

## MINUTES

### JOINT COMMITTEE ON INFORMATION TECHNOLOGY

August 18-19, 2008  
Room 545-N—Statehouse

#### Members Present

Senator Tim Huelskamp, Chairperson  
Representative Joe McLeland, Vice-Chairperson  
Senator Mike Petersen  
Senator Vicki Schmidt  
Senator Chris Steineger  
Representative Mike Burgess  
Representative Harold Lane  
Representative Jim Morrison

#### Staff

Julian Efird, Kansas Legislative Research Department  
Aaron Klaassen, Kansas Legislative Research Department  
Norm Furse, Office of the Revisor of Statutes  
Scott Wells, Office of the Revisor of Statutes  
Don Heiman, Legislative Chief Information Technology Officer  
Gary Deeter, Committee Secretary

#### Conferees

Denise Moore, Executive Chief Information Technology Officer  
Dave Larson, Director, Computer Services, Legislative Administrative Services  
Ed Van Petten, Executive Director, Kansas Lottery  
Don Cawby, Director of Operations, Kansas Racing and Gaming Commission  
Eldon Rightmeier, Deputy Director, Bureau of Telecommunications, Division of Information Systems and Communications, Department of Administration  
Brad Williams, Kan-Ed Executive Director, Kansas Board of Regents  
James Bingham, Associate Vice-Chancellor for Information Technology, University of Kansas Medical Center  
Mike Keeble, Associate Vice-Chancellor for Finance, University of Kansas Medical Center  
Allan Foster, Legislative Division of Post Audit  
Susan Duffy, Executive Director, State Corporation Commission  
Carmen Alldritt, Director of Vehicles, Department of Revenue  
Bill Noll, Director of Information Technology, Department of Corrections

Kelby Marsh, Director of Information Services, Juvenile Justice Authority

## **Others Attending**

See attached list.

## **Monday, August 18 Morning Session**

The Chairperson called the meeting to order at 10:15 a.m. and welcomed Denise Moore, Executive Chief Information Technology Officer (CITO), who reviewed the agency quarterly reports for April-June 2008 (Attachment 1). She commented that the agencies have 32 active projects with a total cost of \$145 million, half funded by the state and half by federal funds. She provided details regarding agency information technology (IT).

- The newly approved Mainframe Tape Modernization Project of the Department of Administration will begin in September 2008, will eliminate independent systems, will reduce maintenance costs, and will increase security;
- The Bank Commissioner's Kansas Supervised Institution Monitoring System will integrate four systems into a single licensing system. The project was placed on "Alert" status when the deliverable completion rate fell behind schedule. The project is scheduled for completion in August 2008;
- The Department of Health and Environment's web-based Kansas Electronic Disease Surveillance System (cost \$3 million) was placed on "Caution" status when the deliverable completion rate was delayed to accommodate local needs; and
- The Kansas Health Policy Authority (KHPA) is starting a Document Imaging Project, an initiative using a single vendor to centralize document imaging systems from several agencies. Another project (On-Line Application Project) was approved in April 2008 and will begin October 2008 to provide a single web-based application form accessible to various agencies and services.

Answering questions, Ms. Moore said she would obtain further information regarding safety-net clinics' access to the application form. She acknowledged that federal matching funds were varied, ranging from state/federal percentage of 50/50, 25/75, and 10/90. She replied that the Judicial Branch Full Court System may not be amenable to sharing document imaging with KHPA, since the courts have many remote locations. She said she would provide a summary of all agency imaging systems. A member encouraged Ms. Moore to anticipate future imaging needs of agencies to see what cooperation might be possible.

Ms. Moore continued her report:

- The Kansas Bureau of Investigation has completed its Central Message SwitchClient Software Replacement II, which will interface with the entire Criminal Justice Information System; after being recast, the cost will total \$528,000; and

- The Department of Labor continues working on its Unemployment Insurance Modernization III, which is under “Caution” status. Originally estimated to cost \$21 million, the project was expanded to accommodate other processes, increasing the cost to \$42 million. Because of the poor quality of deliverables, the vendor was changed from Bearing Point to IBM. The project is still on schedule.

Responding to questions, Ms. Moore said that, instead of penalties, under the IBM contract payment is based on accepted deliverables. She said the project manager has changed the methodology and schedule to develop smaller increments, and the Kansas IT Office (KITO) has employed a consultant to provide Independent Validation and Verification (IVV). She said the system will integrate many independent (“silo”) systems. She replied that IBM has been the consultant for three years and that the federal funding (62 percent Reid Act, 38 percent federal bonds) will continue. A member expressed concern that the project is being inadequately managed.

Ms. Moore continued with agency reports:

- Regarding the Kansas Expanded Lottery Act, which has been recast, the Kansas Racing and Gaming Commission used the Iowa gaming system as a resource, modifying it to meet Kansas statutes, enabling the Commission to reduce the cost of the project from \$1.8 million to \$1 million. She noted three planned projects complementing the expansion of gaming in Kansas. Replying to a question, she said that the Kansas Lottery selects the software and the casinos fund the software costs;
- The Department of Revenue’s DMV Modernization-Mobilization/RFP Coordination Project provides pre-implementation services at a cost of \$522,465, with the total project estimated to cost \$40 million; and
- The Social and Rehabilitation Services’ (SRS) Human Services Management (HSM) Roadmap Project, which lays out the strategic direction for the entire HSM project, has been placed on “Alert” status because some tasks have fallen behind, although the project is still considered on schedule and within budget parameters.

Ms. Moore responded to questions about the project: SRS used the Forrester Study as a resource and selected certain recommendations from the three options given by Forrester. The Roadmap will provide a client-centered, integrated system to guide in the development of the entire project. KITO does not evaluate the qualifications of vendor staff, but does expect the agency to report deficiencies of the vendor.

Ms. Moore continued with agency reports:

- The SRS Microsoft Active Directory and Exchange Migration, which will move all agency systems and services under Microsoft software at a cost of \$4.2 million, has been placed on “Caution” status. The agency realized that training the end users would be necessary, increasing the cost by \$300,000. Ms. Moore said she would report back to the Committee regarding who is doing the training;

- Kansas State University's Legacy Application System Empowered Replacement III (LASER), begun with vendor Oracle in 2004 and recast twice, was completed at a cost of \$4.9 million;
- The University of Kansas' (KU's) Dark Fiber Infrastructure expands bandwidth to assist researchers using the Kansas City campus. Responding to a member's question regarding upgrading to Internet Protocol (IP) 6, Eldon Rightmeier, Deputy Secretary, Division of Information Systems and Communications (DISC), replied that until federal regulations require the change, an agency gains no benefit from upgrading. Dave Larson, Director of Computer Services, Kansas Legislative Administrative Services, replied that IP6 deals only with access points, not routers; and
- The KU Expansion of Existing Wireless APs-Infrastructure Project, slightly delayed, will be completed \$70,000 under budget due to a reduction of access points.

A member asked why KU's financial system was upgraded to PeopleSoft 9.0 and the University of Kansas Medical Center (KUMC) upgraded its financial system to PeopleSoft 8.9. Ms. Moore said she would provide further information.

### **Afternoon Session**

Dave Larson, Director, Computer Services, Kansas Legislative Administrative Services, introduced the staff working on the Kansas Legislative Information Systems Services (KLISS): Chad Champney, Alan Weis, Terri Clark, Mike Adams, Nick Bylsma, and Toni Coffey.

Don Heiman reviewed the International Roll Call House Voting Board and Vote Management System (Attachment 2). He said the system was completed on February 8, 2008, at a cost of \$1.3 million, which was \$112,032 under budget. Regarding KLISS, he stated that the Architecture and Detail Design Specifications (about 4,000 pages) will be completed by October 15, 2008, with a projected cost of \$2.1 million, which is \$250,000 under budget. He noted that KLISS will use open standards and will be the most sophisticated legislative system in the United States. He reported that the West Wing Wiring Project was completed in February 2008, at a cost of \$454,937, which was \$19,156 over budget. The change to Cisco switches will add another \$32,722 to the project. Mr. Heiman, commenting on the Network Stabilization Project, said RTG Consulting had completed a feasibility study to convert to a layer 3 network, configure the firewall, install Microsoft Active Directory, and replace Novell with Microsoft. Mr. Heiman proposed a hosted e-mail pilot with DISC. A separate project plan will be prepared to migrate from GroupWise. He recommended that e-mail policies be modified to mirror federal e-mail policies.

Dave Larson alerted members to the lease expiration of Dell laptops for legislators in December 2008. He said the lowest bid for new laptops was Dell, coming in lower than the present lease; the new laptops (Latitude 5400) will include two power cords and a carrying case. Mr. Heiman added that the legislative printers also will be replaced for FY 2009.

Ed Van Petten, Executive Director, Kansas Lottery, said specifications for the Expanded Gaming Central System are nearly complete and the agency will soon have a contract with G-Tech. He advised members that negotiations with the race tracks for slots had ceased.

Don Cawby, Director of Operations, Kansas Racing and Gaming Commission, reported that the Kansas Expanded Lottery Act Project was recast in June 2008, that unnecessary elements had been removed, and that the agency was developing database software for up to 8,000 slot machines. Answering a question, he replied that the casinos must integrate their software with the agency system.

Brad Williams, Chief Information Officer and KAN-Ed Executive Director, Kansas Board of Regents, testified that KAN-Ed is testing a new state-wide network called KAN-Ed 2.0. Answering questions, Mr. Williams said that KAN-Ed will work with all vendors who want to peer with the KAN-Ed network. He explained that nearly all applications for e-Rate funding are initially denied, but most who appealed are granted funding. He is confident that the funding application will eventually be approved. When members asked about the Kansas Research and Education Network (KanREN) upgrade, Cort Buffington, Executive Director, replied that presently the focus is on KAN-Ed and that KanREN is 85 percent university traffic.

Eldon Rightmeier, Deputy Director, Bureau of Telecommunications, DISC, reporting on the Kansas Wide-area Information Network (KanWIN) Infrastructure Upgrade, said the project (estimated cost, \$5.9 million) is about 40 percent completed ([Attachment 3](#)).

James Bingham, Associate Vice-Chancellor for Information Technology, KUMC, briefed the Committee on the Network Infrastructure Upgrade Project ([Attachment 4](#)). He stated that Calence Corporation provided the design in the spring 2007 and that the project is a major upgrade, replacing all network switches and delivering Power Over Ethernet. Phase 2 will complete the project by December 2008 at a cost of \$2.4 million. Commenting on the KanREN connection, he noted that the re-architected network now provides 1 gigabit-per-second connection to all Regents universities. Answering a question, Mr. Bingham said the Wichita campus is smaller and is not included in the upgrade. Jeff Birkman, Director of Administrative Systems, KUMC, replied that each switch cost several thousand dollars.

Mike Keeble, Associate Vice-Chancellor for Finance, KUMC, provided a status report on the PeopleSoft upgrade from version 7.5 to 8.9 ([Attachment 5](#)). He noted that because Oracle does not support 7.5, the upgrade path must first be to 8.8 and then to 8.9, a position which will provide PeopleSoft support and place the system on a migration path for Oracle Fusion Financial Application. The upgrade also will provide certification for Microsoft products. He said the project, currently on time and within budget, is estimated to cost \$2.3 million. Answering questions, Mr. Keeble said upgrading to 8.9 rather than 9.0 was safer, since the original project was begun before 9.0 was released. He explained that the original project did not exceed the \$250,000 threshold, but in 2007, when a consultant was brought into the project, a project plan was filed with KITO, the previous work was aggregated at an estimated \$1 million, and KITO protocols subsequently were followed.

## **Tuesday, August 19 Morning Session**

Allan Foster, Legislative Division of Post Audit, reviewed a security audit of agency surplus computers ([Attachment 6](#)). He said the audit revealed that, although some agency surplus computers were thoroughly scrubbed of data, others contained social security numbers and personal medical information that had not been removed. The audit recommended that the state strengthen its policies for removing data from computers and educate agencies regarding those policies. He provided a demonstration of surplus hard drives containing personal data. A member suggested a recommendation that the Legislature use IT encryption.

Susan Duffy, Executive Director, State Corporation Commission, outlined the agency's Project 2010 Business Process Innovation and Improvement (BPI), which will convert a paper system to a more efficient and effective electronic one (Attachment 7). She explained that the 24-month project includes a feasibility study (cost \$888,900), enterprise architecture, enterprise-wide e-filing, and docket/case management. She noted that the system will integrate with the state-wide Financial Management System. She introduced Tom Ryan, Director of IT, who stated that following KITO approval of the project, a Request for Proposal (RFP) will be issued.

Carmen Alldritt, Director, Division of Motor Vehicles, Kansas Department of Revenue, gave an update on the DMV Modernization Project (Attachment 8). She said the project involved a multi-year implementation costing \$40 million. The 2008 Legislature passed HB 2542, which mandated a \$4 surcharge for each vehicle registration to be paid to a newly created vehicle modernization fund. She stated that Kansas Department of Transportation (KDOT) provided \$1 million in start-up funds, that vendor Salvaggio, Teal and Associates will assist with the RFP and contract award process, and that a detailed project plan was approved by the Executive CITO on June 12, 2008. Answering a question, Ms. Alldritt said the project will extend into 2013. KDOR Secretary Joan Wagnon assured the Chairperson that the agency will manage the project within the allocated \$40 million cost.

Bill Noll, Director of Information Technology, Department of Corrections, reviewed the agency's progress on the Enterprise Architecture development (Attachment 9). He reminded members that a presentation last year resulted in the Committee recommending that two major agency projects—Offender Management Information System (OMIS), and Total Offender Activity and Document System (TOADS) be postponed pending an evaluation of the agency's IT architecture. He said that the agency has coordinated the project with Bill Roth, Kansas Chief Information Technology Architect, to assure a comprehensive IT architecture, to identify best practices, to create a ten-year road map, and to allow for short-term migration of systems. He noted that, with the help of consultant Ummel Group, the planning phase is complete and the plan is ready for submission to the KITO. Following approval from the KITO and the JCIT, implementation of the project under the direction of Mitch Ummel and Ken Orr should be completed by April 2009. Regarding a private grant of \$4 million from the Justice, Equality, and Human Dignity Foundation, he said the only requirement for the grant was to report the governance model to the foundation.

Kelby Marsh, Director of Information Services, Kansas Juvenile Justice Authority, provided a briefing on the Juvenile Justice Information Management System Database Consolidation and Upgrade (Attachment 10). He said that a feasibility study, begun June 23, 2008, by S3 Technologies, will be completed in September 2008. The study will provide the basis for developing an RFP, with the project slated to begin about January 2009. He said the agency has secured two years of funding for the three-year project through a Juvenile Accountability Block Grant and has submitted an application for a Byrne Grant for the third year's funds. Answering a question, he said the federal Byrne Grant has allocated \$15 million to be distributed nationally.

Denise Moore, responding to previous members' questions, said the KUMC financial management project, begun in 2004, did not include internal costs; in 2005 the three CITOs changed their policy to include internal costs in calculating the threshold for reporting projects. KUMC miscalculated its internal costs, so it did not file a project plan until after the project had begun. Regarding the number of modifications (mods) presently in the financial systems of KUMC and KU, Jim Bingham reported 973 mods for KUMC; Denise Stephens reported more than 350 for KU. Jim Bingham stated that once the upgrade is completed, the system will have eliminated 350 mods. Ms. Stephens reported that KU will have 114 mods when the upgrade is completed. Ms. Moore reported that Jim Bingham said that, theoretically, KUMC could upgrade to 9.0 rather than 8.9, but doing so would require that the project abandon present progress and start over, delaying the project 36 months (Attachment 11). Answering questions, Ms. Moore said that the KUMC upgrade will be completed by March 2009. Members, seeking to find ways to eliminate modifications and bring the

software as close to off-the-shelf vanilla as possible, asked for comparisons with other systems. Ms. Moore said that the state's financial system has about 1,000 modifications. Don Heiman commented that the mods are time-intensive because each one needs to be tested within the system. A member expressed gratitude for the follow-up information.

Based on the Legislative Coordinating Council's decision to grant eight meeting days, the Chairperson announced the following meeting dates:

- November 20-21 (Thursday-Friday); and
- December 8-9 (Monday-Tuesday).

The Chairperson asked for input regarding the September/October meeting, after which he will announce the dates for the next meeting.

Prepared by Gary Deeter  
Edited by Julian Efird and Aaron Klaassen

Approved by Committee on:

October 6, 2008  
(Date)