formal due date, but ideally the Board would have a working relationship that was iterative so that this was being discussed and what gets approved is simply the final version of what's been brought before the Board several times and refined as a result of that dialog. There was additional discussion of the matter, closing with Friend indicating the budget for the Board itself would be presented in December.

5. **Projects in Other States - (Jones)**

Jones showed a preview of an NIC project with the National Park Service on the website Recreation.gov that served as a way to transform how people can reserve campsites. Another site is RX.gov, a prescription tracking system across state borders. Wisconsin already has this in place and something like that could be used in Kansas.

He closed by talking about microservices. He is not proposing doing anything with it right now, but the parent company is growing more focused on using this technology approach and sharing those that have been built by other portals. They are small groups of services that can be easily combined into other services. He is hoping to take advantage of this in the future.

Action Taken: None.

6. INK Banking Status (*Friend*)

In August, after the decision around some of the stuff that went on surrounding pledging securities at Kaw Valley – he noted he'd submitted the audited financials for the CAFR to the state and has heard nothing back – there was a motion for him to obtain three bids for moving the INK checking account that is currently at Kaw Valley.

Friend started to put together a one-pager to get a bid on services – he had talked briefly with Gaumer who he noted was on the phone today. It was basically asking about their fees and services, fees, what they can do for the Board and confirming the securitization as they are required to by law and then what kind of overnight sweep account arrangement, with interest, they could offer. He had reached out earlier to UMB Bank and CoreFirst – banks they are already doing business with – and they provided an informal answer. He then went back again and got something formal from UMB and the beginnings of something from CoreFirst – he called yesterday to say he was redoing it, but should have something shortly.

However, the question was who to reach out to for a third bid. In the course of talking with Gaumer, it sounded like CrossFirst might be interested in this, so there were probably several other banks – if not more – that might be interested in doing this. The feeling he had was that the idea was to keep it low key – the Board is not required to do an RFP – but he wanted to consult the Board about who else they wanted him to go out to. It was one thing to talk to the banks they already did business with, and he has not problem approaching a couple large banks like CrossFirst or some others, getting a list of those, or go with local banks – maybe there are some here in town. But, he still needed to come up with evaluation criteria – the interest rate, free checking, other banking services. He just wanted a general feeling from the Board where to go once he went beyond the two banks – how far to cast the net.

Sachs suggested that maybe Gaumer could help with this. She does want an understanding on how that major error occurred and how typical that is – it feels like something they would really need to watch for. Friend noted that this had been discussed at a previous board meeting. A process had been instituted for all the banks INK does business with to provide monthly reports as a result of a management letter the board had requested be included in the audit report by the auditors. Friend noted that it didn't seem like the kind of thing that would normally happen. Gaumer began with the caveat that he didn't want to speak negatively about the operations of one of his fellow banks, but this is a pretty standard process and would be customary for an account of this size at Kaw Valley. If you have that kind of oversight, there may be back office issues that you should, of course, be concerned about. Friend stated that he did not ask Kaw Valley to put together a formal proposal to keep the business. He recapped the issue for the Board. At UMB, the balance fluctuates enough that he is in more frequent contact with them to make sure they have it covered. For Kaw Valley, it is just the incremental INK cut of the NIC proceeds – so it wouldn't be hard to project that growth. But, they did have them (Kaw Valley) institute this process so for now the Board is covered. As he understood it – he asked for Gaumer's confirmation – it is a common process for any state-chartered bank, so they all should be familiar with how they do it. Gaumer said absolutely, it was standard protocol. There was a question from Sachs as to whether UMB was the state's bank. She thought the “one more to get” would be the state's bank. Friend countered that he didn't want to leave anyone out, however, as Gaumer / CrossFirst had expressed interest. She expressed thought it would be fine to have an extra, she didn't see an issue with more than three. Friend would look for some bids from the bigger banks. The Board had further recommendations. He could also work with Wamsley, the Treasurer. Friend said he had a formal bid from UMB.

Information Network of Kansas Board Meeting Minutes

Action Taken: None.

7. Avamar/Rubrik Backup (*Friend/Jones*)

Friend recapped the situation for the Board that led to the need to move off the Avamar backup replication for INK. He then updated them that the KIC upgrade to a new Avamar release did not appear to break the replication as they had anticipated, but it was not clear how that would work with recovery.

The most recent advice was that buying a hardware device was the best approach – it would be around \$40K, plus \$10K a year maintenance. One question now was where it would be hosted – Friend was unsure of the situation at OITS. Yancey noted that as of now, there isn't going to be an OITS data center to put it in. They have asked Unisys to reach out to local data centers provider to see if they can broker on a 3rd party basis for some type of hardware “bare metal” provisioning for state agencies – things that won't be suited for Ashburn or Eden Prairie where the state's data centers will be located. The local data centers in Landon / Curtis / Eisenhower will be decommissioned. Yancey's advice is not to buy it today as there is no place to put it as they speak.

He continued that they will need to figure out how to transition that into a virtual service to a hybrid cloud that the State will have or think about what the Board's other options are. There is nothing that says that INK is tied to having space in a state data center. Friend wanted to make sure that there would be all the same security provisions as the state. Yancey said to stay tuned – if he were to talk with ISG, be sure to make sure they understand it is represented INK not the state. Friend finished by saying that if they did invest in the device, apparently it could be used to recover on in a limited way, so he would want to see a demo to understand that. But, depending on the recovery goals, there might need to be somewhere to recover to, so there could be additional expenses beyond the device, maintenance, and hosting for him to figure out the recovery footprint and get the costs and would require consulting.

Action Taken: None.

8. Review Board Meeting Dates

While the Board waited for lunch to arrive, they moved on to new business. Friend noted that Goff had a standing commission meeting on first Tuesday mornings. Goff was going to check to see if they would move and thanked the Board for entertaining the conversation. There was a suggestion to do a Doodle poll to see what days of the week work best for a new standing date. Sachs suggested that sometimes the Board would skip the December meeting – perhaps the meeting could be moved to the day of the Technology Showcase on November 20. Ashley Gordon will check on the space to see how early they can get the room and Friend will check on dates that work best for the board meeting going forward, as well as the Technology Showcase.

Action Taken: Yancey moved to adjourn meeting, seconded by Wamsley. Motion passes unanimously.

Adjournment

Meeting adjourned at 11:53 a.m. The next INK board meeting date and location was left to be decided as per Item 8 above.

Minutes submitted by: Nikki Reed/Duncan Friend