TO: Illinois State Board of Education

FROM: Christopher A. Koch, Ed.D., State Superintendent of Education
       Donald Evans, Chief Operations Officer/Director of Human Resources and Labor Relations

Agenda Topic: Contract Exceeding $1 Million: Request to award the contract for Student Information System

Staff Contact(s): John Shake, Information Technology Division Administrator (Acting)

Purpose of Agenda Item
The Division of Information Technology requests the Board to authorize the State Superintendent to award a contract for system support and enhancements for the Illinois State Board of Education's Student Information System (ISBE SIS) which will exceed $1 million over 5 years to International Business Machines Corporation (IBM).

Relationship to/Implications for the State Board’s Strategic Plan
The Student Information System contract will support the following Board goal.

   GOAL 1: Every student will demonstrate academic achievement and be prepared for success after high school.

Expected Outcome(s) of Agenda Item
It is expected that the Board will authorize the State Superintendent to execute the contract subject to staff recommendations.

Background Information
The Illinois State Board of Education's Student Information System (ISBE SIS) project has been developed and implemented in phases over a multiple year period working with International Business Systems (IBM) contractors. The development of this system is to address the increased accountability and reporting requirements regarding student academic achievement and progress brought about by the passage of the “No Child Left Behind Act of 2001” (Public Law 107-110). The current contract with IBM ends on June 30, 2013.

The ISBE SIS provides state and federal education entities, the education community, and the public with timely and accurate data collection and reporting of that data about students, schools, school districts, and the State of Illinois. The ISBE SIS provides secure and appropriate access for other applications seeking to use its data, such as student record inquiry, retrieval, and transfer. This system serves as the vehicle to collect student-related information electronically from school districts.

The collection and use of individual student data increases the state’s capacity to follow a student's progress over time and to conduct longitudinal studies. It can be a valuable tool, assisting educational leaders in making informed data-driven decisions regarding policies; potentially reduces the amount of data collected from school districts and schools; improves the quality of information gathered from local sources; and enhances the use of state-level data by local school districts to better plan and implement educational services and programs.

The Illinois State Board of Education seeks a contractor to provide ongoing maintenance (described in the “Contractor Services” section of this document) of the ISBE Student Information System and to provide enhancements to that system as data collection requests and mandates change.
Financial Background
The Illinois State Board approved the issuance of a request for sealed proposal (RFSP) on February 27, 2013 to contract with a vendor to provide support to the Illinois Student Information System. Proposals were received from Advent Business Company, International Business Machines Corporation (IBM), Lead IT and Ryan Consulting Group. The proposals were evaluated in accordance with the RFSP requirements. Accordingly, the Division of Information Technology seeks to enter into a contract with the vendor having the highest evaluation scores, International Business Machines Corporation (IBM).

The initial term of this contract will begin no sooner than July 1, 2013 and will extend to June 30, 2018 with an anticipated overall cost of $7,500,000., having five (optional) one-year renewals. This contract will be funded with the following fund sources: Early Childhood Block Grant, Title I – Low Income, Title I – Migrant Education Program, IDEA Discretionary, Perkins – Career and Technical Education, Title III – English Language Acquisition and GRF- contractual services.

The request for sealed proposal (RFSP) had a 20% Business Enterprise Program (BEP) goal. International Business Machines Corporation (IBM) was unable to identify a BEP vendor before the solicitation. The BEP goal will be addressed during contract negotiations.

The financial background of this contract is illustrated in the table below:

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<thead>
<tr>
<th></th>
<th>Current Contract State Funding</th>
<th>Current Contract Federal Funding</th>
<th>Requested Additional State Funding</th>
<th>Requested Additional Federal Funding</th>
<th>Total Contract per Fiscal Year</th>
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</thead>
<tbody>
<tr>
<td>FY14</td>
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<tr>
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<tr>
<td>Total</td>
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<td>$7,500,000</td>
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Business Enterprise Goal
The request for sealed proposal (RFSP) had a 20% Business Enterprise Program (BEP) goal. International Business Machines Corporation (IBM) was unable to identify a BEP vendor before the solicitation. The BEP goal will be addressed during contract negotiations.

The BEP totals and estimated projections are illustrated in the table below:

<table>
<thead>
<tr>
<th></th>
<th>BEP Goal Percentage</th>
<th>BEP Goal Amount</th>
<th>BEP Goal Percentage Attained</th>
<th>BEP Goal Amount Attained</th>
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<tr>
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<tr>
<td>Total</td>
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<td>$1,500,000</td>
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**Effectiveness**
The passage of the “No Child Left Behind Act of 2001” increased accountability and reporting requirements regarding student academic achievement. To better respond to these and other federal and state reporting requirements, the Illinois State Board of Education has developed and implemented a state-level student information system. Through the project, students have been assigned a unique identification number. All data to and from the state will use that unique identifier. The use of individual student records will:

- strengthen the state's capacity to follow a student's progress over time;
- provide better quality data to drive more enlightened policy decisions to enhance educational opportunities for all children;
- reduce data collection burden on schools and districts; and
- increase the use and relevance of state data by districts and schools.

**Analysis and Implications for Policy, Budget, Legislative Action and Communications**

*Policy Implications: None*

*Budget Implications: The ISBE SIS project is funded by federal and state funds.*

*Legislative Action: None*

*Communication: None*

**Superintendent's Recommendation**

I recommend that the following motion be adopted:

The State Board hereby authorizes the State Superintendent to enter into a contract with International Business Machines Corporation (IBM) which was the successful bidder under the RFSP for Student Information System support. The cost of the initial term of the contract is $7,500,000 from July 1, 2013 through June 30, 2018. This contract will have 5 optional 1-year renewals.

**Next Steps**

Upon approval, the notice of contract award will be posted on the Illinois Procurement Bulletin website. When all the posting requirements have been met the State Superintendent will enter into a contract with the successful bidder in accordance with Board approval.