

ILLINOIS CENTURY NETWORK

**SEPTEMBER 25, 2002 POLICY COMMITTEE MINUTES**

**Submitted for:** Action

**Summary:** Distribution of the September 25, 2002 minutes for review by the Policy Committee.

**Action Requested:** Adoption of the September 25, 2002 minutes.

**Recommended Motion:** *That the ICN Policy Committee adopts the September 25, 2002 minutes with any edits as noted.*

ILLINOIS CENTURY NETWORK

**SEPTEMBER 25, 2002 POLICY COMMITTEE MINUTES**

The meeting was called to order by Mary Reynolds.

Members present: Bruce McMillan, State Museum; Mary Reynolds, Governor's Office; Lugene Finley, Illinois State Board of Education; Dan Layzell representing Dan LaVista, Illinois Board of Higher Education; Todd Jorns representing Joe Cipfl, Illinois Community College Board; and Alice Engle representing Michael Schwartz, Department of Central Management Services.

Others attending included: Ron Sanderson, CMS; Deborah Seale, SIU School of Medicine; Neil Matkin, Lori Sorenson, Lynn Murphy, Cindi Hitchcock, Karlin Sink, and Rebecca Dineen all from the Illinois Century Network.

1. Policy Committee Minutes

Staff requests the adoption of the July 31, 2002 meeting minutes.

Motion: Dan made the motion; Lugene seconded.

Dan moved that the ICN Policy Committee adopt the July 31, 2002 minutes with any edits as noted. (No edits were noted.)

Motion carried.

2. Announcements

Mary discussed the terrorism taskforce, which was established by Governor Ryan in May 2000. It is comprised of every state agency related to public safety and others including local law enforcement, emergency and fire departments at the county and municipal levels. It is a large taskforce that operates largely by committees. The taskforce has asked Mary to assemble an Information Technology (IT) committee that was formed officially last month. The group met for the first time last week and the ICN was represented at that meeting. The most important issue before the IT committee and another committee, the Integrated Justice Committee, is infrastructure. A statewide infrastructure that is able to connect any entity in a local community with the appropriate public safety facility is essential and a top priority of both committees.

The Illinois Century Network has become a critical component in these efforts and it will only expand further in terms of the ability of local entities within the local governments to connect. The ICN could also play a critical role in the communications systems for integrated justice on the local level.

The Midwest Technology Access Group (MTAG) is going to hold a meeting next week in Champaign to talk about digital divide issues and what the state should be doing to further reach those areas. MTAG has a number of interests in the higher education and community college communities, and contains both public and private members. As a result of this group's work, the ICN could see additional growth in areas that need to be covered, including a renewed interest by eligible nonprofit constituents.

Neil pointed out that the ICN had also been contacted by the Federal Emergency Radio System regarding the possibility of the ICN to function as a backup for emergency radio signals in the event that some radio towers were not operational.

Mary responded that there was also a communications committee on the terrorism taskforce that is concerned with the radio system and has discussed creating a redundant system for backup. These two groups may be able to collaborate their efforts.

Mary introduced another item before moving to the Director's remarks regarding Michael Schwartz's service and dedication to the ICN and its Policy Committee. Mary read the following resolution aloud:

We, the Illinois Century Network Policy Committee, congratulate Michael S. Schwartz for his tireless efforts to further public services to the citizens of Illinois - and particularly, his efforts to further the Illinois Century Network on behalf of Illinois students. With the contributions of Michael's leadership and guidance, the Illinois Century Network has been recognized as the most successful education network in the nation. Michael's dedication to education has been evidenced throughout his career beginning with his role as a public school teacher and continuing through his service to Illinois government. Michael's legacy to Illinois as the longest serving Director of the Department of Central Management Services has greatly benefited state agencies, the State's employees, and all facets of education. With the successful operation of the Illinois Century Network, impediments such as distance and time are evaporating and educational opportunities expanding. Ultimately, educational attainment and the economic well being of the state will benefit from his efforts. It is, therefore, with deep gratitude and respect for his record of accomplishments - that far surpass the creation and success of the Illinois Century Network - that we, the members of the Illinois Century Network Policy Committee, applaud and honor Michael S. Schwartz for his steadfast commitment to willing collaboration and unsurpassed leadership.

Bruce moved; Lugene seconded.

Resolution passed.

### 3. Remarks

Neil provided an update on recent discussions with the Illinois Hospital Association (IHA). The IHA originally had a federal technology plan that called for the creation of a separate hospital network; however, at a meeting it was discovered that several hospitals were already connected to the ICN. Consequently, the ICN is in fairly advanced conversations with the IHA in regard to connecting their members onto the ICN network. The IHA requires very stringent security measures; the biggest obstacle in connecting to any network is complying with HIPPA standards. These are extraordinary industry/national standards that have been devised to ensure security in the medical field. Upon external review, it was found that the ICN is able to comply with those standards. Segments of the network have been tested and only moderate changes would be required. The hospitals are excited to work with the ICN and the ICN staff believes it will be an extraordinarily positive relationship for all involved.

The staff is also having conversations with the Illinois Municipal League and is working with municipalities. These conversations bring to light several issues that the Policy Committee will need to examine in future meetings. Those issues include who can connect through their municipal wide area networks and who can connect to the ICN in relation to the issue of public and private partnership, for-profit and not-for-profit connections. To date, the general test used to answer these questions was “How does this benefit Illinois education?” However, there are long term public policy issues that this group will have to address and the staff is already working to prepare some materials that they hope will be available by November or shortly after.

Neil distributed a schedule of the next four Policy Committee meetings (including the meeting today) in September, November, February 2003 and June 2003.

Neil commented that the ICN was recognized in a networking article. The network received national attention after eight respondents included the ICN in their answers on a network questionnaire. The ICN was the only non-commercial provider mentioned.

Lastly, Neil updated the Policy Committee briefly on dark fiber efforts. The staff is now in possession of responses to a request for proposal that provides dark fiber routes including state-owned fiber through the majority of the network. Approximately three major links and two minor links are the only links not yet available. As discussed in prior meetings, dark fiber is key to the long term sustainability of the ICN. As the network moves further into IP video and other offerings, the staff has seen the demands on network resources increasing. The staff has barely been able to keep ahead of demand and operate with reliability.

The network has had a flat budget over the past three years, but the staff has been able to decrease expenses as a result of direct procurement and other efforts enabling the network to maintain this small advantage and stay ahead of demand.

A dark fiber network increases the size of the backbone throughout the majority of the network by 16 times, at the same cost of the current OC12 network over a five-year

period. This means that when the Illinois CSPAN station wants to broadcast across every university they will have the ability to do so; there would be adequate bandwidth. This project represents a good team effort between the ICN and CMS. Neil will continue to update the Policy Committee on the progress.

#### 4. Fiscal Year 2002 Budget - Final

Neil introduced Cindi Hitchcock, ICN Fiscal Officer.

Cindi presented the final budget report for fiscal year 2002 (FY02). The revenues total \$28,249,711 of which \$15 million was the IBHE appropriation and \$10,328,086 was the ISBE appropriation. Cindi noted that ISBE did not have to pay a \$171,914 bill relating to the ICN as anticipated, and that money was forwarded to the ICN after June 30, 2002. The entire \$10.5 million ISBE appropriation was received. The cost recovery revenues included billings to the Metropolitan Pier and Exposition Authority as well as IVEN billings. No e-rate monies were received in FY02, but those should be received in fiscal year 2003 (FY03). The ICN does expect two e-rate payments in FY03, although there is no guarantee that the funds will be received. Expenditures totaled \$27,220,792. Staff had anticipated an additional \$375,000 for equipment, but that was not received by the end of the state lapse period. That expenditure will be reflected in FY03 and the equipment has since been received. Telecommunication costs were somewhat lower than originally budgeted because the staff re-negotiated several contracts, provisioned key circuits, and put several equipment orders on hold due to the budgetary concerns in the State of Illinois. The staff asks that the Policy Committee approve the final fiscal year 2002 budget.

While the additional monies transferred by ISBE will appear on the FY03 budget, Lugene asked that a notation be added to this budget that ISBE had fulfilled its commitment to the ICN. This note will be added to the FY02 final budget.

Mary questioned the fiscal year that the money should appear in. Cindi responded that the money was in transit on the cut-off date and is considered a due-to, due-from item. Both the ICN and ISBE are in agreement with the transfer and the fiscal year reporting.

Neil distributed the monthly Policy Committee budget reports and explained the budgetary impact of the Regional Technology Centers (RTC). There are still RTC grants paying for the leases and some local equipment lines, but all RTC personnel are now included in the ICN personnel line, which saved a considerable amount of money and allowed for continued operation in a flat funding situation. This is the reason a zero sum is reflected in the adjusted projection.

Mary commented that the RTCs are not gone; they were simply moved to another line item.

Motion: Dan made the motion; Lugene seconded.

Dan moved that the Policy Committee approves the final fiscal year 2002 budget report with Lugene's edits.

Motion carried.

#### 5. Policy Committee – Action History

At the last meeting, the staff was asked to start reviewing administrative rules for the ICN. As a beginning step in that process, the staff reviewed and summarized all of the motions passed by the Policy Committee. Neil distributed the summary of the motions by subject in date order. The staff will summarize motions on an annual basis and some of those motions will represent the ICN Policy Committee operating rules, as required by the Joint Commission of Administrative Rules (JCAR). The staff is working with legal counsel to ensure compliance with JCAR as necessary.

Neil provided clarification as to which operating procedures have to go through JCAR. There are administrative rules that are operating procedures, but not all of them require JCAR action. Neil has asked legal counsel to outline specific conditions that would require the rules to go to JCAR. Generally, those items that have to go through JCAR affect external parties or external constituents. In terms of internal organization and administration of this body, those items have to be filed with JCAR, but do not require JCAR approval. The staff is drafting materials that will need to be presented to JCAR and may have those materials to share with the Policy Committee in November, although that timeframe could be impacted by the cost recovery meetings in September and October and may be delayed.

Mary commented that it would be helpful to the Policy Committee, especially new members, to have a clearer picture of established procedures as soon as possible. Neil responded that the staff had this same thought in mind when compiling the motions.

Lugene noted that there are two ISBE staff members that work specifically on JCAR materials and he will talk with Neil regarding those individuals.

#### 6. Fall 2002 Regional Information Sessions

Lynn noted that these meetings are being held for several reasons. Upon implementation of cost recovery, the ICN promised the constituents that the staff would communicate any changes or revisions for the next fiscal year allowing time for budgetary planning and adjustments. The staff will also communicate with constituents about rolling out services. The meetings begin September 26<sup>th</sup> and continue through October 8<sup>th</sup>. Meeting packets were distributed to the Policy Committee. The main discussion points will be ICN services, cost recovery policy, an overall update of the network, future of the network, and regional user groups.

Lynn called everyone's attention to the tri-fold brochure in the packets. It is a new piece that the staff developed and sent to all the legislators to keep and have available for their

constituents. It explains what the ICN is, what we do, and how to contact the staff for more information. Lynn thanked Beth Aper and the staff for putting the brochure together. The ICN staff will send 25 brochures to each Policy Committee member.

Mary commented that the brochure already needs to be updated to read 5,700 connections. Neil noted that several legislators requested the brochure and it has generated several questions.

Mary suggested that there would be a fairly large turnover in the general assembly in November, taking office in January. The ICN staff will need to educate not only a new Governor and cabinet, but also the new members of the general assembly. Mary also suggested that the legislative summaries listing constituents by district created last year would also be a good educational tool. The new districts would have to be taken into consideration. These materials would need to be available in February.

Neil commented that the cost recovery materials in the packets are being presented to the constituents in order to solicit input before they are brought to the Policy Committee. These materials are essentially a preview of what will be brought to the Policy Committee at the November meeting.

Bruce raised a concern at the small number of museums connected to date and suggested that he might sit down with members of the ICN staff and discuss strategies on connecting more museums. Neil commented that he was also concerned. Although there were still some database glitches and the number presented may not be accurate. Lori noted that some museums also have multiple sites connected. The RTC staff has been encouraged to contact all primary constituents in their areas to determine why they are not connected and this is currently being done. However, Neil agreed that examining a strategy was a good course of action in addition to these efforts.

Alice provided an update on the statewide network contract with AT&T and Ameritech that has been signed. The effective date was September 15<sup>th</sup> and it represents the bulk of all CMS services: voice services, the frame relay network, and the future point-to-point service. CMS is starting the negotiation process with Sprint and the target effective date for that contract will be October 15<sup>th</sup>. Sprint was awarded the existing point-to-point circuits and future OC services, OC3 and above. However, recognizing the industries rapid rate of change, large circuits may not be ordered directly off the contract if a better price can be found through bids.

Neil updated the Policy Committee briefly on the Illinois Online Leadership Council (IOLC). The IOLC was extraordinarily successful in its first year, but the second year was not as successful.

The organization of the IOLC was designed to try to help the online initiatives coordinate better to avoid duplication, to collaborate on grants, and to combine ideas to insure the group is addressing some of the looming statewide public policy issues. On September 6, 2002, the group elected Lynn Murphy as the Chairman of this group for the next year.

The group has decided it would like to parallel the Advanced Engineering Taskforce and create a statewide public policy report that addresses application and content issues.

#### 8. Executive Session

Motion: Dan made the motion; Bruce seconded.

Dan moved that the Policy Committee go into closed Executive Session at 2:55 p.m., Wednesday, September 25, 2002 for the purpose of discussing Illinois Century Network personnel issues pursuant to Section 2(B)(1) of the Open Meetings Act.

Motion carried.

#### 9. Resume meeting

The meeting resumed at 3:20 p.m. No action was taken as a result of the executive session.

Motion: Todd made motion; Dan seconded.

Todd made the motion to adjourn.

Motion carried.

Meeting adjourned at 3:25 p.m.