

Analysis

Oregon Education Investment Board and Department of Education

Statewide Longitudinal Data System Report

Analysts: Doug Wilson and Sean McSpaden

Request: Acknowledge receipt of a report on the P-20 Educational Statewide Longitudinal Data System.

Recommendation: Acknowledge receipt of the report. The Legislative Fiscal Office also recommends that the project staff continue to refine the business case, provide more detailed planning and project management materials, and contract with an independent Quality Assurance contractor within the existing resources available to the project. The agencies should return to the Legislature or Emergency Board for further resources for the project when this work is completed.

Analysis: The budget report for SB 5518, the primary 2013-15 biennium funding bill for the Oregon Department of Education (ODE), included the following budget note.

The Oregon Department of Education (ODE) and the Oregon Education Investment Board (OEIB) must work closely with the Department of Administrative Services (DAS) Chief Information Office in all activities related to the development of the needs analysis, business case/option analysis and related foundational project management materials for the proposed Longitudinal Data System. OEIB and ODE must also follow DAS standards in the development of these materials.

Prior to requesting any further funding than the amount included in Package 300, ODE and OEIB must complete a detailed problem statement, strategic alignment documentation, detailed needs assessment, and a completed business case which includes a high level project schedule, resource plan, financial plan, information on the anticipated return on investment, quality management plan, and a risk management plan.

ODE and OEIB are instructed to report back to the Joint Committee on Ways and Means during the 2014 legislative session on their progress on completing these project planning materials. If the materials are not completed, ODE and OEIB will need to report to the Emergency Board prior to formally requesting further funding for the project.

OEIB and ODE have submitted a progress report for this project as required by the budget note. This report includes a table which outlines progress on various deliverables and who have approved and/or collaborated on the specific deliverables. It should be noted that the Legislative Fiscal Office (LFO) is listed as collaborating on the project and on a number of individual documents or deliverables. This should not be viewed as LFO's acceptance or approval of any specific deliverable. LFO's comments of the key deliverables are summarized below and more detailed comments have been sent to the project staff.

The report also summarizes the spending on the project through the end of January. The 2013-15 ODE budget included a \$700,000 General Fund package for the development of this project's business case, other required project management materials, and equipment replacement. The highest priority for this \$700,000 is for the preparation of the business case and project management materials. Through January 31, 2014, approximately \$270,000 of this funding had been committed (\$107,461 actually spent) primarily for a project manager (contracted through the Eugene School District), project management resources from ODE, and just less than \$50,000 for a consultant who provided information for the business case.

It is the business case and related project management materials which are the key documents at this stage. As indicated in the budget note, project staff was to use standards established by the State's Office of the Chief Information Officer (CIO) in preparing these documents. These standards are similar to those used by LFO staff in reviewing information system proposals. This review led to the following findings and concerns – these are only a short list of high-level issues, but a much more complete and detailed list has been shared with the project staff and the state CIO's staff.

- The business case and project management documents produced to date have been prepared on an accelerated pace to meet a February 2014 session deadline. Much planning work remains to set the project up for success. The responsibilities of the primary players (e.g., OEIB, ODE, HECC) must also be better defined.
- While the need for a business intelligence database for OEIB and the HECC data warehouse is well understood, the justification for the Personal Achievement Record component of the project has not yet been made. LFO staff still has concerns how this will be used as well as privacy/security issues. Much of the justification for the project reviewed is more qualitative in nature and should also have a quantitative measures and outcomes.
- The project's current plan appears to assume OEIB will be the host of both the project and the ongoing administration of the system. OEIB is scheduled to sunset in 2016; and when queried by LFO on who would take over this project if OEIB does sunset, the project staff replied by saying HECC would. LFO has concerns about this since it is likely technical staff will be required to maintain the system, and it would not be productive to add another Information Technology Section in one of the two of these agencies when one already exists in ODE. That does not mean that OEIB (or HECC) cannot take the lead in the governance of the system.
- The complexity of the project is not necessarily related to the technical needs but of the governance, relationship between the stakeholders, and the data ownership and sharing issues that must be addressed to guarantee the success of the project.
- The project's business case relies significantly on actions, investments, completion of current projects, or resources from other P-20 community members, partners, and stakeholders. These are generally outside of the project's scope, but the project's success depends on them. There is also significant uncertainty in the public university system and who will have responsibility for various functions. If there is no Chancellor's Office in the future, it will be that much more difficult to collect information from the separate and independent institutions.
- While significant progress has been made to date in the development of the business case and project management material, there is much work left to complete prior to providing complete

funding support for the project or a formal request for proposal (RFP) is prepared. For example, the Needs and Requirements are at a high level and not yet at the level of detail needed for a RFP or to produce a system design. In addition, the assumptions for cost estimates are still at a level too high to produce a reliable project cost.

At this time, LFO recommends acknowledging receipt of the report required by the budget note. A great deal of work still remains prior to approval of the financing for this project or in signaling to the agency to move forward with a RFP. That said, this does not mean that LFO does not see the need for the project. Providing the information to policy makers that this project is being designed for is crucial to determine the effectiveness of the billions of dollars spent of the P-20 System. The process proposed by the state CIO which would require another “stage endorsement” or approval step after a significant amount of detailed planning appears very appropriate. This detailed planning will provide the refined business case and required foundational product management materials necessary for the success of this project. The existing funding which remains from the original \$700,000 should provide sufficient funding to continue and complete the detailed planning; as well as provide the resources to contract for an independent project Quality Assurance (QA) contractor to assess the sufficiency and quality of the detailed planning materials and provide a complete risk assessment of the overall project. At that point, the project team can return to the Emergency Board or the Legislature to request the funding necessary to move forward with the project.