



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
INFORMATION SERVICES

KATHLEEN SEBELIUS, GOVERNOR

**Strategic Sourcing Team Meeting
Location KDOR Docking State Office Building
Learning Center, 11th Floor
November 21, 2007
10:00 a.m. to 11:00 a.m.**

ATTENDEES

Dale Bledsoe, KDOR/DISC
Tim Blevins, KDOR
Carey Brown, KITO
Bob Sachs, DOP
Adrian Guerrero, KSBN
Larry Kettlewell, ESO
Barry Swanson, KU
Lee Harmon, Division of Purchases
Chris Howe, Division of Purchases
Jerry Clements, SRS
Ed Ames, SRS
Jeff Neal, KDOT
Rick Baker, KDOT
*Thurston Smith, Division of Purchases
*Paul Geisler, KU
*Peggy Davis, KUMC

*Phone Conference

AGENDA

- Introductions by Each Attending Member
- Review & Approval of Last Month's Minutes / Whole Team
- Data Gathering Idea's & Discussion
- Discussion on Vendors & Procedures / Whole Team
- Expiring Contracts List, 6 Months Out / Chris Howe
- Next Meeting Assignments

Review of Oct., 2007 Minutes

The team approved the minutes.

Data Gathering Idea's and Discussion / Whole Team

New Ideas

Paul is purchasing 250 licenses for PGP Desktop Encryption software. Through December, 2007, the vendor is offering a promotion for this product that will reduce the cost of the software as well as the server component that is licensed with this software. This software will be designated to KU employees that work with sensitive data.

Dale read an e-mail he received to the attendees regarding desktop encryption software called Win Magic. The e-mail reads, "This has a potential to have a much wider interest in dealing with some upcoming audits and recent security incidents. SRS has adopted a product called Win Magic and it cost a little less then PGP. Win Magic is also one of the products selected by GSA for use by Federal agencies. Our testing of a number of similar products confirm Win Magic to have the most complete solution for drive encryption and centralized server management. This will be the product that will be deployed as needed within the Department of Administration."

Paul indicated that KU reviewed a number of encryption software products but he is unsure if Win Magic was one of them reviewed.

Green EP Certification

Department of Administration is trying to take some lead on energy conservation. Lee indicated they are starting to meet with some of the vendors to talk what they are doing for green technology.

Chris said some additional initiatives related to energy conservation and some internal software that you can turn on that will allow the computer to rest while not in use. Agencies are encouraged to pursue this software.

Lee Harmon, new procurement officer for Division of Purchases, was given an assignment to research Energy Star that is a four star rating and then EPEAT. Energy Star is a component of EP measurement. As Lee and Angela have worked with SRS on the Seat Management contract, they have been testing the waters in terms of seeing how the vendors on the computer contracts react to EPEAT and what they offer. We don't want to include something in the bid so onerous that it jacks our prices way up. But, the Governor has made it clear that this is one of her initiatives for the next two or three years and so we are trying to start from the ground up so we can learn as we go.

Chris and Lee will bring more information on EPEAT/Energy Star at the next meeting on what we are trying to do as well as what we have learned. Chris said their goal is to narrow the path and make a path with least resistance for the agencies. Chris said standard configurations that need to be certified to the level that the Governor is promoting. Our IT partners need to know that this is a priority for the State so we need for the IT partners to be pro-active in guiding State agencies to these products.

Barry with KU indicated that in the last year they have developed an office of sustained ability so there is a person that is assigned to coordinate the green requirements. There is not much going on now but there will be in the future.

Chris reported that they are getting ready to post an open position in their office that will be assigned as the environmentally preferred purchasing program. They will be responsible for managing that initiative within our office for seeking new ideas and opportunities for learning as much as we can about green.

IT Training Website

There was discussion on having a page attached to this website that has a “we need training” and “we have training available” option. Dale talked to the programmers about posting a standard form to complete to for training needs and available training. It was decided to have three individuals from this committee assigned to monitor this website full-time on a sharing basis.

There will be a list that agencies will sign up on and anyone signing up on this list will be allowed to post to this page. The users of this website will be able post upcoming training opportunities they have available for other agencies to attend. This will stay on the website until either the person that posted it removes it or the website automatically removes the training announcement after the training date.

Dale would like to make this available to cities and counties. The programming on this will start the first of the year and should take a couple of months to complete.

Expenditure Reports

No discussion on this subject.

Large Capacity Disk System Hardware

This came up last month on the expiring contracts list and Dale was questioning why we had this contract and a SAN contract.

Carey reported that contract 07951 is for Tier 1 storage and the present Xiotech soon to be generic storage area network is for Tier 2 and Tier 3 is available through Dell and HP contracts. The 07951 used to be the storage contract a decade ago. The Xiotech can be placed in the mainframe environment but is often not. The Tier 3 is for 2-drawer file cabinet that sets beside a desk that provides storage area network tools.

Discussion on Vendors & Procedures / Whole Team

When Purchasing bid the mainframe maintenance contract, Signature Technology Group (STG) was the only maintenance provider that gave us a quotation for maintenance on the Xiotech gear. STG checked with Xiotech and Xiotech gave them a price as well as permission. So STG is available as our maintenance source. The understanding we have with STG is when a box comes off warranty, STG is our maintenance provider. When you are ready to purchase maintenance on Xiotech gear, contact Kevin Stacy. If STG is unable to provide maintenance on a particular box, you may go through Xiotech.

For all maintenance contract needs, you contact STG first to determine if they are able to maintain the equipment. If so, their price is guaranteed to take your existing invoice and discount it by a fixed amount.

Per Chris, if Xiotech replacement contract does not have maintenance on it and you go to STG and they say no, is there any benefit to clip maintenance on the contract in the first place or do we just go with the prior authorization and let people make decisions willfully on maintenance? Is there a convenience in having something that we know STG is going to reject built into the contract? If not, Chris is happy to let agencies process prior authorizations if it exceeds an agencies authority. Chris's goal is in reducing the administrative prior authorization burden by incorporating something in the contract that STG will reject. So, when bidding contracts, does Division of Purchases stop before they get to the award and go to STG and say, "here is what we are looking at in an awards perspective, do you anticipate that you will be able to maintain this equipment"? Then have STG pass judgment on it and then we can include something in the award that says we have checked with our maintenance provider and they will maintain this equipment. Chris asked if the agencies want Division of Purchases to get involved this deep?

Chris asked if STG cannot maintain the Xiotech storage area network equipment, do we need to include a maintenance component in the contract. Before negotiations are over, there will be a discussion and a solution built into the contract so if someone chooses to buy that equipment they have access to the maintenance guidelines through the contract and can submit a local maintenance order on the equipment after the warranty expires.

There is not a list of equipment that STG will not maintain but we know SUN will not allow STG to service their equipment. On the other hand, the tax system and payroll are two vital SUN components for the State to draw revenue as well as pay their employees so it is vital that this equipment can be fixed promptly and accurately. Carey did report that Decision One contracts with SUN and provides the maintenance for SUN equipment so there is a third party vendor. But, if the third party vendor is unable to fix the equipment, we currently do not have the ability to call on SUN to service the equipment.

As far as the high volume Kodak scanners, parts are only available through Kodak. When STG shows up to fix the equipment, if they are not under a Kodak maintenance contract, it jacks up the price for the maintenance cost.

When STG turned down the maintenance on the scanners, KDOR went with ERC. ERC was the finance model for maintenance where they said we'll pay on a time and materials basis to Kodak when they come out to work on the equipment. We then financially assumed the risks expecting good gear and their will be few maintenance calls like there have been in the past. What happened was the Kodak equipment that was highly reliable with very few maintenance calls, all of a sudden KDOR started seeing maintenance calls three or four times a week.

Tim asked Dale to bring spending analysis/comparison for two years of DecisionOne vs. current year for STG

Web Hosting and Service Contracts

Dale received vendor bids and he is distributing them to the committee members to start reviewing.

IT Training Contract

This contract has raised some issues due to it being mandatory. The regent offices are going to be eliminated from the mandatory category. Chris said the contract will be clarified by talking about the idea of using other agencies as a resource for their training needs. The contract has a discount price list as well as a TPR process. If there is a price on the price list for a particular training class, you can go directly through the vendor without completing a TPR or you can submit a TPR. Bob had the idea of creating a sample TPR so that people that may not be familiar with the form can use a sample to build one for them.

Chris said our goal is to get as many vendors into this agreement as possible.

There needs to be additional clarification on the travel portion since we have transferred this contract into a statewide mandatory use contract.

Chris indicated that the contract vendor list on the website has been changed so they are easily accessible and kept up-to-date.

Carey recommended that any training that does not fit into any of the training groups you submit a one page fax note to five vendors on the contract to see if they offer that type of training. Include a deadline on the fax note. While you are waiting for a response, you can call Perceptive Vision and say, “unless someone calls up, when can we schedule these people for training next Monday and how will you charge me?”

Tim said another issue is, “are you comfortable with what they offer and will there be a skilled trainer where you will get value out of the training?” He also said that he sees the TPR as a way to define the level of training, the expertise, and experience your agency needs.

The IT Training contract should be published the end of next week.

IBM

Lee reported that IBM has sold their printer division and the new printer division is Info Print Solutions. The question is do we want a Info Print contract based on WSCA with IBM printers since we can no longer order printers from IBM?

Expiring Contracts List, 6 months out / Whole Team / Chris Howe

- Contract #3096 Micrographic Equipment: Will not re-bid due to no competition and Canon USA, Inc. is GSA pricing. There will be further negotiations with Canon.
- Contract #7745 Information Technology Security Hardware, Software, and Related Security Services: The IT Security Committee wants this renewed for one more year and next year we want to go out with a new contract with all the new products that are being requested.
- Contract #8895 Remittance Processing System: Need to renew.
- Contract #10104 Hardware Maintenance Service Microfilm Scanners: Will not re-bid.

Report on Goals and Targets / Whole Team Review

MITSC Contract / Carey Brown

Currently under evaluation on groups one and two and we have identified what groups three and four will be. We also identified the number of improvements to respectfully use going forward with the remainder of fourteen groups. ITMC asked that prior to an award of group one and two that we tell them what the evaluation committee recommends.

Telecommunication / Carey Brown

Carey plans to renew voice and call contract in January.

Next Meeting Assignments

- Chris and Lee will bring more information on EPEAT/Energy Star presentation at the next meeting.
- Bring spending analysis/comparison for prior year of DecisionOne vs. current year for STG

Next meeting will be Wednesday, December 19, 2007, on 11th Floor of DSOB, Sunflower room.