



# 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, 11<sup>th</sup> Floor**  
**April 16, 2008**  
**10:00 a.m. to 11:00 a.m.**

## **ATTENDEES**

Dale Bledsoe, KDOR/DISC  
Tim Blevins, KDOR  
Chris Howe, Division of Purchases  
Carla Bishop, KSU  
Connie Torres, Ks Dept of Ed  
Carey Brown, KITO  
Paul Geisler, KU  
Phil Collison, DISC  
Lee Harmon, DOP  
Kathy McDaniel, KDOR  
Nalita Wright, KDOR  
Barry Swanson, KU  
Rita Barnard, SRS  
\*Karen Leslie, Sedgwick County  
\*Peggy Davis, KUMC

\*Phone Conference

## **AGENDA**

- Introductions by Each Attending Member
- Review & Approval of Last Month's Minutes / Whole Team
- Data Gathering Idea's and Discussion / Whole Team
- Discussion on Vendors & Procedures / Whole Team
- Expiring Contracts / Whole Team / Chris Howe
- Report on Goals and Targets / Whole Team Review
- Next Meeting Assignments

## **Review of March Minutes**

Peggy Davis was added as a phone conference attendee. The March minutes were approved by the team.

## **Data Gathering Idea's and Discussion / Whole Team**

### New Idea's for Team Discussion

No new issues were addressed.

### Confidentiality Language from FMS

Dale handed out a copy of the document to attendees.

Carey reported this language has appeared in a couple of RFPs and some have accepted the terms in their proposals but KITO has not actually signed any contracts that include this language.

There is a concern of contractors using laptops that contain confidential material. At the end of paragraph one of the Confidentiality Language it states, "If you gave contractors some material, the contractor would need to encrypt the information on the laptop in case the laptop would disappear."

Carey indicated that there is language in the FMS that also states if a breach occurs, then the contractor is obligated to provide identity theft protection that will be effective for ten years at the contractors cost. This language needs to be included in the Confidentiality Language document. Also, there are special considerations for federal tax information that includes child support, child welfare, and other departments of Labor and Revenue-related data, so we will want to pull some of that language into the Confidentiality document. The feds have some very specific regulations on contractor language. KDOR also has standard language for everyone they exchange data with.

### Emergency Notification Systems and COOP Plans / Chris Howe

The Department of Administration engaged a company to do some Continuity of Operations Planning (COOP). The contract is primarily for DOA, but there is a statewide effort to develop COOP. This group meets the fourth Friday of the month at the TAG office, 27<sup>th</sup> and Topeka. There is some interest among the large agencies to use that technology to create a uniform approach to COOP. At the March COOP meeting, at least one agency had engaged a vendor, the University of Maryland, to help them develop plans. The University of Maryland is considered an expert in developing COOP plans under the federal umbrella.

By getting everyone involved in this contract opportunity, we can cut costs significantly. Nick Kramer with Department of Revenue was suggesting there could be some funding to help the small agencies accomplish their COOP. The cost to do the whole State is approximately a quarter of a million dollars. By the time this cost is split by one hundred agencies, the cost would be below twenty thousand per agency.

There is an online application with questions designed for DOA to help with putting ideas on paper. This could be a way to have a unified approach across the statewide enterprise.

The Governor's cabinet is talking about this and will be discussing it again at the April 25, 2008, COOP meeting out at the TAG office. Chris suggested that anyone from this committee who would like to hear more on this subject, should attend the April 25, 2008 meeting.

Lee Harmon shared that agencies need to include what electronic references are needed, for your agency, to exist during a disaster (equipment, applications, etc.) in their COOP.

Another issue is replacing an individual name in the plan after they depart from the agency. Will you be able to do a universal search in the system to replace the name?

Chris said if we could get ten or more agencies involved, it would fall below twenty thousand dollars per agency. Chris suggested creating a calculation that is dependent upon the number of employees the agency has. This would help the smaller agencies that don't have the means to pay. We could come up with a base fee, plus a per employee cost, to access cost per agency.

An individual that attends the COOP meetings came to Dale indicating there will be an emergency notification system included in the COOP. When Dale checked on it further, the vendor said that it wasn't a very good notification system and recommended that agencies purchase an outside notification system.

### Hard Drives In Copiers

Mavis Cockrell with KDOR brought up the need to have the vendor destroy/erase the hard drives from existing copiers at the time we switch out for the new copiers. Chris Howe indicated this would be addressed.

Tim said there is a new white paper coming out from the IT Security Council talks about the destruction/secure disposal and removal of any sensitive material from telephones, blackberries, copiers, etc.

### Discussion on Vendors and Procedures

#### Report on a new Web Hosting and Services Contract

Dale reported this is finished and he has sent the information to Bob Sachs so the report will be available within the next couple of days for individuals to read.

#### Best Practice on IT Training

Morey Sullivan gave Dale a list of a couple of IT training classes that people at DISC are planning on taking. DISC had already received a bid from Foss of sixteen hundred dollars per person with books and training is in Kansas City. Dale submitted a TPR for these classes and one of the bids was five hundred-fifty and another class was eight hundred-fifty for slightly different classes. Foss came back and bid twelve hundred dollars for the same class they had earlier bid at sixteen hundred dollars. When vendors believe they are presenting a competitive

bid, their bids come in lower. Dale said that is why we use the TPR process for the IT training contract.

There was a lengthy discussion regarding the minimum dollar amount for requesting training on a TPR. Chris had proposed the following dollar amounts and business days because it follows the current Purchasing guidelines for RFPs.

For TPRs valued at	Closing date
Less than \$25,000	at least 3 business days
\$25001 to \$50,000	at least 10 business days
More than \$50,000	at least 21 business days

### SHI Reports / Lee Harmon

Lee provided the attendees a copy of the “spending summary by manufacturer” report from SHI. As of the end of March 2008, spend was \$14,044,141.65. Lee also provided an “invoice summary by manufacturer” report. The reports include spending at the county level.

Karen with Sedgwick County reported they are not seeing the correct discount on their purchases through SHI based on the reports Karen receives from the State. Paul reported when he requests quotes, he reminds SHI if he knows the vendor he is dealing with charges less than the three percent standard markup.

Karen said they have a department that wants to stop purchasing through SHI, but Karen asked them to continue. If one department stops purchasing through SHI within the county, it’s going to affect the State’s numbers as well as the discount.

Chris asked Karen to provide this team with specific examples of what is happening at the County level. Karen will send the specifics to Lee.

Chris recalls that we are at the deepest discount level we can get because of our dollar volume. We need to review the discount level.

Dale recommended that we look at Adobe again.

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

Expiring contract list was provided to all attendees but there were no new issues needing to be discussed. The list had the same vendors as last month.

### **Report on Goals and Targets / Whole Team Review**

#### MITSC Contract / Carey Brown

Dale reported that they have sent out the proposed categories and we are looking for recommendations on the next categories.

#### Recommendations for Next Groups

Two groups received the largest votes as being the next two categories to work on. Group five, project management, has received the biggest interest from agencies. Group six, imaging document management and GIS. There was a prior discussion to visit with Ivan Wiechert, the GIS Coordinator, to get feedback on GIS.

Chris said the next step is to inform ITAB and CBM when we decide on our next groups to give them an opportunity to provide us with additional vendors that they would like to see on this contract.

### **Next Meeting Assignments**

- Dale will send a copy of the Confidentiality Language from FMS to Karen Leslie and Peggy Davis.
- Gather standard language from KDOR for everyone they exchange data on.
- Add special considerations language for federal tax information that includes child support, child welfare, Dept. of Revenue data, and Dept. of Labor data for the Confidentiality document
- IT Security Council White Paper
- Karen with Sedgwick County will send Lee the specifics for SHI discount discrepancies.

Next meeting will be Wednesday, May 21<sup>st</sup>. at the KDOR Secretary's Conference Room, 2<sup>nd</sup> Floor, DSOB, 10:00 a.m. to 11:00 a.m.