

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Chairperson Al Ramirez at 1:30 p.m. on February 16, 1994 in Room 531-N of the Capitol.

All members were present except:

Committee staff present: Julian Efird, Legislative Research Department
Fred Carman, Revisor of Statutes
Jackie Breymeyer, Committee Secretary

Conferees appearing before the committee: Susan Seltsam, Secretary of Administration
Ron Terzian, The Boeing Company
Senator Steve Morris

Others attending: See attached list

Chairman Ramirez called the meeting to order and stated the agenda for the day was **SB 655-Kansas Information Resources Council**.

The Chairman welcomed Susan Seltsam, Secretary of Administration who was present to speak to the bill. The Secretary read from her testimony (Attachment 1) An in-depth study of the state's information systems was performed as part of the Reinventing Kansas Government initiative. The project team recognized the need to increase quality and lower costs of services. The Secretary read the team's vision for establishing this kind of environment. She then went through sections of the bill that establishes the Council as a policy making body and the composition of the Council. The bill establishes the position of chief information architect, who is to be appointed by the Council and whose responsibilities are described in New Sec. 4. The role of the Division of Information Systems and Communication's (DISC) role is redefined and in the remaining sections of the bill various statutes are amended to give the Council authority for planning and acquisition approval. This now rests with the Secretary of Administration and DISC. Secretary Seltsam ended her testimony by urging support of the bill.

Secretary Seltsam was asked various questions about the makeup of the Council. One of the comments was it looked like another bureaucracy which is viewed by many as part of an inherent problem.

The Secretary responded that the legislative intent of centralizing control and management of information systems has not been achieved. She believes that part of the reason for this is that it is coming from one agency. In her opinion it will not be achieved statewide until all the different entities of private enterprise, legislative, regents and so forth come together.

The Chairman asked the Secretary if she would pause to give Mr. Ron Terzian, The Boeing Company, the opportunity to respond to some of the committee's concerns. Mr. Terzian stated that the reason they came up with that particular structure was that they came at it from the use of information technology rather than information technology itself. In Mr. Terzian's company, they have begun to get away from using technology for technology itself. That mode has got to be gotten out of. The people who provide the basic services to the state - that build the highways, pay the checks, and so forth should be the ones to establish the business policies and strategies for the state. That is why the Council is structured the way it is.

Concern was expressed to Mr. Terzian about whether these people on the Council would have the expertise to do what the bill states.

Mr. Terzian responded that the Kansas Information Council (KIRC) in and of themselves may or may not have the expertise, but with the aid and support of the chief information architect and information technology advisory board that is where the expertise will reside; the expertise resides in the state. The fundamental issue is there is not a comprehensive business strategy as to how the state is going to attain its goals. The individual members of the KIRC may not possess that expertise, but the substructure that is also a part of the bill will provide that expertise. The reason for the legislative, judicial and regents on the Council is to provide a broader perspective.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION, Room 531-N Statehouse, at 1:30 p.m. on February 16, 1994.

Mr. Terzian stated that the way to handle turf and politics is to transcend it. This is done by sharing, cooperation and the establishment of common goals.

The qualifications of the chief information architect were discussed. Secretary Seltsam told the committee the need is for someone that has a very strong information technology background. It will be a challenge to recruit this type of person. This person will have to be highly compensated. They have received correspondence from another state asking if Kansas has any resumes on a person of this kind because everyone is now looking for this type of person. A total of \$100,000 from the State General Fund for the chief information architect is included in the FY 1995 Governor's Budget Report.

The Revisor asked the Secretary if the Board of Regents did or did not want to come in on this.

The Secretary responded that the Board of Regents has expressed the desire to be excluded from information technology policy that was driven by the Department of Administration. She does not know whether they would be willing to sit on the Board, but lines of communication have been set up with the regents. There are two regents universities that are working with the Department toward a system that is being implemented.

In response to another question, the Secretary stated the chief information architect will work for the council. It is a fifteen member council comprised of cabinet secretary, a representative from the legislature, a representative from the judicial branch, a representative from the board of regents, and private sector representation.

Opposition was expressed to any ad hoc bodies spending dollars that are not elected or directly responsible to the voters in some fashion. Appropriations should be made to the Department and not directly to KIRC.

The response was that there is no appropriation envisioned for the council. Funding for the chief information architect is in the Department of Administration's budget.

Discussion centered on the Board of Regents and what part they should play in the process. Staff stated there is a constitutional provision that gives them standing as an independent unit of government that is separate from the Department of Administration.

The Chairman thanked Secretary Seltsam for appearing and asked Mr. Terzian if he would like to make any further comments.

Mr. Terzian stated the team spent essentially late June through November on this. Kent Wymore from Western Resources was also on the team, as well as various levels of various agencies. Everyone signed the report. They did as much as they could based on facts and data. Everyone was not in agreement at all times, but a consensus was reached on what the report said. It was done with sincerity and for the good of the state.

The Chairman expressed appreciation for all of their efforts.

Senator Steve Morris gave a few brief comments and left copies of his testimony for the committee. (Attachment 2) The Senator served on a Kansas Ink task force in the summer that addressed the telecommunications industry and one of the recommendations was to come up with an advisory council that would address this same issue. **SB 655** would certainly be a step in the right direction. Senator Morris also stated that it probably would be appropriate to have the Chief Information Architect be subject to confirmation which would give more oversight.

The chairman thanked all who appeared and adjourned the meeting.

The next meeting is scheduled for February 17, 1994.

GUEST LIST

COMMITTEE : SENATE GOVERNMENTAL ORGANIZATION

DATE: Feb. 16, 1994

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SENATE GOVERNMENTAL ORGANIZATION COMMITTEE

February 16, 1994

PRESENTED BY SUSAN M. SELTSAM
SECRETARY OF ADMINISTRATION

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to appear on Senate Bill 655.

As part of the Reinventing Kansas Government initiative an in depth study was performed on the management of the state's information systems. The project team that examined information systems in state agencies recognized a need to increase quality and lower cost of services provided to Kansas citizens and believed informed application of information technology aligned with defined business strategies would improve the quality of services provided to the people of Kansas into the next century.

The team's vision for establishing that kind of environment is:

1. State policy makers establish and coordinate information technology direction.
2. Information technology professionals are business partners in accomplishing the state's goals and share responsibility for the success of state operations.
3. Processes are in place to define, implement and enforce architecture standards, tools and methodologies.
4. Invest in the state's human resources allowing professional development opportunities, and promoting productivity and innovation.
5. Ensure an infrastructure exists to promote efficient service delivery and data sharing within and among state organizations.
6. That budgeting, accounting and procurement procedures facilitate efficient management and acquisition of information technology resources.

This bill establishes a structure to implement this vision and is a recommendation of the team which the Administration strongly supports.

New Sec. 1 Establishes the Kansas Information Resources Council as a policy making body. Its members are comprised of

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representatives of the executive, legislative and judicial branches, the Board of Regents, and the private sector.

The Council is charged with the following responsibilities found in New Sec. 2:

- (1) Approve the policies for the management of the state's information resources, including the strategic information management plan;
- {2} provide direction and coordination for the application of the state's information resources;
- (3) approve major information technology and telecommunications projects and provide authorization to proceed with the program plan at specific points of completion;
- (4) designate the ownership of information resource processes and the lead agency implementation of new technologies;
- (5) monitor the return on investment for information resources used within the state; and
- (6) perform such other functions and duties as necessary to carry out the provisions of this act.

The establishment of the Council will facilitate the coordination of information technology standards, tools and methodologies, and is the most positive way to bring about data coordination and sharing.

The bill also establishes the position of a chief information architect who is to be appointed by the Council. The position is designed to provide leadership, guidance and coordination of information technology issues for the KIRC.

The responsibilities of the chief information architect are found in New Sec. 4 and are as follows:

- (a) Initiate and publish the strategic information management plan for the state;
- (b) develop and maintain an information infrastructure and standards for data management;
- (c) serve as secretary to the Kansas information resources council;

- (d) propose information resource policies and procedures for approval by the Kansas information resources council;
- (e) coordinate implementation of new computer and telecommunication technologies;
- (f) coordinate the integration of the state strategic plan and business processes and information technology where appropriate;
- (g) audit compliance with infrastructure standards and review findings with the organization for appropriate action; and
- (h) serve as counsel to agency executives for information technology investment management.

The Department of Administration's Division of Information Systems and Communication's (DISC) role is redefined to allow that organization to focus on providing central computer and telecommunication services; thus the State's central information resource has a clearly defined central service role allowing for more effective service delivery. DISC currently has a conflicting role between services and control.

In the remaining sections of the bill, various statutes are amended to give the Kansas Information Resource Council approval authority over planning and acquisition of equipment, programs, systems and maintenance. Currently, this authority rests with the Secretary of Administration and is administered by DISC.

In an age where information technology is increasingly important, it is vital that we in Kansas carefully structure our management policy to provide and promote the most effective use of dollar and human resources possible. I believe Senate Bill 655 enables us to do that.

I urge your support of the bill.

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AND TELECOMMUNICATIONS

TESTIMONY FOR SENATE GOVERNMENTAL ORGANIZATION

Mr. Chairman, members of the Committee, thank you for the opportunity to present testimony on SB 655. As a member of the Joint Committee on Computers and Telecommunications we considered several bills during the interim that deal with many of the issues addressed by this bill. Many of our concerns arose from some findings of the Legislative Post Audit performance audit that was conducted last spring and summer. Some of these concerns were as follows:

1. Agencies do not adequately manage the projects.
2. Pay firms for poor work - no one is really held accountable.
3. Move on before fixing the problems.
4. Do not assign a high enough priority to developing and completing the systems.
5. Assign people with other full-time jobs to carry out important tasks.
6. Continue to modify systems throughout their development.
7. Do not provide the Legislature with the full costs of the project.
8. Make very bad estimates, often leaving out normal costs that someone should be able to help identify.
9. Consistently overestimate what state employees without the technical expertise can do.
10. Lack the knowledge and ability to realistically assess consultants' work.
11. Must fix systems that are designed to operate inefficiently and use their own staff resources because such problems are not discovered until after consultants have left.

Overall, the issues are of oversight of acquisition of data processing and telecommunication products/services. Also, planning and defining needs in the area of information systems.

The State currently is relying heavily on information technology, and it is

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obvious that future needs in this area will be much greater, We have to insure that we have consistent comprehensive planning for all current and future needs.

The structure for bringing about a comprehensive oversight and policy group as outlined in Senate Bill 655 would bring all branches of government to the table to jointly set direction, promote data sharing, and help ensure that current and future systems provide our state with the maximum benefit for the dollars we spend on information systems.

This bill recognizes the need for improved coordination of the state's information technology resources, and the need to develop an infrastructure that promotes efficient service delivery and data sharing among state organizations. The creation of KIRC provides a structure to obtain the outcomes which we seek to achieve.