

# CNIC Governing Board Meeting Minutes – June 12, 2006

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Approved 7/10/06

Attendees:

Agency:	Board Representative:	CIO or Representative:
DAS	Lindsay Ball/Kris Kautz	Mike Zanon
DCBS	Greg Malkasian	Dan Adelman
Corrections		Toni Rogers
Education	Doug Kosty	Baron Rodriguez
Employment	Bill Fink	Curt Amo
Forestry	Tim Keith	Sandy Jefferson
Housing & Community Services	Rick Crager	Bill Carpenter
Human Services	Fariborz Pakseresht	Bill Crowell
State Police	Peter Spirup	
Revenue		Stan McClain
ODOT	Matthew Garrett	Ben Berry
Veterans' Affairs	Paula Brown	Herb Riley

State Data Center: Julie Bozzi, Mark Reyer

Project Office: Sarah Miller

Accenture: Mike Dawson, Kari Ensminger

Others: Rod Bailey, Kate Coffey, Scott Harra, Jerry Korson, Theresa Masse

## **1. Opening Comments**

Lindsay asked for a round robin of introductions.

**MOTION:** Bill Fink moved to approve the May 8 minutes as written. Doug Kosty seconded. The motion passed.

## **2. Project Management Report**

Mark Reyer reported that this last weekend was a big milestone with completion of moving the four mainframes. Though some of the mainframes were already located at the State Data Center (SDC) some migration from old machines had to be done. Several servers and an AIX box were also moved in. The ODOT Truckers Online system was also moved. This was a very successful weekend. Many people were involved in the effort including several testers. The third-party connectivity issues that came up a few weeks ago were corrected. Many agency people pulled together to make it happen; they are working extremely well together. This is a better job than anything Mark has ever witnessed.

Stan McClain asked about the implementation of the mainframes in the future and whether or not the successful moves are an indicator of things to come. Mark noted that although the SDC will not let their guard down with any future moves, there is a sense of satisfaction that things are going so well thus far. Staff working at the SDC are very proud of the work being done and Mark believes this will continue to drive the ongoing effort. Matthew Garret spoke about how pleased ODOT is with the work that has been done. Ben Berry seconded that feeling. One year ago, "legacy" systems were one of the highest concerns. Now that this migration has completed successfully, minds are definitely at ease.

Server moves are going equally as well. There are about 500 servers at the SDC. Some additional servers have been discovered in the migration process; the plan is to move them to the SDC. ODOT, DAS and DHS are projected to complete their moves on schedule. OHCS is completely migrated; the other eight agencies are currently in their planning phases.

Performance and response time was one area of concern for some people. So far there has not been any feedback that system response times are significantly different. Some testing is being

done to ensure that performance lapses do not become issues down the road. There have been a few minor outages on some servers but those issues were resolved quickly.

The SDC is currently involved in the interviewing process. About 80 percent of the applicants have been interviewed with 20-30 more to go. This is expected to be complete in the next two weeks. As soon as interviews are complete, references will be checked and then offers will go out. Once new employees are on board an orientation process will begin.

Lindsay reiterated that Mark has been hailing the work of the agency staff members for a few weeks now. The hope is that this momentum will keep going. Lindsay does not see any opportunity for complacency at the SDC in the future. He suggested that agency directors and CIOs make an attempt to swing by the SDC to visit with the employees and see the work that is being done. Every Thursday at noon is a brown bag lunch in the SDC lunchroom. On Thursday, June 29 there will be a potluck lunch for everyone involved in the migrations. Everyone is invited to join in that as well.

### **3. Administrator's Report**

Software licensing is something that will require some capacity increases in the near future. Mark is conferring with DOJ and the State Procurement Office. It appears the increased capacity issue will reach about one million dollars. There are many issues to address here and Mark will keep the Governing Board abreast of the situation. There may be a movement to replace some software with more cost-effective licensing. Discounts of 40-50 percent have been offered (which is fairly standard) however most of these contracts entitle the vendor to increase costs if even one license is removed. Mark will return on July 10 to report the status. These issues are largely due to the mainframes.

The process for scope *exclusions* is well defined at the Steering Committee level. Mark believes that a process is needed for identifying and approving scope *inclusions* as well. Work is being done to define this process.

Mark recently met with SunGard, the disaster recovery provider for four CNIC state agencies. SunGard does not believe that any of the plans that are currently in place are now sufficient. A subgroup has been formed at the Steering Committee level to address this issue. However, these contracts are month-to-month and some consideration needs to take place to decide whether or not the state should be paying for these contracts if they are currently unusable.

There was some agency-specific discussion about the status of disaster recovery plans and contracts. With the move to the SDC, the plans are simply out of date. The Steering Committee's subgroup will ensure the critical applications and data are identified along with the associated recovery times so that a plan can be put together prior to launching a procurement. Board members must consider whether to continue paying for existing plans. The estimated total cost is about \$300,000 annually.

### **4. Human Resources Report**

Jerry Korson praised the agency interview panel participants who have worked hard to help the SDC management team get through the interview process. The next phase is reference checking and then offers will go out. When someone is offered a position, their offer letter will state that the offer is pending a security check. This will not delay the hiring process. Jerry expects that some recruitment announcements for a second round of applications will likely occur. He anticipates that the next phase will generate questions about why certain individuals did not get hired, what comes next, etc.

### **5. Budget Status Report**

Kate Coffey distributed a high-level summary of the three pots of money that exist for the SDC. There is an operating account with about \$6 million in cash left. This will be allocated back in a budget true up. There is a COP account with a slight increase due to the COP sold at the end of

the last biennium. Another June COP sale for phase three was completed. Debt service comes to about \$11 million.

**6. Finance Committee Report**

Scott Harra sat in for Elizabeth Harchenko. The Finance Committee is in the middle of a review process by agency. Good information is coming in and this is part of the budget true up process that was set to happen after the April E-board. Some budget errors had been identified and are being addressed. Refund checks for the first fiscal year will go out to agencies. As rules do not allow the SDC to carry too much cash, this will be paid back in the same percentages it was paid in. The first year will get trued up and the second year budget will be recast after the first round of the hiring process is complete (as early in the fiscal year as possible). This is all part of the individual agency meetings taking place now.

The agencies have been asked to use the numbers in the price list for 07-09 projections. By early September they hope to have better numbers that can be trued up using the appropriate processes. For the agencies that have not yet met with the committee, Scott can send some of the materials that have already been received by others to point out what kind of information is going to be most helpful in this process. However, most of this is just a conversation to gain clarification. He noted that software license maintenance will be closely tracked.

**7. Upcoming Legislative Hearings**

There will be an overall review of the project next week at the JLCIMT. The speaker and the Senate president did agree to invest \$200,000 to scrutinize the SDC. Lindsay wrote a letter explaining that he felt this had already been well covered. An RFP from the Legislature may go out on this in the next week.

**8. Other Business**

No new business.

**Next Regularly Scheduled Meeting**

Monday, July 10, 2006  
3 - 4:30 p.m.

DAS West ~ Conference Room B