

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
WORK GROUP ON TECHNOLOGY
MEETING MINUTES
February 12, 2008**

Members Present: Cheryl Dickson, Chair; Trustees Duane Benson and Scott Thiss

Other Trustees Present: *Terri Thomas*

Board Work Group on Technology Members Absent: *Trustee James Van Houten.*

Others Present: *President Cheryl Frank, Vice Chancellor Laura King, Vice Chancellor Ken Niemi and Sr. Vice Chancellor Linda Baer*

The Minnesota State Colleges and Universities Board Work Group on Technology held its meeting on February 12, 2008, at Wells Fargo Place, 4th Floor, Board Room, 30 East 7th Street in St. Paul. Chair Dickson called the meeting to order at 1:30 p.m.

Approval of the August Committee Meeting Minutes

Chair Dickson called for changes in the December 11, 2008 Work Group on Technology Meeting Minutes. Upon completion of the changes, the December 11, 2008 Board Work Group on Technology Meeting Minutes were approved as amended.

1. Enterprise Technology Committee Update and Budget Discussion

Vice Chancellor Niemi provided an update on the Enterprise Investment Committee (EIC). This committee worked on recalibrating the ITS Workplan due to the budget cuts. The Enterprise Investment Committee has classified approved projects into three tiers. The Enterprise Investment Committee's next step includes meeting in March to track the Fiscal Year 2009 projects and review the FY 2010 ITS workplan/critical path. A decision will need to be made whether the new initiative summaries will be considered.

Vice Chancellor Niemi provided an update on the RDB to Oracle conversion. During detailed testing a show stopper was identified with the Uniface 8 product and the decision was made to delay the conversion until March. When this data merge is completed there will be a single database with markers that identifies the institution rather than data being stored institution by institution. Vice Chancellor King stated that the most significant barriers to merging back office functions are the difficult path to data bases. This project will resolve this issue. Vice Chancellor Niemi reminded the board that if IT identifies critical issues the right to call off the implementation is reserved.

Chair Dickson inquired if Vice Chancellor Niemi could indicate ITS progress, suppose this year's work was displayed on a clock how far into the hour would it be?

Vice Chancellor Niemi reported that IT would be at 40 minutes; so progress is a little behind from a program stand point. Chair Dickson responded that this is pretty good considering the difficulty IT has had in staffing and the budget cutbacks. Vice Chancellor Niemi responded that IT has focused heavily on the most critical infrastructure projects. It is imperative that progress on these projects continues.

Vice Chancellor Niemi reported meetings have been scheduled with Gopal Khanna the state Chief Information Officer as well as representatives from the University of Minnesota. These meetings are being held to see if there are areas that can be used to leverage investments and skills among the institutions.

Trustee Thiss inquired if it is fair to say that the tier system becomes a framework in case there are budget reductions in terms of prioritization. Vice Chancellor Niemi responded yes. Both ITS and the other channels have given thought to how this information may be used to make decisions.

Chancellor McCormick stated that there is a need to manage expectations. The Board needs to know that a decision was made to only fill a few of the authorized positions. This decision will impact progress and it will be important to manage expectations. Chair Dickson responded that the Board just told Vice Chancellor Niemi that they think that IT is doing well considering the circumstances. Vice Chancellor Niemi responded that this year's focus was more on the infrastructure, reliability and stability pieces. The results users see are a lack of something happening; for instance disasters or significant downtime.

Vice Chancellor King stated that the campuses will see visible consequences of the investment in projects pending implementation. This includes; Applicant Tracking, Electronic Medical Records/ATHENS, iSeek (Phase II), Online Library Access and may be a part of the show me part from a campus stand point. The first no incident fall registration is another example of the progress that has been made.

Trustee Benson inquired as to whether the people from public relations have considered that this would be an opportunity for transparency to communicate with the students and campuses on the progress that has been made and the challenges created by this revenue short fall. Trustee Thiss recommended that the Technology Work Group gather feedback from the students and other user groups. Chair Dickson responded that perhaps to save time Public Affairs may want to gather this information and share it with the work group. Trustee Benson responded that this would be helpful and this is an opportunity to educate and communicate to the greater public on this complex topic.

Senior Vice Chancellor Baer provided an assurance to the Technology Work Group that as Chair of the Enterprise Investment Committee there is an opportunity for input from these groups. The Cross Functional Advisory Group is made up by a variety of people including students, representatives from the different union groups. Vice Chancellor Niemi responded that the Portfolio Management Office is conducting a series of town hall meetings at the different institutions. These meetings are an opportunity to gather feedback and provide reports on the accomplishments and information on the next stage.

2. Security Program Update

Vice Chancellor Niemi introduced Bev Schuft the Security Director, to provide an update on the significant progress which has been made to the System's Information Security Program. The feedback from the state of Minnesota and other agencies is that the system is becoming a national leader in security.

Chair Dickson responded that she wished that the audit committee and the other Board members were here to hear the progress that has been made.

Bev Schuft reported that as a part of the Enterprise Investment Committee Fiscal Year 2008 approved projects the security team conducted a security assessment at each campus. This assessment identified risks and provided the campuses remediation options for the risks identified. The data was analyzed for system-wide security gaps that could be addressed with training. The Information Security Training for Campus Technical Staff has been developed to improving the security environment not only for the campuses but the entire system's security environment as well. The training being developed will provide an opportunity enrichment and career development to staff.

In partnership with the Center of Excellence and the Center for Strategic IT and Security, a Request for Proposal was developed. The developers selected consisted of faculty and security experts within the system. They are creating the course materials that will be deployed using the D2L system. By the end of April ten courses will be available to technical staff. The individuals may take the courses formally or choose to reference the materials at their convenience at no cost. Chair Dickson responded that this is an example of why the system is so valuable; colleges and universities could not provide this for themselves.

President Frank responded that there is benefit to the students as well. In March, some of the people that helped develop these courses, as well as the advisory board to the Center of Excellence, will help run the Cyber Security Competition. The students will compete by protecting their pretend business or institutions from hackers. The hackers are the experts in the field. Last year Inver Hills Community College won the regional competition over some of the multistate universities.

Chancellor McCormick inquired if the Minnesota State College and Universities system is tested. Bev Schuft responded that testing happens internally. Every day there is a new threat and there is a need to adjust to protecting the system.

Bev Schuft reported that the Payment Card Industry requires an annual assessment. The security team is conducting onsite reviews and hacking assessments. Not all campuses will require the hacking assessment; the need for this assessment depends on how the credit card information moves through the network. The team is looking into ways the campuses can change the way data is handled in order to eliminate the need for the scans saving the campuses the cost of this assessment.

Vice Chancellor King reported that this is a legal requirement for any campus which accepts credit card data. This mandate came with no resources and the cost has been rolled into the campus budgets and will stay there going forward.

Bev Schuft reported that the other projects in process are designed to prevent or alert the security team of threats. These projects are being completed in partnership with the Office of Enterprise Technology, in order to share resources, skills, technology and contract.

Bev Schuft reported that the Campuses Chief Information Officers have provided excellent support and participation, making these programs a success. Chair Dickson thanked Bev Schuft and expressed pride in the work in the Security area.

3. 25% Online Credit Discussion

Chair Dickson observed that this topic was a warm up for the March Board meeting discussion. Senior Vice Chancellor Baer presented the 25% Online Credit Discussion power point presentation. The main reason for this presentation is to discuss the governor's challenge to the Minnesota State Colleges and Universities to increase by twenty-five percent the online credits by 2015. There are implications to this challenge.

Chair Dickson responded that there is a need to protect academic integrity. The Board has received a report that Capella limits class sizes to 15 students to protect academic integrity. Senior Vice Chancellor Baer stated that Steve Shank, Capella CEO said while Capella had 80% adjunct professors they would be increasing the number of fulltime faculty because of the critical nature of the relationship between students and faculty. Vice Chancellor King responded that Capella's business model is financed by charging four times the System's rate. Part of what needs to be considered is the economics of the impact on expenses as well as the revenue impact.

Vice Chancellor King inquired if the investment and strategic planning information on how much it will cost under different scenarios to move forward

with this goal will be available for the March study session. Senior Vice Chancellor Baer responded yes, information on the different scenarios and the cost associated with them will be available.

Vice Chancellor King inquired if the cost of this will be a part of the biennial budget discussion, because the funds to start a five year investment plan will have to be found. Senior Vice Chancellor Baer responded that new funds will be needed if the Board accepts a target like this. Chair Dickson replied that the target was announced by the Governor and the Board needs to back up and consider all of the issues. Vice Chancellor King responded that it will be important to have a complete understanding of the cost to have plan because this will displace something else.

Trustee Thiss inquired if there has been any discussion of this becoming its own online university; taking on its own entity. President Frank, chair of the e-learning Taskforce, along with Pat Opatz, the Chief Operating Officer of Minnesota Online, and many key users from the state (faculty, students and administrators) are looking at this issue. This type of technology is imbedded across the institutions and cannot be a stand-alone; the faculty is typically using the hybrid format.

Trustee Thiss inquired about the governance system. President Frank responded that the e-learning Taskforce proposed some changes to the Minnesota Online Council which are now under discussion.

Senior Vice Chancellor Baer stated what is unknown is if this means 25% new growth or redistribution from onsite to online. This has many implications for capacity of delivery, infrastructure technology, and more.

Chair Dickson stated if you change the context from pull to push it is very different. Chair Dickson read from a memo from a former Capella person to Chair David Olson, "Please don't jump to the conclusion that online education will save the state a bunch of money. You will note Capella's tuition rates are not inexpensive." This is another issue for online education as it is a very expensive form of education to deliver.

Sr. Vice Chancellor Baer referred to slide 10 which describes the learner segments. This chart helps explain what should be done to systematically build out; allowing us to approach this tactically as well as contextually.

Chair Dickson stated that one of the things that will be important is to make sure to work on the definitions, because it is not clear what the governor meant. Looking at this the way it was presented focuses on the state's needs and how to do a better job of meeting the students' needs in the state of Minnesota. More people are looking at contraction. The people in outlying areas will be dependent

on online education, but if a college is taken away will there be a need to replace it with bandwidth and a working computer for every student?

Vice Chancellor Niemi responded that this is one way the rural colleges are staying in business. If you look at the colleges that have largest percentage of online learning credits they have expanded their market greatly and they are making use of the faculty and staff that they have; increasing their reach beyond their market.

Senior Vice Chancellor Baer commented that many of our campuses are reporting increases due to online and some of them approached online strategically. Many of the metro colleges have double digit increases this term because of displaced workers, the physical capacity on these campuses is stretched.

Trustee Thiss stated there are challenges to this; however the focus should be on looking for what can be done. Trustee Benson stated that for us to not to strive for something is to miss an opportunity; whoever is out front will be benefit from change. Capella charges more, has more market share than they can handle, and they do this without acknowledging restrictions.

Chair Dickson responded that Capella can charge whatever it wants and whoever can come, can come, and this system cannot. Trustee Thiss stated that both the revenue and the cost model also need to be looked at. Basic courses need only to be developed once. The revenue model should be a part of the discussion of online education.

Chair Dickson invited comments or ideas from the audience on how best to present the online challenge information to the Board in March. No ideas were immediately forthcoming.

The meeting adjourned at 2:50 p.m.
Respectfully submitted,
Christine Benner, Recorder