

# Minnesota State Colleges and Universities

**BOARD OF TRUSTEES  
STUDY SESSION  
JUNE 17, 2014  
McCORMICK ROOM  
30 7TH STREET EAST  
ST. PAUL, MN**

Board of Trustees Members Present: Chair Clarence Hightower, Trustees Duane Benson, Alexander Cirillo, Margaret Anderson Kelliher, Cheryl Dickson, Dawn Erlandson, Philip Krinkie, Alfredo Oliveira, Maria Peluso, Thomas Renier, Elise Ristau, and Louise Sundin

Leadership Council Representatives Present: Chancellor Steven Rosenstone and Vice Chancellor Ramon Padilla Jr.

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## **Convene**

The Minnesota State Colleges and Universities Board of Trustees held its meeting on June 17, 2014, 4<sup>th</sup> Floor, McCormick Room, 30 East 7<sup>th</sup> Street in St. Paul. Chair Hightower called the study session to order at 2:30 p.m.

## **Study Session: First Impressions and Priorities**

Chancellor Rosenstone introduced Ramon Padilla, vice chancellor of Information Technology and CIO. Chancellor Rosenstone asked Vice Chancellor Padilla to provide an assessment of the Information Technology Services (ITS) division, including its strengths and weaknesses. Vice Chancellor Padilla used the assessment to develop a strategic plan for the next five years.

Vice Chancellor Padilla expressed appreciation and excitement for the opportunity to work for Minnesota State Colleges and Universities. He said there are three purposes for today's presentation: to provide a current assessment of the enterprise Information Technologies Services, to introduce the strategic priorities for ITS, and to solicit the board's counsel and feedback.

### Assessment

Overall, the ITS division is capable, with a rich history of innovation and service, particularly compared to some of its peers throughout the nation. ITS is staffed and funded adequately to maintain quality operations, including its ability to handle unforeseen changes. Major efforts or multiple medium-size concurrent efforts, may require additional funding and/or personnel to meet goals with aggressive timeframes. While the ITS division has areas in need of improvement, it also has areas of excellence and great potential.

Vice Chancellor Padilla stated that the measure IT organizations often use capability/maturity as a benchmark, defined by the degree to which an organization has imbedded formal structures and processes in its day-to-day activities. The ITS division's capability/maturity is consistent with other public higher education IT organizations. It is capable of providing quality IT services to customers based on well understood, but mostly ad hoc and semi-formalized repeatable practices. The ITS division has developmental needs in the areas of frameworks, standards, planning, metrics, and service management. In conclusion, ITS is doing a good job but more can be done for effectiveness and efficiency.

The ITS division is filled with dedicated, hardworking, talented and passionate staff who care deeply about MnSCU's mission. Because of the staff's quality and capability, the division is poised for greatness and the strong core supervision and management team is one of the factors that drew Vice Chancellor Padilla to MnSCU.

Vice Chancellor Padilla said he has been pleasantly surprised by the technical capabilities of ITS, particularly in the areas of voice and video. These areas, as well as others, rival those found at other educational institutions. This means that ITS has the basis for many exciting technical capabilities that could be brought to the system over the coming months and years.

ITS and its constituent partners have, over time, created an enterprise resource-planning tool (ERP) called the Integrated Student Record System (ISRS) that rivals many commercial products in terms of complexity and capabilities. There have been costs that come from a "grow your own" system as opposed to purchasing a commercially available platform. The primary cost arises from the difficulty of keeping up with trends and features from both an educational and technological perspective. The other substantial cost is the amount of customization that has gone into ISRS to satisfy the demands of MnSCU's 31 institutions. This has resulted in a highly complex system with disproportional maintenance costs, compared to third party commercial products with minimum customization.

The current state of data growth offers both challenges and opportunities. This is a four dimensional issue with (1) increasing volume of data, (2) increasing velocity or speed of data exchange, (3) a wide variety or ranges of data and sources, and (4) the nature of the distribution of the data. This era of big data and data decentralization means that business intelligence needs focused and deliberate attention to be successful.

Vice Chancellor Padilla stated that IT security is a constant challenge for organizations and individuals alike. As was pointed out in the Audit Committee presentation last month, the threat landscape is ever changing and increasingly sophisticated, with threat vectors including nation states, organized crime, and activist groups. The attention to security is impressive, and while the enterprise ITS stance is healthy, it is important to continue to enhance risk management and information security practices.

Information Technology governance includes the framework and processes, which establishes the chains of responsibility, authority, and communication that empowers individuals. This will be a focus area in the upcoming year – particularly as it relates to application governance – and this is reflected in the strategic priorities.

Vice Chancellor Padilla reported that the ITS division is vibrant, active, innovative, and respectful. Information Technology professionals, particularly in higher education, tend to be the model of collegiality, and the same trend can be found here. The Learning Network of Minnesota (LNM) is a prime example of this kind of collaboration. The LNM is a robust core telecommunications network infrastructure that supports public higher education in Minnesota and is critical for daily campus and system operations. The State of Minnesota, the University of Minnesota, and MnSCU collaborate to form the Learning Network of Minnesota.

Vice Chancellor Padilla presented a slide that depicts the individuals and groups that make up the ITS stakeholder community. The role of ITS is impactful and ITS stakeholders must be included in conversations and have a voice in decision making.

Vice Chancellor Padilla presented a detailed list of ITS strategic priorities, including goals, objectives, and outcomes and can be found on pages six through ten of the packet. Vice Chancellor Padilla highlighted the five overarching goals and two particularly significant projects.

**Goal 1:** Develop an enterprise IT organization that anticipates our changing environment and facilitates quality of service and improved relationships with our customers. (This goal is about [a] capability and maturity planning and communication, and [b] customer service.)

**Goal 2:** Develop and implement enterprise IT architecture that responds to changing conditions and new opportunities. (This goal is about investing in and moving to technologies that will better serve colleges and universities.)

**Goal 3:** Improve the capability of the organization (i.e., system office and campuses) to use analytics to help drive critical system/institutional decisions and outcomes. (This goal speaks directly to data analytics and business intelligence.)

**Goal 4:** Enhance risk management and information security practices to protect system/institutional IT resources/data and respond to regulatory compliance mandates. (This goal is about being ever vigilant and one step ahead of the bad people.)

**Goal 5:** Support innovation in teaching and learning. (This goal includes the commitment IT has to supporting teaching and learning at the colleges and universities. This is accomplished by supporting those that are closest to teaching and learning - the faculty and staff who make up Minnesota State Colleges and Universities.)

There are some common characteristics of these five priorities:

1. Each has multiple variable length objectives.
2. Many FY2015 high-level activities/outcomes support these objectives.
3. Each activity will generate multiple projects with associated milestones.

Each goal is designed to address one or more of the following:

- Preparing enterprise ITS to execute on Charting the Future initiatives.
- Positioning enterprise ITS to provide better service to stakeholders (colleges, universities, faculty, staff, students, etc.)
- Providing leadership and coordination in areas of strategic interest.
- Increase enterprise organizational capability to maximize IT capability.
- Reduce risk, gain efficiencies, and increase effectiveness.

Vice Chancellor Padilla highlighted two noteworthy projects of significant importance. First is a coordinated systemwide deployment of Microsoft Office 365 cloud service, rather than separate implementations at each campus. The goal is to bring these installations together, providing an opportunity to leverage Microsoft technologies in new ways. For instance, the system would have the ability to use shared calendars, address lists, or instant messaging systemwide. This may even allow students to communicate with each other across institutions.

The second noteworthy project is preparation of an ISRS upgrade/replacement business case, scheduled for completion in Fall 2016. This must be completed in order to be included in the FY2018-FY2019 biennial budget request. As noted previously, ISRS has not been looked at in the past ten years. Since then, the institutions have evolved and it is time to take a good look at the Enterprise Resource Planning (ERP), which will require considerable time and effort. The benefits of completing this assessment are to develop a clear understanding of current needs and the capabilities of ISRS, to identify unaddressed needs, and to understand the capabilities and opportunities that currently exist in the market. This study will identify how the ITS division is doing on the most important applications like the student application system, financial systems, and all the other systems that are included.

Trustee Anderson Kelliher inquired if Vice Chancellor Padilla would provide a comparison or analysis of Microsoft Office versus the Google platform on campuses. Vice Chancellor Padilla stated that the chief information officers (CIOs) have been discussing this topic. There are both Microsoft Office and Google campuses and there are arguments for each platform. The primary argument in support of Google campuses is potential cost savings. However, the Google campus platform does not actually create savings, as campuses must still provide students with Microsoft Office. Students need to use Microsoft Office to develop the skills they need when entering the workforce. A recent Gartner report found that less than 2 percent of offices nationwide use something other than Microsoft Office. A majority of the campuses in the system are Microsoft campuses, which makes moving to Microsoft Office 365 a natural progression.

Trustee Cirillo asked if deciding to upgrade or replace the ERP could hinder the implementation of CTF. MnSCU has a legacy system and there is uncertainty as to what types of requests will be coming in regarding organizational, academic, or data needs. Vice Chancellor Padilla responded that CTF will result in many initiatives that will involve ITS and ITS does not want to be the bottleneck to CTF. There are opportunities available right now, including the development of common work practices. If the modifications requested

for ISRS are consistent because of the common work practices, ITS will be better prepared to fulfill the requests that come out of CTF.

Vice Chancellor Padilla stated that a lot of research would need to be completed to prepare for a biennial budget request. Even if everything needed is in place for either an upgrade or replacement (no prediction is being made), this goal will take a considerable amount of time and effort. The next two years will be used to gather the requirements needed to make a decision on how to move forward.

Chancellor Rosenstone noted that this request will not be a part of the request the board will consider in October 2014; it will be a part of a request that is made two years from this October (in 2016). This will allow implementation teams the time they need to do an analysis and to prepare the priorities and requirements to be brought to the Board of Trustees.

Trustee Cirillo stated that the needs of students and faculty are a significant part of this issue. Vice Chancellor Padilla agreed that this would be a significant part of the requirements gathered to make a decision.

The meeting was adjourned at 2:55 p.m.

Respectfully submitted,

Christine Benner, Recorder