TO: Illinois State Board of Education
FROM: Robert E. Schiller, Superintendent
        David Wood, Director
Agenda Topic: Action Item: Finance, Audit and Agency Operations Status
Materials: Appropriations and Spending by Program
          Federal Applications and Awards (did not change from
          November and December)
          Financial Status Report (Contract & Grant Detail)
          $1 M Contract – Student Information System (described in
          this memo)
          Monthly Headcount Graph
          Staff Detail
          Personnel Transactions (with attached ERI list)
Staff Contact(s): David Wood, Lynne Curry, Vivian Najim, and Chris Koch.

Purpose of Agenda Item
To provide the Board standard reports with key information on fiscal and
administrative activities of the state agency. The Board will review and
understand the proposed Student Identifier System.

Expected Outcome(s) of Agenda Item
The Board will receive and approve baseline data from a series of reports on
fiscal and administrative activities which provide one basis for gauging agency
progress over time. The Board will approve issuance of a Request for Proposal
(RFP) for the Student Identifier System.

Background Information
In June 2002, the State Board adopted bylaws outlining a new committee
structure under which fiscal, audit and operations issues will be handled by the
Fiscal and Audit Committee. Superintendent Schiller requested that the agency
organize and standardize the financial and headcount data provided to the Board
for their future policy work and decision-making.

Currently the following Reports are provided or are being developed.
1. Budget / Annual Report (Annually in January)
2. Condition of Public Education (December)
3. Comptroller SEA Report (Annually in February)
4. Appropriation and Expenditure (Monthly)
5. Financial Status Report - Contract/Grant Detail (Monthly)
6. Business Plans at the Director Level (Quarterly)
7. Headcount Reports (Monthly)
   Personnel Transactions
   Staff Detail by Division
   Monthly Headcount Graph

The first and third reports have been provided for several years. These provide an overview of the elementary and secondary education system, the Board Goals, and the programs operated by the agency. This year the Condition of Public Education document was added to review the status of the elementary and secondary education system in Illinois. It is a precursor to the Annual Report/Budget document and much of it is incorporated into that document. It is intended to layout the current situation and challenges in Illinois and outline options for policy and program activities to improve the current situation in the future.

The Monthly or Quarterly Fiscal and Headcount Reports were first provided to the Board in August 2002. These provide information regarding staffing and funding as well as details of contracts over $50 thousand and grants the agency is processing.

Agency Business Plans were first implemented in FY01 to help the Board and Management provide context to the larger education system and the Board Goals and to walk between these and the detailed funding information at the Division level. The FY03 Business Plans are not yet complete. Initially, they were postponed until the agency could complete Risk Assessment Training, Staff/Function Analysis, and Performance Measurement Training. Most of this is now complete but the system is being amended to establish specific Agency Goals and Measures aligned to the Board Goals at the Director level. Since that process is still ongoing, the Business Plan report, originally scheduled for the end of the first quarter of FY03 has been rescheduled.

The Board specifically approves all proposed contracts over $1M prior to the issuance of an RFP. The Student Identifier System is anticipated to cost $5 - $6 million based on the feasibility study and functional requirements. To respond to the No Child Left Behind (NCLB) Act and state reporting requirements concerning student achievement and school performance, the agency plans to release an RFP to build and implement a state-level Student Information System. The use of individual student records will increase the state’s capacity to follow a student’s progress over time, improve the accuracy of state and local data, permit longitudinal studies, and improve policy decisions. The system is estimated to be completed by December 2006.
In August, 2002, ISBE engaged a contractor to conduct a feasibility study and functional requirements analysis as the first step toward the development and implementation of this system. A copy of the final report, *Illinois State Board of Education Student Information System (ISBE SIS) Feasibility & Requirements Study*, prepared by the contractor can be found at [http://www.isbe.net/pdf/ISBE_SIS_ReqSpecs.pdf](http://www.isbe.net/pdf/ISBE_SIS_ReqSpecs.pdf).

ISBE proposes to seek proposals from qualified vendors through an RFP for the phased development and implementation of an SIS system.

The contractor will be responsible for:

- Designing, developing, implementing, and documenting the SIS;
- Co-managing the project with ISBE project manager;
- Developing and conducting training programs and a “Help Desk” for internal and external users of the system;
- Evaluating, enhancing, and maintaining the system after implementation.

**Superintendent’s Recommendation**

The Superintendent recommends that the Board accepts and approves these monthly reports and the RFP for the Student Identifier System.

**Next Steps**

Continue to provide these reports pursuant to the schedule above and publish the FRP for the Student Identifier System on the state Procurement Bulletin.