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[AGENCY 13]

SENATOR HARMS: Do we have anyone else who would like to speak on behalf of Agency 48? Seeing none, this closes the hearing on Agency 48. We'll open with Agency 13, Department of Education. [AGENCY 48]

MATT BLOMSTEDT: Well, good afternoon, Senator Harms. [AGENCY 13]

SENATOR HARMS: Welcome, Matt. [AGENCY 13]

MATT BLOMSTEDT: I am Matt Blomstedt. I'm the Commissioner of Education. Blomstedt is spelled B-l-o-m-s-t-e-d-t. As I like to tell people, my ancestors couldn't afford an extra vowel, so we just got one of those O's in there. But the reality is I'm here to actually thank you for your efforts in reviewing our deficit request. In particular, thank you for the...addressing the issue of school breakfast entitlement; addressing the excellence...the cash-funding of excellence in teaching surplus, and also the professional practices compensation piece for that effort. Also, I really appreciate the effort of the Appropriations Committee to look at examining poverty in LEP plans as part of the school finance formula. I'll give you a little bit of insight on that front. That's part of the school finance formula, but a part of that work, the intention is that it obviously impacts school finance but it also was intended that that effort would inform us about what really works in poverty and LEP environments. And so there has not been much committed to that effort. In the past there was actually a high-needs coordinator that was part of that original effort. That funding was removed. Really appreciate that you've considered that and taken that in consideration for the budget moving forward for this deficit request. I will tell you it gives us an opportunity to talk about what the future looks like with the Department of Education and how we begin to look at what the goals of the education system are and ultimately how we invest in key and critical systems. And I will tell you, school finance, as you all know, is a key and critical system to the state of Nebraska, a key and critical system to the school districts. Part of our efforts are to

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begin to really examine that from a policy perspective, and this is a good beginning first step. If you look at how the Department of Ed is organized, I mean I hear the numbers, basically we're around 70 percent federally funded. And I will tell you many of our key systems are actually funded by federal dollars, and this concerns me and here's why. It concerns me because when we do assessment, it is funded largely by federal funds. When we do data systems, it is funded largely by federal funds. And I think the department has done a remarkable job of leveraging that for what Nebraska actually needs. My concern for the future is, will the federal government continue to be part of that conversation with us as we build what we want and as we continue to invest in systems that ultimately we need to improve education? So I'm going to foreshadow a little bit about where I think we need to go. I want you to look basically at one of the things that was not funded in your request, was a software licensing agreement for some software that's called eScholar; eScholar is actually part of our underlying data system where we're able to organize data for the important work that we have to do: school accountability, school improvement. I would like you to reconsider that and take another look at that as part of a key and critical system that we need at the department. Roughly, I forget the exact number, but it's roughly \$160,000 on an annual basis for that software licensing and, again, part of that key data system that we have to be able to run at the department. We cannot use...we have a longitudinal data system grant. We cannot use federal funds to supplant the work that we've had in the past, so I'd like you again to go ahead and look at that as one of the things that you might go ahead and give further consideration to. There's another element that we had in our deficit request which is actually on the early childhood side. And this particular issue, as there's many, many very good things going on in early childhood, but part of the request from the department was that you would look at allowing us a certain amount of money for, essentially, capacity within the department to begin to build and evaluate and coordinate the efforts of early childhood. And I think what the request was, and I say I think, I believe it was around \$95,000 out of existing appropriations, that instead of that being distributed to the program itself that we could actually use that to help us build the capacity necessary for the future. Foreshadowing kind of the future of these things, as

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we look at building our next biennium budget, we'll have these types of requests in there. I will tell you that my approach is always to look at critical systems, critical systems that we have to make strategic investments in. And we'll continue to do that as our budget planning. I really appreciate the opportunity to present these two options, additional issues to you for your further examination. And I certainly would take any questions that you had. [AGENCY 13]

SENATOR HARMS: Thank you, Matt, for your testimony. Do we have any questions? Senator Nordquist. [AGENCY 13]

SENATOR NORDQUIST: Yeah. Thank you, Matt, and congratulations on the position. [AGENCY 13]

MATT BLOMSTEDT: I think they're still saying congratulations. [AGENCY 13]

SENATOR NORDQUIST: Yes, that's right. [AGENCY 13]

MATT BLOMSTEDT: I'm not positive all the time. [AGENCY 13]

SENATOR NORDQUIST: (Laugh) On the eScholar funding, can you kind of walk through what...is this an enhancement or this is a change in contract or what's driving the cost? [AGENCY 13]

MATT BLOMSTEDT: Yeah. Yeah, I'll walk you through. Essentially, it's been a program that's been in place in the past. We haven't changed funding sources for this for a variety of reasons, not all completely clear yet in my new mind here. But the reality is, as we shifted that away, the request went to General Fund instead of some other grant funding sources that had been there in the past. And I believe that there's also some efforts within that eScholar process that actually have more enhancements that probably weren't being used as effectively as we now could, knowing what the data

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demands may be for the future, and helping school districts really be able to warehouse their data and then pull it back out for other purposes that they might use for school improvement, so. [AGENCY 13]

SENATOR NORDQUIST: Uh-huh. Great. Thank you. [AGENCY 13]

SENATOR HARMS: Thank you, Senator Nordquist. Senator Conrad. [AGENCY 13]

SENATOR CONRAD: Thank you so much. In our preliminary review, we were looking over one of the department's requests, and that was for General Funds to replace federal funds related to the loss of a competitive grant when it came to a school health specialist. Do you have any information as to why Nebraska was not successful in securing that, that grant? [AGENCY 13]

MATT BLOMSTEDT: I actually don't. [AGENCY 13]

SENATOR CONRAD: Okay. [AGENCY 13]

MATT BLOMSTEDT: I'll have to get that information for you, so. [AGENCY 13]

SENATOR CONRAD: That would be great. [AGENCY 13]

MATT BLOMSTEDT: Uh-huh. [AGENCY 13]

SENATOR CONRAD: Appreciate that. Thank you. [AGENCY 13]

SENATOR HARMS: Thank you, Senator Conrad. Do we have any other questions? Matt, anything else? [AGENCY 13]

MATT BLOMSTEDT: That's all. Thanks for taking it easy on me. [AGENCY 13]

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SENATOR HARMS: Okay. Thank you very much for your testimony. Do we have anyone else who would like to speak on behalf of Agency 13? [AGENCY 13]

BRYAN ALSUP: (Exhibit 3) Thank you, Senator Harms and committee members, for allowing me to speak with you today. My name is Bryan Alsup, B-r-y-a-n A-l-s-u-p. I'm a strategic alliance manager with Microsoft Corporation. I'm here today to talk with you about a program that we've just started having high-level discussions with a number of you, with Commissioner Blomstedt about, that we have had great success with in other states. And I'm hoping to gain your support in bringing this program to the great state of Nebraska. The program is called IT Academy. IT Academy is a set of cloud-based content, curriculum, and tools that we've created because, as the largest software manufacturer in the world, employers are coming to us on a regular basis, telling us that they're having challenges in finding qualified candidates to fill technical-based jobs. We at Microsoft ourselves have 3,000 openings currently available that we're having a challenge filling. In a recent poll that I did from one of the popular job sites, Nebraska currently has 1,600 positions open that are asking for Microsoft skills ranging from anything from an office worker to an IT administrator. Approximately half of those jobs are starting salaries above \$60,000 a year, so these are high-paid, technical jobs. We've had success. If you look in your packet, on the left-hand side, the second document, you'll see that we have brought now IT Academy to 11 states that have deployed IT Academy in one fashion or another at a statewide level. When I say "in one fashion or another," some states have chosen to deploy this to high schools, some have chosen to include high schools and community colleges. I have a state that has done both of those as well as work force development centers. And then most recently we've seen one state add to...public libraries as well into the program. What the program allows a student to do is we start with the curriculum that's basic computer literacy and privacy, all the way up through multiple tracks where you can achieve over 100 certifications at a variety of levels, everything from things that would qualify you to be an office administrator leveraging our productivity tools that we have 90 percent market

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share with today, all the way down to the more technical roles where you'll see a student that's interested in computer science and engineering taking things either in the IT administration, software development, database administration categories, going on to community colleges and even four-year universities. So we've tried to create a broad curriculum, an offering that addresses a variety of needs. Even companies like UPS are coming to us and saying our drivers, because of the tracking devices that they now have in trucks, need technical skills. While this is not a program that is...it is a program that's focused on Microsoft technologies, it's not limited to that in that it teaches students and gets them interested in technology in general and helps them become technology proficient. As you'll see in your folder, the third document on the left-hand side is an economic development brochure from the state of North Carolina. North Carolina was the first state that joined the program four years ago at a statewide level. In that four-year term, they have now graduated over 100,000 students that have received certification from the program. They feel so strongly about the success of the program that in this four-page economic development brochure they have specifically called out Microsoft IT Academy to encourage employers to bring their businesses to the state of North Carolina, stating that they have a job-ready work force. I think this program could definitely be a success in the state of Nebraska. We highly subsidize this program and we'd like your support in bringing it to the state. With that, I'll open up to questions. [AGENCY 13]

SENATOR HARMS: Thank you for your testimony, Bryan. Do we have any questions? Bryan, I have a couple I'd like to have you walk us through. [AGENCY 13]

BRYAN ALSUP: Yes, sir. [AGENCY 13]

SENATOR HARMS: Let's talk a little bit about the cost... [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

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SENATOR HARMS: ...and then after that talk a little bit about how you go about training the trainers... [AGENCY 13]

BRYAN ALSUP: Sure. [AGENCY 13]

SENATOR HARMS: ...and then also how we tie into the community colleges. [AGENCY 13]

BRYAN ALSUP: Absolutely. So the cost, we'll address that first. The way that we license this is in a subscription model. The price for the state of Nebraska would be roughly \$1,600 per year, per site. A site is a high school, and a site...anyone that has access to that site, whether that be a student, faculty, staff, janitorial, even parents that have access to that building can take advantage of the program. It can be self-study or classroom led, a combination of both. We find that success is...we're most successful in a hybrid environment where the classroom-led situation is taking place and then the student is leveraging this at home. It's a little difficult to answer your question accurately on the cost of the program because it depends on how you deploy it. We can put testing centers at community colleges only. We can put testing centers at every school in the state. The testing centers change the...adjust the cost of the program. Let me give you an example of the most recent state that I worked with, which is Iowa. Iowa just started into the program as of July 1. They went through a process of allowing schools to opt into the program. They originally funded enough budget for 150 sites with 100 of those being testing centers. That, the money that they appropriated for that program to cover that number of schools, was a half a million dollars. Out of that half a million, they also chose to hire a coordinator for the program that was representing the state, so it left a little over \$400,000 available to fund the program with 150 sites and 100 testing centers. If that...I hope that gives you some example. Other states, you know, I've had questions before on does the cost of this program change. It doesn't change over time, but if what you and I both want to occur happens, your expenditure will go up because we'll have more students getting certifications. The North Carolina example that I mentioned, they

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started off with only a few hundred students getting certified in year one, as they rolled out the program. And as I've said, now in year four they've crossed over 100,000 students that have been certified. Your question was how do we train the trainer. We have done a couple things in this regard. When we do this at a statewide level, it allows me the ability to bring my deployment team to the table. The program can be acquired by a school on their own. When we do it at a statewide level, it allows me to bring things to the table that I can't do otherwise. So I bring a deployment team to the table that does curriculum alignment with any existing programs that you have, and we do train the trainer sessions to get the teachers up to speed and capable of teaching this program. The other thing to mention about the program is that it's being used for professional development. My...I live in St. Louis. My daughter happened to go to a nice school that had technology available to them. She would come home and tell me that the technology was not being used in the classroom, the reason being the teachers weren't comfortable with it. So how do we get our teachers to be more comfortable with technology? This program allows that to the point that we've created a separate certification track called the Microsoft Certified Educator. That's geared specifically towards teachers and professional development and allowing them to distinguish themselves from their peers with the technology abilities that they have in the classroom. [AGENCY 13]

SENATOR HARMS: Are you the only one that provides this kind of program? [AGENCY 13]

BRYAN ALSUP: So we are the only one that has this type of program at the K-12 level. A couple competitors, being Google or Cisco, have programs that are designed for certification for people that are already in the work force as IT professionals. We welcome others to join this. I run into my counterparts--it's a small world--I run into my counterparts from Apple in the capitol rotundas as I travel around. They would love to have a program like this. We encourage them to do so. I would point out that our testing partner that we use is Certiport Pearson. They do certifications for other manufacturers.

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So if you put in a testing center and other manufacturers create a program and choose to leverage them, I know they work with Adobe, they do the Cisco testing, so those testing centers can be leveraged for other technologies. I'll go back to Iowa. In Iowa the same question was posed. There was a concern up there because Google does have a big datacenter in Iowa, so there were some senators that were interested how does Google feel about this. They went and asked both their Google representatives as well as their Apple representatives, and they were both supportive of the state signing on to Microsoft IT Academy, stating that if we get a student interested in technology and start them down the right path, getting them educated in one set of technology, it's easy to move them to the other manufacturer. So they were supportive because they see it developing potential job candidates for their products as well. [AGENCY 13]

SENATOR HARMS: When you certify someone who's completed this course of study, how do you go about that? Is that a...what kind of a testing process goes through,... [AGENCY 13]

BRYAN ALSUP: Right. [AGENCY 13]

SENATOR HARMS: ...I mean so we can have a better understanding; that it's pretty technical. [AGENCY 13]

BRYAN ALSUP: Sure, yes, it absolutely is. We didn't want this to just be a check box where you were printing off your own PowerPoint slide and saying, yea, I'm certified. So we worked, as I said, with an independent organization called Pearson Certiport. They test in the product itself. So when I go to take the exam, I'm not sitting, doing multiple choice with one answer popping out to me to be the most likely. You're actually being tested in the product, so you have to be proficient. You have to know how to get the task done. It's a meaningful exam and it allows students to be...to distinguish themselves, once they go to apply for a job, from a candidate that doesn't have the same certification. [AGENCY 13]

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SENATOR HARMS: When a state approves this kind of program and gets it established, who in the state controls the program? Is that in the State Department of Education and the community colleges? I mean how does that...how does that work? [AGENCY 13]

BRYAN ALSUP: So we've seen it handled in a variety of different ways depending on the state's structure, their legal issues as well as who they would like to lead. In Iowa, the Governor's STEM Council is taking point on this to deploy with the community colleges and with K-12. You have a strong community college system here in Nebraska. I could certainly see them taking the point with this program. But in any of the states that we've worked with, regardless of who's on point for owning the contract and handling the T's and C's of the program, it takes a group of both community colleges, high schools, if work force development is in there, to align it, to deploy it, and to manage it moving forward. [AGENCY 13]

SENATOR HARMS: How does the nontraditional adult who lives out in rural America, where I live, plug into something like this, because trying to go to the school, public school, is probably going to turn them off. I don't know. Could you explain that to us, please? [AGENCY 13]

BRYAN ALSUP: Sure, absolutely. So I mentioned Arkansas. Arkansas is another one of my states in my territory. They chose to drive this through their work force development centers and they started...the work force development is leading the program. It's included in their high schools as well, but work force development is leading it and they're doing that because they have so many displaced workers, so many workers that need to be retrained for a new career. And so work force development is handling that. I mentioned in Washington and in Hawaii, those two states have chosen to make this available to any citizen just as a tool in the public library. The effectiveness of that is...you know, hasn't been measured. We can certainly measure it in the other aspects

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where it's been deployed in high schools, community colleges, and work force development centers. But that's just another way of tackling the beast. So there are many ways to handle this. The great thing about the program is we can structure it to fit the students' needs and whatever deployment mechanism you choose. [AGENCY 13]

SENATOR HARMS: Thank you for your testimony. Any other questions? [AGENCY 13]

BRYAN ALSUP: Thank you. [AGENCY 13]

SENATOR NORDQUIST: Yes. What are the most popular certifications that people are pursuing? [AGENCY 13]

BRYAN ALSUP: So at the high school level, we typically see the Office applications and the Desktop applications operating systems being the most popular because it covers the broadest range of students. Learning Office, as I say, we still have 90 percent market share with Microsoft Office today. So the likelihood of you graduating either from high school, community college, or higher and going to an employer that's leveraging our tools in their business at the Desktop level is extremely high. The other paths are geared more toward those students that are interested in going on to a computer science or engineering degree. I think getting them...showing them some of the simpler classes, though, some of the easier ones than those technology paths, I highly encourage that because it will get them more interested in moving along. One of the things to point out is that only...our numbers show that only 21 high schools in the United States are currently offering AP-level computer science classes. With the number of job openings and the requirements and the amount of pay that these jobs offer, that's quite sad. One of the challenges that students have is, how do I fit this into my day; I've got mandatory requirements that I have to have. Computer science is usually an elective. So what we've seen in some states recently is that they have made Microsoft IT Academy and computer science classes apply towards a math requirement. And that's a trend that we're seeing grab hold and that, I think, will go a

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long way to exposing more students to technology, Microsoft specifically. [AGENCY 13]

SENATOR NORDQUIST: In the...real quick, in the states that...maybe the two that you're in the library or maybe it's through the community colleges, have you seen private sector employers, say, utilize this by sending employees there to get additional training, additional professional development? [AGENCY 13]

BRYAN ALSUP: Some of that. It's hard for us to track that. It's easy to track the metrics for the students that are coming up through K-12... [AGENCY 13]

SENATOR NORDQUIST: Uh-huh. [AGENCY 13]

BRYAN ALSUP: ...and go in a community college. It's harder for us to track whether an employer is sending someone to the community college specifically for that. The other question that I get asked is, can you attribute direct jobs to being, you know, the result of being in this program? The answer is, no, I can't because no one tracks a student after they graduate. What I can tell you is that in your packet there is a study from Florida that's been conducted. They have a program called CAPE. The CAPE Program tracked students that were not in CAPE, those that were in CAPE without IT Academy, and those that were in CAPE with IT Academy. And what they saw was a rise in GPA and graduation rates for those students that were in the CAPE Program with Microsoft IT Academy. We believe that's because it hits the sweet spot with where our kids are today. So to answer your question, I don't know if employers are sending them to the community colleges specifically for looking at that. I'll backtrack a little bit on that, because in the state of Illinois, they have a large manufacturer of farm equipment that they actually...the manufacturer asked the schools to do their curriculum alignment with Microsoft IT Academy for specific needs, job skills that they needed, when a student graduated, to go to work for that manufacturer. So there's a case where the curriculum was being influenced by the employer. They weren't sending the employees directly to a community college. They were starting it at a younger age. But there was a direct

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involvement from the employer, knowing that this provided...helped to provide the skills that they were looking for. [AGENCY 13]

SENATOR HARMS: Thank you, Senator Nordquist. Senator Conrad. [AGENCY 13]

SENATOR CONRAD: Thank you, Bryan. Thanks for coming in. I was looking over your materials here. So on the last page of... [AGENCY 13]

BRYAN ALSUP: Yes. [AGENCY 13]

SENATOR CONRAD: ...of this document here is basically what your recommendation would be for the price tag for a statewide comprehensive... [AGENCY 13]

BRYAN ALSUP: Not necessarily a recommendation. [AGENCY 13]

SENATOR CONRAD: Okay. [AGENCY 13]

BRYAN ALSUP: Just an example. []

SENATOR CONRAD: Just an example, okay. [AGENCY 13]

BRYAN ALSUP: Okay. We just...that is a number of polling what the quantity of high schools in the state of Nebraska are today, and applying one license of IT Academy to each of those. As I said, we can start into this program and ramp up. You can start with a Cadillac if you choose. North Carolina, for example, they chose to license all high schools at one time. In Iowa, they did an opt-in program and started off with 150. Now I will tell you that they've already run out of those 150 and, as they're going through their legislative session at this time, they're looking to increase the funding for the program going into year two. [AGENCY 13]

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SENATOR CONRAD: Okay. So if not a recommendation, just an example, this example would represent a Cadillac example. [AGENCY 13]

BRYAN ALSUP: So that recommends...that represents covering all high schools and I believe that example also includes one license for the DOE. [AGENCY 13]

SENATOR CONRAD: Yes, that's right. [AGENCY 13]

BRYAN ALSUP: Certifications, so a certification average price is about \$7.50 per test. We get into discussions about where should the testing centers be. Would you hold them at all of your locations? Would you hold them at community colleges? So to get to an accurate price for the state of Nebraska, we would need some discussions and input and feedback from you on how you would like it structured. I would say the Cadillac system, if you covered every one with certifications and with an IT Academy license, that you're talking in the \$1 million range annually. [AGENCY 13]

SENATOR CONRAD: Okay. That's helpful. And then I did have kind of a question as to the sites,... [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR CONRAD: ...the testing center sites. Why do those need to be physical? How does that look? [AGENCY 13]

BRYAN ALSUP: Right. [AGENCY 13]

SENATOR CONRAD: Why can't it happen when I'm sitting at home... [AGENCY 13]

BRYAN ALSUP: Yeah. [AGENCY 13]

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SENATOR CONRAD: ...on my laptop or desktop? [AGENCY 13]

BRYAN ALSUP: So IT Academy, you have the flexibility of doing that remotely. All I have to have is a computer, Mac, an Apple, a Windows-based machine that has a browser on it,... [AGENCY 13]

SENATOR CONRAD: Right. [AGENCY 13]

BRYAN ALSUP: ...not just a Microsoft browser but any of the popular browsers that are out there. [AGENCY 13]

SENATOR CONRAD: Great. [AGENCY 13]

BRYAN ALSUP: Basically, if I can watch a YouTube video, I can take the IT Academy curriculum at home or wherever I'm at. We recommend a hybrid model of classroom-led and at-home study. Testing, to ensure that there are no cheats or violations during the testing process, that does require a PC at a facility of some sort. Now you don't have to have every site licensed as a testing center, so I could start with my community colleges being my testing centers. Students could still, in high school, in any high school across the state, be taking classes and curriculum, and then go to the community college for their testing. So that's where we get into the dialogue about how should this be structured for the state, and that impacts the cost. [AGENCY 13]

SENATOR CONRAD: That's really helpful. I'll tell you, I'm intrigued by this idea as the Legislature had made some investments in recent years in bridge programs,... [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR CONRAD: ...which are similar in terms of job training and providing that very

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tangible certificate. Something to build the resume, something to take those skills, whether it's at the point of graduation or if a student can't complete a program,...

[AGENCY 13]

BRYAN ALSUP: Correct. [AGENCY 13]

SENATOR CONRAD: ...that's very valuable, I think. And we have at least some recent investments and dialogue in that regard that have been maybe helpful to this effort.

[AGENCY 13]

BRYAN ALSUP: It's tangible, it's quantifiable, and it's fairly immediate. We've already trained, as I say we went through the process in Iowa, we've already trained 162 educators up there to start delivering this program. [AGENCY 13]

SENATOR CONRAD: Uh-huh. [AGENCY 13]

BRYAN ALSUP: They will begin having students get certified at the beginning of school year next year. So this...we can ramp this up, with enthusiasm from the state. We've had the ability to get this program up and running, teachers trained, and to the point of certifications being delivered in three months' time frame. Because it's cloud-based, there's not a lot for us to deploy. [AGENCY 13]

SENATOR CONRAD: Right. [AGENCY 13]

BRYAN ALSUP: The other benefit of it being cloud-based is that as we develop a new technology, for example, our Office 365 cloud technology is relatively new. We were able to deliver new content and curriculum for the teachers in a matter of weeks to a couple months for those new technologies. It saved the teachers in the time that it takes to develop to do the research and develop and create the content. It provided them with tools that were consistent across other locations. So there's a great deal of benefit that

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we get from this being a subscription cloud base, rather than having to install it at a local school on a PC. I will mention, too, as part of our state offering, we bring other content to the table that we don't provide when a school acquires this one off. For example, for every school, every site that licenses the program, I'll provide 50 copies of Microsoft Office to be used in a lab environment. We provide another program that we have that basically gives the student access to all of our development tools free of charge. Those are value-adds that we bring to the table. If you purchased everything that's in IT Academy individually, it adds up to about \$53,000 per site, where we're charging--so this is heavily subsidized--we're charging \$1,600 a year. [AGENCY 13]

SENATOR CONRAD: And then with your experience in some other states, have the states that have done this very well or has any state, for that matter, entertained kind of an additional public-private partnership? I understand that Microsoft is a private partner that's subsidizing the program, but... [AGENCY 13]

BRYAN ALSUP: Right. [AGENCY 13]

SENATOR CONRAD: ...I could see this as being an attractive option with chambers of commerce or what have you with the identifiable skills gap issue and... [AGENCY 13]

BRYAN ALSUP: It's absolutely a very great way of helping to fund this. In looking at it, we've had several of our states that have approached that. I will tell you, my states are some of the newer ones that have joined the program. I'm not...I'm in the central U.S., so what my counterparts have done on the East, where we've been very successful, I'm not familiar with all of the details, but I do know that there has been some private funding that's helped out in some cases. [AGENCY 13]

SENATOR CONRAD: Okay. Thanks. Thank you. [AGENCY 13]

SENATOR HARMS: Thank you, Senator Conrad. Senator Bolz. [AGENCY 13]

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SENATOR BOLZ: Good afternoon. [AGENCY 13]

BRYAN ALSUP: Good afternoon. [AGENCY 13]

SENATOR BOLZ: Two questions, if I can. The first is I'm really intrigued by the partnerships with the work force development centers. [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR BOLZ: And I hear where you're coming from in terms of skills for the future and high-demand jobs. Nebraska is somewhat unique in that we have great labor participation. We have a significant number of folks who are in underskilled jobs or lower skilled... [AGENCY 13]

BRYAN ALSUP: Correct. [AGENCY 13]

SENATOR BOLZ: ...or are underemployed. [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR BOLZ: My experience with these kinds of programs is that the people most in need of a lower level, an entry level certificate like this, are also the folks who are most in need of the more hands-on support to be successful. They might need a little bit of remediation. [AGENCY 13]

BRYAN ALSUP: Sure. [AGENCY 13]

SENATOR BOLZ: They might need to get brushed up on their English or their math. And so more of a hands-off project like this one raises my radar. Can you address that

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issue for me? [AGENCY 13]

BRYAN ALSUP: Sure. People learn in different ways. It's basically what you're pointing out. Some people need more handholding than others. And so how does a work force development center do that versus a high school where you're already in a teaching environment? I think, you know, what I've seen, I will tell you, in Houston what I've seen is they created parent centers for...they have a large Hispanic community, non-English speaking. They created parent centers that allowed parents to come in, participate with students and teachers at the high school level, and leverage the tools of IT Academy as well as other tools to reach certifications in both the IT Academy solution but also work on solutions such as just English language skills. So there's been a variety of ways that this issue has been tackled. State dynamics certainly impact that, the decisions on how to proceed. I would happy and welcome bringing my deployment team to the table and allowing them to discuss with you how we've done this in other states, and that would probably provide some good insight. I get to come and talk to folks like you and then the rubber meets the road with another team that I bring to the table. So I think to provide you with the insight that you're looking for, it would be better for me to have someone else talk to you. [AGENCY 13]

SENATOR BOLZ: Okay. And my second question is, I think Senator Harms and I probably agree we've got some of the best community colleges in the country. I think we've got some incredible educators... [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR BOLZ: ...in the state of Nebraska. I think you'll find Nebraskans to be thoughtful and strategic in terms of education and work force education skills development. And so I guess I'm just curious, have you built a coalition of folks to think that this is the right fit for the Nebraska circumstances? Have you built the relationships with folks who say this is needed and... [AGENCY 13]

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BRYAN ALSUP: Right. [AGENCY 13]

SENATOR BOLZ: ...something that works for us? [AGENCY 13]

BRYAN ALSUP: So we've started the top-level discussions just recently and we're going around, just informing people about the program, what it brings to the table. We still have work to do there. [AGENCY 13]

SENATOR BOLZ: Uh-huh. [AGENCY 13]

BRYAN ALSUP: So building that coalition and sponsorship is taking place. [AGENCY 13]

SENATOR BOLZ: Uh-huh. [AGENCY 13]

BRYAN ALSUP: And this was a great opportunity today for us to speak to you about it, but we've still got work to do. [AGENCY 13]

SENATOR BOLZ: Okay. Thank you. [AGENCY 13]

BRYAN ALSUP: You're welcome. [AGENCY 13]

SENATOR MELLO: Senator Harms. [AGENCY 13]

SENATOR HARMS: No, I'm just getting over here (inaudible). (Laughter) [AGENCY 13]

SENATOR MELLO: Oh, okay. All right. Senator Nelson. [AGENCY 13]

SENATOR NELSON: Welcome back, Senator Mello. [AGENCY 13]

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SENATOR MELLO: Good to be back. [AGENCY 13]

SENATOR HARMS: Yeah, glad you're here with us. [AGENCY 13]

SENATOR NELSON: In Illinois, the large equipment manufacturer, they're encouraging the schools to set up this program... [AGENCY 13]

BRYAN ALSUP: Yes. [AGENCY 13]

SENATOR NELSON: ...and the colleges. [AGENCY 13]

BRYAN ALSUP: Yes. [AGENCY 13]

SENATOR NELSON: Is this available to that manufacturer itself? If they wanted to do it, they could hire people and then train them through that system? [AGENCY 13]

BRYAN ALSUP: Currently, we're only providing this solution to education institutions. [AGENCY 13]

SENATOR NELSON: Okay. [AGENCY 13]

BRYAN ALSUP: And the public libraries that I mentioned happen to qualify as part of an education infrastructure. So today, no, an employer, a commercial customer of ours does not have the access to the program. Could that change? Certainly. We're not having...that's not been the focus for the program in the short period of time that we've had it out. It is important, though, in Illinois, they, for STEMM in Illinois, they added a second M because it's science, technology, engineering, math, and manufacturing, because they do have so many manufacturers. And so they've found that a lot of the work force that they need doesn't need to go on to higher education. They encourage

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them to, but the requirements that they have doesn't require it. What they really need is the technical foundation and then the focus, the specific focus of what they're working on for their business, to accomplish their business needs. IT Academy fit right into that. And what we provide is a framework of a lesson plan that can be customized by the educator. And so they were able to take that lesson plan and the content that we have and tune that to fit Caterpillar's needs. [AGENCY 13]

SENATOR NELSON: This is set up in a high school? Is it generally in connection with computer science? Is it kind of a separate class and you work at your own speed... [AGENCY 13]

BRYAN ALSUP: Right. [AGENCY 13]

SENATOR NELSON: ...or you finish it in certain amount of time? How does that work? [AGENCY 13]

BRYAN ALSUP: Yes. So, as I mentioned, you can take this as a self-paced class and go at your own speed. Where we've seen the most success is doing it in a hybrid model where I have classroom-led instruction taking place. And where that lands in the high school itself is something that you can debate. Could be in an existing computer science program. With the Office applications, it could be in a business program, right? If I'm going on to a four-year university to study business, knowing Excel is a critical need at this point in time. And so learning this, where it should land is a discussion that we would need to have with you. And that's what my deployment team does is they help do that curriculum alignment so that we're not creating a standalone solution, per se. We're aligning it to something that you've already got taking place in the state of Nebraska. [AGENCY 13]

SENATOR NELSON: Thank you. [AGENCY 13]

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BRYAN ALSUP: You're welcome. [AGENCY 13]

SENATOR MELLO: Any further questions from the committee? Seeing none, thank you.  
[AGENCY 13]

BRYAN ALSUP: Thank you very much. [AGENCY 13]

SENATOR MELLO: Is there anyone else wishing to testify on Agency 13, the Nebraska Department of Education? Seeing none, that will close today's hearing on Agency 13 and take us to our first bill of the day, LB944 by Senator Bolz. [AGENCY 13]