

**Minutes of a Meeting
of the
Texas Computer Cooperative
Management Committee**

A meeting of the Management Committee for the Texas Computer Cooperative (TCC) was convened on Thursday, February 26, 2009, at 9:30 a.m. in the Maple and Mesquite Rooms of the ESC-20 Conference Center. Dr. Terry Smith, Chair, presided and the following attended:

Mr. Adrian Garcia	Education Service Center, Region 1
Dr. Julius Cano	Education Service Center, Region 3
Mr. Robert Wells	Edna I.S.D.
Mr. Wesley Talbert	Education Service Center, Region 4
Dr. Steve Hyden	Education Service Center, Region 5
Mr. Scott Campbell	East Chambers I.S.D.
Ms. Nancy Oliver	Education Service Center, Region 6
Mr. Jack Ellis	Brazos I.S.D.
Dr. Pat Pringle	Education Service Center, Region 13
Mr. John Shaffer	Education Service Center, Region 13
Mr. Robb McClellan	Education Service Center, Region 14
Ms. Gloria Thomas	Education Service Center, Region 15
Mr. John Bass	Education Service Center, Region 16
Mr. Cliff Stephens	Borger I.S.D.
Mr. David Baldner	Education Service Center, Region 17
Mr. Wayne Blount	Sands C.I.S.D.
Ms. Nancy Dunnam	Education Service Center, Region 18
Ms. Pam Harper	Ector County I.S.D.
Mr. John McCauley	Education Service Center, Region 20
Mr. John Huey Andrews	Education Service Center, Region 20
Ms. Beverly Meyer	Education Service Center, Region 20

Item No. 1

Establish Quorum of at Least Six
Members Present

Dr. Smith welcomed the attendees and confirmed that a quorum was established with 10 regions represented.

Item No. 2

Approve Minutes of the Meeting of June 24, 2008

Dr. Smith asked if there were any additions or corrections to the minutes of June 24, 2008. There were none. Mr. Bass made a motion to approve the minutes and Dr. Cano seconded it. The motion carried unanimously.

Item No. 3

Report from RSCCC Liaison – John Shaffer

Mr. Shaffer, as the RSCCC Managers Liaison to the TCC, reported that the managers wanted to thank Mary Pruski and Mary Bordner for the new consultant training they provided. He reported that the RSCCC Managers have received preliminary hardware specifications for the TxEIS product, a beta copy of some applications, a version of Sybase 10 and instructions. The managers would like to identify some future training dates due to their concern over the approaching deployment date. They have requested TxEIS demonstrations at ESC sites and would like staff from other service centers involved in that effort.

Item No. 4

Status of RSCCC Programs

a. Business

Mr. Andrews reported that very limited changes to the current RSCCC Business are being made. The business developers are spending the majority of their time on TxEIS revisions. Quality Assurance business staff is devoting 100% of their time to TxEIS.

b. Student

Mr. Andrews said that the RSCCC student developers were making significantly more changes to the RSCCC applications. Some of the major items include programming for the integrated Scheduling Resource Allocator and changes to support Online Course Requests. Recent mandated changes include:

- Adding new courses to End of Course Extract
- AAR changes for Texas Grant eligibility and course consideration codes
- TReX option for sending transcripts to K-12 or to universities
- PEIMS changes for bilingual codes and to default school start window

New mandates to be done include:

- New ethnicity and race codes
- PEIMS Staff Responsibility record changes

- New health mandates
- Provision for reporting Optional Flexible School Day attendance

While these changes may be good, they have tied up the student developers and resulted in the changes having to be programmed in both RSCCC and TxEIS. Mr. Andrews said his staff is also receiving a number of requests from third party vendors for interfaces with the Student System. There are very limited resources available to respond to such requests.

c. Grade Book/Parent Portal/Student Course Requests

Developers for the grade book and parent portal programs are focusing on program corrections and have added a new field for "Working Final Average". Mr. Andrews is putting together a list of enhancements for next year and will be soliciting ESC feedback. Supporting the grade book takes staff time due to the number of teachers (about 25,000) using it. During any week, if 99.95% of the teachers do not have a problem, his staff is still receiving 10 problem reports.

Programs for the new online Student Course Requests are in testing and Mr. Andrews hopes to distribute the initial version in the next few weeks. This module does not have all the functionality that it will eventually have, such as allowing students to "save" and then return later and make changes, having the requests display in the parent portal, or displaying courses already taken and supporting prerequisites, but it covers the basic functionality and will be enhanced next year.

Mr. Andrews spoke about the large number of districts converting to RSCCC Student between December 2007 and December 2008. There are currently 738 districts/charter schools using RSCCC Business, which is a gain of 15 and 662 districts/charter schools using RSCCC Student, which is a gain of 104. There are also 489 districts using txGradebook and 332 using txConnect (a gain of 18 since the September count). He anticipates 75 to 100 more student conversions by December 2009. The gains have also meant ESCs hiring new consultants, which precipitated the need for the training done by Mary Bordner and Mary Pruski this month.

Dr. Pringle asked if these increases were due to marketing or other vendors no longer supporting their products. Dr. Smith responded that other ESCs who were supporting multiple software products were now committing to our products. Marketing has helped and he referenced the new booth but felt that most of the changes occurred at the regional level and the fact that competing vendors were requiring major upgrades. Mr. McCauley added that some vendors have pulled their products off the market (i.e. SASI, PowerSchool). Dr. Pringle also attributed the increase to the level of support provided by service centers. Dr. Smith said that all the RFPs are requiring a web-based system and now we can show them something. Mr. McCauley said that the grade book is also a factor, being only 1 ½ years old and having almost 500 districts using it.

Mr. Garcia said another benefit for TxEIS is that it allows for either an in-house or a hosted solution. Mr. Andrews added that changes in our system have allowed us to respond to needs and take advantage of opportunities. He cited TREx and PET as examples.

Dr. Pringle asked about a recently introduced bill regarding financial accounting. Mr. McCauley responded that it establishes standards for financial and student attendance accounting, which are being defined by the D.I.R.

Mr. Andrews reported on marketing efforts at recent conferences: Midwinter in January, TCEA in February and TASBO this week. He showed slides of the new booth and the TxEIS website.

Item No. 5
Status of TxEIS

Mr. Andrews explained that each TxEIS application must go through several phases in the conversion process:

1. Initial 'automated' conversion to capture internal program logic
2. System changes for new security, browsers, navigation, etc.
3. Finishing – usability, tuning, adding updated functions
4. Add program changes put into RSCCC after the conversion process started

This requires a tremendous amount of testing. For Phase 1 for Business, there were 17,000 steps to test and almost two million lines of code.

ESCs have been provided with the programs to set up a beta version of TxEIS Security and PEIMS for testing and demo purposes (not distribution). Mr. Andrews' staff will be providing ESCs with updated versions containing more applications as they are ready. The ESCs have also been given initial hardware specifications, which are difficult to determine due to the number of variables affecting processing and memory. The specifications will be revised as more testing occurs and ESCs send feedback, but he stressed flexibility (purchasing servers with expansion capabilities).

a. Review of PEIMS/Budget Module

Mr. Andrews previewed the PEIMS and Budget modules for the TCC members explaining some differences between the client server functionality and the web (i.e. editing during data entry is an issue on the web). Although there will be some differences, the underlying functionality is the same as RSCCC. He explained the capability of the reports to retain parameters by user and also demonstrated the new security system, explaining the "permissions by role" functionality and the capability of interfacing with the district's network security. Mr. McClellan asked if it only worked with Active Directory. Mr. McCauley responded that it has also been tested with Novell's Directory Services.

b. Revised Timetable for Conversion of Business & Student Systems

Mr. Andrews reviewed the time line with the TCC members, stating he felt good about the business programs as Metex is near completion. The changes to the user interface and usability on are schedule and no

major changes have been added to the RSCCC business programs. For the student programs, Registration and the common programs are close to target, but Metex will have difficulty meeting the time line for Attendance and Grade Reporting. Because of this, contracted staffs have directly converted Test Scores, Special Education and Discipline, with the Health programs to be done next. It now looks like middle to late September before Attendance and Grade Reporting will be finalized. He stated we will try to do what we can to get back on track. Mr. McClellan asked if the migration time line remains the same. Mr. Andrews responded in the affirmative – that we still want to migrate districts during the 2009-2010 school year as it is too burdensome to maintain two systems. Mr. McCauley said districts may choose to stay on RSCCC past August 2010 if there are no mandated changes needed in those programs. Mr. McClellan said that his ESC has been looking at hosting as the districts are budgeting now and have just been notified of the specifications. Mr. Andrews stated that the current RSCCC will run on the new servers and that the districts do not have to migrate immediately in September. Mr. Garcia asked if TxEIS would run on virtual servers. Ms. Dunnam responded that ESC-18 is currently running TxEIS on a virtual server as a test and it has been very successful. She also said the cost of servers has decreased significantly in the last few months. Mr. Andrews reminded the attendees that even with increased hardware costs, we are still more economical than the competition. Dr. Smith added that everyone is going through changes and they all want web, but there is a cost associated with it. Districts bore no cost of the development. Discussion followed related to ESC hosting. Ms. Thomas asked when the programs would be released to the ESCs. Mr. Andrews responded that Accounts Receivable, Asset Management and Budget will be released in March, with more being sent as they are completed. As soon as the business applications are finalized, training will occur. Mr. Shaffer stated that Business Only users could migrate September 1st. Mr. Baldner said that we need to bring users into the web-based product because that is what they want. He brought in a sample group of district staff to see the

beta version and the feedback was very positive. Mr. McCauley stated that we have to market the value versus the drawbacks and it will involve educating our clients. Discussion followed related to iTCCS functionality and how additional functionality will be added to TxEIS. Mr. McCauley informed the TCC that his staff has a list of modules that we want to add and we have solicited feedback. The list needs to be prioritized and the regions will review it prior to beginning programming.

Mr. Andrews explained that requirements for technical support are increasing because the web is more complicated than client server. Also there are districts wanting to convert at the beginning of the 2009-2010 school year from a competitor product directly to TxEIS. At this point, he would not recommend this due to the imprecise time line, possible program issues, etc. We do not want potential problems at the beginning of school. It would be better to convert to RSCCC initially and then migrate. Mr. McClellan asked Ms. Meyer how many staff she needs to maintain hosting. Ms. Meyer responded that she currently has one, but will add an additional position. Ms. Thomas asked about a time line for business consultant training. Mr. Andrews said he would get some dates scheduled. Mr. McCauley said it would probably be in May or June. Mr. Andrews added that more technical training would also be held as we have more information.

c. Request for Additional Funds

Mr. McCauley told the TCC that User Acceptance Testing has taken longer than predicted due to Metex not meeting their time lines. He reported that staffs are achieving approximately 95% completion within the time lines, but the additional 5% has taken three weeks or more to complete. Metex is having difficulties completing the more complex program conversions and he will have a conversation with Metex next week regarding the student time line slipping.

In an effort to make up this deficit in the time line, he has added additional contractors that are working on the user interface, thus speeding up this process. He also reported that his staff has created additional

standards for the user interface to make the web pages more user friendly and increase functionality. Many of the financial and HR screens did not work well in the web environment, which has created additional work for the contractors. Reports have also been modified to require less memory.

In order to pay for the increase in contractors and additional requirements through the end of this school year, Mr. McCauley requested that \$400,000 be appropriated from the TxEIS fund balance (which is approximately \$7.9 million). Dr. Hyden made a motion to approve the appropriation of the \$400,000 from fund balance. It was seconded by Dr. Cano and carried unanimously.

Item No. 6

Status of iTCCS Oracle Conversion

Mr. McCauley reported that the automated conversion of the iTCCS programs to an Oracle database, which cost \$500,000 dollars, has been completed. Two thousand five hundred programs have been converted and tested. An ESC-20 school district was converted last week as a pilot and will test the programs for four to six weeks. August 2010 is the target to have all 42 districts converted. The change to an Oracle database is being made due to concerns about the future viability of the Datacom database and its continuing price increases.

Item No. 7

Consider Recommendations of Pricing Committee

- a. iTCCS Proposed Budgets for 2009-2010

Mr. McCauley reviewed the *Budget Summary for iTCCS Operation* with the committee, projecting an increase in revenue over the current year. This is primarily due to a projected 4% salary increase and increased software and hardware maintenance costs. Revenue projections include user fees based on enrollment increases, microfiche and interest, and a 3% increase in pricing. The target fund balance is 20% of the previous year's expenditures, which is \$1,364,278.

Request Approval of Funds for iTCCS Server Upgrade

Mr. McCauley recommended upgrading the server capacity this July by 32% from 824 MIPS to 1,085 MIPS. Justification for the upgrade includes:

- New grade book districts
 - Edinburg ISD

- Leander ISD
- New Braunfels ISD
- San Felipe Del Rio CISD (all campuses)
- South San ISD
- Addition of New Braunfels ISD for student and business applications

Total expenditures are projected to increase for 2009-10 due to:

- 4% increase in payroll costs
- Vendor software costs-non IBM (\$40,583) due to server upgrade
- Datacom database software costs (\$124,931)
- IBM hardware maintenance costs (\$5,616)
- IBM software costs (\$175,249)

There is a projected expenditure decrease for the reduction in IBM CPU/DASD lease payments of \$74,284, as the CPU was paid off last November.

Expenses from fund balance in July 2009 include software/hardware upgrades requested this fiscal year in the amount of \$558,498.

Mr. McCauley reviewed the graph outlining the iTCCS server upgrades done over the last eight years (page 10) and the details of the new server upgrade costs (page 11). The number of active users has grown from 5,000 to 25,000 in the last few years. Additionally, the users have moved from overnight batch processing to a real time environment. He told the TCC that we have also brought up a Linux partition and added CPUs.

Mr. McCauley explained the *2009-2010 iTCCS Pricing Structure* with the proposed 3% increase and the *2009-2010 iTCCS Pricing Model* showing enrollment increases or decreases by district and resulting in a 6.60% overall increase to the cooperative. He pointed out changes recommended by the Operations Committee to increase the minimum charge, charge districts leaving the TCC for continued data access, and charging for txGradebook and txConnect to offset server and software costs.

Mr. McCauley presented the *iTCCS Budget*, which is a deficit budget but is historically over-collected (pages 15 and 16) and reviewed the Fund Balance Worksheet. The projected fund balance is \$1,144,320, but will be reduced by the \$558,498 if the upgrade is approved.

Mr. Wells made a motion to approve the iTCCS budget, pricing and draw on fund balance as presented. Dr. Cano seconded the motion and it carried unanimously.

b. RSCCC Proposed Budgets for
2009-2010

Mr. McCauley is projecting a \$23,101 increase in revenue over the current year. This is due to a 4% projected salary increase. Revenue projections include an increase in user fees and revenue from special programming requests. The pricing committee recommended that the funding formula be changed from 60% for business applications and 40% for student applications to 55% and 45% respectively. This will result in a 1.2% decrease for Business (\$1,781.73 per district) and a 3.7% increase for Student (\$676.33 per campus).

Total expenditures for 2009-10 are also projected to increase from the current year due to the 4% payroll increase. The target fund balance (15% of the previous year's expenditures) is \$353,854.

Mr. McCauley reviewed the *RSCCC Pricing Model*, which listed the number of Business districts and Student campuses based on last April's counts, the current and proposed pricing, the increase or decrease by region, and the overall increase of \$23,101. He anticipates an increase in users, which will bring in additional revenue. Mr. Garcia asked if the pricing structure would change for TxEIS. Mr. McCauley said that it would and he has received several suggestions, including modular pricing and tiered pricing. He will work on this issue next year for the 2010-2011 school year.

Mr. McCauley reviewed the proposed *RSCCC Budget*, stating there were no significant increases over the current budget other than the salary projection and that the proposed budget is balanced. He explained that the revenue and budget were based on last April's

commitments and will change with this year's April projections. Dr. Cano asked if ESCs would be held to their projections if the actual counts were not as high. Mr. McCauley said he normally makes those types of adjustments when requested if the budget is not adversely affected. He then reviewed the current fund balance projections, stating that he will come back to the committee in June to request that a portion of the unobligated fund balance be designated as software development money, as the committee's charge was to build a Research and Development fund. Mr. Wells asked about interest income. Mr. McCauley said iTCCS and TxEIS do receive income from interest but we are just starting to do this with RSCCC. Mr. Wells also asked if the 4% was an adequate projection. Mr. McCauley stated that it was due to vacancies and over-collections. Mr. Bass made a motion to approve the RSCCC proposed budgets for 2009-2010. The motion was seconded by Dr. Pringle and carried unanimously.

c. TxEIS Proposed Budgets for 2009-2010

Mr. McCauley reviewed the *TxEIS Budget*, stating that all expenditures for TxEIS come from fund balance and the \$3.3 million is mostly for contracted programming. This will leave \$4.7 million for the fourth year of development on the project. He told the committee that he no longer feels the amount of income projected from interest is realistic. He reviewed the fund balance worksheet, projecting a fund balance of \$7.9 million at year end. Mr. Wells made a motion to approve the TxEIS proposed budget for 2009-2010. The motion was seconded by Ms. Oliver and carried unanimously.

Item No. 8

Review Financial Reports

Mr. McCauley reviewed the agenda attachment, *iTCCS Financial Report*. He stated that we have collected all but \$9,000 in revenue and will over-collect for the year. As of February 13th there is \$699,067 under expended. This will decrease through the rest of the year as maintenance contracts are renewed.

Mr. McCauley reviewed the agenda attachment, *RSCCC Financial Report*. He explained that the \$147,675 showing as uncollected is due to one ESC not yet billed for their second payment. He has also not billed for

adjustments based on the December actual counts. The \$377,980 under expended is due mostly to programming vacancies. He informed the committee that we had added a position to assist Robert Pruski. A .Net programmer position and some contracted programming are also included in the amount.

Mr. McCauley reviewed the agenda attachment, *TxEIS Financial Report*. He reported that the realized interest as of December was \$20,000. He also pointed out that half a million dollars of the unexpended budget is for contracting that when combined with the \$400,000 from fund balance will carry the project through the end of the year.

Item No. 9

Review Accounts Receivable Report

Dr. Smith asked the Committee members to review the Accounts Receivable Report as an on-going information item.

Item No. 10

Other

None

Adjournment

The meeting of the Texas Computer Cooperative Management Committee adjourned at 11:34 a.m.