

**NEBRASKA STATE RECORDS BOARD
MEETING: April 11, 2007**

Nebraska State Capitol
Room 1507
Lincoln, NE
April 11, 2007
9:00 A.M.

NEBRASKA STATE RECORDS BOARD AGENDA

Room 1507 State Capitol

April 11, 2007 - 9:00 A.M.

1. ANNOUNCE DIANE VICARS RESIGNATION
2. SWEARING IN NEW BOARD MEMBER
Mike Edgecombe - General Manager - Hebron Journal-Register - representing the Media.
3. CALL TO ORDER, ROLL CALL
4. ANNOUNCEMENT OF NEBRASKA OPEN MEETING ACT
The Act and reproducible written materials to be discussed at the open meeting are located in the back of the meeting room.
5. NOTICE OF HEARING
Public notice of the meeting was given by posting notice in the Lincoln Journal Star on March 12, 2007; on the State of Nebraska's online public meeting calendar; and keeping a current copy of the agenda in the Secretary of State office, listing the date, time and location of the meeting.
6. ADOPTION OF AGENDA
 - a. **Action Item:** Approval of Agenda
7. APPROVAL OF MINUTES
 - a. **Action Item:** Approval of January 16, 2007 meeting
8. CHAIRMAN'S REPORT
 - a. Contract Addenda signed by Chairman - NE Administrative Office of the Courts - Addendum Four
 - c. Website Recognition Report
9. GENERAL COUNSEL'S REPORT
 - a. **Action Item:** DMV Contract Report
 - b. VISA Operating Regulations update
 - c. NE One Stop Business Registration Portal - status update
10. NEBRASKA.GOV REPORT'S
 - a. January, 2007 Outage Report
 - b. **Action Item:** Project Priority Report
 - c. General Manager's Report
 - d. **Action Item:** NE One Stop Business Registration Portal
11. REPORTS
 - a. NSRB - Cash Fund Balance
 - b. Grant Status Report
 - c. Reinvested Revenue Report

12. CONTRACTOR'S REPORT

- a. NSRB Report

13. **Action item** : VISA - NEBRASKA.GOV FEE HEARING

14. PUBLIC HEARING ON CONTRACT ADDENDA

- a. **Action Item:** Nebraska NE Board of Public Accountancy - Addendum Two
- b. **Action item:** Office of the Secretary of State - Addendum Nine
- c. **Action item:** Office of the Secretary of State - Addendum Ten

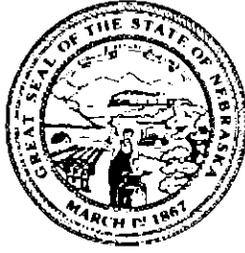
15. DATE FOR NEXT MEETING

July 11, 2007, Wednesday
Room 1507 - State Capitol

16. ADJOURNMENT

- a. **Action Item:** Move to adjourn

Prepared 04/04/2007



NEBRASKA STATE RECORDS BOARD

MINUTES

Meeting of January 16, 2007

The meeting was called to order by Chairman John Gale at 9:05 A.M. on January 16, 2007, in Room 1507 of the State Capitol, Lincoln, Nebraska.

Chairman Gale introduced and welcomed new Board members Shane Osborn, State Treasurer and Mike Foley, State Auditor. He announced new Board member Carlos Castillo, Department of Administrative Services Director, represented today by Brenda Decker, CIO.

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

John Gale, Chairman;
Jerry Catlett;
John Curry;
Brenda Decker, representing the Director of Administrative Services;
Leslie Donley, representing the Attorney General;
Mike Foley;
Tom Freimuth;
Lauren Hill; representing the Governor;
Timothy Loewenstein;
Shane Osborn;
Laureen Riedesel;
Diane Vicars.

Chairman Gale announced that in accordance with the Nebraska Open Meetings Act, reproducible written materials to be discussed at the open meeting are located in the back of the meeting room.

Chairman Gale announced public notice of the meeting was given by posting notice in the Lincoln Journal Star newspaper on December 16, 2006 and keeping a current copy of the agenda in the Secretary of State's office listing the date, time and location of the meeting.

Mr. Loewenstein moved to adopt the agenda; motion seconded by Ms. Riedesel.

Voting For:	Catlett	Curry	Decker	Donley	Freimuth
	Gale	Foley	Hill	Loewenstein	Osborn
	Riedesel	Vicars			

Voting Against:	None
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Absent: None

The motion carried.

Ms. Decker moved to approve the October 12, 2006 meeting minutes; motion seconded by Ms. Donley.

Voting For:	Catlett Gale	Curry Hill	Decker Loewenstein	Donley Osborn	Freimuth Vicars
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Voting Against: None

Not Voting: Foley Riedesel

Absent: None

The motion carried.

Mr. Ron Moravec introduced agenda item 7.a. *UNL – Board of Regents Basic e-Government Training* - \$24,541.00 grant. Ms. Phyllis Schoenholz and Mr. Dennis Kahl testified. The deadline for the project is one year from today, January 16, 2008. Mr. Catlett moved to approve the grant; motion seconded by Mr. Loewenstein.

Voting For:	Catlett Freimuth Riedesel	Curry Gale Vicars	Decker Hill	Donley Loewenstein	Foley Osborn
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Voting Against: None

Absent: None

The motion carried.

Mr. Moravec introduced agenda item 7.b. *City of South Sioux City – In Touch with our Community* - \$25,000.00 grant. Ms. Sue Murray and Mr. Paul Young testified. Discussion was had regarding the fact that the grant did not include enough collaboration among multiple jurisdictions. Ms. Murray and Mr. Young were commended for their passion regarding this project and encouraged to come back when they have accomplished additional buy-in and support from other government entities. Mr. Loewenstein moved to deny the application; motion seconded by Ms. Riedesel.

Voting For:	Catlett Gale Vicars	Curry Hill	Decker Loewenstein	Foley Osborn	Freimuth Riedesel
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Voting Against: Leslie Donley

Absent: None

The motion carried.

Mr. Ron Moravec introduced agenda item 7.c. *Department of Administrative Services – State Personnel – Applicant Tracking System - \$25,000.00 grant.* . The original application was approved at the July 20, 2006 meeting. Mr. Moravec introduced a letter from Mr. Mike McCrory, State Personnel Director, which outlined the specifics of the project.

Mr. Curry motioned to recess; motion seconded by Ms. Hill.

Voting For:	Catlett Gale Vicars	Curry Hill	Decker Loewenstein	Donley Osborn	Freimuth Riedesel
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Voting Against: None

Not Voting: Foley

Absent: None

The motion carried.

Chairman Gale opened a Public hearing on Addendum Four of the Nebraska Liquor Control Commission for liquor license renewals at 10:31 A.M. in Room 1507, State Capitol. Mr. Brian Stevenson, General Manager, Nebraska.gov, testified. Mr. Curry motioned to approve the addendum; seconded by Ms. Donley.

Mr. Curry withdrew his motion. Mr. Gale opened the hearing to public comment. Mr. Gale asked if anyone was for or against the addendum or if neutral, to please come forward. Seeing none, Mr. Curry motioned to approve the addendum; seconded by Ms. Donley.

Voting For:	Catlett Gale Vicars	Curry Hill	Decker Loewenstein	Donley Osborn	Freimuth Riedesel
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Voting Against: None

Not Voting: Foley

Absent: None

The motion carried.

A motion was made by Ms. Decker to close the Public Hearing and return to the regular State Records Board Meeting; seconded by Ms. Riedesel.

Voting For:	Catlett Freimuth Riedesel	Curry Gale Vicars	Decker Hill	Donley Loewenstein	Foley Osborn
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Voting Against: None

Absent: None

The motion carried.

At 10:40 A.M. Chairman Gale returned to the NE State Records Board regular agenda.

Chairman Gale reported on Board Staffing Issues. He introduced a Nebraska State Records Board Technical Assistance Project. He explained it is an agreement between the Office of the Chief Information Officer for technical expertise and assistance to the Board when needed. Mr. Loewenstein motioned to approve the contract; motion seconded by Ms. Hill.

Voting For:	Catlett	Curry	Donley	Foley	Freimuth
	Gale	Hill	Loewenstein	Osborn	Riedesel
	Vicars				

Voting Against: None

Not Voting: Decker

Absent: None

The motion carried.

Chairman Gale gave the Chairman's Report. He discussed Board Goal Setting. He asked for volunteers to form a subcommittee to determine specific goals for the Board for the coming year. He also asked for volunteers to discuss and consider an annual survey to solicit agency feedback about the state's website and other issues. Board members will contact Chairman Gale to express interest on being on the committee on these issues. Chairman Gale also introduced a letter written by Douglas Skiles, Vice-Chair, Board of Public Accountancy, commending Nebraska.gov and Consultant Bill Bidrowski for their efforts in completing their website project.

Mr. Moravec gave the General Counsel's Report. He indicated the Agreement of the NE Department of Motor Vehicles, Nebraska Interactive, LLC, and the Nebraska State Records Board was just received. He provided the agreement for information purposes only. Mr. Moravec asked for a member to volunteer to chair a committee to review this contract with him. Ms. Donley volunteered. The parties involved will review the agreement and report to the Board at the next meeting.

Mr. Moravec sent a letter (included in the Board packets) to the University of Nebraska Library and the NE State Historical Society, Curator of Public Records, encouraging each entity to collaborate with each other whenever possible on any projects having related agency goals regarding historical records.

Mr. Moravec gave an update on the VISA Operating Regulations – charging fees through the portal. He indicated a meeting will take place in the near future to resolve this matter.

Mr. Brian Stevenson, General Manager, Nebraska.gov gave the General Manager's Report. He began by explaining a network outage which took place over the previous weekend. He indicated he was notified of the outage at 10:30 A.M. on Sunday morning, January 14 and the network was restored around 6:30 A.M. on Monday, January 15. He indicated they were moving to a larger space at the Central Data Center in Ashburn, VA and encountered configuration problems when this occurred. He also indicated they were to begin using a hot site in Dallas Texas for disaster recovery purposes to prevent this type of outage in the future. Mr. Loewenstein asked how long this new space will last and Mr. Stevenson said 3-5 years. Chairman Gale asked Mr. Stevenson to provide a letter to the Board outlining his testimony on this matter.

Mr. Stevenson informed the Board that Nebraska.gov tied for fourth in a Computer World study for best government web site. Chairman Gale asked for a copy of the article and Mr. Stevenson said he would provide it.

A discussion took place on the VISA Operating Regulations issue. Mr. Osborn requested the information on this issue be given to VISA and First National Bank in writing. Ms. Hill recommended the statutes be checked, depending on how the fee structure is set up to determine if the Board would need to go to the Legislature to request an increase in the statutory fee as the Board has done in the pass with addendums. A meeting will be held between the Treasurer's Office, the NSRB Legal Counsel and Nebraska.gov to further research this issue. Chairman Gale asked MS. Hill to chair a subcommittee with Mr. Moravec to look into the Legislative matter. Ms. Hill said she would.

Mr. Stevenson presented the Project Status Report. A discussion of Fee vs. Grant Project took place. Mr. Stevenson will add the 'revenue producing' identification to this report. A motion was made by Mr. Freimuth to approve the Project Status Report; seconded by Mr. Curry.

Voting For:	Catlett	Curry	Decker	Donley	Foley
	Freimuth	Gale	Hill	Loewenstein	Osborn
	Riedesel	Vicars			

Voting Against: None

Absent: None

The motion carried.

Mr. Moravec reported on the NSRB Cash Fund Balance, Grant Project Status Report and the Reinvested Revenue Status Report. Further clarification of projects pending (Johnson County, Kearney County and Merrick County) will be given at the next meeting.

Mr. Moravec reported on the NE One Stop Business Registration Portal. Chairman Gale requested Brian Stevenson come back to the next meeting with an updated report and then the Board can address a change in funding.

Mr. Bill Bidrowski presented the Contractor's Report which included updates on the Board of Public Accountancy, State Personnel Division, Barber Examiners, Johnson County and Business Services - UCC projects.

Chairman Gale announced the next meeting of the Nebraska State Records Board will be determined at a later date.

Ms. Hill left the meeting.

No further business appearing before the Board, Ms. Donley moved to adjourn; motion seconded by Mr. Catlett.

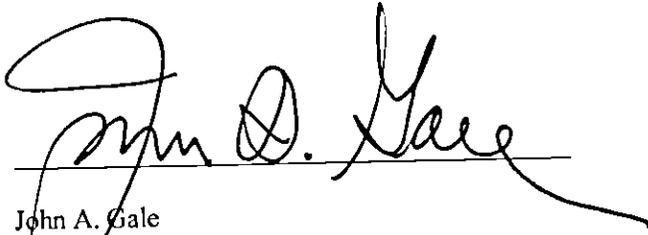
Voting For:	Catlett	Curry	Decker	Donley	Foley
	Freimuth	Gale	Loewenstein	Osborn	Riedesel
	Vicars				

Voting Against: None

Absent: None

The motion carried.

Chairman Gale declared the meeting adjourned at 12:25 P.M.



John A. Gale
Chairman
State Records Board

February 2007 Financial Report

	2/28/2006	2/28/2005	2/28/2006	2/28/2005
Gross Revenue	\$422,601.00	\$372,692.00	\$909,658.00	\$824,630.00
COR Paid to NSRB	\$12,259.00	\$10,644.00	\$26,293.00	\$23,600.00
COR Paid to Agencies	\$244,534.00	\$215,364.00	\$521,490.00	\$517,398.00
COR Other	\$736.00	\$747.00	\$1,472.00	\$1,482.00
Total Cost of Revenue	\$257,828.00	\$228,241.00	\$550,231.00	\$502,715.00
Gross Profit	\$164,773.00	\$144,451.00	\$359,427.00	\$321,915.00
Operating Expenses	\$133,670.00	\$119,682.00	\$266,511.00	\$225,999.00
Operating Income (Loss)	\$31,103.00	\$24,769.00	\$92,916.00	\$95,916.00
Other Income (Expense)	\$2,675.00	\$3,662.00	\$5,305.00	\$3,662.00
Net Pre-Tax Income (Loss)	\$33,778.00	\$28,431.00	\$98,221.00	\$99,578.00
Provision for Income Tax	\$13,002.00	\$9,850.00	\$39,362.00	\$39,905.00
Net After-Tax Income (Loss)	\$20,776.00	\$18,581.00	\$58,859.00	\$59,673.00
Variance from Plan	(\$2,140.00)	\$10,333.00	\$13,609.00	\$42,198.00

February 2007 Revenue Contribution Report

Revenue Contribution	2/28/2006		
Dept. of Motor Vehicles (Batch Drivers Records)			26.13%
Dept. of Motor Vehicles (Interactive & Other Services)			42.33%
Secretary of State Services (Interactive/Batch)			16.29%
Other (Subscriptions, Connect Time, Special Projects, etc.)			15.24%

February 2007 Balance Sheet

Balance Sheet	2/28/2006			
	Current Assets		\$1,389,418.00	
	Fixed Assets		\$10,503.00	
	Other Assets		\$18,229.00	\$1,418,150.00
	Current Liabilities		\$120,362.00	
	Stockholder's Equity		\$1,297,788.00	\$1,418,150.00

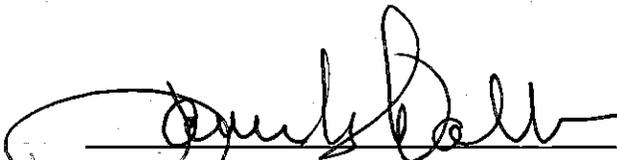
**Addendum Four
to the
Interagency Agreement Between
Nebraska Administrative Office of the Courts
and
Nebraska State Records Board**

This Addendum Four to the Interagency Agreement between the Nebraska Administrative Office of the Courts (AOC) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (Nebraska.gov, operated under the auspices and authority of the NSRB), the price (P) to be charged for such Nebraska.gov services, and how the revenue from such Nebraska.gov services is to be divided between AOC (R/AOC) and Nebraska.gov (R/Nebraska.gov).

Data Records to be Accessed: Single Use District and County Court Records (JUSTICE)

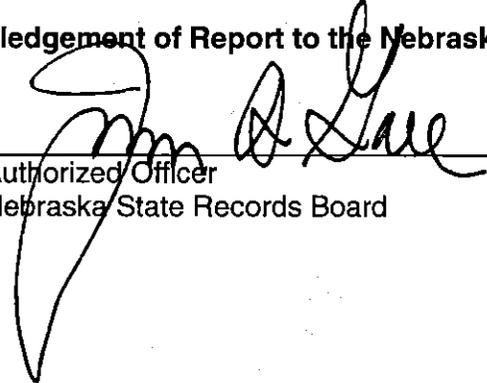
	P	R/AOC	R/Nebraska.gov
Credit Card Search	\$15.00	\$9.00	\$6.00

Terms: The Administrative Office of the Courts will process the Credit Card payment through their own merchant account with the State Treasurer's Office. Nebraska.gov will prepare and provide to AOC and invoice for all services rendered on a monthly basis. Rates for services shall be as provided above in this addendum. Terms of invoice payment shall be net forty-five (45) days.

By:  Date: 2-28-07
Janice K. Walker
Nebraska Administrative Office of the Courts

By:  Date: 2-22-07
Brian Stevenson
Nebraska.gov General Manager

Acknowledgement of Report to the Nebraska State Records Board

By:  Date: 3/28/07
Authorized Officer
Nebraska State Records Board

AGREEMENT
of
NEBRASKA DEPARTMENT OF MOTOR VEHICLES,
NEBRASKA INTERACTIVE, LLC,
and the
NEBRASKA STATE RECORDS BOARD

This Agreement is made by and between the Nebraska Department of Motor Vehicles (hereinafter “DMV”), Nebraska Interactive, LLC (hereinafter “NIA”) and the Nebraska State Records Board (hereinafter “NSRB”), to provide access to the Nebraska Department of Motor Vehicle’s data files through a network manager, an electronic data service operated by the Nebraska State Records Board pursuant to the Records Management Act, Neb. Rev. Stat. 84-1201 through 84-1227.

In consideration of the mutual conditions, covenants and promises contained in this Agreement, the parties agree as follows:

I: SCOPE

1. Mutual Assumptions.

The DMV maintains data in computer databases that contain public records as well as personal information and sensitive personal information that are protected by statute and regulation.

There is public demand by companies and individuals for such data.

The NSRB has the authority to provide for systematic and correlated management of records containing information essential to the operations of government and to protect the rights and interests of persons and safeguard such information against all forms of disaster and unauthorized release or unauthorized access.

The NSRB must also oversee use of technology to meet a growing demand for electronic access to public records as allowed by law and with Legislative oversight.

The NSRB employs NIA as network manager to direct and supervise the day-to-day operations and expansion of the gateway or electronic network to make public records available electronically for fees as provided in statute or approved by NSRB.

Data maintained in DMV computer databases shall be made available through the gateway operated by a network manager but access to data through the gateway is subject to law and regulation and this Agreement for the purpose of protecting the rights and interests of persons whose personal information or sensitive personal information may be subject to inquiry and to protect the data from any breach of security.

Access to data maintained by DMV through the gateway will provide a material benefit to DMV, Nebraska citizens and businesses, and NIA.

2. Statement of Purpose. The purpose of this Agreement is to define circumstances, responsibilities, and compensation relating to providing on-line computer access to certain data at DMV’s discretion, maintained in electronic format by DMV as provided in the Records Management Act. This Agreement provides parameters for NIA’s redisclosure of data to the subscribers and the responsibilities of NIA under the

authority of NSRB. The Agreement also provides for rights and responsibilities of the parties with respect to any breach of security to ensure that all data provided through NIA are disseminated in accordance with applicable privacy laws to protect the public's rights and interests in the protection of data through such access.

3. Specific Applicable Laws. The parties to this Agreement acknowledge and agree that the parties' actions and responsibilities concerning access to, disclosure of, and redisclosure of data pursuant to this agreement are subject to the Nebraska Uniform Motor Vehicle Records Disclosure Act, Neb.Rev.Stat. 60-2901 through 60-2912, and Title 250 Nebraska Administrative Code Chapter 2 - Rules and Regulations Governing Requests for and Release of Personal Information Contained in Motor Vehicle Records Pursuant to the Uniform Motor Vehicle Records Disclosure Act, and the Records Management Act, Neb.Rev.Stat. 84-1201 through 84-1227, and the federal Drivers' Privacy Protection Act, and other applicable state or federal laws.

4. Related Agreement. The parties acknowledge NIA is the network manager pursuant to master contract # NIS-5934 between NIA and NSRB for network manager services. Contract # NIS-5934 provides for NSRB approval of written agreements between each separate data providing/collecting entity and NIA if such agreements are needed to supplement the broad grant of authority to access public records or collect information data from the public which has already been granted to NSRB.

II: Term of Agreement.

1. Effective Date. The effective date of this Agreement is _____.

2. Term. This Agreement supersedes all prior agreements and addenda between DMV and NSRB and NIA and shall remain in full force and effect for one year from the effective date.

3. Amendment. This Agreement may be amended through written addenda signed by the authorized officers of DMV and NSRB and NIA.

4. Renewal. This Agreement may be renewed in writing signed by the authorized officers of DMV and NSRB and NIA. A renewal shall be for a period of one year.

III: Definition of Terms. For purposes of this Agreement:

1. Breach of Security means the unauthorized access to, acquisition of, disclosure of, or redisclosure of data that compromises the security, confidentiality, or integrity of any data or affects the rights and interests of persons whose information is contained in such data. Acquisition of personal information or sensitive personal information pursuant to a search warrant, subpoena, or other court order is not a breach of security of the system.

2. Data means information maintained by DMV in electronic form for communications or processing.
3. Network Manager means an individual, a private entity, a state agency, or other governmental subdivision responsible for direction and supervising the day-to-day operation and expansion of a gateway.
4. Notice means written notice by mail.
5. Person means an individual, organization, or entity.
6. Personal Information means information that identifies a person, including an individual's driver identification number, name, address excluding zip code, and telephone number, but does not include information on vehicular accidents, driving or equipment-related violations, and driver's license or registration status.
7. Sensitive Personal Information means an individual's operator's license photograph, social security number, and medical or disability information.
8. Subscriber or Subscribers means individuals or organizations that use a network manager for computer-assisted research.

IV: DMV Rights and Responsibilities.

1. Assistance. When requested, DMV will help in interpreting the meaning of data, provide input on display screen designs when consulted, and cooperate with NIA in providing access to DMV data through NIA's network.
2. Problem Determination. DMV will provide reasonable levels of problem determination support to help isolate problems when requested, and if the problem resides within the DMV system, provide reasonable fixes or repairs.
3. Access to Data. DMV shall have the final right to control NIA's access to data maintained by DMV in electronic form for communications or processing and shall have the right to deny NIA access to all or any part of such data.
4. Ownership of Data. The State of Nebraska and DMV shall have the unlimited right to publish, duplicate, use, and disclose all data developed or derived or covered under this Agreement, as may be allowed by statute and shall not be subject to any limitation by NIA.
5. Notice to Affected Persons. Following a breach of security, DMV shall have the right to order NIA to provide notice to persons whose personal information or sensitive personal information was affected by any breach of security.

6. Level of Risk. The DMV shall have the right to determine the level of risk to any or all data as a result of any breach of security and to require corrective action of the NIA.

7. Audit. DMV and NSRB shall have the right to audit NIA with respect to physical and data security and relevant business records within the scope of this Agreement upon reasonable notice by DMV or NSRB during the term of this Agreement. Such audit may be either computer security audits or standard business or financial audits. Upon notice NIA shall provide access to records or facilities for purposes of conducting the audit.

V: NSRB Rights and Responsibilities.

1. Statute. NSRB shall have the cooperation of DMV and NIA to meet the requirements of Neb.Rev.Stat. 84-1201 through 84-1227.

2. Security. NSRB will take all reasonable precautions to protect against any breach of security of DMV's data and ensure that NIA shall comply with this Agreement.

3. Notice to DMV. NSRB will provide DMV with not less than sixty (60) days written notice of any extension, renewal, cancellation, expiration, or amendment of the NSRB's contract with NIA. NSRB shall provide DMV with immediate notice of termination of NSRB's contract with NIA.

4. Change of Network Manager. NSRB will provide for continuity of service and protection of all data during any period of transition if there is a change of the network manager.

VI: NIA Rights and Responsibilities.

1. Reporting Requirements. NIA shall provide monthly reports to DMV and NSRB that accurately reflect usage associated with access to DMV records by NIA's subscribers.

2. Record keeping. NIA shall keep for five years, financial and business records, data records, and subscriber lists, to document usage associated with providing access to DMV's data through the gateway and provide DMV access to these records at a reasonable time and place for auditing purposes if so requested by DMV. NIA shall have reasonable notice of such audit.

3. Ongoing Maintenance. NIA shall provide at no charge, hosting of data and ongoing maintenance of systems and interfaces existing upon the effective date of this Agreement.

4. Security Plans for Subscribers. NIA shall require subscribers to have a written agreement with NIA providing for the security and confidentiality of data

subject to the applicable law as identified in Paragraph I.3 above. The subscribers' written agreements with NIA shall identify how data is to be used, agree that data shall only be used for permissible purposes, and agree with statutory limitations on disclosure, and redisclosure of data obtained through the gateway. Such subscriber agreements shall also include a plan for dealing with breaches of security or suspected breaches of security conforming to this Agreement and shall contain a provision allowing NIA to terminate the subscriber agreement if necessary due to breach of security or other good cause shown.

5. DMV Access. NIA shall provide not more than five user IDs for DMV allowing direct access to DMV data as displayed on NIA's network for the purpose of assisting subscribers with inquiries requiring interpretation of records, laws, rules, and regulations or policies and procedures pertaining to such records.

6. No Subscription Fee. NIA shall waive the annual subscription fee for DMV.

7. No Transaction Fee. NIA shall waive transaction fees for DMV access to their services, as they are needed. All other transaction charges may apply.

8. No Connect Time Charges. NIA shall waive all connect time charges for DMV.

9. Surrender of Data. NIA shall immediately surrender all data to DMV upon termination or cancellation of this Agreement or NIA's contract with NSRB. In the event of the expiration of the master contract between NSRB and NIA, the DMV may seek an agreement with NIA for a period of transition.

10. Proprietary Information. NIA shall be entitled to safeguard details of its system, the dissemination of knowledge of which would enable a reasonably skilled computer operator to jeopardize the system's security, pursuant to the provisions of Neb.Rev.Stat. 84-712.05.

VII: Breach of Security.

1. Discovery. Whenever NIA becomes aware of, or discovers a suspected breach of security or actual breach of security, NIA shall notify designated contact persons at DMV and NSRB within one (1) hour of the time NIA is first aware of the suspected or actual breach of security. NIA shall provide NIA's present understanding of the suspected or actual breach of security to the contact person/s. Upon discovery of or awareness of any suspected or actual breach of security, NIA shall immediately investigate to determine if any data has been subject to unauthorized access, disclosure, release, acquisition, or redisclosure. NIA's investigation of the breach of security shall determine what data was affected, who was responsible, and how the breach of security occurred. NIA shall provide twice-daily reports of the progress and findings of the investigation to the contact person designated by DMV until DMV determines the

situation is resolved. DMV shall have the exclusive right to determine the level of risk to any data arising from any suspected or actual breach of security and shall notify NIA of the determination.

2. Preliminary Report. Within five (5) calendar days from the date of becoming aware of or discovery of any suspected or actual breach of security, NIA shall provide DMV and NSRB with a preliminary written report of the progress of its investigation and findings to date, including but not limited to what data may have been affected, who was responsible, and how the breach occurred, all protective actions taken, and any information available, and confirming or discrediting the breach of security.

3. No Risk. Upon a determination that there has been no risk to any personal information or sensitive personal contained in data subject to any breach of security, NIA shall cooperate with DMV and NSRB and provide a report of all actions taken concerning any data affected by a breach of security and shall provide all information requested concerning the breach of security. NIA shall take all corrective action required by NSRB and all corrective action required by DMV to protect all data from further or future breach of security.

4. Any Level of Risk. Within twenty-four (24) hours of a determination that the breach of security caused any level of risk to personal information or sensitive personal information contained in data subject to any breach of security, NIA shall provide notice at his or her last known address to all persons whose personal information or sensitive personal information was affected by the breach of security specifying the personal information or sensitive personal information affected by the breach of security. NIA shall cooperate with DMV and NSRB shall provide all information requested concerning the breach of security to DMV and NSRB. NIA shall take all corrective action required by NSRB and all corrective action required by DMV to protect all data from further or future breach of security.

5. Cooperation. For purposes of this section, cooperation includes but is not limited to, NIA sharing with DMV and NSRB all information relevant to the breach of security, not including proprietary information of NIA.

6. Written Report. Not more than thirty (30) days from the date of the becoming aware of or discovery of a suspected or actual breach of security, NIA shall provide DMV and NRSB with a written report of investigation, including but not limited to identification of what, if any, data was subject to risk, who was responsible, the scope of any breach of security, how the breach of security occurred, if any data provided through a subscriber was affected, and what actions were taken to correct the breach of security and to recover data, and to protect the rights and interests of persons whose data may have been affected, and any other relevant information concerning the breach of security. The report shall include a plan of action to prevent any further or future risk to data.

7. Law Enforcement. Notice required by paragraph VII.4 above may be delayed if a law enforcement agency determines that the notice will impede a criminal

investigation. Notice shall commence within twenty-four (24) hours of a law enforcement agency's determination that notice will no longer impede the investigation.

8. Security Assessment. NIA shall conduct an annual confidential internal assessment to evaluate its compliance with the Nebraska Uniform Motor Vehicle Records Disclosure Act, Neb.Rev.Stat. 60-2901 through 60-2912, and Title 250 Nebraska Administrative Code Chapter 2 - Rules and Regulations Governing Requests for and Release of Personal Information Contained in Motor Vehicle Records Pursuant to the Uniform Motor Vehicle Records Disclosure Act, and the Records Management Act, Neb.Rev.Stat. 84-1201 through 84-1227, and the federal Drivers' Privacy Protection Act and shall address any material deficiencies. NSRB and DMV shall have access to the annual assessment upon demand.

9. Compliance Program. NIA shall establish a compliance program and designate a compliance director to oversee the program and assure compliance with applicable state and federal law as provided in Paragraphs I.3. and VII.8. above.

10. Independent Assessment. Within sixty (60) days of the effective date of this Agreement NIA shall engage an independent third party to assess its compliance with the applicable laws as provided in Paragraph I.3. above and shall report the result of that assessment to NSRB and to DMV not later than ninety (90) days after the effective date of this Agreement.

VIII: Billing, Payment, and Rates for Services.

1. Fees. NIA shall remit fees for DMV data accessed through NIA as set forth in this Agreement and by statute. Where a fee is set by statute, the statute shall be controlling and any statutory fee applicable to DMV's public record data shall be automatically incorporated into this Agreement and effective upon the effective date of the statute.

2. Payment. NIA shall make payment to DMV the last working day of the month following the month in which NIA's subscribers electronically requested access. NIA shall provide DMV a summary page detailing fee-generating transactions per month and the amount of payment to be provided to DMV by NIA each month.

3. Rates. Rates for services not set by statute shall be set by written agreement of DMV, NSRB, and NIA and may be adjusted from time to time to cover the entire cost of providing service to NIA. Rates set shall continue in effect until modified by written agreement of DMV, NSRB, and NIA.

4. Agreed Fees. DMV, NSRB, and NIA agree to the following fees for Special Request Title Registration and Lien Searches provided by NIA under the authority of the NSRB. The prices (P) to be charged for such NIA service, the division of revenue received from such NIA services due to DMV (R/DMV) and NIA (R/NIA), are

provided in the table below. All revenue received from fees covered by this Agreement shall be deposited by NIA in the State Records Board Cash Fund pursuant to the provisions of this Agreement and distributed back to NIA and DMV as provided below:

Type of Data	P	R/DMV	R/NIA
Title Registration and Lien Search Interactive	\$1.00	\$. 40	\$. 60
Special Request			
Initial Set-up/programming	\$55-\$500	N/A	\$55-\$500
First Run Minimum (up to 2,000 records)	\$50.00	\$34.00	\$16.00
Over 2,000 records	\$18/1000	\$10.00/1000	\$8.00/1000
Successive Runs/no set-up			
Minimum (up to 2,000 records)	\$50.00	\$34.00	\$16.00
Over 2,000 records	\$18/1000	\$10.00/1000	\$8.00/1000

IX: Illegal Provisions.

If any provision of this Agreement shall be declared to be illegal, void, or unenforceable by a court of competent jurisdiction, the other provisions shall not be affected but shall remain in full forces and effect.

X: Termination.

1. Immediate Termination. At DMV’s option, this Agreement may be terminated without recourse by the other parties immediately upon the occurrence of the following:

- a. Termination, expiration, or cancellation of NIA’s contract with NSRB.
- b. If funds are not appropriated by the Legislature, DMV may terminate this Agreement by written notice providing the termination date. All obligations of DMV after the termination date will cease. NIA shall be entitled to receive just and equitable compensation for any services that have been satisfactorily completed as of the termination date. In no event shall NIA be paid for a loss of anticipated profit.
- c. DMV’s determination that government convenience and necessity require that resources devoted to providing access to NIA are required by DMV for its internal operation.

2. Termination Upon Notice. At any party’s option, this Agreement may be terminated at any time after the original term of this Agreement upon sixty (60) days written notice to the other parties.

XI: General Applicable Law.

This Agreement shall be governed and construed according to the laws of the State of Nebraska and any disputes arising pursuant to this Agreement shall be subject to such laws.

XII: Indemnification and Hold Harmless Provisions.

NIA hereby relieves, releases, indemnifies, and holds harmless NSRB and DMV, and their officers, agents, employees, and departments, from any liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments and expenses for any and all damages resulting from a breach of security or from incorrect or misinterpretation of data that occurs in transmission or as a result of any interface or coding performed by NIA (but not from any liability which would otherwise accrue against DMV by reason of inaccuracies or misinterpretations residing in DMV's own data) and from any other liability for any and all damages asserted against DMV or NSRB arising from NIA's operations or operations of NIA's subscribers.

XIII: Interruption of Service.

DMV shall use its best efforts to provide adequate and uninterrupted service under the terms of this Agreement. However, DMV shall not be liable for interruption of service when the same shall be due to circumstances beyond the control of DMV, its agents, servants, or employees, including but not limited to unanticipated equipment malfunction or periodic maintenance or update of the computer system or systems upon which such data records reside.

XIV: Assignment.

This Agreement may not be assigned by NSRB or NIA without the prior written permission of DMV and any such assignment of the Agreement without such permission shall be null and void.

XV: Contact for Day-to-Day Communications and Emergencies.

DMV, NSRB, and NIA shall each appoint a contact person, and each shall provide telephone number/s, addresses, and e-mail address/s and communicate such information to the other. The designated contact person shall be responsible for day-to-day communications necessary to carry out this Agreement in the ordinary course of business and to deal with emergencies, including but not limited to system problems, breaches of security, or service interruptions. Subject to the approval of the agreement manager, such designated contact persons may designate assistants as may be necessary to establish a process so that contact may be made between NIA, NSRB, and DMV within one hour, twenty-four hours per day, seven days a week, as may be needed to deal with problems. Emergency communications shall be in person or by telephone and shall be done in a timely matter to ensure ongoing secure access to public records data and to

prevent any breach of security affecting data. Communication pursuant to this paragraph shall not substitute for written notices otherwise required by this Agreement.

XVI: Agreement Manager.

DMV, NSRB, and NIA shall each appoint an Agreement Manager who shall have decision making authority and shall be responsible for handling any negotiations, or questions arising from this Agreement. Each Agreement Manager each shall provide telephone number/s, addresses, and e-mail address/s and communicate such information to the other. The Agreement Manager shall be responsible for oversight of the Agreement in the ordinary course of business, oversee the day-to-day contact person/s, and, in case of emergencies, including but not limited to system problems, breaches of security, or service interruptions, shall receive reports from the designated contact persons, and communicate with their counterpart Agreement Managers as may be necessary to carry out the terms of this Agreement.

XVII: Social Security Numbers.

Social Security numbers will not be provided by DMV under this Agreement and will be redacted from all transmissions, information, and records provided by DMV.

XVIII: Limitations on use of Data.

1. Dissemination of data records over the public Internet by NIA or its subscribers is prohibited except as allowed by the Nebraska Uniform Motor Vehicles Records Disclosure Act, Neb. Rev. Stat. 60-2901 to 60-2912. NIA shall be prohibited from building files from repeat data purchases.

2. Purchasers of data are subject to the terms of Neb.Rev.Stat. 60-2910 and shall not resell or redisclose any personal information except as provided by statute. NIA and its subscribers must keep records for five years of every authorized recipient of personal information and the permitted use/s for which it was obtained. Such records shall be made available to DMV upon request.

XIX: Compliance with Uniform Motor Vehicle Records Disclosure Act.

NIA shall require all employees, contractors, subscribers, or agents with access to data containing personal information or sensitive personal information to read and sign Attachment A to educate all employees, contractors, subscribers or agents about the applicable law. NIA shall retain a copy of the signed Attachment A for every such employee, contractor, subscriber or agent in its records.

XXI: Paragraph Headings.

The paragraph headings are inserted in this Agreement for convenience only and shall not be used to limit interpretation of the text of this Agreement.

XXII: Total Agreement.

This Agreement constitutes the complete and exclusive statement of the Agreement between the parties hereto. No amendment, waiver, or alteration of the Agreement shall be effective unless in writing and signed by an authorized officer of each of the parties to this Agreement. Neither DMV nor NSRB nor NIA shall be bound by any oral agreement or representation.

XXIII: Drug Free Work Place Policy.

NIA certifies that as a condition of the Agreement neither NIA nor any employee of NIA shall engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity covered by this Agreement. The DMV reserves the right to request a copy of the NIA's Drug Free Workplace policy at any time during the term of the Agreement. NIA further agrees to insert a provision similar to this one in all subcontracts for services required under this Agreement.

XXIV: Compliance with Civil Rights Laws and Equal Opportunity Employment.

NIA affirms that it complies with and will continue to comply with the Nebraska Fair Employment Practice Act and Title VI of the Civil Rights Act of 1964, as amended. NIA affirms that no person (including employees or applicants for employment) shall, on the grounds of age, creed, sex, physical handicap, race or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program or activity supported by this Agreement. NIA agrees that in performance of this Agreement neither it nor its subcontractors will discriminate against any of their employees or applicants for employment concerning the employees' or applicants' hire, tenure, terms, conditions, or privileges of employment based on the employees' or applicants' race, color, religion, sex, marital status, age, disability, or national origin. The Federal Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990 (P.L. 101-336), as amended, Section 5043 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the Nebraska Fair Employment Act, as amended are incorporated herein.

IN witness to their agreement to all the above and foregoing provisions of this Agreement, the parties hereto have executed this Agreement on the day and year written below.

“DMV”

Nebraska Department of Motor Vehicles
301 Centennial Mall South
Lincoln, NE 68509

By _____
Beverly Neth
Director

Date _____

“NSRB”

Nebraska State Records Board
c/o Secretary of State
State Capitol Suite 2300, 2nd Floor
Lincoln, NE 68509-4608

By _____
John A. Gale
Secretary of State

Date _____

“NIA”

Nebraska Interactive, LLC
Suite 301
301 South 13th
Lincoln, NE 68508

By _____
Brian Stevenson
General Manager

Date _____

ATTACHMENT A

Nebraska Department of Motor Vehicles
Uniform Motor Vehicle Records Disclosure Act

Memorandum of Understanding

The purpose of this Memorandum of Understanding is to make all contractors of the Department of Motor Vehicles who receive personal or sensitive personal information from a motor vehicle record aware of the controls that are necessary to ensure that the Department adheres to the **Uniform Motor Vehicle Records Disclosure Act, Neb.Rev.Stat. 60-2901 et. seq.**

Information Protected.

Under the Act, as revised on June 1, 2000, the Department is required to protect the personal information and sensitive personal information on all motor vehicle records.

- Personal information includes: an individual's driver identification number (driver's license number, license plate number or title number); name; address, excluding zip code, and telephone number.
- Sensitive personal information includes an individual's operator's license photo or image; social security number, and medical or disability information.

Personal information from a motor vehicle record shall not be given out unless requested for an exempted use, as outlined below, on a DMV specified form.

Personal information exempted uses include:

- Use by any federal, state, or local government agency, including any court or law enforcement agency, in carrying out its functions, or by any private entity acting on behalf of an agency in carrying out their functions.
- Use in connection with vehicle or driver safety and theft; vehicle emissions; vehicle product alterations, recalls or advisories; performance monitoring of vehicles, vehicle parts, and dealers; motor vehicle market research activities and survey research; and removal of non-owner records from the original owner records of motor vehicle manufacturers.
- Use in normal course of business by a legitimate business to verify accuracy of information submitted by an individual or business; or to obtain correct information if the above is not correct, for the purpose of preventing fraud, pursuing legal remedies against or recovering on a debt or security interest against the record holder.
- Use in connection with a civil, criminal, administrative or arbitral proceeding in any federal, state or local court, government agency, or self-regulatory body, including service of process investigation in anticipation of litigation, and execution or enforcement of judgment; or pursuant to an order of a federal, state or local court, an administrative agency, or a self-regulatory body.

- Use in research activities and statistical reports, as long as personal information is not published, redisclosed or used to contact individuals.
- Use by any insurer/insurance support organization or by a self-insured entity in connection with claims investigation activities, anti-fraud activities, rating or underwriting.
- Use in providing notice to owners of abandoned, towed or impounded vehicles.
- Use by a private detective, plain-clothes investigator, or private investigative agency licensed under Neb.Rev.Stat. 71-3201 to 71-3213 for purposes permitted under this act.
- Use by an employer, employer's agent or insurer, to obtain or verify information of a Commercial Driver's License holder.
- Use in connection with the operation of private toll transportation facilities.
- Any use if requestor has notarized consent of the record holder and has provided proof of such consent to the Department, as indicated on the front of this form.
- Use, including redisclosure through news publication, for a member of a medium of communication as defined in Neb.Rev.Stat. 20-145, in connection with news involving motor vehicle or driver safety or vehicle theft.
- Any use if the record holder makes the request for the record.
- Use by the federally designated organ procurement organization in Nebraska to establish and maintain the Donor Registry of Nebraska as provided in section 71-4822.

Sensitive personal information exempted uses include*:

- Use by any federal, state or local government agency, including any court or law enforcement agency, in carrying out its functions, or by any private entity acting on behalf of an agency in carrying out their functions.
- Use in connection with a civil, criminal, administrative or arbitral proceeding in any federal, state or local court, government agency, or self-regulatory body, including service of process, investigation in anticipation of litigation, and execution or enforcement of judgment, or pursuant to an order of a federal, state or local court, an administrative agency, or a self-regulatory body.
- Use by any insurer/insurance support organization or by a self-insured entity in connection with claims investigation activities, anti-fraud activities, rating or underwriting.
- Use by an employer, employer's agent or insurer, to obtain or verify information of a Commercial Driver's License holder.

Disclosure of Information/Record Keeping Requirements

Before any personal information or sensitive personal information is disclosed from a motor vehicle record, the employee, agent or contractor that is disclosing the information must verify that the use listed on the request is an exempted use under the Act and must verify the identity of the person making the request by examining an approved form of identification. Copies of these request forms shall be maintained in your office for five (5) years; and available for inspection by DMV upon request.

Penalties

You should be aware of the following penalties that apply for unauthorized access to DMV records:

- For each day of non-compliance, the Department may be subject to a \$5,000.00 fine. Non-compliance may include one record being disclosed improperly.
- Any person requesting the disclosure of personal information from Department records who misrepresents his/her identity or makes a false statement to the Department on any record request shall be guilty of a Class IV felony.
- Any officer, employee, agent or contractor of the department that knowingly discloses or knowingly permits disclosure of sensitive personal information shall be guilty of a Class I misdemeanor and shall be subject to removal from office or discharge at the discretion of the Governor or agency head, as appropriate.

Certification of Understanding

I certify that I have read and acknowledge the foregoing Memorandum of Understanding and, if I am in a supervisory capacity, agree to notify all employees in my office of these requirements.

Employee (signature)

Employee (printed name)

Date

Agency Supervisor (signature)

Name of Agency

*Release of an individual's social security number is further restricted in **§60-484(5)**. Release can only be for the following reasons: to furnish driver record information to the United States Selective Service System; in connection with the verification of the status of an individual's driving record; for purposes of child support enforcement, or to furnish information regarding an applicant for or hold of a commercial driver's license with a hazardous materials endorsement to the Transportation Security Administration of the United States Department of Homeland Security or its agent. Release of an individual's medical or disability information is further restricted in **§84-712.05(2)**. Release can only be under the following; court order (include subpoena, search warrant); or with notarized written consent of the record holder.

Revised 9/2005

STATE OF NEBRASKA
State Treasurer



Shane Osborn
State Treasurer
sosborn@treasurer.org

Suite 2005, State Capitol
Lincoln, NE 68509
402-471-2455, FAX 402-471-4390

March 27, 2007

Secretary of State John Gale
Chairman, Nebraska State Records Board
State Capitol Building
Lincoln, NE 68509

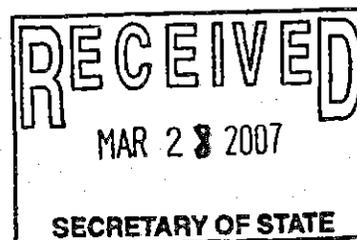
RE: **Nebraska.gov Portal Fees**

Dear Chairman Gale:

Several months ago, when I assumed the Office of Treasurer, an issue was called to my attention by Michelle Raphael, my Director of Treasury Management.

Director Raphael was informed by First National Bank Merchant Services ("FNBMS"), who serves as our agent for processing credit card transactions, that FNBMS and Visa were concerned the portal fee charged by Nebraska Interactive, Inc. ("NII"), for the sales of certain licenses and permits through their portal, violated Visa regulations and our contract with FNBMS, which requires us to comply with these credit card company regulations.

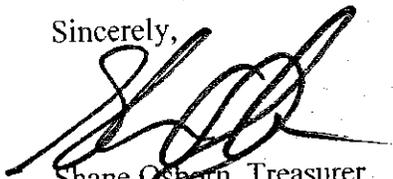
As part of our due diligence to resolve this issue, members of my staff and I met with representatives from both FNBMS and NII. My Deputy and Counsel, Perry Pirsch, summarized facts from these meetings, as well as additional resources, and drafted an issue brief that highlights this issue, the authority of the Records Board, and provides some recommendations on how the issue might be resolved. A copy of the brief is enclosed for your review.



The next scheduled meeting for the Nebraska State Records Board is Wednesday, April 11, 2007, at 9:00 am. I believe it important the Nebraska Records Board address this issue at its next meeting; make a determination whether Nebraska is in compliance with its contract with FNBMS and Visa regulations; and, if not, expeditiously act to ensure Nebraska comes into compliance with any contractual obligations with all our vendors while ensuring NII continue to provide Internet portal services to Nebraskans.

If you would like to discuss the issue with me, or to request members of my staff, such as Director Rafael, to testify at the next meeting to help clarify the issue, please let me know. I am ready to assist in the resolution of this issue in any way I can.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Osborn', written over a horizontal line.

Shane Osborn, Treasurer
Member of the Nebraska State Records Board

SO/pp

Enclosures

cc: Nebraska State Records Board

Issue Brief

To: Shane Osborn, State Treasurer
From: Perry Pirsch, Deputy and Counsel
Date: March 23, 2007

Issue: Whether a tiered payment structure by Nebraska.gov to recover overhead expenses violates Nebraska's agreement with Visa Credit Cards; and, if so, what action should be taken?

I. Background

A. Visa Credit Cards

The State of Nebraska and its political subdivisions transact roughly \$100 million dollars worth of credit card business through First National Bank Merchant Services ("FNBMS"), who acts as Nebraska's agent to help facilitate processing through the credit card companies. Visa, the largest credit card company, represents roughly 60% of the state's credit card business. As a Merchant, the State agreed to comply with all Card Acceptance Procedures in the Rules for each Sale and our contract with FNBMS also requires the State to follow the Visa and MasterCard Rules. Among these terms and conditions, Visa Operating Regulations, at 5.2.E, requires:

A merchant that charges a Convenience Fee must ensure that the fee is:

- Charged for a bona fide convenience in the form of an alternative payment channel outside of the Merchant's customary payment channels.
- Disclosed to the Cardholder as a charge for the alternative payment channel convenience
- Added only in non face-to-face Transaction
- A flat or fixed amount, regardless of the amount of the payment due
- Applicable to all forms of payment accepted in the alternative payment channel
- Disclosed prior to the completion of the Transaction and the Cardholder is given the opportunity to cancel
- Included in the total amount of the transaction

Further, a Convenience Fee may only be charged by the Merchant that actually provides goods or services to the Cardholder. A convenience fee may not be charged by any third-party.

Finally, a Convenience Fee must not be added to a Recurring Transaction.

If there is a violation of the terms and conditions, VISA is authorized unilaterally to fine the offending vendor and/or instruct a Merchant's acquiring bank to discontinue Visa transaction processing. FNBMS may terminate the Credit Card Agreement effective immediately if the merchant is in breach of the Agreement or the Rules.

B. The Nebraska Records Board

The Nebraska State Records Board was created in 1961 as an advisory board to assist the State Records Manager in developing policies and procedures for state and local government records retention. The membership of the Board was expanded by LB690 to include members representing the general public, the banking industry, the insurance industry, the legal profession, libraries, and the media. In the spring of 1997, LB590 expanded the duties of the Records Board to include oversight and management of electronic access to state government information, including information provided over the Internet.

C. Nebraska.gov

Among the duties of the Board set by statute is the authority to contract with a network manager, currently Nebraska.gov, for access to state government information and the authority to set reasonable fees for access to certain records. Nebraska.gov is a trade name registered to Nebraska Interactive, Inc. ("NII"), a wholly-owned subsidiary of NICUSA.com.

The Contract for Network Manager Services between the Nebraska State Records Board and NII was executed on January 27, 2004. (NICUSA.com has a contract with 19 states, including Nebraska, to host state Web applications.) NII is currently working in Nebraska for 64 agencies and 90 counties.

NII's business model in Nebraska is transaction based, meaning they only get paid for transactions done online, not for consulting or hosting. Further, all costs of development are born by NII. The State Records Board sets the fee NII can charge. Generally the fee has been a flat \$1.00 per transaction. NII estimates that 50%-60% of their services are free to Nebraska and the consumer under this model. Their biggest client is the Nebraska Department of Motor Vehicles and NII estimates the current value of their business with Nebraska at approximately \$3.3 million gross, with an approximate net of \$2.1 million to the agency.

II. Issue

FNBMS, in consultation with Visa, recently put the Treasurer on notice they believe NII is violating the state's contract with FNBMS and Visa regulations by charging a tiered and/or percentage-based fee for sales of certain permits through the Nebraska.gov portal.

NII has summarized this business model as follows:

- NII notes they must make their profit on a transaction basis; they are not paid for Web hosting or development.
- NII treats several product fees, such as fire permit as a distinct product, subject to a distinct markup, much the way a retailer marks up the cost of goods from wholesale to cover his entire overhead.

- If the state sells fireworks permits for \$10, \$25, \$200, and \$500, the NII Convenience and Merchant Fee is \$1.00 per transaction plus 2.5% of the transaction amount for the \$10 and \$25 permits, \$2.00 and 2.5% for the \$200 permit, and \$5.00 plus 2.5% for the \$500 permit.
- While this markup does include the cost of credit card processing fees, it also includes the other costs of operating the portal, including paying salaries, etc, similar to the way a brick and mortar store covers its overhead with its markup.
- Thus, the “convenience fee” they charge is not a “convenience fee” within the meaning of the Visa or MasterCard agreements and neither Visa nor MasterCard hold a trademark on the term.
- NII’s “convenience fee” more closely resembles the markup a retailer places on the cost of goods sold in the store above the original wholesale cost of the goods.
- Thus, it might equally be called a “portal fee.”

FNBMS does not dispute NII’s right to charge a “convenience” or portal fee; however, FNBMS has questioned whether the manner by which NII charges a “portal fee” for “overhead expenses” is nothing more than cloaking the cost of accepting credit cards to the consumer in a way that violates the Visa agreement. Specifically, Visa does not permit credit card convenience fees to be a percentage of the item sale price.

Note NII negotiates with the State Records Board as to their fee for service. In most instances, it appears to be \$1.00 per transaction; however, in numerous Addendum to Interagency Agreement between various agencies -- such as the Nebraska State Fire Marshall, the Department of Motor Vehicles, the Arts Council -- and the State Records Board, it is clear that NII proposed to charge a flat fee of \$1.00 per transaction, plus either a tiered fee tied to the cost of the good or a percentage of 2.5%. (See attached Exhibit A.)

NII notes this tiered system noted in the contract is only for the Board’s viewing and represents their overhead for total cost of sale, including all expenses, not just the cost of the credit card fee. Thus it represents their entire overhead, not just the overhead costs for credit card transactions.

FNBMS may counter NII does not take purchase and hold inventory like a traditional retailer. There are no traditional overhead costs for the permits they sell online; they have no inventory costs, no warehouse expense, and the technology expense to operate a portal does change whether the portal is selling products that cost \$5 or \$50,000; however NII notes the cost per transaction might differ with the volume of sales, for such Internet products such as servers and bandwidth. In short, volume of transactions helps determine cost.

III. AG Opinion

In a recent Attorney General Opinion, 2004 Op. Att’y Gen. 04028, the Nebraska Attorney General reviewed the distinction between allowing the State Records Board to

allow for reasonable fees for the electronic access to state records under Neb. Rev. Stat. § 84-1205.02 (Cum. Supp. 2002) and a state official or state agency imposing an additional surcharge or convenience fee on a payment made electronically by credit card, charge card, debit card, or electronic funds transfer as part of a system for providing or retrieving information electronically under Neb. Rev. Stat. § 81-118.01 (2003).

The Attorney General opined, "...[W]e believe that the two statutes cited in your opinion request are not in conflict, and that the State Records Board has no authority to approve or disapprove surcharge or convenience fees authorized in Neb. Rev. Stat. § 81-118.01(6)."

In reaching its opinion, the Nebraska Attorney General noted Neb. Rev. Stat. § 81-118.01, is found in the "General Provisions" section of Article 1, "The Governor and Administrative Departments." Subsection (6), stated in its entirety, provides:

A state official or state agency obtaining, for each transaction, authorization for use of any credit card or charge card used pursuant to this section may, but is not required to, impose a surcharge or convenience fee upon the person making a payment by credit card or charge card so as to wholly or partially offset the amount of any discount or administrative fees charged to the state agency, but the surcharge or convenience fee shall not exceed the surcharge or convenience fee imposed by the credit card or charge card companies or third-party merchant banks which have contracted under subsection (5) of this section. **The surcharge or convenience fee shall be applied only when allowed by the operating rules and regulations of the credit card or charge card involved or when authorized in writing by the credit card or charge card company involved.** When a person elects to make a payment to a state agency by credit card or charge card and such a surcharge or convenience fee is imposed, the payment of such surcharge or convenience fee shall be deemed voluntary by such person and shall be in no case refundable. **If a payment is made electronically by credit card, charge card, debit card, or electronic funds transfer as part of a system for providing or retrieving information electronically, the state official or state agency shall be authorized but not required to impose an additional surcharge or convenience fee upon the person making a payment.**

(Emphasis added.)

Thus, there is a clear precedent for a distinction between the portal fees allowed under the state records board and the credit card convenience fees authorized under Neb. Rev. Stat. § 81-118.01 (2003). In the case of a credit card convenience fee, statute mandates the surcharge or convenience fee shall be applied only when allowed by the operating rules and regulations of the credit card or charge card involved or when authorized in writing by the credit card or charge card company involved.

IV. Authority of the Public Records Board to Regulate NII's Fees

Neb. Rev. Stat. § 84-1203 designates the Secretary of State as the State Records Administrator. Under this provision, the Secretary of State shall establish and administer:

(1) a records management program which will apply efficient and economical methods to the creation, utilization, maintenance, retention, preservation, and disposal of state and local records, (2) a program for the selection and preservation of essential state and local records, (3) establish and maintain a depository for the storage and service of state records, and advise, assist, and govern by rules and regulations the establishment of similar programs in local political subdivisions in the state, and (4) establish and maintain a central microfilm agency for state records and advise, assist, and govern by rules and regulations the establishment of similar programs in state agencies and local political subdivisions in the State of Nebraska."

Neb. Rev. Stat. § 84-1204 creates the State Records Board to:

(a) Advise and assist the administrator in the performance of his or her duties; (b) Provide electronic access to public records through a gateway; (c) Develop and maintain a gateway or electronic network for accessing public records; (d) Provide appropriate oversight of a network manager; (e) Approve reasonable fees for electronic access to public records and submit contracts for public bidding pursuant to section 84-1205.04; (f) Have the authority to enter into or renegotiate agreements regarding the management of the network; (g) Explore ways and means of expanding the amount and kind of public records provided through the gateway or electronic network, increasing the utility of the public records provided and the form in which the public records are provided, expanding the base of users who access public records electronically, and, if appropriate, implementing changes necessary for such purposes; (h) Explore technological ways and means of improving citizen and business access to public records and, if appropriate, implement the technological improvements; (i) Explore options of expanding the gateway or electronic network and its services to citizens and businesses;... and (k) Perform such other functions and duties as the act requires...

Neb. Rev. Stat. § 84-1205(1) provides the board may employ or contract with a network manager. The board may negotiate and enter into a contract with the selected network manager which provides the duties, responsibilities, and compensation of the network manager.

Neb. Rev. Stat. § 84-1205(2) provides the network manager shall direct and supervise the day-to-day operations and expansion of a gateway or electronic network to make public records available electronically, including the initial phase of operations necessary to make the gateway operational. The network manager shall attend meetings of the board, keep a record of all gateway, electronic network, and related operations, which shall be

the property of the board, maintain and be the custodian of all financial and operational records, and annually update and revise the business plan for the gateway or electronic network, in consultation with and under the direction of the board

Neb. Rev. Stat. § 84-1205(3) provides the board shall finance the operation and maintenance of the gateway or electronic network from revenue generated pursuant to sections 52-1316, 60-483, and 84-1205.02 and subsection (d) of section 9-525, Uniform Commercial Code.

Neb. Rev. Stat. § 84-1205.02 provides, except as provided in sections 49-509, 52-1316, and 60-483 and article 9, Uniform Commercial Code, the board may establish reasonable fees for electronic access to public records through the gateway. Further, the fees shall not exceed the statutory fee for distribution of the public records in other forms. Any fee established by the board under this section may be collected for an eighteen-month period and shall terminate at the end of such period unless enacted by the Legislature. Any fees collected under this section shall be deposited in the Records Management Cash Fund.

The Contract for Network Manager Services between the Nebraska State Records Board and NII was executed on January 27, 2004. Article 5, Section 1, provides all charges to Network users shall be subject to the final approval by the State Records Board for fairness, reasonableness, and appropriateness. Further, in establishing the Network prices NII and NSRB shall consider: "i. Any other reasonable factor which in the opinion of NSRB should be considered."

V. Analysis

Neither FNBMS or NII disputes NII right to collect a portal fee, which should be sufficient to provide NII a profit for the services provided to the state; however, FNBMS and Visa both currently believe NII's current portal fee structure violates Visa regulations and our contract with FNBMS, which states we will comply with the credit card vendor regulations.

Neb. Rev. Stat. § 81-118.01 provides that any convenience fee must be allowed by the operating rules and regulations of the credit card or charge card involved or when authorized in writing by the credit card or charge card company involved. By law, Nebraska convenience fees must meet Visa's operating regulations.

Visa regulations would allow for NII to charge a flat "convenience fee" for processing credit card transactions; however, this fee could not be tiered or a percentage of the product cost. For example, it cannot be 2.5% of every transaction; however, it could be flat fee, such as \$20, the cost average for items sold.

To ensure Visa compliance, the Treasurer's State Disbursement Unit ("SDU"), which accepts Visa credit card for child support payments to custodial parents, has opted to charge a flat fee to payors who wish to use a credit card. Whether their child support

payment is \$50 or \$20,000, the Treasurer's SDU charges a flat \$15 convenience fee for those who wish to pay by credit card.

Article 5, Section 1, of the Contract for Network Manager Services between the NSRB and NII provides all charges to Network users shall be subject to the final approval by the NSRB and NSRB shall consider any reasonable factor which in the opinion of NSRB should be considered when approving a charge.

Finally, if NII's "portal fee" simply includes all overhead costs, including credit card "convenience fees," NII is entitled to a reasonable reimbursement for their overhead and they may set the method they determine is best formulated to cover their overhead costs, so long as it meets with the approval of the board; however, if NII's portal fee is just a means of collecting its \$1.00 processing fee and adding the percentage cost of a credit card transaction, it is probably violating Visa Regulations and the state is in breach of its agreement with FNBMS.

VI. Recommendation

The NSRB must decide whether the portal fee on some NII prices violates the Visa Regulations, or whether it is simply a calculation of NII's total overhead, convenience fee included, and beyond the scope of Visa to regulate. This determination should be made in conjunction with NII, FNBMS, and Visa.

If the NSRB determines that portal fee structures violate the terms of Visa Regulations, it must reform the NII Contract for Network Manager Services in such a way to comply with Visa Regulations while ensuring a reasonable profit for NII; or, in the alternative, refuse to accept Visa credit cards at the state level.

The NSRB should also consider recommending to agencies to internalize the cost of convenience fees. For example, whether you purchase a pair of shoes from Walmart online or in the store, and use cash or credit card, the cost for the purchase is uniform (putting aside the cost of shipping and handling). This might prove to be a better solution model for many agencies.

Exhibit

A

**Addendum Three
to the
Interagency Agreement Between
Nebraska State Fire Marshal
and
Nebraska State Records Board**

This Addendum Three to the Interagency Agreement between the Nebraska State Fire Marshal (NSFM) and the Nebraska State Records Board sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services.

Project: This project will provide an online application to allow users to obtain Fireworks Permits Online.

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

End-user Cost (Statutory Fee)	Nebraska.gov Convenience and Merchant Fee	Total cost to end-user	Total Cost to Agency
\$10.00 (Display Permit)	\$1.00 per transaction + 2.5% of transaction amount	\$11.25	\$0.00
\$25.00 (Retail Permit)		\$26.65	\$0.00
\$200.00 (Jobber Permit)	\$2.00 per transaction + 2.5% of transaction amount	\$207.00	\$0.00
\$500.00 (Distributor Permit)	\$5.00 per transaction + 2.5% of transaction amount	\$517.60	\$0.00

Terms: The Nebraska State Fire Marshal will collect all money from all transactions in their merchant account. The State Fire Marshal will pay all merchant fees and convenience fees. Nebraska.gov will invoice the State Fire Marshal for all convenience fees at the close of each month.

By: _____ Date: _____
Authorized Officer
Nebraska State Fire Marshal

By: _____ Date: _____
Authorized Officer
Nebraska State Records Board

Addendum Five
to the
Interagency Agreement Between
[REDACTED] *Nebraska Arts Council*
and
Nebraska State Records Board

This Addendum Five to the Interagency Agreement between the [REDACTED] and the Nebraska State Records Board sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services.

Project: This project will provide an online application to allow users to register for the 2006 Governor's Arts Awards hosted by [REDACTED].

Project Completion Date: December 21, 2005 (Approximate completion date)

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

- Registration Fee: \$25.00 per attendee
- Transaction Fee: 2% of transaction cost + \$1.00 per transaction

Terms: Nebraska.gov will submit an invoice to the [REDACTED] for the amount due upon completion of the online registration period on or after January 31, 2006. Terms of payment are net 45 days.

By: _____
Authorized Officer
[REDACTED]

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

**Addendum Seven
to the
Interagency Agreement Between
Nebraska Department of Motor Vehicles
and
Nebraska State Records Board**

This Addendum Seven to the Interagency Agreement between the Nebraska Department of Motor Vehicles (DMV) and the Nebraska State Records Board sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services.

Project: Online Driver License Reinstatements

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

DMV Statutory Reinstatement Fee	Convenience Fee (CC)	Nebraska.gov Transaction Fee	Total End User Fee Paid
\$50.00	1.25	\$1.00	\$52.25
\$75.00	\$1.90	\$1.00	\$77.90
\$125.00	\$3.25	\$1.00	\$129.25

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. These funds will be deposited on behalf of the DMV. Nebraska.gov will submit an invoice to the Nebraska Department of Motor Vehicles for the total amount of the Nebraska.gov Transaction Fee's collected at the close of each month. Terms of payment are net 45 days.

By: Beverly Neth
Beverly Neth
Nebraska Department of Motor Vehicles

Date: July 31, 2004

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

*Separate contract - by MID#,
Assoc. level*



Cathy Danahy/SOS/NEBRLN

03/27/2007 09:20 AM

To jcatlett@BruningBank.com, jcurry@neb.rr.com, Brenda Decker/DASDOC/NEBRLN@NEBRLN, Lauren
cc

bcc cathy.danahy@sos.ne.gov

Subject Nebraska.gov - Web Site Recognition - For your information

Good Morning Board Members:

At our last Nebraska State Records Board meeting (01/16/2007), Brian Stevenson, General Manager, Nebraska.gov, mentioned to you how Nebraska.gov was recently nationally recognized in a Computerworld Study as being one of the Nation's top Web Sites. As promised, Carmen Easley, Director of Marketing and Portal Operations, Nebraska.gov, provided links to the articles and a press release. There was also an article in the Journal Star as well as the press release posted on NIC's official website. Below are the links for your information.

Article 1 From the Computerworld study:

<http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=9005371>

Article 2 From the Computerworld study:

<http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=274253>

Story from the Journal Star December 2, 2006:

Nebraska.gov one of best e-government sites

Nebraska's state government Web site keeps proving itself to be one of the best.

This time it's the National Policy Research Council, a Washington-based think tank, and "Computerworld" magazine that have given the service Web site an A- and placed it in the top five of government sites.

For more of this story, click on or type the URL below:

<http://journalstar.com/articles/2006/12/02/local/doc4570cbbb136e9800916816.txt>

Press release featured on NIC website

December 21, 2006 – Nebraska's Official Web Site Earns National Recognition

<http://www.nicusa.com/html/>

Attached is also the original Press Release.



NE website receives A Release - 11-29-06 (4).doc



Nebraska.gov Project Priority Report for Thursday, March 29, 2007

ProjectName	StatusID	PhaseID	Concept		Planning		Development		Testing		Rollout		Launch	Notes
			start	finish	start	finish	start	finish	start	finish	start	finish		
Justice- Motor Vehicle Citation Payment Project Funding: Free	Open	Concept	3/20/2007											Scheduling a concept meeting with the agency.
Department of Veteran Affairs- PTSD We Project Funding: Free	Open	Concept	3/19/2007											Concept meeting with the agency is scheduled for March 29.
NADC- Online Campaign Statement Filin Project Funding:	Open	Concept	1/23/2007											This project is in the concept phase. The Agency needs to decide on the funding method they would like to move forward with.
LCC Beer Wholesalers tax reporting appl Project Funding: Transaction	Open	Concept	3/5/2007											Project is in the concept phase. Working with agency to establish funding options and getting user feedback.
EFS Continuations and Terminations Project Funding: Transaction	Open	Planning	12/17/2006	1/24/2007	1/24/2007									Functional Specifications and prototypes created. Waiting on authorizing signature to go in to development.
DNR- Water Well Pump Install Applicatio Project Funding: Transaction	Open	Planning	9/27/2006	10/12/2006	11/1/2006									DNR is reviewing the proposed project timelines and cost estimate to decide if they would like to move forward with this project.
DMV - Drivers License Reinstatements Project Funding: Transaction	Open	Planning				2/6/2006	7/28/2006	7/31/2006	9/30/2006	10/1/2006	1/19/2007			Development completed. Application has been delivered to agency for testing. Awaiting final approval of Contract Addendum.
SOS - Website Redesign Project Funding: Free	Open	Planning	8/1/2006	12/6/2006	12/12/2006									Redesign is in development phase, working with SOS to evaluate and confirm design ideas.
NSED - Electrical permit application rewri Project Funding: Transaction	Open	Planning	12/5/2006	3/15/2007	3/19/2007									Concept document has been signed. Functional specifications are in draft stage.
CIO - Business Registration One Stop Project Funding: Reinvested Rev	Open	Planning	1/2/2007	1/14/2007	3/29/2007									Have begun regular meetings with a group of agencies to define functional specifications.
SOS - UCC Amendments application Project Funding: Transaction	Open	Planning	6/19/2006	10/20/2006	10/20/2006	2/16/2007	2/16/2007							Project is in development stage. The framework is completed and currently programming the logic.
Justice - Judge Scheduling Project Funding: Free	Open	Development	10/1/2006	10/13/2006	10/17/2006	3/14/2006	3/20/2007							Functional Specifications are signed and were delivered 3/20/07. Have started development.
County Project - Furnas County Website Project Funding: Free	Open	Development	12/4/2006			2/13/2007		3/14/2007		3/30/2007				The design is completed for Furnas county. We are in the process of adding their content and the website should be launched in April.

ProjectName	StatusID	PhaseID	Concept		Planning		Development		Testing		Rollout		Launch	Notes
			start	finish	start	finish	start	finish	start	finish	start	finish		
BPA - Integrated Data System (JoKel) Project Funding: Grant	Open	Development					4/11/2005	7/28/2006		9/1/2006		10/1/2006		Portions of the application relating to CPE and Firms have been developed, and turned over to the agency for testing. At the request of the agency, we will move forward with the remainder of this project once the Licence Renewals are launched 5/1/07.
Greeley County - New website Project Funding: Free	Open	Development	3/1/2007											Designs are completed and have been sent to the County for review.
941N updates Project Funding: Transaction	Open	Development	3/6/2007	3/6/2007	3/6/2007	3/6/2007	3/6/2007	3/12/2007	3/12/2007					Development is proceeding on the updates. Deadline is March 28th for filing to being April 1st.
HHS Lookup Site enhancements and dat Project Funding: Transaction	Open	Development	3/1/2006	6/1/2006	6/1/2006	8/30/2006	6/1/2006		9/1/2006					Upgrade to include facilities information is still in progress. Most of the work on the web interface portion is complete, waiting on partner to test.
BPA - License Renewals Project Funding: Transaction	Open	Testing			7/1/2006	8/15/2006	8/15/2006	10/15/2006	10/18/2006	12/31/2006	3/1/2007	3/1/2007	5/1/2007	Application development completed. Agency is currently testing and our launch date is scheduled for May 1, 2007.
NREC - License application brokers/sale Project Funding: Transaction	Open	Testing	8/18/2006	8/18/2006	8/18/2006	10/11/2006	10/11/2006	11/28/2006	11/29/2006					Development and Nebraska.gov testing completed 12/04/06. Application was turned over to agency for testing.
NCCA - Neb. Comm Coll. Assoc. Websit Project Funding: Free	Suspended	Concept	9/26/2006	10/5/2006	10/5/2006									Project is suspended pending notification from the agency.
Lincoln County Website Re-Design Project Funding: Free	Suspended	Concept	9/23/2006											Lincoln County Website Re-Design has been suspended.
REV - Sales Tax Upgrade Project Funding: Free	Suspended	Concept	1/23/2006											This project has been put on hold until April 2007.
DNR- Decommission Application Project Funding: Transaction	Suspended	Planning	9/27/2006	10/12/2006	11/1/2006									This project is the planning stage. The Functional Specs have been put on hold until the Pump Install Application goes into development.
NPSC- Broadband Service provider Data Project Funding: Free	Suspended	Planning	9/26/2006											This project has been suspended until we hear from the agency.
Foster Care Review Board website redes Project Funding: Free	Suspended	Planning	8/29/2006	8/29/2006	8/29/2006									Project is suspended pending notification from agency to reopen.
NCDHH- Website Re-Design Project Funding: Free	Suspended	Planning	9/5/2006	10/2/2006	10/2/2006	11/20/2006								This web-redesign is in the planning phase. The design has been put on hold until we hear from agency in January 2007.
DAS - Personnel - State Employee applic Project Funding: Grant	Suspended	Development					11/14/2005							Project has been suspended. DAS has decided to go a different direction.
County Project - Thayer County Web site Project Funding: Free	Suspended	Development					3/27/2006	5/15/2006						Awaiting response from partner regarding design prototpye, design has been suspended.

ProjectName	StatusID	PhaseID	Concept		Planning		Development		Testing		Rollout		Launch	Notes
			start	finish	start	finish	start	finish	start	finish	start	finish		
County Project - Hamilton County Web si Project Funding: Free	Suspended	Testing					11/7/2005	12/16/2005						Design Prototype sent, waiting on partner approval. Web-redesign has been suspended.
DB&F - Host State Quarter Web Site Project Funding: Free	Complete	Development	11/8/2006	11/25/2006	11/27/2006	12/5/2006	12/5/2006	1/4/2007	1/5/2007	1/5/2007	1/31/2007	1/31/2007	1/12/2006	Existing web site previously sponsored/hosted elsewhere, transferred to CDC at request of NDBF.
Fireworks Display/License app change re Project Funding: Free	Complete	Roll Out	8/30/2006	8/30/2006	8/30/2006	9/25/2006	11/8/2006	12/19/2006	12/19/2006	1/23/2007	1/23/2007	1/23/2007	1/23/2007	Updates were completed and launched on January 23, 2007.
Justice - Web site Redesign Project Funding: Free	Complete	Roll Out	2/16/2006	5/1/2006	5/2/2006	7/14/2006	7/17/2006	9/1/2006	12/29/2007	1/12/2007	12/29/2007	1/31/2007		Nearing completion. Web site is scheduled to go into production 2nd or 3rd week in Jan. NI has participated in the site migration logging over 220 hours.
NE&A -Architects and Engineers Online Project Funding: Free	Complete	Maintenance	8/30/2006	9/12/2006	9/12/2006	1/11/2007	1/11/2007	2/27/2007	1/22/2007	2/27/2007	2/27/2007	2/27/2007	2/27/2007	Application went in to production on 1/27/2007. User survey is attached.
Put AgriTourism Workshop app back onli Project Funding: Free	Complete	Maintenance	11/28/2006	11/29/2006	11/29/2006	12/8/2006	12/8/2006	12/13/2006	12/11/2006	12/13/2006	12/13/2006	12/13/2006	12/18/2006	This application is in production, rolled out 12/13/06. Taken offline for the year 01/31/07.
REV - Update forms 1040N and 1040NS Project Funding: Transaction	Complete	Maintenance											1/1/2007	Project is complete, new forms are online for tax year 2006.
AC - Redeploy Legislative Lunch Reserv Project Funding: Transaction	Complete	Maintenance	11/16/2006	12/1/2006	12/1/2006	12/4/2006	12/5/2006	12/6/2006	12/6/2006	12/11/2006	12/12/2006	12/12/2006	12/11/2006	This application is now in production. Rolled out 12/12/06. Taken offline for the year 01/29/07.
CIO - Wireless network credit card acces Project Funding: Free	Complete	Maintenance	10/30/2006	11/9/2006	11/3/2006	11/14/2006	11/13/2006	11/30/2006	11/20/2006	11/30/2006	11/30/2006	11/30/2006	12/1/2006	This application is in production. Rolled out 11/30/06.
DOI - Create link to secure Employee On Project Funding: Free	Complete	Maintenance	10/5/2006	10/10/2006	10/10/2006	10/18/2006	10/20/2006	11/3/2006	11/3/2006	11/3/2006	11/3/2006	11/3/2006	11/3/2006	Project completed. Rolled out 11/3/06.
SOS -Rules and Regs Tracking system Project Funding: Free	Complete	Maintenance	7/3/2006	8/31/2006	9/1/2006	10/18/2006	10/18/2006	11/15/2006	11/3/2006	1/19/2007	1/19/2007	1/24/2007	1/24/2007	Rolled out 01/24/2007. Survey is attached.
LCC - Online License Renewals Project Funding: Transaction	Complete	Maintenance	8/22/2006	8/23/2006	8/23/2006	11/15/2006	11/15/2006	12/14/2006	12/15/2006	1/4/2007	1/29/2007	1/29/2007	1/29/2007	Launched 1/29/2007
Add Google Search function to WCC site Project Funding: Free	Complete	Maintenance											1/26/2007	The Google search implementation was complete on 1/26/07.
NE&A - License Renewal Upgrade and R Project Funding: Transaction	Complete	Maintenance							9/25/2006	9/25/2006	10/3/2006	10/13/2006	10/16/2006	NE&A - License Renewal Upgrade and Re-deployment
NCBVI- Website Re-Design Project Funding: Free	Complete	Maintenance	10/10/2006	10/16/2006	10/16/2006	10/31/2006	11/1/2006	11/8/2006	11/13/2006	12/5/2006		3/12/2007	3/12/2007	Website Launched 3/12/2007
DMV- Update Questionnaire Project Funding: Free	Complete	Maintenance	8/22/2006									12/11/2006	12/11/2006	12/11/06: Update Questionnaire is now LIVE

ProjectName	StatusID	PhaseID	Concept		Planning		Development		Testing		Rollout		Launch	Notes
			start	finish	start	finish	start	finish	start	finish	start	finish		
NWC - Online Women's Employment Sur Project Funding: Free	Complete	Maintenance	5/1/2006	5/25/2006	5/25/2006	6/15/2006	6/16/2006	7/17/2006	7/18/2006	7/31/2006			10/26/2006	The survey time period is now complete. Final survey results page will be sent to Pat Funk on 3/20/2007
NCIR - Search Engine Upgrades Project Funding: Free	Complete	Maintenance	1/30/2006	2/1/2006	2/1/2006	5/5/2006	7/5/2006	8/1/2006	8/1/2006	8/15/2006	8/15/2006	8/23/2006		Utilizing the Google appliance to provide secure search. Currently creating templates for results of search.
BPA - Continuing Education Project Funding: Grant	Complete	Maintenance					7/1/2006	8/15/2006	9/1/2006	11/30/2006	12/4/2006	12/4/2006	12/4/2006	Application is in production. Rolled out 12/06/06, feedback from users has been very positive, and adoption rate is approaching 35%. Logged 226 Hours on Application.
HHSS DNR - Water Well Drilling Templat Project Funding: Free	Complete	Maintenance	8/15/2006	9/5/2006	9/5/2006	9/7/2006	9/7/2006	9/11/2006	9/11/2006	9/26/2006	9/29/2006	9/29/2006	9/29/2006	Waterwell Templates are complete.
AC - Add mage files to Artists Directory Project Funding: Free	Complete	Maintenance	8/24/2006	8/24/2006	9/13/2006	9/27/2006	9/28/2006	10/5/2006	10/5/2006	10/13/2006	10/16/2006	10/16/2006	10/16/2006	Project is complete. Rolled out 10/16/06.
Justice - Credit Card (CC) Search Project Funding: Transaction	Complete	Maintenance	10/5/2006	10/24/2006	10/25/2006							2/27/2007	2/27/2007	Launched 2/27/2007
County Project - York County Re-Design Project Funding: Free	Complete	Maintenance	10/19/2006										11/1/2006	Web-redesign is Live. 11/1/2006
NSED - Electrician License Renewal Red Project Funding: Transaction	Complete	Maintenance	9/11/2006	9/25/2006	9/25/2006	9/26/2006	9/26/2006	10/4/2006	10/4/2006	10/10/2006	10/11/2006	10/11/2006	10/12/2006	Renewal application was redeployed on 10/11/06.
NVSC online survey Project Funding: Free	Complete	Maintenance	8/23/2006	9/1/2006	8/25/2006	9/6/2006	9/7/2006	9/8/2006	9/7/2006	9/18/2006	9/18/2006	9/18/2006	9/15/2006	Project is complete. Rolled out 9/18/06.
SOS - Student elections reporting Project Funding: Free	Complete	Maintenance										10/24/2006	10/27/2006	10/27/2006 Project completed 10/27/06.
Kearney County Website redesign Project Funding: Free	Complete	Maintenance	8/7/2006	8/15/2006	8/15/2006	11/7/2006	11/7/2006	11/21/2006	11/7/2006	11/21/2006	11/21/2006	11/22/2006	11/22/2006	Project is complete. Rolled out 11/22/06.
DOI - Company and Producer online sea Project Funding: Free	Complete	Maintenance	11/29/2005	3/6/2005	12/5/2006	4/21/2006	7/12/2006	10/24/2006	10/1/2006	10/24/2006	10/25/2006	10/25/2006	10/25/2006	Application went in to production 10/25/06



General Manager's Report

January 2007 – March 2007



Brian Stevenson, General Manager
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- Financial Reports 3**
 - December 2006 Financial Report.....3
 - December 2006 Revenue Contribution Report3
 - December 2006 Balance Sheet4
 - February 2007 Financial Report5
 - February 2007 Revenue Contribution Report5
 - February 2007 Balance Sheet6
- Agreement Requests 7**
 - Nebraska Board of Public Accountancy.....7
 - Nebraska Secretary of State.....7
 - Nebraska Secretary of State.....7
 - Nebraska Administrative Office of the Courts.....8
- Problem Report..... 9**
- Hot Topics..... 10**
 - Launched Applications 10**
 - Liquor Control Commission – Online License Renewals. 10
 - Nebraska Judicial System (Courts) – Court Case One Time Search..... 10
 - Secretary of State – Rules and Regulations Tracking System Rewrite. 10
 - Updated Applications 11**
 - Nebraska Board of Engineers and Architects – Upgrade to Online Search..... 11
 - Department of Revenue – Updates on the 1040N and 1040S 11
 - Nebraska State Fire Marshall – Updates to the Fireworks Display Permit and License Application 11
 - Department of Banking and Finance – Hosting of the Nebraska State Quarter Website 11
 - Nebraska Workers' Compensation Court 11
 - Launched Web sites 12**
 - Nebraska Commission for the Blind and Visually Impaired 12
 - Nebraska Judicial Branch 13
- Operational Issues and Highlights 14**
 - 1st Annual Nebraska Spirit Art Contest..... 14
 - Visa Operating Regulations – Charging Fees through the Portal. 14
- Technical Update 15**
- Marketing Highlights 16**



Financial Reports

December 2006 Financial Report

	Month Ended 12/31/2006	Month Ended 12/31/2005	Year to Date 12/31/2006	Year to Date 12/31/2005
Gross Revenue	\$430,056.00	\$375,924.00	\$4,978,867.00	\$4,766,989.00
COR Paid to NSRB	\$12,829.00	\$10,948.00	\$142,319.00	\$135,882.00
COR Paid to Agencies	\$277,578.00	\$226,224.00	\$2,867,175.00	\$2,749,025.00
COR Other	\$736.00	\$735.00	\$9,669.00	\$14,967.00
Total Cost of Revenue	\$291,143.00	\$237,906.00	\$3,019,162.00	\$2,899,864.00
Gross Profit	\$138,913.00	\$138,018.00	\$1,959,705.00	\$1,867,125.00
Operating Expenses	\$150,833.00	\$102,500.00	\$1,538,121.00	\$1,369,301.00
Operating Income (Loss)	(\$11,920.00)	\$35,518.00	\$421,584.00	\$497,824.00
Other Income (Expense)	(\$21,162.00)	\$10,840.00	\$22,156.00	\$13,170.00
Net Pre-Tax Income (Loss)	(\$33,082.00)	\$46,358.00	\$443,740.00	\$510,994.00
Provision for Income Tax	\$0.00	\$18,576.00	\$191,086.00	\$204,769.00
Net After-Tax Income (Loss)	(\$33,082.00)	\$27,782.00	\$252,654.00	\$306,225.00
Variance from Plan	\$8,248.00	\$15,157.00	\$173,558.00	\$243,180.00

December 2006 Revenue Contribution Report

Revenue Contribution	12/31/2006		
Dept. of Motor Vehicles (Batch Drivers Records)			35.55%
Dept. of Motor Vehicles (Interactive & Other Services)			35.10%
Secretary of State Services (Interactive/Batch)			15.91%
Other (Subscriptions, Connect Time, Special Projects, etc.)			13.44%



December 2006 Balance Sheet

Balance Sheet	12/31/2006			
	Current Assets		\$1,301,449.00	
	Fixed Assets		\$11,276.00	
	Other Assets		\$10,501.00	\$1,323,226.00
	Current Liabilities		\$97,556.00	
	Stockholder's Equity		\$1,225,670.00	\$1,323,226.00



February 2007 Financial Report

	Month Ended 2/28/2006	Month Ended 2/28/2005	Year to Date 2/28/2006	Year to Date 2/28/2005
Gross Revenue	\$422,601.00	\$451,938.00	\$909,658.00	\$451,938.00
COR Paid to NSRB	\$12,259.00	\$12,956.00	\$26,293.00	\$12,956.00
COR Paid to Agencies	\$244,534.00	\$260,105.00	\$521,490.00	\$306,418.00
COR Other	\$736.00	\$735.00	\$1,472.00	\$735.00
Total Cost of Revenue	\$257,828.00	\$274,474.00	\$550,231.00	\$274,474.00
Gross Profit	\$164,773.00	\$177,464.00	\$359,427.00	\$177,464.00
Operating Expenses	\$133,670.00	\$106,319.00	\$266,511.00	\$106,319.00
Operating Income (Loss)	\$31,103.00	\$71,145.00	\$92,916.00	\$71,145.00
Other Income (Expense)	\$2,675.00		\$5,305.00	
Net Pre-Tax Income (Loss)	\$33,778.00	\$71,145.00	\$98,221.00	\$71,145.00
Provision for Income Tax	\$13,002.00	\$30,055.00	\$39,362.00	\$30,055.00
Net After-Tax Income (Loss)	\$20,776.00	\$41,090.00	\$58,859.00	\$41,090.00
Variance from Plan	(\$2,140.00)	\$31,863.00	\$13,609.00	\$31,863.00

February 2007 Revenue Contribution Report

Revenue Contribution	2/28/2006		
Dept. of Motor Vehicles (Batch Drivers Records)			26.13%
Dept. of Motor Vehicles (Interactive & Other Services)			42.33%
Secretary of State Services (Interactive/Batch)			16.29%
Other (Subscriptions, Connect Time, Special Projects, etc.)			15.24%



February 2007 Balance Sheet

Balance Sheet	2/28/2006			
	Current Assets		\$1,389,418.00	
	Fixed Assets		\$10,503.00	
	Other Assets		\$18,229.00	\$1,418,150.00
	Current Liabilities		\$120,362.00	
	Stockholder's Equity		\$1,297,788.00	\$1,418,150.00

Agreement Requests

Nebraska Board of Public Accountancy

Project: NBPA Firm and Individual License Renewals.

Nebraska.gov respectfully submits and request an addendum to the Interagency Agreement be approved by the State Records Board. This agreement is for the Nebraska Board of Public Accountancy and is being requested to support online Firm and Individual License Renewals. This addendum covers all Nebraska Board of Public Accountancy license renewal transactions processed electronically. Nebraska.gov will invoice the Nebraska Board of Public Accountancy for a total of 2% of the gross total dollars for each license renewed electronically through Nebraska.gov.

(Contract is attached to the end of this document for review)

Nebraska Secretary of State

Project: UCC Amendments/Debtor Terminations.

Nebraska.gov respectfully submits and request an addendum to the Interagency Agreement be approved by the State Records Board. This agreement is for the Nebraska Secretary of State and is being requested to support online UCC Amendments and Debtor Terminations. This addendum covers all Nebraska UCC Amendments and Debtor Termination transactions processed electronically. Nebraska.gov will share the revenue from all UCC Amendments with the Secretary of State. Each UCC Amendment will be done at a total charge of \$8.00 to the end user. The Secretary of States share per UCC Amendment will be \$6.50 and Nebraska.gov's share will be \$1.50. Debtor Terminations will be performed at no charge to users.

(Contract is attached to the end of this document for review)

Nebraska Secretary of State

Project: Effective Financing Statement Continuations and Terminations.

Nebraska.gov respectfully submits and request an addendum to the Interagency Agreement be approved by the State Records Board. This agreement is for the Nebraska Secretary of State and is being requested to support online Effective Financing Statement (EFS) continuations and terminations. This addendum covers all Nebraska EFS continuations and termination transactions processed electronically. Nebraska.gov will share the revenue from all EFS continuations with the Secretary of State. Each EFS Continuation will be done at a total charge of \$8.00 to the end user. The Secretary of States share per EFS Continuation will be \$6.50 and Nebraska.gov's share will be \$1.50. EFS Terminations will be performed at no charge to users.

(Contract is attached to the end of this document for review)



Nebraska Administrative Office of the Courts

Project: JUSTICE: Nebraska Trial Courts Case Search System

Nebraska.gov respectfully submits a report in the form of an addendum to the Interagency Agreement between Nebraska.gov and the Administrative Office of the Courts. This agreement outlines the cost and revenue share for processing JUSTICE Trial Court case searches using credit card access. This addendum covers all Nebraska Trial Court Case search transactions processed electronically. The total cost for each search will be \$15.00 and Nebraska.gov will invoice the Nebraska Administrative Office of the Courts for a total of \$6.00 per search performed electronically through Nebraska.gov.

(Contract is attached to the end of this document for review)



Problem Report

NETWORK

Agency/ Customer	Problem or Issue	Date occurred	No. of Instances	Situation & Severity (Low, Moderate, High)*	Steps Taken	Date Addressed	Status	Contact
Nebraska.gov	Network Outage & Degradation	Jan 13 – 14	1	HIGH – Data center migration to improve hosting Operations and Increase Partner Value	Summary Provided Separately	Jan 13 – 14	Closed	Bruce Rice

Hot Topics

Launched Applications

Liquor Control Commission – Online License Renewals.

This new application provides a secure environment for current liquor license holders to pay, renew and make changes to their liquor license online. Online License Renewals was launched in January, 2007. The web address for this application is:

https://www.nebraska.gov/nlcc/renewals/lic_renew.php

Nebraska Judicial System (Courts) – Court Case One Time Search

This new application is designed to allow easy access to information about court cases throughout Nebraska without having to sign up for a subscription. The project was completed and launched in February, 2005 and is located at:

<https://www.nebraska.gov/justicecc/ccname.cgi>

Secretary of State – Rules and Regulations Tracking System Rewrite.

This rewrite was a request from the Governor's Policy Research Office to revamp the current Rules and Regulations application so that it better fits the needs of the users and the administrators. This project was a cooperative effort between the Secretary of State, Governor's Policy Research Office and Attorney General's Office and was launched in January, 2007. The web address for this site is:

<http://www.sos.state.ne.us/business/regtrack/index.cgi>

Updated Applications

Nebraska Board of Engineers and Architects – Upgrade to Online Search

The upgrade to the online search application provides users the ability to search licenses by many different and additional criteria not previously available. The upgraded application was launched in February, 2007 and is located at:

<http://www.ea.state.ne.us/search/search.php>

Department of Revenue – Updates on the 1040N and 1040S

Yearly updates provide users with the current year tax forms to file online. The tax forms were re-launched in January, 2007. The web address for the updated forms is:

<http://www.revenue.ne.gov/tax/current/current.htm>

Nebraska State Fire Marshall – Updates to the Fireworks Display Permit and License Application

Updates were requested to provide users with current information for Permits and Licenses. This project was completed and launched in January, 2007. The web address for the updated application is:

<http://www.sfm.ne.gov/programs-services/fireworks/displays.html>

Department of Banking and Finance – Hosting of the Nebraska State Quarter Website

The sponsorship for the the Nebraska State Quarter Website was to expire and the Department of Banking and Finance requested Nebraska.gov host this website. The transfer of the website was completed in January 2007 and is located at:

<http://www.nequarter.com/>

Nebraska Workers' Compensation Court

The upgrade to the WCC website provides the ease of a Google functionality search tool. The upgraded functionality was launched January, 2007 and is located at:

<http://www.wcc.ne.gov/>

Launched Web sites

Nebraska Commission for the Blind and Visually Impaired

<http://www.ncbvi.ne.gov>

Official Nebraska Government Website

NEBRASKA COMMISSION FOR THE BLIND AND VISUALLY IMPAIRED



Our Mission: Empowering Blind Individuals, Promoting Opportunities, and Building Belief in the Blind.

Webpage Options Select One Adjust Text Size	Board of Commissioners We hope you will feel free to contact us at any time. Email Board	Contact Us 4600 Valley Road, Suite 100 Lincoln, NE 68510-4844 Toll Free: 877.809.2419 Local: 402.471.2891 Fax: 402.471.3009 Dr. Pearl Van Zandt, Ph.D. Executive Director Email	Donate If you would like to make a donation to the commission, please contact or send it to: Dr. Pearl Van Zandt 4600 Valley Road, Suite 100 Lincoln, NE 68510-4844 Your contribution is greatly appreciated! Thank you!
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Home
About Us
Board of Commissioners
Services
Client Assistance Program
Calendar
Career Opportunities
Notice to Employers: Are you looking for a few good workers?
Frequently Asked Questions
General Information
Media
Contact Us
Links To Resources

Search:

Welcome to the Nebraska Commission for the Blind and Visually Impaired (NCBVI), the state vocational rehabilitation agency for the blind. We work to help blind and visually impaired Nebraskans achieve full and rewarding lives.

NCBVI provides the training, counseling, and resources needed for a positive understanding of blindness and to have high expectations in all aspects of life. Our website provides information about the Commission and also about blindness in general: to blind individuals, their families, employers seeking job candidates, and anyone interested in expanding their horizons.

Our Mission:

- Empowering Blind Individuals,
- Promoting Opportunities, and
- Building Belief in the Blind.

Message from the Nebraska Commission for the Blind and Visually Impaired Board of Commissioners:

We, blind consumers, worked to establish a separate agency for the blind in Nebraska; and only we can assure that it continues. It is, therefore, crucial that consumers participate in Board meetings and give both Commissioners and the Executive Director ideas and feedback. Interested people being involved will keep Nebraska's service system vibrant.

We hope you will feel free to contact us at any time at commission-board@ncbvi.ne.gov.

[Privacy Policy] - [Security Policy] - [State of Nebraska]

Nebraska Judicial Branch

<http://www.supremecourt.ne.gov>

Official Nebraska Government Website

Search:

NEBRASKA JUDICIAL BRANCH

The People...

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Menu

- Home
- Supreme Court
- Court of Appeals
- District Courts
- County Courts
- Separate Juvenile Courts
- Workers' Compensation Court
- Drug Courts
- Problem-Solving Courts
- Small Claims Court
- Administrative Office of Courts & Probation
- Appellate Court Offices
- Committees & Commissions
- State Library
- Interpreters
- Judicial Branch Education
- Jury Service
- Mediation
- Probation
- Professional Ethics
- Self Help
- Guardians
- Job Openings
- How to Contact Us

Welcome

A healthy democratic society can exist only if the people of the State have respect for their legal system. That respect comes not from being awed by the system but rather, from understanding that system. The information on this site is designed to help the people of the State of Nebraska better understand the judicial branch.

*Chief Justice of the State of Nebraska,
Honorable Mike Heavican*



The 2007 Nebraska Supreme Court: Justice Michael McCormack, Justice John Gerrard, Justice Lindsey Miller-Lerman, Justice Kenneth Stephan, Chief Justice Michael Heavican, Justice William Connolly, Justice John Wright.

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- [Supreme Court Rules](#)
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- [Administrative Memo](#)
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-  Feedback
-  Forms
-  Opinions
-  Rules

This file last modified Monday February 05, 2007 16:12:02

Accessibility & Privacy Outside Links

Operational Issues and Highlights

1st Annual Nebraska Spirit Art Contest

The Secretary of States office and Nebraska.gov are sponsoring and executing the first annual "Nebraska Spirit Art Contest". This contest is an opportunity for all Nebraska elementary students (Kindergarten through fifth grade) to show their Nebraska pride by creating a drawing showing why they think Nebraska is such a great place to live.

After the students have submitted their artwork the entries will be narrowed down to five entries per grade. Each of the semi-finalist's drawings will be placed on the state Web site (Nebraska.gov) and the public will have the opportunity to vote for their favorite drawing from each grade. Once the public voting process has been completed the winners will be announced.

Each of the winners and their families will be invited to Lincoln for an awards presentation at the State Capitol. Governor Heineman will be in attendance to meet each of the children and present them with their awards.

This contest is intended to allow grade schools to integrate a fun activity into their teaching about the great state of Nebraska while also providing additional visibility of Nebraska's State Web site. Multiple press releases will be sent out in cooperation of Nebraska.gov and the Secretary of States office in efforts to promote this activity. Mailings will also be sent to each grade school in Nebraska inviting them to participate in this fun event.

Important Dates:

- April 9, 2007 – Contest Begins
- April 30, 2007 – Contest Entries must be submitted and postmarked
- May 9, 2007 – Entries narrowed to five per grade.
- May 11-25, 2007 – Top 5 drawings from each grade put online for public votes sessions.
- May 28, 2007 – Winners announced
- June 8, 2007 – Ceremony at the State Capitol and Governor's mansion.

Visa Operating Regulations – Charging Fees through the Portal.

Nebraska.gov (NI) has had several meetings during the first quarter regarding the issue that has been discussed previously during several Nebraska State Records Board (NSRB) meetings regarding fees that have been approved by the Nebraska State Records Board. We have recently received communication from the State Treasures Deputy and Counsel indicating that a final determination regarding this issue will be decided by the Nebraska State Records Board.

This communication was received during the creation of this NSRB General Managers report and we are now in the process of reviewing the information that has been provided to us.

Technical Update

For further details or additional information, please contact:

Bruce Rice, Director of Development
Nebraska.gov
402.471.7813
bruce@nebraska.gov

- The migration to the NIC Central Data Center in Ashburn, Virginia has been completed. All services have been moved.
- Work was completed on the Nebraska income tax filing application. The application was successfully re-launched and is currently being used by Nebraska tax payers.
- A complete re-write the Secretary of State's Proposed Rules and Regulations tracking system was implemented. This re-write has streamlined the approval process for the agency. It has also made the public view of the information easier to access and view.
- The planning and design phase of Uniform Commercial Code Amendment filing has been completed. The application has now moved into the development phase and is making good progress.
- In January we had some network complications after our data center did a cage migration (reported at the Jan. Board meeting). The work went past the maintenance time frame and Nebraska.gov was down for longer than expected. This migration also caused networking issues and lag for about a week and a half period following the maintenance window. The CDC system administrators worked on the issue with the help of various vendors and were able to resolve it. Although the migration caused some problems, the result will help ensure better uptime and more ability to expand our network and systems to meet future demands and needs.

Marketing Highlights

For further details or additional information, please contact:

Carmen Easley, Director of Marketing
Nebraska.gov
402.471.2154
carmen@nebraska.gov

January

- Rolled out Supreme Court Website redesign.
- Finalized prototypes and Functional Specifications for UCC Amendments application.
- Rewrite of Proposed Rules and Regulations tracking application went in to production.
- Updated forms 1040N and 1040NS went online for Department of Revenue.
- Began testing on Real Estate Broker and Salesperson application.
- Re-launched updated fireworks display application and retail license application for State Fire Marshal.
- Testing on new Engineers and Architects on-line individual licensee and corporation search.
- Created and launched user satisfaction survey for LIS look-up at request of HHSS.
- Began work on functional specifications for rewrite of on-line electrical permit application for State Electrical Division.
- Took over hosting of Nebraska State Quarter website at request of Nebraska Department of Banking and Finance.
- Started functional specifications for License Renewal components of the JoKel backend System for Board of Public Accountancy
- Completed all Functional Specifications for License Renewals for Board Of Public Accountancy

- Completed Concept phase of EFS Continuations and Terminations online applications.
- Added Google Search functionality to WCC web site.
- Rolled out Nebraska Liquor Control Commission, Liquor License Renewal
- Met with Nebraska Commission of the Blind and Visually Impaired to go over website template and discuss rollout date
- Provided Bill Tracker Training for the Nebraska State Legislature employees
- Provided Bill Tracker Training to the Nebraska Equal Opportunity Commission employees
- Met with AOC and Judge Burns to review Prototypes and functional specifications
- Continued with Judge Schedule Functional Specification revisions
- Made changes to Nebraska Commission of the Deaf and hard of hearing online submit forms
- Sent Nebraska Women's Commission survey results to online Women's Work survey
- Continued with Furnas County website and website design

February

- Met with SOS to review preliminary designs for website redesign.
- UCC Amendments application went in to development.
- Added user satisfaction survey to Proposed Rules and Regulations tracking application.
- Removed and password protected licensee exam scores from public HHSS license lookup site
- Launched new Engineers and Architects on-line individual licensee and corporation search, with user satisfaction survey attached.
- Held conference call with State Electrical Division database administrator for rewrite of on-line electrical permit application.

- Created Functional Specifications and prototypes for EFS Continuations and Terminations online applications.
- Concept Meeting with SOS Rules and Regulations team to discuss enhancements to Nebraska Administrative Code online search.
- Continue to develop components of JoKel Backend System for Board of Public Accountancy
- Received approval on the Furnas County website design
- Met with AOC and Judge Burns to review Prototypes and functional specifications revisions
- Reviewed and revised functional specifications for the DNR Water Well Pump Installation application
- Met with Administrative Office of the Courts to review functional specifications and prototypes for Justice: One Time Court Record Search
- Started development/converting information for the Furnas County website
- Finalized Functional Specifications for Administrative Office of the Justice: One Time Court Record Search
- Developed, tested, rolled out application for Justice: One Time Court Record Search
- Sent DNR cost estimate for the Water Well Pump Installation Application
- Started researching Screen Saver contest

March

- Meeting with SOS to review updates/enhancements made to prototypes for redesign.
- Development begins on UCC Amendments image creation.
- Updated online form 941N for Department of Revenue.
- Presented functional specifications for rewrite of on-line electrical permit application to State Electrical Division.
- Began hosting of Nebraska Masterpieces website created for the Nebraska Arts Council.
- Started on web site creation for Greeley County.

- Add new, more user friendly, directory structure to Nebraska Administrative Code online search.
- Test Google Search ability to return better results for users of the Nebraska Administrative Code.
- Meeting with Business One Stop group.
- Met with Nebraska Department of Natural Resources and HHSS to discuss cost estimate and funding options for Online Water Well Pump Installation Application
- Started development phase for the AOC Online Judge Scheduler
- Screen Saver contest preparation: created flier and post card, Summary of Events, and About the Contest
- Met with Nebraska Liquor Control Commission to discuss the Beer Wholesalers tax reporting application
- Created online survey to assess user interest in online filing
- Completed Development for License Renewals for Board of Public Accountancy
- Continued development/converting information for the Furnas County website
- Designed, created, and sent out post cards to Beer Wholesalers for NLCC user survey.
- Began concept phase with NLCC for the Beer Wholesalers tax reporting application
- Sent cost options to NLCC for the Beer Wholesalers tax reporting application
- Marketing- designed Justice: One Time Court Record Search fliers
- Received authorization to roll out the Nebraska Blind and Visually Impaired website redesign
- NCBVI signed a CMC contract with Nebraska.gov
- Rolled out NCBVI new website design
- Justice marketing fliers approved by management team and by the AOC
- Enhancements started on the DMV Third Party website

- Finalized Functional Specifications for Administrative Office of the Online Courts District Judge Scheduler
- Started testing phase for DMV Third Party website enhancements
- Started concept phase for Online Campaign Statement Filings with Nebraska Accountability and Disclosure Commission
- Met with Nebraska Veteran Affairs to discuss Post Traumatic Stress Disorder (PTSD) Website
- Sent final survey results to the Nebraska Women's Commission for the Women's Work Survey
- Set up meeting with Justice to discuss Motor vehicle Citation Payment System
- Set up meeting with the Nebraska Department of Motor Vehicles to discuss online message license plate ordering.

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**Addendum Two
to the
Interagency Agreement Between
Nebraska Board of Public Accountancy
and
Nebraska State Records Board**

This Addendum Two to the Interagency Agreement between the Nebraska Board of Public Accountancy (NBPA) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services.

Project: NBPA Firm and Individual License Renewals.

Price: This addendum covers all Nebraska Board of Public Accountancy renewal transactions processed electronically with the Nebraska Board of Public Accountancy through Nebraska.gov. Nebraska.gov shall receive 2.00% of each and every renewal processed electronically through Nebraska.gov. The 2% Nebraska.gov receives for NBPA Firm and Individual License Renewals is intended to help cover costs for ongoing maintenance for Firm and Individual License Renewals, Continuing Education and the JoKel backend system not to include the addition of any new functionality to the applications mentioned above.

NBPA – 98% of all fee’s

Nebraska.gov – 2% of all fee’s

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. These funds will be deposited on behalf of the Nebraska Board of Public Accountancy. Invoices for all services rendered will be prepared by Nebraska.gov and provided to the Nebraska Board of Public Accountancy at the close of each month. Terms of the invoice payment shall be net 45 days.

By: _____
Authorized Officer
Nebraska Board of Public Accountancy

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

**Addendum Nine
to the
Interagency Agreement Between
Office of the Secretary of State
and
Nebraska State Records Board**

This Addendum Nine to the Interagency Agreement between the Secretary of State (SOS) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), the prices to be charged for such Nebraska.gov services, and how the revenue from such Nebraska.gov services is to be divided between SOS and Nebraska.gov.

This Addendum Nine covers services described below. It is contemplated that additional future addenda will cover other services, which are currently provided by the Secretary of State. To the extent this addendum is in conflict with any prior addenda, this addendum controls and supersedes the prior addenda.

Project: UCC Amendments/Debtor Terminations

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

Filing Type	End User Fee	SOS Received	Nebraska.gov Received
Uniform Commercial Code Amendments	\$8.00	\$6.50	\$1.50
Uniform Commercial Code Debtor Terminations	free	\$0.00	\$0.00

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. The revenue received pursuant to this addendum shall be deposited by the Network Manager in the State Records Board Cash Fund pursuant to the provisions of the contract between NSRB and Nebraska Interactive, LLC., and any addenda thereto, and shall be distributed back to SOS and NI as provided above.

By: _____ Date: _____
 Authorized Officer
 Office of the Secretary of State

By: _____ Date: _____
 Authorized Officer
 Nebraska State Records Board

**Addendum Ten
to the
Interagency Agreement Between
Office of the Secretary of State
and
Nebraska State Records Board**

This Addendum Ten to the Interagency Agreement between the Secretary of State (SOS) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), the prices to be charged for such Nebraska.gov services, and how the revenue from such Nebraska.gov services is to be divided between SOS and Nebraska.gov.

This Addendum Ten covers services described below. It is contemplated that additional future addenda will cover other services, which are currently provided by the Secretary of State. To the extent this addendum is in conflict with any prior addenda, this addendum controls and supersedes the prior addenda.

Project Effective Financing Statement Continuations and Terminations

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

Filing Type	End User Fee	SOS Received	Nebraska.gov Received
Effective Financing Statement Continuations	\$8.00	\$6.50	\$1.50
Effective Financing Statement Terminations	free	\$0.00	\$0.00

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. The revenue received pursuant to this addendum shall be deposited by the Network Manager in the State Records Board Cash Fund pursuant to the provisions of the contract between NSRB and Nebraska Interactive, LLC., and any addenda thereto, and shall be distributed back to SOS and NI as provided above.

By: _____ Date: _____
 Authorized Officer
 Office of the Secretary of State

By: _____ Date: _____
 Authorized Officer
 Nebraska State Records Board

**Addendum Four
to the
Interagency Agreement Between
Nebraska Administrative Office of the Courts
and
Nebraska State Records Board**

This Addendum Four to the Interagency Agreement between the Nebraska Administrative Office of the Courts (AOC) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (Nebraska.gov, operated under the auspices and authority of the NSRB), the price (P) to be charged for such Nebraska.gov services, and how the revenue from such Nebraska.gov services is to be divided between AOC (R/AOC) and Nebraska.gov (R/Nebraska.gov).

Data Records to be Accessed: Single Use District and County Court Records (JUSTICE)

	P	R/AOC	R/Nebraska.gov
Credit Card Search	\$15.00	\$9.00	\$6.00

Terms: The Administrative Office of the Courts will process the Credit Card payment through their own merchant account with the State Treasurer's Office. Nebraska.gov will prepare and provide to AOC and invoice for all services rendered on a monthly basis. Rates for services shall be as provided above in this addendum. Terms of invoice payment shall be net forty-five (45) days.

By: _____ Date: _____
 Janice K. Walker
 Nebraska Administrative Office of the Courts

By: _____ Date: _____
 Brian Stevenson
 Nebraska.gov General Manager

Acknowledgement of Report to the Nebraska State Records Board

By: _____ Date: _____
 Authorized Officer
 Nebraska State Records Board



Concept Document: Grant Continuation

CIO Nebraska One Stop Business Registration Portal

Project Manager: Brian Stevenson
Email: brian@nebraska.gov
Voice: 402.471.6582
Fax: 402.471.7817
Date: 9/01/2006



Table of Contents

[Partner Information.....3](#)

[Project Overview.....3](#)

[Current Solution.....3](#)

[Proposed Solution – Statement of Scope.....4](#)

[Target Audience.....4](#)

[Pricing Structure.....4](#)

[Current Technical Environment.....5](#)

[Additional Deliverables.....6](#)

[Approval.....7](#)

Document Revision History

Version	Date Sent to Client	Date Received from Client	Comments
1			
2			
3			

Partner Information

Partner Description

The Office of the CIO has been Statutorily brought under the title of the Information Technology Services Divisions of DAS along with the Division of Communications and Information Management Services. This places both the operational and policy setting authority under one agency directed by the Chief Information Officer.

Partner Primary Contact Information

Partner Executive Sponsor Contact Information

Contact Name	Contact Title	Phone	Fax	Email
Rick Becker	Office of the CIO and NITC	402.471.7984		Rick.becker@nitc.ne.gov

Project Overview

In order to do business in Nebraska, business entities must obtain various licenses and permits and must submit filings such as income or unemployment taxes to various government agencies. Currently, there is no central online point of access from which a business can learn about and complete all the various forms and processes necessary to do business in Nebraska. Nebraska would like to create an online environment that will allow its citizens to learn about which of these business processes they must complete prior to doing business in the state.

It is understood that not all of the business processes will be fully automated as part of this project. The intent of this project is to assemble the information required to inform citizens of the processes that are required, allow these users to keep track of their progress online & collect common data elements that can be shared with other applications to pre-populate online applications with information that can be leveraged within their process.

Special attention will be paid to the sensitive nature of the information being provided by Nebraska citizens and businesses and how that information can be shared between various participating agencies.

Current Solution

Currently the Nebraska.gov web portal contains a business portal. Within the business portal there is a link to a large amount of information regarding starting a business in Nebraska. Unfortunately this information is not organized in a way that is intuitive to site visitors. Each of the business

processes required the necessary agencies are completed by the user individually with nothing to link them together. Most of these processes are paper based.

Proposed Solution – Statement of Scope

Project Scope:

This project is intended to both organize the existing information located on the Nebraska.gov business portal starting a business section (<http://www.nebraska.gov/index.phtml?section=business>) as well as create an online tool that will accomplish the following:

- 1.) Direct users to the appropriate business processes required for the business type they are registering.
- 2.) Allow users to enter and save data pertaining to their business.
- 3.) Allow users to track their progress throughout the business registration process.
- 4.) Allow agencies to share common data elements. These elements will be used to pre-populate online business processes allowing for an increased ease of use for the end user.
- 5.) Allow agencies to obtain information about businesses that are starting in Nebraska. (NOTE: the information gathered will not be used for marketing by any entity).

Constraints:

- 1.) Required common data elements from multiple agencies
- 2.) Some business processes are not currently automated
- 3.) Shared data elements must be scalable for future additions
- 4.) Terminology between multiple agencies varies

Assumptions:

- 1.) Agencies will cooperate with Nebraska.gov to determine data elements
- 2.) Agencies will agree on methods used for sharing data
- 3.) Agencies will agree on common data elements
- 4.) State Security Policies will be adhered to for data sharing (authentication and authorization)

Target Audience

There are two primary target audiences for the Nebraska One Stop Business Registration Portal. Each of the target audiences will have varied needs and requirements.

- 1.) General Public – The general public will use the system as a way to gain knowledge of the processes required to start a business in the state of Nebraska. It is assumed that these users will not be well versed on state government. They will likely not know which agency to contact for each business process required for successful business registration with the state. This audience will likely be setting up a business entity from start to finish on a single business.
- 2.) Law Firms – Law firms are hired by many businesses for the purpose of setting up a business entity. It is assumed that these law firms will be familiar with state government and the business processes required for successful business registration with the state. This audience will likely require the ability to manage multiple in progress business registrations.

Pricing Structure

This project is currently being managed as a Reinvested Revenue project through the Nebraska State Records Board (NSRB). This project was approved in November 2004. It is recommended that the grant

be re-submitted to NSRB in an effort to ensure the NSRB is aware of the pending expense and forward progress of the project.

Original NSRB Grant:			
Project Name	Date Awarded	Original Amount	\$'s invested to date
One-Stop Business Registration	11/23/2004	\$75,000	\$0.00

Updated Proposed Grant:				
Detail	Date Requested:	Estimated Hours	Amount Requested	\$'s invested to date
Data Element Comparison:	10/12/2006	25	\$2,500	\$0.00
Re-organization of Current Business Portal Information:	10/12/2006	50	\$5,000	\$0.00
Functional Specifications for Business Registration Tracking Application:	10/12/2006	75	\$7,500	\$0.00
Development of Business Registration Tracking Application (Collection Process):	10/12/2006	150	\$15,000	\$0.00
Development of Business Registration Tracking Application (Web service Data Sharing):	10/12/2006	75	\$7,500	\$0.00
Testing & Rollout of Business Registration Tracking Application:	10/12/2006	50	\$5,000	\$0.00
Ongoing Maintenance of application:	10/12/2006		\$0.00	\$0.00
TOTALS:		400	\$42,500	\$0.00

NOTE: There will be no charges assessed for usage of this online application. The estimated figures are

Current Technical Environment

1. Are there one or more internal-facing applications in place for this service?

Yes No

If yes, please answer these related questions:

On which system architecture does it/they reside?

Mainframe Midrange Standalone Other

What technologies are/were used to build the internal-facing application(s)? N/A

2. Is there a database to hold records related to this service?

Yes No



If yes, what type of database (i.e. DB2, Oracle, MS SQL, proprietary, other, none)?

Where does the data reside?

Agency Division of Information Technology Other

Who supports the database?

Agency Division of Information Technology Other

Can you provide us with the database schema?

Yes No

Approximately how many records are in the database?

3. Is any of the following sensitive personal information collected or stored in the database or presented to users? (Please check all that apply)

	Collected from user	Stored in database	Presented to users	Transmitted to 3 rd Party
First and last name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Date of Birth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social Security/Tax ID Number	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Driver License Number	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Credit/debit card number(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bank account number(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Password	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Deliverables

Nebraska.gov will deliver the following:

- Education on latest Web protocol items, such as accessibility compliance, Web usability standards
- Marketing assistance for agency services
- Secure hosting of service/application within the Nebraska Interactive Central Data Center (CDC) environment
- 24 hours a day, 7 days a week technical support for the AOC
- Customer support for application-related questions during normal business hours as well as dedicated email support and toll-free, 800 number support.

NSRB - CASH FUND BALANCE

State Records Board - Revenues & Expenditures

FY 06-07

	<u>Jan, 07</u>	<u>Feb, 07</u>	<u>Mar, 07</u>			
Revenues:						
Sale of Service	\$458,627.93	\$506,343.18	\$438,471.47			
General Business Fees	\$1,858.42	\$2,478.21	\$139.43			
Driver Records	\$1,736.00	\$1,979.00	\$1,932.00			
Investment Income	\$2,782.79	\$2,924.92	\$2,976.94			
Total	\$465,005.14	\$513,725.31	\$443,519.84			
Expenditures:						
State Agency Payment	\$300,184.78	\$326,665.74	\$277,576.01			
NIC/Other Contractual Services (Note 1)	\$150,059.86	\$167,911.94	\$189,017.22			
Misc. Expense	\$265.53	\$315.22	\$567.38			
Total	\$450,510.17	\$494,892.90	\$467,160.61			
Profit (Loss)	\$14,494.97	\$18,832.41	(\$23,640.77)			
Fund Balance:	\$891,746.82	\$910,579.23	\$886,938.46			
Grant Encumbrances:			\$173,128.00			
Reinvested Revenue:			\$73,367.00			
Unencumbered Funds:			\$640,443.46			
Note 1 - Other Contractual Services include pending payments to Nebraska.Gov of \$165,643.19 in February and \$148,636.67 in March.						
These payments posted in April.						

State/Local Grant Project Status Report - 3/31/2007

Agency Name	Project Description	Date Grant Awarded	Original Grant Amount	Amount Not Spent To Date	Stated Completion Date	Date of Last Payment
Bd. Of Public Accountancy	On-line review of Annual Register & submission of Applications & Forms	7/8/2003	\$25,000	\$20,006	May, 2006	July, 2005
DAS Personnel	Online Job Application NIS Connectivity	11/23/2004	\$25,000	\$25,000	Extended to: September, 2007	July, 2006
UNL - Rural Initiative	Basic e-Government & Access 2-Government	5/10/2005	\$25,000	\$0	Spring, 2007	Completed March 9, 2007
Kearney County	Kearney County Enhanced Web Page	5/10/2005	\$25,000	\$25,000	June, 2005	Pending Co. Board review & receipt of invoice
Board of Barber Examiners	Barber Licensing System Update	9/27/2005	\$25,000	\$8,789	January, 2006	July, 2006
University of Nebraska - Lincoln Libraries	NE Public Documents Digitalization	9/27/2005	\$23,000	\$23,000	May, 2007	September, 2005
Merrick County	Digitizing of Merrick Co Records	1/26/2006	\$25,000	\$25,000	January, 2007	Pending Tech Advisory Committee Compliance
Real Estate Appraiser Board	Redesign of Website & Appraiser Database	4/18/2006	\$25,000	\$10,744	December, 2006	July, 2006
Webster County Assessor's Office	Webster County Tax Sifter Parcel Search	4/18/2006	\$3,000	\$324	December, 2006	November, 2006
Polk County Assesor's Office	Polk County Enhanced Web Page	7/20/2006	\$17,500	\$0	12/21/2006	12/21/2006
Johnson County	Record & Mapping Accessibility	7/20/2006	\$10,000	\$10,000	December, 2007	Pending Tech Advisory Committee Compliance; See Contractor's Report
NE Historical Society	Digital Archives & Records Mgmt Center Feasability	10/12/2006	\$25,000	\$23,724	July, 2007	January, 2007
University of Nebraska Bd. of Regents	e-Government Training	1/16/2007	\$24,541	\$1,541	January, 2008	March, 2007

TOTALS			\$278,041	\$173,128		
\$ AWARDED:		FY06: \$77,041				
\$ LEFT TO GRANT:		FY06: \$122,959				

Reinvested Revenue Grant Status Report as of 3/31/2007

Project Description	Date Awarded	Original Amount	Amount Not Spent to Date	Date of Last Activity
Google Search Engine	11/23/2004	\$25,000	\$5,867	January 16, 2007
One-Stop Business Registration	11/23/2004 7/20/2006	\$75,000 \$42,500	\$75,000 \$42,500	
Online Property Tax Payment System/Multi-County	5/10/2005	\$25,000	\$25,000	
TOTALS		\$92,500	\$73,367	

NSRB April 11, Report

(1) Board of Public Accountancy – BPA

Prior: The project is not yet complete. The CPE portion is finished with the License Renewal and CPE reporting scheduled for completion in Q2 - 07. I will ask BPA for a formal extension.

Current: An extension until August 17, 07 has been requested.

BPA members – Dan Sweetwood, Doug Skiles, Jo Lowe, Kelly Ebert
NE.gov – Brian Stevenson, Carmen Easley, Glen Norton

(2) Kearney County

Prior: They are working with GIS (software vendor) and expect to have it finished in another month. I think the hardware concern was addressed and I will confirm that it has.

Current: I spoke with Rick Becker, IMS regarding the hardware question. He said that was not a requirement but rather a recommendation that Kearney be aware of a possible bandwidth/performance problem. Kathy Russell said they are not having any performance problems. GIS and the Kearney County Board will be meeting on March 20th or April 6th to verify the project is complete. Kearney has not submitted any invoices yet but plan on submitting invoices by the end of March or April.

Kathy Russell, Highway Superintendent
Marcus Tooze, GIS Workshop

(3) Barbers Examiners

Prior: The ‘end to end’ testing has been completed as much as it can be and all indications are that everything is working. The final test will be the actual April renewals processing.

Current: At this point the project is considered complete with the exception that the software may require minor adjustments when the entire April renewal process starts.

Ron Pella, Director
Dixie Horn, Administration

(4) Merrick County

Prior: They have been installing GIS and will be submitting a claim. The county has paid one invoice. I will confirm the compliance with NITC standards.

Current: GIS will be meeting with the County Board to verify after which they will be ready to send invoices.

Jan Placke, County Assessor

(5) Real Estate Appraisers Board – REAB

Prior: This was not on my assignment list I will follow up with the agency.

Current: Met with Kitty Policky who is acting as temporary director due to the departure of Jill Eikstein, former Agency Director. Ms Policky had concerns about the software and I will be working with IMS to gather details on the project regarding her concerns.

I met with Lavern Goens, IMS and he stated that Jill Eikstein, former Director, was satisfied with the software application and considered it complete. However there seems to be a difference of opinion regarding Kitty Polickys assessment of the project. I am in the process of investigating the changes that might be required.

Kitty Policky, Acting Director

(6) Webster County

Prior: This project is complete.

Current: The remaining \$324.00 can be returned to the NSRB fund.

Sonja Krueger, County Assessor

(7) Johnson County

Prior: The technical Review Committee has requested that Johnson County comply with NITC Standards and asked that they work with the State's GIS Coordinator to accomplish this.

Current: I met with Rick Becker, IMS and then received a copy of a letter from Larry Zink, GIS Coordinator that was sent to Johnson Country. I then met with Larry Zink and it appears that compliance has been met.

Karen Koehler, County Assessor
Mike Schwab, TerraScan

(8) DAS

Prior: They are hoping the RFP will be released sometime in February.

Current: The Applicant Tracking System RFP was released on 2/14/04 with bids due 3/22/07. The Schedule of Events calls for the vendor start date to be 6/1/07.

Vickie Logan, Recruitment Manager
Mike McCrory, Director

(9) UCC - Business Services

Prior: I met with Debbie Pester and started reviewing documentation and specifications with NE.gov.

Current: Met with Jennifer Rasmussen, Project Manager for Ne.gov. The project timetable is on target with a prototype in place and the application development moving forward. The general plan is to select certain UCC users to start testing the system in mid-April much like they did with the Board of Public Accountancy. The EFS project is scheduled for Q3.

Jennifer Rasmussen, Project Manager – NE.gov.

Presentation to Nebraska State Records Board

April 11, 2007
Nebraska Interactive, LLC

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permission

A. Present issue

- NI's mandate is not just to "do better" (service quality), but to "do more" for Nebraska.gov (grow portal) with new services and better adoption.
- One large agency has indicated that internalizing all transaction costs would create additional challenges to offering services online because the amount of statutory dollars that stay within their operating budget would not support the cost associated with processing these transactions.
- NI has proposed a different source for portal fees that does not violate Visa credit card rules for US merchants and stimulates portal growth.

B. Presently, portal fees are paid by agencies

- State agencies use State Treasurer's Visa merchant account;
- Portal fee is paid by each agency out of statutory fee authorized by legislature;
- Portal services authorized now are those with small and uniform statutory fees, so small and uniform portal fees;
- Not all agencies have discretionary spending authority to expend statutory fee revenue--hinders growth of portal services

C. New payment structure for Nebraska portal fees is widely accepted

- Invoice (cash or check) payors are ok with add-on portal fees
- ACH payors are ok with add-on portal fees
- Mastercard, American Express, Discover, and Visa (in Europe and Australia) are ok with add-on portal fees
- FNBMS has raised a concern regarding add-on portal fees and the (US) Visa rules.

D. Portal fees collected for Nebraska.gov are for actual portal overhead

- NI's sole business is providing outsourced services for Nebraska.gov;
- By far the largest source of NI's revenue is portal fees (approved as "reasonably formulated," by NSRB);
- Nebraska.gov's overhead is NI's overhead and margin;
- Financials furnished to NSRB each reporting period show complete picture of portal finances;
- Portal fee consists of the credit card merchant fee AND also the other amortized portal overhead.

E. 81-118.01(6) doesn't apply

- Nebraska statutes allow only NSRB to set fees for online services (AG opinion);
- 81-118.01(6) requires that any “surcharge or convenience fee” imposed by an agency for credit card expenses meet the rules of the credit card issuer or association—>but Portal’s fee imposed by NI, not agency.
- NI is not a “state agency receiving authorization for credit card transactions”—>NIC’s payment engine processes transactions [ergo, outside 81-118.01(6)], and
- Revenue is not received by state agency, but by NI [outside 81-118.01(6)]; NI’s payment engine then distributes the agency’s portion, the NSRB revenue share (together these equal NI’s “cost of goods”) and uses the portal portion for portal services;
- Therefore, 81-118,01(6) doesn’t apply to Nebraska.gov Portal situation.

F. NI is an outsourced service provider

- NI is its own credit card merchant in Nebraska, may use its own merchant account;
- Online is NI's only business channel, not alternate;
- NI is entitled to charge for the fair value of its services;
- State is not financially responsible for any operating expenses of the portal;
- NI pays the state (NSRB) a revenue share from transactions in addition to the statutory fee;
- NIC's payment engine processes transactions;
- Nothing says that NI's portal fee **MUST** be paid from agency's statutory fees;

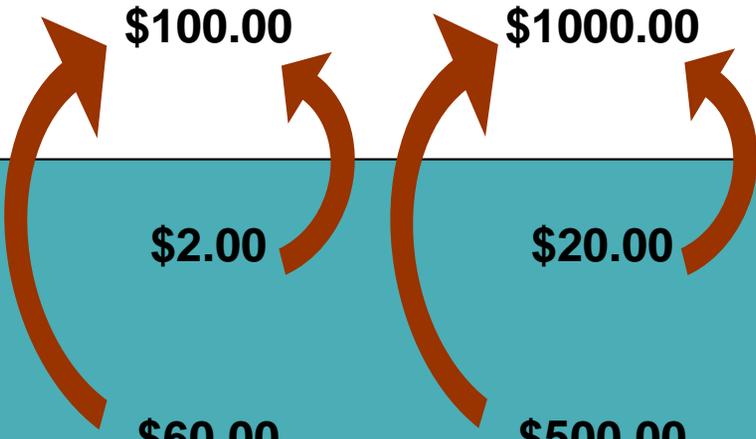
G. But isn't NI just an agent of the State of Nebraska?

- NI's contract with NSRB expressly says we are an independent contractor;
- Also says we cannot be state's agent without written permission of the state (has not been given);
- NI has its own merchant account, NIC's payment engine;
- If the portal loses money, the state is not responsible for any loss;
- NI pays the state (NSRB) a revenue share portion on transactions in addition to statutory fees paid to agencies;
- NI guarantees collection of statutory fees.

H. This method of portal fee payment is outside the Visa convenience fee rule as written

- NI's business provides a legitimate service (electronic portal services) on an outsourced basis, to the state and portal users, as contemplated by NSRB statutes;
- NI is a private enterprise and is entitled to conduct itself like any other private enterprise by adding overhead and margin to its "cost of goods" (<-statutory fee it must pay the agency, plus revenue share to NSRB);
- Visa's convenience fee rule would be clearer for everyone with a preamble, "In addition to the usual overhead and margin that you have already built into your price, any additional convenience fee that you charge for an alternate channel of business must comply with these convenience fee rules..."

	Property tax on motorcycle	Retail Shirt	Retail Suit	Property tax on semi truck
	\$10.00	\$100.00	\$1000.00	\$10,000.00
Visa merchant fee 2%	\$0.20	\$2.00	\$20.00	\$200.00
Other overhead and margin	\$2.00	\$60.00	\$500.00	\$2.00
Convenience fee for online purchase	\$0.00	\$2.00	\$2.00	\$0.00
Charge to consumer (ignoring retail shipping & handling)	\$12.20	\$102.00	\$1002.00	\$10,202.00



**Addendum Two
to the
Interagency Agreement Between
Nebraska Board of Public Accountancy
and
Nebraska State Records Board**

This Addendum Two to the Interagency Agreement between the Nebraska Board of Public Accountancy (NBPA) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), prices to be charged for such Nebraska.gov services, and terms of payment for such Nebraska.gov services.

Project: NBPA Firm and Individual License Renewals.

Price: This addendum covers all Nebraska Board of Public Accountancy renewal transactions processed electronically with the Nebraska Board of Public Accountancy through Nebraska.gov. Nebraska.gov shall receive 2.00% of each and every renewal processed electronically through Nebraska.gov. The 2% Nebraska.gov receives for NBPA Firm and Individual License Renewals is intended to help cover costs for ongoing maintenance for Firm and Individual License Renewals, Continuing Education and the JoKel backend system not to include the addition of any new functionality to the applications mentioned above.

NBPA – 98% of all fee's

Nebraska.gov – 2% of all fee's

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. These funds will be deposited on behalf of the Nebraska Board of Public Accountancy. Invoices for all services rendered will be prepared by Nebraska.gov and provided to the Nebraska Board of Public Accountancy at the close of each month. Terms of the invoice payment shall be net 45 days.

By: _____
Authorized Officer
Nebraska Board of Public Accountancy

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

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By: _____
Authorized Officer
Nebraska Board of Public Accountancy

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

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By: _____
Authorized Officer
Nebraska Board of Public Accountancy

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____

**Addendum Nine
to the
Interagency Agreement Between
Office of the Secretary of State
and
Nebraska State Records Board**

This Addendum Nine to the Interagency Agreement between the Secretary of State (SOS) and the Nebraska State Records Board (NSRB) sets forth certain services to be provided by Nebraska.gov (operated under the auspices and authority of the Nebraska State Records Board), the prices to be charged for such Nebraska.gov services, and how the revenue from such Nebraska.gov services is to be divided between SOS and Nebraska.gov.

This Addendum Nine covers services described below. It is contemplated that additional future addenda will cover other services, which are currently provided by the Secretary of State. To the extent this addendum is in conflict with any prior addenda, this addendum controls and supersedes the prior addenda.

Project: UCC Amendments/Debtor Terminations

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

Filing Type	End User Fee	SOS Received	Nebraska.gov Received
Uniform Commercial Code Amendments	\$8.00	\$6.50	\$1.50
Uniform Commercial Code Debtor Terminations	free	\$0.00	\$0.00

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. The revenue received pursuant to this addendum shall be deposited by the Network Manager in the State Records Board Cash Fund pursuant to the provisions of the contract between NSRB and Nebraska Interactive, LLC., and any addenda thereto, and shall be distributed back to SOS and NI as provided above.

By: _____ Date: _____
 Authorized Officer
 Office of the Secretary of State

By: _____ Date: _____
 Authorized Officer
 Nebraska State Records Board

**Addendum Ten
to the
Interagency Agreement Between
Office of the Secretary of State
and
Nebraska State Records Board**

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This Addendum Ten covers services described below. It is contemplated that additional future addenda will cover other services, which are currently provided by the Secretary of State. To the extent this addendum is in conflict with any prior addenda, this addendum controls and supersedes the prior addenda.

Project Effective Financing Statement Continuations and Terminations

Price: This application will be funded through a transactional revenue model. Pricing is as follows:

Filing Type	End User Fee	SOS Received	Nebraska.gov Received
Effective Financing Statement Continuations	\$8.00	\$6.50	\$1.50
Effective Financing Statement Terminations	free	\$0.00	\$0.00

Terms: Nebraska.gov will process the total of all transactions through the state selected credit card merchant. The revenue received pursuant to this addendum shall be deposited by the Network Manager in the State Records Board Cash Fund pursuant to the provisions of the contract between NSRB and Nebraska Interactive, LLC., and any addenda thereto, and shall be distributed back to SOS and NI as provided above.

By: _____
Authorized Officer
Office of the Secretary of State

Date: _____

By: _____
Authorized Officer
Nebraska State Records Board

Date: _____