

NEBRASKA STATE RECORDS BOARD

MINUTES

Meeting of December 9, 2015

Agenda Item 1. CALL TO ORDER, ROLL CALL

The meeting of the Nebraska State Records Board was called to order by Chairman John A. Gale at 9:05 A.M. on December 9, 2015 in Room 1507 of the State Capitol, Lincoln, Nebraska.

A Roll Call was taken. The following Board members were present:

John A. Gale, Secretary of State, State Records Administrator and Chairman;
Mike Foley, representing the Governor;
Phil Olsen, representing the Auditor of Public Accounts;
Scott Keene, representing the Insurance Industry;
Brenda Ealey, representing Libraries;
Leslie Donley, representing the Attorney General;
Byron Diamond, Director of Administrative Services;
Brian Buescher, representing the Legal Profession;
Don Stenberg, State Treasurer;
Mike Konz, representing the Media;
Crystal Wichita, representing the Banking Industry

Absent:

Greg Osborn, representing the General Public

Staff in attendance:

Colleen Byelick, Legal Counsel
Cathy Danahy, Executive Director;
Tracy Marshall, Recording Clerk

Agenda Item 2. ANNOUNCEMENT OF NEBRASKA OPEN MEETINGS ACT

Chairman Gale announced that in accordance with the Nebraska Open Meetings Act, reproducible written materials to be discussed at the open meeting and a copy of the Nebraska Open Meetings Act are located to the left of the public seating area.

Agenda Item 3. NOTICE OF HEARING

Chairman Gale announced public notice of the meeting was duly published in the Lincoln Journal Star August 16, 2015 and on the state's website Public Meeting Calendar. The public notice and proof of publication relating to the meeting will be attached to and made a part of the meeting minutes.

Agenda Item 4. ADOPTION OF AGENDA

Mr. Stenberg moved to adopt the agenda as presented; seconded by Mr. Keene.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

Agenda Item 5. APPROVAL OF MINUTES

Chairman Gale asked for a motion to approve the minutes of the September 16, 2015 meeting. Mr. Keene moved to approve the minutes; seconded by Mr. Foley.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

Agenda Item 6. PUBLIC COMMENT

Chairman Gale asked the members of the audience if anyone wished to come forward to provide public comment on anything other than items listed on the agenda. No audience member indicated a desire to provide public comment.

Agenda Item 7. CHAIRMAN'S REPORT

Chairman Gale presented a Resolution recognizing Cathy Danahy, Executive Director, upon her retirement December 31, 2015. Mr. Diamond motioned to adopt the Resolution; seconded by Mr. Foley. Chairman Gale read the Resolution into record.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

a) Agenda Item 7. a. AGREEMENTS & ADDENDA

Mr. Brent Hoffman, General Manager, Nebraska Interactive, LLC introduced the following Agreements and Addenda:

Agenda Item 1. Electronic Government Service Level Agreements between Nebraska Interactive, LLC, the NE State Records Board and the Village of Alda, NE and the City of Genoa, NE. Signed by Chairman Gale pursuant to Board Authority.

Agenda Item 2. Addenda (PayPort) (Local) to the Electronic Government Service Level Agreements between Nebraska Interactive, LLC, the NE State Records Board and the Village of Alda, NE Village of Ceresco, NE, and the City of Genoa, NE. Signed by Chairman Gale pursuant to Board Authority.

Agenda Item 3. Addenda (PayPort) (State) to the Electronic Government Service Level Agreements between Nebraska Interactive, LLC, the NE State Records Board and the Department of Health and Human Services. Signed by Chairman Gale pursuant to Board Authority.

Agenda Item 4. Addendum 13 (eFiling) to the Electronic Government Service Level Agreements between Nebraska Interactive, LLC, the NE State Records Board and the Supreme Court. Signed by Chairman Gale pursuant to Board Authority.

Agenda Item 5. Addendum 8 (PayPort, Local) to the Electronic Government Service Level Agreement between Nebraska Interactive, LLC, the NE State Records Board and Sarpy County. Mr. Stenberg moved to approve Addendum 8; seconded by Mr. Keene.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

Agenda Item. 7.b. NETWORK MANAGER OPERATIONS SUBCOMMITTEE REPORT
Chairman Gale reported the subcommittee met to discuss the OCIO service agreement soon to expire and the upcoming retirement of Executive Director Cathy Danahy. He said a revised OCIO contract may be available at the February 2016 meeting. He also reported the subcommittee discussed the Board's responsibility to act as a consultant to the Secretary of State's Records Management operation. Many agencies are in desperate need of paper document conversion to digital records. A grant from the NSRB may be extremely helpful in this conversion project. He requested the Grant Review Subcommittee review the current policies to this program to possibly include this type of grant.

Chairman Gale introduced and welcomed Mr. Scott Somerhalder, Vice President, Operations, NIC and Mr. Steve Kovzan, Chief Financial Officer, NIC who were in attendance at the meeting.

Agenda Item 7. c. PRICEWATERHOUSECOOPERS ANNUAL AUDIT OF NEBRASKA INTERACTIVE, LLC DECEMBER 31, 2014 AND 2013

Mr. Foley, Chairman of the Finances Review Subcommittee, reported the subcommittee (Mr. Foley, Mr. Keene, Ms. Wichita, and Mr. Stenberg) met to review the audit report along with Phil Olson and Craig Kubicek with the Auditor's Office. He said it was the subcommittee's unanimous recommendation that the full board accept the audit. Mr. Stenberg asked Mr. Kovzan to explain how the decision was made to transfer the accumulated earnings of Nebraska Interactive to the parent company. Mr. Kovzan explained in detail the rationalization for this decision. He indicated this practice was very common to decentralized companies, such as NIC, with multi subsidiaries. Chairman Gale asked him to explain how the cost of allocating centralized services is determined. Mr. Kovzan explained NIC uses a very standard methodology that is identical across all thirty subsidiaries of their state portal businesses. Some costs are based on head count, others on a pro rata basis. Chairman Gale asked if there was type of "bottom line" return expectation from their subsidiaries. Mr. Kovzan said as a for profit organization the key for NIC is to balance a good return for their shareholders and investing and reinvesting their businesses. We have profit targets for their portals to achieve, but Nebraska Interactive has the ability to do what they need to do or the state of Nebraska needs. Mr. Foley moved to formally receive the audit report; seconded by Mr. Stenberg.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg

Wichita

Voting Against: None

Absent: Osborn

The motion carried.

Agenda Item 8. EXECUTIVE DIRECTOR'S REPORT**Agenda Item 8.a. NSRB Cash Fund Balance Report**

Ms. Danahy presented the September 30, 2015 Cash Fund Balance Report. There was a discussion about the Secretary of State receiving a grant to digitize the paper records in the State Records Center. Mr. Diamond said the Secretary of State provided detailed data points such as boxes stored, storage costs, scanning costs, etc. to him in a letter. Mr. Diamond suggested these statistics be added to the data points provided by the Secretary of State regarding the State Records Management services such as boxes stored, scanning costs, etc. Mr. Diamond suggested adding this information to the Executive section of the quarterly report so the entire Board may see what the current record storage/scanning status is and if the trend lines are up or down. Mr. Diamond moved to approve the Cash Fund Balance Report; seconded by Ms. Wichita.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

Agenda Item 10. NEBRASKA.GOV REPORTS**Agenda Item 10.a. New VISA Transparency Rule – update**

Mr. Stenberg said this item may be deleted from future agendas since all parties concerned agree on how to handle this issue from this point forward. Mr. Hoffman agreed.

Agenda Item 10.b. General Manager's Report

Mr. Brent Hoffman, General Manager, Nebraska.gov presented the 3rd Quarter 2015 General Manager's Report.

Agenda Item 10.c. Project Priority Report

Mr. Hoffman presented the Project Priority Report. Mr. Diamond would like the *actual* launch date included in future Project Priority reports. Mr. Konz moved to approve the Project Priority Report; seconded by Mr. Diamond.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn

The motion carried.

Chairman Gale declared a recess at 10:55 A.M.

Chairman Gale reconvened the meeting at 11:13 A.M.

Agenda Item 11. NETWORK MANAGER RFP (CLOSED SESSION)

Ms. Donley moved the Board go into closed session at 11:15 a.m. for the limited purpose of discussing and reviewing the extension of the current Network Manager contract and the approval and awarding of the proposed negotiated contract resulting from RFP 4877 Z1 to Nebraska Interactive, LLC including discussing and reviewing all negotiated contract documents and for the protection of the public interest; seconded by Mr. Buescher. Chairman Gale repeated the motion.

Voting For:	Buescher Keene Wichita	Diamond Konz	Ealey Olsen	Foley Donley	Gale Stenberg
Voting Against:	None				
Absent:	Osborn				

The motion carried.

Ms. Donley moved that the Nebraska State Records Board adjourn from closed session; seconded by Mr. Stenberg.

Voting For:	Buescher Keene Wichita	Diamond Konz	Ealey Olsen	Foley Donley	Gale Stenberg
Voting Against:	None				
Absent:	Osborn				

The motion carried.

Chairman Gale gave a report on the discussion of RFP contract, addenda and escrow agreement of the contract for operation and maintenance of Nebraska.gov network.

Ms. Donley moved that the Nebraska State Records Board extend the current contract for the operation and maintenance of Nebraska.gov network between the State of Nebraska and Nebraska Interactive, LLC to March 31, 2016 and approve and authorize the Chair to sign Addendum Four to Contract 406226 04 for this purpose. She further moved that the Board approve and award the proposed negotiated contract for the Management and Administration of the State’s Online Information Portal to Nebraska Interactive, LLC and approve and authorize the chair to sign Addendum 1 and Addendum II to Contract 69584 04 for Management and Administration of the State’s Online Information Portal as presented to the Board. She further moved that the Board approve and authorize the Chair to sign Rider C to the escrow agreement between Nebraska Interactive, NCC Group Escrow Associates, and the State of Nebraska as presented to the Board. She further moved that the Board approve the Guarantee of Performance presented to the Board and finally she moved that the Chair be authorized to sign any additional documents necessary to effectuate the contract; seconded by Mr. Stenberg.

Chairman Gale recognized the RFP/Contract negotiation team, Mike Foley, Byron Diamond, Leslie Donley and Dave Hattan, Elaine Monnier of the OCIO's office, Colleen Byelick, Cathy Danahy, Tracy Marshall of the Secretary of State's Office and Ed Toner, OCIO for their hard work.

Voting For:	Buescher	Diamond	Ealey	Foley	Gale
	Keene	Konz	Olsen	Donley	Stenberg
	Wichita				

Voting Against: None

Absent: Osborn


The motion carried.

Agenda Item 12. DATE FOR NEXT MEETING

Chairman Gale announced the next NE State Records Board meeting will be held on Wednesday, February 10, 2016 at 9:00 A.M., Room 1507, NE State Capitol, Lincoln, NE.

Agenda Item 13. ADJOURNMENT

Mr. Diamond moved to adjourn the meeting; seconded by Mr. Konz. All members present signified agreement by saying "aye". Chairman Gale declared the meeting adjourned at 11:56 A.M.



 John A. Gale
 Secretary of State
 State Records Administrator
 Chairman, State Records Board

3/16/2016

 Date