September 2019
Quarterly Report

State of Minnesota

Blue Ribbon Council on IT

This second quarterly report of the Blue Ribbon Council on IT includes a summary of the three meetings of the full council held in the third quarter of 2019, and updates from the three sub-committees for Cybersecurity, Data Management & Privacy, and Modernization.

September 30, 2019

Governor Tim Walz

Lt. Governor Peggy Flanagan

Speaker of the House Melissa Hortman

Minority Leader Kurt Daudt

Senate Majority Leader Paul Gazelka

Senate Minority Leader Tom Bakk

MNIT Commissioner Tarek Tomes

Cc:
Members of the Blue Ribbon Council on IT

On behalf of the BRC-IT, we hereby submit the second quarterly report containing a summary of the meetings of the full council and the sub-committees. The Council has been fully engaged with many sub-committee meetings and full council meetings in the last three months. I am very pleased with the effort and output.

We look forward to continued engagement from council members and relevant stakeholders in the year ahead.

Sincerely,

Rick King
Chair, Blue Ribbon Council on IT

Executive Summary

The Blue Ribbon Council on IT (BRC-IT)[1] held three full council meetings during the third quarter of 2019, and each sub-committee is holding either monthly or bi-weekly meetings. Members continue to be highly engaged and optimistic about the opportunities available to improve and enhance IT Services for Minnesotans and the agencies that serve them. There is a broad range of voices represented on the council, which contributes to a vibrant and thorough discussion of the agenda items.

The three sub-committees continue to gather additional information and meet with relevant stakeholders. Each of the three sub-committees is refining the focus areas identified in their respective charters, and they have contributed recommendations for review by the full council.

The recommendations identified in this report are a culmination of ideas discussed over the course of multiple meetings and agreed upon unanimously by council members.

[1] See Appendix 1 for an overview of the Blue Ribbon Council on IT.

Blue Ribbon Council on IT Recommendations

BRC-IT members offer the following recommendations to further the goal of ensuring reliable, secure and accurate information technology services.

Technology Advisory Committee

The council recognizes the value of collaboration on IT between all relevant stakeholders - including within and between the Legislature, agencies, and MNIT - and considered the current role and membership of the committees that exist for such collaboration. The mandates of the Technology Advisory Committee (TAC) and the BRC-IT serve similar purposes. The membership of BRC-IT is more expansive, but it has a limited duration.

1. **The BRC-IT recommends the statute authorizing the Technology Advisory Committee be amended and replaced by the current BRC-IT.**

Current membership of the BRC-IT includes all current TAC members, as well as additional representatives. Consideration should also be given to further collaboration with Native American tribal governments. The duties of the BRC-IT will include items in Executive Order 19-02, less the specified sub-committees, and include the following: 1) review and clarify the role of MNIT; 2) serve as a consultant for MNIT and state agencies; and 3) review legislation, policies and practices related to IT**.**

Legislative Coordinating Committees

BRC-IT members believe there are additional opportunities for collaboration and communication, for both Cybersecurity specifically and Information Technology more generally, within the Legislature. Legislative Coordinating Committees can be an effective way to raise awareness and to ensure there is a bipartisan effort to explore and examine IT-related issues. They can review Minnesota's practices as compared to industry standards on things such as Cybersecurity spending, and they can help shift the current mindset regarding system improvements and upgrades from being a 'one and done' expenditure to an asset that requires ongoing maintenance.

2. **The BRC-IT recommends the Legislature, through the Legislative Coordinating Committees, create two new committees – one for Cybersecurity and one for Technology.**

The Cybersecurity Committee will be the key body to hear the status of the state's cybersecurity protection, support adequate funding for cybersecurity programs, and help educate and raise awareness of the criticality of the issues. The Technology Committee will discuss IT policies, spending, and reports and dashboards; educate members and their peers;

and help secure necessary and appropriate IT funding by raising awareness about product lifecycles and the IT portfolio within a larger group of legislators.

Loaned Executive Program

BRC-IT members also note the special contribution and perspective offered by individuals in the private corporate sector and the importance of tapping into that expertise, particularly for high-level roles that may otherwise be difficult to fill. High-level individuals could work for the State for a limited period if a structured program for such a loan existed. This opportunity would address conflict of interest issues while being minimally disruptive to the relevant agency and to MNIT by providing expertise and experience that might otherwise not be available.

3. **The BRC-IT recommends the Legislature and MNIT work together to determine how to leverage private sector expertise on IT policies, practices and procedures through a loaned executive program.**

The program will bring executives and experts into conversations about cybersecurity, data management and privacy, and modernization of the IT infrastructure and culture.

MNIT and Agency Activities

In addition to encouraging collaboration and continuing private sector contributions, the BRC-IT discussed the role of MNIT and of agencies and the general strategy for IT, identifying important themes for consideration.

Related BRC-IT recommendations include the following:

4. **MNIT creates a list of the top 10 business technology solution principles and establishes an IT architecture review board for applying those principles.**
5. **Agencies evaluate and simplify business processes and rules before building, replacing or procuring new systems and make recommendations to the Legislature regarding modifications to laws and regulations.**

Procurement Practices and Policies

Agency representatives report that procurement guidelines and laws sometimes inhibit their ability to fully vet the available options and limit their ability to leverage purchased software solutions as is. Agencies must have the ability to identify the right solution in the market and leverage that solution with minimal customization when appropriate.

Related BRC-IT recommendations include the following:

6. **Agencies seek to leverage purchased software solutions (PSS) with appropriate customization and identify any legislative or regulatory obstacles that may not allow this.**
7. **MNIT and the Department of Administration evaluate procurement guidelines, laws and regulations, present proposed changes to the BRC-IT for review, and document recommendations to enhance agency procurement decisions.**

Revisions will include recommendations for MNIT, the Department of Administration, and the agencies regarding how to engage with prospective vendors during request for information (RFI) and request for proposal (RFP) periods to ensure vendors fully understand the bid requirements, including vendor risk assessment requirements. The revisions should also include the process, policies, and procurement related to staff augmentation. This will allow MNIT, the Department of Administration and agencies to gather knowledge of the vendors.

Project Portfolio Management and Reporting

An application portfolio investment report that displays categories of investment and sources of funding is necessary to communicate the information that allows for active, informed stewardship by agencies and MNIT of resources, and it facilitates decisions regarding return on investment (ROI) and risk.

8. **The BRC-IT recommends MNIT presents a proposed plan to the BRC-IT for eventual real-time access to project and portfolio management and reporting that ensures effective communication.**

IT Training

IT literacy and security training are vital for agency leaders and legislators. In addition to strategy-related communication for agency leaders and legislators, end-user training and sharing of best practices should take place. To be clear, end-user training includes training for those same agency leaders, senior leadership and legislators.

Related BRC-IT recommendations:

9. **It is strongly recommended that legislators participate in cybersecurity training.**
10. **MNIT provides senior agency leaders with education and training on IT modernization, cybersecurity risk assessment, and data management.**

Cybersecurity training for the legislators must follow consultation with legislative leadership, in recognition of the fact that imposing such a requirement on elected leaders is complicated. Still, this training for legislative leaders is strongly recommended.

Training for senior agency leaders should be deeper than standard end-user safeguards, with the goal of enabling them to make informed decisions on matters of modernization, cybersecurity risk assessment, and data management.

Data Management

An improved understanding of data management practices by agency leaders will result in awareness of existing vulnerabilities of private data in the State's systems. With this knowledge, agency leaders will be able to apply best practices regarding data management on future projects.

11. **The BRC-IT recommends data collection, maintenance, and usage be considered prior to initiation of IT development or modernization efforts.**

Current projects present data management challenges as well. Currently, individual agencies are using products to identify data that should be purged from their systems. As agency awareness of data retention and management best practices matures, these purging efforts should be expanded.

12. **The BRC-IT recommends agencies shall, in collaboration with MNIT, identify and purge data on an ongoing basis as aligned with best practices, particularly private and non-public data, that is no longer necessary for agency functions or required by law to be maintained.**

The recommendations above were discussed and agreed upon by all members of the BRC-IT during the full council meetings. Additional topics covered during the full council meetings are summarized below.

Blue Ribbon Council Meetings

Monthly meetings were held with the full BRC-IT in July, August and September. The selected topics and agencies that presented are listed in the table below. Summaries of the meetings follow.

July	Presentation	Clockwork: **Human-centered Design Thinking** Micah Spieler, Danielle Miller
	Agency Overview	**Department of Revenue** Commissioner Cynthia Bauerly
August	Discussion	**Q3 2019 Recommendations**
	Agency Overview	**MN State Demographer** Susan Brower
September	MNIT Update	Commissioner Tarek Tomes
	Discussion	**Q3 2019 Recommendations & Report**

July 2019 Meeting Summary

Chair Rick King noted that Legislative Coordinating Committees could potentially be used to further the efforts of the BRC-IT. If the full council agreed, legislative language already exists that the council could review and discuss to move forward. He also shared that the council and sub-committees should try to identify any recommendations that may require legislative action in time for the full council to discuss, revise and agree on for inclusion in the December 2019 quarterly report and give legislators time to review and research in advance of the next legislative session.

Agency Overview: Department of Revenue, Commissioner Cynthia Bauerly

The mission of the MN Department of Revenue is to work together to fund Minnesota's future. Their vision is to ensure that everyone reports, pays and receives the right amount of funding to serve Minnesotans through the various programs. With dozens of tax types and tax laws and almost 3 million taxpayers, they rely heavily on having reliable, accurate and secure technology to fulfill their vision and mission. Over the last 30 years, they have turned off over 80 systems and consolidated the activity from those systems into one, GenTax. Long-tenured leaders (Deputy Commissioner Lee Ho and Chief Business Technology Officer Greg Tschida) have served in both business and technology functions, giving them a breadth and depth of experience that is somewhat unusual as compared to other agencies. Their insight has proven valuable with a

comprehensive overhaul of the supporting technology the agency relies upon. Strong relationships and an effective technology governance strategy have made the Department of Revenue a model agency for IT.

Presentation: Clockwork – Human-Centered Design Thinking

Micah Spieler, Director of Experience Design, and Danielle Miller, Experience Strategist – both of Clockwork – shared an overview of human-centered design thinking and suggestions for shifting the council's mindset to focus on the customer to ensure we are creating solutions that meet the real needs of real people. This included tips like:

- Ask questions first; ideate second.
- Make listening to users part of your regular routine.
- Break down silos and work as a team.
- Know that everything is a prototype and every solution has a 'minimum viable product' (MVP).

August 2019 Meeting Summary

Chair Rick King noted the last MNLARS release was Sunday August 25th, that MNLARS would continue to be maintained until the roll-over to FAST, and that no further updates or releases are planned for MNLARS. This is in keeping with the recommendations of the Report by the Independent Expert Review completed May 2019.

Agency Overview: Minnesota State Demographer, Susan Brower

Understanding the demographics of the state is critical for Agencies' evaluations of the services needed - and the related technology required to offer those services. Susan Brower offered an interesting overview of the growth trends, noting that MN generally follows the national population growth pattern. At 6 percent general population growth since 2010, MN ranks at or near the top among the 50 states and leads all the midwestern states.

Discussion

Since the council began meeting in March, several recommendations have been presented, during full council meetings and during sub-committee meetings. Council members began discussing the concepts and wording of recommendations for inclusion in the September 2019 Quarterly Report.

September 2019 Meeting Summary

Chair Rick King opened the September meeting with a brief summary of the progress in replacing the MNLARS system, noting the most recent meeting was productive and in keeping with the recommendations of the Report by the Independent Expert Review completed May 2019. One complicated element of the process is a low threshold for expenditures that must be approved by the Ways and Means Committee. Deputy Commissioner Eric Hallstrom will investigate solutions to this complication in his role with MMB (Management and Budget).

Chair King asked Commissioner Tomes, MNIT, to update the BRC -IT on recent activities in his department. This update will be a regular component of the BRC meetings.

Presentation: Commissioner Tomes

The MNSure open enrollment system is the next major go-live initiative. This initiative is a case study of many of the topics explored by the BRC. For example, one technology piece was changed to improve customer experience. In addition, MNIT participated in the process of deciding whether to proceed with new systems or revert to former systems. Ultimately, they ended up using a combination of internal and vendor solutions.

Other highlights of Commissioner Tomes' report:

- A new CTO, Jeff Nyberg, started recently. He brings experience acquired in executive positions with Dairy Queen and Target, and he began the process of learning his new job by shadowing people working with state systems.
- Commissioner Tomes and his team have finalized the go-live process for projects.
- As a participant in the Modernization Sub-committee, Commissioner Tomes took note of the reported fact that Delta delivers many projects within 12 months. The State of Minnesota delivers about 57 percent of projects within 12 months, and that turn-around time should be better. Projects may be too big, so they may consider phasing them in to keep metrics focused and achievable.
- The State saw 363 cybersecurity incidents in August, and this is up from previous months. The State will soon roll out multi-factor authentication, which should reduce such incidents significantly.
- MNIT recognized an opportunity to strengthen relations with and services for Native American tribal communities. Thirty-five representatives from state agencies have volunteered to engage in this work with tribal governments.

Discussion

The BRC discussed the proposed recommendations, which were assembled from the recorded discussions of the BRC and the three sub-committees over the previous three months. After discussion and all relevant revisions, the recommendations were included and explained in the recommendations section of this report.

BRC members agreed that the BRC should have a communications strategy for its work, along with a feedback loop for interested parties to track and monitor the body's progress.

Also, acknowledging the additional scope of the sub-committee, the BRC agreed to change the name of the Data Privacy Sub-committee to the Sub-committee on Data Management and Privacy.

Appendix 1

Blue Ribbon Council Overview

On February 6, 2019, by Executive Order 19-02, Governor Walz established the Blue Ribbon Council on Information Technology (BRC-IT), stating, "Minnesotans expect reliable, secure, and accurate information technology services when they interact with the state. That is why the Blue Ribbon Council on Information Technology was created to ensure the people of Minnesota have access to high-quality, dependable services." He appointed Rick King, Executive Vice President of Thomson Reuters, as chair. The membership of the BRC-IT and sub-committee assignments is as follows.

BRC-IT Chair Rick King	Thomson Reuters	
Renee Heinbuch	Washington County	**Cybersecurity Chair**
Tewodros "Teddy" Bekele	Land O' Lakes	Cybersecurity
Laurie Martinson	Dept. of Natural Resources (DNR)	Cybersecurity
Rep. Jim Nash		Cybersecurity
Sen. Melissa Wiklund		Cybersecurity
Dep. Comm. Eric Hallstrom	Management and Budget (MMB)	**Data Mgmt & Privacy Chair**
Comm. Margaret Anderson Kelliher	MN Department of Transportation (MN DOT)	Data Mgmt & Privacy
Rep. Kristin Bahner		Data Mgmt & Privacy
Jason Lenz	Lyon County	Data Mgmt & Privacy
Nancy Lyons	Clockwork	Data Mgmt & Privacy
Mike McCullough	National Marrow Donor Program	Data Mgmt & Privacy
Theresa Wise	formerly Delta/NW Airlines	**Modernization Chair**
Tom Butterfield	TCF Bank	Modernization
Dep. Comm. Lee Ho	Dept. of Revenue (DOR)	Modernization
Comm. Steve Grove	Dept. of Employment and Economic Development (DEED)	Modernization
Dep. Comm. Chuck Johnson	Dept. of Human Services (DHS)	Modernization
Richard Kolodziejski	MN Assoc. of Professional Employees	Modernization
Sen. Mark Koran		Modernization

Chair Rick King, MNIT Commissioner Tarek Tomes and the legislators (Senator Melissa Wiklund, Senator Mark Koran, Representative Kristin Bahner and Representative Jim Nash) are serving as ex-officio members for each of the committees. They will attend meetings of primary interest.