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Date: November 9, 2011
To: Members, Joint Committee on Finance
From: Mike Huebsch, Secretary *MH*
Department of Administration
Subject: Section 13.10 Request from the Office of the Governor and the Department of Public Instruction for funding to establish a student information system

Request

The Office of the Governor and the Department of Public Instruction request the transfer of \$15,000,000 GPR in fiscal year 2011-12 from the Committee's appropriation under s. 20.865(4)(a) to the department's student information system appropriation under s. 20.255(1)(e) for the creation of a system to collect and maintain pupil data at the state level.

Background

In 2011 Wisconsin Act 32, \$15,000,000 GPR was placed in the Committee's appropriation under s. 20.865(4)(a) for the development and implementation of a new, statewide student information system. The system is intended to collect and keep academic and demographic information for each public school student. Under Act 32, the department and the Governor were to work together to create a plan for expending the \$15,000,000 on the new system. A plan was submitted to the Committee on September 1, 2011, which subsequently has been revised and resubmitted.

Under the proposed plan, a single vendor would develop the system for all school districts. The vendor would provide the student information system product, system migration, data conversion and training to districts over a five-year staggered implementation period. These services are expected to total \$12,145,056. An additional \$2,700,000 would fund outside contractors to coordinate the migration efforts among districts, the vendor and the department, and \$150,944 would be used to maintain the new software and hardware at the Department of Administration. Ongoing system costs would be funded by a fee assessed by the department in an amount yet to be determined.

The plan recognizes that some districts may prefer to receive technical support

from a cooperative educational service agency, which would be required to be vendor-certified in the vendor software. The plan also provides for the creation of a technical advisory group of interested parties that would learn the new system and help the state and the vendor communicate with school districts. The group also would make recommendations to the department and the vendor regarding system features and upgrades.

The plan also incorporates an exemption for school districts that would not realize savings using a statewide system because they currently do not pay an outside contractor to maintain a student information system. A district would qualify for an exemption, and can continue to use its current student information system, if the district: (a) currently does not pay a vendor for a student information system; (b) can meet current and future reporting requirements; (c) can assign the Wisconsin student number as a unique identifier in real time; (d) can provide e-transcripts and other electronic data transfers to and from the system nightly; and (e) can create electronic record transfers into the state data warehouse nightly, meeting the same functionality of districts using the statewide student information system. Based on a survey conducted by the department, only the Tomah Area School District meets all criteria for the exemption. There are an additional four school districts, eight 2r charter schools and two state-run schools that do not pay a student information system vendor; however, these districts and schools do not otherwise meet the exemption criteria.

The vendor would be chosen through a request for proposal (RFP) process, which would be overseen by a committee comprised of representatives from school districts and the department that works with the appointed Department of Administration procurement agent. Seven of the committee members are school district representatives who have expertise in student information systems. The RFP is anticipated to be released in November 2011, with a vendor chosen by March 2012, and first migrations happening in the spring and summer of 2012. The project development and initial migrations are scheduled to happen quickly because the Kenosha, Milwaukee and Waukesha school districts will need new student information software for the 2012-13 school year. By implementing the new statewide system in the next school year, the plan seeks to avoid unnecessary costs to these districts for an interim system.

Analysis

All school districts already collect and maintain student data. However, the types of systems used to conduct these activities vary widely by school district. Some districts use very simple databases, while others use sophisticated software packages that also provide many other functions. The department estimates that on a statewide basis, school districts spend approximately \$8.3 million annually on licensing and operational costs associated with these systems. The department's annual fees for use of the new system on a statewide basis are

anticipated to be less than the \$8.3 million currently being spent, resulting in an indeterminate amount of net savings for school districts.

Additionally, data entry for reporting requirements is estimated to cost districts over \$31.9 million annually. Currently, school districts must input data into several different department systems, such as the Wisconsin Information Network for Successful Schools. Districts also must comply with federal government reporting requirements. The department indicates that data in the new system could be used to populate various state and federal resources and reports, lessening the data entry costs for school districts. The amount of savings is indeterminate.

Therefore, because licensing fees and data entry costs will be reduced for the great majority of school districts, they will be able to redirect funds or lower property taxes. Savings will vary by district, depending upon the type of system currently employed by a district.

In the new system, data would be available by district, school and teacher, and reports would be standard across districts. This uniformity would allow comparisons of schools and school districts across the state.

Recommendation

Approve the request. The plan sets forth a timeline that assists some of the state's school districts with transition to the new system in a timely manner and ensures that stakeholders are represented throughout the process. Additionally, the system will save school districts money and assist decision makers and parents in evaluating schools. Further, the plan provides flexibility for those districts currently maintaining their own systems.

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