

# INK Board Minutes

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## Meeting Minutes

August 16, 2016

### Opening

A meeting of the INK Board was called to order at 10:03 a.m. Tuesday, August 16, 2016 in 700 SW Harrison, 2<sup>nd</sup> Floor, Topeka, KS 66603 by Chairman Eric Rucker, representing the Secretary of State, with the following members present:

Chuck Knapp, representing Jobs for America's Graduates - Kansas  
Eric Rucker, representing the Secretary of State  
Matt Billingsley, representing the Secretary of Department of Revenue  
Scott Hill, representing the Kansas Bar Association  
Donna Shelite, representing Office of Information Technology Services  
Tom Tunnell, representing the Kansas Grain and Feed Association  
Kim Borchers, representing the Governor's Office

### Others Present

Duncan Friend of INK, Richard Raimond of Goodell Stratton Edmonds & Palmer, Shane Myers, James Adams, and Ashley Gordon of Kansas Information Consortium, LLC, Kathy Sachs of Kansas Secretary of State.  
Guests included: Scott Somerhalder, Vice President of Operations, NIC, Inc., Karen Linn, Managing Director, Berberich Trahan & CO., P.A., Bart Sprague (OITS), John Thomson and Mike Plunkett, PayIt, LLC.

### Consent Agenda

The consent agenda for the meeting included the May 2016 INK Board minutes, the May, June, and July 2016 Network Manager reports, contracts for approval, and listing of Board expenses, An attachment was included in the Board packet that listed expenses approved and paid since the last meeting, as well as those not yet paid for approval by the Board.

**Action Taken:** Billingsley moved to accept consent agenda, seconded by Tunnell. Motion carried unanimously.

**Discussion:** Chairman Rucker asked Myers to address the Board of Veterinary Examiners, asking if KIC would perform an enhancement such as this for them if INK did not approve a mini-grant. Myers noted that one of the major decisions in the 2016 Business Plan was the rollout of the KanSite content management system and the board decision to allow mini-grants for these opportunities. If a mini-grant is not approved, then they would go back to the Veterinary Board to see if they still want to move forward. Rucker stated that he didn't believe this was a matter for the consent agenda since the budget allocated no money for the mini-grants, even though it may have been anticipated. He asked that this matter be pulled from the consent agenda or consider pulling it, given that this money has not yet been allocated.

**Amendment:** Billingsley moved to amend the motion to exclude Veterinarian Board Examiner mini grant from the consent agenda, seconded by Hill. Motion carried unanimously.

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## Regular Agenda

- 1. INK Draft Financial and Audit – Karen Linn, Managing Director, Berberich Trahan & Co., P.A. –**

Linn presented the results of the financial statement audit. She explained the scope and nature of the audit process, including the type of things they review, and indicated that they were able to issue an unmodified opinion. The opinion states that the financial statements are free of material misstatement. She noted that there was one adjusting journal entry proposed that was needed and explained that this had been discussed with Mize Houser, the INK accountants. She said that there were no problems with the audit process and directed the Board's attention to the representation letter that is the final step in the process. Once everyone has agreed and accepted the financial statement, the letter would be signed and returned to Berberich Trahan, at which point it is incorporated in the document and the financial statement audit is considered final. She encouraged the Board to read through the letter, as it contained information that could help them understand the financial statements and fulfill their duties and responsibilities. She then offered that she would be happy to answer any questions related to the letter at a later date and time.

Friend then noted that while the letters in the packet did not reflect it, they would be copied to INK letterhead for submission. And, he stated that while the signature block in the draft mistakenly listed him as Executive Director, Berberich Trahan had requested that he sign the audit along with Chairman Rucker because he (Friend) had been the primary contact and had made the majority of the representations with regard to it. He had proposed that he sign it as Project Manager of the Kansas Business Center. Friend also pointed out that the Management Discussion and Analysis section was still being drafted (it was blank in the draft) as he has been working with Myers of KIC to obtain some more information in explanation of the financial activity in 2015. Knapp asked if Friend was primary one interacting with the auditors and Friend confirmed that was the case. Knapp also asked if there had been any difficulties with Hollingsworth being gone. Friend answered not from his perspective. They had a level set meeting with the auditors and Hollingsworth right before he left and for the most part the records were in order and it was pretty much straight forward. Occasionally there might be an historical item that he needed information on and, when needed, he did talk with Hollingsworth and he was very forthcoming. The auditors did do several random interviews as a standard practice to detect possible fraud that included himself, Hollingsworth, and Rucker. Rucker closed by saying he anticipated that the Board would review the documents and have the opportunity over the next month to make any comments or pose questions to him or Friend. He also noted that he would be particularly interested in anything that Hill as Treasurer would have in the way of comments between now and the next meeting. Rucker stated that he anticipated that the documents would be on the next agenda for approval by the Board so that he and Friend would be able to sign the representation letters and deliver them to Berberich Trahan for their files to finalize the audit.

- 2. 1<sup>st</sup> and 2<sup>nd</sup> Quarter 2016 Financial Update.**

Before beginning to discuss this agenda item as Treasurer, Hill asked for confirmation from the Board that it was their understanding that they had approved the expenses as part of the consent agenda. Rucker referred this question to the Board members and they assented. Hill continued by explaining that an issue had come up concerning the need for him to be able to approve routine payroll expenditures in a timely manner, especially when the Board does not meet for more than a month.

**Action Taken.** Hill moved to include the ability to approve routine payroll items within the scope of the Treasurer's authority. Seconded by Tunnell. Motion approved unanimously.

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Hill then continued with the Treasurer's report summarizing the INK's financial activity over the first two quarters of the year. He pointed out an exceptional item with regard to the Kansas Board of Pharmacy budget compared to actual. He noted that, from speaking with Myers, that agency has elected to use a 3<sup>rd</sup> party vendor for these services on June 1, 2016, so we have seen a decrease in those revenues.

**Actions Taken.** Hill moved to approval 1<sup>st</sup> and 2<sup>nd</sup> quarter 2016 Financial reports, seconded by Tunnell. Motion passes unanimously.

3. **INK Strategy Overview.** Myers provided a brief summary of the INK Strategic Plan currently in effect (2015-2017) and its connection with the INK Business Plan, as well as its value in aligning KIC/NIC plans with their strategy and business plan. He then went over the six "mountain tops" included in the current strategic plan that were tied to in the 2016 Business Plan and explained the connections. He then presented a modified strategic vision that paralleled the OITS strategic plan presented by Wittmer at a previous meeting.

His emphasis in conversations with Wittmer had been on how INK/KIC can help achieve his plan. At the same time, Myers has been hearing some confusion and dissatisfaction about the existing strategic plan from some Board members. This is why he is introducing a new strategic plan to the Board today as a recommendation to help achieve the strategic goals that have been set forth by Wittmer, but also to bring the leadership role to NIC and KIC to drive that leadership throughout the State of Kansas as far as how the state is progressing over the next 3 years. He emphasized that Strategy 2 in the Wittmer plan, *Enhance Transparency and Access to Government* is a core competency for KIC.

*[See attached slide deck from meeting for reference. Myers provided details of each of the main sections: Founding Principles, Mission Statement, Core Values, and the Vision Statement, Governance, Strategic Direction, and the Network Manager]*

Highlights included:

- Myers noted that in his research on how the relationship between the board and the network manager worked in other states, only Colorado was similar to the role of the previous Executive Director here. Instead, the trend is mostly toward having a manager focused on contract compliance.
- Myers presented three main strategies, each involving three objectives. Knapp had a question about how non-revenue generating applications were dealt with in Strategy Two (which involved an objective that included "grow and diversify the revenue base.") Myers noted that this could involve mini-grants. Rucker asked about the division of marketing responsibility between KIC and INK. Myers said this had been built together with the previous Executive Director and that INK had made an investment. Myers stated that they also tracked and supported no-charge services. Rucker continued, asking whether the government side had ever impinged on the private sides' marketing efforts or held them back. Myers mentioned the issue with supporting mini-grants, but confirmed that they were not dependent on them to succeed, progress was just slower.
- Knapp indicated that he liked the approach using three strategies as it was easier to work with than six. Tunnell wanted to know if the purpose was to refine a previous strategy plan or replace what was already approved. Rucker said that in absence of the Executive Director and the existence of a project

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manager, the board's relationship with the private sector side has changed to some degree with the general understanding that the private side would have to take on more decision-making.

- The members discussed questions about alignment of strategic direction between INK and KIC, the need for balance between no-charge and fee services, the role of grants in achieving the strategic direction, and the idea that some partners generated revenue that covered losses elsewhere – and that this was also the origin of the grant program. They agreed that the responsibility can't fully be KIC's and that INK has a role and needs their own approach / philosophy. Rucker noted that there is a belief that the future environment of what's required to be delivered to be fully responsive to government and private businesses who use government services may necessitate a more complex response than what NIC/KIC may be able to provide w/o contracting with other individuals in the IT world. So, to the degree that it would involve more vendors, the responsibility can't be offloaded to KIC.
- Sachs stated that historically the 15% part of the 85/15 split was supposed to go to inside improvements. So, the grant money wasn't necessarily to build websites, but to make internal improvements – say, someone needed a scanner – that allowed information to be put online.
- Myers commented on Tunnell's earlier question about his expectations about Myers' delivering the presentation on the strategic plan. Myers expectation was that this presentation would be presented, the Board takes a month to review it, then they would go forward and implement. This strategic plan should be the baseline. Tunnell asked if it was to replace what INK had currently. Myers confirmed that it was.

The presentation concluded with a discussion of the governance / management models of state portals in other states after Knapp followed up with a question about that based on a statement Myers had made earlier in the presentation.

Myers indicated that the most common approach was something he'd term the "contractual compliance manager." He then asked Somerhalder to speak about what he saw from the NIC perspective. He said that it was a "mix and match". Kansas, Nebraska, and Colorado all had Executive Directors, but it was commonplace to have contractual management, someone making sure that the vendor is in compliance with what's in the RFP/contract – both sides are tracking that. In many states, a position reports to the CIO. Pros/cons to one individual – pro you can move quickly, con is that there's not an outside perspective. They set things up here in Kansas and modeled the rest of the states on it. They see great success when the have a board made up of government and the private sector who is going to be using the services. Somerhalder said that it has evolved over time and has come to monitoring a contractual relationship. However, the Board having oversight is key. They need to know what KIC is doing. Lack of oversight does not work – they have to be in tune and in sync with where the state is going.

Knapp noted that Somerhalder had mentioned that Nebraska had an Executive Director, but Knapp asked him to confirm that this person worked for a state agency. Somerhalder confirmed that he worked for the Secretary of State. Rucker and Billingsley had questions about where the majority of the reporting was – at the state or Board level and also the oversight. Somerhalder confirmed that the responsibility was more at the Board level vs. the state agency level. The person works with the State Auditor and Treasurer and makes sure that the vendor is following through. Knapp asked about Idaho and Somerhalder confirmed that the individual there was a state employee. To sum up, Somerhalder said that in these models, oversight ultimately comes from the Board, but they rely on state individuals to help with the auditing.

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4. **PAVS Update.** Myers provided this update. The Board had asked for the PAVS committee to go back and review the charter and goals of the committee. After doing so, and considering the discussion about strategy, he suggested the name of the group be changed to Portfolio Analysis committee – the value statements will come later as part of marketing. He noted that of the six strategic goals discussed earlier, this group’s falls under Strategy #5: Perform portfolio assessment to improve performance, enhance existing service, and prioritize development.

Drilling down into that drives three tactics in place for this year: *Monitor and track resources dedicated to development and maintenance support, monitor and track service performance, and perform portfolio assessment.* He then went over the underlying tasks, enumerating the metrics being tracked under each tactic. Last, under Perform Portfolio Assessment, the tasks identified for 2016 were to implement at least one fee increase, identify two services eligible for a fee increase, and perform a partner contract template review. This latter one is coupled with the adoption piece as the contracts do not include a requirement for providing information on audience size and adoption. Understanding that market is critical for success. Finally, the group recommended committee membership moving forward: Scott Hill, Tim Metz, Matt Billingsley, Duncan Friend, Ashley Gordon, and Myers. He will serve as chair. Myers asked for questions - and for comments from the committee members.

Friend stated that for him, what’s important is understanding how the Board wants the PAVS outcomes to tie into what they do with the Business Plan. He said that, at least his history in looking at the contract, that’s the only way the Board has to negotiate these resources with KIC. There’s nothing in the contract that talks about how much they’ll provide in the way of resources, or whether they’ll get things done in the timely manner, or where marketing expenses go. If some of these things talked about with PAVS will help drive the Business Plan so the Board can set those metrics, then the question is how the PAVS committee liaisons into that group when it is formed. There were no further comments. Myers said that as chair, he would move forward with scheduling for the recommended committee members.

5. **Network Manager Report. (See copy in Board Packet for details).** Myers presented this agenda item.

**Distribution of 2016 Business Plan Tracking document.** Myers briefly recapped the connection of the strategy to the Business Plan, all focused on “who we serve.” He reminded the Board that KIC shares the tracking scorecard showing progress against the goals and tactics for the Business Plan, which enables INK to monitor the “health” of the Business Plan on an ongoing basis. Previously, he had shared it with the only the Executive Director, recently with Friend, but he is now going to begin sharing it directly with the Board.

**Gov2Go.** This application continues to be a strong focus for KIC. Recently, the approach has changed in that NIC is now dedicating a full-time, centralized team to supporting it. The KIC team is currently working with NIC to deliver the product to Kansas in line with INK’s strategy. Tunnell asked if there is a target date on the Gov2go roll out. Myers said they are currently working with the NIC Gov2go Team right now and want to make sure that they are all on the same page before going live. All the states will be on the same things – it’s a national platform.

**INK Board Private Web Site.** The site was redesigned in the KanSite CMS and went live around February this year (2016), replacing the existing website. They have now added a “sign-in” link to allow the Board

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direct access via password. The idea is to have a centralized repository for storing documents required for contractual compliance, although there are some that are sensitive and can't be placed there from a security perspective. Myers stated that after the meeting, the Board members will receive an email to set up their sign-ons. Also, Wittmer had suggested posting Board meeting materials online, so they will be posted here in pdf going forward as well, with the added benefit of creating a central repository for them.

6. **INK Grant Applications.** Sprague had not arrived yet for the *State of the State Video Streaming* agenda item, so Rucker recommended the Board proceed to this agenda item.

**Process.** Friend addressed the policy and procedures that govern the INK grant process. There is a grant period in the spring and in the fall. The way the process is normally conducted is that as part of the Business Plan and budget approvals, the Board would approve "X" amount of money potentially as a pool for grants and potential applicants could inquire about that and submit applications. He noted that he does have two grants at present. So, at that point, a grant committee is formed – traditionally with the CITO's and one board member. Then, they go off to grade the applications. The score is then brought back to the Board for discussion. From his previous experience on the Board, it is not "bound" by that outcome, it is more advisory in nature.

What happened this year is that the Kansas Board of Barbering brought forward a grant request for \$17,000 that they understood to be a mini-grant (not being aware of the mini-grant limit is \$5000 in the policy). It is in the INK Business Plan to allot grant money for these websites, but not funded in the approved budget. In any event, because the grant from KBOB was submitted in the window for regular grants, we took it as such. The other one is for the audio streaming from committee rooms in the Legislature. It was submitted in May under the deadline for \$199,000. These are ready to go to the next stage. There is no budget although INK has the money in the bank that can be set aside for grants. Normally the board member designated to the committee would come back and present the committees' recommendations at next month's meeting. Friend noted that he recommended to Chairman Rucker that the grant procedures be updated as they have some outdated information in them and have not been reviewed in a while. The committee then can review it and offer their input.

Rucker noted that Friend had confirmed that the composition of the committee previously had been the 3 CITO's, one from each branch of government, plus a representative from the Board. Friend agreed, stating that he understood the idea of the three CITO's participating was to ensure that it would align with state IT intent. There is not actually an explicit statute in place for grants, but the program relies on an opinion by legal counsel that encouraged emphasis on alignment with state intent. That said, he didn't see anywhere that was formally codified in the policy. As he remembered it, the representative from the Board on the previous committee was Tim Metz. Rucker indicated he was interested in the perspective of the Board on the committee membership and discussion ensued. There was a question about the purpose of Judicial's involvement on the committee and the issue of a potential conflict of interest of participation by the Legislative CITO in recommending a grant for the Legislature, although it was stated that this could be taken into account in the evaluation of the recommendations.

**Action Taken:** Hill moved for the grants committee be comprised of the Chief Information Technology Officers from each branch (3), and a member of the Board (1). Rucker asked if there was a second for the motion. Billingsley suggested the Board member be appointed by the INK Board Chairman. Hill modified his motion accordingly. The revised motion was seconded by Billingsley. Motion passed unanimously.

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The board recessed for lunch at 11:40 a.m. Reconvened at 12:10 p.m.

7. **2017 State of the State Video Streaming Update.** This agenda item was presented by Bart Sprague, the Technology Liaison to the Governor's Office from OITS. Bart stated that the group had recently gotten together to test and decide what they did / didn't have that was needed for the State of the State. It turned out that Kansas Highway Patrol through Will Downing will allow them to utilize their camera equipment which is a big item off the checklist. The legislative media system gets things to a point where it can bring the video and audio down from the Chamber to the media center for distribution. But what they are lacking is the video encoder that can take that signal and send it out via the website. They have found a piece of technology that will be sufficient – it will meet their needs. It is cutting edge, not bleeding edge, so it will not become obsolete right away. He is waiting on a price quote, but the list price is \$1,925.00. It is a Matrox “hi-def” video streaming box. He hopes that the vendor from Overland Park will give him a little bit of a discount on it. He is requesting funding of \$2,000.00. Hill asked who specifically the money was being given to. Sprague said the group agreed that it made the most sense for the Governor's office to take ownership, although they would loan it to the Highway Patrol for broadcasting their graduations, given that they were providing in-kind use of the camera. Sprague said that the Legislature indicated they did not have a need for it at present, as they are only moving forward with audio. There was further discussion about what worked best for all parties as far as ownership.

**Action Taken:** Knapp moved that the Board approve up to \$2,100.00 for the purchase of video streaming equipment (the higher amount to accommodate any unexpected charges), seconded by Billingsley. Motion passed unanimously.

8. **Review/Discussion of Planned and Emergency Maintenance Processes.** *[See attached slide from meeting presentation for reference.]* Myers presented this agenda item.

Myers stated that this is a follow up to previous discussion from the last INK Board meeting regarding planned maintenance and emergency maintenance. There had been several discussions at that meeting and he was asked to come back and present an updated proposal.

**Planned Maintenance.** Myers provided a brief recap of the current situation. KIC is hosted in the NIC Central Data Center, ETS. They work with them on an annual basis to determine the planned maintenance for the year and provide that to INK - which is a contractual requirement. KIC then reviews this information with the INK Board of Directors, Secretary of State, and Department of Revenue to understand if there are any critical conflicts with the timing of business operations (final day of tax season, 15<sup>th</sup> on annual reports, etc.). They then provide that feedback to NIC. This process will remain in place.

In turn, KIC receives more details from ETS on planned maintenance as the year progresses and its potential impact on Kansas. When received, that is routed through point of contacts at SOS and KDOR and approval is obtained via email. At that point, they will notify the Board of Directors. Currently, he is notifying Friend that they have received approval from SOS and KDOR. The additional step that will now be taken is that they will use the partner listserv to let them know – once all review and approval steps have been completed – that there is maintenance in an upcoming timeframe and that KIC does/doesn't expect any impact on their services. Post-maintenance, they follow up with a notice – which they'll now send to the group - indicating whether the maintenance was/wasn't successful.

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**Emergency Maintenance.** Can happen any time. The process is that they notify the INK Board of Directors that there is emergency maintenance (they let the Board know when they know). In addition to that, going forward, they will let the partners know via listserv and issue a follow up indicating the maintenance was or wasn't successful.

9. **Update on Executive Director Search.** Rucker indicated the Mr. Hill wanted this added to the agenda and agreed that it should be. Knapp provided the update. Knapp said that there is 3-person committee and that he is not the chair. They have had one meeting a couple months earlier. He would propose that since Phil Wittmer is not here, he should chair the committee and he could be on it.

Knapp commented that in discussing the Executive Director, it was clear that the Board felt there should be an executive director-type position. The question was what that looks like going forward. They thought it made sense to look at some different models. Whether it is someone who is embedded in a state agency, or it was discussed that maybe the CITO's office was appropriate, or keep the model that they have been doing on an interim basis with Secretary of State. This person would still be an employee of the Board, so they would still maintain that direct line of oversight, but they would be embedded in a state agency. No decision has obviously been made on that so that is the current situation. Knapp stated that they had asked Myers to follow up on by looking at what other NIC States are doing as far as governance structure. Overwhelmingly, the board always maintains oversight, but, generally speaking, a vast majority of the models have someone that is attached to a state entity whether is the Board of Records, or a state agency, or often the state technology office, or even procurement as it relates to contract. They did also talk about getting together with KIC and NIC to talk about further detail of what they seen be successful in other states, and that's where things were left a couple months ago.

He continued that they have had conversations with Myers since then, asking if the State is preventing them from doing work or has it suffered without an Executive Director. Knapp said that Friend as project manager has very admirably taken over the administrative duties. So, that's status – and he would look to the Board to see if they would like them to have another meeting more quickly – he also expressed that having a chairperson would be helpful. Knapp asked Myers if he thought anything that had been said was misrepresenting the situation and Myers indicated no.

Hill asked if it there was a decision to go back to a format similar to what existed in the past, would it be helpful to engage some type of independent group, like a headhunter firm? His point was that everyone has other jobs and the Board is already three months down the road and the Board is not too far along on the search, it may indicate they need some outside help with it. He asked if that had been considered. Knapp said that the discussion so far had been focused on determining the model for this position. He looked at it from the perspective that the Board has gone three months without an Executive Director and has done pretty well without one. There was a question of whether they needed someone to do administrative work or to set the vision for INK. The discussion in the committee then went on to the latter being the reason a private partner was hired – to provide that vision. Knapp stated that if a private partner is not doing that job then the Board needs to look for a different private partner. But, he didn't want to speak for the committee or the Board, but he believes that with Myers' presentation today on the new strategic plan that the partner has stepped up and take the role that the partner had before this Board created the position of Executive Director. Knapp thinks that this is what the Board would find in other states. What happens is that the partner manages the portal, does marketing and strategic planning. So, now, due to the void from not having an Executive Director, they have actually stepped up and are doing what most of their partner entities are doing in other states. He sees that as a positive, but everyone knows that has kind of been his drumbeat.

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That said, if the Board wants to go back to the model they had, he agrees it makes sense to hire an outside firm to do that.

Hill stated that what he was hearing was that the committee is not sure what the position looks like, therefore it is difficult for them to move forward with hiring someone for it. However, he is hearing from around the table from previous meetings that they think they've given the committee direction that they want an executive director, but he doesn't think there's been consensus either now or in the past about what that looks like. He doesn't know that it is necessarily his committee's obligation to look at what that position looks like or how it is filled. He is not sure whether the Board needs to go back and schedule a much more thorough discussion on that. But, he thinks that has to be accomplished before they go to the next step. He doesn't want to leave that on the committee's plate as that's not necessarily a decision to be made by them.

Tunnell stated that he agreed with both Hill and with Knapp. He thought the Board's decision was to go without an executive director, but when the motion was made, there were some pretty strong opinions about keeping the position. There was not really any direction about the immediacy of filling that position. Then, the Board backfilled with Friend and the Secretary of State for the administrative duties. So, he felt the Board needed to decide about what they needed and how quickly. He just didn't remember saying that a person needed to be hired by a date certain. Shelite stated that Wittmer was in favor of hiring that position, or someone taking on a significant role in that position. She thinks that's where he stands right now.

Hill stated that he thought the Board did have someone in this role for the last three months and that has been Friend. He doesn't have a title other than project manager, but he's been filling that role. Hill thought that the Board had a vision of what a project manager looked like and that wasn't necessarily a half-time executive director. So, he can't say that the Board has really gone without someone filling that role, because there has been someone. He thinks if the Board moves forward they need to look at what the executive director role looks like, what Friend's role looks like, if the Board is going to go a different route. He asked what Friend's role looks like right now in the interim. The Board hasn't given him an executive director title, yet he's signing letters on behalf of the Board for an audit, so he's filling those roles. Hill expressed that he feels the Board needs to decide sooner than later what to do.

Borchers said that as an outsider now sitting at the table, she will violate her rule of not talking at the first board meeting she attends and say that there has always been a great deal of frustration about how this has been managed with the previous Executive Director. Her concern is that the Board has to make a determination on what the job is and how the person in it is held accountable. For example, what is the Board paying someone six figures for – is it a six-figure job? Is it a part time job? These are important components and - not knowing everything Friend is doing – sometimes people get caught up in a title and sometimes the job is just administrative...maybe it's the Chairman of the Board who should be signing some of those documents, for example. Maybe they put the cart before the horse and should first figure out what the job description is and then move from there. If a lot of what Friend is doing is administrative, then does the Board really need an Executive Director? The biggest concern had been the accountability of the vendor – how are they held accountable? Borchers suggested that if the Board thinks that they need one then they should go back and determine, if there's going to be an executive director, what is the job, what does it look like? If they don't have one, there will just be a project manager who is just kind of a point person, so there's someone who the vendor can make contact with. But, if that person doesn't have the authority and is not willing or able to hold the vendor accountable at the end of the day, then there's no reason for that. Borchers continued that one question is whether it was not working before because the

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Board didn't have the right person or because it is not an Executive Director role. She isn't sure what the problem is. Shelite believes that it really does need to be clearly defined and it is up to the Board. But, when they do that, they need to hold the Executive Director accountable and that may not have happened in the past in the way it should have.

Rucker stated that from his perspective, when the Board made the determination to create a committee to research and ultimately make recommendations on the Executive Director, they looked for committee members from the Board that had the most knowledge expertise coupled with history as where it is they want to go. Having had a recent conversation with Wittmer, Rucker believes that Knapp is on the right track when he said that there should be a chairman of that committee. Having spoken specifically with him about the executive director committee, the future of technology and how the board will function in the future, Rucker feels that the composition of the Board is fine, and Wittmer is ready to assume some additional responsibility in giving the Board direction on that picture – what the ED should look like going forward. At the same time, Myers and his management team play a role in that committee process as well in gathering information for the committee on how the various state NIC is in have chosen to structure those roles and relationships. Rucker believes it should be a formal report to the committee, and he thinks they could make a recommendation. The Board is on the right track, but what needs to be done is to set out how many meetings the committee is going to have and in what period of time they feel comfortable in making a confident report back to the committee of the whole.

Rucker thanked the committee for their work and said he felt it was prudent to move slowly rather than handing the work over to someone else to make the decision. He feels that, in the interim, it has worked. The Board has the expertise and shouldn't abdicate that responsibility. They have the players to make a report and then make the final decision. If it takes six months, then it takes six months. However, there should be a schedule of what they intend to accomplish.

Knapp stated that as part of his research, he had talked with Friend. This may have changed, but he remembered that Friend had stated that it was a part-time job. Friend said it was hard to say exactly. For him, there were new things like the audit, so part of it was "how long *does* this take?" and part was "how long *should* this take?" So, at that time, he said it was around half-time. And that was handing off the strategy piece. As background, he believed there were governance groups and planning that this position was originally to be part of, but those groups aren't meeting and that activity isn't occurring, so clearly that is not part of the job. The administrative piece of it is basically what it is now. As far as the amount of time it takes, he noted that he did benefit from his background with the Board and general familiarity with it. He stated that while there may be more people talented at it, for someone else the learning curve might be greater – for a lot of people at the state, they don't really understand how INK works, who is INK, who is KIC, etc. Knapp stated that this is just based on what Friend is currently doing. To the point of previous speakers, once there was a job description, it might even be more than full-time, depending on what direction the Board decides to go.

Hill said it was about a year ago - before they were working on Friend's position description – where they had sessions on the Board and it thought that the Executive Director should be doing more. In fact, the Board thought it should be hiring him an assistant so that he could do these other things, like the grant-making and marketing, and be a driving force. So, Hill has gone through that discussion where an assistant was needed. And, now, the Board is saying that perhaps they need a part-time person. He believes that there isn't any consensus at present on what that role is. He believes there should be more to that role, but he is hearing that that there is less to that role, that it is a part-time position perhaps rolled in to a state agency. He

## INK Board Minutes

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thinks the Board needs to figure out what that is and perhaps the committee wants to bring back a recommendation. There is a long history here.

Knapp noted that there is a longer history of not having an Executive Director. In his research, he went back to ask more questions about the history and why an Executive Director position was created – the answer he got was that it was a check on the power of the chair. So, while Knapp doesn't know the history, he does know that it worked really well when there wasn't one. But, that doesn't determine what they do moving forward – the goal is to decide what best helps the organization moving forward.

Borchers asked if the Board had a strategic plan and Rucker noted that there was one. There was going to be a discussion of the strategic plan / business plan under New Business, and that a meeting is going to be scheduled with him, Billingsley, and Metz to discuss that. She indicated that she asked the question because she thinks your strategic plan should lead to what the Board wants from the Executive Director position. She gave the example of the Jobs for America's Graduates – Kansas strategic planning process and the resulting plan that dictated and shaped the job description of who they were looking for to fill that spot. So, in many ways, the strategic planning session with this group is an important component that should dictate what direction the Board wants to go with this position. And, she emphasized that the strategic plan was different than a business plan.

Rucker noted again that the Board does have a strategic plan – Myers had been talking about adjustments to it in a presentation earlier in the meeting that Borchers did not have an opportunity to see. Hill said that he felt it was probably unfair to ask the committee to establish deadlines at this point, but he would like there to be a standing agenda item on this point until the Board achieves some resolution on the direction they are headed. Rucker agreed and asked Friend to note this for future agendas.

**New Business.** Myers brief the Board on several items:

- **Scrap Metal.** KIC has successfully submitted a bid as INK on the Attorney General's RFP for an online scrap metal repository application.
- **KDOL Duplicate ACH Withdrawals.** Second, during the week of August 1<sup>st</sup>, Kansas.gov became aware of about 1400 ACH withdrawal transactions were duplicated, caused by a duplicate batch file that was manually uploaded by KDOL. He continued that Friend and his team met with KDOL staff on Friday August 5<sup>th</sup> to talk about the outreach strategy to customers. As of this date all the impacted customers have been refunded for the duplicated transaction. KDOL has been fantastic to work with on communications. Borchers asked if the problem was caught by a customer call or in advance of that by KIC. Myers stated that a customer called and complained to KDOL who, in turn, alerted KIC. KIC met with KDOL on what adjustments could be made to the service to prevent this problem – and also indicated they have put additional controls in place on their end. Knapp wanted to confirm if this was caused by KDOL and Myers confirmed that it was. Friend stated that from a 3<sup>rd</sup> party perspective there was an incident where a similar problem was KIC's fault several years ago, but he saw them taking the lessons learned from that event and applying it here to make the resolution much smoother.
- **Payment of Penalties for previous outages.** Rucker introduced this item. He noted that there has been correspondence from Friend to KIC representatives with regard to the payment of penalties for

## INK Board Minutes

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past outages. Friend confirmed that the correspondence had been sent and received. Rucker said he found it personally curious that while KIC representatives had been in attendance at previous meetings, and knowing that minutes had been approved where penalties were assessed that there would need to be a formal invoice tendered. He noted that as long as they have it worked out and that they have a method by which penalties would be paid, he just wanted a confirmation of that. Friend confirmed. Myers confirmed that the trigger was the invoice.

Rucker noted that Sachs informed him that maybe the Board members did not all understand what was being discussed. He stated that the discussion item was about penalties for past outages that have been reported and assessed against KIC upon advice of legal counsel. Reviewing letters of their recommendation and upon subsequent Board action, fines had in fact been assessed to approximately \$60,000. And, the bill wasn't paid – which was because they were expecting an invoice. He just wanted to make sure the Board members understood that fines that were being assessed were being paid, and that if there were any issues of lack of clarity, they were cleared up.

Hill state that he had asked Friend for a little bit of background after one of these penalties was assessed as he was interested in how the funds from these penalties were used and that perhaps this may have been what started this research. Hill felt like perhaps they should be dedicated to grant funding be set aside rather than just being used for operating expenses or overhead – but instead use it to the benefit of customers who suffered as a result of the outage.

- **Board of Veterinary Examiners Grant.** Knapp asked a question about the disposition of the topic of the grant to the Board of Veterinary Examiners that had been removed from the Consent Agenda and where/how it would be addressed. Rucker said that he didn't believe it would be addressed until such time as the committee on grant applications made a determination about what grant applications will be granted as well as those that will not. And then, the Board of Veterinary Examiners and the other pending applications, as well as the Barber Board will either make a decision to employ KIC to privately vend and the expense pass to the individual state agency, or the decision is made to pay a mini-grant or an actual grant. But, he sees that as a determination made by the grant committee, a recommendation made to the Board, and then Board action approving the grant. Friend asked for clarification, re-emphasizing that as of the May deadline, there are only two grants before the committee - from the Board of Barbering and the Legislature. So he wanted to confirm that he'd seen no other grants. When the committee goes to meet, all they will have before them are those two grants. Friend continued that he wanted to confirm that there was another process for mini r process for mini-grants and that the committee won't make a decision on that.

Rucker stated to KIC that he understood it was a potential for revenue and he knew that KIC would bring that to the attention of the Board any agencies and municipalities that needed assistance and would educate them on the grant process. Tunnell wanted to know where the application would go if it doesn't go through the grant committee. Rucker said it would have to be an issue of business with the Veterinary Board about either KIC absorbing the cost of building them a website or the state agency paying KIC for it. Rucker asked if that was KIC's understanding. The mini-grants are handled separately. Rucker noted that there would still have to be an application. Friend confirmed it was an expedited application directly at the Board's discretion. However, he understood there were tiered pricing levels for KanSite and CMS, so if the next level is \$7,500, then it would only qualify for the regular grant application process which is in May and November.

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Myers noted that, to Tunnell's question, what is the next step? Friend said that he assumed it could be brought forward as a mini-grant. Myers understood that it had been brought forward. Friend said he hadn't seen it – he didn't believe he had a grant from the Board of Veterinary Examiners and, right now, there was also no budget approved for mini-grants. However, he could get a hold of them as they had reached out awhile back. Borchers brought up that there was always a possibility of consolidation for these boards – which raises the question about whether the money should be spent. Rucker indicated that he wanted to make sure there was no confusion as it related to funding. It had been mentioned several times that no funds had been allocated. He did not see that as an impediment, because the Board could do so at any time. At the next board meeting, there could be an agenda item to allocating X amount for mini-grants or regular grants, it could be approved, and the grant applications could then be processed. The grant committee is in place as of Board action today, and they need to get together after he names a person join them, so that they have some action by the next time the Board meets.

Tunnell stated that he thought that since June 2012, the Board had spent \$37,000. Rucker said that it was not "since", but that there was one year, 2013, that the Board spent \$37,400. However, he confirmed that this was a good point. The Board could allocate five times that amount as the money does exist. It is what the Board decision is and how much money they want to allocate for the grants. Knapp said that it sounds like there is time if the group is not meeting until November. Rucker noted that the policy could be changed and that they could entertain them as they are received.

Sachs added that some things had been slowed down because there was lack of clarity on the vision. In the past there had been a year of Agriculture, or year of Business – the direction for how to use the grants came from supporting that strategic vision. So, while \$5,000 isn't that much here or there, seems like you'd first want the vision, then put the grant money right there.

Rucker confirmed with the members that there was no additional new business and stated that the next 3 items would be in Executive Session.

**Action Taken:** Knapp moved that the meeting of the Information Network of Kansas be recessed for a closed executive meeting pursuant to K.S.A. 75-4319 for employee negotiations; and that the Information Network of Kansas go into Executive Session at 1:07 pm and resume the open meeting at 1:17 pm; and that this motion, if adopted, be recorded in the minutes of the Information Network of Kansas and be maintained as part of the permanent records of the Board. Seconded by Billingsley. Motion passed unanimously.

At 1:07 p.m. went into executive session and at 1:17 p.m. the board came out of executive session.

**Action Taken:** Knapp moved not to penalize KIC for the 'backup' outage, but request additional information and direction from Board Counsel. Billingsley offered a friendly amendment to include a request for legal advice on the advisability of assessing or not assessing the penalty with regard to the *WorldPay* outages. Revised motion seconded by Hill. Motion passes unanimously.

**Action Taken:** Hill moved that the meeting of the Information Network of Kansas be recessed for a closed executive meeting pursuant to K.S.A. 75-4319 for contractual discussions and that Executive Session also include legal counsel, Kathy Sachs, and Duncan Friend; and that the Information Network of Kansas go into Executive session at 1:22 pm and resume the open meeting at 1:38 pm ; and that this motion, if adopted, be

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recorded in the minutes of the Information Network of Kansas and be maintained as part of the permanent records of the Board. Seconded by Billingsley. Motion passed unanimously.

At 1:22 p.m. went into executive session and at 1:38 p.m. the board came out of Executive Session.

**Action Taken:** Hill moved that the Board engage counsel to consider and advise them related to termination rights for its contracts with Oracle and Eventus. Seconded by Tunnell. Motion passed unanimously.

**Action Taken:** Chairman Rucker moved that the meeting of the Information Network of Kansas be recessed for a closed executive meeting pursuant to K.S.A. 75-4319 for contractual discussions with legal counsel for the board, and that the Board attorney be on call to come into Executive Session at the Board's request; and that the Information Network of Kansas go into Executive Session at 1:40pm and resume the open meeting at 1:50 pm; and that this motion, if adopted, be recorded in the minutes of the Information Network of Kansas and be maintained as part of the permanent records of the Board. Seconded by Hill. Motion passed unanimously.

At 1:40 p.m. the INK Board went into Executive Session and at 1:50 p.m. the Board came out of Executive Session.

**Action Taken:** Billingsley moved that the Board not accept the letter for legal services dated May 13, 2016 proposed by Goodell, Stratton, Edmonds, & Palmer and that it entertain using the Department of Administration for legal services. Motion seconded by Knapp. Vote: Yes (Knapp, Rucker, Billingsley, Shelite, Tunnell, Borchers); No (Hill). Motion passes. Hill stated for the minutes that he has been satisfied performance of Goodell, Stratton, Edmonds, & Palmer as Board Counsel.

### **Agenda for Next Meeting**

#### **Adjournment**

Meeting adjourned at 1:54 p.m. The next INK board meeting will be at 10:00 a.m. on September 13, 2016, at 700 SW Harrison, Topeka, Kansas, 2<sup>nd</sup> Floor Conference Room

Minutes submitted by: Nikki Reed/Duncan Friend



# Strategic Plan

Information Network of Kansas, Inc. | August 16, 2016  
[ink.kansas.gov](http://ink.kansas.gov)

FOUNDING PRINCIPLES

MISSION STATEMENT

CORE VALUES

VISION STATEMENT

# FOUNDING PRINCIPLES

## Guides how we make decisions every day.

- *K.S.A 74-9301 et seq.*
- *Provide electronic access for members of the public to public information of agencies via a gateway service;*
- *develop a dial-in gateway or electronic network for access to public information;*
- *provide appropriate oversight of any network manager;*
- *explore ways and means of expanding the amount and kind of public information provided, increasing the utility of the public information provided and the form in which provided, expanding the base of users who access such public information and, where appropriate, implementing such changes;*
- *cooperate with the office of information technology services in seeking to achieve the purposes of INK;*
- *explore technological ways and means of improving citizen and business access to public information and, where appropriate, implement such technological improvements; and*
- *explore options of expanding such network and its services to citizens and businesses by providing add-on services such as access to other for-profit information and databases and by providing electronic mail and calendaring to subscribers.*

# MISSION STATEMENT

**Succinctly describes our purpose for being. Describes what we do, who we do it for, etc.**

*Make government interactions more accessible for everyone we serve through technology.*

# VISION STATEMENT

**A forward-looking, aspirational statement describing how life would be if the mission was achieved.**

*Our vision is a world in which technology simplifies all interactions between governments and those we serve.*

# CORE VALUES

**Words that guide us and evoke emotions about what is important to us.**

- **Trust** – *be transparent and align our success with who we serve's success*
- **Integrity** – *be honest and approach our work as a public service*
- **Responsibility** – *always do what is best for who we serve*
- **Passion** – *be dedicated to making a difference and enhancing government every day*
- **Innovation** – *harness the latest technology and generate creative ways to enhance government*

# WHO WE SERVE

PARTNERS

BUSINESSES

CITIZENS

# GOVERNANCE



# Information Network of Kansas, Inc.

## Making good government great for Kansans.

- *Nine member quasi governmental board with representation from:*
  - *Kansas Secretary of State*
  - *Two Executive Branch Agencies*
    - *Kansas Department of Revenue*
    - *Governor/Lt. Governor's Office*
  - *Kansas Bar Association*
  - *Three Users Associations of Statewide Character*
    - *Kansas Bankers Association*
    - *Kansas Jobs for America's Graduates*
    - *Kansas Feed & Grain Association*
  - *Kansas Public Libraries*
  - *Executive Branch Chief Information Technology Officer*
- *One employee*
  - *Project Manager*

# STRATEGIC DIRECTION

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# STRATEGY #1

To enhance transparency and provide secure access to government services for who we serve.

## OBJECTIVES

- *Expand citizen-centric mobile platform that enables personalize interaction with intelligent and data-driven engagement*
- *Create business one stop to streamline processes for small businesses in interacting with government*
- *Research and implement technology to simplify all government interactions*

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## STRATEGY #2

Consistently define, communicate, and demonstrate value to who we serve.

### OBJECTIVES

- *Evangelize the founding principles, mission statement, vision statement and core values.*
- *Launch marketing activities to drive adoption and awareness of services*
- *Continuously win over who we serve to continue to grow and diversify the portal revenue base.*

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## STRATEGY #3

Track and fuel government technology growth to benefit who we serve.

### OBJECTIVES

- *Monitor and track resources and performance of services*
- *Focus on enterprise products that can be quickly leveraged across portfolio*
- *Institute strategically focused grants to capture greater market share*

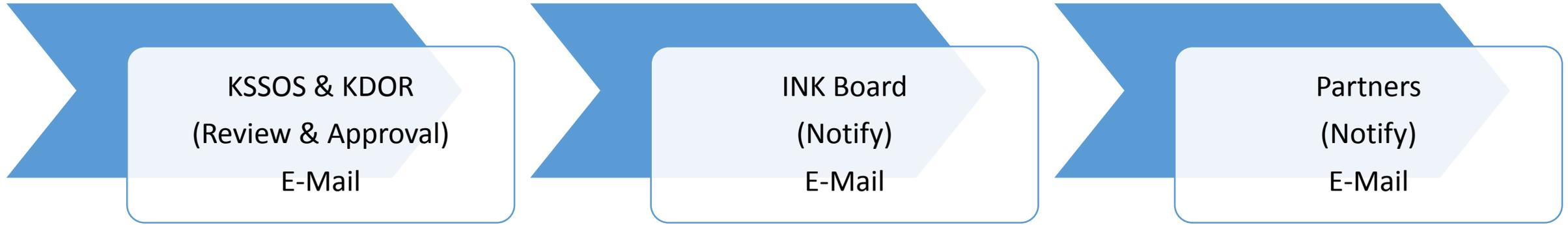
# NETWORK MANAGER

# Kansas Information Consortium, LLC

**A public company whose sole purpose is to help make government more accessible and efficient for all.**

- *Established eGovernment agreement with Topeka-based Kansas Information Consortium, LLC in 1991 and existing eGovernment agreement through 2022*
- *Provides eGovernment services without state tax appropriations through its self-funded model*
- *Local team 100% dedicated to making government partnership successful*
- *Provides over 1,000 eGovernment services in making government more accessible*

## Planned Maintenance



## Emergency Maintenance

