



Board of Directors Meeting Minutes

July 5, 2007 1:30-4:00pm
Secretary of State's Office
1700 Broadway
Blue Spruce Conference Room
Denver, CO 80290

I. **Call to Order: 1:41 p.m. Chairman Cadman**

A. **Roll Call**

Present: Jack Arrowsmith, Evan Dreyer, Bob Feingold, Kent Glassman, Bill Hobbs, Roxy Huber, Greg Jenik, Gerald Marroney, Don Mares, Senator May, Representative Cadman

Excused: Mike Locatis, Rico Munn

Quorum established

Discussion:

Chairman Cadman welcomed Kent Glassman to the Board. Chairman Cadman suggested they bypass introduction of the audience due to discussion from previous meetings. He suggested the audience could have an opportunity to sign up for introduction if they would like to advertise their company or show their representation.

ACTION ITEM: Provide audience introduction sign up sheet at the next meeting.

Chairman Cadman confirmed that everyone is getting the emails. He asked for a motion to approve the May and June Meeting Minutes.

MOTION: To approve the May 3, 2007 Meeting Minutes.

Roxy Huber/Jack Arrowsmith

Approved unanimously

MOTION: To approve the June 7, 2007 Meeting Minutes.

Greg Jenik/Roxy Huber

Approved unanimously

II. **Committee Reports**

A. **Business Committee, Gregg Rippy**

Gregg Rippy stated that Bob Feingold presented a concept of a Business Portal at the last meeting and Gregg promised that he and Dan Morrison (GM of Colorado Interactive, CI) would come back with a demonstration of the eHawaii Business Portal. Dan was the main driver of getting the eHawaii Business Portal up and Gregg said that they are very fortunate that he has that experience.

Hawaii Business Portal Presentation

Dan Morrison stated that when Bob Feingold and other board members started to look at the business portal, there was a proposed bill mandated a service like this, however it did not make it through the legislature. This stimulated this idea of the Business Portal for Colorado.

He stated that the goal of the eHawaii Portal was to allow new companies to form in the state using a wizard interface to eliminate the repetitiveness of filling out forms where there are

agencies operating in silos. eHawaii's objective was to overcome that. Dan continued to show the board how to start and form a company. He stated that there's a wizard interface that guides through the process. The statutory fees that may apply for the process, taxation, Secretary of State (SOS) fees, are all tallied at the end. The funds are then electronically distributed to the agency as soon as the filing is done. The business owner can go back at any time and see the status of their filing.

Dan Morrison pointed out the left hand navigation and the log in. Because it is a wizard, if the citizen needs to stop the filing, they can pull the filing back up by using the log in. Dan successfully logged in to the Portal and is now ready to start filing a business. He showed the left side of the screen and how it will show what the current step is.

Dan explained that the wizard is dynamic and what the citizen will see is based on what is answered in the previous screen. He continued to fill out all the necessary information, such as company name, address, phone number, FEIN code (which can be found by clicking on NAICS), business owner Social Security Number, and email address. Dan Morrison explained that the business owner would need to put their email address because a receipt will be emailed as soon as the transaction is complete. Each screen has its own specific help menu and it will explain the answer to each question.

Discussion:

Chairman Cadman asked if it would search to see if the business name is already taken in the state.

Dan Morrison responded that it does not at this time and that they still have to search manually. The state of Maine has an electronic process, and it is very difficult to do that.

Senator May said that he is pretty sure that Colorado has that.

Dan Morrison said that he knows eHawaii still manually checks. They tried to tackle that in Hawaii but needed to wait for the State Legislature.

John Thomas, with CI, said that when he was researching Business Portals in other states he found that most allowed a search, but still manually approved. There is the ability to submit, but an actual person has to approve.

Senator May asked if John Thomas looked at what Colorado has in the SOS's office.

John Thomas replied that he looked at the site and there was some overlap. But since Colorado did not have a One-Stop Portal, he did not look too much into it for that particular research. Every agency allowed for a search, but he did not see any that actually said, "yes" to a name.

Hawaii Business Portal Presentation (Continued)

Dan Morrison continued to enter in the county information and said that he can now sign the disclaimer. Since he did not have any employees, there is not a box for labor. Hawaii allows for electronic signatures, either just as a check box with a typed name or as a true electronic signature, whichever the agency's preference is. Dan pointed out the review feature where the business owner can review the file and see what the actual forms would be that would have been filled out by hand, if they did not go through this short process.

Dan Morrison said that the tax is a nominal fee. On this particular transaction, there is a \$20 fee for Department of Taxation, \$37.50 with the SOS office, and \$2.50 that the portal keeps. For an additional \$20, the business owner can get it done in 3 days of less. If the business owner wants to stop they can stop and pay later. Dan Morrison said his account information is here and the Board can see that over time he has created a total of 3 companies that are all in the paying stage.

Discussion:

Senator May asked who owns the software.

Dan Morrison said that as in Colorado, the Portal owns it.

Senator May ask if Colorado.gov could buy and modify this from eHawaii.

Dan Morrison said that they would not have to buy it and could get the code, and modify since it is very specific to the state. This would be a very good model to follow for Colorado.

Senator May asked if it would integrate with COFRS.

Dan Morrison said that it absolutely could and that the Portal's payment engine already does.

Senator May said that there is a lot more to be done at DORA and Dept of Agriculture. There is a lot more that the portal could look at for them.

Gregg Rippey said that this is the concept of the feasibility study. They would like to see how the agencies are operating. SIPA also owns the source codes in a safety deposit box.

Senator May asked if SIPA could sell those codes to another state.

Gregg Rippey said that SIPA owns the license to operate and cannot sell it.

Dan Morrison said that they could modify it, but cannot sell or transfer it.

Gregg Rippey said that some other portals have had situations where they have the object code and not the source code. Then without the vendor, they would have an unusable product.

Chairman Cadman asked if Dan Morrison has the total number of filings and adoption rates for the eHawaii Portal.

Dan Morrison said that the adoption rates were 50% and today they are 70-75%. It is about 2,000 filings per month.

Hawaii Business Portal Presentation (Continued)

Dan Morrison said that overtime, he created 3 companies and all the information is stored as with the status. It is in the paying stage and waiting for Credit Card transaction. On the left hand navigation, eHawaii has added other business applications. This makes it a true business one-stop shop.

Jack Arrowsmith said that he saw a drop down menu in the beginning, and asked if the eHawaii Portal allows for a foreign nation to form a business.

Dan Morrison said that HI does allow foreign businesses. HI's hope was to compete with Delaware. HI's envision was to pitch HI as a high tech state.

Don Mares said that he was surprised that the fee was only \$2.50.

Dan Morrison said that this is all the Portal gets to keep as a part of that transaction.

Don Mares asked what it cost to get the business portal up and running.

Dan Morrison responded that HI got about \$60,000 to create a marketing campaign and that funded their funds. Other than that, it was funded out of the portal's pockets.

Don Mares asked what the total cost would be for Colorado.gov.

Dan Morrison said that it would be about 25% of a Senior Project Manager (a John Thomas equivalent), a full time Junior Project Manager, and a full time Developer.

Don Mares said that 50% is a big number in the SOS's office in regard to adoption rate. Over time there will be a reduction in the size of the agencies because of reduction in paperwork.

Gregg Rippy said if they have savings and they decide to the feasibility study, it is not to say they are going to give this service and the expectation creates vacancy. One of the things as a push back from certain part of government is the concept of people losing jobs. But that is not the case.

Dan Morrison said that it is a true anecdote. It did reduce paperwork, because that obviously did have an impact and HI gave some training to that staff and created a Business Action Center where citizens without Internet access could come to, to use a kiosk and get access to the Business Portal. It was a win-win for everyone.

Greg Jenik asked Dan Morrison what the benefits of creating the Portal were versus what SOS already offers.

Dan Morrison said that he met with Trevor Timmons and Bill Hobbs to talk about the Portal. This HI demonstration is solely for the users, so the value add is almost entirely from the citizens perspective rather than to drive downtown, park, and walk door to door. The value is in the interface to the citizens.

Gregg Rippy replied that he heard complaints from citizens of filling out the same thing over and over. With the log in, there is consistency of who that person is. HI is an example and the Board can decide how to place Colorado's Business Portal. A lot of small businesses have a big idea, but they do not know how to go through the maze of regulation. This will help them get through that maze. He would like to get the discussion back to the feasibility study. There may be constraints within departments that will not allow for the Portal. The Business Committee came up with the study to identify this. There are definitely more than 3 or 4 agencies, but if one of the main 3 or 4 were not willing to play ball, then the Business Portal would not work.

Gregg Rippy said that if Senator Mitchell's Bill had passed, the Portal would be under the gun. It did let SIPA understand what opportunities and challenges there are. eHawaii is an example Portal. Anything that NIC has, Colorado.gov can borrow instead of buy. This all fits in the self-funded model and planned resources. He hopes the Board understands how much of a Project Manager it will take and does not think that this is something that will be operating right away.

Kent Glassman asked if the departments go back and re-key, scan or hook the individual databases to make them truly automated.

Dan Morrison replied yes to all of those and that one department will get an email and other agencies have something that run four times a day.

Kent Glassman said that in talking to the Business Committee, this going to live forever in the enterprise facility, therefore, SIPA should be doing more with these agencies.

Gregg Rippy said that as they started to talk with other agencies, they would look at the entire enterprise architecture.

Kent Glassman asked whom would the citizen call when they start to run into a problem; SIPA, Colorado.gov, or each individual agency (DORA, DOR, etc).

Chairman Cadman said that Jack Arrowsmith has to leave in 15 minutes and he would like to take action on the feasibility study.

Senator May said that when Gregg Rippy and he started this program of the Portal, there were 210 entities that had their own direct access to the web. Their efforts were to close down those stove pipes and to reduce the

risk that they are involved in. He said that he does not have a problem with the study, but would like to look at it as an upgrade. They should look at how many portals are out there.

Bob Feingold said this study is designed to find the need, to look at alternative and see what it will cost. As part of that, the benefits of identifying the websites, making a case and having them come in instead of exercising an authority. The board does not want to bring the agencies in kicking and screaming.

Don Mares said that he is interested in having an agency work together instead of in separate worlds.

Gregg Rippy pointed out that they are not here to say that this is how each agency should do their processes or how they are looking at their dollars. If SIPA starts the feasibility study, the message should be that each agency is doing a wonderful job of online transactions, and Colorado.gov would like to integrate with them for the benefit of the citizens.

Don Mares asked how many states have a business portal like eHawaii.

Gregg Rippy responded that there are 12 that have interactive portals and just a few that are as robust as this.

Jack Arrowsmith said that this really blends well to the small businessperson and not as much to the huge corporation. There is the State piece, but 100% of the businesses are opened in the counties and 50% are opened on one of the municipalities. Where can the Portal get the biggest bang for their buck? For example, the Board looked at single log in a while ago, and this might be an opportunity to look at that again.

Gregg Rippy said that there is not an existence of single log in. They did not want to spend those types of dollars on the project for something that did not really give the functionality of single log in. It is a great start, but different between authorization and authentication. He said that it is a great thought, but a little premature. For local government, Gregg thinks that it is more stage 2 or 3 after a successful launch of the Business Portal.

Jack Arrowsmith said that the counties definitely operate differently. HI only had 4 counties as opposed to 64 in Colorado.

John Thomas referred to the Business Portal research handout from last month's meeting, and he did not remember a single state that got down into the counties. He said that it would be a total monster, and he suggested that if the Board was interested in seeing a single log in system, to see eHawaii's system.

Dan Morrison pointed out on the left hand navigation that all the applications are all accessible from one log in.

John Thomas said that Colorado.gov is working towards this and that they have this in a rough spectrum.

Gerald Marroney said that they would not need all 64 counties. They read through the same thing with CICJIS, and would not need to repeat the common data.

Senator May said that he gets many calls from citizens about people standing in line for DORA and DOR. If the Board goes forward on this, it will help only 2,000 people. But he is concerned about all the many more people standing in line for DOR.

Bob Feingold said that is valid and that would be answered in the feasibility study if there was not a sufficient market.

Chairman Cadman said that this brings up the concern again that resources are going to be focused elsewhere.

Evan Dreyer said that Senator May makes a more eloquent point, if there is a way to bring a needs assessment, they can get a broader landscape.

Roxy Huber said that some of these applications are already in process. Renewing driver licenses online are in process and OVRP is expanding. The difficulty to begin a business in Colorado is endless. DOR gets the cry

all the time of why can't there be a place to go online. Jack Arrowsmith made a good point about the local government and the Board may not be able to make the integrated step, but there could be a link. That alone would save a huge step.

Chairman Cadman said that he did not see it inhibiting the Board with their goals.

Gregg Rippey said that he does not believe that this is a mutually exclusive project. DORA is full of opportunities. This is just one piece that integrates business opportunities. Last month, Board Members shared concerns about not wanting to slow things down at CI. Gregg Rippey also heard the same concern from Mike Locatis and he suggested for Gregg to meet with North Highland. North Highland will have someone at 400 hours at \$56,000 for 12 weeks and give a 56-page report. They have recourses to begin immediately. Both SIPA and CI will work closely with them. North Highland is already doing a lot of work with OIT, and was very highly suggested. The cost is well within the reserves of SIPA.

Don Mares asked if SIPA is retaining a move for North Highland to conduct the feasibility study.

Gregg Rippey responded yes.

Senator May asked where the money comes from.

Gregg Rippey said that the money is in the SIPA account. A part time Project Manager would be needed from CI. It would not nearly be at the level that would delay other projects, as they looked at before.

Kent Glassman said that he would abstain from voting because he feels that it is a big conflict of interest. He said that it is very important that they really take a look at the scope because this project feels really big.

Gregg Rippey said that they have a really good scope of what North Highland has been working on right now. It is critical that Mike Locatis is on board in OIT. They will need the Executive Directors, because without that, they cannot succeed.

Roxy Huber said that she should abstain from voting as well because of the work that North Highland is doing with CSTARS. She was very pleased with North Highland's work.

Gregg Rippey said that is not necessary because Kent Glassman is Private Sector and may have a different profit motive.

Chairman Cadman asked for any further discussion and a motion to approve the feasibility study.

MOTION: To approve the Feasibility Study of a Business Portal in Colorado.

Chairman Cadman/Don Mares

Approved - Motion carried with one abstention (9-1)

B. Finance Committee, Gregg Rippey

Gregg Rippey stated that the SIPA finances continue to be strong. The finances run on an accrual basis. He said that SIPA continues to add retained earnings and begin to increase spending on IV&V, on user acceptance and load testing. He believes that it is proving to be very helpful for the end product, and that amount will continue to increase. Gregg thanked the Board for allowing him to spend more money on testing. Accounts payable for \$43,366 is a timing issue, which includes: two Hale Friesen payments and one SysTest Labs payment. These have all been paid, and accounts payable is -\$45. CHFA runs our payroll and there is a little discrepancy that will be fixed.

Gregg Rippey was going to meet with Clifton Gunderson, but unfortunately the person he was going to meet with had a death in the family and could not meet. He will meet with them and report at the August meeting.

III. New Business

A. Executive's Directors Update, Gregg Rippy

NIC Partner Conference

Gregg Rippy said that the NIC Partner conference is October 23-25 in Portland, and those attending should arrive on the evening of the 22nd. Cost would be about \$1,000 per participant. Dan Morrison and NIC would welcome anyone at the appropriate level to come, which includes all Board Members. Gregg Rippy recommends that SIPA pay for this. An email was sent out last month including information.

ACTION ITEM: Resend out NIC Partner Conference Information.

Board Retreat

Gregg Rippy stated that Jack Arrowsmith sent information and a proposal to have the retreat in Castle Rock. That lends itself to a one-day meeting, 2nd week in November in Castle Rock, which will follow the Partner Conference.

SysTest Labs

The relationship with SysTest Labs continues to be very positive and they are making sure that before an application is launched it is as good as it can be before it goes live.

Discussion:

Senator May said that Gregg Rippy gave a presentation at the Government Technology conference last year, and received unbelievable feedback. He asked if he is giving that to others.

Gregg Rippy said that he has not in a while, but he does respond to whatever offers he receives. He thinks that it is his job to get back on the road and do a road show. He believes the Portal has a pretty good story to tell right now.

Senator May said that he can call the President of various colleges and asked if Gregg Rippy would like him to. He said Tim Foster would do it in a heartbeat.

Gregg Rippy said that it would be better to do it in a forum for Higher Education, and not just an individual college. In that past, there was an IT group where he did a presentation.

Greg Jenik asked about a Web Conference.

Gregg Rippy said that he does not prefer web conferences or conference calls and he would rather travel clear across the state to see someone face to face.

B. Colorado Interactive General Manager's Report, Dan Morrison

Dan Morrison reported that he continues to make adjustments to the GM Report. Overall, Dan said that it was a very solid month.

Online Vehicle Registration Renewal (OVR)

Dan Morrison stated that the Portal deployed Arapahoe, Larimer, and Routt counties to OVR. The month of June brought in 12,439 renewals, which is about double or even triple. As Colorado.gov adds more counties, this will continue to take tremendous uptake and adoption rates. The little card that is mailed out that states that citizens can renew online has been the best marketing tool. This continues to be the single biggest citizen facing application.

Discussion:

Senator May asked if this is increasing every month and said that the number should be higher knowing there's millions of vehicles out there.

Dan Morrison said that it is increasing.

Gerald Marroney pointed out that even though there are 2.5 million vehicles, not all of them register at once.

John Thomas said that he would compare what Colorado.gov is doing in the first 6 months to other portals and they are already competitive and will surpass when they get more counties.

Gregg Rippy stated that there is a Press Release on page 11 that states that there “are 2.5 million registered vehicles are now potentially eligible for the online registration option...” Gregg said that they are already half way there. That follows the rationale that Gerald Marroney was talking about.

Portal Metrics

Dan Morrison stated that page 8 shows the graph year by year. Success is higher than the previous year. It goes down every June, possibly due to summer vacations. The Board will not see a lot of shift in deadlines on the projects. Page 5 shows the now 12 applications in discussion and 6 in requirements gathering.

Financials

Dan Morrison reported that the financial status of the Portal remains very stable and healthy. The SIPA revenue is broken out separately at \$50,694. OVRP continues to be far and away the largest revenue generating application. Vast majority of the funds still comes from the drivers’ records.

Other Business/Additional Discussion

Senator May asked if there is backup for Disaster Recovery at eFor3t.

Gregg Rippy said that there is not yet, but there is a MOU in place.

IV. Agenda Items for Next Meeting

None specific

Next meeting is scheduled for:

Thursday, August 2nd, 2007
1:30 p.m. – 4:00 p.m.
Secretary of State’s Office
1700 Broadway
Blue Spruce Conference Room, 2nd Floor
Denver, CO

V. Adjournment

The meeting adjourned at 3:15 PM.

Transcribed by Kathy Gappinger
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