

DEPARTMENT OF INFORMATION RESOURCES
Open Board Meeting
November 8th, 2012
9:30 a.m.
1701 North Congress Avenue
Travis Building, Room #1-104
Austin, Texas 78701

CALL TO ORDER: Board Chair Charles Bacarisse called the meeting to order at 9:30 a.m.

I. ROLL CALL AND WITNESS REGISTRATION: Board Secretary, Pat Koller, called the roll.

Members present:

Charles Bacarisse
Rosemary Martinez
Richard Moore
Phillip Keith Morrow
Robert Pickering
Wanda Rohm
Bowden Hight – Ex-Officio
Karen Phillips – Ex-Officio

II. Approve minutes from August 30th, 2012, Board meeting

A motion to approve the minutes of the August 30th, 2012, DIR Board Meeting was made by Mr. Pickering and seconded by Mr. Morrow. Motion carried unanimously.

III. Executive Director's Report

Ms. Karen Robinson, Executive Director, presented information on the Biennial Performance Report which is due to the Governor and the Legislature by November 15th. She explained that DIR is working hard to support the top 10 technology priorities outlined in the 2011 State Strategic Plan. Ms. Robinson provided highlights from the various divisions including Finance where we continue to see improvements on our agency budget. The agency is making substantial progress this quarter on many key projects. Ms. Robinson shared highlights from Data Center Services, Texas.gov, and Technology Sourcing Office. She updated the Board on recent Sunset activities at the Agency and indicated next key dates are December 18th and 19th. She provided an overview of the Communications Team outreach, both internal and external, and also gave a brief update on Security. Ms. Robinson then recognized the excellent achievements of the Security Operations and TEX-AN programs in the awards they have recently won. She also provided details on other awards that DIR's projects and employees have been nominated for. At this time, Ms. Robinson introduced new employees and reminded everyone that our next Board Meeting is scheduled for February 7, 2013.

IV. Biennial Performance Report

Ms. Lori Person, Chief Administrative Officer, presented information to the Board on DIR's Biennial Performance Report which assesses progress on priorities outlined in State Strategic Plan (2011), describes major accomplishments and problems in statewide technology

management, and makes recommendations for improving statewide technology management. *Mr. Moore made a motion to approve the Biennial Performance Report as requested with the understanding that we are continuing to receive input from agencies and Higher Ed. Mr. Pickering seconded. Motion carried unanimously.*

V. Audit and Finance Update

Ms. Martinez updated the board on the audit and finance subcommittee meeting and said there was a lot of lively discussion. She stated that the subcommittee had asked Nick to develop a flow chart to help the board understand all the complex issues.

Mr. Andrew Dimas, Director of Internal Audit, presented two action items for the Board's approval. He presented the Texas.gov Audit report which was part of the 2012 audit plan and also the DIR annual internal audit report. *Ms. Martinez made a motion to approve the Audit Reports as requested. Mr. Moore seconded. Motion carried unanimously.*

Mr. Nick Villalpando, Chief Financial Officer, provided a finance update. He presented highlights on Operating Results for year ending August 31st, 2012 including Budget Status, Operating Results, Fund Balances, and Budget Amendments for reporting purposes only. He then provided information on a change in Administrative Fees proposed for the Board's consideration. There was some general discussion by the Board concerning these Administrative Fees. *A motion to approve the revised Administrative Fees was made by Mr. Moore and seconded by Ms. Rohm. Motion carried unanimously.*

VI. Statewide Technology Services

Mr. Carl Marsh, Chief Operating Officer, presented information to the Board concerning the Chief Operations Office update. He provided information on Data Center Services including operational performance which is 93% and backlogs reduced by 55% thru October. He also provided information on the Business Executive Leadership Council and the positive trend in customer satisfaction. Mr. Marsh explained that as we exit Calendar Year 2012 we hope to be trending in a good direction in all areas. There are many things that cannot begin until January 2013. There was a lot of discussion concerning Data Center issues and the Board requested more information such as graphs on other areas like trouble tickets going forward. Mr. Pickering thinks that DIR is doing a phenomenal job but would like the reporting to be a little more granular. There was more discussion by the Board concerning the Customer Satisfaction Survey and Mr. Pickering requested that Carl send the Board a copy of the actual survey. There was more discussion by the Board concerning the Gap Analysis approach. Mr. Marsh indicated he could provide more information by the end of this month. Mr. Hight and Ms. Phillips whose agencies are part of DCS had positive comments to make. Both agree that there is now a sense of optimism that was not there in the past. Mr. Bacarisse mentioned it would be helpful in the future to see more detailed metrics.

Mr. Marsh provided an update on the Texas.gov program and asked Janet Gilmore to present information on the fee model needing the Board's approval. Ms. Gilmore asked the board to approve a new fee model for large government to government transactions which will be piloted with the Texas Commission on Fire Protection (TCFP). *Mr. Moore made the motion to approve fee model as presented. Mr. Pickering seconded. Motion passed unanimously.*

Mr. Marsh presented information on the Technology Sourcing Office including Cooperative Contracts. He informed the Board about two new RFOs of interest, Cloud Services and Deliverables-Based IT Services (DBITS). He also discussed Enterprise Contracts and asked Ms. Grace Windbigler to present information on Amendment 4 to the DCS ACS State and Local

Services Contract. This amendment will implement a Network Improvement Plan which will provide for network security and infrastructure improvements. The total amendment amount is \$5.8 million. *Mr. Morrow made the motion to approve the contract amendment as presented. Mr. Pickering seconded. Motion passed unanimously.*

Mr. Marsh also updated the Board on Communications Technology Services and the Program and Portfolio Management Office.

VII. Legislative Update

Ms. Lori Person updated the Board on legislative activities including Key Dates for Sunset and Legislative activities. She also briefed the Board on activities in Communications including DIR Dialog, Announcements, State Agency News, Legislative Updates, and State Agency Tools.

VIII. Information Security

Mr. Angel Cruz, State Chief Information Security Officer, gave an overview on information security activities including State Agency Security Assessments and the State of the State Security Posture Report. Mr. Cruz discussed observations of noteworthy practices and observations of opportunities for improvement. There was discussion by the Board on those areas with opportunities for improvement and Mr. Cruz indicated this would be going up over time.

IX. Rules Action Items

Mr. Martin Zelinsky, General Counsel, asked the Board to consider proposing the amendment of 1 Texas Administrative Code, Chapter 203, concerning *Management of Electronic Transactions and Signed Records*, and to consider authorizing publication of the proposed changes in the in the *Texas Register* for public comment. *Mr. Moore made the motion to authorize the action as requested. Ms. Martinez seconded. Motion carried unanimously.*

X. Public Testimony

There was no public testimony

IX. Adjournment

Mr. Pickering made the motion to adjourn. Mr. Moore seconded the motion. Motion carried unanimously. Chairman Bacarisse adjourned the meeting at 11:30 a.m.