

**MINNESOTA STATE COLLEGES AND UNIVERSITIES
BOARD OF TRUSTEES
WORK GROUP ON TECHNOLOGY
MEETING MINUTES
December 11, 2008**

Members Present: Cheryl Dickson, Chair; Trustees Duane Benson and Scott Thiss; Staff – Vice Chancellors Laura King and Ken Niemi

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

Leadership Council Committee Members Present: Cheryl Frank

The Minnesota State Colleges and Universities Board Work Group on Technology held its meeting on December 11, 2008, at Wells Fargo Place, 4th Floor, Board Room, 30 East 7th Street in St. Paul. Chair Dickson called the meeting to order at 9:08 a.m.

Approval of the August Committee Meeting Minutes

Chair Dickson called for changes in the August 20, 2008 Board Work Group on Technology Meeting Minutes. Upon completion of the changes Chair Dickson called for a motion to approve the August 20, 2008 Board Work Group on Technology Meeting Minutes. They were moved, seconded, and there was no dissent.

Chair Dickson complimented Vice Chancellor Niemi on the materials presented.

Chancellor McCormick spoke of the hiring within IT that remains underway to carry out this initiative. Chair Dickson noted that too much has been invested in this initiative and that as much as possible should be done to fill the necessary vacancies. Vice Chancellor Niemi responded that the budget constraints will be kept in mind while IT continues this hiring process. At this time IT staffing will not reach the full allotment; however hiring will continue at a rate that allows flexibility.

Chancellor McCormick reminded the work group that the Office of the Chancellor will participate in the budget cuts sharing the pain with the institutions. Chair Dickson requested that the Chancellor let the full board know that ads will run to fill IT positions. Vice Chancellor Niemi reported that the staffing costs amount to less than 50% of the total IT budget; this contrasts greatly with other business units whose primary cost is staffing.

1. Project Management Process Overview

Vice Chancellor Niemi presented the Project Management Process Overview power point to the Board Work Group on Technology for discussion.

Trustee Benson responded that the mission shown in the Project Management Process Overview does not seem inspirational; very little said about cost effective, cost-benefit analysis. Is it conscious?

Vice Chancellor Niemi agreed the mission is not very exciting. The Enterprise Investment Committee (EIC consisting of Vice Chancellors and Presidents) is responsible for decision making. This includes cost analysis which is a part of the businesses case process. The Portfolio Management Office (PMO) is not responsible or charged with these decisions; however the PMO is responsible for gathering the information and materials for the EIC.

Vice Chancellor Niemi invited Jim Dillemath to speak on the tracking software being implemented by the PMO. Mr. Dillemath reported that the PMO selected a standardized HP suite tracking tool. This HP software was selected because of its integration into other IT areas. The resource allocation process will be greatly improved by this tool. It will identify bottlenecks and provide timelines based on different resource allocation scenarios. Trustee Benson responded that IT needs to show the benefits for students and the cost effectiveness.

President Frank responded that as a new member of the Enterprise Investment Committee what is happening is exciting and will directly benefit the students. Some examples are seamless process improvements which benefit both the students and the business units and business model enhancements that provide the ability to forecast out.

Chancellor McCormick responded that it will be important to be prepared for the coming legislative session. At hearings, one could expect questions about last year's significant support for IT and individuals must be prepared to defend it and describe the benefits of the investment.

Trustee Thiss recommended a shift in the discussion to the benefit of this process and the outcomes. Chair Dickson noted that there has been a bit of mission creep within this work group. The Board Work Group on Technology has expanded its mission to look at better reporting materials and talking points. If anyone made promises to the legislature it was not about huge cost-savings, but rather to make up for all the years of underfunding. Throughout the years, this Board has watched as the understaffed technology unit attends to this troubled system. A technology system is needed that will take this higher education system and allow it to go to the 21st century. As it evolves cost-savings from the investment may be found.

Chancellor McCormick remarked that the legislature was told that if the institutions had to do this on their own it would cost two to three times more. This would be very expensive and the smaller campuses would not be able to do it.

Vice Chancellor Niemi responded that the testimony to the legislature was focused on the impact a lack of investment meant over time. A benefit of the investment is the smooth fall start up and how few issues were experienced. Trustee Benson responded that the case needs to be made that any budget cut to IT would impact the students and that any cuts would cause pain to the institutions.

2. Project Management Office, Current Project Progress and Issues Update

Chair Dickson stated that the materials for this section of the meeting are highly readable and recommended that the workgroup members read the materials independently.

3. RDB to Oracle Update

Chair Dickson requested that Vice Chancellor Niemi provide the committee with a brief update on RDB to Oracle.

Vice Chancellor Niemi reported that the RDB to Oracle project is critical and other projects are dependent on this being completed. The current platform being used is obsolete; this puts the entire system at risk. The CIOs are being consulted to assist in locking in the dates for the conversion; the least disruptive dates for the changeover will be selected. Once this conversion is complete the system will be past this significant risk factor. If the new product runs as intended the user will not see a change, as this is a behind the scene structure component.

4. Discussion of Possible Biennial Budget Implications

Chancellor McCormick asked Vice Chancellor Niemi to talk about the "tower of power" here in St. Paul and how the IT people hired are on campuses.

Vice Chancellor Niemi responded that IT positions are being filled across the state. It is more difficult to hire qualified candidates in the metro area as compared to the out-state locations. The challenge in the metro area is that the salaries offered cannot compete in the metro market. Positions have been filled by qualified people in Fargo, Moorhead, Eveleth and the St. Cloud area.

Chancellor reported that the biggest center is in the basement of the converted Billy Graham Center in Minneapolis. Vice Chancellor Niemi responded that the architect did an incredible job at the design of the new space at MCTC and he suggested that the board members may want a look at this space. Vice Chancellor Niemi also reported that there are currently three employees working in the Eveleth office and a fourth candidate being finalized.

Chair Dickson requested that Vice Chancellor King provide the committee with an update on the budget outlook. Vice Chancellor King reported that it is very probable that Minnesota State Colleges and Universities will receive an unallotment by the state this year. There has been no communication from the

Department of Finance, about what size unallotment to expect, but one should presume that higher education will be a part of the solution. As to the biennial budget, there has been no communication from the Executive branch. All reports indicate that the governor is very interested in a nontax solution. If the legislature decides to insulate K-12, then the reduction will be larger with substantial reductions to the system. More information about unallotment may be available at the January Board meeting. Presidents have been working diligently on budget modeling and other scenarios to meet the budget crisis.

5. Communications Plan Continued Development

Chair Dickson asked members if would like to review the Communications Plan or move right to the charge. The Board Work Group on Technology recommended moving on to review of the charge.

Chair Dickson inquired if there are there other things that need to added or changed to the charge of this Work Group. Trustee Benson responded that there is a need to expand exploration of marketing tools. Trustee Thiss responded that this could be a full-fledged group that continues with a focus on the results and less on process.

Trustee Dickson responded that at the beginning the Board Work Group on Technology wanted to be assured that a management process was in place. Since then this Work Group has been provided with proof that IT has a comprehensive and sophisticated management process. Now this group can move the focus of the charge to communications and or/marketing of the outcomes of the IT investment.

Trustee Thiess recommended that this change be taken back to the Chair Olson and Trustee Renier to make sure that this charge is in alignment. Benson recommended that Chair Rice be added for the marketing issue. Vice Chancellor King recommended that this be brought to the full board meeting if communication and marketing will become the focus and will ask Trustee Renier for a time slot on the full Finance agenda, bringing more board members into the discussions. Vice Chancellor King will also look at committee's work plan over the next year to see if there is room to include them.

Chair Dickson responded that a change would not take place this year, but this could be changed next year. This would be a decision of the new Board Chair. This may need to be a technology committee however in the past this topic has been short-shifted as time was constantly running over.

Chancellor McCormick reported that the system is making sure that there is transparency in hiring and asked Bill Tschida to make comment. Bill Tschida reported that under consideration is a suspension of filling any positions for 6-8

weeks. This will allow time to hear about the unallotment from the governor. There are one or two positions in the cues that will still proceed.

Chair Dickson thanked Vice Chancellors King and Niemi along with President Frank and Jim Dillemath for staffing this committee.

Chancellor McCormick announced that President Cheryl Frank has agreed to suspend the search and stay on at Inver Hills Community College for another year.

The meeting adjourned at 9:55 a.m.
Respectfully submitted,
Christine Benner, Recorder