Iowa Telecommunications & Technology Commission
Grimes State Office Building, 1st Floor
400 East 14th Street, Des Moines, IA 50319
Meeting Minutes: October 15, 2026

FINAL

The Iowa Telecommunications and Technology Commission's meeting occurred on Thursday, October 15, at 11:00 a.m. in the Grimes State Office Building, ICN Thompson Conference Room, 400 East 14th Street, Des Moines, IA. To ensure the most efficient use of State resources, the ITTC meeting also included a video conference connection pursuant to Iowa Code section 21.8. A video conference ensured that more Commissioners, staff, and the public were able to participate in the meeting. The meeting was accessible to members of the public.

Roll Call

Commissioners Present

Brett Mason, Member
Denise Sturm, Member
Carmine Boal, Member

Commissioners Absent

Steve Olson, Chair
Bob Holz, Member
Matt Behrens, Representing the Chief Information Officer, Ex-Officio Member
John McCormally, Representing the State of Iowa Auditor, Ex-Officio Member

Iowa Communications Network Staff

Ryan Mulhall, Executive Director
Scott Pappan, Deputy Director
Connor Kuehl, Director of Network
Patrick Kazeze, Director of Operations
Michael Cruise, Director of Finance
Stephanie DeVault, Director of Business Services
Brian Clayton, Executive Officer 2
Debra Carl, Accountant 3
Lori Larsen, Executive Officer 2 (Recorder)

Guest Attendees

Ray Warner, Aureon
Sammie Leo, AAG
Joey Lovan, LSA
David Merchan, AAG
Scott Golberg FNS

Call to Order

Commissioner Boal called the meeting to order at 11:00 a.m. It was noted that a quorum was not present.

Approval of the September 17, 2026, Meeting Minutes

Approval of the September 17, 2026, meeting minutes was tabled until the November meeting.

Old Business

Administrative Rules – Director Mulhall

Director Mulhall reported that the agency concluded its final two public meetings. We received one public comment from the Iowa Hospital Association asking for a change in the notice that we give in increasing rates to customers. We had that listed as 30 days and we moved that to 90 days. We moved to adopt that change. All changes have been adopted and filed, and will go into effect on December 2, 2026.

This was statewide, a governor's executive order that all agencies had to complete.

COMMENTS

None.

New Business

Agency Updates

Contracting Update – Mike Cruise

- **MOU with Department of Administrative Services (DAS)**: DAS wanted an MOU for the agreement to process our billing document that we provided to them that automatically creates pre-approved payment documents in the state accounting system to pay for ICN services to several state government customers. This is needed so our new billing system vendor can create and test their version of the billing document.
- **Colocation agreements**: Working with Ames CSD for 3 years and one with ISU (Ag farm).
- **Fiber sharing with University of Iowa**: This is for locations in Iowa City and Des Moines.
- Working on various other renewals and projects.

COMMENTS

None.

Finance Update – Mike Cruise

Fiscal Year 2026 Final

Financial Ratios

- Quick Ratio is at 1.90.
- Days Cash on Hand is at 44.91.
- Days Sales Outstanding sits at 45.36.

Budget-to-Actual

Operating margin was at $114,422. The amount of change from the initial June report was a positive $302,634. Most of the gain is in decreased expenses and Outside Plant (OSP) cost recovery.

1. USAC refund received of $199,000.
2. Billed $83,000 in OSP expenses.
3. Decreased MVS expenses of $44,000.

4. Moved $117,000 in BSS/OSS expenses to the balance sheet awaiting capitalization as an SBITA, a subscription-based information technology arrangement. We will capitalize and start amortizing this once we begin payments for the actual subscription cost of the BSS/OSS.

   Scott Pappan commented that is a two-million-dollar reversal of this year. Director Mulhall added that when he took over at the start of FY25, he was handed a $2.5 million operational loss, especially on the cost-cutting side. Then our first pass for the budget for FY26 we were looking at a projected $1.1 million shortfall, and to turn that into a positive while still continuing to invest in the Network and not laying off staff, they should be proud. There is still work to do, but for right now the organization should be proud about the work we have done regarding the financial situation.

September 2026 Financial Report

Financial Ratios

a) Quick Ratio is 1.62. This is up from 0.10 from August.
b) Days Cash on Hand - Current is at 30.18, which is down 9.68 from August. Cash is down $593,000; accounts receivables are up $417,000 and accounts payables are down $364,000.
c) Days of Sales Outstanding are at 53.39, which increased 4.64. Accounts receivable increased $417,000.

Budget-to-Actual

The operating margin for September was a negative $8,561 which is $47,563 unfavorable to the budget of positive $39,002. MRC is down $43,000 but NRC revenue is up $10,000. OSP new builds are down $25,000. Total revenue is down $58,000.

Direct expenses are favorable giving us a gross margin that is only $11,000 unfavorable to budget. Indirect allocated expenses are $15,000 unfavorable.

The Year-to-Date operating margin is $480K unfavorable. Total revenue excluding OSP new builds is above budget by $29,000. So even though OSP new builds are below budget, total revenue is down $41,000 from budget. Direct expenses are also below budget giving us a gross margin favorable to budget by $32,000. Indirect expenses are unfavorable by $422,000.

September compared to FY26 is $157 favorable. YTD compared to FY26 is $22,000 unfavorable.

Other

We continue to work on resolutions for USAC/TRS credits we have calculated. USAC has again asked us about our adjusted 499A filing to ensure we have filed correctly. We are currently working on that response due November 4, 2026.

Continuing to work on cleanup of all things related to the DMS. This includes circuit disconnects, contacting customers with telephone numbers still being PIC'd to ICN on vendor invoices and cleanup of all DIDs/TNs.

The GAAP package was submitted by the September 30, 2026, due date.

Mike Cruise gave special mention to Debra Carl for filling in during his leave.

We are well into the audit for FY 2026. The official entrance interview was last week.

COMMENTS

Mike Cruise commented that hopefully this will be the last year we are paying out for OpenGov.

Business Services Update – Stephanie DeVault

For the month of September, the team generated $23,721.00 in revenue and 47 opportunities. The Business Services Team is over 137% of the monthly goal for sales numbers. For Opportunities we were at 94% of our goal in opportunities which was better than the month before.

SONET/GEOMAX Disconnect

We are starting to disconnect off of Geomax and we are starting to disconnect services and invoice customers.

E-Rate 2027: E-Rate Season has officially begun. As of October 13, 2026, there have been five applications filed in the state of Iowa for category 1. There have been no filings for category 2. The ICN has 50 E-Rate Service Contracts up for renewal. We expect to see 470s for all of them.

Project Managers Update: In September, 153 new orders were received; 101 of these closed within the same month. The PMs still have 132 orders in flight.
A few orders that did complete were: Iowa Department of Education completed a Zoom Upgrade and an order for Iowa Health and Human Services in Ottumwa.

Marketing and Communications

- Released a Poster Contest for students in grades K-8: Be Cyber Safe! Contest closes on October 16.
- SYBAC session was held on October 13, focusing on cybersecurity. Mike Van Haaften and a representative from ProCircular spoke with the students.
- Peer to Career session with the Ottumwa Job Corps will occur on October 19, with FNS presenting to the cabling students.
- Working on public reports: the annual report and the performance report.
- Working on SD-WAN service materials.
- Released a case study highlighting our NOC/support services with the Solon Public Library.
- Stephanie DeVault was a moderator at the Iowa Government Summit.

COMMENTS

Commissioner Boal asked whether technology needed by any state department is paid out of that department's budget.

Stephanie DeVault said yes. We are seeing that prices are increasing, and we are not getting quick turnarounds from vendors. Quotes are only valid for 2 weeks; then the price increases. She noted that when issues arise, the team is evaluating how best to handle them and exploring options for mutual support.

Scott Pappan explained that expenses are going up.

Operations Updates – Patrick Kazeze

Structured Cabling / TAC

- Completed six high-level projects for multiple agencies, both on the Capitol Complex and at locations across the state, while continuing work on several significant relocations.

- Made substantial progress supporting the DAS Iowa Lottery relocation. The team installed the main fiber connection, completed fusion splicing and terminations, and successfully certified every fiber segment. Workstation furniture cable routing is approximately 90% complete, with final cubicle terminations approaching.
- Supporting the DAS-led relocation of the DOM to the Jessie Parker Building. The project has required ongoing adjustments to the original scope, along with coordination around customer-provided equipment.

Network Operations Center (NOC)

- Covered its core responsibilities throughout this reporting period, maintaining network monitoring and support coverage.

Outside Plant Operations

- Continued managing the state's physical fiber infrastructure while responding to a modest increase in third-party fiber strikes. In partnership with Contracting, the team issued a statewide RFP to establish a pre-qualified roster of fiber repair contractors for the coming year.
- Continues to scrutinize contractor performance, identifying quality deficiencies and billing issues before invoices are processed.
- Completed a dedicated fiber build for the Army's new Iowa City site and has begun planning a fiber deployment to an Ankeny airport hangar intended to house aircraft for the Adjutant General of the Iowa Army and Air National Guard.

COMMENTS

Commissioner Boal asked who is moving into the Jessie Parker Building. It was noted that personnel are relocating from the Department of Management (DOM) and the Division of Information Technology (DoIT).

Network Updates – Connor Kuehl

Decreasing Expense

- We are removing premium products in favor of higher quality vs. cost options, and bridging small gaps in features. We made significant headway this month and are building momentum.
- The team found equipment to replace transponders in our core infrastructure which will represent a savings of two million dollars. Last month we had one successful cutover; the count is now up to 6.

Increasing Revenue

- We outlined the Operations work ahead as Lumen has sunset its voice business, which impacts between 6,000 and 10,000 seats for our customers depending on how you count.

Transition to Managed Service Provider

- We are developing two managed services leveraging a new manufacturer partnership. We have developed technical solutions and are working on positioning and preparing to support.

Modernize Our Tools and Systems

- We continued our BSS/OSS project. We are above 80% complete for Incident, Change, and Billing. We kicked off our Service Request phase and drafted four of sixteen processes for main services and are about 15% through developing the overall request flow and the helper processes.

COMMENTS

None.

Other Business

Action: 2027 Meeting Schedule – Tabled for November

A copy of the 2027 meeting schedule was provided.

Action: FY 2026 Maintenance Contract Report – Executive Director Mulhall

Tabled for November.

ITTC Committee Updates – Staff

Finance Committee

Meeting Date: October 12, 2026.
Attendance: Commissioner Holz, Mike Cruise, Brian Clayton, and Director Mulhall.

Topics Covered:

- A contracting update from Brian Clayton.
- Reviewed financials that were presented today.

Customer and Services Committee and Operations Committee

Meeting Date: October 14, 2026.
Attendance: Commissioner Mason, Commissioner Boal, Stephanie DeVault, Patrick Kazeze, Connor Kuehl, Scott Pappan, and Lori Larsen.

Topics Covered:

- Discussed what was presented today.
- Conversation with AI and the direction it is going.

Personnel Committee

The Personnel Committee did not meet in October.

Public Comment

None.

Adjournment

The ITTC meeting adjourned at 11:44 a.m.

ATTESTED TO:



Steve Olson – Chair, Iowa Telecommunications and Technology Commission