MINUTES

JOINT COMMITEE ON INFORMATION TECHNOLOGY

December 13-14, 2011
Room 546-S—Statehouse

Members Present

Representative Joe McLeland, Chairperson
Senator Marci Francisco
Senator Garrett Love (Tuesday only)
Representative Mike Burgess
Representative Terry Callaway
Representative Harold Lane

Staff Present

Aaron Klaassen, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Bobbi Mariani, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Norm Furse, Office of the Revisor of Statutes
Sean Ostrow, Office of the Revisor of Statutes
Jim Miller, Legislative Chief Information Technology Officer
Gary Deeter, Committee Secretary

Conferees

Jim Miller, Legislative Chief Information Technology Officer
Anthony Schlinsog, Executive Chief Information Technology Officer
Kelly O'Brien, Judicial Chief Information Technology Officer
Dr. Robert Moser, Secretary, Kansas Department of Health and Environment
Jennie Chinn, Executive Director, Kansas State Historical Society
Andy Tompkins, President and CEO, Kansas Board of Regents
Corey Carnahan, Principal Analyst, Kansas Legislative Research Department
Alan Weis, Project Manager for Applications and Software, Kansas Legislative Information Systems and Services
Terri Clark, Project Manager for Infrastructure, Kansas Legislative Information Systems and Services
Dave Mannering, Chief Information Officer, Kansas Department of Revenue
Donna Shelite, Director, Division of Motor Vehicles, Kansas Department of Revenue
Karin Brownlee, Secretary, Kansas Department of Labor
Jeff Neal, Acting Chief, Bureau of Computer Services, Kansas Department of Transportation
Jay Coverdale, Director of Telecommunications, Office of Information Technology Services, Kansas Department of Administration

Marilyn Jacobson, Director, Office of General Services, Kansas Department of Administration

Others attending:

See attached sheets.

Tuesday, December 13
Morning Session

The Chairperson called the meeting to order and, in light of the appointment of two new Chief Information Technology Officers (CITOs), he asked Committee members and staff to introduce themselves. The three branch CITOs (Jim Miller, Legislative CITO; Anthony Schlinsog, Executive CITO; and Kelly O'Brien, Judicial CITO) gave brief comments about themselves.

Sean Ostrow, Office of the Revisor of Statutes, reviewed the statutory basis for and duties of the Committee as found in KSA 46-2101, *et. seq.* (Attachment 1). The Committee is authorized to introduce legislation, review state Information Technology (IT) processes and budgets, and make recommendations to the House Appropriations and the Senate Ways and Means committees. It was noted that all projects costing over $250,000 require a project plan, the project costs include salaries and equipment, and a cost overrun is declared when the project exceeds 10 percent of the budgeted amount. A member commented, in the future, he wanted to see fewer overruns and fewer recast projects.

Anthony Schlinsog, Executive CITO, commented on Executive Order No. 1146, which proposes to consolidate the IT processes of 14 different state agencies under his office. Noting wording such as *uniform, efficient,* and *cost-effective* in the ERO, he stated, as the ERO is implemented, he will work with all agency Chief Information Officers (CIOs) and their key staff to make the transitions smooth and equitable. He stated he will begin evaluating all IT projects over $5,000 to encourage more accurate reporting. After noting the Division of Information Systems and Communications (DISC) has been reorganized and is now known as the Office of Information Technology Systems, he explained the Office is re-evaluating its customer services and is attempting to determine accurate costs for all services.

Mr. Schlinsog responded to members' questions:

- The Office is using tracking software to identify split-cost purchases that attempt to avoid project cost thresholds;

- A recently concluded Gartner study will identify agency e-mail usage and effectiveness, and determine whether consolidating agency e-mail statewide is feasible and cost-effective;

- The statewide financial management system, now called SMART (Statewide Management Accounting and Reporting Tool), still has about 70 agency interfaces, a significant reduction from a year ago as more agencies discover the value of abandoning their old systems to use SMART;

- The Regents' institutions will not be included in the consolidation ERO; and

- Developing a centralized security office for state agencies is becoming increasingly important.

Kelly O'Brien, Judicial CITO, briefed the Committee on an electronic filing project and the Office of Judicial Administration's (OJA) vision for an electronic court (Attachment 2). Regarding the electronic filing project, he said Tybera Development Group has been selected as vendor and will work with Justice Systems, the vendor for FullCourt, OJA's case management system, to integrate electronic filing into case management. Because of funding limitations, statewide implementation will be delayed, but a pilot program is being initiated at district courts in three counties: Leavenworth, Douglas, and Sedgwick. Ultimately, OJA plans to create a statewide electronic court to provide judges and litigants immediate access to case information, dockets, and court records; the system will supplement traditional courthouse services. Mr. O'Brien stated the filing system will be in harmony with the Pegasus Project. Ultimately, the vision of an electronic court will require bandwidth available only on the KANWIN (Kansas Wide-Area Information Network) system.

Dr. Robert Moser, Secretary, Kansas Department of Health and Environment (KDHE), outlined the KEES Project (Kansas Eligibility and Enforcement System), a joint initiative with Kansas Department on Social and Rehabilitation Services (SRS) to reduce manual enrollment processes, reduce error rates, eliminate multiple silo systems, and improve delivery of services (Attachment 3). He stated, from the five bids, vendor Accenture was selected to plan, design, and build the $89 million system; KDHE's costs are estimated to be $44 million. Completion is scheduled for October 2013. Dr. Moser stated Accenture is under contract for maintenance of the system for five years at a cost of $10 million per year and SRS is developing a separate system called Avenues. A Committee member stated a CITO quarterly report listed the project cost as $62 million rather than $89 million.

Jennie Chinn, Executive Director, Kansas State Historical Society, reported on the Kansas Enterprise Electronic Preservation (KEEP) project, a statewide electronic records archive (Attachment 4). About 35 percent of current state records need to be archived; the design work on the new system has been completed and a prototype built. However, the project will need another $250,000 to complete the "dark archives." An application for a $365,000 grant from the Information Network of Kansas was submitted recently. She noted a 40:1 ratio between the costs of archiving paper with the cost of electronic archives and encouraged the Committee to support completing the project. She stated, since electronic archives are a relatively unexplored area, the total cost of the project is unknown. A member expressed interest in finding ways to build a return-on-investment into the project.

Afternoon Session

Mr. Schlinsog reviewed agency quarterly IT reports for July-September 2011 (Attachments 5 and 6). He stated, of the 29 active projects, 23 are Executive Branch projects, four are Regents projects, and two are Legislative Branch projects; costs for all projects total $188.6 million. He commented on selected projects and answered members' questions:

- The Kansas Department of Commerce Statewide Broadband Project is funded 80 percent with federal funds;

- The Kansas State Historical Society's KEEP project has a prototype, but is waiting for further funding before the project can be deployed;

- The Kansas Juvenile Justice Authority Information System Rewrite ($2.1 million) will be recast due to the loss of several key staff members;

- The SRS Community Supports and Services Automation Project is on hold until a detailed analysis can be completed. The project will then be recast; and

- The University of Kansas Medical Center's HR/Pay PeopleSoft Upgrade will create a web-based management information framework. The Medical Center is collaborating with the University of Kansas; both will upgrade to version 9.1. Savings will occur through integrated business engineering.

Mr. Schlinsog noted five completed projects, nine approved projects, and 22 planned projects. He stated the Kansas Department of Administration's wiring upgrade at the Finney State Office Building in Wichita has been canceled and after a detailed project plan is filed, he will reconcile the cost variations.

Andy Tompkins, President and CEO, Kansas Board of Regents, provided a status report on the Kan-ed network (Attachment 7). Responding to concerns expressed by legislators during the last session, he said, because Kan-ed was not originally designed to provide content to schools, libraries, and hospitals, content was reduced by 50 percent in FY 2012 and will be eliminated in FY 2013. The previous executive director resigned, and a current employee, Jerry Huff, has been assigned as director of Kan-ed. Regarding assessing fees, Mr. Tompkins said no statutory authority exists for Kan-ed to levy fees for services. Further, the Regents' meetings with the Kan-ed Advisory Council are scheduled for each quarter. Noting an interim legislative committee formed to evaluate the Kan-ed program, he summarized the recommendations of the interim committee:

- Use local IT providers where feasible;
- Eliminate content provided through Kan-ed;
- Develop a cost-sharing system; and
- Consider integrating Kan-ed and KANREN (Kansas Research and Education Network).

Mr. Tompkins stated Legislative Division of Post Audit is currently conducting a utilization review, which will be completed in January 2012. The Regents are prepared to implement recommendations to improve the services of Kan-ed. He stated the e-rate funding from the Kansas Universal Service Fund needs to be phased-out sequentially.

Corey Carnahan, Principal Analyst, Kansas Legislative Research Department (KLRD), gave a synopsis of the redistricting process in Kansas (Attachment 8). Stating equalizing population among districts is the central purpose of redistricting, he said the 2012 Legislature will redraw congressional and state legislative districts; the new districts will be in effect for the 2012 primary and general elections (U.S. Congress, 713,280; State Senate, 70,986; State House of Representative, 22,716). Amy Deckard, KLRD, stated no new hardware is needed; the Maptitude software licenses are up-to-date, and the only extra costs are temporary staff to draw maps.

Wednesday, December 14
Morning Session

Legislative CITO Jim Miller commented on the Kansas Legislative Information Systems and Services (KLISS), saying the project is within budget parameters, though four weeks behind schedule. He introduced Terri Clark, Project Manager for Infrastructure, KLISS, and Alan Weis, Project Manager for Applications and Software, KLISS.

Ms. Clark reviewed the project's staffing and training, noted the SLIQ pilot for video meeting documentation, and commented on the SLIQ process for generating meeting agendas and minutes (Attachment 9). She stated Alexander Open Systems is evaluating KLISS infrastructure, and a third-party review of the system's security is scheduled for 2012. The legislative website continues to be hosted by the Information Network of Kansas. Voice-Over IP will be deployed in the spring of 2012, and will coincide with upgrading the Exchange Server from 2007 to 2010. Some hardware upgrades also are scheduled for 2012. Answering questions, Ms. Clark stated extending the legislative laptop leases is too costly, but extending the printer leases is cost-effective. The Governor's offices presently have VOIP. International Roll Call is under contract to maintain the House voting boards, but there is limited redundancy.

Mr. Weis provided a status report on the KLISS applications (Attachment 10). He reviewed the KLISS implementation during the 2011 Legislative Session: 659 bills and 403 resolutions, journals, and calendars were produced and processed. He noted, however, a number of manual interventions and workarounds were required. He listed the publications authored through KLISS and announced the implementation of Decision Support System, including document search; the entire software build process closed on October 31, 2011. Currently staff are preparing for the 2012 Legislative Session. A member complimented the staff for their work in building a comprehensive system. Ms. Clark stated training sessions for legislators will be available. The Chairperson suggested the Committee meet bi-monthly during Session to monitor the system's effectiveness.

Mr. Miller summarized the testimony, saying his office is working with all parties to identify any lapses in KLISS functionality. He stated vendor Propylon continues under contract to support the system for an additional ten months. Propylon can re-market the base system to other states, but the state-specific system is owned by Kansas and cannot be used elsewhere. The contract with Propylon provides free software updates.

Dave Mannering, Chief Information Officer, Kansas Department of Revenue (KDOR), reviewed the status of the agency's Division of Vehicles Modernization Project (Attachment 11). The project, which replaces three IT systems with a single integrated system, was begun in August 2009 and divided into two phases with staggered end dates: the Motor Vehicle Registration System used by county treasurers (July 2011), and the Driver Record and Issuance Verification System (January 2012). The $40 million project is funded by a $4 vehicle registration fee over a four-year period. Vendor 3M fell behind on deliverables and, even though Phase I has been completed, testing indicates the system will not be ready to go-live until February 2012, at the earliest. Jim Conant, Budget Director, KDOR, stated the registration fee produces $11.5 million per year and the delay was a result of 3M's code production.

Members questioned the process required for purchasing institutional or specialty license tags and asked why a person must pay the institution before applying for a tag. Donna Shelite, Director, Division of Motor Vehicles, KDOR, stated the Kansas Board of Regents plans to introduce legislation in the 2012 Session to streamline the process.

Karin Brownlee, Secretary, Kansas Department of Labor (KDOL), updated the Committee on the agency's Unemployment Insurance Modernization (UIM) Project (Attachment 12). She reported, because further funding was not available, the project had been closed out. Of the six phases, three phases related to employer/tax are nearly complete; the three phases related to employee/benefits have yet to be completed.

Regarding the call center, Ms. Brownlee stated a new Chief Information Officer, Jessica Farrell, is now leading the IT functions and phone lines are migrating to IP Flex, reducing costs and making the call center independent from the DISC network. She explained the federal Department of Labor provides some computer services for the agency and 77 percent of employers now file electronically. She stated cross-matching social security numbers has increased the accuracy for benefit payments. A member complimented the agency on call center improvements.

Kathie Sparks, Deputy Secretary, KDOL, stated employers report employee income each week; those receiving benefits who take a temporary job are allowed to keep the difference if their temporary pay is less than their benefits. Jessica Farrell stated if a claimant does not report hours or earnings, the amount is identified when social security numbers are cross-matched. Ms. Brownlee stated to date $51 million, all Reed Act funds, has been spent on the project. She said some funding might be possible through a federal Supplemental Budget Request, but presently, the total amount needed to complete the project is unknown. Ms. Farrell said the project will, in the future, rely on in-house staff, a decision requiring extensive training for staff. She reported few outside contractors are familiar with the system requirements.

Jeff Neal, Acting Chief, Bureau of Computers Services, Kansas Department of Transportation (KDOT), updated the Committee on two proposed projects (Attachment 13). Regarding the Kansas Truck Routing and Intelligent Permitting System (K-TRIPS), he said the proposed system will provide a web-based self-service auto-routing service for carriers; it will be funded by increased fees. KDOT has selected Promiles Development Corporation as vendor; the vendor will customize a commercial off-the-shelf system to be completed during the first quarter of 2012. Mr. Neal stated the project is a collaborative effort between KDOT, KDOR, and the Kansas Highway Patrol.

Mr. Neal reported on a second project begun in FY 2005, the Communication System Interoperability Program, which enables various local entities to communicate with each other. He said the 76 KDOT radio towers are now fully operational, are being used by over 800 groups, and are in the process of being upgraded to the new P25 standards. A member asked why the K-TRIPS project will take two years if it is an off-the-shelf system. Mr. Neal replied KDOT continues to work with carriers to develop the system.

The Chairperson distributed a communication from Jennie Chinn saying completing the KEEP system will cost an additional $1.2 million (Attachment 14).

Jay Coverdale, Director of Telecommunications, Office of Information Technology Services, Kansas Department of Administration, reviewed a project to migrate a total of 12,000 phones from AT&T's Centrex telephone system to a Cisco VOIP system for Topeka and Wichita, with redundant back-up systems in both cities (Attachments 15 and 16). Begun in February 2011 and slated for completion by October 1, 2013, the $6.3-million project will be paid for in savings within 23 months. The base service fee will remain at $17.50 per month. He stated, with Microsoft Lync, the new system enables a person to use the phone or a desktop workstation to make or receive calls and paves the way for Unified Communications.

Mr. Coverdale responded to members' questions:

- Lync licenses are an added cost for an agency;
- Currently, video services are being designed;
- Equipment has not been purchased, but members can visit a model office;
- A liaison from each agency is responsible for agency training;
- The Regents are not included in the project; and
- Kan-ed is statutorily prohibited from using VOIP.

Marilyn Jacobson, Director, Office of General Services, Kansas Department of Administration, stated the new Office was established August 1, 2011. It serves as liaison to the Legislature and oversees a variety of executive functions for the Department of Administration: fiscal services, payroll, customer service, facilities management, central mail, and the new financial management system SMART. She gave a brief history of SMART, saying the system went live July 1, 2010, and includes all state agencies, except the Regents and the Kansas Department of Education, both of which retained their own financial systems (Attachment 17). She said not all agencies use all the system's modules, but they provide interfaces with the system where necessary (*e.g.,* Medicaid, which employs outside contractors). Currently, 27 interfaces exist. She noted KDOT retired some of its systems in order to integrate with SMART. She announced PeopleSoft's first upgrade for the system will begin January 2013 and will be completed by December 2014. During that time, all interfaces will be reviewed. She stated, to date, 60 shadow systems have been decommissioned. A member suggested, since two universities use PeopleSoft, their resources be employed to offset some of the upgrade costs.

Members suggested items to be included in the JCIT Annual Report:

- Two days a year for interim meetings are not adequate for the JCIT to fulfill its statutory charge. A minimum of four days should be considered;

- The Committee supports IT consolidation or interagency sharing of resources;

- KDHE's KEES project needs to reconcile cost discrepancies;

- The Committee recommends continued monitoring of the KDOL UIM project;

- Regarding KLISS, the Committee commends the exceptional support given legislative members during the 2011 Session, and recommends further monitoring of the project during the 2012 Session;

- A standardized critical path scheduling check list would be a helpful addition to all project reports;

- Receiving testimony electronically ahead of JCIT meetings would be helpful for members to better prepare for meetings;

- KLISS training for legislators will help orient them to all the services KLISS offers; and

- JCIT recognizes the importance of IT project processes and desires to be proactive in protecting agencies from failed projects.

The meeting was adjourned. No further meeting was scheduled.

Prepared by Gary Deeter
Edited by Aaron Klaassen

Approved by the Committee on:

_____February 28, 2012_____
(Date)