

Information Network of Kansas Board Meeting Minutes

April 2020 INK Board Meeting – via Teleconference April 9, 2020

Opening

A regular meeting of the INK Board was called to order via teleconference at 10:05 a.m. on Thursday, April 9, 2020 by Chairman Aaron Kite with the following members present:

Mark Burghart, Secretary of Revenue
Patty Clark, representing the Secretary of Commerce
Jennifer Cook, representing the Secretary of State
Doug Gaumer, representing the Kansas Bankers Association
Gregg Wamsley, representing the Kansas Library Association (*joined at 10:36 a.m.*)
Glen Yancey, representing the Executive Branch Chief Executive Technology Officer

Others Present

Suzie Schmitz, PayIt; Duncan Friend, Information Network of Kansas; Nolan Jones, Ashley Gordon, James Adams of the Kansas Information Consortium, LLC.

Friend noted prior to the discussion of the Consent Agenda that materials supporting additional requests from the Governor's office for uses of the grant pool had been received in the last hour via email and deferred to the chair on how those might be included in the agenda. He also noted that while the March 5 and March 13 minutes were listed on the agenda, he had not yet completed or distributed them, so the only minutes available for approval on the Consent Agenda were from the March 23 and April 6 special meetings involving primarily the grant to the Governor's office.

Consent Agenda

The consent agenda for the meeting listed draft meeting minutes for the March 5, 2020 regular INK Board meeting, along with minutes for the special meetings of the Board held by teleconference on March 13, 2020, March 23, 2020, and April 6, 2020, along with the March 2020 Network Manager report. The consent agenda also included contracts for approval for KanPay Counter services (a fee service) for Chase County Emergency Management Services, City of Kincaid, Jefferson County Register of Deeds, Finney County Attorney's Office, Labette County Public Works, and the City of Pawnee Rock.

Action Taken: Burghart moved to approve the consent agenda with the exception of the March 5, 2020 regular Board meeting and the March 13, 2020 special Board meeting which had not yet been prepared or provided. Gaumer seconded. No further discussion. Friend polled the members to determine the vote. Approved unanimously.

Regular Agenda

1) Status of INK Operations re: Pandemic (Any notable changes / impacts on work or processes)

Friend indicated the intent of this item was to update the Board on any notable changes or impacts on the operations of INK resulting from the pandemic and / or the response to it. He noted that he had sent email earlier to the Board about some changes, but he and Jones would talk through these today to bring them up to date. He then deferred to Jones.

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Jones explained that their group had been planning for some of these contingencies all along. The operation at KIC had been remote now for several weeks – the office in Topeka is closed. Everything seemed to be working well – mail is being forwarded to where it can be picked up. The Help Desk staff have been assigned “burner” cell phones so that they can respond without giving out personal cell numbers and that process is working. Banking processes were working normally. In addition, they had been doing some backup planning as a contingency assuming that some employees could become ill.

Friend asked Jones to update the board on a few other items: *Changes in the nature of INK help desk calls* – Jones responded that they had been taking a lot of calls from people looking for unemployment information or trying to get through – they’ve been directing them where to go to get that assistance. *Customer Support system methods*: Jones talked about the ticketing system they are using and the way that was helping in a distributed work-from-home process, and also allow customers to self-serve in determining status. *Risk across “financial supply chain” via KIC/INK to state agencies*: Friend recapped how funds flowed through the INK model and the role it played in delivering funds to state and local organizations. Friend then asked Jones to generally address his understanding of risks related to the current situation. In his mind, one was subscribers, who are billed monthly for use of services, and the risk of default or delayed payments there either for wanting a refund of the annual fee as they were closing or economizing, or amounts due for fees for records accessed. Jones said that they were watching this closely, but so far have not seen anything unusual there, but they are way early in the process. Friend noted also, acknowledging Secretary Burghart’s presence that, while the state had been closed for two weeks, INK had continued to receipt funds into the state. However, for example, there had been a suspension in updating of driver records by KDOR as they operated in reduced mode. Friend continued that he understood that that service was coming back up at present. Overall, Friend said his intent was to emphasize that INK operations were fairly integrated with the agencies they do business with at the state so they were keeping a close eye on operations there.

Friend continued that, on the INK side, delivery of USPS mail in the Capitol Complex where his office was had been suspended, so he was going to start having the mail held. He also has been working from home. He continued, saying that he had talked to the INK accountants and they were doing OK. The banks have all sent information about how they were doing re: COVID-19 impacts. Friend’s back up on the financial approvals had been Wamsley and was moving to Gaumer, and he will make sure that if anyone needs to take drastic action they have the right contact information to get anything approved.

Action Taken: None.

2) Governor’s COVID-19 Grant Status (Consideration of Additional Grant Projects, if applicable)

Friend began this item by summarizing status of the grant pool and projects approved to-date for the Governor’s Office for COVID-19 Public Communications and Supporting Activities. He then reminded the Board that at the most recent meeting on Monday, April 6, the Board had approved two projects that were building a consolidate COVID-19 site with another vendor, CivicPlus, and putting up another site that would address what the state was doing operationally with regard to the pandemic and impact on agency services and provide links to information provided by individual agencies, using a company called Bajillion.

He continued that other than those explanations, no one had yet approached him with any bills – he knows how Amazon Connect works at a high-level – but there is no paperwork on his desk for any of these projects. He expressed that the Governor’s office knows that they or one of the agencies involved needs to handle the contracting part of this with the vendors. He then said that Yancey or Jones may have something to add, after

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which he wanted to address an email he received from the Governor's office about 15 minutes before the meeting with regard to some additional projects. Yancey said he thought Friend had characterized it at the right level of detail. He said that the COVID-19 phone line had been transitioned from the Governor's office to be a KDHE contract. And, from there, they would work with Friend to get the bills paid. He could also say they were moving forward with the discussions with CivicPlus.

Friend said he wasn't clear on the reasons, but he wanted to make sure it hadn't been lost in the discussions at the last meeting that the Board members understood that INK was in the business of building websites and putting up content management solutions. He said that Jones will talk about some smaller applications that are being developed for the Governor's office at their request right now during his report. He continued that he does understand the Governor's office has their own needs and way they want to go at things, but the Board is moving from approving things that the INK vendor KIC would do, such as putting up the initial COVID-19 website for KDHE, or building websites for the Governor's office such as their current one, or for other state agencies, to, in this case, they went with two other companies that weren't INK and the Board is paying for two other companies to put up websites for them. He said he wasn't making a big deal about it and he thought everyone understood that and that was what they needed, at least in the short term. And, he had emphasized to make sure they understood that INK was in this business as well.

He then moved to explain two projects he'd received emails from the Governor's office about shortly before the Board meeting. He then read an excerpt of an email from Kate Davis, cc'ing Ryan Wright:

The Governor's office has increased our capacity to communicate with the public via livestreamed press conferences and other events. We have currently spent around \$12,000, mostly on equipment (camera, microphone, etc.) and have a few more purchases to make.

He continued that she had cc'd Ryan Wright to ask him to verify his take on the amounts and what was needed. However, he then quoted what they were proposing from this email. They wanted to see if:

The INK Board could consider authorizing up to \$20,000 in costs for technical costs associated with making sure the Governor and cabinet secretaries can effectively communicate with the public via livestreaming or other means during the COVID crisis. Then we can do itemized invoices as we go.

Friend explained that this was the extent of the description he had in that email. If he had to put it into a description to bring forward, he would know that the limit was \$20,000, the nature of it was that it fit the INK statute as it is the service of delivering public information in a way similar to many of the things that are being talked about, and then it would just be a matter of understanding the procurement and that they had the limits on it and that it needed to be in communicating about the pandemic. He continued that this would obviously be at the Board's pleasure to move forward on.

Then, he noted that he had also received an email from Ryan Wright, the Deputy Chief of Staff in the Governor's office in response to Ms. Davis' email that addressed an additional need – he then read aloud from the email:

The other thing that I would like to include in the grant costs are the costs for shooting PSA's with Governor Kelly and Secretary Norman. These PSA's are all COVID-19 related and I've attached a copy of them to this email. I do not have a bid/proposal/formal cost estimate from

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Gizmo and am working to get one, but we understand that they are going to charge us something in the neighborhood of \$3,000-5,000 (closer to \$3,000) to film these today. We don't have scripts ready yet, but we are also going to cut PSA's related to labor and unemployment information. Again, I am trying to get more detailed information on this front, but if we can we get authorization for up to \$10,000 in COVID-related PSA's for use on TV and Radio that would be really helpful. The PSA's are a partnership with the KS Broadcasters Association...we pay for production and they play.

Friend then summarized the situation, confirmed in Wright's email, that the requests would be within the existing cap of \$500,000 and be for \$20,000 for equipment related to livestreaming and communication and \$10,000 for Public Service Announcements (PSA's). He said that was all the documentation he had at present, but he could shape them up into proposal form, which would essentially be the detail he had described.

Kite responded that he would like to see something more defined. He asked Friend about the urgency. Friend responded that he felt like the lack of more formality was the Governor's office attempt to get the Board something and not cause them to have to meet again, they just lacked time. The second piece to Friend was that he didn't understand their budget situation. Historically, the Governor's office had a small budget, so he didn't know if they had the money themselves for these kinds of things. So, clearly the communications are urgent, but some of this it appears they have already paid for. He doesn't know if they have \$10,000 for PSAs, although he was sure they would plan to do it. He said he couldn't speak for them on whether "these things don't happen without the Board saying yes", but it looks like part of it has already happened.

Kite asked for Friend's recommendation. Friend responded that he would say yes to it, as it meets the criteria. The problem really for him was the structure. If the Board starts to get into these miscellaneous here and there expenses, it's okay, but it becomes a long supply line of minutiae for him to track and make sure nothing falls through the cracks. But, he felt they would come back to ask more formally on this anyway. It looked to meet INK's mission and the COVID-19 response mission, so perhaps they could approve it then delegate to him for them to come back with the documentation consonant with the other items that had been approved by the Board. It does also bring up, Friend added, what if this comes up again on Wednesday? It is going to be him convening the Board again.

(Wamsley joined the call at 10:36 a.m.)

Kite stated that it sounds like the issue is that, on the one hand, it sounds like this is something the Board would approve and, on the other, the way the requests are coming to the Board is in kind of bits and pieces. He wants to avoid the need for as many special meetings as he possibly can. It is a volunteer board and he doesn't want to drain on their time requirements. What he thinks the Board would look for is some sort of coherent amount of authority that all the members would be comfortable with that would allow Friend to access the pool of grant money without needing to have a special meeting every four or five days. Friend confirmed that this was his feeling about it as well. He said that the tradeoff is that there is somewhat of a power imbalance, so if he has questions or there is something he doesn't feel comfortable with, he would need to convene the Board.

Kite confirmed that Friend's recommendation is that the Board modify its existing resolution to include the request. Friend responded that it is two parts, but he will summarize it as one. [He then noted that Wamsley had joined the call.]

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So, the approval would be expanded to include 1) the video streaming equipment for the Governor and Cabinet, and 2) the public service announcements (PSAs), (both as they are related to COVID-19). The upper end of that would be \$30,000, but he would write them separately so the money didn't get mixed between them. Kite asked to confirm that these were reimbursements, or at least reimbursements in part, for equipment that was necessary for PSAs?

Friend responded that, to draw a distinction based on his reading of it, the equipment was likely to be the livestreaming the Governor is doing on Facebook Live every day, so he is reading into it that this is what it would be related to. A motion would include two things:

- 1 - To assist the Governor's office in increasing their capacity to communicate with the public via livestreamed press conferences and other events related to COVID-19. It would be primarily for equipment and be for up to \$20,000. (*Note: The email includes the language "making sure the Governor and cabinet secretaries can effectively communicate with the public via livestreaming or other means."*)
- 2 – To cover up to \$10,000 in costs for shooting COVID-19 related Public Service Announcements (for TV and radio) with Governor Kelly and Secretary Norman, as well as some related to labor and unemployment information.

Friend added that the Board would be delegating his authority for approval once he had received a proposal form like they were used to approve them to move forward. Kite continued, summarizing that this would be a motion that just expands authority to include grants for those two purposes which sounded to him to fall within their statutory purpose...he continued, subject to the restrictions of the Board's earlier resolution, asking Friend if that was correct. Friend said yes, and that the earlier resolution did have a piece on providing adequate documentation – he could go back and have it put in the single-pager. Kite confirmed that Friend was the gatekeeper for that and that this is what the requests for. He again responded yes.

Kite said that it was kind of late notice and there wasn't anything that was really capable of being put in to the agenda, unless there were some KORA issues to considering the motion, he believed the Board could go ahead and vote to expand Friend's authority and include into the existing grant of \$500,000 those particular projects. Kite then asked for a motion:

Action Taken: Burghart moved to approve the two projects as shown for execution within the existing grant for the Governor's office public information activities for COVID-19 response. Clark seconded.

Kite summarized the motion: "So, this will be for \$20,000 for reimbursement and / or purchase of equipment necessary for streaming from the government. And, \$10,000 that will be used for producing PSAs." He then asked for further discussion.

Discussion: Friend stated that he thought that in both cases, it was for an "up to" for both those as that is how the Governor's office phrased it. Kite responded that they were just expanding his authority, they are not setting a number for the grant that is going to come out of the \$500,000. So, this will be a modification of that \$500,000 grant of authority. It will just give Friend the additional projects to add to the list of things the Board has already approved.

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Friend polled the members to determine the vote. Approved unanimously.

Kite asked if there were anything else that needed to be discussed with regard to the COVID-19 grant status. Friend deferred to Yancey to see if he had anything. Yancey responded, asking Friend if the Governor's office had given him any sense of "...oh, and we also have these other things in the hopper." Friend said that they had not. They have been busy, of course, but he could call them after this. He can tell them that it would really help that Board if it could look at what is on the horizon and get a better idea of the range of what they might consider.

3) Network Manager Report: Includes KBI, KDHE, Governor project status - Jones

Jones reported five (5) services to-date for the Governor's office and KDHE related directly to COVID-19. One is a form for entities to be determined to be certified as essential businesses, a form for business to submit qualification for providing PPE. He listed several other services and noted about 2.2MM views on the COVID-19 website INK had delivered and about 24,000 individuals signed up for email updates. They have also been working with agencies on changes related to extending deadlines. There are about 19,000 INK followers on Twitter, 3,000 on Facebook, and 1,000 on Instagram, so they have been using those channels to help get out the message as well, including reposting content from the Governor's office, KDHE, and their own content as well. He then reported that they were about 60% complete on the KBI project and briefly discussed status.

Friend added to the end of Jones's report and said that he wanted to make sure the Board members understood this relationship that was developing as it was also for the Governor's office. The four things that Jones mentioned should be laid out across the INK mission. He has had an exchange with the Deputy Chief of Staff in the Governor's office about getting the INK contract updated. The current contract came from the Brownback administration days, and it covers the standard no-charge website development, form-building type activities. Most of the forms being built have a connection to public information and he walked through the connection for each. However, on the most recent form development that relates to counties, he wanted to make sure the Board was aware of it. This is a case where statewide emergency management needs assistance, and they turned to INK because they knew of us as KIC. This is a case where they are wanting to help funnel county emergency manager inquiries to KDEM or other agencies via a form that INK has built that will involve emailing them to the respective agencies. While it is in the service of public information, there is no public-facing element. It is relatively immaterial, but INK wants to be responsive. However, we are now interposing ourselves in emergency management-related communications, and it is straying more into operations in a high-visibility and high-reliability area. He talked with Jones about it, and the Governor's person at KDEM. He wants to be responsive, but INK's focus is on public information and they are all good things, but he is leery of doing email-based forms solutions for critical emergency management communications. He felt they should be, too, but they are trying to do what they can in the short-term.

Clark wanted to add some perspective and provided some more information about how this was being used. She sat in on one or two of those meetings a day. She said that they are really the essential communication between the state emergency response leadership and county emergency response leadership. The email function that he described, there are a number of questions that come in daily, and each section and region reports out and asks questions, they use the questions that inflow from that email back out to the whole group, fully understanding that if one county is asking a question, other counties may have the same one, but

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not know it or haven't asked it yet. They also do respond out from the email back by email, but it is shared for the most part publicly with a whole group of county emergency management people on those calls.

Friend said it makes sense to him and he is 100% behind it, but things move very quickly. Going back to the KBI example, it is a public service, it definitely needs to be done, he could see it being done through a more mature technical approach, but he wanted to make sure the Board saw that as a statutorily appropriate function for INK or can draw that line back to it.

Action Taken: None.

4) INK Administrative Update (Finance / Investment Status, Approval Authority, Legal, etc.)

Friend recapped two things that had been approved previously. The first was delegation of authority for the Executive Director to pay budgeted expenses, except for payroll, without additional approvals. He would, in turn, bring evidence of those expenses in the form of check registers back to the Board so that there would be an after the fact check on that activity – not for approval, just review. This was approved for the interim until the current meeting today.

Second, they also delegated him the authority to approve no-charge contracts, like are normally on the consent agenda, in case something came up between meetings. And, \$5,000 in expenditure authority for unplanned expenditures in case something came up between meetings. He didn't have any plans for that, it was just, again, a contingency during this period in case the Board could not meet. So, the question is – since those were time-bound, does the Board want to keep approving them, stop, or just make that permanent?

Kite restated Friend's request. First, that the Executive Director be given the authority to approve payment of expenses already in the budget. Kite asked to confirm that this hadn't been being done currently. Friend responded that was correct – he felt that normally an Executive Director would always do that, but some of this is inherited from a previous administration. Currently, the Board has already made a motion at the last meeting to allow this, but it was just temporary until this meeting. This would be to make it permanent going forward, except for payroll, the motion said that the Vice-Chair would still continue to approve that.

Kite then confirmed that the second recommendation was for the Executive Director to be granted the authority to approve no charge contracts, such as those normally on the Consent Agenda.

Action Taken: Kite made a single motion that would allow the Executive Director to approve payment of items within the approved annual INK Budget and also to sign or approve no-charge contracts.

Kite asked if this covered the previous motions. Friend noted that it did, except for the discretionary authority to spend up to \$5,000 for non-budgeted items in furtherance of the INK mission. Friend indicated that was optional, just to provide flexibility, primarily given the pandemic and the possibility a quorum of the Board might not be able to meet in a timely fashion. He gave the example that, right now, if he needed to spend \$500 and it wasn't in the budget, he couldn't do it, he would need the Board to meet.

Kite then modified the above motion to say that it would also grant the Executive Director discretionary spending authority up to \$5,000 for items to the extent that they were not in the budget and complied with

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INK's mission and statute. He would bring those items back to the Board for review. He asked if it was Friend's recommendation that \$5,000 was an appropriate limit for non-budgeted items. Friend said that he felt it was, especially in light of the fact there used to be that authority for the previous Executive Director, so he felt comfortable with that. He doesn't plan to use it unless he absolutely has to. Friend clarified that while it would be helpful during the pandemic, he was recommending to just make that a permanent delegation of authority to him.

Action Taken: Kite modified his motion to state that 1) the Executive Director's authority be extended to allow him to approve payment of items that are within the Board's approved annual budget, 2) that he be allowed to in his reasonable discretion approve items that are not within the Board's previously approved annual budget, subject to a \$5,000 cap, and with the requirement that he be required to obtain the post-expenditure approval of the Board for those items and report those items to the Board and 3) that he be extended the authority to sign or approve no-charge contracts on behalf of the Board. Seconded by Clark. Kite asked if there was further discussion.

Discussion: Gaumer stated that he and Friend had been having pretty much weekly conversations and they had arrived at the \$5,000 number. He is the treasurer on a number of boards and that seems to be a pretty consistent amount. He continued that he is not sure that there was any "magic" around it, it just seemed to be a fairly consistent expense item that is generally given to an Executive Director. Much higher than that perhaps starts to create areas to where Board members probably ought to vote or at least be aware of the expenditure before it is expended. Kite agreed, saying he thought it was an appropriate amount.

Action Taken: Kite asked Friend to call the roll of the members for voting. The motion as modified above passed unanimously.

Kite asked if there were any other topics under this agenda item. Friend said that he had two. The first was the issue of the bank balances and whether or not any actions should be taken related to any banking risks due to potential financial disruption or instability from the pandemic. The other was that one of the Board's investments, a Certificate of Deposit at CoreFirst Bank, was coming due on May 7, the date of the next Board meeting. So, he had discussed these items with Gaumer and wanted to briefly address them here on the agenda. Friend asked if Gaumer wanted to address these issues.

Gaumer said that he certainly didn't want to speak ill of the banking community, but this is a time when the fiduciary responsibility raises its head with a little more prominence. INK has a number of balances in excess of the \$250,000 FDIC limit. When Friend and he had been speaking, he wasn't sure what the lasting effect of all this was going to be. While the federal investment via the Paycheck Protection Plan was going to relieve some pressure, at the same time, no bank is spared from this and it just seems prudent to – maybe not cut to the \$250,000, but maybe to \$500,000 at each of INK's banks. He said he felt that banks are much better capitalized this time around, but there just has to be a host of customers in every banks' portfolio that are feeling stress, and his guess is that many will not emerge from that.

Gaumer continued that, in light of that, it just seemed prudent from a fiduciary perspective that perhaps the Board looks at breaking up some of those accounts.

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He added that he agreed with Friend – it was not a time where maximizing interest is going to do any good without taking greater risk. CD's are all going to be 50 basis points and they would be tying up on a time deposit which he would not suggest. Gaumer expressed that Money Markets are maybe just a little bit less, 25 to 30 basis points, so he would suggest putting in a Money Market to stay liquid with next day money if it were needed.

Friend said that he thought that if they wanted to convene the finance committee, that was fine, but he would stay tight with Gaumer and then look to his and the Board's direction. Friend confirmed to Kite that there was a CD coming due on May 7, so something would need to be done if they weren't going to renew it.

Kite felt like this was to give this to the Finance Committee and have them make a recommendation and have it ready for the Board to approve at the next meeting. There was discussion about the membership of the Finance Committee and the Gaumer's role taking over the Treasurer duties. It was confirmed that it would be Gaumer, Goff, Cook, and Wamsley. Kite asked for a recommendation. Friend said that he would need to act on the CD before the Board would convene, so he would look for a Money Market account with the idea of diversifying the banks, maybe split it in half. So his motion would be to hand off to the Treasurer and / or bring in the Finance Committee also to decide on next steps on the CD. Then, as far as disaggregating some of the funds across banks, that also could be handled in a similar way, either charge them to go do it, or come back with a recommendation.

Kite said he was in favor of Gaumer's advice, but would like a recommendation from the Finance Committee. If the risk related to distributing the funds is such that things can't wait until the next meeting, they can always ask that the Board convene a special meeting.

Action Taken: Kite moved to refer the issue of how to allocate the funds currently held in a CD to the Finance Committee for review along with adding Gaumer if not already a member. And, for them to consider how INK funds are held and the allocation of the funds and any appropriate changes that need to be made and bring back a recommendation to the Board at their next meeting, unless they determined a special meeting should be called to address these topics prior to the next Board meeting. Seconded by Yancey. There was no further discussion. Kite asked Friend to call the role. Approved unanimously.

5) High-Level Review of INK Continuity of Operations Plan / Roles - Friend / Jones

Friend stated that he just wanted to add a few minutes to the agenda to confirm to the Board that they do have a business continuity / disaster recover plan independent of things going on with the pandemic and recap a little about it. It is essentially to refresh the members on what happens if, independent of the pandemic there were some type of disaster related to weather or other causes, a system failure, security, etc. He deferred to Jones to discuss briefly. Jones discussed the annual DR test and how it worked and how that is reported to the Board each year. Friend then talked briefly about the notification processes that were involved that included the Executive Director and Board Chair to declare a disaster.

New Business

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1) Go-forward meeting schedule / approach: Dates, methods, special meetings - Friend / Kite

The next meeting of the INK Board will be held by teleconference on Thursday, May 7, 2020.

The meeting adjourned at 11:25 a.m.