

MEETING #429
OREGON STUDENT ACCESS COMMISSION
Friday, April 26, 2013
Oregon Student Access Commission
Columbia Room
Eugene, OR

COMMISSIONERS

Glenda Melton
Mike Holland
Lucero Castaneda
Bart Howard
Gary Weeks

STAFF

Bob Brew – Interim Executive Director
Vic Nunenkamp – Interim Chief Operating Officer
Susan Degen – State Grants & Government Affairs Administrator
Brandon Fox – IT Programmer
Thomas Ridder – IT Specialist
Holly Willeford – Scholarship Administrator
Aaron Meyers – IT Systems Administrator
Vickie Potoski – ASPIRE Technical Assistant

GUESTS

Pete Hale - 2h Systems
Brent Wilder - The Alliance
Bell Cantor – OCF (telephone)

CALL TO ORDER

Chair Weeks called the meeting to order at 9:34 am. Having a quorum present, the meeting proceeded.

EXECUTIVE SESSION

Chair Weeks stated the agenda included the possibility of an executive session to deal with some of the things in Pete Hale's report, if needed. He stated, however, that they have decided an executive session does not apply and they will pass on it at this point.

CONSENT CALENDAR

Chair Weeks called for the approval of three sets of minutes. He clarified that the minutes are late because Lacie Morgan had been committed to helping with the private awards programs and doing double duty on a lot of things.

Chair Weeks called for the approval of minutes from meeting #426. There being no objections the minutes were approved.

Chair Weeks called for the approval of minutes from meeting #427. There being no objections the minutes were approved.

Chair Weeks called for the approval of minutes from meeting #428. There being no objections the minutes were approved.

Chair Weeks stated he hopes they will get back on a regular schedule for approval of minutes. The Commission is seeing the notes but he would like to get them approved on a more timely basis.

CHAIR'S/COMMISSIONER'S REPORT

Chair Weeks stated he and Bob Brew have been engaged in the work of the Governor's staff on the bill that will eventually change the way post-secondary education looks. There was an initial proposal to

create the Department of Post-secondary Education. Commission Chair Weeks and Bob have looked at the initial draft and talked with the Governor's staff, as well as some of the key legislators. Some of the legislators decided it was too much to accomplish this year, and the Governor is interested in moving forward with trying to better define the responsibilities and the work of the Higher Education Commission (HECC), which already is in law. HB 3120 passed out of committee recently without creating a Department of Post-secondary Education, but contains a great deal more clarification about the HECC.

Chair Weeks stated the Governor's Office has been very gracious in making sure he and Bob were included in the conversations. He and Bob both appreciate looking at the bill draft and having the chance to offer opinions on things that may have a serious impact on the way we do work. The Commission will continue to operate through June 30, 2014, assuming there are no changes to the bill as it moves forward. The Commission will have its same responsibilities, authorities, and so on. After that authority transfers to the HECC, staff moves to the HECC, and whether the Commission exists as a policy advisory group remains to be seen. The Governor's Office wants to continue to have direct input from some sort of advisory group on student aid. They are aware of and have watched the work of the advisory committee, and he believes it will somehow continue. There is still a lot of discussion left and fiscal impact and Ways and Means conversations will be had. There's a lot of work that needs to be done on the bill before it goes forward.

Commissioner Howard stated he knows the Commission will continue in its current capacity for the next year and asked about the reappointment of two commissioners and two students. He clarified he was not making any suggestions, just pointing the issue out.

Chair Weeks stated that, in addition to the question of reappointments, interim appointments for both Vic Nunenkamp and Bob Brew expire in June. In conversation with Ben Cannon about the reappointment of the leadership team, he was instructed to go ahead and make a decision about who will be the interim leaders until June 30, 2014. The Commission is encouraged to go ahead. The draft bill says HECC "may" appoint the leadership of the Student Access Commission, which creates a bit of ambiguity. Ben Cannon instructed him that it is up to the Commission until July 1, 2014, to make its own decision.

Chair Weeks stated the next meeting agenda should include a decision on continuing the interim appointments for Vic Nunenkamp and Bob Brew. He sees no reason not to reappoint but would like to have it discussed at the next meeting so the rest of the commissioners can think about it. He also talked with Ben Cannon and recommended the Commission continue with people whose terms expire in June 2013 (Glenda Melton and Bart Howard). He will continue working with the Governor's Office to continue their appointments rather than bringing two new people on.

Chair Weeks asked Commissioner Melton and Commissioner Howard if they object to being reappointed.

There was no objection.

Commissioner Holland stated it is really important that the reappointments be resolved before July 1st because as they cannot continue informally as members of the Commission.

Chair Weeks replied he will continue to push on. He understands the importance of getting a decision before terms officially expire as they will not have enough people to make decisions should that happen. One student appointment was just made and that will continue. Student Commissioner Castaneda's term ends June 30th as well, and he will look into that too.

Chair Weeks proposed going back to the Student Association as he does not want to make a decision for them.

Student Commissioner Castaneda confirmed it as a good idea.

Chair Weeks asked Student Commissioner Castaneda if she is willing to continue for another year.

Student Commissioner Castaneda affirmed.

Chair Weeks stated he will work with the Student Association about Student Commissioner Castaneda's reappointment and continue working with Ben Cannon on the reappointment of the two members whose terms expire June 30th.

Chair Weeks asked if all were in agreement with discussion of the reappointment of Vic Nunenkamp and Bob Brew for the next meeting.

All agreed.

EXECUTIVE DIRECTOR'S REPORT

Financial Update

Bob Brew stated Lora Carson was unable to attend but did prepare a financial report packet provided to the group. The report is through March and we are at 88% through the biennium. Going into the 8th quarter OSAC is in good shape overall when looking at operating expenditures vs. budget. Combining personal services, services and supplies and capital outlay, they are looking at about 84% spent with 88% through the year. Leaving Josette Green's position vacant over the last 8 months is what really paid for overtime and expenses associated with the scholarship application. Originally, rather than paying overtime, staff was asked to accrue time as comp time. A couple people reached the maximum comp time bank, and they had to start paying overtime. It's a balancing act between comp time and overtime, but financially they are okay.

Chair Weeks asked if they should worry too much about services and supplies being a little over.

Bob Brew answered no and legally they are okay. They may need to move some expenditures between funds but from a legal perspective they are fine. The bottom line is they are at 84% spent through the biennium.

Chair Weeks asked for clarification on where the 84% came from.

Bob Brew stated he calculated that on the fly: looking at \$3.2 million in personnel services, \$1.27 million in services and supplies, and \$6,000 in capital outlay, it represents about 84% of the Legislatively Approved Budget for those categories.

Bob Brew turned the meeting over to Susan Degen stating she has been an invaluable help for tracking various bills through this legislative cycle.

Legislative Update

Susan Degen provided an overview of various bills as follows:

House Bill 2095 is OSAC's bill. It is essentially a housekeeping bill to modify the definition of "former foster child" from the tuition waiver bill last session, so that it aligns with the definition in the Chafee program. There was a slight disconnect between the two that affects about 40 students who are eligible for Chafee but not for the tuition waiver. This bill cleans up the misalignment. There are also a couple amendments to the bill. Eligibility for foster youth who were assigned to foster care by a Tribal judge was added. This expands the eligibility slightly to the Tribal students.

Commissioner Howard asked if the section to do with the tribes was part of the original discussion as it seems new to him.

Susan Degen answered it was not. She stated the intent was that if they are talking about foster youth, they want to talk about all foster youth in the state regardless of whether they were assigned to foster care by a regular judge or a Tribal Court judge.

Susan Degen reported another amendment to the bill is to eliminate the three-year limit on enrollment after completing high school. That is something DHS was supposed to track, but they have no mechanism for doing so. She believes the amendment will also go forward and be part of final bill. It only has two minor steps to go and it will be done.

House Bill 2478 is one OSAC did not propose. The House Business and Labor Committee reviews tax credits and periodically looks at the sunset dates. Since the sunset date for the OSAC's tax credit is January 2014, it was included in the most recent review. The bill has been forwarded to the Joint Committee on Tax Credits. It would extend the tax credit sunset date from 2014 to 2020. OSAC has only three small employers participating in the program right now.

Bill 2743 establishes a task force on high school and transition success for students with disabilities. OSAC is among the entities that would have a person on the task force. They are charged with preparing a report to the legislative assembly before the start of the next session. The bill contains a lengthy list of things the task force is supposed to consider, including financial aid, particularly when federal aid is reduced. There are a number of students with disabilities who complete high school with a modified or extended diploma instead of a regular high school diploma. The U.S. Department of Education does not consider a modified diploma equivalent to a standard diploma. Under the old rules, these students could qualify for financial aid if they took an ability-to-benefit test. The SAT and ACT are among those tests. However, in rules and statute that Congress passed approximately a year and a half ago, the passing an ability-to-benefit test was eliminated as a way to qualify for federal aid. Effective with the start of the 2012 academic year, we have students who lost eligibility for Pell Grants and student loans because they had modified diplomas.

Commissioner Howard asked if there is a way to override this.

Susan Degen stated there is no way to override it, unless they take a GED test. They have to have a standard diploma, a GED or be home schooled. Those are the only three options.

House Bill 2898 continues the concern because a primary provision of this bill prohibits a community college, public university, or private non-profit university in Oregon from denying financial aid to a student for the sole reason that the student didn't receive a regular high diploma. Schools are concerned about what this means for them. Federal law prohibits schools from awarding federal aid to such students. The bill passed the House a week ago and has been referred to the Senate Education and Workforce Committee.

House Bill 3232A is a parallel bill to Senate Bill 222A. Both set up and fund a number of strategic investment programs in education, involving several pilot programs. The two programs that affect OSAC are expansion of ASPIRE and creation of a new scholarship fund that would pay for first-year college courses and accelerated college-credit programs. Accelerated college credit programs is not defined in the bill but most likely is referring to Advanced Placement and International Baccalaureate programs. The bill calls for OSAC to administer a scholarship that would pay for such programs for students who are in high school, which adds layers of complexity.

Bob Brew stated it is strange because OSAC wasn't in the original bill; OSAC was added in both bills. It is interesting because it allocates \$3 million to OSAC and \$5 million to the Department of Education but there is no clarity on how the two pots of money work together. They both basically do similar tasks.

Commissioner Howard asked how they define underserved students.

Susan Degen stated they don't. At some point OSAC will be asked for a fiscal impact statement. As a small agency, implementing a program such as this will require OSAC to work with high schools in ways they haven't done before. There is a lot of work embedded within the bill. It's not as simple as it looks.

Bob Brew stated he talked to Whitney Grubbs (policy analyst for Rudy Crew) who has a lot of background thinking on the bill. He is going to set up a meeting with Whitney Grubbs and Susan Degen to work through some of the details so they can get on same page about what they are thinking and push back or get clarity as needed.

Susan Degen stated the amendments were added last week and that was the first time OSAC became involved and began tracking these bills; that was the first time OSAC was included.

Commissioner Holland asked Bob Brew to invite a representative of the Department of Education to be included in the meeting.

Bob Brew confirmed he will.

Commissioner Howard asked if it will require extra staff or would they turn to the ASPIRE program which already has contact with high schools.

Susan Degen answered it's more than the ASPIRE program. It involves the high schools and OSAC does not have access to the kind of data to identify underserved or low-income students. The

Department of Education would have to identify the students; there would have to be some kind of data-sharing mechanism.

Commissioner Melton asked why the high schools would not identify them.

Susan Degen stated it would have to be the high schools or the Department of Education, or both.

Bob Brew stated he meets weekly with heads of the Department of Education. During the last meeting he asked how this would work. The answer he got back was they envision a block grant where school districts receive grants based on criteria. Bob informed them that this was not the way the bill is written. He stated there will obviously be some shake out there.

Susan Degen stated the one difference between 3232 and 222 is that ASPIRE is specifically called out in the House bill but not mentioned in the Senate bill. The Senate bill also seems to assume the program might be available to more than underserved students. It requires OSAC to prioritize underserved students, which suggests they must know something OSAC does not, or they are just trying to cover everything.

Commissioner Holland asked if both bills have subsequent referrals to Ways and Means or if there will be a place where they come together.

Bob Brew stated yes and commented that HB 3232 is one of the Governor's bills. SB 222 specifically addresses getting college credit in high school. The amendments that came forward last week were an attempt to reconcile the two, but they are not quite reconciled yet. Bob recalled that the Governor's Balanced Budget recommended \$115 Million for Opportunity Grant, and another \$8 Million for strategic initiatives, but they had no idea at the time what that was for. He thinks they've found it.

House Bill 3472 is similar to a previous bill (HB 2838) that tried to create a Pay Forward Pay Back Pilot Program. The idea is similar to an idea that one of the Ivy League schools put forward where instead of paying tuition a student could work out an agreement to pay a certain percentage of income over a certain period of time in order to pay back whatever tuition wasn't paid up front. This bill would create a pilot to do something like that in one or more public institutions in Oregon. The student would have to sign a binding contract to either the state or to the institution by which a certain percentage of their adjusted gross income would be paid over a certain period of time to repay those costs.

Commissioner Howard asked if these institutions would have to forego revenue up front to be captured later, or would the state provide them with that revenue.

Susan Degen answered they would forego the revenue up front. The bill has passed out of committee and has gone on to Ways and Means.

Senate Bill 11 is the State Treasurer's bill to sell bonds to create an endowment to finance the Opportunity Grant. It is also in Ways and Means and has been since early March.

Commissioner Howard asked if there is a dollar amount attached to it at this point.

Susan Degen replied no.

Senate Bill 702 would require OSAC to award at least 50% of Opportunity Grant funds to STEM students. The Senate Education and Work Force committee amended the bill to require 25% of Opportunity Grant funds to be awarded to STEM students. It will take some adjustments to the program in order to comply. The bill has been in Ways and Means since April 1st.

Senate Joint Resolution 1 is the constitutional amendment that would have to go on the ballot if SB11 is passed. Allowing the State Treasury to sell bonds to finance the Opportunity Grant will have to go to voters of the State of Oregon.

Student Commissioner Castaneda asked where the idea for SB 702 came from.

Susan Degen replied it came from a particular senator on the Education and Workforce Committee.

Student Commissioner Castaneda asked if there is more background on it, as it seems really constraining to the grant.

Bob Brew commented that in talking to folks at OUS they do not necessarily expect it to go anywhere. It is symbolic and somehow tied in with SB 270, which creates institutional boards. OSAC has testified and written letters explaining the difficulties of doing this and offering alternatives such as the STEM scholarship that is on the books but is not funded. At this point, it is more symbolic than a real thing.

Chair Weeks thanked Susan and asked to go back to HB 3120 to make sure everybody understands the language in the bill that transfers all authority of the OSAC Commission to the HECC. The HECC is a policy board, not an administrative agency. The description of the bill includes the creation of an Office of Student Access and Completion. OSAC doesn't really have anything to do with completion; OSAC is access oriented. He believes completion got in there so the acronym wouldn't change, though there may be something later that has to do with completion. The bill transfers the Commission's policy authority to the HECC but continues an Office of Access and Completion so that there is some group responsible for the day-to-day administration of programs. The bill, on the legislative side, is being shepherded by Representative Michael Dembrow. Rep. Dembrow has been very fair with OSAC by including Bob and him in all the discussions. It's a challenging bill because all the authority for the universities, the community college system, the workforce side, and for OSAC is involved. Going through the statutes to try to figure out how to reconcile all these has been a huge job. Rep. Dembrow's committee has done as good a job as possible up to this stage in getting that done and then passing it on to Ways and Means.

Bob Brew reiterated important points about HB 3120 -- that it had created a single agency but that is being backed away from at this point. They have centralized authority but left the agencies independent. One of the challenges is that since the Governor anticipated the creation of this new agency, OSAC and other agencies technically do not have separate budgets -- only the Department of Post-secondary Education does. This is not unusual at all, and they are working with the Legislative Fiscal Office to make sure OSAC has money to operate.

Chair Weeks stated it is important to say that the focus of the bill now is to define the Higher Education Coordinating Commission (HECC) and its responsibility and how it's going to operate. It does not mean that the Governor may not want to revisit at some point the creation of the Department of Post-secondary Education. For the short run, it is really trying to figure out how to make the HECC work in

the best possible way but we should not be saying anything that would say this forecloses the eventual creation of the Department of Post-secondary Education.

Bob Brew stated he spoke to Ben Cannon recently to ask specifically if the Department of Post-secondary Education is dead or in a “medically induced coma.” The answer he received is it is on hold. Folks that were against the idea early on are starting to see the logic of it, and he would not be surprised if comes back in February for the next session, but that is not certain.

Bob Brew provided a Risk Map handout created by Moss Adams stating if anyone had questions he would like to talk about it at the next meeting after everyone has had a chance to review it.

Chair Weeks requested printing on larger paper; bigger font.

Bob Brew said he will provide it with the changes requested.

Scholarship Application Program

Bob Brew provided an update on the status of items discussed at the last meeting.

Scholarships that had a financial needs component (previously being manually calculated by Lacie Morgan and Cheryl Gallagher) are now automated as developers were able to create a system that interfaces with the legacy system to calculate remaining need. This was a huge help. As stated in the last meeting, they have been working on two tracks. They are “back-porting” where they can load information from the new system into the old system and take advantage of that functionality. At the same time they dedicated additional staff to do some of the work by hand. Cheryl Gallagher and Lacie Morgan were already working on this, and they have added Cheryl Connolly and Holly Willeford. Vic Nunenkamp and he have been crunching numbers, as well. Two JOBS Plus workers and two Work Study students are also working on it. They will probably bring in another temp also. They are working both fronts and it’s a footrace. If the back porting gets done soon, they will switch to that but in the meantime they are going with the manual process. They had guessed that the back porting was three weeks out and as of Wednesday of that week they had a back porting solution that seems to be working. They are not changing what they are doing; they are going forward with both tracks at this point because they don’t want to lose ground.

Bob Brew shared information on statistics provided by Holly Willeford. Normally the process between the cutoff date and when the last award goes out is approximately 15 weeks. It’s basically a full-time job for Cheryl Gallagher to do that, and it ends the first week of July. During those 15 weeks, they create almost 500 separate eligibility lists. Cheryl Gallagher has worked on this in the past with help from Thomas Ridder. Using the old query system, they were processing about 33 queries per week. Last year at this time there were 183 of these lists complete. Right now, 57 are complete, at about 6 programs per day, or 30 programs per week. There are 57 programs that were scheduled but did not go out, so they estimate they are about a week and a half behind.

OSAC has worked closely with OCF, and they have been fully aware of the situation and what OSAC has been doing to prioritize the programs worked on. They postponed some programs, including the 82 Portland Public School programs. There were two deadlines for Ford that week, and they met both of those and were able to get them what they needed.

When the back port process is working, they expect to be able to do 50 programs per week. If they were able to start in week six with about 60 programs done, and if back porting started today, they would be finishing up about same time as they have in the past.

Bob stated he was asked to approach Sue Strauslin about coming in to do an evaluation of the. He reported that he did approach her and, while she was initially interested, there was a disagreement on the price she wanted to charge. Under State Procurement rules, OSAC can directly negotiate a contract up to \$5,000. Anything over that requires a sole source agreement or a bid situation which takes several weeks. Since Sue wanted well over the \$5,000 limit, they were up against a timeline. Also, she was going to have a difficult time coming in to get started before the deadline to report back as stated in the last meeting. He discussed with Chair Weeks and Commissioner Melton the alternative of working with Pete Hale of 2h Systems. Pete conducted a security and architecture review of the OSAC legacy system one to two years ago and is very familiar with the system. He has a broader background in different kinds of architecture. After discussion, Chair Weeks and Commissioner Melton gave the okay to bring him in. Pete has jumped in with both feet and prepared a report which he will present and then there will be opportunity for discussion. Bob stated he has encouraged Pete to speak candidly.

Chair Weeks stated he and Commissioner Melton have had several conversations with Bob on this and agreed they couldn't wait another two or three weeks to start. They needed somebody to come in at a high level and take a look at what needs to be done and give some kind of assurance that they are headed in the right direction. They gave Bob permission to move ahead with Pete knowing they could always bring Sue in sometime later if they chose to do so.

Chair Weeks invited Pete to present his report and reiterated Bob's prior instruction that they really want a candid evaluation and not to sugarcoat anything; they need to know if they are going in the right direction.

Pete provided a brief summary of his background and areas of expertise. He then reviewed key points of his report (handout provided), beginning with the project history. Pete stated a number of years ago the architecture was using the AS400 IBM database and there was someone responsible for all of the information. Due to some catastrophic departure on that person's part, Sue came in and there was a conversion from an AS400 IBM database to a Sequel server structure and with that they built this MS Access front end for managing a lot of the back end things and for doing some reporting requirements. At some point and fairly recently, Sue departed and Brandon was hired. Brandon started to work fairly soon on the eApp. After a couple of security reviews, it was found that there really wasn't a security breach; it was an oversight in the configuration piece where public PCs were remembering social security numbers. They took care of that and also made sure that if it were to ever happen they wouldn't have any really confidential information, so it's not really a big deal there. One and a half years ago, during a pretty solid architecture security review Pete conducted, several suggestions were made and there was also a security audit. During the audit there were some areas of security concerns identified. Some concerns coincided with some of the items Pete had mentioned. When Brandon took on the project, OSAC was really understaffed for resources. There was no project manager, no systems architect, no testing coordinator, or no business analyst. A lot the stopgaps normally put in place to control and make sure things don't get out of hand or get away from us were not in there at all. Key points: they were understaffed; there was no formal system development lifecycle or a project plan; testing resources were inadequate; there were still some really pressing concerns about security of the old system because they had been identified twice by at least two different audits.

Commissioner Howard asked if Brandon and others went into it understanding that all of this was not in place and with the idea that they would just do the best they could. Or, was Brandon really assumed to be the project manager and the architect?

Pete stated he thinks it was naivety on Brandon's part and on management's part. He honestly does not think they knew that those elements had to be in place. It is common to think "it's a project; we can program well and good; we're going to make this happen." He sees this all the time, but the impact of doing it without these safeguards can be very detrimental.

Chair Weeks stated he's never met a programmer or systems analyst who didn't believe they could do it. This is not criticism; that attitude is needed from a programmer or analyst. He's never run into one that says "this is really going to be hard; I don't know if I can do this."

Pete continued with the history of the project, stating they looked at a new database structure and a new application. Jordi was very involved in that as well. They worked pretty much day and night for weeks and months on end and then they had the eApp. Although it says there was a confidentially breach, that's not actually true. One of the things he noted is that the application was deployed as a very, very beta product in production during the peak season. Those are combinations that can be really tricky. So "eApp 2," as he calls it, was going through these growing pains and in the process there was a lot of loss of stakeholder confidence. Stakeholder confidence is pretty much everything because if you lose that, funding and support can go away.

Commissioner Holland stated though it says it was deployed as a beta, it was deployed during scholarship season and was never represented as a beta to anyone. That's what it should have been. As a beta it should have been in a testing stage, but it was deployed as our operating system at that point.

Bob Brew stated they were careful to have on the front page saying "this is our beta version." On the Facebook page, it said it was being deployed as a beta version, and so on. They were really careful to message it as beta version.

Commissioner Holland stated it seems they didn't have any fallback system.

Bob Brew stated they did not.

Commissioner Holland stated it may have been described as a beta but, in fact, it was the actual system being used.

Pete stated when he refers to it as beta, he's not repeating what is told to him; it is his perception of what it was.

Pete continued with the project history review and typical project scope, referring to the scope diagram of resources, time, and functionality/features. When a timeline is shortened, something has to give (reduce either resources or functionality). This is pretty standard in the business, and it's also pretty standard that people overlook that. His report reflects where the project timeline decreases, but functionality stayed the same when it should have decreased. Also, resources actually decreased when Sue left. These are really critical things just at a very top level of project management.

Commissioner Howard asked when they've asked if OSAC needs more people and are told it will create more of a problem than it's worth to bring someone new up to speed, how would he have gotten at that?

Pete stated timeline should increase or features should reduce.

Pete continued with the top-level, hierarchical view of a typical project. People get together to brainstorm, and think about what they want, and come up with some kind of a project plan that develops into a systems architecture plan. From that system and reporting requirements are identified. Ultimately, if a system can't report or take in data, it's not worth doing. You have to be really careful about accurately defining what those things are early on so that you are continually making your development go back to whatever your requirements are. The data model is then built based on analysis of the requirements. The data model is like the core; it's the foundation of a house. You want to get that right because it's harder to go back and change a data model than it is to change a screen on the application. After the data model, you build functionality layers like a repository of code sets that get used many times but are only written once. That way you are not writing code all over the place; it's written once and if you want to enhance or change it, you make those changes only once rather than finding all the systems where the code is written. The idea is to write it once, fix and test it in one place and then when you put it into production all of the systems are updated at the same time. After that is the user interface. When he was here a year and a half ago, he was a little concerned when he saw Incight here designing the interface because although the interface was well done, it really is the last step and not the first. In a design meeting, the first step should never be to design the screen.

Commissioner Howard asked if Pete is satisfied that the concept of brainstorming, data modeling, and all that was done.

Pete stated he is describing what should be done at a very high level.

Pete continued with an overview of a simplified systems architecture environment that he believes probably mimics most of what OSAC has. Typically you have a development database, a test database, and a production database. The production database interacts with a central code library, which is hooked into all the different web applications. It's important if people are doing reporting that they are not reporting against production but rather are reporting on a datamart or some copy of the database. The idea behind that is that if they write some query that hoses the system, it doesn't bring down the production database. More or less what OSAC had was development and production; there wasn't a lot of the formal testing process where you move from development to test to the production process. The business analysts were reporting directly on the production database. That's a big danger right there. They don't have a programming layer because most of the programming was done either in the database or in the actual web site. It wasn't in a repository. It was coded in line on the page. When he did his review, Pete found security or inefficiency issues (noted in his report with stars). There are quite a few problems with the old legacy system.

Commissioner Holland asked Pete to confirm that given the way it was configured, in actuality, they didn't have a safe place to work on stuff; they were working on live production systems at all times.

Vic Nunenkamp clarified they are talking about the old legacy system.

Pete confirmed both Commissioner Holland and Vic Nunenkamp were correct.

Pete stated this is a real impetus for the design of the new system because they are worried about security; worried about hosing the database due to a bad query. Architectural systems theory, according to 2h Systems, must have functionality, scalability (ability to grow), and ease of maintenance. These are the primary factors for a system to survive. Some of the core things are its simplicity and its maintenance. He noticed a lot of talk about “object-oriented” being bantered around. At a very high level, what object-oriented means when talking about programming is similar to the example of classes of airplanes. There are methods and things an airplane can do (taxi, land, take off, etc.) An object made from that class will inherit the methods and properties automatically and then you will have some new ones or add-ons. If you made a mistake on a class of airplanes, you fix it there so it fixes in every occurrence all the way through your system. That’s why we do development of either object oriented, or that concept in programming.

Commissioner Weeks said his understanding is, when they set about making the decision to go to an object-oriented database, they didn’t have people with a lot of skill in writing a system like that. They were learning on the fly, so they were building it and learning it at the same time. He asked Pete if that is true?

Pete stated it is true. The concepts were understood. There is object-oriented in the infrastructure, in the database, and in the programming layer. On the programming layer he thinks they had a pretty good grasp. He does not think they had a particularly great grasp on the database or infrastructure.

Commissioner Howard asked Pete, using the airplane example, where were they at this point. He asked if they were not able to get the airplane off the ground, or is Pete saying they were up in the airplane and not able to figure out how to keep it in the air or how to land it?

Pete answered the latter.

Pete provided a sample output of an object-oriented database, stating object-oriented databases use a different kind of a field and require a lot of programming in Sequel (language to talk to databases) in order to come up with the results as displayed in the example.

Student Commissioner Castaneda asked for clarification of which example database OSAC has.

Pete confirmed the new environment is object oriented; it is similar to and follows the concept provided in the example.

He continued with the overview of the example of the object-oriented database; in comparison to a relational database, object-oriented databases are a big step up in requirements for understanding. They are complex and usually require some layer of extraction in between. People who are doing queries can be looking at something that looks like regular tables, because there is all this querying going on before you even get something that looks normal. There is a high overhead on your database; it’s going to slow down and is going to be really taxed.

Chair Weeks asked what is the advantage of programming in an object-oriented database rather than relational one for the application.

Pete stated you can grow your fields without doing any programming. You can extend your application without having to do a lot of programming. You can enter new things in the database. You can add new lists, for example, without programming.

Bob Brew stated one of the things he thinks about is if you said you were going to create this class called "car". Every time you add new kind of car, it's going to inherit all the traits of the original thing. From a management standpoint, it's very easy if "car" is right. If "car" is wrong, everything that comes off of that is wrong. This is different from relational database; it's harder to create new associations but if there's a problem it's isolated.

Pete agreed and stated you could have elements of both in the database and still go back to object-oriented programming.

Chair Weeks stated he was trying to figure out the benefit. A decision was made to do object oriented. The benefit to that is once it's designed and built you can add to it or take away from it without extensive programming as would be required with a relational database.

Pete stated that certainly applies to the programming; he's a big advocate in the programming arena.

Aaron Meyers provided a point of clarification that there are separate portions of the database; there's programming and application. When talking about object oriented they need clarity on which portion is being talked about.

Pete stated the reality of architecture vs. theory sometimes calls for implementing concepts but not necessarily taking them to the nth degree. The reality is that the database layer has to be made in a way that somebody who gets paid as a programmer is going to be able to easily manage it. Cost to maintain it has to be considered. He uses concepts of it but doesn't implement down to database level.

Commissioner Howard stated it seems one is hoping to buy scalability with all that.

Pete stated you can have lots of scalability built into the application layer but in his mind there certainly is a lot of merit to having a relational database for querying and being able to build stuff. There can be lot of second guessing but what Aaron said is totally true – there are different segments. He is a strong supporter of object-oriented programming and those concepts in the application layer, but the majority in his database is relational for ease of maintenance.

Bob Brew stated the report up to this point was good and very educational, but he was concerned about time.

Commissioner Howard stated he's ready to know what the fix is.

Pete stated they need to look at what didn't happen, which will probably make them more receptive to the end.

Chair Weeks stated he guesses they are too far along to shift gears and move away from object oriented. He added that what he hears being said is that a project is not a candidate for object-oriented design if the need is for reporting and data extraction. A large part of OSAC's need is to issue reports, extract data, and so on. He asked if the database is object oriented also.

Brandon Fox confirmed and added one of the key tools they have is the ability to extract that out into relational coherence very quickly.

Pete commented that is like the “extraction layer”; the end user doesn’t realize it’s in a weird format due to coding done ahead of time.

Chair Weeks asked Pete to continue with the things he feels the Commission should know in order to get to the recommendation part.

Pete referenced a system development lifecycle during which there are many deliverables and steps and the people needed to be involved to get project out the door.

Chair Weeks asked if the lifecycle is industry standard.

Pete answered yes.

Pete stated a lot of things were missed because there was no system development lifecycle for a project management plan, or people to ensure those steps get done. About 50% of the issues found were critical; 50% of timeframes were “do it right now.” High-priority items were hoped to be resolved with the new system. These were all existing issues that the new application was intending to solve.

Bob Brew stated the high-priority items/existing issues referenced were from Pete’s prior security and architecture report.

Pete moved on to the recommendation part of his presentation, stating he would be frank. You can lose confidence from stakeholders once, but you can’t do it twice in a big way. If OSAC were a cat it would be on life number nine probably. He believes that the prior system was a mess, and it was really only through pretty major efforts of the staff that it worked at all especially after Sue left. She had a great deal of institutional knowledge that walked out the door. Nonetheless it was really done, not a juvenile way, but in an inexperienced way. It got it done but it wasn’t done with architecture in mind or systems analysis per say. In hindsight, expertise will create realistic expectations. When they offered Pete to work on a secondary contract with three months as the timeframe, he declined. That is because he has expertise and knew there was no way he could even get close. Part of management’s responsibility, when you know, is to make sure that somebody who is relatively inexperienced doesn’t get out ahead of themselves and do things that are going to have big ramifications on your process or on your stakeholder confidence. In the process of systems analysis, a cost-benefit analysis and alternative systems examination must be considered. What other things can be done? Is the timing right? Can we patch something here and meanwhile work on the new one while this one just limps along for a while? Get something going where it’s not going to affect anybody, per se.

Commissioner Howard asked if, in Pete’s opinion, current staff was very well versed in what the old system was doing, or were we right to keep hiring Sue back part time in order to keep the old system going.

Pete stated they were right to hire her back. There were definitely some territorial issues; it’s sort of like a little kingdom situation. No one else knows what it is or how it behaves.

Bob Brew stated it's a rat's nest, but it's her rat's nest so she knows her way around it.

Commissioner Howard asked if it was a rat's nest, what do they have with the new system?

Bob Brew stated he thinks they have the beginnings of a system. He envisions the old system as a roof that's leaking and is being patched repeatedly. It wasn't designed well to begin with.

Aaron Meyers noted that this discussion is only about the Scholarship application; Sue continues to work on the rest of OSAC's day-to-day applications. The scholarships application is only about 20% of the entire OSAC database.

Commissioner Howard asked about the number of people working on the new system vs. the old system.

Aaron Meyers stated Sue maintains the old system so staff can use it. Thomas Ridder works on everything. Aaron keeps things running but he does not do programming. As the System Administrator, he keeps up the infrastructure, which is separate from programming. There are two programmers working on redoing just the Scholarship application. The whole financial aid database also has to be revamped at some point.

Pete stated the network is tight.

Brandon Fox added that in terms of the rat's nest analogy and moving forward to the new system, they have been very careful to make it very clean and crisp. It may not have all the functionality, but it's very clean and anyone can come in as a programmer and understand it. That was one of the primary goals. It may not have the full features, and there are issues with back porting into the rat's nest right now, but he thinks a thorough analysis is required in order to say what state it's actually in.

Commissioner Holland stated it may be crisp and clean, but it's certainly not delivering what customers need.

Brandon Fox stated that is absolutely true.

Commissioner Howard stated they still have 80% left to go; the core part of what they do – the grant program. It's extremely critical now. They have taken some hits on the scholarship program, and he needs to know how confident they are that it's going to be so clean that they can pick up the grant portion and have that run smoothly.

Brandon Fox answer these are two separate components. One of the problems was that they were so intermeshed in the old system that if something affected the scholarship application, it affected the grant system. They were very careful to avoid doing that by creating completely separate entities.

Commissioner Howard asked if they will keep running the grant program on a rat's nest, or at some point are they going to do the same with its programming.

Aaron Meyers stated that goes back to the Josette Green era of looking at a Financial Aid Management (FAM) system replacement. That is still something that needs to be addressed and planned out properly in order to get rid of the rat's nest.

Commissioner Howard asked if it's crisp and clean, does it have the potential to be the new system.

Brandon Fox stated the new system revolves around the new scholarship application.

Commissioner Howard stated he understands that, but moving forward to next year they are asking for \$200,000 to do something about this. Is there potential, out of one or the other, to become the new system or are they going to buy something off the shelf?

Brandon Fox stated given the proper amount of time they can absolutely do that; it comes down to a cost-benefit analysis.

Bob Brew stated they have asked for money in the budget for this biennium to do a scope of the project where they will bring in outside expertise to look at what is needed to do it right using a model similar to what Pete recommended for the financial aid management system. Part of that will be the assessment of if they have the talent in house, or if there is an off-the-shelf system that will work. Will they need to bring in somebody to build it from scratch? This is part of the analysis. Also, making sure it works effectively with the scholarship system without doing the intermingling thing that caused the problem in the old system will be considered, and making sure it will work with the potential for a statewide educational longitudinal database that the Governor is proposing. There's going to be a lot of analysis and a lot of work before going down the path of replacing the legacy system.

Commissioner Melton stated she would like to hear more from Pete .

Chair Weeks stated they have something in process right now; they are trying to back port everything from the legacy system, and then they have the hand operation going to stay afloat. He asked if this is the best that can be done, or is there something else Pete thinks they should be doing.

Pete answered there is something else they can do. The amount of time before the next scholarship season is not enough to fully build the system that is needed. The reality is the analysis alone would take more time than they have.

Vic Nunenkamp clarified that Pete was referring to the Scholarship application.

He confirmed.

Pete continued, stating he thinks the method of back porting makes sense right now because you can still get the same reports, you get the same look and design; it looks the same to users and you can do that incrementally. Part of what we have to do when you are replacing systems that everybody is using is to replace segments at a time, not wholesale. He believes OSAC should get some sort of framework software. It's software that is off the shelf, allows you to make pages and things quickly and manage your system without having to do a whole lot of programming. The down side is they are not as flexible, or pretty, or customized. In his mind, OSAC should identify every part of the Scholarship system that doesn't work absolutely perfectly and replace it with a generic framework type page. Meanwhile, you are tackling some of the security tasks in Sequel server and at least it's going to be secure. It may be a rat's nest, but it's still going to be secure over there. At the same time, you're planning and then evaluating some way to quickly create a solution and you're identifying the areas that are not quite there yet. You've got a list of things that aren't quite there yet and a list of things that do work. The ones that are not quite there you substitute temporarily – those go back to the original old

database. Then, as you move through, you test these modules and get the code sets working. Once they are working, then you substitute out that module and the user just knows that there's a new working thing; it does the same thing, just looks a little different. Just looking at the list of things that probably ought to happen (pages 30 and 31 of his report), specifically, Plan II on page 31, steps 6 and 7, would be where you start to get into 80% of the other side of it. You have to be realistic about what kind of time frame you have before another scholarship season hits.

Commissioner Holland asked for more information about the framework software. He asked if it's a band aid that buys time to do the other work for development and testing. If so, how do they load it? What database does it work with?

Pete answered you can dictate that it goes back to Sequel. It's like when GM said most of their cars are the same so they created a framework. Every car started with some basic functionality and then they built the different types on that platform. It's like that where you have this basic functionality that's already been tested. People can fill out their forms and all that. Meanwhile, you didn't waste all the work that's been done because you are going to make sure when you substitute it that it's working perfectly.

Commissioner Howard asked if that is a third option now, stating it's not the object-oriented database, or the old database, but getting a whole new frame that might be easier for them to put all of the other functionality on.

Pete stated it's a temporary stopgap to maintain user confidence while you are shoring up other parts of your system.

Chair Weeks asked if Pete agrees back porting data into the legacy system is probably a good thing for OSAC to be doing. He asked if Pete was also saying they should get the new framework to help design what is still out there that needs to be done. He said it sounded like a tool.

Pete stated it is a tool. You need a tool of some sort whether it's called a framework or not. It's a tool for quickly creating pages that may not have the same amount of functionality but will still bring in the data.

Commissioner Holland asked Bob Brew if he had a chance to review and evaluate the report and if he understood the recommendation.

Bob Brew stated he just saw the report that morning and understands about 70% of it.

Commissioner Holland asked Brandon Fox what he thinks.

Brandon Fox stated the actual front-facing Scholarship application is working. The ability for other people to create questions in-house or create pages and put out content for students to look at is functioning. The ability for people to put information into the system and be able to match scholarships, while it wasn't working very well early on in the season has turned out to be working fairly well.

Commissioner Melton stated fairly well is not perfectly.

Brandon Fox stated he can't speak to 100% accuracy but he would say it's 90%.

Commissioner Melton asked about the timeline and if it can handle all applications coming in during peak season without the system crashing or slowing down.

Brandon Fox stated it is doing a good job of that. In terms of speed and efficiency, it is working a lot better than it was early on.

Commissioner Melton asked in terms of speed and efficiency, what percentage is it working at.

Brandon Fox stated he would say it's at 90% and with a little bit more hardware or programming time it could improve. In terms of what is put out to the end user, they are doing very well. The problem, which Pete brought up, is reporting – taking information out and presenting it to internal customers (selection committees) to make decisions. That part is the weakness. The main priorities were, making it available for students to do what they needed to do, and then deal with the reporting side when we got there.

Chair Weeks asked Brandon if the framework software package would help that part of it and what the benefit to OSAC would be if they were to buy something like that.

Brandon Fox answered that a thorough analysis of four to five framework solutions was previously looked at. Most of them were both the front end and the back end and were more geared toward colleges and not institutions such as OSAC. He does not believe this is the solution for that piece. For the Opportunity Grant piece, on the other hand, he thinks a very well thought out plan is needed.

Commissioner Melton asked Pete for his response to Brandon's statement.

Pete replied what it comes down to is that it really doesn't matter what's on the front end if it isn't working. He really thinks there is merit in just surviving with the confidence of your stakeholders. Meanwhile, you're not wasting your efforts. You are getting it polished and getting it perfect so when you do roll it out, everybody sees it's as good as you promised. That's important.

Commissioner Howard stated he thinks all they have dealt with is the scholarships situation, and they are trying to do the best they can and everyone accepts the fact that they are going to back port, etc. What he is mostly concerned about now is reassurance probably from Thomas and Aaron that the Opportunity Grant program isn't going to sputter along the way and how Pete's suggestion would enable them to be more confident about that.

Aaron Meyers stated that it goes back to being able to service the students during Scholarship application season. Part of what we talked about was the overhead required for this architecture model that wasn't really evaluated. We found out that it requires a lot more horsepower than we had in terms of server capacity. Having done an evaluation of that significantly, the best thing we can do at the end of our application is about 150 people at a time. We need to be able to do 2,500 people at a time. When talking about the Scholarship application, we really need to know if we need to buy new hardware, if we need to house it elsewhere, if there are programming efficiency issues that need to be resolved. Or, is what we have adequate capacity but the programming is down, or is it a combination of all of that? We don't have that right now. He does not feel confident right now that with the current application we will be able to have another successful season of taking applications. This season was not good. With more than 100 people on the system, it had a tendency to crash. Then we had to limit the number of

people who could actually be on at the same time; that's what really brought our numbers down. This is a significant portion of next season and what needs to be figured out and planned for and implemented before next scholarship season.

Commissioner Melton asked if we were to buy framework software what is the cost and does OSAC have funds for it.

Brandon Fox stated they could dig up reports that were created last year to get a good approximation. They were about \$1.5 Million for framework if he remembers correctly.

Aaron Meyers clarified that all the framework they looked at involved migrating the other 80% of the financial aid. There was a cash outlay for the purchase of software, and then the migration cost over a period of two to four years. It wasn't "buy it and you're ready to go."

Thomas Ridder asked Pete if he is referring to just simply having a very boilerplate input system to replace the Scholarship application for the upcoming year that would just be very bland, not flashy and just be a rock solid implementation of taking in student data and housing it. It's not a replacement for the FAM system or the bridges we've talked about. OSAC needs to be much more realistic in expectations on the timeline to revamp the scholarship system developed up to this point and not plan to roll it out again next year.

Pete stated Thomas put it better put than he could say.

Commissioner Holland stated he finds Pete's materials to be not very clear and not very understandable in some ways, but very helpful in other ways. He is teasing out of the materials a central recommendation, which is that projects of this kind need planning, testing, and analysis. There has to be some on-purpose, thoughtful planning. As a Commissioner, he is not particularly interested in trying to sort through it and make a recommendation on a path. He is more interested in, as a Commissioner, making sure that the right people are in the room who understand what the options are and who can make some clear and concrete progress on the problems they have. His expectation is that very quickly they have a system for the Scholarship application that works for applicants, that contains reports that work for constituent consumers. They need that and they need it quickly. Also, on the Grants side, they can't do this screw-up a second time. Whatever was learned, they need to make sure that when they revitalize the system for Grants they are not making the same mistakes. He would be very, very impatient if they hear the same kinds of problems with bad implementation. Rather than make a choice about this, he would like Bob Brew to convene with Pete and the computer folks and in a very concrete way outline where they are going and what it is they need to do next. If that includes a framework software piece, then do that. He is uncomfortable trying to evaluate between two or three people what is the best course. He is not equipped to do that, but he knows what he wants to see. Bob Brew is the Executive Director, and he would like to hold him accountable for getting it for them. That may be unfair but that's what he sees.

Chair Weeks stated in the short term it sounds like the effort to back port data into the legacy system is the right thing to do. To use all the hands-on manpower available to stay up is probably the right thing to do. What he heard from Aaron is that if the system had worked perfectly, they would have still not have been able to handle it because they didn't have the hardware. If everything had lined up just perfectly, and all the software and programming that has been done was right on point, they were still going to struggle to get more than 150 people an hour through the system because they didn't have the

hardware right. What that tells him is they need to stay the course on back porting and doing the hands-on stuff for the applications. Then, as Commissioner Holland stated, they need to bring people together and they need an assessment. He asked Aaron what needs to be bought for hardware so that when the software is ready to go, it does what they want it to do and they know it will in fact be able to run on the hardware that we have in place.

Commissioner Holland asked why they didn't know that before. Why didn't the Commission know that if it worked perfectly it would still only serve 150 people at a time? That's the frame he wants to create. He wants somebody who is smart enough to know in advance that, even if all the stuff works, they will still have a stupid system.

Aaron Meyers stated they are looking at the history and hindsight; the history of how they got to this place and it's a matter of funding and time. They didn't have a system that could be tested. Since it's a live application, there was no testing phase to see how many people could be done with the system they had and because timelines were shortened so much. They purchased as much hardware they could with grant money available at the last minute. Normally, as Systems Administrator and knowing they have a new application to rollout, he would look at what the actual capability is, then price it out and order the hardware or contract someone to provide it before the rollout phase. They didn't have that time.

Commissioner Holland stated he didn't hear Aaron say there was a large conference on the front end to plan all of it out. He said it sounded to him like Aaron was walking through another implementation without fully thinking it through on the front end and what it is that they want it to do and whether or not it makes sense to stay with the legacy system until they are ready to roll out.

Aaron Meyers stated it wasn't a decision given to the IT staff. The task was assigned. They were told this is what they had to do and this is the time they had to do it without defining resources.

Commissioner Holland asked that they not interpret his statement as criticism of the IT staff. It is a management responsibility to see that this planning takes place.

Aaron Meyers stated they voiced their concerns about the timeframe, and he did personally express concern on the hardware side when Josette was still with OSAC. Aaron stated he kept voicing those concerns, and Bob and Vic took them forward; they heard him say he didn't think they had the hardware to run the application and he needed money for servers. They were able to take remaining money from the OCF grant and order a server, and he hoped it would be efficient. Up until that point, they were hoping that it would be efficient, but that's not the way one would want to do it.

Commissioner Howard stated he goes back to what Commissioner Holland said to Bob Brew, that it needs to be all sorted out. The Executive Director needs to do it, and they need to hold him accountable. The only thing he would add is he hopes Bob will hold his staff accountable for their part as well.

Bob Brew agreed absolutely.

Student Commissioner Castaneda stated it seemed like there was a lack of conversation happening with IT staff and to make sure they gave input on what was needed.

Chair Weeks stated he agrees with Commissioner Holland's recommendation that Bob Brew needs to pull the team together to get it done and make sure they have the hardware and software available. They

need to figure out how to keep the Commission better informed about this. The surprise factor is something that's been hard to deal with. They didn't know anything about the object-oriented vs. relational database; they didn't have anybody say to them until today that even if everything worked correctly they couldn't run it because they don't have the hardware.

Aaron Meyers stated he did send an email stating he hoped it would run. In the beginning with the hardware they had in place, he didn't feel comfortable that it would be able to run the application.

Chair Weeks stated those are the kinds of things that have popped up that they didn't know anything about. That is what's difficult for them as a Commission. IT staff are the ones who have to manage it and administer it. As a policy board, it's difficult for the Commission to have those kinds of things coming to the table.

Chair Weeks asked Bob Brew if he feels he has a good grasp of what they would like him to be doing.

Bob Brew replied he does and he proposed sending an email update to the Commission every Friday, specifically on the Scholarship application about what's going on with the current process and going forward. He encouraged anyone with questions to call him and follow up.

Chair Weeks stated there are some important lessons in the work that Pete and staff have done for the Grants development. It's been hard to suffer through the Scholarship development, and they don't want to suffer through it all over again on a much larger scale with the Grants system. There are some good directional signs and instruction for the Grants program.

Bob Brew stated that if the project had started on his watch it would have been managed much differently. Going forward, he will pull together the group and bring in some outside expertise. There's a lot of ownership in this room, and he thinks they need some objective voices. That will be a critical part of going forward.

Chair Weeks thanked Pete for holding a really good conversation, a really hard conversation. He thanked the IT staff, saying he appreciates their attending the meeting. He stated they are trying to deal with the situation without banging them around the head on it. The Commission is looking to get to the bottom of what's happening and what they need to do in the short and long term, and they reply on the candor of the IT staff, as well.

PUBLIC COMMENT

No public comment.

OTHER BUSINESS AND ADJOURNMENT

Chair Weeks called for other business to come before the commission at this time. There being no further business the meeting was adjourned at 11:56 a.m.

Respectfully submitted,

Approved by the Commission at Meeting # 430 - June 7, 2013

Gary Weeks, Chair
