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# Information Network of Kansas Board Meeting Minutes

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## April 2018 Board Meeting April 3, 2018

### Opening

A meeting of the INK Board was called to order at 10:03 a.m. Tuesday, April 3, 2018 at 700 SW Harrison, 2nd Floor Conference Room, Topeka, Kansas by Kathy Sachs, representing the Secretary of State, with the following members present:

Lana Gordon, Secretary of Labor

Matt Billingsley, representing the Kansas Department of Revenue

Sam Williams, Secretary of Revenue

Gregg Wamsley, representing the Kansas Library Association (*by phone*)

Glen Yancey, Chief Information Officer at Kansas Department of Health and Environment (*by phone*)

Aaron Kite, representing the Kansas Bar Association

### Others Present

Duncan Friend of the Information Network of Kansas, Inc.; Nolan Jones, Ashley Gordon, and James Adams, Kansas Information Consortium.

### Consent Agenda

The consent agenda for the meeting included the March 2018 INK Board minutes, the March 2018 Network Manager Report, and the following contracts for approval: Wyandotte County – Register of Deeds (KanPay Counter) and City of Linwood (KanPay Counter).

Friend noted to the members that the hard copy packet distributed at the meeting differed in one regard from the electronic copy as he had included the list of expenses paid since the last Board meeting as Sachs had requested that be done on a continuing basis. The expenses were not for approval – the Board had approved the budget and given authority to the Treasurer to approve anything already budgeted, but just for information.

Ashley Gordon asked to be recognized and noted that the Wyandotte County Register of Deeds contract had an additional “standard rider” that the county required on all contracts and wanted to call that to the Chair’s / Board’s attention for review to make sure it was acceptable when signing the agreement. It did not look to be an issue.

**Action Taken:** Motion made to approve the Consent Agenda in its entirety by Billingsley, seconded by Kite. Approved unanimously.

### Action Agenda (*items numbered according to their original position on the agenda*)

#### 1. Legislative Update (*Jones*)

HB2332 is the bill where they testified to add INK back into the revised membership of ITEC (the state Information Technology Executive Council). Jones talked a little about his discussion with the committee. Current status is that it is going to conference committee but INK is a member in both versions. He doesn’t expect any issues.

He then discussed an opportunity to testify before the House on Government, Technology and Security

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Committee. This was an informal opportunity to present to them on INK / KIC and the history. He took as many as 20 broad ranging questions about technology and what states are doing. None of them were negative. He had a chance to talk with Chairman Sloan afterwards on his vision on where the State is going.

Jones and KDOR are also watching House Bill 2606 - online Driver License Renewal. That is progressing well and a vote should be held this week. HB 2459 that has been signed and requires KBI to create a database and monitor law enforcement seizures. He has talked with KBI about how INK can help. Finally, they are watching a bill from last year on Scrap Metal reporting. The Attorney General's office is responsible and they will approach them to see if any assistance can be provided. Friend confirmed that he had sent copies of Jones' testimony to the House Government, Security, and Technology Committee to the board members.

On the topic of ITEC, Sachs talked briefly about the PKI / Identity Management sub-committee of that organization and INK's representation on that. She wasn't sure if the members felt they should be on it and expressed that it was her opinion that this is probably something that should just go to the state security office. In the beginning these topics were a "big mystery" when the technologies were first coming out, and it was given to this group and the Secretary of State, but it really belongs there now. Jones agreed. Sachs continued, explaining that ITEC not meeting made it difficult for the committee – for example, without meetings, there was no way to get the policy updated when a vendor left. So, unless anyone on the board objected, the SOS office would probably move to eliminate that subcommittee. None of the members expressed an objection.

Friend noted that there were funds sitting on the INK balance sheet that came to INK as part of that effort. It is a segregated account that he thinks was just waiting there to see what they wanted to do with it, whether to fold it back into the treasury. It is at CoreFirst and he understood it was for billing and setting up certificates. Sachs asked how much it was and Friend responded it was around \$100K. Friend indicated he could probably come back at the next meeting and outline its source, etc. just so the Board would be aware. Billingsley asked if the certificates had been charged for. Sachs responded that there was profit to it, as witnessed by the \$100,000 – Secretary of State was supposed to get part of it, but she didn't really think they had been given their percentage – Friend stated that he would want to go back and document what had been done with transfers. He continued that part of it was meant to cover infrastructure costs, there was consulting that was paid related to PKI, so he didn't know about a split related to it, he just knew that they "froze" it and he has touched it since then. Sachs agreed we could come back and talk about it at the next meeting.

**Action Taken:** None.

### 2. **Network Manager Report** (*Jones*)

Jones recapped the idea behind the upcoming "Big Idea" meeting scheduled for April 6 as well as expected attendance, roughly eleven state employees representing 5 or 6 different agencies. (*report is continued below*)

**Action:** Sachs proposed to move the fourth item on the agenda – Proposed Contract Amendment – up, as she wasn't sure how long the discussion might take, but it was something they needed to get to.

Sachs suggested she thought the contract agenda item should be moved up, as she wasn't sure how long the discussion might take, but it was something they wanted to get to.

Friend then quickly noted that Shelite had indicated that Yancey would represent her at the meeting. However, as he had not arrived, he'd sent an email with the call-in number and asked that he give notice when he joined the call. He stated that he was noting that because while there appeared to be a quorum, he was likely to be attending at some point, in case that was relevant to the anticipated discussion.

#### **4. (Moved) Proposed Contract Amendment (Jones)**

Sachs summarized the current contract (7 year "rolling") and how extensions operated. Each year a business plan is submitted, the Board votes on approving the business plan, and then the Board decides the following year when complete whether they met the expectations set in that business plan. If they approve, then the contract is extended another year beyond its current end date. It has proven difficult to get the Board to approve the business plan, and, when they do, if the vendor is docked two years in a row the Board has the option of discontinuing the rolling renewal process. Her understanding was that the Board's frustration was that, by definition, it couldn't be innovative as they can't really take risks – they have to meet it – made for not a very good tool for advancing the contract. So, the amendment is that they will still submit a business plan, but their contract extension won't be conditioned on it. The proposal was a three-year term, with two 2-year renewals. Sachs deferred to Jones to continue.

Jones said that the contract currently ran through December 31, 2022 which is where it would end if there wasn't an extension.

**Note:** Glen Yancey joined the meeting by phone at 10:20am.

Jones continued, pointing out that there are no modifications to any of the other requirements. He added that he felt they had gone fairly far last year in the goals they set, but that it would give him a little relief in comfort in setting stretch goals without the potential to compromise the contract.

Billingsley asked if Board Counsel John Yeary had reviewed the contract. Friend explained the process he had gone through with Yeary and Sachs related to the contract amendment and confirmed that Yeary had approved it. Friend then reemphasized that the Business Plan was still required in a different section of the contract, the Board was still required to approve it, and the language in that section said that it may state performance expectations. The section being eliminated just has to do with renewal. However, there is not anything specifying a penalty if they don't fulfill the expectations in the business plan.

Sachs wondered if Jones could put together a calendar. She wasn't sure when his business plan was due to their corporate office, but it seemed like they could do a better job this if they started in September, so that when January comes, it would be complete. Jones confirmed their business planning started in September, so he would work with Friend on putting a calendar together, and also talked about the possibility of a retreat. Friend confirmed that the contract stated the business plan was due by December 1, and that there were still three board positions open - he wasn't sure if this played into the timeline.

Sachs asked the board members if they were comfortable with the contract amendment. Kite stated his understanding that the extension of the contract was now discretionary – in other words, it's not tied to

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the approval of the Business Plan. He asked if there was a consequence for not approving a business plan. There did not appear to be one, although it is specified in the contract to do it. Billingsley indicated he thought the budget also needed to be approved. Sachs suggested approval be on the agenda for the next meeting and she asked Jones to send the materials out again. There was some discussion about the termination provision of the contract as it related to revenue dropping below a certain level. Sachs asked, and Friend confirmed there was a continuity provision as well.

**Action Taken:** Billingsley moved to approve the proposed amendment contract seconded by Secretary Gordon. Motion passed unanimously.

### 3. Services from Other States of Interest to Kansas (*Jones/Ashely*)

Ashley Gordon conducted an online demonstration of the Prompt Pay system developed by and current deployed on the NIC Idaho affiliate portal. It allows the ability to send an invoice on demand to a customer by text for a service. Various ideas for uses in Kansas were discussed, as well as security aspects. Upon completion, Sachs asked for Jones to report back at the next meeting on what it would take to bring this to Kansas.

**Action Taken:** None.

### 5. Kansas Business Center Update - (*Friend/Sachs*)

Sachs discussed contact with Network Kansas to review Business Form Finder and their recommendations so far – they are continuing to review. The next step in the plan was to talk with the Kansas Restaurant and Hospitality Association. As a result, it seems like they might come back to the Board for help with the expense to address the recommendations they receive, as well as update the “look and feel” to be more modern. Friend indicated he’d met with Kansas Department of Health and Environment and they were moving forward.

**Action Taken:** None.

### 6. New Business

**INK email lists.** Secretary Gordon had a question about whether INK hosted the ink.org email domain. One of her employees has pointed out that a password was sent to her in an email and she had questioned the practice. There was some discussion of how it operated and Adams agreed to come back to the next meeting and present on the situation / issue re: the aspect of INK mailing list hosting.

**Execution of December 2016 proposed INK contract amendment.** Sachs told the members that in the course of developing the INK contract amendment that had been approved in this meeting, he had investigated the status of an earlier amendment that has been approved by the Board in December 2016 approving cloud hosting in a specific case of responding to the OITS state RFP for mobile and web services. It appeared that it had not been signed. Sachs had the question of whether a vote to repeal the action would be in order. She read the motion that was approved and put that idea before the Board. Friend stated that he had talked with Board Counsel who felt a note to file would be appropriate for this. Jones added that he did not find evidence that KIC had ever signed it. It was resolved to make a note to file that this action was never taken.

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2. **Network Manager Report** (*continued*). After new business, Jones indicated that he had a few remaining items from his Network Manager report that had he had not covered.

He recounted his meetings with the Director of the Kansas Lottery - Jones has some lottery background. No work at present, but a good meeting. KIC is working on Kansas Behavioral Science Regulatory Board updates and simplification of their fee schedule – Ashley Gordon explained the changes in more detail. Also working on Board of Accountancy and KBI on their annual updates. The bulk of the work is done on a large PCI (payment card industry) validation exercise – this is important, but has taken away from time on projects. They are preparing to present a WebFile rewrite that allows filing by phone to KDOR. Also working with KDOR on a streamlining of processes involving RealID.

**Action Taken:** None.

**Action Taken:** Secretary Gordon moved to adjourn meeting, seconded by Kite. Motion passed unanimously.

### **Adjournment**

Meeting adjourned at 11:22 a.m. The next INK board meeting will be held at 10:00 a.m. on May 1, 2018, at 700 SW Harrison, 2<sup>nd</sup> Floor Executive Conference Room, Topeka, Kansas.

Minutes submitted by: Nikki Reed/Duncan Friend