Legislative Fiscal Bureau

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November 6, 2013

TO: Members
    Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Department of Public Instruction: Section 13.10 Request for Student Information System Funding -- Agenda Item III

REQUEST

The Department of Public Instruction (DPI) requests the transfer of $7,100,000 GPR currently held in reserve in the Committee's s. 20.865 (4) (a) program supplements appropriation in 2013-14. Under the request, $3,100,000 GPR of these moneys would be transferred to DPI's s. 20.255 (1) (e) student information system (SIS) appropriation in 2013-14 and $4,000,000 GPR would be transferred to that appropriation in 2014-15. In addition, DPI requests that the Committee transfer an additional $984,200 GPR from the Committee's s. 20.865 (4) (a) appropriation to DPI's s. 20.255 (1) (e) appropriation in 2013-14. Finally, DPI requests that the Committee authorize 1.0 PR-S position beginning in 2013-14 and an additional 3.5 PR-S positions beginning in 2014-15 under the s. 20.255 (1) (ks) appropriation for data processing.

BACKGROUND

In the 2011-13 budget (2011 Act 32), $15,000,000 GPR was provided in 2011-12 in the Committee's reserve appropriation for release to DPI after a plan for the expenditure of the moneys for the purpose of a statewide student information system. At its November, 2011, meeting under s. 13.10 of the statutes, the Committee transferred $5,000,000 GPR in 2011-12 to the SIS appropriation under DPI, and retained the rest of the funding in its appropriation, and approved DPI's request to prepare a request for proposals for a single vendor to provide a statewide student information system. The $10,000,000 GPR retained in the Committee's appropriation lapsed to the general fund at the end of the 2011-13 biennium, as did most of the $5,000,000 GPR that was transferred to DPI.

In the 2013-15 budget bill, the Governor recommended that $13,875,900 GPR and 1.0 GPR position in 2013-14 and $1,590,500 PR in 2013-14 and $2,955,200 PR in 2014-15 and 3.0 PR

positions beginning in 2013-14 be provided to DPI for the procurement, implementation, and ongoing support of a statewide student information system. In its deliberations on the 2013-15 budget bill, the Joint Committee on Finance deleted the DPI funding and positions proposed by the Governor, and provided $7,100,000 GPR in 2013-14 for this purpose in the Committee's supplemental appropriation, which was included in the 2013-15 budget (2013 Act 20). The Committee also proposed changes to prior law governing the student information system that were included in Act 20. Act 20 requires the State Superintendent to develop a proposal for a multiple-vendor student information system for the standardized collection of pupil data. The proposal is required to allow schools and school districts to use their vendor of choice and include reporting requirements that can reasonably be met by multiple vendors. The State Superintendent cannot establish an SIS unless the proposal is approved by the Committee. If the Committee approves the proposal, it may release the moneys held in its appropriation for the purpose of paying the costs incurred by schools and school districts to meet the proposal's reporting requirements.

Act 20 also requires that if a proposal is approved, the State Superintendent ensure that information about pupils enrolled in charter schools and about pupils enrolled in private schools participating in a parental choice program, including their academic performance and demographic information, aggregated by school district, school, and teacher, is collected and maintained in the SIS. In addition, Act 20 requires every entity using the SIS to include data on the teacher preparatory program or teacher education program for each teacher and the date when the teacher completed the program. Finally, Act 20 provides that if the SIS is established, the State Superintendent must ensure that within five years of the SIS being established, every school district and charter school is using the SIS, and that every private school participating in a parental choice program is either using the SIS or is using a system that is interoperable with the SIS.

ANALYSIS

The DPI request relating to the proposed SIS identifies four major activities that would be accomplished with these moneys and other categories of supporting expenditures. The following table shows estimated expenditures for these items in the 2013-15 biennium, as well as projected expenditures in the 2015-17 biennium.

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Student Information System
Proposed Budget

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	2013-14	2014-15	2015-16	2016-17
1. Replacing Data Collection Software				
Requirement gathering and planning	$340,000	$255,000	$0	$0
Vendor data collection implementation	0	2,350,000	0	0
Development for data transfer and data verification system	0	1,190,000	1,190,000	0
Ongoing maintenance	0	0	0	340,000
2. Unique Identifying Numbers (WISEid)				
Staff ID development and implementation	595,000	595,000	0	0
Student ID development and implementation	0	595,000	595,000	0
Integration with reports and data collection	0	0	1,190,000	0
Ongoing maintenance	0	0	255,000	510,000
3. Connect Data Warehouse with New Data				
Interface data collection system with WISEdash	80,500	563,700	0	0
Modify data warehouse transfers to use new data	0	255,000	255,000	0
4. Security Access System Development	0	255,000	0	0
5. Other Support Activities				
Data collection support staff	0	680,000	680,000	680,000
Annual vendor conference	0	10,000	10,000	10,000
Annual data system conference	0	0	50,000	50,000
Regional network support	0	60,000	60,000	60,000
Develop initial deployment training	0	0	340,000	0
Deliver initial deployment training	0	0	0	340,000
Servers, systems software, bandwidth, security	70,000	70,000	70,000	70,000
Hardware deployment	0	120,000	0	0
Totals	$1,085,500	$6,998,700	$4,695,000	$2,060,000
2013-15 Biennium		$8,084,200		
2015-17 Biennium				$6,755,000

A brief description of the major activities summarized in the table follows. One major spending purpose would be to replace the Department's current data collection systems. DPI currently operates several systems to gather data to meet state and federal reporting requirements. These systems would require modification to accommodate new information relating to choice schools, school report cards, and educator effectiveness. Because these systems were implemented over many years to respond to specific data needs, there is overlap and it is difficult to ensure accuracy and generate reports that are useful to school districts and other users.

The DPI request would allocate $4,135,000 GPR in the 2013-15 biennium and 1.0 PR-S position beginning in 2013-14 and an additional 1.0 PR-S position beginning in 2014-15 to replace the current data collection systems. The replacement system would involve collecting a

comprehensive set of data, with frequent updates as needed. By establishing a single, unified data system, the Department would move away from having to make separate data requests of school districts for differing purposes. Instead, the proposed state level data system would collect all needed data from the underlying school district SIS vendors. The requested funding and positions would be involved in planning, developing the data transfer and verification system, and providing financial assistance to the SIS vendors so that all relevant school district data would be available to the state.

Of the $4,135,000 GPR under this component of the request, $2,350,000 GPR is identified as being available to address vendor costs in modifying their school district SIS. The Department indicates that these moneys could be distributed on a per building basis ($1,000 per building), on a per pupil basis, or to reimburse actual documented costs to the vendor of modifying their SIS to provide data to the state.

The second major spending purpose would be to establish a consistent statewide student and staff identification number system. This would replace existing data collection software associated with the current student ID system to allow it to address students from choice schools and part-time open enrollment students. In addition, it would replace separate data systems relating to staff, that use a social security number to reconcile differing ID numbers used by those systems. Under the request, DPI would create a uniform approach of assigning staff ID numbers and would establish an ID system that would be used across existing and new data systems. A total of $1,785,000 GPR of the requested funding is identified for this purpose in the 2013-15 biennium.

The third activity area that would be funded under the request relates to connecting the new data collection system with Department's data warehouse. The data warehouse accesses the existing data collection systems, and will need to be modified to use the new system. The Department's request indicates that $899,200 GPR would be allocated for this purpose in the 2013-15 biennium.

The fourth area of spending would involve developing an identity management system that would allow school districts to access the data collection system, but maintain privacy and security required under the Family Educational Rights and Privacy Act and applicable state law. This identity management system would also be integrated with other DPI applications, including the data warehouse, academic and career plans, educator effectiveness, and online teacher licensing. The Department indicates that it would allocate $255,000 GPR for this purpose in the 2013-15 biennium.

Finally, DPI has identified a number of other support activities that relate to the development and operation of the systems under this request. These support activities include data collection customer support staff with $680,000 GPR and 2.5 PR-S positions that would be created beginning in 2014-15. In addition, funding would be utilized for an annual vendor conference ($10,000 GPR), regional network support ($60,000 GPR), and servers, systems software, bandwidth, database security, and hardware deployment ($260,000 GPR).

The DPI request for the 2013-15 biennium exceeds the amount of funding reserved in the

Committee's appropriation for this purpose by $984,200 GPR. This portion of the request for additional funding raises two issues for the Committee to consider. First, the Legislature established $7,100,000 GPR as the budget for this purpose, and providing additional funding above that amount could be viewed as inconsistent with legislative intent. To conform to the funding amounts approved by the Legislature in 2013 Act 20, the Committee could reduce the DPI funding request to the amount earmarked for this purpose, and DPI would need to adjust its spending plan accordingly. However, the $7.1 million reserve was established without information on the likely costs for DPI to implement a multi-vendor SIS. Instead, by providing $7.1 million, the Legislature set the funding at approximately one-half of the amount of funding that lapsed to the general fund at the end of the 2011-13 biennium.

Second, if the Committee wishes to fully fund the DPI request, it must identify a source for the additional moneys to be transferred to the DPI appropriation. Although the Committee's GPR appropriation totals $98,612,300 GPR for the 2013-15 biennium, all but $267,200 GPR is reserved for specific expenditure purposes, including the $7,100,000 GPR that is the subject of this request. If it is determined that the full amount of the moneys set aside in the Committee's appropriation for another agency is not required, the Committee could use those moneys to fully fund the DPI request. Otherwise, DPI could request the additional $984,200 of funding at a later s. 13.10 meeting. Any moneys remaining in the Committee's appropriation at the end of the 2013-15 biennium would lapse to the general fund.

Finally, DPI requests that $3,100,000 GPR be transferred to its SIS appropriation in 2013-14 and $4,000,000 GPR in 2014-15. This would have the effect of establishing base level funding for this appropriation at $4,000,000 GPR for purposes of the 2015-17 budget process. In order to avoid establishing base level funding at an amount that would provide more funding in the 2015-17 biennium ($8,000,000 GPR) than DPI has identified in its proposed budget ($6,755,000 GPR), the Committee could transfer $3,700,000 GPR in 2013-14 and $3,400,000 GPR in 2014-15. Since DPI's SIS appropriation is a continuing appropriation, transferring $3,700,000 GPR in 2013-14, rather than $3,100,000 GPR as under the request, would not impair DPI's spending plan, since any moneys that remain unspent in 2013-14 would carry forward into future years indefinitely. Under this approach, base level funding would be $3,400,000 GPR in 2014-15, which would align with the proposed 2015-17 spending plans that DPI has identified in this request.

ALTERNATIVES

A.   Transfer $7,100,000 GPR in Reserve for SIS in the Committee's Appropriation in 2013-14

1.   Approve the Department's request that $3,100,000 GPR in 2013-14 and $4,000,000 GPR in 2014-15 of the moneys reserved for the SIS be transferred from the Committee's s. 20.865 (4) (a) appropriation to DPI's s. 20.255 (1) (e) student information system appropriation. In addition, provide 1.0 PR-S position beginning in 2013-14 and an additional 3.5 PR-S positions beginning in 2014-15 under the s. 20.255 (1) (ks) appropriation for data processing.

2.   Modify the Department's request to, instead, provide $3,700,000 GPR in 2013-14 and

$3,400,000 GPR in 2014-15 from the Committee's s. 20.865 (4) (a) appropriation to DPI's s. 20.255 (1) (e) student information system appropriation, to better align funding in the 2014-15 base year with proposed out-year spending. In addition, provide 1.0 PR-S position beginning in 2013-14 and an additional 3.5 PR-S positions beginning in 2014-15 under the s. 20.255 (1) (ks) appropriation.

3.   Deny the request.

B.   Transfer an Additional $984,200 GPR

1.   Approve the Department's request that the Committee transfer an additional $984,200 GPR from the Committee's s. 20.865 (4) (a) appropriation to DPI's s. 20.255 (1) (e) appropriation in 2013-14. Under this alternative, the Committee would draw from moneys held in reserve under Act 20 for another agency.

2.   Deny the request. (The Department could request additional funding at a subsequent s. 13.10 meeting.)

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