

MINUTES OF THE House COMMITTEE ON Computers, Communications & Technology

The meeting was called to order by George Dean
Chairperson

7:30 a.m./p.m. on January 24, 19 in room 529-S of the Capito

All members were present except:

Committee staff present:

Norman Furse, Revisor of Statutes
Julian Efird, Research
Mary Valdivia, Committee Secretary

Conferees appearing before the committee:

Copy of January 23, 1991 minutes were given to each member. Minutes were approved as submitted.

Chairman Dean recognized Julian Efird, who presented a revised copy of memo which had been distributed the previous meeting. Discussion followed on the revised memorandum. (Attmt. #1)

Items brought to the Committee's attention were:

Additional money recommended in the Governor's FY 1992 budget not previously noted at time figures were pulled out. Funds are available for Apportionment System FY 1992, which includes personnel and other support services. Total from General Fund for the Reapportionment System which includes a mini-computer and peripheral work stations in the Leadership Offices plus two other sites is \$835,440 over a two year period for the Apportionment computer system and the support personnel. That would be in addition to the \$917,908 in FY 1992 for Phase I of computerizing the Legislature. This is above and in addition to the Apportionment System. There are possibly other phases beyond FY 1992 involving expenses for Legislative computerization. This is not subject to the Governor's recommendations.

Diane Duffy handed out a memorandum on Background Information on the Division of Information Systems and Communications (DISC) (Attmt. #2). Discussion followed through page 3 and then to Attachments #1 and #2. During discussion of these attachments several questions were asked. Listed below are some of these questions.

1. Who has the responsibility of coordinating purchase of micro-computers?
2. Why are the Regents and lottery exempt from DISC when it comes to purchase of equipment?
3. Can most computers be made, one way or another, to talk to other computers? Is there comparable software that allows them to change and use information successfully?
4. Does every agency use the same format to purchase equipment?
5. Who are the members of the Information SYstem Policy Board? Is this Board meeting regularly?
6. What is considered a non-reportable budget item?

Meeting adjourned at 8:22 AM. Next meeting scheduled January 29, 1991, 7:30 AM, Room 529-S.

MEMORANDUM

Kansas Legislative Research Department

Room 545-N – Statehouse
Topeka, Kansas 66612-1586
(913) 296-3181

January 23, 1991 (Revised)

To: House Committee on Computers, Communication, and Technology
From: Julian Efird, Principal Analyst
Re: Information Technology in State Government

Technological advances change the way in which state government handles, stores, exchanges, and manages information, as well as the way in which service is provided to both governmental users and the public. **Information technology** refers "to computer hardware and software, telecommunications devices that handle voice, data and video messages, and office systems, that is, high-tech tools such as electronic mail, facsimile machines and bar-code scanners that increase worker productivity." (Governing, February 1990: 7A) **Telecommunications** refer to the delivery of information in voice, data, or video format by way of an infrastructure called a network. (Governing, September 1990: 6A).

Included in recent issues of Governing magazine, a publication of Congressional Quarterly, were special reports called "Governing Guides" which addressed "Managing Information Technology" (February 1990) and "Telecommunications." (September 1990) Both articles serve as a general introduction to these interrelated subjects. A copy of each article is included in Attachment 1.

Brief Kansas History

State government used its first computer in 1958 when the State Highway Commission installed an IBM 650 to use for engineering and accounting applications. In the years to come data processing was decentralized in various state agencies. (An interim report from 1989 is included as Attachment 2 and provides the basis for this brief review of computing history.) In the 1960s and 1970s, information technology was relatively dependent upon large computers, known as mainframes, for central processing units (CPUs). The expense of such computers limited their acquisition to a relatively small number of state agencies.

In 1971, the Kansas Commission on Executive Reorganization recommended creation of a Division of Information and Communications Systems within the Department of Administration. The Commission recommended that the new division be responsible for data processing and information services throughout state government. In 1972, the Division of Computer Services was established in an attempt to centralize data processing and to provide a computer center from which user agencies could share in the services offered by a mainframe computer.

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Attachment 1

By 1980, after several reports recommended reorganizing the state's management of data processing, the Division of Information Systems and Computing was established to replace the Division of Computer Services. In 1984, the division was reorganized once again, emerging as the Division of Information Systems and Communications when the former Office of Telecommunications was merged to form DISC as it is presently constituted. The information technology changes occurring in the late 1970s and 1980s began to reduce the size and cost of computers. The issue of centralized vs. decentralized computing was drastically altered by the emergence of personal computers (PCs) and other small CPUs.

Information technology in fiscal year (FY) 1990 accounted for expenditures of over \$136 million, excluding costs for programming and consulting services provided by hardware and software vendors, for the state's communications and computing related expenses encumbered by state agencies. Communications charges, including postage and telecommunications, totaled almost \$64 million in FY 1990. Information processing charges, including expenditures for services, commodities and capital outlay, totaled more than \$72 million in FY 1990. Table 1 displays the summary data.

Legislative Oversight

In 1964, the first legislative interim committee was assigned to study automatic data processing systems. At least 12 interim committees have studied information technology issues from 1964 to 1989. (A copy of a 1984 interim report on DISC is included as Attachment 3.) For four years, from 1983 to 1986, the House Standing Committee on Communications, Computers and Technology focused on information technology in state government. Each year the standing committees on appropriations and ways and means, plus their subcommittees, have confronted the expenses related to communications and computing.

The House Committee on Governmental Organization, beginning in its 1983 sunset reviews of the Department of Revenue and the Department of Transportation, has addressed computer issues on almost an annual basis. Its 1990 recommendation to place the Department of Administration under the Kansas Sunset Law for the first time was motivated in part by concerns for DISC and its operation. (The Subcommittee Report is included as Attachment 4.)

The Legislative Post Audit Committee has authorized numerous performance audits of the state's various computer problems. Some of the reports have examined such topics as: Duplication of Computerized Accounting Systems (January 1984); Problems Implementing the Kansas Business Integrated Tax System (march 1987); Reviewing the Department of Revenue's New Computer Systems (January 1989); Reviewing the Cost of Operating the State's UNISYS (Sperry) Computer Center (March 1989); and Comprehensive Automated Eligibility and Child Support Enforcement System (January 1990).

Other reports prepare for the Legislature over the years have included the 1980 Mann Report, "Data Processing in Kansas State Government," (March 1980), the 1985 John Diebold and Associates Report, "Cost Effective Directions for Meeting Computing Requirements" (October 1985), and the 1990 Anderson Consulting Report, "Kansas Legislature Computerization Study." (August 1990)

Computers and the Legislature

The Legislature itself has faced computer-related questions in recent years, with two major ones currently before this session of the Legislature as budget matters. First is the matter of apportionment and second is the computerization of the Legislature. The Legislative Coordinating Council (LCC) has addressed these two questions over the past two years and a brief review of the LCC consideration will introduce these questions.

In December 1989, the LCC heard a recommendation from Representative Snowbarger with respect to computer and software needs of the Legislature for reapportionment in 1992 and agreed that plans should be made to solicit bids for the software part of the recommendation. Subsequent LCC activities are denoted in the LCC minutes which are included as Attachment 5. The LCC in July 1990 approved acquisition of hardware, software and services from Public Systems Associates for legislative apportionment. A subsequent revision in the FY 1991 legislative budget was approved by the LCC to address the financing of the acquisition. The Governor's FY 1992 Budget Report recommends FY 1991 supplemental financing of \$462,803 from the State General Fund for a computer assisted redistricting system and \$115,000 under a contractual agreement with the Kansas Water Office for use of software in the Geographical Information System (GIS). For FY 1992, the Governor concurs with the estimate of \$257,637 from the State General Fund. Total expenditures over two years are \$835,440, as requested.

In May 1989, the LCC authorized the LCC Subcommittee on Space (at that time there was no subcommittee on computers) to review and report on possibilities of computerization of the Legislature. Subsequent LCC activities are denoted in the LCC minutes which are included as Attachment 5. The most recent LCC action in November 1990 was to approve a recommendation from the LCC Subcommittee on Computers that the 1991 Legislature adopt a modified phased plan for computerization of the Legislature and that staff amend the Legislature's budget requests for FY 1991 and FY 1992 to incorporate the necessary funding: \$206,569 in FY 1991 and \$711,339 in FY 1992 from the State General Fund (for a total of \$917,908 over two years). The Governor's FY 1992 Budget Report recommends financing of \$917,908 from the State General Fund for the computerization of the Legislature, based upon the additional revenues to the State General Fund in FY 1992.

TABLE 1
FY 1990 STATEWIDE COMMUNICATIONS AND COMPUTING
RELATED EXPENDITURES

Communications Expenditures		SGF	AOF	TOTAL
Postage				
201	Regular Postal Charges	\$2,984,326	\$8,310,155	\$11,294,481
206	Intergovernmental Postage	2,623,413	3,334,070	5,957,482
Total Postage		\$5,607,738	\$11,644,225	\$17,251,963
Telecommunications				
202	Local Service	\$571,199	\$4,209,803	\$4,781,002
203	Commercial Long Distance	194,176	8,093,696	8,287,872
204	Other Commercial Service	519,151	2,117,882	2,637,033
205	Intergovernmental Local Service	4,159,024	9,369,965	13,528,989
207	Intergovernmental Long Distance Service	4,442,026	7,619,074	12,061,100
208	Other Intergovernmental Service	1,261,429	3,525,572	4,787,001
209	Other Communications	194,651	279,366	474,017
Total Telecommunications		\$11,341,655	\$35,215,359	\$46,557,014
Total Communications Expenditures		\$16,949,393	\$46,859,584	\$63,808,977
Data Processing Expenditures				
Rents				
235	Computer Systems	\$22,209	\$496,267	\$518,476
236	Information Systems	0	0	0
237	Software	33,272	1,911,429	1,944,701
Total Rents		\$55,480	\$2,407,696	\$2,463,176
Repair				
246	Computer Systems	\$274,199	\$2,871,590	\$3,145,789
247	Information Systems	673,886	1,898,836	2,572,722
248	Software	140,373	1,162,224	1,302,597
Total Repair		\$1,088,457	\$5,932,651	\$7,021,108
263	DISC Fees	\$13,259,652	\$16,982,089	\$30,241,741
343	Computer Parts	\$127,613	\$714,384	\$841,997
372	Computer Supplies	\$1,093,713	\$2,697,145	\$2,697,145
Capital Outlay				
413	Microcomputers	\$3,840,991	\$8,897,089	\$12,738,080
415	Computer Systems Equipment	1,447,277	7,482,641	8,929,918
416	Information Processing Equipment	615,944	1,761,931	2,377,875
418	Software	1,571,901	2,705,004	4,276,904
466	Data Communications Equipment	33,564	769,502	803,066
483	Other DP Equipment & Software	0	0	0
Total Capital Outlay		\$7,509,676	\$21,616,166	\$29,125,843
Total Data Processing Expenditures		\$23,134,592	\$50,350,131	\$72,391,009
TOTAL EXPENDITURES		\$40,083,985	\$97,209,714	\$136,199,986

Source: Division of Accounts and Reports

Note: Not included are object codes which have contractual charges by hardware and software consultants since those costs are not the only ones coded in a particular category.

Some non-reportable expenditures by DISC also are reflected as reportable expenditures by other agencies, thus doubling some costs in the accounting system. cct90\$\$wk1

MEMORANDUM

Kansas Legislative Research Department

Room 545-N – Statehouse
Topeka, Kansas 66612-1586
(913) 296-3181

January 23, 1991

To: Committee on Computers, Communication, and Technology

From: Diane Duffy, Senior Fiscal Analyst

Re: Background Information on the Division of Information Systems and
and Communications (DISC)

This memorandum provides a brief review of the Department of Administration, Division of Information Systems and Communications (DISC) and includes a discussion of the evolution of the division; a summary of DISC's statutory responsibilities, rules and regulations, and policies and procedures; a description of the current organization structure; and general budget and financial information. Information for this memorandum was drawn from several legislative documents, as well as various executive branch documents.

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Attachment 2

I. Review of the Evolution of DISC

The creation of the Division of Computer Services (DCS) in 1972 was the first step toward centralized data processing for state government. Previously, data processing was decentralized in individual state agencies, and within the limitations of appropriations acquisitions of equipment, services and consultants were subject only to the approval of the (then) Executive Director of the Department of Administration. The new division initially served only the Department of Administration; however, in 1973 its data processing services were expanded to include other state agencies. Additionally, the director of DCS was authorized to regulate purchases of data processing equipment for other state agencies, excluding the Regents' institutions, in an effort to promote efficiency and avoid unnecessary duplication of services. As data processing activities increased, the computing activity of DCS neared capacity and DCS gave approval for certain state agencies to acquire their own equipment. In other instances, data processing services were contracted with private concerns or with the computing facilities of the state's colleges and universities.

The 1976 Legislature authorized DCS to set priorities for work performed on the central computers, to set standards for data submitted for processing on the central computers, and to refuse to process work due to lack of capacity or nonconformance with standards. A computer services depreciation fund was also established to allow the Division to recover depreciation costs as a part of the charges assessed for data processing services.

In the 1970s, major studies were conducted by a Special Committee on Ways and Means (1976) and by the Governor's Task Force on Effective Management. Among the specific problems identified by these studies were fragmented and duplicated efforts by state agencies; antiquated and inadequate equipment; the absence of explicit responsibility for strategic planning and policymaking on a statewide basis; lack of control of departmental executives over their utilization of computer facilities; and difficulty in developing new computer applications.

The study that perhaps had the most influence on the later decision to establish DISC was conducted by Dr. Richard Mann, University of Kansas, at the direction of the Secretary of Administration. This study, entitled *Data Processing in Kansas State Government*, was presented to the 1980 Legislature. The Mann Report examined data processing resources of executive agencies and offered recommendations for improving management of those resources. The report identified specific problems, including the lack of coordination and management of computer resources; no mechanism to establish priorities for the development of new applications, for scheduling the computer, or for the provision of funding for computer equipment and staff; lack of data processing management leadership; no management system in place to evaluate the relative merits of agency requests for data processing resources; and the need for additional funding for computer capacity in future years.

The Mann report compared two alternative solutions to the existing problems: (1) decentralize computer activities to certain of the larger agencies; or, (2) develop a single full function, centralized division of computing to serve the executive agencies. Dr. Mann recommended that "a measured approach to more effective management, drawing on the best features of both centralized and decentralized alternatives, be adopted." The recommended approach included: establishing a new management structure for data processing in the Department of Administration; upgrading central computer capacities from data processing depreciation reserve funds; enhancing central systems developments; expanding central office approval for addition of staff and acquisition of computer equipment, software and contract services; and creating a cabinet-level policy board.

During the 1980 Session, the Mann report along with others culminated in legislation (1980 H.B. 3287) that created the Division of Information Systems and Computing (DISC) and abolished the Division of Computer Services (DCS).

The 1984 Legislature, in recognition of the convergence of information and telecommunications technologies, reorganized DISC and merged the Office of Telecommunications into DISC.

**II. Review of DISC's Statutory Responsibilities;
Rules and Regulations; and
Policies and Procedures**

K.S.A. 75-4701 *et seq.*, contains DISC's statutory responsibilities (see Attachment No. 1).

Review of DISC's Rules and Regulations. The current body of regulations relating to data processing begins with Article 1-31 of the Kansas Administrative Regulations and continues through Article 1-38. The regulations have not been amended since 1980; consequently, the regulations incorrectly refer to the previous Division of Computer Services.

The subject matter of the articles is briefly as follows:

Article 1-31, defines computer services, generally.

Article 1-32, policy and procedures memorandums (PPMs).

Article 1-33, establishment of rates and charges for services performed by DISC.

Article 1-34, systems design and programming services rates and charges.

Article 1-35, payment of rates and charges.

Article 1-36, determination of priorities and schedules.

Article 1-37, standards for the submission of data.

Article 1-38, standards for security and confidentiality.

Review of DISC's Policies and Procedures. In addition to statutory authority and rules and regulations, DISC has several publications that document DISC policies and procedures:

Policy and Procedure Memorandums (PPMs) inform user agencies of established DISC policies and procedures.

Standards are basic tenets established or adopted by DISC which remain relatively unchanged over time.

Guidelines provide a "how-to" approach to users on compliance with the policies set out in PPMs and Standards.

Bulletins announce short-term alterations to normal operating conditions. They normally have a definite expiration date or a clear short-term purpose. Bulletins also announce upcoming events of potential importance to the DISC users.

Standard Operating Procedures (SOPs) set forth internal policies and procedures for the DISC staff and do not have a direct impact on users.

III. DISC Organization

DISC is organized into four Bureaus: Bureau of Information Systems; Bureau of Information Resource Management; Bureau of Telecommunications; and Bureau of Administration. (See Attachment No. 2 for DISC's organizational chart.) There were a total of 188.0 FTE positions approved for DISC in FY 1990. Total nonreportable expenditures were \$35,460,747 in FY 1990.

The Bureau of Administrative Services is responsible for the Division's budget, the administration of accounts receivable and accounts payable, the development of rates for recovery of the costs of performing services, the procurement of equipment and services, contract administration, personnel administration, and office services. In addition, the Bureau is responsible for central mail services. There were 31.0 FTE positions assigned to this bureau in FY 1990. Nonreportable expenditures in FY 1990 were \$5,542,896.

The Bureau of Information Systems is organized into two sections to manage and administer the provision of data processing services to state agencies. The Computer Operations section runs three large computers and associated support equipment located on the 11th floor of the Docking State Office Building and the 7th and 8th floors of the Landon State Office Building. State agencies use these computers through terminals located throughout the state. The Technical Support section supports the systems software which control the computers. They also maintain various software "packages" which make it easier for agencies to develop complex information systems. For FY 1990, there were 70.0 FTE positions assigned to this bureau. Nonreportable expenditures were \$7,531,729 in FY 1990.

The Bureau of Information Resource Management develops central state government plans for information and communication systems. It is responsible for coordinating short and long-range planning, and insuring faithful performance and implementation of statewide planning for information processing. It reviews state agencies' information processing budgets and provides recommendations to the Division of Budget and the Legislature on the technical and management merit of agency proposals to acquire information processing equipment, systems, and staff. The Bureau approves equipment, personnel, and application requests from state agencies, and initiates volume procurement procedures to achieve maximum cost savings. It evaluates and audits state agency and DISC data processing operations and systems. The Bureau maintains a statewide inventory control system for information systems hardware and software. The Systems Development section of the Bureau assists agencies in assessing their needs for new automated systems and for maintenance of existing systems. This section designs and develops approved systems for agencies who do not have their own systems development staff. Agencies are charged on a per hour basis for the services of the staff. There were 44.0 FTE positions assigned to this bureau for FY 1990. Nonreportable expenditures were \$1,940,737 in FY 1990.

The Bureau of Telecommunications manages and administers on-going, established telecommunications operations, including the Topeka Area and Capitol Complex local telephone service (Centrex) and the KANS-A-N Plus long distance system. It provides technical advice and assistance to all state agencies regarding design, engineering, and use of telecommunications systems, facilities, and services. It coordinates selection, procurement, and installation of new telecommunications systems and equipment to insure vendor adherence to written specifications. With the installation of new switches at Hays, Kansas City, Lawrence, Manhattan, Wichita, and Topeka, plus wiring and cabling at each location, the Bureau is now responsible for general management of these facilities, in cooperation with the universities. In addition, the Bureau is responsible for planning and managing a statewide data network and providing services to Topeka agencies for moves, adds, and changes of voice and data equipment. In FY 1990, there were 43.0 FTE positions assigned to this bureau. Nonreportable expenditures in FY 1990 were \$20,445,385.

IV. DISC Financing

The entire DISC operation is considered a nonreportable expenditure for budget purposes. Expenditures for computer services and DISC fees are included in the reportable operating budgets of user agencies. These expenditures would represent a duplication if they were also included as reportable expenditures for DISC.

In FY 1980, nonreportable expenditures by DISC totaled \$2.9 million. In FY 1984 expenditures were \$9.2 million. Actual expenditures in FY 1988 were \$34.4 million. Revised FY 1991 expenditures are \$36,710,662.

Theoretically, DISC supplies hardware, software, and staff support in response to agency requests and within agency resources. Since DISC acts much like a utility with respect to distribution of costs, major expansion or curtailment of services by one agency affects the costs billed to all other agencies. To the extent that DISC costs are fixed, and not all of them are, these costs must be spread among all users. As long as central processing capacity is not saturated, the increased use of the computer should result in a decrease in the per unit cost of such use. Appropriations to the various agencies then become the limiting factor on DISC's growth.

The 1990 Legislature for the first time placed a combined expenditure limitation on the Information Technology Fund and Information Technology Reserve Fund.

ATTACHMENT 1

Article 47.—INFORMATION SYSTEMS AND COMMUNICATIONS

75-4701. Division of information systems and communications; director and deputy directors; duties; former division and office abolished. (a) There is hereby established, within and as a part of the department of administration, a division of information systems and communications, the head of which shall be the director of information systems and communications. Under the supervision of the secretary of administration, the director of information systems and communications shall administer the division of information systems and communications. The division of information systems and computing and the office of the director of information systems and computing, created by this section prior to its amendment by this act, are hereby abolished.

(b) The director of information systems and communications shall be in the unclassified service under the Kansas civil service act and shall be appointed by the secretary of administration.

(c) There are hereby established, within the division of information systems and communications, the offices of the deputy director of information systems and the deputy director of telecommunications who shall be appointed by the director of information systems and communications, subject to approval by the secretary of administration, and shall be in the unclassified service under the Kansas civil service act. The deputy director of information systems and the deputy director of telecommunications shall have such powers, duties and functions as are prescribed by the director of information systems and communications.

History: L. 1972, ch. 332, § 18; L. 1974, ch. 399, § 5; L. 1978, ch. 332, § 46; L. 1980, ch. 284, § 21; L. 1981, ch. 328, § 2; L. 1982, ch. 347, § 59; L. 1984, ch. 323, § 1; July 1.

Revisor's Note:

Section was amended twice in 1981 Session, see also 75-4701a.

Creates Division of Information Systems and Communications (DISC) as part of Department of Administration.

Director of DISC is an unclassified position appointed by Secretary of Administration.

Establishes Deputy Director of Information Systems and Deputy Director of Telecommunications. Both positions are unclassified and appointed by Director of DISC, with approval of Secretary of Administration.

75-4702. Transfer of powers, duties and functions to division of information systems and communications. (a) All of the powers, duties and functions of the existing director of information systems and computing and division of information systems and computing are hereby transferred to and conferred and imposed upon the director of information systems and communications, except as otherwise provided by this act.

(b) The director of information systems and communications shall be the successor in every way to the powers, duties and functions of the director of information systems and computing and division of information systems and computing in which the same were vested prior to July 1, 1984, except as otherwise provided by this act. Every act performed in the exercise of such powers, duties and functions by or under the authority of the director of information systems and communications shall be deemed to have the same force and effect as if performed by the director of information systems and computing and division of information systems and computing in which such functions were vested prior to July 1, 1984.

(c) Whenever the director of information systems and computing or the division of information systems and computing, or words of like effect, is referred to or designated by a statute, contract or other document, such reference or designation shall be deemed to apply to the director of information systems and communications.

History: L. 1972, ch. 332, § 19; L. 1974, ch. 399, § 6; L. 1980, ch. 284, § 22; L. 1984, ch. 323, § 3; July 1.

75-4702b. Positions of officers and employees of division of information systems and computing abolished; appointment of such persons to positions in new division; rights preserved. (a) On July 1, 1984, the position of each officer and employee of the division of information systems and computing is hereby abolished and each such officer and employee is hereby terminated from state service, subject to appointment to a position as provided in subsection (b).

On July 1, 1984 created the Division of Information Systems and Communications (DISC).

Transferred all powers, duties, functions, and certain positions of Division of Information System and Computing to DISC.

Merged telecommunications functions into DISC.

(b) All officers and employees who were engaged immediately prior to July 1, 1984, in the performance of powers, duties and functions of the division of information systems and computing whose positions are abolished under this section, and who, in the opinion of the secretary of administration, are necessary to perform powers, duties and functions of the division of information systems and communications, shall become officers and employees of the division of information systems and communications in accordance with this act. Any such officer or employee shall retain all retirement benefits and applicable rights of civil service which had accrued to or vested in such officer or employee prior to July 1, 1984, and the service of each such officer and employee so transferred shall be deemed to have been continuous. All transfers and any abolishment of positions of personnel in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder.

History: L. 1980, ch. 284, § 33; L. 1984, ch. 323, § 4; July 1.

75-4702c. Disposition of property for new division; determination of conflicts regarding powers, duties, functions, appropriations or property; rights preserved in legal actions and proceedings. (a) In all cases under this act where the powers, duties and functions of the division or director of information systems and computing are transferred to and imposed upon the secretary of administration or the division or director of information systems and communications, the division of information systems and communications shall succeed to all property and records which were used for, or pertain to, the performance of the powers, duties and functions so transferred by this act. Any conflict as to the proper disposition of such property or records arising under this section and resulting from the transfer or abolishment of any existing state agency, or the powers, duties and functions thereof, shall be determined by the governor, whose decision shall be final.

(b) When any conflict arises as to the disposition of any power, function or duty or the unexpended balance of any appropriation as a result of any abolishment, transfer, attachment or other change made by this act, or under authority of this act, such conflict shall be resolved by the governor, and the decision of the governor shall be final.

(c) No suit, action, or other proceeding, judicial or administrative, lawfully commenced, or which could have been commenced, by or against any existing state agency mentioned in this act, or by or against any officer of the state in such officer's official capacity or in relation to the discharge of official duties, shall abate by reason of the taking effect of reorganization under the provisions of this act. The court may allow any such suit, action or other proceeding to be maintained by or against the successor of any such existing state agency, or any officer affected.

(d) No criminal action commenced or which could have been commenced by the state shall abate by the taking effect of this act.

History: L. 1980, ch. 284, § 34; L. 1984, ch. 323, § 5; July 1.

75-4702e. Classified positions performing telecommunications services abolished; appointment of persons in such positions; officers and employees of new division; rights preserved. (a) On July 1, 1984, the position of each officer and employee of the department of administration who is primarily engaged in the performance of powers, duties and functions related to telecommunications services and who is in the classified service under the Kansas civil service act is hereby abolished and each such officer and employee is hereby terminated from state service, subject to appointment to a position as provided in subsection (b).

(b) All officers and employees whose positions in the classified service under the Kansas civil service act are abolished under this section and who are necessary in the opinion of the secretary of administration to perform powers, duties and functions of the division of information systems and communications, shall become officers and employees of the division of information systems and communications. Any such officer or employee shall retain all retirement benefits and rights of civil service which had accrued to or vested in such officer or employee prior to July 1, 1984, and the service of each such officer and employee shall be deemed to have been continuous. All transfers and any abolishment of positions of personnel in the classified service under the Kansas civil service act shall be in accordance with civil service laws and rules and regulations adopted thereunder.

History: L. 1984, ch. 323, § 2; July 1.

75-4703. Rules and regulations concerning rates and charges; priorities for services, standards for data submission and security. The secretary of administration may adopt rules and regulations as provided in K.S.A. 75-3706 and amendments thereto relating to the following:

(a) Establishment of rates and charges for services performed by the division of information systems and communications for any other division, department or state agency. Such rates and charges shall be maintained by a cost system in accordance with generally accepted accounting principles. In determining cost rates for billing to agencies, overhead expenses shall include but not be limited to light, heat, power, insurance, labor and depreciation. Billings shall include direct and indirect costs and shall be based on the foregoing cost accounting practices.

(b) For determination of priorities for services performed by the division of information systems and communications, including authority to decline new projects under specified conditions.

(c) Specification of standards for submission of data to be processed by the division of information systems and communications and the programs for processing the data, including authority to decline to process computer programs and projects not conforming to published standards.

(d) Specification of standards and measures relating to security, confidentiality and availability of data processed by the division of information systems and communications.

History: L. 1972, ch. 332, § 21; L. 1974, ch. 399, § 7; L. 1976, ch. 396, § 1; L. 1980, ch. 284, § 23; L. 1983, ch. 291, § 3; L. 1984, ch. 323, § 6; July 1.

Secretary of Administration may adopt rules and regulations relating to:

- establishment of rates for services performed by DISC; Rates shall recover direct and indirect costs and be based on generally accepted accounting principles.
- authority to decline new projects under specified conditions;
- standards for submission of data. Authority to decline to process programs not conforming to standards;
- standards for security, confidentiality, and availability of data processed by DISC.

75-4704. Data processing services for state agencies; charges, collection and disposition. Under the supervision of the secretary of administration, the division of information systems and communications shall provide data processing services for other divisions, departments and agencies of the state, and shall make charges for such services in accordance with the cost system established under K.S.A. 75-4703 and amendments thereto. The furnishing of data processing services by the division of information systems and communications shall be a transaction to be settled in accordance with the provisions of K.S.A. 75-5516 and amendments thereto. All receipts for sales of services shall be deposited in the information technology fund created under K.S.A. 1988 Supp. 75-4715 and amendments thereto. The provisions of K.S.A. 75-4215 and amendments thereto shall apply to the information technology fund to the extent not in conflict with this act.

History: L. 1972, ch. 332, § 22; L. 1973, ch. 366, § 1; L. 1974, ch. 399, § 8; L. 1976, ch. 396, § 2; L. 1980, ch. 284, § 24; L. 1984, ch. 323, § 7; L. 1988, ch. 345, § 3; July 1.

DISC provides all data processing for state agencies and charges agencies for services.

All receipts for sales of services deposited in Information Technology Fund.

75-4704a. Transfers to and expenditures from information technology reserve fund; determination of amounts transferred, basis; effect on expenditure limitations. (a) Transfers to the information technology reserve fund shall be made from the information technology fund on a monthly basis and the amounts thereof shall be determined by the director of information systems and communications, subject to approval by the secretary of administration, as charges for depreciation and obsolescence of the division of information systems and communications equipment and programs according to generally accepted accounting principles prescribed by the director of accounts and reports. All recoveries from the sale of surplus, obsolete or unused equipment or of other expenditures from the information technology fund shall be deposited in the state treasury to the credit of the information technology reserve fund. The director of accounts and reports shall transfer each month the amount so determined. No such transfer shall constitute a charge against or decrease in any expenditure limitation then in effect on the information technology fund under any appropriations act of the legislature.

(b) Expenditures from the information technology reserve fund may be made for equipment and programs needed for the operation of the division of information systems and communications.

History: L. 1976, ch. 396, § 3; L. 1980, ch. 284, § 25; L. 1984, ch. 323, § 8; L. 1988, ch. 345, § 4; July 1.

Director of DISC with approval of Secretary of Administration makes a monthly transfer from Information Technology Fund to Information Technology Reserve Fund as charges for depreciation of DISC equipment and programs. All receipts from sales of "used" equipment deposited in Information Technology Reserve Fund. Expenditures from Information Technology Reserve Fund are for equipment and programs.

75-4704b. Multiple year appropriations and contracts. Appropriations may be made for capital outlay and other expenses to carry out the purpose of the division of information systems and communications for the same period as is authorized by K.S.A. 46-155 and amendments thereto for capital improvements. The director of information systems and communications, with the approval of the secretary of administration, may enter into multiple year lease or acquisition contracts, subject to state purchasing laws not in conflict with the foregoing authorization and so long as such contracts do not extend beyond the appropriation periods, limitations and restrictions therefor.

History: L. 1976, ch. 396, § 5; L. 1980, ch. 284, § 26; L. 1984, ch. 323, § 9; July 1.

Authority for multi-year appropriations.

Authority for Director of DISC to enter into multi-year lease or purchase contracts, subject to appropriation.

75-4705. Central processing of data for state agencies by division, exceptions; preparation of data for processing; support services; determination by director of data processing programs, contract services and positions needed by state agencies; data processing standards; annual data processing audits of state agencies; review of state agency data processing budget requests; section inapplicable to state universities. (a) Central processing of data by computer, for all divisions, departments and agencies of the state shall be performed by the division of information systems and communications, under the supervision of the secretary of administration. No other division, department or agency of the state shall perform central processing computer functions or control or possess any central processing unit of a computer, except as otherwise provided in this section.

(b) With the approval of the secretary of administration, any division, department or agency of the state may possess and operate central processing units of a computer if the same are adjunct to the central processing computer unit or units of the division of information systems and communications.

(c) Data to be centrally processed by the division of information systems and communications shall be prepared for such processing by the division, department or agency of the state requesting the same to be processed in accordance with rules and regulations adopted by the secretary of administration as provided in K.S.A. 75-4703 and amendments thereto. Programs for processing the data of any division, department or agency of the state shall be prepared by such division, department or agency of the state in accordance with standards prescribed by rules and regulations adopted by the secretary of administration as provided in K.S.A. 75-4703 and amendments thereto. Notwithstanding the other provisions of this subsection, the division of information systems and communications shall prepare data or programs, or provide technical consultation, when a division, department or agency of the state requests such service of the division of information systems and communications and the director of information systems and communications, subject to the approval of the secretary of administration agrees thereto.

DISC shall perform all central data processing for all state agencies, except Regents' institutions.

With approval of Secretary of Administration a state agency may operate central processing units if the units are adjunct to the central processing units of DISC. Does not apply to Regents' institutions.

Data and programs for processing data centrally shall be according to rules and regulation. Does not apply to Regents' institutions.

DISC shall prepare data, programs, or technical consultation for an agency when requested as long as the Secretary approves, except for Regents' institutions.

In accordance with the comprehensive plan approved by the Information Systems Policy Board, the Director shall determine all data processing programs, contract services, and new data processing positions needed by any state agency, except for Regents' institutions.

Director shall establish standards and audit agencies to assure compliance. Audits shall be conducted annually and include data processing applications, systems developments, and facilities; except for Regents' institutions.

Director shall review data processing budget requests submitted annually by state agencies and make recommendations to the Division of Budget, regarding the technical and management merit of the requests. Does not apply to Regents' institutions.

(d) In accordance with the comprehensive plan approved by the information systems policy board pursuant to K.S.A. 75-4708 and amendments thereto, the director of information systems and communications, subject to approval by the secretary of administration, shall determine all data processing programs, contract services and new data processing positions needed by any division, department or agency of the state. Subject to approval by the secretary of administration, the director of information systems and communications shall establish data processing standards to be used by the divisions, departments and agencies in the state and shall audit the activities of these units to assure compliance with the standards as well as with generally accepted principles of data processing practice. Such audits shall be conducted annually covering data processing applications, systems development and information processing facilities. The director of information systems and communications, under the supervision of the secretary of administration, shall review the data processing budget requests submitted by all divisions, departments and agencies annually and submit recommendations to the division of the budget as to the technical and management merit of the requests.

(e) This section shall not apply to the universities under the jurisdiction and control of the state board of regents.

History: L. 1972, ch. 332, § 23; L. 1973, ch. 366, § 2; L. 1974, ch. 399, § 9; L. 1980, ch. 284, § 27; L. 1984, ch. 323, § 10; July 1.

75-4706. Contracts for data processing equipment; restrictions. (a) No state agency, as defined in K.S.A. 75-3701 and amendments thereto, shall lease, cause to be leased, purchase, contract for, issue a letter of intent to contract for or cause to be installed, any data processing equipment, including auxiliary equipment or any data processing programs or systems, without the prior approval of the secretary of administration or specific legislative authorization. The director of accounts and reports shall not issue any warrant in payment for any lease or purchase contract for any data processing equipment, programs and systems acquired without such prior approval or authorization.

(b) All specifications for bids for acquisition of the data processing equipment, including auxiliary equipment and data processing programs and systems, shall be prepared by the director of information systems and communications, under the supervision of the secretary of administration. This subsection shall not apply to universities under the jurisdiction and control of the state board of regents or to the Kansas lottery.

History: L. 1965, ch. 472, § 2; L. 1972, ch. 332, § 94; L. 1974, ch. 399, § 10; L. 1980, ch. 284, § 28; L. 1984, ch. 323, § 11; L. 1987, ch. 292, § 29; March 19.

Secretary of Administration must approve all leases, purchases, or contracts for data processing equipment, unless the Legislature has specifically given authorization. Director of Accounts and Reports shall not issue a warrant for payment without such approval or authorization.

All specifications for bids for acquisition of data processing equipment are required to be prepared by DISC. This does not apply to Regents' institutions or to the Kansas Lottery.

75-4707. Contracts by state agencies for purchase, transfer and lease back of data processing equipment. Notwithstanding the provisions of K.S.A. 75-3738 and 75-3739 and amendments thereto, state agencies using data processing equipment under lease are hereby authorized to enter into contracts with leasing service companies for purchase by the agency of such equipment with nonstate funds furnished by such leasing service companies and transfer of title to such equipment by the agency to such leasing service company for lease back to the agency. Any such contract shall first be approved by the secretary of administration.

History: L. 1969, ch. 409, § 1; L. 1972, ch. 332, § 95; L. 1974, ch. 399, § 11; L. 1980, ch. 284, § 29; L. 1984, ch. 323, § 12; July 1.

Authorizes lease back purchases. All lease purchase contracts must be approved by Secretary of Administration.

75-4703. Information systems policy board; composition; compensation and expense allowances; officers; comprehensive plan for central processing of data by division. (a) There is hereby established the information systems policy board, to be composed of the secretary of administration, the chief justice of the supreme court, or a person designated by the chief justice, and the chairperson of the legislative coordinating council, or a person designated by such chairperson. Members of the information systems policy board attending meetings of such board, or attending a subcommittee meeting thereof authorized by such board, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223 and amendments thereto.

(b) The secretary of administration shall be chairperson of the information systems policy board and the director of information systems and communications shall serve as secretary of the board but the director shall not be a member thereof. The board shall meet on call of the chairperson at least quarterly and at such other times as the chairperson deems necessary. Only those persons appointed to the board or serving as a member thereof by virtue of their office shall have the right to vote at meetings of the board and at least two of such persons shall be present to constitute a quorum to do business.

(c) Subject to approval by the secretary of administration, the division of information systems and communications shall prepare a comprehensive plan to implement the provisions of statutes requiring central processing of data by the division of information systems and communications. Such plan shall be submitted for approval of the information systems policy board. A copy of such plan as approved by the board shall be furnished upon request to any division, department or agency of the state affected thereby.

History: L. 1972, ch. 332, § 20; L. 1974, ch. 348, § 96; L. 1974, ch. 399, § 12; L. 1975, ch. 427, § 246; L. 1980, ch. 284, § 30; L. 1984, ch. 323, § 13; July 1.

Establishes the Information Systems Policy Board. Three members: (1) Secretary of Administration; (2) Chief Justice or designee; and (3) Chair of LCC or designee. May be eligible for compensation, subsistence, mileage, and other expenses.

Secretary of Administration is Chair of policy Board and Director of DISC is secretary, but not a member of the Board. The Board is required to meet at least quarterly. Two members constitute a quorum.

DISC is required to prepare a comprehensive plan to implement the statutes requiring central processing of data by DISC. The plan is to be approved by the policy board.

75-4700. Control of telecommunication services of state agencies under secretary of administration; extension to certain private, nonprofit corporations; agreements. The secretary of administration shall make provision for and coordinate all telecommunications services for all divisions, departments and agencies of the state. The secretary of administration shall have the authority to control the acquisition, retention and use of all telecommunications services for all divisions, departments and agencies of the state, and to develop and review plans and specifications for telecommunications services throughout the state. The secretary of administration, when feasible, may extend the use of state intercity telecommunications facilities and services under the control of the secretary to private, nonprofit corporations designated by the governor pursuant to federal law to perform functions within the state as provided by federal law, and may enter into agreements with such private, nonprofit corporations for provision of such service.

History: L. 1974, ch. 399, § 1; L. 1978, ch. 362, § 1; July 1.

The Secretary of Administration shall provide for and coordinate all telecommunication services for state agencies. The Secretary authorizes acquisition, retention, and use of all telecommunication services by state agencies; and develops and reviews plans and specifications for telecommunication services throughout the state. The Secretary may extend the use of state intercity telecommunication services and facilities to private, nonprofit corporations designated by the Governor pursuant to federal law.

75-4710. Telecommunications services defined. As used in K.S.A. 1985 Supp. 75-4713 and 75-4714 and K.S.A. 75-4709 and 75-4712, and amendments to those sections, telecommunications services include, but shall not be limited to, any transmission, emission or reception of signals of any kind containing communications of any nature, by wire, radio, optical or other electromagnetic means, and includes all facilities, equipment, supplies and services for such transmission, emission or reception. Telecommunications services shall include data transmission services and equipment but shall not include data processing services provided or authorized by the division of information systems and communications, or the acquisition, retention or use of any data processing equipment authorized by the division of information systems and communications.

History: L. 1974, ch. 399, § 2; L. 1984, ch. 323, § 14; L. 1985, ch. 285, § 3; March 7.

75-4712. Adoption of rules and regulations by secretary of administration. The secretary of administration shall adopt rules and regulations as provided in K.S.A. 75-3706, for the acquisition, retention and use of telecommunications services by all divisions, departments and agencies of the state and by private, nonprofit corporations which have entered into agreements with the secretary of administration under K.S.A. 75-4709, and for the purposes of administering and enforcing the provisions of this act.

History: L. 1974, ch. 399, § 4; L. 1978, ch. 362, § 2; July 1.

Defines telecommunication services. Specifically excludes data processing services.

Authorizes the Secretary of Administration to adopt rules and regulations for telecommunication services for all state agencies.

75-4713. Acquisition of telecommunications services; negotiating committee; procedures. (a) The telecommunications negotiating committee is a three-person committee composed of (1) the secretary of administration, or a person designated by the secretary of administration, (2) the director of purchases, or a person designated by the director of purchases, and (3) the director of the division of information systems and communications, or a person appointed by the director of information systems and communications. The telecommunications negotiating committee may negotiate contracts for telecommunications services to be entered into by the secretary of administration for state agencies and other entities as provided in K.S.A. 75-4709 and amendments thereto.

(b) Prior to negotiating for telecommunications services, the committee shall advertise for sealed proposals. The committee then may negotiate with one or more firms submitting proposals and select from among those submitting such proposals the party to contract with for the purpose of providing telecommunications services.

(c) Contracts entered into pursuant to this section for telecommunications services shall not be subject to the provisions of K.S.A. 75-3738 to 75-3740a, inclusive, and amendments thereto.

History: L. 1985, ch. 285, § 1; March 7.

Establishes the three-member telecommunications negotiating committee composed of (1) Secretary of Administration or a designee; (2) Director of Purchases; and (3) Director of DISC or designee. The Committee negotiates contracts for telecommunications services.

The Committee must advertise for sealed proposals. Then the Committee may negotiate with one or more firms submitting proposals.

75-4714. Fees for telecommunications services, disposition. Except as otherwise provided by law and subject to the provisions of appropriations acts relating thereto, all fees and charges imposed by the secretary of administration for telecommunications services provided or contracted for by the secretary shall be deposited in the state treasury and credited to the information technology fund.

History: L. 1985, ch. 285, § 2; L. 1988, ch. 345, § 5; July 1.

75-4715. Information technology fund; creation; authorized expenditures; prior fund abolished, transfer of assets and liabilities. (a) There is hereby created in the state treasury the information technology fund. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of administration or by a person designated by the secretary.

(b) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the computer services fund, created under K.S.A. 75-4704 and the state communications services fund, created under K.S.A. 1987 Supp. 75-4714, to the information technology fund.

(c) On the effective date of this act, all liabilities of the computer services fund and the state communications services fund are hereby imposed on the information technology fund, and the computer services fund and the state communications services fund are hereby abolished. Any reference to such funds abolished by this section in any statute, contract or other document shall be deemed to refer to the information technology fund.

History: L. 1988, ch. 345, § 1; July 1.

75-4716. Information technology reserve fund; creation; authorized expenditures; prior fund abolished, transfer of assets and liabilities. (a) There is hereby created in the state treasury the information technology reserve fund. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of administration or by a person designated by the secretary.

(b) On the effective date of this act, the director of accounts and reports shall transfer all moneys in the computer services depreciation reserve fund, created under K.S.A. 75-4704a, to the information technology reserve fund. On the effective date of this act, all liabilities of the computer services depreciation reserve fund are hereby imposed on the information technology reserve fund, and the computer services depreciation reserve fund is hereby abolished. Any reference to such fund abolished by this section in any statute, contract or other document shall be deemed to refer to the information technology reserve fund.

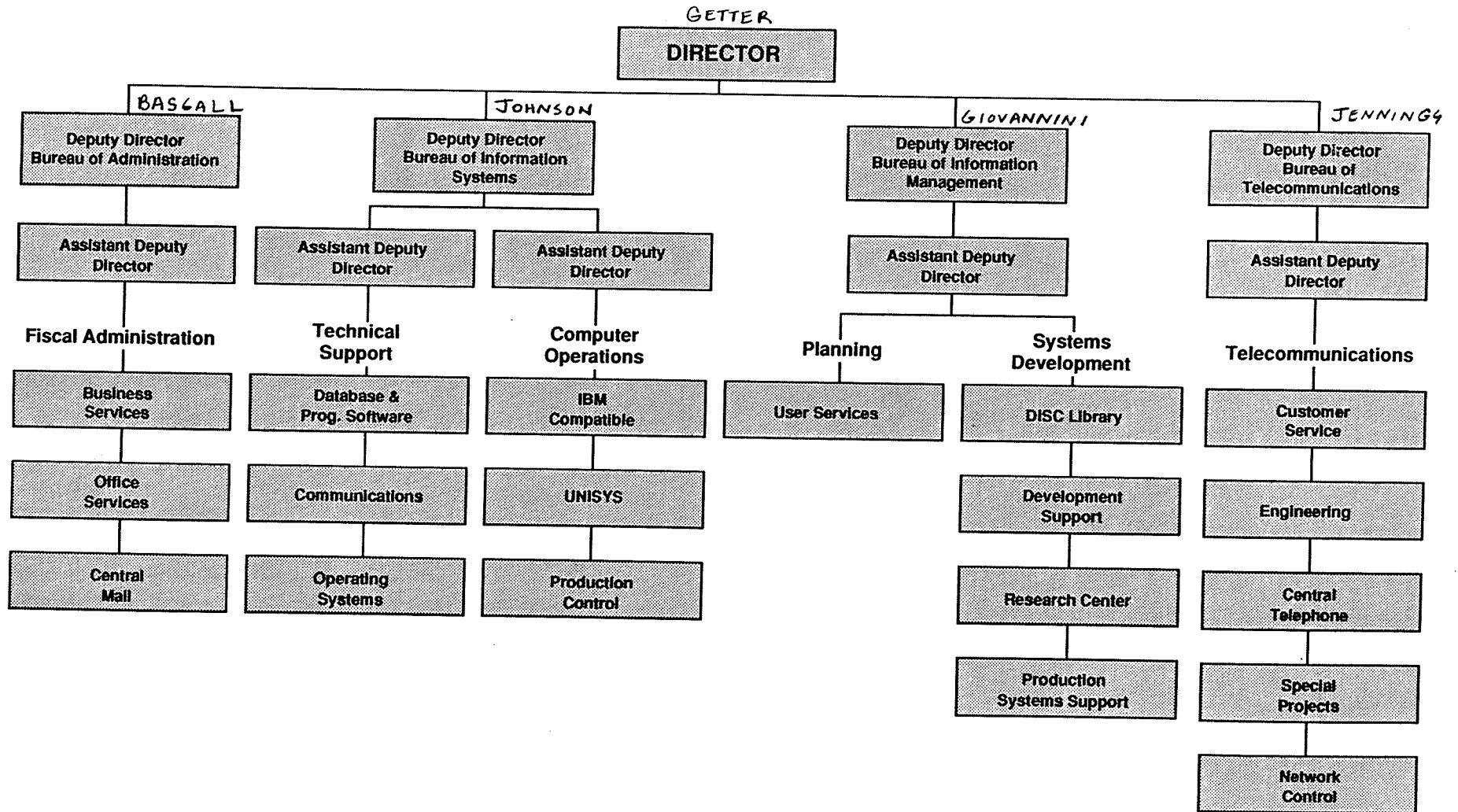
History: L. 1988, ch. 345, § 2; July 1.

All fees charged for telecommunication services are credited to the Information Technology Fund.

Creates the Information Technology Fund by merging the Computer Services Fund and State Communications Services Fund and abolishing the Computer and Communication Services Funds.

Creates the Information Technology Reserve Fund. Abolishes the Computer Services Reserve Fund.

DIVISION OF INFORMATION SYSTEMS & COMMUNICATIONS



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