November 3, 2011

Senator Alberta Darling, Co-chair
Joint Committee on Finance
Room 317 East, State Capitol
P.O. Box 7882
Madison, WI 53707

Representative Robin Vos, Co-chair
Joint Committee on Finance
Room 309 East, State Capitol
P.O. Box 8953
Madison, WI 53707

Dear Senator Darling and Representative Vos:

Following up on our original section 13.10 request dated August 30, 2011, we understand that additional information was requested by the committee regarding the statewide student information system. Therefore, we are submitting this revised request for consideration by the Joint Committee on Finance at its convenience under Section 13.10, Wisconsin Statutes.

Summary of Request

We request the release of $15,000,000 GPR in FY12 from the Committee’s general purpose revenue appropriation under 20.865 (4) (a) to establish a student information system to collect and maintain information about pupils enrolled in public schools, including their academic performance and demographic information, aggregated by school district, school, and teacher. These funds were placed in the Committee’s appropriation in 2011 Wisconsin Act 32, the 2011-13 biennial budget, to be considered for release upon request by the Department of Public Instruction and the Governor. Per Section 9137 of Act 32:

“The state superintendent of public instruction shall submit a plan for the expenditure of moneys appropriated under section 20.255 (1) (e) of the statutes, as created by this act, in the 2011-12 fiscal year to the governor for his or her approval. By October 1, 2011, the state superintendent and the governor shall submit the approved plan to the joint committee on finance for its approval.”

The approved funds would be transferred to the appropriation s. 20.255(1) (e) in the department, as created for this purpose in Act 32.

Student Information System

A student information system (SIS) is a software application that functions as the core operational system for a school district, similar to a customer management system for a private sector business. Every district and 2r charter school in Wisconsin uses their own SIS to help manage and track pupil data. The systems
vary in complexity from simple database tracking systems to more robust, user-friendly programs that integrate modules that handle the admissions process, create class and teacher schedules, maintain absence and discipline records, record pupil and parent communications, maintain pupil health records, and track records of tests, assessments, grades, and academic progression.

Districts also utilize their SIS to comply with reporting requirements of both the state and federal governments while maintaining confidentiality of pupil data. Based on survey results from more than 100 school districts, the department estimates that the cost to districts to license their systems is more than $8.3 million annually and the cost to enter data required for state and federal reporting is more than $31.9 million annually. The department believes that districts will be able to either save this money or focus on instructional needs by moving resources to the classroom.

**Background of the Statewide Student Information System (SSIS)**

In 2011 Wisconsin Act 32 the department was directed to work with the governor’s office to establish a statewide student information system to collect and maintain information about pupils enrolled in public schools, including their academic performance and demographic information, aggregated by school district, school, and teacher.

2011 Wisconsin Act 32 also directs the department to ensure that within 5 years of the establishment of the system every school district is using the system. The state superintendent was given the ability to charge a fee to any person that uses the system. All fees shall be credited to the department’s appropriation account s. 20.255 (1) (j).

**SSIS Advisory Workgroup**

After the release of the Governor’s proposed budget, the department organized a Statewide Student Information System Advisory Workgroup (Workgroup) charged with gathering information to create a recommendation to the State Superintendent on the steps which should be taken to implement a SSIS. The workgroup included members from school districts, CESAs, private schools, and the department.

The group gathered documents, communicated with other states’ education department staff who manage such systems, and collected information from potential vendors. The focus of the workgroup was to learn of best practices as they relate to procurement, functionality, deployment and implementation, on-going maintenance and support, infrastructure, and other related topics. The workgroup leveraged experiences of other states and individual school districts in Wisconsin in order to make the best possible decisions for the state.

As part of their work, the workgroup developed and released a request for information (RFI) in coordination with the Department of Administration. Seventeen vendor responses were received.

**RECOMMENDATIONS**

**Recommendation – Software Solution**

We are recommending that the department procure a single software vendor solution to provide a centralized system for all districts. The workgroup held meetings with many other states that pursued the SSIS solution. Most chose a single vendor to provide their solution. Based on other states’ experiences,
we believe the combined purchasing power of Wisconsin’s 871,000 students will provide the most cost-effective solution for the state. The benefits of centralizing the system data into one place as well as the integration into other statewide systems are critical to the success of the project. Utilizing one central system will also reduce the labor of entering data required for state and federal reporting currently done by individual school districts. Data will already be in the system, no duplicate entry of data will be required.

The recommendation for a single software vendor solution, however, does not take into account the fact that there are districts that currently utilize a SIS that they currently do not pay for. In instances where this is the case our recommendation is that those districts receive an exemption and not be required to switch to the statewide system if their SIS can meet specific technical requirements. They would instead be allowed to interface their existing non-vendor SIS into the statewide system. A school district could qualify for this exemption if their current SIS meets the following criteria:

1. The district currently does not pay an SIS vendor for their SIS system.
2. The district can continue to meet current and future state and federal reporting in accordance with filing requirements including calendar dates.
3. The district can assign the Wisconsin student number as a unique ID in real-time.
4. The district can provide e-transcript electronic transfers to and from their system nightly.
5. The district can provide electronic data transfers for all required SSIS data fields nightly.
6. The district can create electronic record transfers to upload data into the state data warehouse that meets the same functionality of districts using the SSIS nightly.

In a survey conducted by DPI in September, there are currently five school districts, eight 2r charter schools, and two state schools that do not currently pay a SIS vendor for a SIS. Of these fifteen, only one school district has reported that they can meet the above six criteria.

<table>
<thead>
<tr>
<th>School Districts</th>
<th>State Schools</th>
<th>2r charter schools</th>
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<tbody>
<tr>
<td>Altoona</td>
<td>Department of Corrections</td>
<td>Bruce Guadalupe Community School</td>
</tr>
<tr>
<td>Herman</td>
<td>Department of Health Services</td>
<td>Central City Cyberschool</td>
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<tr>
<td>Kansasville</td>
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<td>Darrell Lynn Hines Academy</td>
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<tr>
<td>Tomah*</td>
<td></td>
<td>Downtown Montessori Academy</td>
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<tr>
<td>Washington</td>
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<td>Milwaukee Academy of Science</td>
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<td>School for Early Development &amp; Achievement</td>
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<td>Woodlands School</td>
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<td></td>
<td></td>
<td>YMCA Young Leaders Academy</td>
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</tbody>
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* Has indicated that they can meet the six criteria to qualify for recommended exemption.

**Recommendation – Preliminary Budget**

The department has begun the process to create a Request for Proposal (RFP) for the vendor selection. A preliminary budget has been created for planning purposes.

The majority of the $15 million dollars will be used to offset district costs for migration, data conversion, training, and staff costs. These costs will vary depending on the size of the district and whether or not the chosen SSIS vendor is the same vendor as their district’s current SIS vendor. The department estimates
that the cost to move 440 school districts and independent 2r charter schools to the SSIS will be $12,145,056, an average of $28,644 per district.

Given the five-year implementation period, an average of 85 districts will need to be migrated each year. The department will need a total of four staff for project management, business analysis, and communication to coordinate the migration efforts throughout the state. Assuming the use of an outside contractor at the state contract rate of $65/hour, each resource will cost $135,000/year for each of the five years of migration for a total of $2,700,000.

The SSIS data will be centralized in one operational system for state and federal reporting purposes. The system will be located within the Department of Administration’s facilities. The hardware and software to maintain this system should be included in the funding of the SSIS. The cost to maintain the system is expected to be $150,944 over the five year life cycle.

Recommendation – CESA and Other Vendor Support

While some districts prefer to receive technical support directly from the vendor, others may prefer to receive support through fee-based support from a CESA or an alternate vendor. These entities would become knowledgeable of the state implementation schedule and the impacts to the districts. Staff within these entities who provide direct support to districts would be required to become certified in the vendor software (if applicable) and maintain their certification according to vendor requirements. Certified staff could provide training and assist with application customization at the district level. These entities would attend and support user group conferences. Vendor proposals should address the role of these entities in the support of their product if such a relationship is included in their product service offering.

Recommendation – Governance and Support Structure

We are recommending the creation of a SSIS technical advisory group of representative stakeholders. The first task of the advisory group will be to be aware of and, where appropriate, assist in implementation matters. Other roles of the advisory body could include partnering in vendor communication and communicating general developing district needs to the vendor. The advisory group will also actively participate in user group trainings and meetings. It is anticipated that a key role of the advisory group would be to assist decision making around product and feature enhancements over the product life cycle.

Request for Proposal (RFP) and Implementation Timeline

As mentioned above, the department is currently developing an RFP for release. There are currently three districts (Kenosha, Milwaukee, and Waukesha) that the department has identified as “high priority” because their current SIS vendor is discontinuing their software beginning in the 2012-13 school year. These districts will be immediately migrated to the SSIS.

The projected implementation timeline is very aggressive; however, it is designed to ensure the system is available for the high priority districts to migrate to prior to the 2012-13 school year. The timeline is contingent upon the release of the $15,000,000 in funding by the Committee at the September quarterly meeting.

Aug 2011     Formation of RFP committee
Aug – Sep 2011 Creation and approval of RFP with assistance from RFP committee
Nov 2011     Release of RFP to vendors
Dec 2011  RFP responses due from vendors
Dec 2011 -- Jan 2012  RFP Committee scores vendor responses
Jan 2012  Vendor product demonstrations
Feb 2012  Notice of intent to award
Mar 2012  Respond to any appeals/objections
            Contract negotiated and signed
Mar -- Aug 2012  High priority districts migrated to new SIS which will include districts without a
                supported SIS.
Sep 2012  Go-live for first districts on SSIS
Sep 2012 -- Sep 2017  Migration of remaining districts to SSIS

The department will leverage other state procurement documents in order to efficiently create an RFP
which will result in the selection of a vendor solution.

Summary of RFP Process

The RFP procurement process was created to ensure that the best product (service, system) is chosen at
the best possible price. DOA assigns a procurement agent to work with agencies (in this case DPI) who
guides the creation and execution of the RFP. A committee is charged with creating the RFP mandatory
specifications, non-mandatory specifications, questions for the vendor to respond to, evaluation criteria,
benchmarks (to help the evaluation committee look for systems that contain the best options or methods
or processes in their system) and determining the maximum score for each item that will be scored.

A committee has been appointed by DOA for the statewide SIS. Unclassified agency staff are not allowed
to be on the RFP committee. The SIS committee has nine committee members who are writing the RFP
and will be on the evaluation committee who score each of the RFP responses. Committee members
include school district staff familiar with the school district needs.

The committee is looking at other states’ RFP specifications and utilizing information from some of them:
as the committee thinks about their needs and writes the RFP. The committee members must have some
expertise in some area of the SIS, whether as information technology professionals or as administrators.
Seven of the committee members are from districts or schools. There are members from both large and
small districts. Each committee member’s district is currently utilizing a SIS system. Some of them have
experience with more than one system. There are two committee members from DPI.

The DOA agent answers any and all vendor questions to ensure that agency staff are not influenced by
the vendor and that all vendors receive the same information. Names of the committee members are not
released until after the RFP process is completed to ensure committee members are not contacted directly
by vendors.

Once the RFP is released, any vendor can choose to respond. During the RFP process, vendors are
required to ask questions by a specific date about anything they don’t understand. Answers are provided
by DOA and the RFP may be amended. There will be a vendor’s conference to go over the questions and
answer or clarify any information that still isn’t clear.

The RFP will contain a list of mandatory requirements which each vendor must meet; if a vendor cannot
provide a mandatory requirement, the vendor’s proposal will be disqualified. After the proposals are
received by DOA, each of the committee members is given a copy of each proposal and they are required
to score each of them individually. Meetings will be held to discuss scores, determine if vendor’s answers
need clarification, etc. All of the evaluation committee member’s scores will be entered into a spreadsheet and each member’s score for each item is totaled with every other member’s score. The total score is then averaged to arrive at a score for the item. All the average scores are totaled to arrive at a total Technical Score for each vendor. The highest scoring vendors will be asked to conduct a vendor demonstration for the entire committee. District subject-matter experts will be invited to provide feedback to the RFP committee during the demonstrations to help ensure the product meets requirements. Vendor’s proposals are re-scored based on any additional information learned during the demonstrations. Once the committee determines that they have completed the Technical Scores, DOA will then score the cost component part of the RFP and add this score to the Technical Score. The vendor with the highest score will be awarded the contract.

Deputy State Superintendent Michael Thompson and Assistant State Superintendent for Libraries, Technology, and Community Learning Kurt Kiefer will represent the department at the Committee’s 13.10 meeting. Thank you for your consideration of this request. We look forward to working with you as we implement the new SSIS.

Sincerely,

Scott Walker
Governor

Tony Evers, PhD
State Superintendent

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