Opening
A meeting of the INK Board was called to order via online videoconference in Microsoft Teams at 10:02 a.m. by INK Board Chair Tom Sloan with the following members present:

Lori Blake, representing the Kansas Association of School Boards
Mark Burghart, Secretary of Revenue
Jennifer Cook, representing the Secretary of State
Vicky Ortiz, representing the Kansas Library Association
Kristy Wilson, representing the Kansas Association of Independent Insurance Agents
Glen Yancey, representing the Executive Branch Chief Executive Technology Officer

Others Present
Tim Shultz, INK Board Counsel; Duncan Friend, Information Network of Kansas; Nolan Jones and Ashley Gordon, Kansas Information Consortium, LLC.

Consent Agenda
The Consent Agenda for the meeting included the draft minutes for the July 1, 2021 INK regular board meeting and the July 2021 Network Manager Report.

**Action Taken:** Secretary Burghart moved to approve the Consent Agenda, seconded by Blake. There was no discussion. The motion was approved unanimously.

Regular Agenda

Regular Business

1) 2021 INK Business Plan Initiatives: State Home Page Update

   Jones indicated the team had been working with various groups and individuals to refine and build out the site. The next steps were to continue to gather feedback and perform some additional user testing to continue to develop the site. They also want to implement some additional processes along with Friend to ensure that the remaining development activities incorporate that input. They will also coordinate the next round with the agency public information officers- their input and changes are incredibly important. They’ve set no date for that and will just take whatever time is necessary to make it the best site possible.

   Sloan acknowledged that Jones had said no date was set, but he asked if Jones was thinking 30 days, 45 days, 60 days? Jones said he thought a lot would depend on some of the input they receive from some of these individuals. He hoped that they were closer than 60 days, but he was somewhat hesitant to commit. Sloan thanked him and asked if there were any other questions for Jones.

**Action Taken:** None.
2) Draft 2020 INK Financial Audit

Friend provided an overview of the INK 2020 Financial Audit, summarizing the annual audit process for the new members in attendance. He highlighted that staff from KIC and NIC were involved, and that letters were sent to banks and customers for whom money is collected to verify the amounts shown in the financials were correct. Friend also discussed audit of securitization of account balances on private account in excess of FDIC coverage of $250,000. The auditors also review all the board minutes for the last year and a half. He then noted that while, in the past, they had audited expenditures by the Board, say, for travel reimbursement or other payments, the amount of these had been going down in number and for the first time this year, the focus was instead on something they called the Gross Profit Analytic. The auditors are aware of those expenditures and still see the accounting for that, but he felt they saw them as fairly routine and budgeted expenses. He said that the members could ask the auditors when they came to present the final audit if they had questions about it, but the purpose as he took it was to look at a higher level in the financials, basically asking “This change in revenue in this place was significant, what is the explanation behind that?” He said that they don’t really describe those audit processes in the documents the board has before them, however. Those documents, he continued, consisted of two things. One was the financial audit he just had discussed. The second was an agreed-upon-procedures (AUP) audit of a few randomly selected contracts to ensure that the funds that are to be collected for an agency by contract are collected and remitted in compliance with the terms of the contract – timing, amounts, etc. The other thing in the packet are “representation” letters. These are attestations by the Board (signed by the board chair and Executive Director) that will be on INK letterhead about what the auditors can assume in the audit, what INK is asserting or representing about the information they provide.

He then offered to take any questions before he would continue to go over the documents briefly. And, that the board members were welcome to continue to look at the documents in their draft form throughout the month and if they had any questions, to let him know. He could also enlist the auditors or others if there was something he didn’t. Then, in September, the same documents – assuming there are no changes – will come back before the Board as final. The managing director at the firm, Karen Linn, will come to the Board and present the audit, walking through it, providing explanations and also take questions. So, this is not the only opportunity to ask questions about the materials. There were no questions and Sloan asked him to proceed.

Friend went through the highlights of the documents. He noted that the audit declares that INK is a “component unit” of the state of Kansas. This had not been the case throughout most of INK’s life and INK had not reported results into the state’s Comprehensive Annual Financial Report. However, the determination was made by both the state and auditors that they should about five years earlier when he first took over. As a practical matter, this means that there are another 10-12 attestations / documents that he needs to provide to the state outside of the audited financials. In addition, he would provide both the draft of the audit when this meeting was over, and a copy of the final audit was due to them in September, so INK is part of their annual audit process as well.

The content of the financial portion should be essentially identical to the year-end financials the members had seen before, so he focused on what was added here. He directed the members to the opinion of the auditors expressed in the draft on page 2 at the top where the auditors state that in their opinion the financial statements express “fairly, in all materials respects” the financial condition of INK. This is the equivalent in his mind of what used to be known as an “unqualified opinion” meaning that the financials state what is going on with INK correctly and fairly. When the auditors come in September, they can talk more about their opinion.
He then talked about the Management Discussion section of the draft. The history was mostly boilerplate, repeated from year to year, but there is a section called Financial Highlights where there is a discussion about what’s changed year-to-year. He did talk with Jones about it and sent a draft of it to Sloan as well. Basically, they just go through and try to assess what’s happened. He pointed them to the “top line” on page 6, where Operating Revenues are addressed. The expenses were mostly consistent as term of office expenses, but the grant amounts, of course, fluctuated. The most notable piece is the change in interest income. This year it is dropping back down due to very low interest. However, he continued, the large increase in interest in 2019 was a tribute to the Board’s financial management as they moved to get some of the money into certificates of deposit and it almost doubled the interest by doing that. So, outside that, things are mostly flat as far as the net.

With regard to the agreed-upon-procedures audit. That is really a one-page result. It says what it does, testing whether payments are made to data providing entities in compliance with their contract and whether they are charged correctly. On page two, it explains what the auditors tested and what they found, that the rates agreed with contract and the payments are made within the timeframes there.

Finally, usually they have a conversation with him to close out the audit about things that don’t rise to the level of audit findings or materially affecting the results, but they might say that there is some practice he should change or start doing, but he hasn’t yet had that conversation with them this year. If they do and it’s something material enough to inform the Board he will do so, and he is certain that is something the auditor can talk about when she comes to present.

Sloan asked if there were any questions. Hearing none, he advised the members to contact Friend if questions came up later, otherwise they would look forward to the September presentation by the auditors.

**Action Taken:** None.

3) **Grant Program: Review Revised Dodge City Grant Application**

Friend briefly recapped the background on City of Dodge City’s original and revised submission to fund public kiosks for their downtown redevelopment program. The letter he had sent back after the decision not to approve the first submission had suggested that the Board would reconsider if certain changes were made, including expanding the number of organizations partnered with and also the type of information provided through the kiosks. Dodge City had received those comments favorably and indicated they did want to make these types of changes and resubmit. So, they did come back with a proposal that arrived via email on Sunday and does show a number of changes around collaboration and expansion of content, and has a number of letters of support.

Both Friend and Sloan then ranked the revised application according to the criteria in the INK Granting Policy and Procedures. It has moved up some due to showing that they are increasing collaboration. It is now very close to, if not a little under a “2” overall, which is “Meets Expectations”. And, while there may still be some questions about whether or not it is really “core” to the INK mission, they both felt that they did show good faith efforts to be responsive to the Board’s recommendations. There was also a question to them about “Can the state learn from this?” and he thought there were two letters, at least, with explicit commitments and interest from agencies in getting with City of Dodge City to do just that as part of the project. Last, because the revised application doesn’t really highlight exactly what’s changed, Melissa McCoy, who submitted the grant application on behalf of Dodge City sent a follow up email that he had
forwarded to the Board that was intended to do that.

Sloan then added that, in his review, as Friend had said, he thought that it meets the minimum requirements that the previous board had established. He felt also that since they had tried to address the items that the Board had expressed, they probably don’t want to get into a continuous process of revising and resubmission. They did make a really good faith effort to be responsive to their constituencies, including their own residents, visitors, and businesses, and they’ve reached out to state agencies which is part of the INK mission. So, he felt they met the minimum expectations and responsibilities of the INK grant process.

Friend indicated he had Butler’s comments she had submitted to pass on if/when they wanted him to read them. Sloan responded that was probably not necessary unless someone wants it. Friend indicated that her comments were that she supported the grant, even though she would not be able to attend the meeting.

Sloan asked Yancey what his thoughts were. Yancey said he’d read through the email that the Assistant City Manager sent to Friend. And, he agreed with Sloan, that taking the email at good faith, the vision for the project was a little broader than what came across in the first proposal. It certainly seemed to tie more to regional development, and they had engaged with the kinds of partners that the Board would like to see. He would certainly support awarding the grant.

Wilson asked to confirm the amount that was being asked for. Friend stated that it was $155,000, which Sloan confirmed. Friend added that he understood they had some “in-kind” contribution of soft costs, like project management. Hearing no further discussion, Sloan asked for a motion on the grant application.

**Action Taken:** Wilson moved to approve the grant application from City of Dodge City. Seconded by Yancey. There was no discussion. The motion was approved unanimously.

Friend then confirmed attendance to make sure he had that recorded since a funding motion had been approved.

4) **INK / KIC Contractual Matters**

Sloan confirmed that Board Counsel, Tim Shultz was on the call, then said he would move to go into Executive Session.

**Action Taken:** At 10:25 a.m. Sloan moved to recess the board meeting of the Information Network of Kansas into executive session for 30 minutes. The subject of the executive session will be to discuss matters related to the master contract between the Information Network of Kansas and the Kansas Information Consortium, LLC, NIC, and Tyler Technologies and other matters of attorney-client privilege pursuant to K.S.A. §75-4319(b)(2) of the Kansas Open Meetings Act which authorizes consultation with attorneys on matters deemed privileged under the attorney-client privilege. The open meeting will be reconvened via the current Microsoft Teams video conference at 10:55 a.m. The attendees of the executive session shall be the board members or their proxy representatives, Board Counsel, and the Executive Director. Seconded by Yancey. No further discussion. The motion passed unanimously.

The Board adjourned into Executive Session and returned to regular session at 10:54 a.m.
**Action Taken (pt. 1):** Sloan moved that the Board authorizes Board Counsel and the Executive Director to continue discussions with Tyler Technologies related to compete / non-compete issues with INK. The second part of the motion is that the Board designates the Executive Director to officially represent the Board’s interests with KIC in better defining the allocation of time and resources devoted to INK projects, including looking at efforts to expand INK business. Ortiz seconded.

**Discussion.** Yancey wanted to make sure to emphasize in the motion that the Board is particularly interested in the Executive Director working with KIC to identify ways to have better visibility into the opportunity engagement that KIC is engaged in so that he can report to the Board what KIC is doing to continue to further the Board’s interests and expand the portfolio of projects and engagements that the Board oversees. Sloan said he thought that was a good clarification of his broader statement and asked Friend to incorporate that in the language for the motion recorded in the minutes. Friend asked if someone who knew the parliamentary procedure here whether something needed to be done to make that part of the motion. Sloan responded that it was just a clarification. He asked if there were any other comments from the Board. Hearing none, he called for a vote.

**Action Taken (pt. 2):** Upon a vote of the members, the motion, the intent of which was clarified in the discussion, passed unanimously.

5) **INK Board Meeting Travel Policy**

This item was not covered in the meeting.

**Action Taken:** None.

6) **Network Manager Report**

Jones noted that they had previously presented to the Board about Telegov – an appointment-setting solution they were using in a number of states for departments of motor vehicles (DMV’s). They are currently in discussion with Department of Revenue about using this for both the Tax side and the DMV side. While there obviously needed to be a contract put in place on that, there is an element involving the use of cloud technology – Microsoft Azure. One of the elements of the INK Master Contract is that it would prohibit use of the without some type of contract amendment. So, Friend is working that element out and they are continuing to discuss scope and get an agreement in place with Revenue to get this rolled out as quickly as possible.

Friend asked if he wanted to reemphasize part of this, as not everyone on the Board has been to all of the meetings and may not remember Telegov. He noted that it really is an appointment-scheduling front-end for state government. It would be highly visible for people that want walk-in appointments. Friend said that he thought it was a big thing and deferred to Jones to talk a little more about it. Jones said it is a solution that does more than just show what appointments are available. It is controlled by the agency itself - he gave an example of how they can structure appointment opportunities to match available staff and their subject matter expertise / duties. If something comes up, like a snowstorm, they can quickly send email and text notifications to all the people scheduled to let them know they need to be rebooked. Telegov can also be set up so that a person can pre-submit documents for a meeting and enable them to be reviewed. It is being used in a number of states – New Jersey being the largest with hundreds of thousands of DMV appointments.
a month. Others are using it for COVID vaccinations, or unemployment hearings.

Friend then said he wanted to intervene again to talk about the cloud hosting aspect. When INK started, the hardware used to support the systems at KIC belonged to the Board – that is, they had the right to buy it out for the depreciated value if KIC left. This was an old 90’s era model. Then, they eventually moved the hosting to a private cloud at NIC (not through Amazon or somewhere else). In the case of Telegov, it is in the cloud and the current INK contract prohibits that and requires, for example, that INK is able to physically inspect the hardware being used to host its applications. So, while it might seem like a minor change, Friend said he would need to talk with the state IT security office because state data will be involved. He noted to Yancey that he would plan to contact him as he might need help engaging the central security folks as some of the things he’s seen in RFP’s before didn’t seem very mature and he needed to have some concrete answers about what INK would require. And, he will need to work with Shultz which will likely involve some cycles of review. He just wanted the Board to know this would be going on behind the scenes.

Yancey added that none of the issues were insurmountable. His agency, KDHE, has things in the cloud that includes HIPAA-covered data. Friend said he would contact him. Sloan then added that, because the Department of Revenue project is so timely, he asked the Friend, Jones, Shultz, and Yancey would make sure that whatever needs to be done contractually is done within the month. Friend and Jones agreed, Jones adding that it was definitely important to get them stood up as soon as possible.

Sloan then asked Jones if he had followed up or was planning to follow up with the Department of Labor, as they have lots of appointments. Jones responded that he had not done so yet, he wanted to focus first on Department of Revenue and get them stood up, and make sure everyone’s happy, as well as get through the cloud item, but thereafter, he thought – absolutely. The nice thing is that it is scalable from the small office to the large one. Sloan said he would suggest subject to either the board’s criticism or rejoinder that he at least let the Secretary of Labor know that INK is having these discussions because they may be looking at options and we want them to be thinking about this project. Jones agreed.

Yancey then asked Jones what cloud provider they were using. Jones said it was in the Microsoft Cloud using Azure. Yancey continued that the reason he asked that was that the state of Kansas has an Azure tenant. He could eliminate a lot of issues, in terms of the security component, if there was a way to create the Kansas instance of this within the state Azure tenant. Jones said he will look into exploring it. He knew that one of the benefits of the one that is out there that multiple states are on is that there is a full development team on it, adding additional functionality and enhancements. But it is definitely worth exploring. Yancey also said that, in cooperation with Unisys, they have added other services related to security to, say, prevent denial-of-service and other types of attacks. Sloan then added that while the group of people involved were exploring this, it was important to keep in mind that they wanted it accomplished expeditiously – it can’t drag out to three months.

Jones closed his report indicating that, because he knew there had been some outreach, the states of Oregon and Idaho have renewed their contracts with NIC. Also, NIC is going to be one of two providers selected by the IRS to handle all their payment processing

**Action Taken:** None.
Sloan noted to the Board that they had skipped the travel policy item. The Board, due to the COVID-19 pandemic and the Delta variant issues, felt they should not have an in-person meeting in September, but instead continue to meet by Teams. The general policy for travel reimbursement would be the same as for state employees. Friend added that the statute says the that the Board has latitude according to whatever policy they set, so they will need a policy for this, which is why it has been on the agenda.

New Business

1) Strategic Planning

Sloan continued, talking about Strategic Planning. It was hard to do via videoconference. So, what he was going to suggest was that Friend would send out a list of opportunities for Board members to think about. This would hopefully elicit the members’ thoughts in terms of whether those are the appropriate topics, what’s being left out that they think they should look at. Essentially revisiting where INK goes. Then, they can talk about those lists.

**Action Taken:** None.

2) Agency Outreach

Sloan indicated he has suggested, subject to Board approval, to Friend and Jones that – this was before the Governor’s most recent announcement – starting in mid-September that INK and KIC jointly host half a dozen or so state agencies for meetings about what resources INK can bring to them. The meetings would have two purposes. First, to explain programs like Telegov that might be useful to the Board of Nursing, for example. Also, second, to have agencies talk about their needs, but also so that INK can identify commonalities. It just seems logical that the Board of Nursing, the Board of Healing Arts, and the Cosmetology Board may have common desires, but none of them felt motivated or capable of trying to develop them. He suggested to Friend and Jones that these meetings be organized for about an hour or so.

So, he had two questions for the Board. First, is that something that INK should be doing to try to promote INK? Second, “Do we want to start doing those meetings through teleconferencing or should we do in-person meetings, suitably masked and distanced and all?” Friend responded that this seemed more like an operational question, but that he was happy to get guidance on it. He said that he’d told Sloan that they would come back with a proposal. He thought reaching out was good, but he wanted to make sure they were in line – maybe Yancy could help – with the CITO’s desires about when INK is going out and recruiting business. If they are just talking about the things they already do, it would be great – obviously it can help to do more outreach to make people aware. He would also like to incorporate talking more about data and maybe getting to the program people – it isn’t always the agency head – about information, as INK’s job is, of course, to make public information available. He wants to make the mission clear there, versus building a back-end system. But, he is 100% behind it.

Sloan asked for Board member comments. Yancy responded that one thing he would think is that it would be nice to maybe Jones and Friend would put together a “dog and pony show” that some of the members could watch or give a trial run on. As he sits here thinking about it from the perspective of an agency that would participate, he has a question about who the audience is. Who would he push to attend? – and he’s not
sure without understanding the approach that Friend and Jones want to take to having those discussions, and what you’re actually proposing to do. He would put heavy emphasis on “Here’s how INK can help you with your mission” and “Here are some of the areas we want to get into and we would like to understand what opportunities may exist where we could cooperate to get into those.” Keep it as forward-looking as possible. He is not sure he would get a lot of interest in “Hey, you want to attend a meeting where INK would come in and say ‘this is what we do’.”

Friend said that, to Sloan’s credit, his way of proposing it was that it would mostly be listening. He reminded the Board that this was something that he and Jones had suggested doing with the Gov2Go mobile product about a year ago, talking with agencies and cabinet secretaries about what uses they might have for a mobile platform, but that didn’t move forward. Friend thinks its good, but he wanted to know more about what they were thinking in terms of showing what they might be doing – to members of the Board? He though they could do it in September. They could also do some analysis and decide on which agencies might be the best ones to start with. Yancey responded that he can’t speak for the rest of the Board, but he would certainly be interested in sitting in on that sort of a pilot presentation. Friend added that he could talk about grants as well.

Sloan said he thought it was a good suggestion that Friend and Jones put together the “dog and pony” show, and continued, directing his remarks to Yancey, that candidly, he was thinking of the smaller agencies to start with as they could meet with their Executive Director and their technical person pretty simply. Yancey said it would help him to see the presentation so he would know who to promote it to. Friend indicated that INK already did business with about 30 agencies, so there is some strategy to the order they would take them on as well. Friend said they would do it for the next meeting and asked Jones if he would be OK with that. Jones noted that they have done all sorts of outreach and events over time, so he would be glad to continue. Sloan indicated that he wanted to make sure they were listening to them in terms of what they would like to do and what would multiple boards benefit from in terms of collaboration.

Friend closed the item, saying he had one more thing for new business, by asking Yancey if he knew if the three-year IT plan instructions had gone out yet. Yancey responded that Travis Rail, the Chief Information Technology Architect, was leaving. But, he had set up meetings with the agencies from the end of July through August to meet with them to roll out the 3-year IT plan update strategy. He hadn’t met with him yet, so he didn’t know the gist of that. Friend continued and said that it was important to the Board.

One thing that will help the board dramatically – the planning cycles at the state are not necessarily what’s being done here. By statute, there is a three-year IT plan where every agency needs to talk about their future direction in technology initiatives and inventorying what they are doing today. In the old days, they used to inventory what kind of systems they had and potentially data that would help INK understand how it might serve them. The plan used to include questions about what people were doing in digital service or eGovernment and INK could follow right back up. Friend said he and Jones had reviewed the last two 3-year IT plans, but there has been this kind of turnover – he didn’t know Rail’s story – but he could say that he has tried with the previous CITA as well to get in and so he wanted to suggest to the Board that he/INK should be part of that.

Sloan responded that he felt it was okay for Friend to contact Rail, but he wasn’t sure INK should be inserting itself without an invitation. Friend said that they were part of the state and he was on the Information Technology Executive Council that set the state’s IT direction, but he was glad to open it to the Board for feedback. Friend continued that is part of the issue they have as part of attempting to address and
work with the state – INK is part of the state’s collaboration and cooperation structure, but that’s been lost with the people who are doing planning. He left it that he would talk with Rail.

**Action Taken:** None.

3) **Shawnee County Payment Processing Contract**

Friend indicated he had one last item of new business. There was a contract a few months back that he’d asked to have pulled from the consent agenda where INK was going to consolidate some existing payment processing contracts within Shawnee County. However, when Shultz reviewed the process – and he would defer to him to explain further – how it was working was that an agreement would be made with a county for a specific, say, credit card service and then, over time, more departments within the county would be added – say the jail, or elections - but those would not be reflected in the contract. They were instead handled through more of a technical process where they would fill out an additional sign on form and perhaps some other things. One problem with this not flowing through the contract addendum process being, for example, that if INK were ever to move to another vendor, they may not be able to tell from the contract which departments or how many were using the service, just that the county was.

So, Friend had worked with Shultz and then with Jones and his corporate attorney to revise that contract to allow for an addendum process by which more departments could be added via addendum. They were going to bring it back before the Board at this meeting, but the way that was then implemented – he’d take a look at that yesterday – it wasn’t really as the contract intended, the addendum just listed all the departments.

As a result, Friend had taken it off the agenda and wanted to ask the Board if they were willing to delegate to him, in the interest of getting Shawnee County served, the ability to work with Board Counsel and Jones to get that contract approved and executed. He can then provide an FYI copy back to the board when complete and also schedule some time on the agenda to explain why they were doing it. He asked Shultz if he had a comment about this.

Shultz said INK has already been working with Shawnee County, they are just expanding the services that they provide. What he has created is something in writing for adding new departments within the county. In his view, the Board has already approved the underlying contract, All they were asking the Board to do was to delegate authority to Friend to execute those addendums to add departments on behalf of INK. This was something that could continue with all counties throughout the state. If the Board has already approved the underlying contract, and a county wants to add the same services for additional departments, the Board could delegate to the Executive Director the authority to execute the addendum to an existing contract the Board had already approved.

Sloan asked if the Board had any comments. Friend said he could bring it back next month as well, it was just to try to expedite Shawnee County. Hearing no comments, Sloan asked Shultz that while he understood Friend represented the Board, is this a “Friend-Board” thing, or a “Jones” thing, or an “attorney” thing? Who really needed to be designated to do what?

Shultz responded that he thought the Board needed to designate Friend to approve the addendums and they could pass a resolution that authorizes the Executive Director to execute addendums on behalf of the Board to add departments of counties that the Board has already approved contracts for.
Friend interjected, asking Shultz about this consolidated contract. That is, this particular case is a new contract that consolidates existing department contracts and also adds this addendum process for new departments. That is, in this case, Friend would have to approve a consolidated contract and begin doing the addendum process. The contract Jones has out there in this case is to consolidate three counties in addition to the addendums? - It hasn’t been approved by the Board. Shultz indicated Friend was right. Friend continued that the motion would just be what Shultz had just said, as well as to execute a consolidated Shawnee County contract. Shultz agreed.

**Action Taken:** Blake moved to authorize the Executive Director to approve and execute the consolidated payment process contract for Shawnee County and to administer and execute addendums to such contract to add departments for contracts already approved by the Board. Yancey seconded. The motion was approved unanimously.

**Adjournment:** Yancey moved to adjourn the meeting at 11:35 a.m. The motion was approved unanimously.