



## MINUTES

### MTC Technology Committee Meeting Capitol Plaza Hotel Topeka, Kansas

Sunday, August 13, 2006 – 1:00 to 5:00 p.m. (Central Time)

#### I. Welcome and Introductions

Tim Blevins (Kansas), Committee Chair, called the meeting to order at 1:04 p.m. (Central Time). The following members participate in the call.

<u>NAME</u>	<u>ORGANIZATION</u>
Danny Walker (In person)	Arkansas
Joe Randall (In person)	Idaho
Steve Wilson (By phone)	Idaho
Tim Blevins, Chair (In person)	Kansas
Bryan Vargas (In person)	Kansas
Charla Warner (In person)	Kansas
Jesse Jordan (By phone)	Kentucky
Margaret Kauska (By phone)	Montana
Rebecca Abbo (In person)	New Mexico
Terry Garber (By phone)	South Carolina
Gordon Smead (By phone)	Tennessee
Debbie Peterson, Vice Chair (By phone)	Texas
Andrew Glancy (In person)	West Virginia
Joe Huddleston (In person)	Multistate Tax Commission
Harold Jennings (In person)	Multistate Tax Commission
Greg Matson (In person)	Multistate Tax Commission
Antonio Soto (In person)	Multistate Tax Commission
Don Hoffman (In person)	Fast Enterprises

#### II. Public Comment Period

There were no comments by any member of the public.

#### III. Approval of the Minutes of July 27, 2006 Teleconference Minutes

A correction from month "06" to "07" in the date on page headers for all pages after the first was noted. After a motion duly made and seconded, the minutes of July 27, 2006 teleconference were approved as corrected.

#### **IV. Executive Director's Report**

Joe Huddleston thanked to Technology Committee for their work on the MTC Website Redesign and Secure Communications projects. Both projects will help the Commission support the states and make it easier for staff to complete their work. He noted that both projects, along with the new logo, will help project a new image for the Commission as a modern government organization.

#### **V. Website redesign project update report**

Greg Matson reported that the Commission has signed a 36-month contract with e.magination for hosting the website, using existing hardware that the Commission already had (servers). This hosting arrangement will be evaluated at the end of each 12-month period, and the Commission has the option of canceling it at those times.

Mr. Matson provided a brief update on testing status. Website system testing was delayed due some software and server issues, but testing is underway and progressing. Additional e.magination staff have been put on testing to replace Commission staff who had planned to conduct some testing, but are now engaged in the Annual Meeting here in Topeka.

Mr. Matson demonstrated the test version of the new website (those participating by phone were provided the URL of the test site). He showed many of the website areas, including the home page, map with states links and membership status, program and committees areas, etc.

Harold Jennings suggested that Training link should have a more predominant place in the website homepage. Mr. Matson responded that "Events," which appears in a few locations, could be renamed "Events & Training" so that it would be obvious for users looking for training info what to click on.

The Chair noted that often the last stage of a project can be the most challenging, but that it is important to makes sure all the little changes and details get taken care of before the Commission signs off on its completion.

Debbie Peterson asked about what types of documents were intended for the working documents area of the Technology Committee's section of the website. Mr. Matson noted that there was a separate area for draft minutes, so the working documents area would be for the Committee's use if there were a need to have unfinished documents posted online. He also noted that because this was the test site, all areas of the site were visible; when the site goes live, areas without content will not necessarily be visible, but will be available when needed.

Mr. Jennings asked about the extent of user access to areas of the website. Mr. Matson responded that everybody will be able to see some general areas of the MTC website, a user name and password can be used to log in, allowing access to restricted areas, and that policies regarding authentication (also related to the Secure Communications project) need to be worked out.

Debbie Peterson asked about the 508 accessibility testing, concerned that the minimum required testing often does not uncover accessibility issues. Mr. Matson said that this testing is being done by e.magination. The Chair indicated that there are other instruments and tools that can be used in the accessibility process, and that the Kansas Department of Revenue could help in this process.

The Chair reviewed the project plan dates, noting that some would need to be adjusted. He also asked about the system testing plans. Mr. Matson pulled the system testing plan and scripts from e.magination's website team online site, and briefly reviewed the plan and test scripts.

The Chair indicated when the MTC website is ready for user acceptance testing, he wanted the Technology Committee members to be very involved in testing the features and functionality of the new site. He recommended that the Technology Committee hold a Teleconference Meeting on Tuesday, August 29, 2006, to review the website project progress.

## **VI. Secure Communication Project update report**

The Committee reviewed the Secure Communications project plan dates and discussed the current draft of the requirements document.

Steve Wilson indicated that the Secure Communications requirement document needs to reflect the level of security platform needed for exchanging federal tax information.

The consensus of the committee was that it is very important to determine the type of information that MTC will exchange, understanding that the Joint Audit Program is most likely to be dealing with the exchange of confidential taxpayer information. It remains uncertain whether federal tax information will come to the Commission directly from the IRS or from the states.

Mr. Jennings said that currently taxpayer information comes directly from either the states or the taxpayers and not from IRS.

Margaret Kauska noted that it is important to understand the level of security needed and set some policies and goals. The Chair indicated that the Committee needs to think about how best to improve communications for Audit, Nexus, Litigation, and other MTC Programs and Committees during the next 18 months. He suggested that the Committee work through the goals outlined for each of these areas in the draft document, as well as focus on working through some written policies.

Mr. Wilson stated that the Idaho Department of Revenue has a document that could be used to help us on this issue. This document has public and non-public sections. He provided an overview of the document, which contains information regarding security requirements related to access, physical security, e-mail system, encryption requirements, and other issues. The Chair noted that other state's have written policies that the Committee could also work with.

The Chair suggested that among the many policies to be developed, two had priority given the imminent roll out of the new website: (1) user ID and password policy,

including authentication, and (2) policy regarding log in and access to restricted areas of the MTC website.

Mr. Wilson volunteered to write the first draft for User ID and password, and the Chair volunteered to write the first draft of an access policy. Both drafts will be discussed during the August, 29, 2006, teleconference.

## **VII. Future Technology Projects including Audit and Voluntary Disclosure Processes.**

Mr. Matson reported that the Commission's IT Staff will be implementing an upgrade of Microsoft Exchange Server by mid-September.

He noted that in his one-on-one meetings with Commission auditors, several sales tax auditors specifically requested that some sort of audit management software be implemented

The Chair highlighted the importance of having a secure communication platform to exchange information in the next 12 to 18 months as a precursor to implementing major audit software.

Mr. Jennings said that the audit staff would like to have an audit software package that could fit into a state audit package to transmit data electronically. As of today information is transmitted manually.

Mr. Matson noted that at least one vendor was planning to demo a product to the MTC in September, and that it would be helpful for him just to know generally what such software is capable of. The Chair said that the Commission has the option to engage some outside assistance to find, evaluate, and recommend an audit software package if that would be helpful.

Mr. Matson reported that there was a critical need to recreate the Microsoft Access Voluntary Disclosure Program database into a SQL database and transfer the data, because the Access database is essentially unsupported.

The Chair summarized the two new projects for the Committee: (1) a smaller, faster project recreating of the Microsoft Access Voluntary Disclosure Program database into a SQL database and transfer the existing data, and (2) a large-scale project to identify, evaluate, and recommend an audit management software package.

## **VIII. Proposed Fiscal Year 2006-2007 Budget items**

An updated technology budget spreadsheet was distributed. This spreadsheet was a modified and simplified version of ones previously reviewed by the Committee.

Ms. Peterson asked that the next budget review spreadsheet be presented in different format, showing the expenses made and projected for each specific project, also showing where the funds are coming from.

The list of the projects to be included in the next spreadsheet will be:

1. Outcome of the Secure Communication project
2. Upgrade of e-mail/MS Exchange platform
3. Replace the Voluntary Disclosure Program data and operation software
4. Audit software package
5. Website redesign and operational costs

**IX. Other items relevant to the work of the Technology Committee**

Mr. Jennings mentioned that input from the Technology Committee may be helpful in the development and delivery of training via the Internet.

**X. Adjournment**

The Committee adjourned at 4:37 p.m.

The next Technology Committee Teleconference Meeting will be on Tuesday, August 29, 2006 at 2:00 p.m. EST. Staff will send an e-mail reminder to Technology Committee Members containing the agenda and other details.