Approved _____5-6-92_____
Date

MINUTES OF THE ___House___ COMMITTEE ON __Computers, Communications & Technology__.

The meeting was called to order by _____George Dean_____ at
                                         Chairperson

__12:00__ ~~a.m.~~/p.m. on _____February 18,_____, 19_92_in room _529-S_ of the Capitol.

All members were present except: Representative McKechnie - Absent
                                      Representative Kline - Excused
                                      Representative Patrick - Excused
Committee staff present: Representative Pauls - Excused

                    Julian Efird, Research
                    Donna Stadel, Committee Secretary

Conferees appearing before the committee:

        Jim Cobler - Secretary of Administration

        Others attending: See attached list.

        Chairman Dean opened the meeting distributing minutes from the
        meetings of January 29th and 30th for review.

        Mr. Jim Cobler, Secretary of Administration, appeared before the
        committee addressing the status of KAHRS; the action he has taken
        to date to impact the future large system development projects;
        and his recommendations as to future hardware and software
        purchases for the State of Kansas (attachment 1).

        Mr. Cobler gave an overview of various systems within the
        administration. Discussion followed regarding how rules and
        regulations, policies and procedure were to be used in
        accomplishing their goals. Also discussed were hot and cold
        sites; and conflict between branches of government
        constitutionally for a policy making group. Revisor Wilson
        confirmed each branch would have to have a say-so in the policy
        making of constitutional decisions.

        In discussing whether to do the program in-house or hire a
        contractor, Mr. Cobler expressed his concern with outsourcing the
        payroll system due to its' complexity.

        Jean Turner, Director, DISC, supplied a copy of the Division of
        Information Systems and Communications (DISC) guideline
        (attachment 2) and the Agency Information Management Planning
        Instructions (attachment 3).

        With no further business the meeting was adjourned until
        Wednesday, February 19, 1992.

GUEST LIST

COMMITTEE: _House CCT_   DATE: _2-18-92_

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Bobbi Mariani	Landon Bldg	Dept of Adm.
Jean Turner		"
James Cobler	Fletchure	"
Julie Hein	Topeka	Unisys
ML Manning	"	DOB

HOUSE COMPUTER, COMMUNICATIONS, AND TECHNOLOGY COMMITTEE

February 17, 1992

I have been requested to provide information on three items which are listed below.

1. Status of KAHRS.

2. Actions which I have taken to date to impact future large system development projects.

3. My recommendations as to future hardware and software purchases for the State of Kansas.

STATUS OF KAHRS

The only objective professional assessment of the percentage of completion of the KAHRS project was done by Price Waterhouse. Their report indicated the project was about 38% complete. Price Waterhouse, Legislative Post Audit and I all agree that a needs analysis should have been done at the beginning of the project. Our first step in my opinion should be to do the much needed needs analysis. I have included in my budget request $150,000 to accomplish this task. Once our needs are clearly identified, I feel we should examine all of the options that are available to us.

We have at least the following options:

1. Complete the KAHRS system
2. Examine other available packages which may be a better fit.
3. Consider using a private service bureau.
4. Consider developing an open systems solution.
5. Do nothing.

ACTIONS TO IMPACT FUTURE LARGE SYSTEM DEVELOPMENT PROJECTS

The State of Kansas, as you are aware, has had several agencies that have experienced problems with major computer software systems development. I believe it is fairly obvious to all that the problems are similar and that we are making the same mistakes in the various agencies.

House CCT
Attachment 1
2-18-92

I have taken several steps which I believe will reduce the likelihood of making these same mistakes in the future. I have directed the Division of Purchases to develop administrative procedures to insure all negotiated procurements follow state regulations. In addition, I have directed the Division of Purchases to develop a training program on how to prepare information technology bid specifications. The training program will include detailed instructions on how to establish project checkpoints, how to specify discrete deliverables, and how to develop penalties for failure of vendors to honor contractual provisions for large system development projects. All agencies will be required to attend the training in advance of contracting for large system development projects.

I have directed DISC to develop policies and procedures which clearly state the standards for preparing requirements definition and for monitoring the progress of development efforts based on preestablished project checkpoints and deliverables. I have also asked DISC to base these standards on control objectives promulgated by the EDP Auditors Foundation and the U.S. General Accounting Office.

Finally, I have asked DISC to prepare an implementation plan for monitoring the work of agencies and consultants involved in system development projects. Although DISC does not have direct authority to withhold appropriated funds or shut down development projects, DISC can play a key role in documenting agency compliance with standards and state policies. In this regard, I want DISC to prepare reports for review by top level agency officials. These reports will summarize compliance with development standards and polices. These reports will also document project costs and budgets as established by agency fiscal officers and information systems managers. If a project is not meeting the project checkpoints on time and within budget, the sooner we are aware of it the more options we have to deal with the problem before it is out of control.

RECOMMENDATIONS FOR FUTURE HARDWARE AND SOFTWARE PURCHASES

I feel I must take a moment here to speak about my opinion for a long term solution to a problem that has been plaguing our State for about 10 years. All of you have been pulled one way and then another by both sides on a very complicated computer problem. Any time you have a proposed solution which demands that you rule out a major segment of an industry you will have conflict. One group has maintained that the State must use "IBM Compatible" equipment. Obviously, a large group of non "IBM Compatible" vendors would be

1-2

denied the ability to compete for state business if we did this. On the other hand, if you use any other vendors proprietary software, you deny access to other vendors. Hence, the conflict rages on and on.

Today we have the option to specify software solutions which can be run on virtually every hardware vendors equipment. They no longer have to be "HARDWARE SPECIFIC". What is more important, our software investments do not have to be lost because a decision is made to change hardware vendors. While some effort is required to move a system from one vendor to another, we are talking about a few days of effort. The solution is to require the use of non-proprietary software and strictly adhere to existing standards. The operating system developed by AT&T has now been adopted by virtually every manufacturer of computers. In addition, there are several non-proprietary data bases which can be run by virtually every equipment manufacturer. Standards for communications and other computer disciplines have been set by committees of software users such as POSIX (Portable Operating Systems Interface for Computer Environments) which controls the standards for the operating system at the present time. The Federal Government is now requiring the open systems approach and I believe we should as well.

The different manufacturers' machines involved in the open systems can "talk" to one another. In fact, programs can be moved from vendor to vendor easier than it is now done in the machines involved in the IBM compatible line.

While I realize that it is not practical for the entire Legislature to become experts in such a time consuming matter, I do believe it is important for the Legislature to play an active role in setting the state's policy for computers. I strongly support making the nine member Task Force on Computers which was established by the LCC a permanent committee which could meet as required to accomplish this task.

Future state acquisitions should be based on non-proprietary software solutions not hardware. Virtually all hardware vendors would be allowed to bid.

1-3

STATE OF KANSAS

DEPT OF ADMINISTRATION

DIVISION OF INFORMATION SYSTEMS AND COMMUNICATIONS

751-S, Landon State Office Building
900 S.W. Jackson
Topeka, Kansas 66612-1275
(913) 296-3463

1.0 SUBJECT: Data Processing/Telecommunications Hardware and Software Acquisition Justification.

2.0 DISTRIBUTION: All Current Users

3.0 FROM: _Jean Turner_
                              Jean L. Turner, Director

4.0 PURPOSE: To define and clarify the justification requirements to be supplied by agencies when seeking DISC's approval for acquisition of data processing/telecommunications hardware, software, and services.

5.0 BACKGROUND: PPM 3200.02 defines the acquisitions which require DISC approval. DISC, during the Legislative Session, is called upon to explain to various legislative committees why data processing acquisitions were allowed. Additionally, DISC provides justification for agency acquisitions to the Division of Budget.

Prior to granting an agency approval for the acquisition of the items defined within PPM 3200.02, an agency must provide the justification for the acquisition of those items. The complexity of the justification will be tempered as to its depth and detail by: (1) the dollar amount of the acquisition; (2) whether or not the technology is already established within state agencies and; (3) if the acquisition is going to significantly change the way the agency does business.

The following text will define and clarify the required justification. It will not be possible to cover all possible situations and the intent is to provide "umbrella" guidelines to cover most situations at a fairly high level. The reader should keep in mind that the justification material provided by the agency to DISC comprises the bulk of the background knowledge available to DISC when we speak on behalf of the agency.

6.0 PROCEDURE:

House CCT
Attachment 2
2-18-92

General Justification Guidelines

The general justification guidelines will be categorized by:

6.1   Data processing/telecommunications hardware covered within a State Contract.

6.2   Data processing/telecommunications hardware not on State Contract.

6.3   Computer operations and business applications software.

6.4   Contractual services (i.e.), consultants, telecommunications service, programming, and systems analysis.

NOTE: For very large projects involving major systems development and data processing resources, the agency should involve DISC as early on in the project cycle as possible to assure the justification criteria are developed in the most efficient manner. This will help assure the project schedule is not jeopardized.

6.1   DATA PROCESSING/TELECOMMUNICATIONS HARDWARE — COVERED WITHIN A STATE CONTRACT.

1.   A summary of what the agency is proposing. A brief statement of the current business and technical environment and how the proposed acquisition fits into the current environment and the agency's Information Technology Plan. This section will include the expected "useful life" of the item(s) being acquired in relation to the agency's growth plans from both an organizational standpoint, and automation growth projection standpoint.

2.   Business Case — a detailed explanation of the current situation within the agency that has resulted in the proposed acquisition.

3.   Detail of the current existing hardware configuration, the proposed new hardware and the resulting configuration.

This might best be done using a columnar format:

Current   Proposed   Revised
Configuration   Additions   Configuration

Obviously the above example will be used best for new mini/mainframe configurations or their upgrades.

4.   It is imperative to define how connectivity to the State's Communications Network will be achieved. There may be cases where connectivity will not be provided for. In these cases, the reasons for not providing for connectivity should be explained.

2-2

5.   The detailed cost of the proposed acquisition elements and their association to the agency's budget. This will apply to all items at a level that can be associated to a budget line item.

6.   Implementation issues/costs associated to or caused by the proposed acquisition. This will include all software costs, including installation or conversions, and training.

The impact on the current hardware configuration resulting from the installation of the proposed acquisition, if such will occur, and whom will support this process.

The impact upon human data processing resources and FTE's within the user community.

All costs/issues associated with communications such as connecting or re-connecting to the network, and/or cabling of any new equipment.

7.   Related savings (tangible and intangible) and benefits. Includes what will <u>not</u> be accomplished if the acquisition is not allowed to proceed (i.e.), services to the public, programs, etc. <u>The savings and benefits should be stated as basic as possible and in such a manner that they may be audited at a later time.</u>

8.   Hardware resource capacity analysis, if appropriate, will be included for upgrades to existing hardware and total configuration change overs. Capacity analysis software outputs should be included and will cover peak periods, as well as slack periods. Load and resource leveling attempts should also be included.

6.2   <u>DATA PROCESSING/TELECOMMUNICATIONS HARDWARE</u> — NOT ON STATE CONTRACT

1.   All eight (8) elements defined in point 6.1. above will be included in the justification of Data Processing/Telecommunications hardware not on state contract.

2.   All options (a minimum of three) that were analyzed as candidates to fulfill the acquisition requirement will be included. This analysis will include the comparison criteria and analysis used to weight and contrast the options. A section will be included defining in detail what the final selection is and why the option(s) was/were chosen.

This analysis may be the results of a Request For Proposal (RFP) or a Request For Information (RFI).

2-3

6.3 COMPUTER OPERATIONS SOFTWARE AND BUSINESS APPLICATION SOFTWARE

1. A summary of what the agency is proposing. A brief statement of the current business and technical environment and how the proposed acquisition fits into the current environment and the agency's Information Technology Plan. This section will include the expected "useful life" of the item(s) being acquired in relation to the agency's growth plans from both an organizational standpoint, and automation growth projection standpoint.

2. Business Case — A detailed explanation of the current situation within the agency that has resulted in the proposed acquisition.

3. The technical specifications of the proposed software acquisition including the impact of the data processing resource requirements upon the existing hardware configuration.

4. The analysis results regarding the agency's automation growth projections combined with the proposed acquisition. The question of how long the existing configuration will be sufficient for the agency's processing should be addressed.

5. Training required due to the acquisition will be addressed. Its cost, schedule, and provider.

6. The detailed cost of the proposed acquisition elements and their association to the agency's budget.

7. Implementation issues/costs associated to or caused by the proposed acquisition. This will include installation, conversions and impact upon human resources.

8. Related savings (tangible and intangible) and benefits. Includes what will not be accomplished if the acquisition is not allowed to proceed (i.e.), services to the public, programs, etc. The savings and benefits should be stated as basic as possible and in such a manner that they may be audited at a later time.

9. All options (a minimum of three) that were analyzed as candidates to fulfill the acquisition will be included. This analysis will include the comparison criteria and analysis used to weight and contrast the candidates. A section will be included defining in detail what the final selection is and why the candidate(s) was/were chosen. This analysis may be the results of a Request For Proposal (RFP) or a Request For Information (RFI).

2-4

6.4   CONTRACTUAL SERVICES — INCLUDING CONSULTANTS, TELECOMMUNICATIONS SERVICES, PROGRAMMING, SYSTEMS ANALYSIS, ETC.

1.   A summary of what the agency is proposing. A brief statement of the current business and technical environment and how the proposed acquisition fits into the current environment and the agency's Information Technology Plan. This section will include the expected "useful life" of the end products being acquired in relation to the agency's growth plans from both an organizational standpoint, and automation growth projection standpoint.

2.   Business Case — A detailed explanation of the current situation within the agency that has resulted in the proposed acquisition.

3.   The analysis results regarding the agency's automation growth projections combined with the proposed acquisition. The question of how long the existing configuration will be sufficient for the agency's processing should be addressed.

4.   Training required due to the acquisition will be addressed. Its cost, schedule, and provider.

5.   The detailed cost of the proposed acquisition elements and their association to the agency's budget.

6.   Implementation issues/costs associated to or caused by the proposed acquisition. This will include installation and conversions.

7.   Related savings (tangible and intangible) and benefits. Includes what will not be accomplished if the acquisition is not allowed to proceed (i.e.), services to the public, programs, and etc. The savings and benefits should be stated as basic as possible and in such a manner that they may be audited at a later time.

8.   All options (a minimum of three) that were analyzed as candidates to fulfill the acquisition will be included. This analysis will include the comparison criteria and analysis used to weight and contrast the options. A section will be included defining in detail what the final selection is and why the option(s) was/were chosen. This analysis may be the results of a Request For Proposal (RFP) or a Request For Information (RFI).

9.   Detailed work/project plan to the task level with internal and external agency responsibilities.

10.   How the product of the contractual services engagement will be maintained after implemented.

11. Include the final version (prior to signature) of the document the agency and the contractual services provider have agreed to. The document must include a section that certifies that the contractual services provider totally understands the technical environment within which his or her tasks are to be performed. This is required to assure the contracting agency and service provider have reviewed all applicable processing standards prior to work commencing.

7.0 CLARIFICATIONS:

The preceding is intended to be a general guideline and as previously stated, each element will not always be necessary.

The association of acquisitions to agency budgets is extremely important and will almost always be required along with the association to the agency's Information Technology Plan. Your BIRM analyst can provide detailed clarification when necessary.

8.0 CANCELLATION: None

9.0 CONTACT PERSON: Warren Neudorff, Information Resource Manager, 913-296-1469, FAX: 913-296-1168

2-6

Deputy Director
Administrative Services
(913) 296-3463

DEPARTMENT OF ADMINISTRATION
Division of Information Systems and Communications

DIRECTOR
900 S.W. Jackson, 7th Floor
Landon State Office Building
Topeka, Kansas 66612-1275
(913) 296-3463

Deputy Director
Information Systems
(913) 296-3463

Deputy Director
Information Resource Management
(913) 296-3463

Deputy Director
Telecommunications
(913) 296-3463

MEMORANDUM

TO: Agency Heads/Data Processing Managers

FROM: Jean L. Turner, Director
           Division of Information Systems and Communications

DATE: June 14, 1991

SUBJECT: Agency Information Management Planning Instructions

In accordance with K.S.A. 75-4708, DISC is required to prepare the Kansas Information Management Plan for approval by the Information Systems Policy Board. The plan includes strategic planning information of statewide interest about information management activities in state government. Agency Information Management Plans are foundation documents for the State Plan and are of interest to both the Executive and Legislative branches of government. Agency plans also become an important consideration for DISC as it determines resource requirements to meet the service needs of its customers.

Attached are the planning instructions for agency Information Management Plans for FY93. The instructions include a planning philosophy, an overview of the planning process and a suggested plan outline with some questions to consider as the plan is developed.

There are some notable differences in this year's instructions. The date for submission of conceptual plans to DISC is September 15, which is more than two months later than last year, and agencies are being asked to submit details about specific projects that will appear in their FY93 budget request. Agencies are also being asked to provide current hardware configuration diagrams and equipment inventories. Another difference is that bulk approvals will be available only to Regents institutions.

House CCT
Attachment 3
2-18-92

The planning process for agency business planning starts by defining the overall mission of the agency. The same process applies to planning for information management. For utilization of information technology in an agency to be most effective, it should be used to support the activities associated with the mission of the agency and aligned with the agency business plan. This process helps focus attention on agency functions where opportunities for productivity improvements exist in terms of cost avoidance, minimizing duplication of effort and/or data, and/or providing more effective service levels.

Your agency's plan should include the agency's mission in state government and a narrative description of the information processing functions and activities that support this mission. The plan should identify both processing and telecommunications facilities and services needed through FY95 for new or enhanced applications.

Last year DISC published the agency plans as written. There was a great deal of interest in these plans. Accordingly, an agency should anticipate that its plan will again be published and provided to a large audience.

Throughout the recent legislative session agency budget requests for information technology came under close scrutiny. Many agencies did not receive funding for proposed information systems. Agencies that presented well documented business cases with their budget requests fared better than those that did not.

Again, this year we are asking agencies to provide DISC with the pages from their FY93 budget requests that pertain to capital outlay for information technology items, including narrative descriptions.

If you have any questions about the planning instructions, please contact Gene James, Bureau of Information Resource Management. His phone number is 296-5179.

JLT:ee
JT5191d

Attachment

3-2

FISCAL YEAR 1993
AGENCY PLANNING INSTRUCTIONS
for
INFORMATION MANAGEMENT

Philosophy

In the past, state agencies have made extensive use of information technology to improve productivity and increase efficiency in agency operations. Today as revenues dwindle and the demand for service increases, that trend is likely to continue. However, new information systems tend to be expensive and as competition for scarce funds increases, agency proposals for new information technology are going to come under close scrutiny. That means a lot of decision makers are going to have to be convinced of the merits of a system and of the agency's ability to implement a system within the proposed budget before it is funded or approved. The Budget Division, DISC and the Legislature must all approve information technology projects before they can become reality.

One of the best ways to sell the merits of new information technology investments is to employ a sound planning process. Careful agency planning will identify the best ways in which information systems can help an agency meet its objectives and will provide the basis for a solid business case to support subsequent proposals for funding and acquisition.

It is DISC's responsibility to review agency proposals for information technology and make recommendations to the Budget Division and the Legislature as to the merits of those proposals. DISC will support proposals that are backed by a creditable agency plan and documented with a sound business case. DISC will assist agencies in developing those documents by reviewing drafts and making recommendations for improvements. It is the agency's responsibility to develop a complete cost benefit analysis to fully justify the costs of information technology solutions to their business problems.

In the coming year, management procedures will be put in place to assure that information technology expenditures are fully justified and likely to produce the benefits expected. In general there will be a stronger link between information systems planning, agency budget requests and agency requests for approval to acquire information technology. These measures will help assure that tax dollars spent on information technology are a good investment for the people of Kansas.

Planning Instruction Overview

The general thrust of agency Information Management Plans should be conceptual and directional in nature. The conceptual agency Information Management Plan (IMP) should be submitted to DISC on or before September 15, 1991, and should include details about specific projects that will appear in the agency's FY93 budget request. Specific details about projects should also be submitted to the Division of the Budget in September 1991 with the agency budget document. Copies of agency information technology and management budget requests should be submitted to DISC by September 15, 1991 (at the same time the agency submits its budget document to the Division of the Budget). It is important that the agency budget request for information technology and management funding is compatible with and provides specific reference to the agency Information Management Plan.

3-3

Agency Conceptual Information Management Plan FY 93-95

The agency Information Management Plan (IMP) is intended to identify how information activities and functions will support the agency's mission and goals for the next three years. Information activities include such things as new application systems, telecommunications, data communications, video and image systems, electronic data interchange, enhanced voice communications and optical storage. It is important to view agency information activities and functions from an overall agency perspective in order to identify areas where technology may produce savings in terms of cost avoidance, elimination of duplicated effort, increased utilization of information that is already captured and retrievable, or increase the effectiveness of services provided to the public.

3-4

AGENCY INFORMATION MANAGEMENT PLAN OUTLINE

I   Agency Mission

Include information about the statutory responsibilities of the agency. Identify the activities and functions necessary to accomplish the stated mission.

II   Agency Goals and Objectives

Information in this section should explain how activities and functions support the accomplishment of the agency mission.

III   Assessment of Information Management Current Situation

Outline the planning process that is used to plan for information systems and information technology projects in your agency. Discuss the existing policies, procedures, and practices governing the management and use of manual and automated information resources in the agency. The focus of this discussion should be the content and availability of information for users and management, and issues of data ownership and communications. Explain how agency mission and goals are supported by this activity.

IV   Information Management Direction

Directly relate information management activities and functions to the goals and objectives which support the agency mission. This section should be a narrative description of proposed initiatives to enhance capabilities and communication of agency programs through information management activities during the next three years.

Information management directions should be based on an analysis of the present situation and future information needs of the agency. Goals and objectives for information management should result from an analysis of agency information needs with the priorities set by agency management. As individual initiatives are discussed they should be presented as components of a coordinated plan to support overall agency goals and objectives.

V   Examples of Implemented Projects

Several agencies have experienced success in implementing projects which have improved productivity, increased efficiency, reduced costs or improved the quality of service to the public. A section of the Kansas Information Management Plan will include a brief description of these "success stories". If your agency has such a story to share, please include it in your agency IMP. Describe accomplishments in areas where technology has made a positive difference in how information is managed and processed. Include those projects which have been implemented within the last couple of years with explanations about the changes that resulted in how information was managed and processed. Benefits, cost savings, and cost avoidance should be documented.

3-5

VI   Feasibility Studies for Proposed Projects

Include a description of proposed projects, with costs and expected benefits identified, that are expected to begin in fiscal year 1993. The statement of expected benefits should be thorough enough to justify the costs. Identification of costs should include the following categories as applicable to your project.

a.   Hardware costs
b.   Software costs
c.   Maintenance costs
d.   Personnel costs
e.   DISC charges
f.   Consultant services
g.   Space and environment costs
h.   Training costs
i.   Data acquisition or conversion costs

VII   Hardware Configuration Diagrams and Equipment Inventories

Include diagrams of current hardware configuration and an inventory of equipment as outlined in the attached example.

VIII   Format

The agency IMP should be a relatively short description of the present situation and future information management plans with fully detailed information for those items requested in the FY 93 budget.

3-6

AGENCY INFORMATION TECHNOLOGY INVENTORY

This year an equipment and software inventory is to be included as part of each agency's Information Technology Plan. The following items should be included:

Hardware

Personal computers
Midrange computers
File servers
Workstations
Mainframe computers
Display terminals
Printers
Print directors
Modems and other data communications equipment
Controllers
Telecommunications equipment
Voice response or processing equipment

Software

CASE software

For both hardware and software, please provide the following information as it applies:

Location
    Division
    Bureau
    Unit
    Address
Brand name
Size notation
Quantity
Estimated dollar investment
Own or lease

EXAMPLE CONFIGURATION CHART

DISC UNISYS Mainframe	DISC IBM Mainframe	U.S. Dept. of Interior Mainframe

AS/400 Model Departmental Processor

Local Area Network

PCs (4)

PCs (8)

PC (1)

Local Terminals (16)

Stand Alone PCs (6)

Resource System

REMOTE FIELD EQUIPMENT

PCs (2)

PCs (4)

AS/400 Model B10

Stand Alone PCs (21)

Terminals (6)

PC (1)

3-8