

MOTIONS:

- To approve the May 1, 2008 meeting minutes - *Approved unanimously*
- To approve the Fiscal Year 08-09 Budget. - *Approved unanimously*

ACTION ITEMS:

- Survey other NIC states about eDiscovery investigation. (Dan Morrison)
- Notify the Board that the Portal Business Plan is posted on the Board website and will be voted on at the next Board Meeting. (Kathy Gappinger)
- Give eDiscovery Board updates to Gregg Rippey. (Mike Locatis)
- Identify state agency projects and local government projects on project queue. (Dan Morrison)
- Add state agencies without EGE Agreements to the list. (Kathy Gappinger)

SUMMARY:

The Gambling Intercept Payment Service was presented. This application allows licensed facilities to intercept gambling winnings for the purpose of collecting unpaid child support. The Finance Committee introduced proposed amended bylaws to include scope and responsibilities of the committee. The Board approved the Fiscal Year 08-09 Budget proposed by the Finance Committee. SIPA and CI financials remain very stable. SysTest Labs continues aggressive Content Management System testing. The Business Committee proposed for the Board to complete the strategic plan at the next Board retreat. The Board will vote on the Portal Business Plan at the next Board meeting. CI continues to roll out sites, such as the Governor's Homeland Security Website. The Online Vehicle Registration Renewal continues to grow, with the addition of Adams and Broomfield counties. The Board discussed transparency laws and concluded that Mike Locatis will update Gregg Rippey on what his board with this assignment finds. The Colorado Business Express committee decided to table the cost/benefit analysis until the final report given in the 4<sup>th</sup> quarter.

I. **Call to Order: 1:32 p.m. Chair Cadman**

A. **Roll Call**

Present: Jack Arrowsmith, Kent Glassman, Bill Hobbs, Roxy Huber, Mike Locatis, Representative Marostica, Gerald Marroney, Don Mares, Senator May, Chair Senator Cadman

Excused: Evan Dreyer, Bob Feingold, Rico Munn, Annette Quintana

*Quorum established*

B. **Approval of May 1, 2008 Meeting Minutes**

There was no official business at the June 5, 2008 Board Meeting. Minutes do not need to be approved.

**MOTION:** To approve the May 1, 2008 meeting minutes.

1<sup>st</sup> – Jack Arrowsmith

2<sup>nd</sup> – Representative Marostica

*Approved unanimously*

II. **Gambling Intercept Payment Service Presentation – Raelene Morin (Colorado Interactive)**

The Gambling Intercept Payment service (GIP) is in response to HB07-1349 and is designed to intercept winnings for the purpose of collecting unpaid child support. The service is used by licensed facilities, such as casinos and racetracks in Colorado. This is the first project with Colorado Interactive (CI) to collaborate two different agencies. The Department of Revenue (DOR) is responsible for creating a registry for those who owe child support. And the Colorado Department of Human Services (CDHS) is responsible for maintaining and providing the data for the registry. When a customer wins a jackpot where taxes need to be withheld (over \$1,200), the casino will search for an intercept at the payout. The goal for GIP was to make it easy to use and without burden to the casinos.

Casino users in the payout-cage fill out appropriate fields (social security number, date of birth, payment amount after taxes, etc). If there is no match, the payout continues. If there is a match, it will compare with the CDHS database. The user verifies that the identity is correct. If the gambler won more than owed in unpaid child support, all of the winnings are intercepted. The casinos hold a \$15 fee and there is a \$10 portal administrative fee. The receipt gives appropriate contact information for any questions.

On the backend, the managers log in to view and pay a list of intercepts that have been made in the last 24 hours. The funds are transferred to the CI/SIPA joint account and then sent to CDHS. If there is not a protest within 30 days, the process continues as normal.

**Discussion:**

Senator May asked if there were other ways to help parents receive unpaid child support.

Don Mares said that there is also a tax and lottery intercept.

Gerald Marroney said that the Department of Law intercepts for all fees that are owed to the state, including child support.

**Committee Reports**

**A. Finance Committee – Bill Hobbs**

The Finance Committee met in May and June. There will be monthly meetings on the third Thursday of each month. The committee is first focusing on organizational and educational issues. The committee will meet with Dan Morrison to discuss the CI audit and with Clifton Gunderson to discuss the SIPA audit. The committee continues to discuss the appropriate level of financial detail from CI. CI is a private company, however, the partnership with SIPA is very different than a usual vendor contract. The committee continues to discuss if the SIPA reserve is sufficient. The committee also approved a recommended amendment to the SIPA bylaws for the Board's review and approved the proposed budget for fiscal year 08-09 with minor revisions.

Gregg Rippy said that he received CI's audit from Pricewaterhouse Coopers and should have the Clifton Gunderson report for the next meeting. Gregg added a line item in the budget under professional fees to break out for consulting, rather than it all grouped under professional fees. Consulting fees will include the RFP process for an auditor since SIPA will not continue to execute the audit Task Order with SysTest Labs.

**Discussion:**

Senator May asked for clarification on the IV&V number since the testing that SysTest Labs completes for SIPA is not really IV&V and should be called something different.

Gregg Rippy stated that he would make that change.

**MOTION:** To approve the Fiscal Year 08-09 Budget.

1<sup>st</sup> – Bill Hobbs

2<sup>nd</sup> – Gerald Marroney

*Approved unanimously*

*Bylaws Amendment – Bill Hobbs*

After the initial meeting, the Finance Committee felt that they needed to formalize the scope and responsibilities and include this in the Bylaws. The amendment states that the Board Treasurer would chair the Committee, there will be at least quarterly meetings, and the Executive Director will provide information. Line 32 states that "the committee shall periodically review the financial records of the Authority and make recommendations to the Board in matters relating to the Authority's financial condition, budget, capital structure, financial strategies, risk and insurance management, investments, financial and audit controls, and any other matter that may be delegated to the Committee by the Board." This is an ongoing question for the Authority as to what extent should the Board review CI's financials.

**Discussion:**

Gregg Rippy stated the Committee may be limited on what they ask for from the vendor and putting this in the bylaws might be in contradiction to the Contract. He believes that the Committee's scope is appropriate.

Gerald Marroney suggested the bylaws should state that the Committee will review the vendor's financial information as pursuant to the Contract. Additionally, the proposed bylaws amendment could include how the members from the Board are selected, such as appointment by the SIPA Chair and approved by a majority vote of Board Members.

Gregg Rippy said the Board can vote on the proposed bylaws at the next Board meeting. Including "pursuant to the Contract" in the proposed bylaws is important. SIPA might not have as many responses to an RFP if they would need to open their books to the Board.

Don Mares said that the relationship with CI is very different than with a lawyer or auditor.

Chair Cadman asked Bill Hobbs to clarify "meet periodically" in the proposed bylaws. He would expect that the Committee role is working for the Board and would evaluate what the Board is doing, not become a miniature Board.

Bill Hobbs said that "periodically" means regularly. The Committee will be the eyes of the Board and come back for recommendations. They will not be acting as the Board, but will keep the Board informed and watch for issues.

Gerald Marroney stated that the Contract is negotiable and the bylaws stay steady.

*SIPA Finance Report – Gregg Rippy*

Revenue and expenses remain steady for the SIPA operating account in the month of May. The SysTest Labs invoices for the last two months were very substantial. SysTest Labs has been aggressively testing the Content Management System (CMS). Senator May has also been testing and found issues with the links. When Colorado.gov links to something that is not owned by the Portal, it is out of CI's control to update that site or information. CI takes the responsibility to either link to correct information or to inform the other entity of the misinformation. SysTest Labs has developed a CMS link-checking tool to test for integrity, but cannot check the validity of the links.

Gregg Rippy will include year-end numbers at the next meeting for the previous fiscal year. SIPA will be ahead of budget for net income and retained earnings will start at zero again next month.

**Discussion:**

Senator May said that he would encourage any Board members to look at Colorado.gov in detail. The Board should email Gregg Rippy and Dan Morrison if they see anything that is incorrect. CI will make the correction very quickly.

**B. Business Committee – Kent Glassman**

May 22<sup>nd</sup> was the last Business Committee meeting. The minutes are posted on the Board website. The Committee talked about Gregg Rippy reviewing the project-scoring matrix with the Board and will ask to meet with Dan Morrison to talk about Portal marketing. The Committee reviewed the draft strategic plan that turned into a review of the mission statement, which they found to be accurate. The Committee would like to schedule a facilitated session to complete the strategic plan at this year's Board retreat.

*Portal Business Plan – Gregg Rippy*

The Board has seen the Portal Business Plan at the last two Board meetings. Requested changes from the Business Committee were made and that includes clarifying continued maintenance for live projects. There will be feedback from the EGE (Eligible Governmental Entity) to SIPA and CI. Gregg Rippy and Dan Morrison will have next year's Business Plan to the Board in a timelier manner by Jan 09.

Senator Cadman requested a motion to adopt the Portal Business Plan.

**Discussion:**

Don Mares said that he would appreciate a heads up when the Board will vote.

Kent Glassman said that there were previously two separate plans. The motion was with the Business Committee to merge these plans. Kent said that Gregg Rippy added a couple of sentences. He is not sure if waiting another month will really affect the outcome.

Motion withdrawn.

**ACTION ITEM:** Notify the Board that the Portal Business Plan is posted on the Board website and will be voted on at the next Board Meeting. (Kathy Gappinger).

### **C. Contracts Committee – Mike Locatis**

The Contract Committee has been reinstated to the SIPA Board and will serve and advise the Board on all contracts. The Committee members include: Mike Locatis (Chair), Rebecca Davis, Bob Feingold, Rico Munn, Ron Ozga, Annette Quintana, and Gregg Rippy. The next meeting will be July 17<sup>th</sup> at 1:30pm located at OIT. The first meeting will be very informative, and the Committee would like the SIPA legal counsel at further meetings.

### **III. New Business**

#### **A. Executive Directors Update – Gregg Rippy**

Cathilea Robinett gave a great presentation last month, which included great insight as to what is happening with eGovernment. There is a new project for the Department of Military and Veteran Affairs that will run through CDHS. This will help Veterans find government information they need and what services they are entitled to. The local EGE Agreements continue to pick up with discussion with Garfield, Ward, and Sheridan. Gregg and Mike Locatis presented to the Colorado Counties Inc (CCI) conference last month. Gregg will present again to the CCI staff so they can use the Portal as a resource for all county members. Public noticing and the payment engine are both interested topics.

#### **Discussion:**

Don Mares asked if there is a limit to what the Portal can do, will do, and should do for the local entities.

Gregg Rippy replied that it is not limited. All of these projects are driven by Project Requests, are scored with the scoring matrix, and placed into the queue just as any other EGE request. The Portal can help any EGE with web interface applications. Helping with the backend system is not in the scope of work.

Don Mares said that the cost for set up should be assessed. Renewing drivers license is statewide with many users, but a few transactions in a small town might be more to set it up than what the Portal will receive.

Gregg Rippy stated that if the EGE is asking for the Transaction Payment Engine, it is a quick process since the application is already built. The Portal's mission is for Colorado.gov to be a place for citizens to go to for eGov solutions. If a town knows that users can go to Colorado.gov to make a payment, it will drive adoption across. Users will see that they can renew their driver's license, vehicle registration, and much more.

Don Mares asked if the Colorado Department of Labor and Employment (CDLE) and a town both turn in a project request, which EGE is first.

Dan Morrison stated that they are consistent in the scoring process. The size of the EGE and the potential number of users is always one of the criteria in the scoring matrix.

#### *eDiscovery – Gregg Rippy*

Gregg Rippy wanted the Board and Richard Westfall to talk about eDiscovery and transparency laws to be proactive. He would like to discuss for the SIPA legal counsel, Richard Westfall, to further investigate with the AG's office.

#### **Discussion:**

Richard Westfall said that Cathilea Robinett explained that Colorado should to be on top of transparency legislation, which can turn into a blending of state Portals and open records law. Legislation could pass that would mandate the Portal to retain this information, and even in a searchable form.

Gregg Rippy said that this is also an issue with archiving in the production site. There will be questions on whether an email, instant message and other forms of communication counts. Gregg will discuss this with Mike Locatis since there might be some risk for the Portal.

Mike Locatis said that it might be a little early to engage the SIPA board. There is a current Board with the state agencies that will discuss this. Mike would be happy to update the SIPA Board as they move forward.

Gerald Marroney suggested that the Board agrees to let Richard Westfall further investigate this issue. An issue like this could become a huge risk and time consumption for agencies like, DOR. Right now there are no statutory limits.

Mike Locatis stated again that he would like to organize requirements before handing it off to SIPA. The legal staff at Legislative Services will engage with the AG's Office.

Chair Cadman asked Dan Morrison if any of the other NIC states are investigating eDiscovery and if they have found any threats.

ACTION ITEM: Survey other NIC states about eDiscovery investigation. (Dan Morrison)

Chair Cadman stated that Mike Locatis should continue work with his appropriate board and report back to Gregg Rippy or the SIPA Board.

ACTION ITEM: Give eDiscovery Board updates to Gregg Rippy. (Mike Locatis)

Richard Westfall said that it is important the SIPA Board is in the discussion or at least informed since the Portal is a very convenient vehicle, and that could completely change how SIPA does business.

Senator May said that the SIPA Board is not set up for this investigation. It is important to let the IT consolidation (SB155) start working before involving other Boards.

Jack Arrowsmith said the Board should be careful, since the last thing the Portal should do is make a client concerned that they will have to deal with more rules and regulations if they work with SIPA.

Don Mares would like to see the information from other NIC Portals. Right now, the Portal is nothing more than an entity to gather information. If SIPA becomes the open records Portal, SIPA would lose financially and lose clients. The Board should be careful about proposing any legislation or bills.

Bill Hobbs said that his department (Department of the State) is very vulnerable. He would like help from the Department of Law about what the best practices are and how they should approach research.

Mike Locatis said that Roxy Huber (DOR) and Don Mares (CDLE) are already included on the committee that will discuss all of this. He will also add Bill Hobbs (SOS) and Gerald Marroney (DOL).

*GM Report (Continued) – SIPA PowerPoint Presentation – Gregg Rippy*

Board members were provided with a CD that included two PowerPoint presentations for members to give at various meetings. One presentation is for the general public. It explains what the Portal does. The second presentation is for potential partners or EGEs. This shows how the Portal can help reduce credit card costs, improve security, and much more. It then gives contact information to start working with SIPA.

**B. General Manager's Report – Dan Morrison**

*Motor Vehicle Verification System (MVVS)*

MVVS requires recyclers to check if an automobile is stolen. This project was with the Department of Public Safety (DPS) and the Colorado Bureau Investigation (CBI). There is a fee for recyclers and the public look up function is at no charge. The application will go live next week.

*Governor's Homeland Security Website*

CI launched the Governor's Homeland Security website. This site was done with the FatWire CMS system.

*Marketing*

Marketing cards were presented to the Board for "VROOM" (Vehicle Resource Office and Online Motorway). DOR printed 45,000 of these cards to be mailed to tax payers and given to DMV offices.

*Project Queue*

Dan Morrison stated the project queue seems to look the same from month to month. There are a few projects that have been here for the past 3 months and there are unique reasons for each project. Some reasons include scope creep, sign off issues, and technical complications. Dan Morrison will work on a better way of reporting the project queue. There are currently 59 projects in discussion or active development. CI will be adding one more project manager and two more technical staff members in the near future.

**Discussion:**

Don Mares asked if Dan Morrison could identify which projects are with state agencies and which are not on the project queue.

ACTION ITEM: Identify state agency projects and local government projects on project queue. (Dan Morrison)

Kent Glassman said that he noticed the project projection dates have slipped. He asked if CI needs more resources or if the reporting needs to change.

Dan Morrison said that he would look at a different way of reporting. Resource levels are appropriate.

*Online Vehicle Registration Renewal (OVR)*

OVR continues to have a healthy upward trend. Currently 17 counties have adopted the OVR application with the addition of Adams and Broomfield in May. Currently, when a citizen is due for a renewal in one of the participating counties, it is printed on the card mailed out that the user can renew at Colorado.gov. CI will soon add an option if the user would like to receive email reminders in the checkout. The first county launched in December 2006, and so it is now the 2<sup>nd</sup> cycle of users renewing. Hopefully users are coming back and CI will continue to see repeat business.

*Live Help*

CI reported higher numbers for Live Help in April, May, and June; about 500 more a month than what was received in the first quarter. CI logs all calls and logs the subject. It is not apparent that one service is generating most calls. Since there are more visitors to the Portal in general, this can explain the higher number of Live Help questions.

*CI Financials*

The CI financials continue to be very strong and healthy. There are very consistent revenue numbers and operating expenses, with no unusual patterns. The transaction column shows that there are about 260,000 drivers history records bought each month.

**Discussion:**

Mike Locatis asked if the SIPA revenue is already reduced.

Dan Morrison said that it is not. It is reflected in cost of revenues.

**IV. Other Business**

*Colorado Business Express – Gregg Rippy*

The Colorado Business Express (CBE) Committee has been meeting as agreed upon. The Committee decided to table the cost/benefit analysis as they discussed that it was difficult to complete before they know what the project will actually be. There are complete wire frames for 3 options and the functional requirements are outlined. They will use information from the framework to clarify the process.

**Discussion:**

Kent Glassman said that he is concerned about the lack of oversight to know potential changes. He asked why the CBE project team approved a motion on their own to dismiss the cost/benefit analysis.

Gregg Rippy said that the analysis has not been dismissed. There is a change on when it will be reported. The Board can expect the cost/benefit analysis in the final report, which will be given in the 4<sup>th</sup> quarter of 2008.

Senator May asked if the agencies without EGE Agreements could be added to the list.

ACTION ITEM: Add state agencies without EGE Agreements to the list. (Kathy Gappinger)

**Next meeting is scheduled for:**

Thursday, August 7<sup>th</sup>, 2008  
1:30 p.m. – 4:00 p.m.  
633 17<sup>th</sup> Street, 12<sup>th</sup> floor (CDLE)  
Denver, CO 80202

**V. Adjournment 3:17pm**