

# Information Network of Kansas Board Meeting Minutes

---

## March 2017 INK Board Meeting March 7, 2017

### Opening

A meeting of the INK Board was called to order at 10:04 a.m. Tuesday, March 7, 2017 at 700 SW Harrison, 2<sup>nd</sup> Floor Executive Conference Room, Topeka, Kansas by Chairman Eric Rucker, representing the Secretary of State, which the following members present:

Scott Hill, representing the Kansas Bar Association (*by telephone*)  
Chuck Knapp, representing Jobs for America's Graduates – Kansas  
Tom Tunnell, representing the Kansas Grain and Feed Association  
Gregg Wamsley, representing the Kansas Library Association  
Phil Wittmer, Executive Branch Chief Technology Officer

### Others Present

Duncan Friend, Information Network of Kansas, Inc.; Nolan Jones, James Adams and Ashley Gordon, Kansas Information Consortium, LLC; Kathy Sachs, Kansas Secretary of State's office. Guests included: John Thomson, PayIt,

### Consent Agenda

The consent agenda for the meeting included the February 2017 INK Board minutes and the February 2017 Network Manager Report, as well as Contracts for Approval and the Expense Approval.

### Contracts for Approval

**KanPay Counter.** The following entities are requesting an Over-the-Counter service which will allow government agency constituents to pay for government agency services using credit cards at government agency locations and receive confirmation of payment. Development of the INK application for this service is at no cost to the contracted government agencies. These are fee services.

- USD 408 Marion-Florence
- Whitewater Memorial Library
- City of Rantoul
- City of Hill City
- USD 461 Neodesha
- Finney County EMS

**Kansas Board of Veterinary Examiners (KanSite)** - KBVE requests a content management system product which will allow government agency constituents to access information online. Development of the INK application for this service is provided at a cost of \$7,500 to the contracted government agencies. This is a fee service.

**Kansas Board of Veterinary Examiners (KanForm)** - KBVE requests a data collection and payment processing service which will allow government agency constituents to pay for government agency services using credit cards online and receive confirmation of payment.

## Information Network of Kansas Board Meeting Minutes

---

Development of the INK application for this service is at no cost to the contracted government agencies. This is a fee service.

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

### **Expense Approval**

Chairman Rucker noted the expenses for approval and asked if there were a motion – if not, they would move on and the items would not be approved. Tunnell asked for confirmation of what the items were. Rucker asked Friend to explain.

Friend said he wanted to place this in context as he'd inherited the approach from Jim Hollingsworth. The intent was for the consent agenda to reach all the way down to include those expenses approval. So, he understood that when the Consent Agenda was approved, it included all those items. Normally, unless an individual wanted to pull an item off for this discussion as it states at the top of the agenda, then that would all would be approved at once. Knapp confirmed that this was his understanding when he made the motion. Friend agreed that this was his understanding, but sometime the Board had stopped and revisited some of the items after approval.

### **Scott Hill joined the meeting by phone.**

Friend noted to Hill where they were in the meeting agenda, then recapped the purpose and contents of the Consent Agenda. Essentially what's happening is that the contracts plus the expenses that have not been delegated to the Board Treasurer to approve are what's listed for approval.

Rucker stated that without objection, he would consider the approval of the earlier motion for the Consent Agenda to approve it "in toto" and move on. There were no objections.

### **Regular Agenda**

#### **1. 3<sup>rd</sup> and 4<sup>th</sup> Quarter INK Financials (Gregg Wamsley)**

Friend pointed out where the documents were in the packet (both hard copy and electronic) and deferred to Wamsley for the report.

Wamsley stated that having never walked through these before expect for just recently and had a tutorial from the Board accountants yesterday, it appeared to him to be typical of what has been shown in the past quarterly-wise. Friend noted that he and Wamsley had a discussion with Rob Bish of Mize Houser yesterday and looked at trends and everything seemed to be on track. It was pretty much what had been expected for the year. Wamsley continued that from the December reports, one can kind of tell a least a little bit more about how INK's financials compare for this year to last year. The Board members reviewed the documents. Friend offered that he could try to help to answer specific questions about the mechanics if there were any. It had been a little

## Information Network of Kansas Board Meeting Minutes

---

while – Hill was going to present these in December, but wasn't able to attend the meeting, so there's a little back up to catch up. Rucker asked if there was a motion to approve.

**Action Taken:** Wamsley moved to approval the 3<sup>rd</sup> and 4<sup>th</sup> Quarter INK Financials, seconded by Tunnell. Motion passes unanimously.

### 2. Annual Audit Engagement Letter (Duncan Friend)

Friend stated that there were two pieces from Berberich-Trahan in the packet, the company that had conducted the INK financial audit for the last few years. This is the same price and same thing as they did last year and have done the last couple of years. This is just an overview which is basically an audit of the INK annual financial statements. The price is \$16,000 which what it has been throughout the time of the audit. The second letter which would need to be signed by the Board chair in order to accept that. They then bill the Board half-way through, and then at the end for the rest.

The next agreement is really just a transaction testing for contracts to follow through and make sure that people that have these contracts are following the fee schedules that they set up at KIC. So, they go out and verify revenue received and test those transactions all the way through the process. The difference is this is more detailed testing of specific things that are being done, while the other is an overall evaluation of the financials as a whole – they are complementary to each other.

Last year, Friend continued, he believed that these documents were presented to the Board and they gave their approval for the audit of 2015 and this would be for 2016. The transaction testing is \$5,000, which is also the same price that it has been for the last several years. It is a budgeted expense. Friend said that he was happy to take questions – he was a little rusty, however. It normally starts about this time of year – the first meeting last year was on 3/29/16 with Jim before he left and he would say mid-April would probably be a good time to start this year. As he recalls it took until about August or so to complete the audit and get signoffs last year. He then said he would prefer to get the old office closed and the files organized before they start, hopefully this coming month, then he could be ready. He said he was happy to answer questions.

Rucker stated that the motion as he understood it would be to re-engage Berberich Trahan to perform the annual audit and have the INK Board Chairman execute the agreement. Friend stated that it would be the two pieces of the financial audit and basically this transaction of testing. Tunnell ask if this would be \$16,000 on the audit. Friend said yes, coupled with the \$5,000 for the transaction testing / contract audit.

**Action Taken:** Tunnel motioned to re-engage Berberich Trahan to perform the annual audit and have the INK Board Chairman execute the agreement, seconded by Knapp. Rucker asked if there was any discussion – seeing none, he called for a vote. The motion passed unanimously.

**Discussion:** After the motion had passed, several members began to discuss the audit. Tunnell asked if this was the third year Berberich Trahan had done the audit. Friend replied that no, it

---

## Information Network of Kansas Board Meeting Minutes

---

was bid out among several local accountants, but have done it for longer than that, maybe 5-6 years. From Friend's perspective, there is a tradeoff, but he would defer to the Board's experience. In getting somebody new in, he figured that Jones was new and then looked at where things were at timewise - but he stated he was open to however they wanted to proceed. Knapp said he thought it was best practice to switch every three or four years, Tunnell agreed. But, he noted that there is something to be said for not doing it - Knapp responded that they should do it for multiple years at least to figure things out. Rucker asked if there were further discussion and, finding none, moved to the next item.

### **3. Network Manager Report (Nolan Jones)**

Jones has been really focused on KIC's internal operations over the past weeks. He stated that while they have benefited from being the oldest portal, it is also a burden and, unfortunately, it has gotten to the point where it has been allowed to weigh too heavy on them. They move to slow, they thought too much, they had too many processes in place.

So, having coming out of starting up a portal in Louisiana, he is approaching this as a startup - for a number of reasons. One, a fresh set of eyes. Two, they have to earn their rights - like any new portal - they have to go in and show that they are delivering value and doing the right things for the State. He wants everyone on the same page internally to remind them why they are here - to serve the citizens of Kansas. It is a real simple message and, while it gets complicated sometimes, they need to circle it back. He was reminded a lot here recently about how INK and KIC started out in the old days with Jeff Fraser and those sort of things. A lot of it is that, while they are a bigger company now, and they have much more security, but it doesn't mean that we can't have that same mind set - let's get it done, let's roll up our sleeves. He wanted to give one example.

Shortly after he started and put the new processes in here, James Adams got a call from KBI. They wanted to get their Amber Alerts out faster, and in a little different way - that sort of thing. Jones continued that - in the old days, as in about a month ago - they would have met about it and strategized, and maybe even brought it to the Board. They would have over-thought this thing. Now, on his own without consulting Jones, Adams built the API so they can get that information directly. They can parse it out, so if they want to put the Driver's License on a billboard, they just pull the data. That is something he fully understands and can make that decision.

Jones said "We're doing that across the board." It doesn't mean they are scrapping everything. There are certain process and security will always be the top priority for them. They are not touching that, but everything else is "open game". He is happy to say that his staff has really risen to it, love it - feels like the handcuffs are off. He doesn't want to beat up his predecessor too much, but he will say that there was strong dissatisfaction both internally on up about how big of a production was made of everything. So, they are in start-up mode. They are really embracing that. So he is happy to say that they are progressing well. It is a hard ship to turn because a lot of time you get very conditioned to asking "Mother, May I?" on everything. But, he is excited about how things are going.

## Information Network of Kansas Board Meeting Minutes

---

Wittmer asked if he might ask a question that he thinks is relevant to what Jones was discussing. There are various moves afoot in both the Legislature and Executive Branch to do some form of consolidation among many of the smaller non-cabinet agencies. Mostly back office and things like “Could we get efficiencies from having a singular licensing system across Barbering and Cosmetology and many of these others?” Wittmer asked “How does our current portal enable that kind of consolidation or create hurdles to that kind of consolidation?”

Jones responded that it was a combination. There are a huge number of legacy services out there that were built at different periods of time or even decades of time between them, so there could be problems with the consolidation because of that. But, one of the main drivers – they had heard of service builder, they call it API machine now because what they are doing is spending a lot of time on, for those older services, building it so they can pull that data out of those older services in the format that is provided by the agency – they are not asking for any changes on the INK side. In that way, they can more quickly and flexibly approach that data – like licensing. In that case, where’s there’s different ones, we can use the same data and pull it out and make those connections and do it there, consolidate it if necessary. Two agencies, he knows, isn’t it Cosmetology and Barbering? – There’s some discussion about consolidating. Well, INK should be able to consolidate that data as well. Jones continued that is was dirty yucky work that nobody wasn’t to do but really that is the top focus for him this year. The more time that is freed up on this – although they’ll be doing in on an ongoing basis – the more time they will have to do the “cool stuff”, the stuff that really shows that makes the difference. So, yes, they are already trying plan for that consolidation ahead of it.

Wittmer said he wanted to interpret what he thinks he heard. It sounds like Jones is putting in place a middleware layer that essentially allows them to not do forklift upgrades to the legacy systems, but enable the kind of changes he’s talking about. Jones responded “absolutely – that’s spot on. With that kind of consolidation it is not all going to happen at once. We just want to make sure that we are fully prepared for it and start taking advantage of it now.” He continued that some of these services out there they can be rebuilding even before so they are well positioned when it comes. Wittmer stated that he didn’t want to take any more of the Board’s time, but would be interested in having someone from his staff take a look at what they are doing. Jones would love to have them come over or they can come over there, either way. He continued that as they moved forward planning things out, they want to be strategic – they have limited resources so they don’t want to reinvent the wheel. Jones continued that this was actually his second point – “Do the hard stuff.” The legacy, the backend, they’re focused on that – it’s not going to be “get to it later.” If they have more time available, that’s where his focus is.

The last thing that he is just getting his toe into is marketing. This isn’t a hard sell. They are providing a service of offered free to agencies and he shouldn’t say they should be pounding on the door, but they should be. For whatever reason, he needs to do a better job on making sure it is understood what they are doing and how exciting it is – and he’s got some great ideas for how to do that. Some successes in other states and some of his own stuff. He thinks that one of the thing they have to do right out of the gate is to get that excitement – it makes him excited. He said how cool is it that we get to build cool stuff for people? No offense, but back in days in working in Revenue where he had to go beat people to pay things and stuff, this is very cool fun stuff and he wants that excitement out there for them to come to INK.

## Information Network of Kansas Board Meeting Minutes

---

He then said that he had one last point that got a little bit further ahead than where he wants to be in the discussion. One of the things he thinks they've struggled with is being too narrow in "Here's what we've got for you...tell me how it's going to work for you." INK should be doing a better job of listening about their needs and INK may not be the only person that can provide it. But, if he doesn't ask that question and find out what they really need or what they want, then all he's really trying to do is shove that service. They are not the only vendor in town and not the only provider here. If he doesn't find out he can't point them in the right direction. Ultimately, he wants them to be successful whether it is INK providing it or somebody else. The more they are successful, the more they are going to trust INK as an advisor, a subject matter expert, a solver of problems. He doesn't know if he can do everything for everybody, but they have to turn a little bit around and start asking more of those questions as opposed to pushing their product. This is where they are at. A lot more to come, but that is their mind set right now. This is his manager report.

He did have one other thing to throw out there. He knows that it is not in the budget, but there is a lot of excitement in corporate about the partner conference that is in April. It is important to them because they are celebrating 25 years and it did start here in Kansas. There is a lot pride in that back there. Again not doing that just wanted to mention that is coming up in April – folks can attend, but if not, he understands that, too.

Rucker stated that it seems to him that it would be serving the Board well at this time if Jones would give them an idea of why it is important for the Board to go to Little Rock. Jones said that there are two reasons and neither of them have anything to do with NIC. One is there is going to be at least fifteen states represented there. He thinks it is important in many ways to hear from those folks in the side conversations on what is working and what is not working. What should the Board be expecting here that other states are providing? What is going well? The members will hear both the good and the bad when they have those discussions. He thinks it is a great opportunity to talk to counterparts through there. The other part of it is more of a showcasing of technologies and stuff. Again, it puts a lot of pressure on him. "Arkansas is doing this amazingly" – but he wants that type of pressure. Why is INK not doing this and that? What it isn't is "Look at us, we're NIC, we do great stuff." There are better ways of doing that – people's time is too valuable. It is meeting with the counterparts and finding out what's working out there. But, he realizes it is a balance and he understands everyone is busy with a lot of stuff going on so he is not going claim that it is going to be the end of the world if no one attends or is limited. Certainly, folks will bring back information and will do his best to share that. If there is a board meeting, he will be here. This is his top priority without question, but he can certainly get a lot of those materials brought back and would be happy to share them.

Rucker called for questions from the Board. Knapp likes Jones' approach. It is good. For those members that remember Jeff Fraser "he would tell us yes it can be done and he would figure out how to get that done - or have other folks figure out how it was going to get done." He thinks that is good. Jones responded that he had a fun, fun week with Jeff right before he left. His mindset definitely lives on. Again, it is a problem with any organization as it gets bigger that it loses that, but let's just do it. He knows that with PCI and all the other things that they deal with that they didn't have to deal with back then, but let's just go break some eggs and figure things

## Information Network of Kansas Board Meeting Minutes

---

out. There is a bigger risk not taking on some of those challenges. Jones thanked the board at the end of his report.

### **Change in INK Board meeting date based on conflict with NIC Partner Conference dates.**

Knapp indicated to the Chair that he wasn't sure if this was the appropriate time to discuss the conflict between the date of the next board meeting and the partner conference. The Chair agreed it was an appropriate topic for discussion. In general, some of the board members expressed conflicts that would prevent them from attending and there was no funding included in the approved INK budget for travel to this event. Jones expressed his understanding and deferred to the Board, indicating he planned to attend the INK meeting schedule for April 4 – his number one priority was supporting the INK Board, and this was coming from his bosses, too. Knapp noted there would be value to Jones in attending, and the group discussed moving the next meeting to the Tuesday following its regularly schedule time, on April 11. Rucker asked Board members about the impact of postponing the meeting. Tunnell stated that he had a conflict that day, Hill indicated he could attend by phone. It was stated that there didn't seem to be any opposition to moving the meeting to the 11<sup>th</sup> for the benefit of allowing Jones to attend his own company's conference. Chairman Rucker asked Friend if there is a problem with this meeting place. Friend agreed to research that and would send something out.

**Action Taken:** Wittmer motioned to move the April INK Board Meeting from April 4, 2017 to April 11, 2017, seconded by Tunnell. Wittmer, Hill, Knapp, Wamsley, & Rucker voted yes. Tunnell voted no. Motion passes.

### **4. 2017 Strategic Plan and 2017 Business Plan**

Friend noted that he had talked with Jones and that, given that it was outstanding from last time and at the deference of the Chair, Jones might want to lead this piece off. Rucker agreed and said that Jones was “on”. Jones began by saying he'd cut to the chase. The current Business and Strategic Plans include some things that aren't accurate, like the Secretary of State's stuff, and he's not real please with it as a document anyway. He would like to take another crack at it and present it – with the Board's approval – at the next INK Board meeting. He would like to see a little bit more “reach”, it was also a little bit too much in the weeds in some areas, and he felt it needed to be setting visionary goals. He has some ideas and he'd be put that in the plan and go from there as well as updating it to accurately reflect the changes for the Secretary of State and the Business One-Stop to get a clean document and go from there. Chairman Rucker asked if that went for the Network Manger Contract Renewal as well. Jones answered no. Rucker responded that he understood. He didn't think that there is any opposition among the members of the board to allow Jones additional time to reconstruct a Strategic Plan and Business Plan for the Board to consider. He then asked for comments by the Board.

Wittmer would like to better understand the key points of discontent with the current document and the 50,000 foot view of where Jones believes it needs to go. Friend interjected for a moment to let the members know that in either their online packet or hard copy packet that what's being addressed is the Business plan and Strategic Plan. They are divided up. What they have is a copy of Myers' presentation and a copy of the Business Plan, dated 12/4/16 or something like that. So, since then, in back, there are some INK expenses. Those have been updated and

## Information Network of Kansas Board Meeting Minutes

---

approved separately. They are one leg over the hurdle there, as well. Wittmer stated that he assumed the comments were largely around the Strategic Plan. Friend indicated to the Board that it was in the packet. Jones said that he had not started writing it, but that there were three main ones in there. Number 1 - To enhance transparency and provide secure access to government services for who we serve. These are really important. Number 2 is - Consistently define, communicate, and demonstrate value to who we serve. Number 3: Track and fuel government technology growth to benefit who we serve.

Jones stated that they are good, but they are also what INK should be doing anyway – it isn't "stretch goal" stuff. They do need to be communicating what they are doing and it should address that, but this – for lack of a better term – it isn't getting him excited about what they are doing. He does think it is important that they have "traceable" items. The Board needs to know at the end of the year whether they have succeeded or not. On the other hand, he wants to be setting things up in mind that they need to be adjusting through the year as conditions warrant, or not. He doesn't worry so much about checking off things for the year just so he can say at the end of the year "we got it all." He wants to come back with big successes for the year and show the Board what they are capable of doing. He continued that it was a little nebulous right now and he promised that in the Business Plan itself will have more meat and then the Board, ultimately were dissatisfied and wanted adjustments and he totally understands that. At this point, he wants to go into it with more of a business mindset about how they would run this operation.

Rucker asked for additional comments by the Board. It seemed to Rucker that if Jones needed additional time to construct a document that he could call his own, and that he can express some degree of satisfaction in, the Board ought to give him that opportunity. And, he hasn't had the opportunity yet to give his full attention to that document because he has been taking care of other matters that have been more pressing with the change of administration. Again, Rucker stated, he thinks that is legitimate reason to give him additional time to create a document that he can call his own and that the Board would be predisposed to more strongly consider, having it been rejected in the past, and now we are talking about a brand new document. Rucker then asked if the Board had other comments.

Tunnell asked if Jones had mentioned how long before the report would come back? Jones it would be next month, they are already overdue and he wanted to get movement. Tunnell said – next month? Friend said April 11. Tunnell asked "The meeting I can't attend?"

**Action Taken.** Tunnell motioned to give Jones an extension until the April 11, 2017 (next board meeting) to have a 2017 Strategic Plan and 2017 Business Plan to review, Knapp seconded. Motion passed unanimously.

### **5. Network Manager Contract Renewal**

Jones opened this agenda item by saying it was difficult. In no way was he going to talk about being satisfied with what they are doing internally or operationally. He is very excited but doesn't want that to cloud the fact that there are a lot of matters that need to be corrected. That's his team, his operation, no reflection on anyone else but that. He thinks they have lost a little bit of the vision like he talked about, in a variety of ways.



## Information Network of Kansas Board Meeting Minutes

---

Not just to go get it done but really ultimately serving citizens and businesses in the State of Kansas. He's always found that if they are doing the right things the money will follow. He doesn't worry too much about the financials and all that. He does to an extent because he is the custodian of it and want to make sure from both ends. He continued "trust me, I get plenty of pressure from the corporate side to make sure." Ultimately, it is that they are doing the right thing for the right folks and everything else will follow.

He then addressed the contract extension. He said he would strongly state – and he does believe this – that they met the terms of the contract. There are elements out there that Myers unfortunately put as 86%. He doesn't think that ultimately reflects on there that – He said he would just take one example, Time and Materials.

One of them on there was very specified that they were going to do this specific one and when that didn't happen then that didn't count. He counts that a little bit, in a way, as an analogy to signing up for college classes. You sign up for this and that – one gets canceled, you decide to drop another – that doesn't go towards one's GPA. But, that fact remains that it doesn't excuse them from not going to pick up another and doing that – which they tried. And, some of those that they could have done, they ended up doing enterprise-wide at no cost.

Again, it wasn't his ship at that time, but they don't ever want to be in a position of forcing an agency to do a Time and Materials so they can check the box. That is one of the things he didn't like about how it was written up. But, he said he would keep this short. He honestly believes they went above and beyond in many areas – things that were beyond just trying to meet the minimum to check box that. They went above in areas, they went below in areas – overall, he thinks they met the terms of what was required here and strongly requests that the contract renewal be provided. But, he said he will end the same way he started that this should not reflect in any way that he is satisfied with where they are at and where they are going. He is happy to answer any questions about it. It is a tough decision. He appreciates that and respectfully will let them make their decision.

Knapp thinks that the Board has contributed to the dysfunction and the ability to meet some of the objectives. He thinks that KIC should have been a little bit more nimble in some areas. He continued that it felt to him like the Board didn't have a warm fuzzy feeling about granting another year. He is very optimistic about Jones and the direction things are going. He said that he is not sure if this is something to run by legal counsel, but if the Board does not extend the contract this year, would it be allowed to extend it two years next year? Rucker agreed that it was a question that would have to be run by legal. He would be willing to pose that question and work with Friend to get an answer to the Board by April 11, 2017. So would take his question seriously and get him an answer.

Tunnell asked if this was a 3 or 5 year contract. Friend explained that it was six (6) years, and what happens is that every year, the Board could say "we'd like to go forward another year", which would tack that on. Or, we would not like to, in which the 6 sits there, he believes. And, if the Board does this twice in a row, now the six starts counting down to one. In the past, Somerhalder had mentioned he thought this length of time was related to an investment they

## Information Network of Kansas Board Meeting Minutes

---

thought they were going to make with Wildlife and Parks. But, this year, the Board is really deciding whether or not it likes their performance and it really has no effect until the Board does it again. It is 2022 now. If you said no, it wouldn't go out to 2023. Again, that was negotiated in 2014. Tunnell asked that what Knapp was saying then was that if the Board didn't do it this time – Friend interjected “then we would catch it up next time, or at least that's what I interpret Knapp to have been asking.”

Knapp stated he was not sure if he was getting the sense of the Board. “One can argue whether they are meeting their contractual obligation, but it doesn't feel like they are meeting our needs. You can argue where or not they are meeting contractual obligation – I think on paper you can make the argument that they are. But, it doesn't feel like they are accomplishing what we wanted them to accomplish.” And, so, the way it is set up, they can never really send a message that they want something different unless they get 2 years of non-extension. And, he thinks the sense has been that they will just keep rolling on in the same old pattern, “Groundhog Day”, until something changes. He thinks that Jones coming on is a change, and that's why he's asking if the Board can catch up next year, because he anticipates that they will have a different discussion at this point next year – that it is going to look at whole lot different than it does now.

Tunnell said that the flip side of what Knapp is saying is that if the Board did extend it this year, they could still make a decision to not do it next year. Knapp agreed, but said then they'd still be in the same position, they hadn't gained any time. Knapp said that if they don't extend it this year and Jones doesn't produce, then they cannot extend it again, and that's when there's real impact. There is more of a stick if the Board doesn't extend it this year. But, having said that, he wants to be able to reward Jones and the team if they get things back on track. Rucker responded that doesn't want to reward them in any case. For productivity and shown improvement, he can be warm and fuzzy. But he just wants to let them know he will be voting no on contract renewal because of past performance or non-performance. He will get Knapp an answer to his question, but, if the matter is to be taken up today, he would be voting no.

Wittmer asked if this is a renewal or an extension. Knapp said that was a good question. Friend stated that it was an extension, but he would get the language. Wittmer said that from an IT professional, looking back over 30 plus years in IT, he could count on one finger the number of contracts that were greater than five years. And, they were both infrastructure out sourcing deals. They were not partnership arrangements – there's just too much that can change. He continued that it felt to him like doing a six-year deal with Jamaal Charles. Adding years out there for performance – he can't wrap his head around that.

Tunnell asked if this is the way that it started. Knapp answered that this is not the way it started. Friend said that it was usually 3 years with two 2-year renewals. He always understood that it had something to do with trying to solicit an additional investment on KIC or NIC's part. Wittmer said “that's why the infrastructure deals are all done that way because you are going to amortize as you're getting ready to do something. You are going to amortize a massive refresh across 5, 6, 7 years because you can't afford a onetime hit.” He continued, saying that if that is what is on the table here, then maybe it makes sense. Friend said he would have to defer to Jones as he didn't ever see that, or afterwards, retrospectively, that there was necessarily a corresponding “we'll put five million in the portal”. They had said it had something to do with

## Information Network of Kansas Board Meeting Minutes

---

Wildlife and Parks, maybe due to an investment they were going to have to make there that didn't pan out.

Friend then confirmed that the contract uses the term extension and read the relevant provisions aloud to the Board. He noted that it doesn't specifically say anything about the "catch up" after two years, so he would talk to Board Counsel. Tunnell asked if the plan was just to delay action. Rucker responded that, again, that would be his desire, but he is interested in others.

Knapp stated that he was curious if he had read the Board wrong and asked if anyone had different opinions or if anyone cared to share theirs. Wamsley feels the same way Knapp does. He can't picture why someone would enter into an agreement like this where you have a contract with such enormous length that can be even lengthened further. Either good or bad it just doesn't make sense. He would like to see something different to be excited about, but that hasn't happened. Knapp added that this was his point. He is OK with the long-term contract – he understands what Wittmer is saying, but he is OK with it as long as everyone is excited about what they are doing – but he doesn't get that sense of excitement. Knapp is excited about going forward.

Wittmer said, at the risk of "piling on", that part of what made him more uncomfortable is – and he was not trying to put words in Jones's mouth - that this deal is between organizations. For the success or failure to rest so heavy on a single individual, that makes him increasingly uncomfortable. Something is broken elsewhere, if, in fact, one person can....

Rucker responded that Wittmer has stated in the past, and he thinks that Wittmer has been crystal clear, that increasingly as time goes by, more than one vendor will be relied upon for the ultimate success of INK. Wittmer can correct his paraphrase if he's wrong. Jones is acknowledging in his manager report and as he goes forward with his Strategic Plan and Business Plan that they might not always be the single vendor that is providing a solution – that's what he just heard him say. In that environment, it calls into question the length and legitimacy of any single relationship with this Board – and he knows they are not technically just a vendor, they are the Board's partner – that they would rely upon any one vendor for the success of the organization and mission. He asked if he'd understood Wittmer correctly.

Wittmer stated that it would be apart from the issue of a single vendor. He proposed a better analogy. If he is the Royals and sign up for Aramark to provide his service and it turns out that the performance of Aramark in his stadium rests solely on the account executive, something's wrong. Friend added "versus the company." Wittmer said yes, versus the company, the entire company and what they bring to bear in food services. To him, he's excited with Jones and all that, but he is one person. He understand leadership and all that, but he struggles with that.

Hill spoke, noting that he thought that the Board needed to be a little bit careful here. Whether the Board likes its contract or not, they have a contract and the Board's obligation under that contract for determining an extension are in that agreement. If the consensus is that the Board doesn't like having such a long contract or they think they should be dealing with other vendors, he doesn't see any of those terms within the contract provision related to the extension. And, he just wanted to make sure the Board is being careful not looking outside what they are supposed

## Information Network of Kansas Board Meeting Minutes

---

to be looking at in making decisions about an extension based upon factors that are not in the contract.

Knapp agrees and thinks that's what the Board has done, but no one feels good about it except NIC. Wittmer said that is why many members abstained last time. Knapp continued that he thinks what they have here is a relationship where both parties like to see it long term to some degree, but one of the parties in the relationship isn't all lovey-dovey with butterflies in their heart – to put it in layman's terms. He thinks there is some subjectivity to it, he doesn't know, perhaps with the 86%. The Board has had this conversation, it's in the minutes – is 86% passing or failing? And, whether it should even have been 86% is Jones' point. Jones said he understands.

Rucker stated that he didn't think it ever appeared in the minutes that the Board's decision was that they had 86% compliance. The Board is the determiner of the legitimacy, veracity, the credibility of what it is that is submitted to the Board. And, that gives rise, the Board's relationship with KIC contractually, to discussion about whether or not this current situation that they are operating under contractually is going to be the answer in the future. And, that gives rise to whether or not another form of agreement or operation would be preferable in the future. And, whether or not to extend a current relationship contractually gives rise to decisions about any single contractual partner being a sufficient partner for the mission of the board going forward. Rucker continued that this is why the relations that the Board and KIC have and the discussions that they are having about who to partner with going forward are all germane.

Knapp thinks the Board has some culpability in this as well going back in years and continuing, so it has not been a one-sided deal. Friend wanted to mention you are dealing now with the renewal and seems to be primarily-driven for explaining compliance out of these paragraphs that talk about objectives, deliverables, and timeframes in this framework.

So, with regards to how the Board does it this way, Jones is going to present something in size weeks that is going to be something that is translated into this framework again with one quarter of the year gone already. He just sees that, even if the Board goes with the contract is has, this is going to be a recurring challenge for the Board. That is, if he has 20,000 hours of programing time, 5,000 of those have gone by, so how does the Board want that reporting to go? Friend said he is just trying to queue them up into a better world regardless of what he presents – you are sewing while you are driving, as a poor analogy. Jones said the only thing he would add to that is that they are obviously not sitting waiting on that – in fact, they are heads down and working hard.

Tunnell left the meeting to take a phone call.

Wittmer ask Rucker what the Board was compelled to do. Rucker thinks that the Board can defer action until April 11, 2017 or they can vote today to not renew the contract and be in the process of a one-year non-extension. He indicated that he will talk with the Board's counsel and Friend indicated he will as well with regard to the possibility of a 2 year extension were the Board not to extend the network manager contract this year. He is just looking for either a motion for non-renewal to begin the one-year process, regardless of the answer to Knapp's

## Information Network of Kansas Board Meeting Minutes

---

question, or the Board can postpone this to 11<sup>th</sup> and go for the contract renewal up or down at that time.

**Action Taken:** Wamsley moved that since there is a question, the Board delay the vote until the next meeting when they get the answer to the question. Seconded by Knapp.

**Discussion:** Knapp asked what the answer had been last week about what happened if the Board didn't vote to renew. Friend did not ask that question of Counsel, he was not sure if Rucker or Sachs had. Friend said he understood there wasn't a compulsion to do that right away. It does say after the end of the contract year. Knapp asked if the contract started July 1- Friend hesitated, saying he thought that was correct, but he would check.

Rucker noted that it was reflected in the minutes that the contract renewal was up on the agenda, a vote was taken on whether or not the contract would be renewed. And, the motion failed. So, he would be highly surprised that Mr. Yearly came back and said that constituted ratification of an additional year. Rucker asked that if they got an answer early, if he could communicate that answer to the Board – if the Board can do that legitimately.

**Action Taken:** Motion passed unanimously (Tunnell was not present – five members were present).

### 6. Kansas Business Center Update (Sachs and Friend)

Sachs summarized the outcome of the recent Kansas Business Center Advisory group meeting – Jones had been there and there was applause at the end. Friend summarized the membership for the Board. Sachs noted that the CPA didn't show up as it was a busy time for them, but the Small Business Development Center representatives were very, very complimentary. Rucker asked if she could relay some of the comments that were made that explained why they were excited.

Jones stated that there was a lot of excitement because everyone is also seeing the potential out there. They get so excited they want to boil the ocean and Sachs did a great job keeping them focused. There is a lot diverse folks there that are seeing the vision now. The ultimate Holy Grail is to get a business in there from A to Z through the process in a single spot. No one disagrees with that, but it all starts with the data collection and one of the things he was most impressed about was how carefully it was designed on the data capture. It was very easy to input, they don't even need a developer - cut and paste.

The other thing that he thought was it is very easy to add too many wheels, just start collecting everything and maybe we can use it down the road – but they didn't. Most agencies can knock this out in very short order. Then, once they have it, the world is your oyster at that point. He said he thought the project was ready to collect the data now.

Sachs stated that she thought Wittmer and Borchers were having a meeting today. This has been a partnership with the Governor and Secretary of State. We think it important the message that it is time now should come from the Governor as those are his staff, his people. So, hopefully sometime this week, they will get a “go” on that letter and things are set up. OITS is going to let

---

## Information Network of Kansas Board Meeting Minutes

---

them use their facilities for training. There is also a station set up at the Secretary of State where they can help, especially the smaller agencies if they need a little hand-holding. It doesn't seem like the people so far have been having any trouble. Once the application is up, it will be kind of like shooting fish in a barrel as far as the analytics, seeing which forms get selected and what gets the most hits. Jones said that one of the things he is personally excited about is that the data they collect will give them an idea of where they need additional online services or improvements can be made because they will have the data.

Sachs said that when they go to build the first start-to-finish this will be the way to collect the data. They will continue to go back to the Advisory group – when it started, the Secretary of State said that bureaucrats need to stop talking to bureaucrats and start talking to people who use the service. Sachs continued to talk about the role of Network Kansas and how central they were to startups in Kansas, providing an 800 number and, Friend noted, serving as a switchboard for entrepreneurs. She recapped many of the perspectives that the advisory group members brought to the table that were helpful in both developing the application and deciding on next steps. Friend noted that one of the members from the Kauffman Foundation for Entrepreneurship had invited him to a “Zero Barrier to Startup” initiative one Saturday up in Kansas City that brought entrepreneurs in to help service providers, like government, understand how they saw things going through the process.

Both Sachs and Friend discussed many of the lessons being learned from working with the advisory group and an initial group of agencies, and explained some of the features available. This was addressed again in the Form Finder demo that occurred later in the meeting. Finally, from the administrative side, Sachs said she was also stuck by the level of agency interest and their willingness to cooperate. So far the agencies that they have talked to all understand the importance of it and appreciate they there is going to be a place to get that information.

Tunnell rejoined the meeting.

**Action Taken:** No action taken

### **7. Oracle /Eventus Contract Status Update**

Friend directed the members to the packet that included a copy of an email from Oracle that was sent to him, Rucker, and Sachs in response to the letter from the Board. It said to please consider the matter closed and confirmed that all outstanding invoices had been waived. There was some discussion of the level of effort that had gone it to reach this point and Rucker expressed his thanks to everyone who played a role, including the Board that supported him sending the letter.

Hill, attending via phone, left the meeting in anticipation of the Form Finder demo at 11:37 a.m.

Rucker noted that the next item on the agenda was lunch. Friend said that they were running a little early, so there was probably 10-15 minutes left before lunch arrived. He continued that there was a new business item. Wittmer said he needed to leave no later than 12. So, they decided to take some of the remaining time to do a demonstration of Business Form Finder.

## Information Network of Kansas Board Meeting Minutes

---

### **Business Form Finder Demo**

There was some discussion of the capabilities of Business Form Finder based on the earlier discussion and it became apparent that not all members had seen or remember the demo at the previous meeting. So, Sachs and Friend provided a current look at both the public interface where entrepreneurs would search for information and the administrative interface where agencies would enter and maintain information. The Board asked questions as the demo went along. Friend read the URL to Hill on the phone. Besides demonstrating the functionality, Sachs noted that they anticipated that someday local units of government may want to participate. They emphasized that there were no INK funds used in building the application. And, there are no ongoing maintenance costs as the Secretary of State owns the application, unless they decide to have a maintenance contract. As a result, another benefit is that it does not costs agencies for additional signons. Friend said it would have been \$106,000 for signons with Oracle.

Rucker stated that he thinks this is important for the Board members to know. And this is because initially their plan was coming to the Board and get money to develop it, and approaching Oracle - which they did – to develop a program like this. When it was fully and completely decided by his office and Oracle that this was not going to work, it was only after that and there was full agreement on this that they secured a vendor who could supply this for them. They had a choice to come back to the Board and make this an INK project. But, they decided not to do that. This allowed them to secure this faster, he thinks, as well as to move with dispatch. Again, the members have heard him say this over and over again and he apologies for saying it again, but they are driven because they realize that terms of office make a difference. If in fact, we did not get this up and running very quickly, it would not get done during this current term of office, and who knows who the players are going to be in the next term. So, from the Secretary of State’s perspective, it needs to be done and done with great dispatch in order for it to become an ingrained part of how state agencies enter their information, but, more importantly, that they make it user-friendly and that they have a proven, user-friendly history before the end of the term. Rucker asked Sachs if it was mostly done. Sachs stated yes.

Tunnell stated “We don’t know what kind of support will be required once it is set up?” Rucker responded that they have a good idea of what the support will be, but they don’t know what sort of participation level there will be among the state agencies.

This is not a criticism, he continued, it is just simply the status that they are waiting to get the level of participation that will drive the availability of the forms. The 800 pound gorilla in the room is DofA and how the Governor’s agencies will agree to participate in this program. They have built it as far as they can build it and now hope that they come.

Tunnell asked what that process entails - acceptance. Rucker stated that Wittmer, Kim Borchers, and others in the administration can speak to that. He is optimistic. Sachs said there was a letter drafted for the Governor a month ago – Rucker said, so this was also his priority. Tunnell asked if this is primary for new businesses. Sachs said that it was also for existing businesses. Tunnell continued that he was just thinking to himself how nice this would be if it were widely accepted by all agencies. And that little caveat at the bottom of 8 to 5 was taken off and it was available 24 hours a day for support. How great that would be for a service like most business do.

## Information Network of Kansas Board Meeting Minutes

---

Sachs said absolutely. She thought it would be interesting, and they haven't talked about this at all, to reinvent the wheel and maybe do something like give a grant to Network Kansas to expand their hours from 8 to 5 to a little later. Tunnell said that thinks that would be such a good public acceptance thing. That we are saying for are open for business. Sachs said she'd told a couple of states that this was coming, so she's gotten three phone calls because her annual conference was coming up, asking when can we see it, we need this in our state. She continued that she hoped that they will get it in there and be first. Tunnell said it reminded him that Dale Rodman used to have a neon sign in his office that said open.

Friend talked some about their approach to rollout. Rucker noted that there are many other competing interests for people's time and they understand they are very busy. It is the Secretary of State's baby and he knows it is the Governor's baby as well, because he has articulated it is. Tunnell asked how long this has been on his wish list. Rucker said they weren't really in a position to make the pitch until two months ago or a month ago. Sachs noted, though, that they had been at it since 1991, if that's what Tunnell means.

Rucker continued that this was with the understanding that they were really wanting to make absolutely certain that every "I" was dotted and every "t" was crossed and offloading Oracle before they went forward with their own product, and it is their own product. That was done around 60 days ago. Tunnell said that offloading Oracle was a major accomplishment because that could have been costly. Sachs stated that was a pretty big element of fact and that they had a lot of documentation. Rucker thanked Sachs and others that were involved.

Wittmer apologized that to the extent that he was a hold up on this. He thought the Governor had already signed off on it. So, Borchers literally reached out to him on this two weeks ago and they have not even been able to get a phone call. Wittmer continued that typically when they reach out to him about a system, for example, he sits on the KEES Board, he sits on the KanDrive Board, they want to know that it's secure, that it works with minimal defects, that it is long-term supportable and maintainable. He has had zero share of mind to look into any of that, so that's what he will tell Borchers this afternoon. If you are just asking if we should load forms and go – absolutely. Sachs said thank you very much. Wittmer continued, but if you want my certification, that's another story. And that's all he's holding off on – what is his role here? Sachs stated that if she is looking for certification, just let Sachs know what he needs. He said he'd need to get smarter people that himself involved. Rucker confirmed he was OK with them loading forms – Sachs interjected that it may be that she is wanting certification so there will be more to it. Sachs stated that the Governor will ask what Wittmer thinks. Friend stated that communication is really just a letter seeking the participation of agencies and that they will be following up. Sachs is glad to make Curtis Bears available for any improvements and security. This is a new version of it, but she knows that he has gone through a lot of security audits, like Federal, so they don't have any concern about security, but they will be glad to provide whatever it is that he needs. The sooner we can get agencies in the better. They know that some agencies will take longer than others. She said they are ready and are staffed to do it if they need to sit with them. Rucker thinks that now is the time to push and we are all good.

Rucker asked if there was any new business. This presentation was part of the Board meeting, so the next item on the agenda is "is there any new business?"



# Information Network of Kansas Board Meeting Minutes

---

## 8. New Business

Friend noted that Jones was still here but that Gordon had left. This is a continuation of new business and it is this question of the waiving of fees for legislators for subscriber access.

### **Waiver of Subscriber Fees for Legislators**

At the time it was originally discussed, it sounded like the Board wasn't really sure that they wanted to waive the subscriber fee for legislators. There was then a discussion that the vendor brought up that the Board should talk to its counsel and / or the Ethics Commission that there could be something unethical with regard to waiving fees. It was clear that once it gets to an agency, they can't waive their fees, unless it was by some special exemption. What would now be waived would be the \$125 subscriber fee. But, as Secretary Gordon mentioned last time, if it were official business and they were in the Legislature, they could get that information through them, so why would they need it?

This was left in the air as we didn't necessarily want to go to Legal and burn a lot of cycles with that. He thought Jones was going to ask some questions as well. Sachs stated that it really can't be an ethical issue. If they sign off then they are going to use it for official state business purposes. A state agency wouldn't waive those fees, there's no provision. If Legislative Services has a question about something, they can answer the question. She thinks it is just a business decision on whether to waive subscriber fees. Friend gave the example of a District Court Record Search. Assuming one was legally able to do a district court record search, they would waive the \$125 to get in as a subscriber and be billed monthly. Jones stated that he doesn't know. Sachs pointed out that one doesn't have to be a subscriber to get district court records. Jones wants to know why they would need access to driver history or something like that. He doesn't have a problem with them getting it at the same rate as the government. Sachs said that they would have to be specific every time because every agency has their own statutory requirement. It was left that Jones would research the request further.

### **Agenda for Next Meeting**

Wittmer would like the topic at the next Board meeting to have update from the folks that are installing the remaining audio at the State House that the Board approved finishing the project. Just curious how that is going. A progress report. Friend will contact them.

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

### **Adjournment**

Meeting adjourned at 12:11 p.m. The next INK board meeting will be at 10:00 a.m. on April 11, 2017, at 700 SW Harrison, Topeka, Kansas, 2<sup>nd</sup> Floor Conference Room

Minutes submitted by: Nikki Reed/Duncan Friend