

Information Network of Kansas Board Meeting Minutes

January 2017 INK Board Meeting Tuesday, January 3, 2017

Opening

A meeting of the INK Board was called to order at 10:00 a.m. Tuesday, January 3, 2017 in 700 SW Harrison, 2nd Floor, Topeka, KS 66603 by Chairman Eric Rucker, representing the Secretary of State, which the following members present:

Matt Billingsley, representing the Secretary of Department of Revenue
Chuck Knapp, representing Jobs for America's Graduates - Kansas
Phil Wittmer, Executive Branch Chief Technology Officer
Gregg Wamsley, representing Kansas Library Association
Kim Borchers, representing the Governor's Office
Tom Tunnell, representing the Kansas Grain and Feed Association

Other Present

Duncan Friend of INK, Shane Myers, James Adams and Ashley Gordon of Kansas Information Consortium, LLC, Kathy Sachs of Kansas Secretary of State. Guests included: John Thomson and Mike Plunkett, PayIt, LLC, Scott Somerhalder, National Information Consortium.

Consent Agenda

The consent agenda for the meeting included the November and Special December 2016 INK Board minutes (the regularly scheduled December Board meeting was cancelled), the November and December 2016 Network Manager Report, contracts for approval, and listing of Board expenses. An attachment was included in the Board packet that listed expenses not yet paid for approval by the Board.

Action Taken: Tunnel moved to accept consent agenda, seconded by Billingsley. Motion approved unanimously.

Action Taken: Knapp motioned to approve contacts for Over-the-Counter service which will allow government agency constituents to pay for government agency services for City of Yates Center (KPC), City of Burlington (KPC), and City of Osborne (KPC), seconded by Billingsley. Motion carried unanimously.

Expense Approval. The Board reviewed the list of expenses submitted for the month. Rucker noted that the Board Treasurer, Scott Hill, was not in attendance, and reaffirmed that he had tendered his resignation as Treasurer as of December 31, 2016 from that position, but not from the Board. Rucker asked if there was a motion to approve the expenses. Friend clarified the location of the Board Expenses in the paper and electronic board packets.

Action Taken: Borchers motioned to approve the list of expenses, seconded by Knapp. Rucker asked if there was further discussion.

Discussion: Billingsley asked if INK was paying rent to the Kansas Association of Counties quarterly. Friend responded that it was on a monthly basis. He continued that the consent agenda referred to two dates in which the Board specified what the Board Treasurer approve and that this was one of them – regular expenses that don't have an hourly component. So, the rent is paid through December 2016 right now.

Action Taken: Rucker called for a vote. The motion was approved unanimously.

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Regular Agenda

1. 2017 Board Officer Nomination Committee

Rucker opened the discussion by saying that he is nominating himself to the committee as has been done by previous chairpersons in the past, then opened the floor to nominations. Knapp indicated his willingness to serve. Billingsley addressed the chair and confirmed that he would like to serve as well.

The nominating committee will consist of Rucker, Knapp, and Billingsley.

Action Taken: None.

2. Treasurer's Report 3rd Qtr.

The report was not given as the Board Treasurer, Scott Hill, was absent from the meeting. Friend opened by stating that Hill had resigned as of December 31 and he wanted to draw attention to the fact that his name is on the checks, so that by the by-laws, he does not have anyone to process expenses. So, we will need a new person and their signature will need to be placed on the checks. Billingsley indicated he thought the Secretary could sign checks. Friend noted that the documents that had been signed previously were for the bank accounts, so there would be a need once a decision was made to sign all those again as well. But, this is a matter of getting a new physical signature of the Treasurer put on our checks. Knapp asked if there was a copy of the by-laws available. Friend indicated he didn't have one with him at present.

Rucker noted that when it had been discussed before, the by-laws read that the officers were different than the statute. Rucker continued that this just simply means that there are four officers as opposed to the three in statute. So, he said, there's a chairman, there's a vice-chairman - there could be a motion that would be consistent with the statute for Secretary/Treasurer. But believes that the by-laws separate them out and the Board should be aware of that and that will be a topic of discussion for the individuals on the nominating committee.

Rucker noted that there is another, more expedient way to address the matter. They could call a special Board meeting and handle it by phone, if in fact a full month's delay in having a Treasurer is problematic. Friend stated that at the moment, he felt that the expenses were current, but, if anything occurred in the next 30 days, it might be able to be handled - he would need a little lead time still to get the check imprints done. Billingsley asked to confirm that Hill's resignation date was December 31 - Rucker confirmed this. Borchers asked if he just resigned as treasurer. Rucker confirmed that he had resigned only as Treasurer. Rucker continued that if Friend is advising the Board that there is nothing pending that cannot wait until the February board meeting, then he should let them know if that changes, and, if so, Rucker suggests he would call a special meeting. In addition, they will front load the nominating committee discussion for officers for 2017 so that they would be ready if there were a need for a special meeting.

Action Taken: None.

3. INK Grant Applications

Rucker asked Friend to address the grant proposals. Friend provided a summary reminder of how the process works. The INK grant application process is you have a grant committee that is convened by the board sort of a subcommittee. There is a grant committee convened by the Board. It is like a subcommittee, but has had standing membership made up of the three Chief Information Technology Officers from the three branches of state government, along with a representative from the INK Board. In the last round, the Board had deferred to Rucker as chairman to designate that person and he had designated Kathy Sachs, who remains on the committee.

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The Board received two grant applications by the deadline at the end of November. One from the Department of Revenue and one from Kansas Board of Pharmacy. Several days later – past the deadline – Friend stated that he received a grant request in the mail at the INK office for \$1,100 for a text messaging pilot project from the City of St. Johns, Kansas. He expressed that he was happy to make that a subsidiary matter to be addressed later in the meeting. Friend noted that while normally it would be the INK Board member that would report out the results of the committee's findings, he would provide a brief summary report of how things came out. And, he indicated he had hard copies of the proposals available at the meeting if anyone would like one. Rucker asked if Friend would deal with them one at a time. Friend agreed and said that he put the Department of Revenue grant request first, followed by the Board of Pharmacy.

Kansas Department of Revenue Forecasting Modeling Project for \$883,308. Friend said as background that there is a set of criteria on if the proposal is promoting access, whether or not they generate revenue, whether the technology is extensible – there are a variety of factors that the CITO's and the Board representative grade on. Then, the scoring is averaged across those ratings for what is a group score. Friend continued that there are three levels available in the ratings – although they can score fractionally, he thought no one did this time. A “1” is considered not meeting expectations, “2” means that it meets expectations, and a “3” indicates it exceeds expectations.

Friend then explained the results. The average score by the committee for this grant proposal was 1.58, so, somewhat below “meets expectations”. He noted that Matt could talk more about the grant, but it was essentially revenue estimating software and consulting for the creation of a microeconomic model that they can use to do revenue forecasting with.

There are various explanations included in the proposal about ways this will inform fiscal notes and other kinds of public information and create public value. He continued that the general observations – thought he welcome Wittmer or Sachs if they wanted to talk about it – were that there were a couple people, two of the people on the committee that felt like it didn't meet the grant criteria, that it wasn't kind of aligned with the kind of things the grants were designed for. And then, overall, there were some people that had ideas about how this might work, about how it might be something that would contribute overall to the success of INK and the success of better quality of information in state government, which trickles into a lot of things that INK does. So, he continued, there is also an observation that it doesn't fit with the INK grant criteria specifically, but that there are probably some other things that don't necessarily do that – the Board has, for example, funded planning efforts before, so it's not an exception in that the criteria don't necessarily drive everything the Board does. Finally, it is at the Board's discretion, obviously, to bring things here and see what people think. So, rather than go any farther, he said he would defer to either of the two grant committee members who were in attendance or to Rucker if he wanted to talk about it.

Rucker said he appreciated that and asked Billingsley if he had additional comments. Billingsley stated that he knew that in the past, the Department did a Tax 2000 project and, at that time, they came in front of the INK Board and asked \$300,000 in a feasibility study that was requested and granted. His other point was that – he felt like Friend had summed it up very well – but according to the bylaws Billingsley will have to recuse himself from the vote.

Rucker asked if there were any further explanation by the Board. Wittmer asked to be recognized and said that he had three or four thoughts on this. Number 1, as a member of the Board – in his view, revenue forecasting touches all agencies, so to the extent that's what this group would support, this application and the use of it will benefit all of the agencies. He continued that, as a citizen, he liked the fact that – if you read about its intended use and methodology, it exposes all Kansans to the same facts around policy. One of the keys to the tool in his understanding is to do “what-if” scenarios, and, of course, during the legislative session “What if we increase this tax? What is the real impact?”, instead of conjecture. He then stated that, if he put on his statistician hat – actually he was a statistician before he was an “IT guy” – he noted that he got into this business as a heavy user, there was some discussion amongst the CITO's as whether or not this was the right tool or not. Again, for 40 some years, Wittmer continued, he had been using SAS and it is the right tool – the only tool he would use personally. The other thing he liked about the methodology – his Masters was in Statistics with an emphasis on econometrics, econometric modeling. So, he expressed that he

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understands how this is going to be used – from an urban and regional economic standpoint, the ability to look at second and third order effects of policy changes and model that statistically is going to be much more fact-based than just “I think”. So, having said all that, he continued, he is a strong supporter.

Rucker asked if there were further discussion. Tunnell asked what the implementation time would be and how fast can it go? Billingsley stated the goal to have it up by April in time for the next consensus revenue estimation. Borchers then noted that there was a CRE group that was put together that included the CPAs among others, and this was what they recommended the state do. It isn't just Department of Revenue bringing this forward as a new little gadget or gimmick, this was people who do this for a living recommending it.

Billingsley agreed and re-stated that it was recommended by them. And, it also provides a form of transparency to be able to be put out on their website so that the public can see – he thinks it is very important to the committee that they have transparency. Friend noted that, in line with that, he wanted to draw the member's attention to the last page of the grant application where there is a letter of recommendation from Sean Sullivan, Director of Budget.

Action Taken: Knapp moved that to approve Kansas Department of Revenue Forecasting Modeling Project for \$883,308 grant, seconded by Tunnell. Rucker asked if there was further discussion.

Billingsley abstained.

Discussion: Rucker began by stating that he believed it was important to note that according to INK Board financials, the Kansas Department of Revenue as an agency produces over \$2.8 million in net revenue to the portal, representing over 31% of INK revenue. This translates into almost \$421,000 per year for net revenue to the Board. His understanding is that KDOR has a one-year contract for INK Services and it may be beneficial for the Board to consider KDOR – should this grant pass – an attachment to that motion if the Board finds it in order, that a two- or three-year contract extending KDOR's commitment to the portal be considered or beneficial to the organization.

Knapp indicated that it was his motion, and that he thought they should look favorably on it if they are providing one-third of the revenue. But, notwithstanding that, he thinks there is a public benefit to this grant and he thinks that Wittmer eloquently stated that. He continued that he thinks the grant stands on its own – if you round up, it meets expectations – he knows you'd be rounding up quite a bit. He continued that the criteria are what they are, but he is not sure that how much INK makes from an application is always relevant. He expressed that he thought this was a good public transparency tool, so he thought that the grant stands on its own merit.

Wittmer then said that he may have misunderstood earlier and wondered if this is only the second time in “X” years that Department of Revenue had received a grant. Billingsley said it was correct to his knowledge and the group asked Friend. He said that in the current era, he is not sure – it's been twenty plus years, so he cannot say they have not gotten a grant. Almost always in line with this same philosophy, however – they are a big revenue producer and are investing in something that can increase information.

Rucker asked for further discussion and there was discussion of the motion earlier. Friend confirmed that the overall amount included a second year of maintenance, so he assumed some of it would be paid next year.

Action Taken: Rucker called for a vote. Billingsley stated he would abstain, but the remaining members voted unanimously to approve the grant and the motion passed.

Kansas Board of Pharmacy K-TRACS (Tracking, Reporting of Controlled Substances) Grant Request. The Board then turned to discussion of the K-TRACS grant request. Friend began the discussion by explaining that the same evaluation criteria was applied to this grant as the previous one discussed and then summarized the request briefly for those who might not have had a chance to review the grant application. Friend explained that the K-TRACS program is part of a program that stretches beyond states trying to find prescription drug abuse. If someone

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gets a prescription in Nebraska and then comes to Kansas and gets it again, they can look across state lines and see that. What it looks like is that the program is continuing nationally, but they have fallen short in funding so they are looking for ongoing maintenance and support for software and for a person to run the program for a few years. It is \$663,000 for three years or roughly \$221,000 a year- there is a budget contained in the application. Overall the ranking for this was 1.33, so again there were questions about whether or not this was within the mission of the grant program and the mission of INK to fund this kind of project. He doesn't know that it had a lot of public information available because it involved personal data but there was some interaction between agencies. Some people thought it should be funded in the agency's budget. They did agree that it is a noble cause and it's a good thing to do, nobody was against the concept of doing it – that seemed to be the general theme. It was a software-as-a-service thing that didn't really seem to expand any technology that would be being used by the state, it was just for that program. Friend ended by saying that this was, again, a summary, and he would defer to Kathy and the other grant committee members.

Borchers stated that she would like to chime in on this item, as she was familiar with it. Part of the challenge here was that the program had been funded for more than a decade by the federal government, but they had opted to no longer fund it. The Board of Pharmacy has actively pursued a fee increase with legislators to continue the program, but they are denying them because of certain folks within lobbying community that are blocking any fee increase. Borchers noted that, for the sake of full disclosure, her husband is a primary care physician and is a huge advocate for K-TRACS – he would have no problem having an increased fee for him to use it. This is definitely something that is needed and utilized, especially as you're seeing an increase in opioid addiction and overdoses.

Borchers continued, stating that this is a model that needs to be kept going – she was not sure if there was a way to fill the gap for a period of time. Maybe if we can give them another year and then hopefully they can convince legislators. She asked Friend how long the grant was paying for. Friend said he believed it was for three years at roughly \$220,000 per year. He thought that the grant said that the Board of Pharmacy was still going to try to find funding, but they are looking for fund the gap. He was not sure that the amount requested matched up perfectly with the budget that was provided – he didn't know if the other reviewers saw that. The amount is fine, but it was hard for him to abstract out their budget exactly. He knew they were paying for software, and for a person to help run this. Billingsley asked what the recommendation from the committee was. Friend responded that it was 1.33 and continued that everyone on the committee thought it was a great idea – it is in 48 other states - but it was whether it fit the criteria or not and whether or not it should be funded differently because it was maintenance.

Billingsley addressed the Board, saying that he could speak a little to it. In laymen's terms, it is to prevent “doctor shopping”. This allows a doctor to go to the database to see if that patient is going elsewhere to get prescription pain medicine. Once again, it shows a federal mandate that is dumped onto the state. It is a beneficial program – in full disclosure, Billingsley continued, it was his wife that started it. She was the Executive Director of the Board of Pharmacy and she had tried unsuccessfully to get the medical society to come on board for, like, ten dollars per year, a very minimal charge. It has been very beneficial and, with the few doctors he knows, he stated that, like Borchers' husband, it was just so valuable.

Rucker then asked – so the KMA's (Kansas Medical Society (KMS), per Borchers) position is that they think it is very valuable, and it's a great asset, but they don't want to take an official position? Billingsley agreed. Rucker continued – and doctors don't want to pay for it. Knapp asked if INK is doing anything for the Board of Pharmacy or had they gotten rid of INK. Myers confirmed that INK is providing payment processing for them. Billingsley asked if INK did anything else for them. Myers continued that they provided their license renewal application, but they'd moved to another third party. And, INK had provided their verification app, but that had also moved to another third party, but INK still provides payment processing. Knapp asked if there was any way Board of Pharmacy could come back and do the licensing again with INK – were they in a long term contract? Myers said he wasn't sure of the contract terms – it was a recent change, probably earlier this year.

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Borchers and Knapp both asked why Board of Pharmacy had left. Myers responded that it had been a general theme of the license renewal agencies moving to System Automation for license renewals. It started back in 2011 timeframe. Billingsley wanted to know who else had left INK. Myers said that he could produce the list since System Automation came on board and which ones INK is currently doing and providing payment processing only. Wittmer asked if anyone knew what Board of Pharmacy's total annual budget was.

Friend said that he did not. His understanding of the way fee-funded agencies – others may know better – but when he was in Account and Reports, they make money for themselves for a period, then it cuts off and everything else goes to the General Revenue fund. Borchers stated that this is not how it works. What they do is they have generated funds based on what their license fees are anticipated to be. Then they have a set budget, so they'll say that they have, say 90%, of that and 10% is put in reserve. That doesn't go into the general fund – that's called sweeping and that is not what occurs. It sometimes happens, but that's not what occurred there.

Wittmer stated the better question is whether there other funding sources that are earmarked or assigned to specific items? Wittmer believes that all the CITO's had this question. He continued that it was is seemingly core to their mission, so why wouldn't it take priority over something else that they're currently spending \$200,000 a year on. But, maybe it's half the budget, they don't know.

Rucker asked if the \$200,000 represents three years – not one. Friend responded that they were asking for \$663,000 for 3 years. Borchers stated that typically what happens is that the Feds are going to require an agency to do something. Then they provide the agency with the money. Then the agency gets up and going, and they say “by the way next year we are not going to fund that anymore.” So, if one looks at the core function, it is to help protect the public from bad pharmacists. Billingsley responded that is doctor shopping – they're going from one doctor to the next to write prescriptions, and this allows the pharmacist to go in there and say “wait a minute.” Borchers continued that the greatest benefit from this product actually goes to the patients and to the physicians. It's not the pharmacist who necessarily benefits. They are creating a tracking mechanism at the end of the day that protects physicians from drug seeking patients. Billingsley noted that law-enforcement cannot get into the program. He also thinks – he indicated he may be wrong – that Kansas is the first one to implement this program.

Friend said that the only other thing he might add that hasn't been brought up was that part of this is also predicated on some money that was given to KDHE for enhancements. So, in a way, this is also to enable them to take advantage of that other money – or that's what it seems to say. He continued that the grant application also references a statute that prevents the Board from imposing any charge for the establishment or maintenance of this on “a registered distributor, pharmacist, dispenser, or other person authorized to prescribe or dispense controlled substances and drugs of concern.” So, no revenue is anticipated, which is part of their concern as well.

Borchers asked “So they are restricted by law?” Friend responded that the statute cited was K.S.A. 65-1684 and read an excerpt of the statute from the grant application. Billingsley indicated that's why they wanted to institute the minimal charge for this. He then asked how much was in the grant fund. Friend stated that there was no grant budget set this year, so it is really how much money there is in INK, which is about \$2.5 million. He continued that, of course, there is a run rate for INK expenses, as well as existing grants.

Rucker added that he thought it would be important for Board members to know that over the last several months, the Board has saved a significant amount of money with the elimination of significant legal fees, as well as the obvious elimination of the Executive Director position. Friend said roughly 40% when he'd pushed the budget out. And, also, there had been a number of years where INK hasn't given out a grant and all the money has been moved into checking. But, he would say it was around \$240,000 that had been saved this year's proposed budget.

Borchers directed the Board back to Section K (Cost-Benefit) of the grant and she thinks there are some ramifications where they will actually lose funding. The money that they get also impacts KDHE – and here is the part that Friend is referring to. She stated that what she found interesting was (quoting) the impact on law enforcement: “Law

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enforcement and regulatory agencies would have to rely on subpoenas to request hundreds of pages of prescription documents and patient records to conduct investigations, as there would be no centralized database to request specific reports for patients, prescribers, or pharmacies...” So, if one considers the overall cost to the state for something like that...

Rucker noted that he thought that each of the members present have their own reasons for lauding the program. The issue was whether or not it was appropriate as a grant request for this Board. He spent almost 20 years as a prosecutor and has his own reasons for liking the program. But, the issue is whether or not this is an appropriate venue.

Knapp stated that the Board is almost being asked to perform a legislative function. He stated that it was easier for him with KDOR as it was reaching the small taxpayers, everybody. Tunnell asked to confirm if the grant committee had recommended it. Friend said that their combined score was 1.33, and “meets expectations was 2.” Wittmer addressed the chair and said that he would agree – this grant request struck all of the CITO’s as an operating an expense vs. the Department of Revenue proposal was a new thing. This is an operating expense and – yes, it is a great program, but, Wittmer continued, how many others like this are there out there to invest in, to rescue? He said that, selfishly, he has a similar program this session to bring forward this session for cybersecurity, it has been underfunded and viewed as a rounding error in an IT budget, and they are trying to get it out there as a business imperative and say “this is a priority.” The Legislature needs to secure funding. It is somewhat of a parallel thing that needs to be elevated so that other citizens to see this argument.

Borchers asked if there was potential to fund only half of their request. Then, Billingsley asked what would happen if they did get funding (from the Legislature). Borchers said that she heard everything that was being said, but she would also say that just because the legislator is choosing not to fund something. It does not mean that program is not the correct program. They also fund things that in her mind shouldn’t be funded. Their approval or lack of it does not dictate to her whether or not it’s worthy of it. Her question is whether or not it is feasible for them to do this with, say, half of the funds and then they have to figure it out. Billingsley responded, or maybe fund one year at a time and then have to come back. Borchers continued – and then let them know this is the case they need to make to the Legislature. Friend said that, without having talked to them, it seems like one year would be OK. Assuming they understood it.

Rucker stated that, if in fact the Board goes in that direction, he would like to hear from them first about whether that met their needs, and how it was that they would use one year as opposed to full funding – but, he caveated it, this is just his observation. The seminal question here is whether or not this is the appropriate place for them to find that funding. All of us, would fund this for various reasons which are legitimate. But, he thinks that if the Board is going to do something short of the full funding request – the Board would be modifying it and it has the discretion to do that – he would like to hear from them about how it is they would spend the money if they are being given less than what they applied for.

Billingsley asked if Rucker would like to know if they are putting any money into this. Rucker would also like to know how they would spend the funds that were far less than what they requested. Certain functionality might not be possible with less money. Borchers said yes, but it’s a three-year grant and believes with \$600,000 they can do less. They can just do one year. Friend noted that, as a sidelight, he’s not sure how that would the match for the KDHE piece of it. He is not sure they could still use 1/3 of the KDHE money. Rucker asked if more information from Board of Pharmacy would be in order. Another member mentioned having them come present – Rucker asked if this would be beneficial to the Board. Rucker voiced his support for the application from his experience as a prosecutor.

Knapp’s concern is what this opens the door to on down the road for other very good and worthy programs coming to the Board because they are missing out on matching funds from some other state agency. The Board will not have the money going forward to do that and it may leave them is a spot they don’t want to be in. He agrees 100% that it’s a great program and he doesn’t understand why it is not being funded – he just has a concern about precedent. Wittmer said he was trying to remember if this is a software-as-a-service (SAAS) program. Friend said he believed so, because they were asking for some money to fund the software. So, Wittmer continued, if they don’t get funding

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licensing goes away, as opposed to just not paying maintenance. Friend said that the way they wrote it in the grant application was that if they didn't get the money, they were done. Knapp wanted to know what the drop-dead deadline is. Borchers stated it is May 2017. Knapp stated that then they could actually could get funding this session. Perhaps they would have a better chance of getting something done if they didn't have funding.

The members took time to review the application materials. Rucker asked the Board their pleasure.

Action Taken: Tunnell motioned that we the subject be tabled until the next INK Board meeting on February 7, 2017 to ask them for additional information, seconded by Knapp. Motion passed unanimously.

The approval of the motion was followed by discussion about inviting the Executive Director of the Board of Pharmacy to the next meeting for 15 minutes on the agenda and the members confirmed their interest in this.

Text Messaging Demonstration Project – City of St. John. Friend said there were two grants that went to the grant committee. This one came in later to the INK office. It was marked as arriving at the office on the 5th of December, so technically it missed the deadline. This is a much smaller scale thing and he thought would fall under the mini-grant area. This is text message demonstration project from the City of St. John. There is not a lot of complexity to it. The text messaging demonstration project would pass information to citizens. Examples of information include city bills being due, pool opening times, notifying citizens of events, and police needing help in solving a crime. They would use the money to contract for a year. They have about 1,300 citizens and think that about 60% would use it. They would contract for the service for a year. Then, if it worked, they would try to get it included in their budget. This was confirmed when Friend talked with them by phone. He told them he would bring it forward. With mini grants, technically, while Friend thought it could be for something like this, normally there needs to be a reason for why it can't wait. It did miss the deadline, but he didn't feel like he could reject it out of hand, as he didn't feel he had the authority.

Billingsley asked if the mini grants can be brought at any time if they are under \$5,000. Friend said that they can, but the actual language says that they need to explain why they can't submit it at the normal time. They were close – they may have mailed it on the 30th. Billingsley thinks that the grant procedures need to be redone. He's not sure what's gone on in the past because it's December 1st or May 1st. He doesn't think there's anything hard and fast in the bylaws that state that. Friend agreed. He stated that the grant program has really been constructed by the Board based on some legal research by Phil Elwood, at least as far as he can see it. He continued that he has sent out the grant procedures twice the Grant Committee to try and get some feedback based on that. To reconfirm, in other words, it's not in statute to issue grants and it is not in the by-laws. Rucker asked the pleasure of the Board in terms of a motion. No motion or second was made. Seeing none, Rucker moved to the next item on the agenda.

Action Taken: None.

4. Network Manager Report

Myers reported that the Governor's website had gone live. Borchers stated that it looked beautiful. Myers confirmed that it was a great team to work with and that the Governor's office was very prepared. It is being treated as a soft launch right now. The live streaming of the State of the State will be featured on that website. There is also a KanSite initiative for the Board of Nursing.

Myers then addressed the project status reports that had been rolled out last fall. They have had good feedback on this – reporting change requests and projects in process. They have also created a service statement targeted at the business level. The goal is to help in understanding the performance of services. He then went over the service statement report. They've delivered their first one to ABC at KDOR. The idea is to provide this at a higher-level to drive conversations with their business contacts at the state agencies. How to increase adoption, for example, in line with the conversations in the portfolio analysis committee.

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Finally, they have rolled out what they call the Agency Statement. This is more of an executive report. They rolled this out to Secretary Sam Williams at the Department of Revenue a few weeks back. It provides a combination of the value add from INK, with an areas specific to that agency. They view this as an “every six months”-type of report intended to drive strategic conversations, versus the Project Statement report on a weekly basis. The Service Statements might be on a quarterly basis or every six months.

Myers then talked about a payment processing initiative. Earlier last year, they’d discussed this at the time of some service issues that they had, and he had mentioned that they were researching a possible another solution for credit card processing at the time. After an evaluation from the NIC perspective, they selected First Data. So, they are developing plans for a First Data implementation in 2017, with a kickoff in February to move services from their current payment processing provider to First Data for the State of Kansas. That would be for credit card transactions, online, and over-the-counter. Myers said there would be more details to come, but he just wanted to announce that First Data had been selected. NIC has also been working in 2016 with two or three business units across the NIC family to test it out. He noted that Kansas will not be the first guinea pig from that perspective going into this.

Knapp wanted to know if Myers could share with the Board some of the reasons they went with First Data. Myers responded that he could get that by going back to Corporate Finance at NIC. They met a lot of the same requirements in terms of security and from the PCI compliance perspective, and the rate. Knapp asked if they hadn’t just used First Data. Somerhalder responded that they had looked at First Data a long time ago. Myers can get more information, but one of the key items was their disaster recovery and uptime. He continued that they did an RFP out to all these groups, like WorldPay - and it was really impressive. Somerhalder said that “This is our business – We are looking at \$25 billion that we process on an annual bases company-wide.” So, they need to make sure that it’s up and if not where is it failing over to. They see a huge benefit for their partners and for NIC. Knapp confirmed that this was the information he was looking for. Wittmer wanted to confirm that WorldPay was the incumbent and Somerhalder stated that was the case.

Myers then provided a quick update to remind the Board about the post-project surveys that KIC performs and went over the approach. They are scored 1-5 and included in the monthly Board reports. While they don’t receive one back on every project, they had 32 for 2016. He stated that it was a good barometer for them on how well they are performing from a service perspective with the different projects that they are working with state agencies and local government.

Finally, Myers noted that the last time there had been a NIC partner conference was two years ago and it was hosted in Kansas City. It was a great event and had great attendance from the State of Kansas. This year there is going to be one held April 4th- 6th in Little Rock, Arkansas. Myers is sure that the members have seen the email notification going out in the past week or two and wanted to formally invite the INK Board members to that conference. Also, Friend has alerted Myers that there is a board meeting scheduled for that week on April 4th. So, he is hoping that the members can make it to the conference to network and meet with other states along with seeing some of the other exciting things going on in NIC Corporate from that perspective, as well as what is going on with the other state portals. Myers closed by passing out an invitation to the members.

Action Taken: None.

5. Portfolio Analysis Update

Myers addressed this topic by recapping the membership of the committee: Friend, Metz, Billingsley, Hill, Gordon, and himself. They meet on the first Tuesday of the month before the Board meeting and then again by conference call the second Friday of every month. He continued with a couple quick updates. District Court record search fee increase contracts had been distributed around November 1. Friend received a call from Kelly O’Brien at OJA indicating their legal team wanted to review the contracts. Right now they are waiting on feedback from OJA. Myers

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continued that while the Board may remember that OJA had sent a letter previously that they didn't really have an opinion on this, but since then they've had some legal staff changes, they would now like to take a look at the language in them and confirm who should be signing it. Myers confirmed that, given that situation, he had received some signed amendments already, maybe five or ten, so he will hold those until they get further direction. He is bringing this up to the Board only to let them know that it is slowing down the process as it was planned to go-live on January 1 from a fee perspective.

Myers then recapped another initiative of this committee, the partner contract modifications. This entails four areas: Annual percentage increases instead of every 3-5 years; Strengthening the ability to get out of the contract if unfavorable; Looking at requirements enforcement, and also they are looking at trying to build in the stipulation that agencies would provide information about the potential population for adoption. His legal counsel took a first stab at that, and the PA committee wanted INK Board Counsel to look at it. However, there's been some changes – Myers deferred to Friend on this. Friend continued that the Board had transitioned from Goodell Stratton to DofA Legal as Board Counsel. And, even though it was their group as a whole, Dan Dunbar who came to the last meeting had been point. Yet, he had recently notified Friend that he was leaving to go back to work for the District Attorney's office in Shawnee County in Topeka. So, they will now move to working with John Yearly, who is the Chief Counsel for DofA and start the process with him – this should occur next week.

Myers continued that, finally, one of the items in the 2016 Business Plan that was in play was to identify two potential fee increases for services. One of them is for District Court record search which he had just spoken to. The other one that he began discussing in October was the Kansas.gov the subscription fee. The last time that had increased was in 2008, when it went from \$60 to \$95. It's an annual fee for access to INK that allows the user to be billed rather than having to enter a credit card for each transaction. Based on that evaluation and doing some research across the different portals, they looked at an opportunity to raise that fee from \$95 to \$125 for implementation in 2017.

From a budget perspective, it had been included for a January 1 start date. However, the committee is bringing the proposal to the Board for discussion and approval. Billingsley asked how much time was usually required to give subscribers notice. Myers responded that it was usually 30 days.

Knapp asked if INK had lost any subscribers with the last increase. Myers doesn't believe that they lost any, but it had been quite some time before it we did and doesn't know for a fact. It has been quite some time since we increased it before. Wittmer asked when the last increase occurred. Myers confirmed that it was in 2008. Wittmer then asked what the amount was. Myers repeated that it went from \$60 to \$95 which is about 50% increase. Wittmer continued his questions, wanting to know what the total revenue project was – Myers responded it was a net gain of about \$84,000. Tunnel then asked to confirm if the price is going from \$95 to \$125 – and it hasn't been raised since 2008? Myers confirmed that was correct.

Billingsley asked if Myers was asking for a vote on this now. Myers said that, yes, he needed approval from the Board for a fee increase, at which point he'd proceed to notify subscribers and come back with a target launch date. Wittmer asked if among all the other items that Myers had mentioned before that, none were a concrete proposal to increase revenues? Just potential opportunities? Myers said that the District Court record search fee was pretty concrete – it's not official until they get the signatures, but based on all the previous dialog, they were all very favorable in the discussions. Wittmer asked what the project on that was. Myers said that the increase would bring about \$400,000 to the District Courts as a whole and would bring about \$400,000 to INK. Billingsley stated that being part of that committee that he supports that increase for the subscription rate to go up. Rucker asked Myers if he was done with his report. Myers said that he was, and Rucker said he would entertain motions or discussion.

Action Taken: Knapp moved to approve the fee increase for subscription service fee from \$95 to \$125 for subscription service starting as soon as possible after appropriate notification has been sent out, seconded by Billingsley. Rucker asked if there was discussion.

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Discussion: Wittmer expressed that in the future in such matters, he would appreciate seeing numbers. He said that it is really hard to vote in isolation and understanding of the facts on P&L. His doesn't need a comprehensive analysis, just something that gave him a better view of how significant the increase is and how it helps INK's overall financial situation. Tunnell the amount of the increase. Rucker asked for any other comments. Knapp wanted to know if INK has provided additional services for subscribers since 2008. Myers said that he thought a couple had been added since 2008 - one related to single sign-on access from a KanAccess perspective, implementation for web file, implementation for TLRs, from a KDOR perspective, in addition to that, instant access for District Court records, it's not an additional service but an additional feature on an existing subscriber service of INK – there's probably a few others. Rucker asked for further discussion. Seeing none, he called for a vote.

Action Taken: Motion passes. Rucker votes no, all others vote yes.

6. 2017 Strategic Plan and 2017 Business Plan

Myers presented this topic. Before he got into the details, he wanted to provide the story line. It started with a presentation of a modified strategic plan in August of this year that paralleled Wittmer's plan that he'd shown to the INK Board earlier in the year. His emphasis was how to best position INK to support and align with Wittmer's plan. At the same time, Myers had heard confusion and / or dissatisfaction with the 2015-2017 Strategic Plan. It has six strategies in it and it is how they track things in the Business Plan tracking spreadsheet. So, as it was left, the expectation was to review the proposed revisions and come back to decide if the Board was going to adopt those, or continue with the existing strategic plan, as they were headed into 2017 business planning, due December 1, so they needed to have that structure in play on what they were going to model the Business Plan on for the next three years. The Strategic Plan was then addressed in the November meeting. At that time a committee was assigned and there were several meetings to walk through the existing strategic plan and proposed strategic plan to start talking about what items or tactics we are going to do from an INK business plan perspective for 2017.

Those invited to the committee – not all were able to attend – were Rucker, Billingsley, Sachs, Borchers, Knapp, and Friend. Not all were able to attend each of the meetings, but there were two meetings - one on November 14th and another one on December 18 – and they had planned to meet on November 30th, but it was canceled.

There was very healthy dialogue throughout, but the feedback that he got at the initial meeting was to put heavy focus on the Business Center in 2017. Also from an operational perspective, he had made the decision with Jim Hollingsworth before in the previous year to combine the contractual requirements with the business plan document. So, for example, one might see an item like “provide a daily Avamar report” or “provide an income statement” in there. Those are contractual requirements that they have. So, there was a desire to separate them back out into separate documents, so they're not intertwined anymore.

Myers continued by pointing out that the plan is in the Board packet and has not had a final review or approval by the committee. There was some back-and-forth and a desire for more details or items in certain areas. The plan that is in the packet has track changes on and he can go through some more details as they go through it on how they got to this point. So, what he would present today is the new Strategic Plan the committee landed on, and the Business Plan for 2017. Then, some insight into the budget. The goal was not to get feedback today but to review and approve it at the next Board meeting. **See attached updated 2017 Strategic Plan and 2017 Business Plan presentation that were presented at the meeting.**

Knapp made note during the presentation of the item discussing maintenance. There had been discussions in the past about how a lot of the resources of INK had been going toward maintenance. He asked whether they had been able to get a better grasp of that – that was part of the PAVS committee, too, he thought, to generate more revenue so that we would be in a better place in maintenance. Myers said they could definitely provide that – it has gotten better; one could see a shift in the Build/Enhance/Maintain categories. There is more of a shift from Build to Enhance. Also,

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they have been focusing on products, so that has helped in lessening the load, along with products – their services data container (Mongo DB) that can help with reuse, rather than rebuilding things over and over.

At the close of the discussion, Friend presented a draft budget of INK Expenses for 2017 for review, to be discussed at the next meeting. Knapp asked several questions about where the increase in portal revenues was going to. Friend responded by walking through the flow of the funding from INK top-line revenues to the 15% split to INK to then the INK expense estimates for 2017, explaining that the delta was reserved for expenditures for the Kansas Business Center, about \$400,000 plus, then the money for the Legislative grant, so it is in there if it was all expended in one year. Of course, there is about \$2.5 million coming in to the year. The \$652,604 may not all go out, although with what was approved today, it will be more. So, it will run negative for the year if all that money goes out. But there is money in the retained earnings overall. Myers and Friend would confer and provide updated figures at the next meeting.

Action Taken: No action taken.

Rucker noted the time and suggested that the agenda items for Kansas Business Center and New Business be covered before lunch and asked Sachs to address the Kansas Business Center item.

7. Kansas Business Center Update

Sachs is happy to report some forward motion this month with substantial progress on the Form Finder application. Form Finder has similar functionality to an application that the Secretary of State's office is getting to address internal needs, so they are wrapping it into that. They are testing both the administrative and public side this afternoon. They got a lot of solid documentation from Friend and Karen Clark in her office, so it was pretty easy to put it together. In the next few weeks, the hope is to be sending out materials to schedule the training for agencies. Also, they plan to pull back in the advisory committee to confirm that this is indeed what they were looking for. As soon as that is complete, they will schedule that training and next month plan to have a demonstration for the Board.

Wittmer asked to be reminded what the technology set was for the application. Sachs stated instead of using what they had proposed, as they were looking at their needs, they said that this thing works anyway – it's something that the State Treasurer uses, we're just going to acquire that from the State Treasurer. Rucker stated that, as a result, so what was going to be an expense to INK is no longer going to be an expense at all. Sachs stated it will just be maintained in their office – they have hardware that it capable of absorbing that space. So, she continued, hopefully it has already been loaded on their computers and at 2pm they will start the testing.

Rucker then said that the concerns that had been voiced, primarily by Board member Hill, that – perhaps others, he didn't recall – with regards to lack of progress, the allegation was at least made that working with vendors had proved in the past to be problematic, the Secretary of State's office has simply eliminated those problems. They have proceeded on their own and are making progress, which is our own and we are making progress which is beneficial both to our agency as well as the Governor's Office. Sachs added that hopefully the benefits would be to all agencies and Rucker agreed.

Action Taken: No action taken.

8. New Business

Rucker reported to the Board that Mr. Metz representing the Kansas Bankers Association has submitted his resignation as of the end of the year. So, they will be working with the Governor's Office on a new appointee. Sachs noted that the Board has to submit three names to the Governor's Office from a user association of statewide character - Tunnell confirmed that it didn't necessarily need to be the Bankers Association – and Sachs continued that if there

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were any suggestions, it could be any of those. Rucker noted that they had been talking internally about the wisdom of having someone from the Bankers Association on the Board – but, this is a gubernatorial appointment.

Rucker did have a comment that is about Mr. Metz – he would ask that if members have suggestions, that they offer a board member who could attend with significant regularity and participate as an active board member. In the past, he has been concerned about a quorum, but he has also been concerned about participation, so the Board's suggestions should have that as a component in those who the Board suggests.

Friend asked to provide a status report on the State of the State. He reminded the Board of the \$2,000 that they had given to the Governor's office to buy some equipment to support the State of the State address that was coming up on the 10th. Well, he had been approached by KPTS out of Wichita and forwarded them to Bart Sprague. The outcome from the Governor's communication officer Melika Willoughby is they have tested the streaming and that he thinks the streaming is going to occur through the portal – they will pick that feed up – and it is going to occur on the Governor's website. As far as the television is that they are telling him that they can come and pick that feed up and televise it.

Rucker asked for other items of new business. Wittmer responded that he'd like to request that in a future meeting, the Board in the next meeting, or the next few meeting or so that the Board pursue a couple topics. Number 1 was, once and for all, whether they are going to backfill the Executive Director role. He would like nail that to the wall. Rucker noted that they certainly have a committee. And, he continued, as it is under new business, maybe they need to fill Metz' vacancy on the committee with another Board member that currently exists on the Board. Wamsley agreed to participate.

Wittmer's second item is that as the three CTOs were discussing the two grants, he thinks that one of the things that occurred to them is a conversation around the parameters that are used and whether or not they are relevant and weighted appropriately. As the vision and mission of this group has changed over time, he doesn't think these criteria have kept up with it. These two test cases – the thinking was that they agreed that these are good things to do but for different reasons and not necessarily because they match up the stated criteria. That's the conversation he'd like to have. Rucker agreed and believes that could occur on two levels. One amongst the Board members, but also across the current membership of the grant review committee. Because, if the committee believes that the criteria has not moved along appropriately, then they would like to know what criteria the committee would suggest be part of the grant review. The Board looks to CTOs for their insight and expertise in assisting the Board in making grant decisions. So, he thinks that it should fall to them in making suggestions about how the Board's criteria may be insufficient. Wittmer expressed that he believes that's fair. Friend told Wittmer to let him know if he wants to convene them – Friend has sent out a draft of mechanical changes to the procedures that they might be able to riff off of. Wittmer noted that Friend and Sachs were part of the conversation at the committee. His take on it was “has the vision and mission of INK changed since these criteria were drafted?” And, he thought that the group sensed that it has, it's moved over time, and, therefore, the question is whether the criteria has kept up with those. His own spin on it is that it feels like the criteria are skewed toward self-perpetuation of INK. Which is a worthy thing, but it is almost exclusively self-perpetuation of INK the entity, as opposed to what's best for Kansas and Kansans. He emphasized that he was not saying that the two were mutually exclusive.

Rucker said he would only add that without one, the other need not exist. If we don't have grants, we don't have INK. So, he doesn't mind some “perpetuation” as part of the evaluation quotient, but perhaps it is over-weighted. Tunnell asked to go back to the item of the committee that Wamsley had volunteered to serve under regarding the Executive Director. He asked if the Board decided that the committee would set the criteria on how it works? The Board had considered an outside source to basically to find candidates and narrow down a selection. Tunnell asked how that ended up. He knew that Borchers said that's what the Governor's Office does every day - are they going to do that? Rucker responded that didn't know what the committee decided, what the discussions were, or what was resolved. Wittmer said that it was tabled. Knapp wanted to make sure that we contact the consultant to let them know that. Wittmer said yes. Billingsley noted that there was a lack of votes to move forward. Tunnell asked if the committee had any direction on this – is it “go hire somebody?” Rucker addressed Tunnell and said he didn't know

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that it was that clear – he thought that the discussion was to bring back to the Board your recommendations with regard to the hiring, and, they are in the process. He thinks that's where it sits – Billingsley is right that there wasn't any action taken by the Board. So, for all practical purposes it was tabled. But the committee hasn't gone away and he would anticipate recommendations if the committee has any. Wittmer said that his take on the conversation around that was that the reason the Board felt that the executive search wasn't warranted was that their key scope of work initially was to align the Board around what the roles and responsibilities of that position, what the requirements would be. And, he thought the discussion was that either the Board didn't necessarily see the value in that, or it basically exposed the fact that the Board members don't agree on that. Wittmer continued that, if they don't have agreement on that, then he doesn't think the Board knows what it is going to go search for.

Knapp stated that this was the value he saw in the consultant. To get an objective outsider looking at INK's organization, vision, goals, and statutory requirements and saying that this is what INK needs. Because, the Board doesn't have a quorum, or at least as of the meeting whenever it was, there wasn't five votes to eliminate the position. Knapp continued that he thinks that there is some agreement that there needs to be somebody, a position, some type of administrative position, but from that point, whether it is someone that is in an agency – he thinks that's where there is a lot of disagreement. Knapp then stated that there was actually a majority to eliminate the position all together, there just wasn't the statutory requirement of five votes.

Rucker said, then, let's just simply act on Wittmer's suggestion that the Board take these matters up in future board meetings. He then asked if it was the attention of the members of the subcommittee that are present right now on the search for the Executive Director that you would be prepared to make a recommendation to the board by the February or March Board meeting. He would like not only a recommendation but the justification for it so that the Board can discuss as individual Board members what they deem as being the strengths and weaknesses of the recommendation they will be making – because there is disagreement amongst the Board about it. Tunnell noted that it would clearly affect the budget as well. Rucker responded that a hundred-odd thousand dollars of the \$238,000 the Board is projecting for next year is bound up in that position.

Rucker then asked if the Board could anticipate that. Or, would they prefer, just to make it absolutely clear for the minutes, would the committee like to have a discussion with the Board as a whole in February, or would it need a longer period of time and recommend March? Knapp said that he didn't know. It seemed to Knapp like it was a chicken and an egg situation, or Catch-22. It would be nice to have some more direction from the Board, he thought.

Wittmer thought the subcommittee's charter was to facilitate a search for an Executive Director. Rucker said not to let him stand in the way. The bottom line, Rucker continued, was that he was opposed to the creation of the position, but that does not mean that they should be impeded or inhibited in any way to make whatever recommendations to the Board as a whole that they desire. He noted that there are nine members of the Board when it is fully functioning, and he thinks that the Board ought to hear the best arguments for the hiring of a new Executive Director. And, if that's a Board decision, then obviously, that's what the Board will do. Rucker said that he would like the subcommittee to cite the deficiencies that are most glaring to them in not having the position, because he thinks that they've made substantial progress in the last 90 days on a number of items. But, that's not to say that the Board doesn't need the position. He stated that he is more than happy to entertain whatever substance the subcommittee wishes to bring forward. Wittmer said that, for him, the answer – not to boil the ocean – goes back to are we lined up with the vision and mission of INK itself and how are we fulfilling that vision? If so, he said he can certainly say that from his perspective, he's not real clear himself.

Billingsley asked whether or not there was going to be some type of strategic planning in 2017 to further – since it runs out this year – would that be appropriate for that to come before? Rucker said that he would be in favor of such time together as a board, if in fact the agenda was tight and there was a free-flowing discussion, and the time together was dedicated to hammering out these issues as it relates to position for the overall strategic plan. Billingsley noted that that goes to the mission, whether it has changed. Rucker stated again that this is a volunteer board and he thinks that sometimes the members are too hard on themselves, and they only have a limited amount of time to go through

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this. And, the only thing that the Board can do to enhance the amount of time they spend on this is to dedicate blocks of time for these efforts. And, until such time that there is a suggestion – and there's been one made - that they spend blocks of time, and as long as the members have agreed as a board that they are willing to do that over the next six months to nine months to a year. Rucker emphasized that he is just simply indicating to the members that he is dedicated to spending the time necessary to talk about these things. Wittmer said that the next 90 days were going to be particularly challenging for him. Billingsley suggested maybe after the legislative session.

Knapp then spoke, stating that he doesn't think that the statute has changed. Maybe how the board members perceive the statute has changed. INK was established for a purpose. And, the Network Manager in his eyes is the Executive Director and, he said, we're the board members that work with the Executive Director. He said he knows that technology has changed, but he still doesn't think the mission of INK has changed. He doesn't know if those two are out of alignment (?). Billingsley responded that he would say that the goals have changed. And the technology has changed, and whether INK is up to the technology grade that it should be, or what is desired. He thinks that, to him, is in the planning process that they include their network manager in and that should be direction coming from the Board.

Rucker interjected that all of these things have a foundation of saying that INK will go forward. But, he thinks, quite frankly, that it has been suggested by certain members of the Board that the model itself is antiquated. And, that the Board's relationship with the vendor is an antiquated model – and he is up for those discussions as well. In other words, Rucker continued, questioning the existence of the statutory mandate and the existence of the Board. There shouldn't be anything that's off the table including questioning of the viability of the organization going forward. He certainly, today, believes in the model. But he believes that whether individual board members believe in the model or not, there are going to be certain specific things that happen over projects and potential business that is likely to be deprived of this model because of individual decisions by agencies and the State of Kansas itself. He continued that the Board has talked about some of those things today and in the recent past. That's why if the Board is going to enter into those sorts of topics and fundamentally effect the vision of the Board, he believes it takes a dedicated amount of time by individual board members who must agree to sit down and discuss these matters. Until the Board does, he continued, it will face the same problems in different ways - but change is coming. It's going to be an incredible change in the next year to two years. So, Rucker stated, he is open to it – but only as one board member.

Rucker noted the time and said that he did not want to adjourn the meeting because during lunch they may be discussing business casually, so he doesn't want to violate the open meetings law. So, they will stay in session over lunch and then entertain a motion to adjourn. The Board began lunch at 12:10 p.m. and reconvened at 12:30 p.m.

The Board then discussed next steps with the information they would request from the Board of Pharmacy. Rucker noted that there are things in the submittal that had to do with out-of-state travel. Sachs mentioned that it didn't look like this had been done before. Tunnell asked whether they should be approached to submit a more detailed request. Rucker stated that we would like for them to submit a more detailed request and a brief justification in the budget. Sachs said that the details of the budget would probably be the right thing. Wittmer also stated that he had a specific question on what actually terminates the program – is it software as a service or whether or not it is already installed software and they are paying maintenance and could cease that and still keep going. Wittmer asked, “so we agree that we will submit to them a series of clarifying questions?” and Friend agreed.

Action Taken: Billingsley moved to adjourn meeting, seconded by Tunnell. Motion passes unanimously.

Adjournment

Meeting adjourned at 12:33 p.m. The next INK board meeting will be held at 10:00 a.m. on Tuesday, February 7, 2017, at 700 SW Harrison, Topeka, Kansas, 2nd Floor Conference Room.

Minutes submitted by: Nikki Reed/Duncan Friend



Strategic Plan, Business Plan, Contractual Requirement and Budget

Information Network of Kansas, Inc. | January 3, 2017
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

STRATEGY #1

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

OBJECTIVES

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

STRATEGY #2

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

OBJECTIVES

- *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.*

STRATEGY #3

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

OBJECTIVES

- *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*

BUSINESS PLAN

STRATEGY #1

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

OBJECTIVES

- *Create business one stop to streamline processes for small businesses in interacting with government*
 - Implement Phase 1 of the Kansas Business Center project during the year.
 - Define Phase 2 of the Kansas Business Center project during the year.
- *Expand citizen-centric mobile platform that enables personalize interaction with intelligent and data-driven engagement*
 - Implement at least 3 services into Gov2Go during the year.
 - Identify at least 2 services as good candidates for mobile-first approach during the year.

STRATEGY #2

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

OBJECTIVES

- *Launch marketing activities to drive adoption and awareness of services*
 - Implement at least 2 integrated marketing campaigns to increase adoption rates during the year.
 - Launch at least 10 press releases during the year.
 - Attend at least 5 local trade shows and conferences during the year.
 - Submit at least 2 services for national awards during the year.
 - Launch portal site promotions on a bi-weekly basis.
 - Hire Marketing Coordinator to manage marketing initiatives.
- *Continuously win over who we serve to continue to grow and diversify the portal revenue base.*
 - Launch at least 20 services during the year.
 - Complete annual maintenance projects during the year.

STRATEGY #3

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

OBJECTIVES

- *Focus on enterprise products that can be quickly leveraged across portfolio*
 - Implement at least 4 enterprise solutions during the year.
- *Institute strategically focused grants to capture greater market share*
 - Establish at least 2 INK Board grants to fund backend development/improvements during the year.

CONTRACTUAL REQUIREMENTS

BUDGET



2017 BUDGET SUMMARY

	BUDGET
Portal Gross Receipts	\$586,287,279
Agency Fee Submissions	\$576,085,876
Portal Costs	\$2,806,332
Portal Net Revenue	\$7,395,071
Network Manager	\$6,285,811
Retained Earnings	\$1,109,260
INK Expenses	\$236,638
Portal Net Income Before Grants	\$872,622
Existing Grant & Restricted Fund Balances	\$652,604
Net change in Cash Position	\$220,018