

Technology Modernization

Exceptional Item #3

General Description:

To provide stronger privacy and data security defense in the agency's information technology systems, including application modernization.

Justification:

This exceptional item is composed of 5 capital budget requests:

- I. Security and Privacy
- II. TSDS/PEIMS
- III. File Net
- IV. Legacy Modernization
- V. Hardware/Software

HB 2738 required the Department of Information Resources (DIR) to perform a study detailing the use of outdated or end of life systems and software across the State of Texas. DIR's assessment of TEA applications revealed that 87% (initially 92%) of our applications needed to be remediating or replaced. In addition this exceptional item seeks to remediate security and privacy issues that were identified in the TEA Security Assessment study which was required by SB 1134.

Last session, we received funding for the Texas Student Data System (TSDS). At that time, we explained that the agency would need to request additional funds this session due to the ending of the Michael and Susan Dell Foundation's grant. The grant ends in FY 15 and the additional funding would replace those dollars.

The Hardware and Software Infrastructure portion of the Exceptional Item is needed to replace current agency laptops that have reached end of life and must be refreshed to ensure security protections. As more staff are added, additional monitors, workstations and laptops are necessary to properly equip staff.

Additional Information:

What is the breakdown of funds?

I. Security & Privacy:

- a. *Amount:* \$2M requested each year of the 16/17 biennium for a new capital budget item called Security and Privacy.
- b. *Description:* Remediate security and privacy issues that pose risks to information and data shared with TEA. These risks were identified in the TEA Security Assessment Study required by SB 1134 passed during the 83rd Legislative Session
- c. *What problems are being addressed?* The Security & Privacy Initiative seeks to comply with SB 1134 which was passed during the 83rd Legislative Session, and is attempting to remediate security and privacy issues that were identified by DIR in the 2012 TEA Security Assessment Study.

II. TSDS/PEIMS:

- a. *Amount:* \$3M requested each year of the 16/17 biennium to be added to the existing TSDS/PEIMS capital budget.

Funding Request:

- **FY 2016:** \$11,402,340
- **FY 2017:** \$11,402,340

- **Total:** \$22,804,680

Additional Details:

- **FTE Total Request:** 15
- **MOF:** *General Revenue*

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- b. *Description:* Modernize and streamline the Public Education Information Management System (PEIMS) mandatory data collection process and other appropriate data collections through the Texas Student Data System (TSDS). All school districts and charter schools are currently utilizing TSDS for Unique ID and Early Childhood Data System collections. TEA also has over 150 school districts and charter schools participating in the studentGPS Dashboards and PEIMS. Over the next two years, all school districts and charter schools will be utilizing the TSDS PEIMS system. As the system expands, TEA needs to retain sufficient staff and infrastructure to maintain quality, meet timelines, and provide current technology applications to end users.
- c. *What problems are being addressed?* TSDS will improve the quality of mandatory data collection, management, and reporting in Texas education. It puts real-time student performance data in the hands of educators to improve student achievement.

III. File Net Replacement:

- a. *Amount:* \$750K requested each year of the 16/17 biennium for a new capital budget item called File Net Replacement.
- b. *Description:* Replace the FileNET document management repository software since it reaches vendor end-of-service support September 2014. Without vendor support, the integrity and availability of documents stored in the system are at risk.
- c. *What problems are being addressed?* FileNET is the current document management repository software used by TEA. As of September 2014 the vendor will no longer provide maintenance/support of this product. TEA needs to replace our current FileNET application to insure critical records management remains intact.

IV. Legacy Modernization Phase 1:

- a. *Amount:* \$5,377,340 requested each year of the 16/17 biennium for a new capital budget item called Legacy Modernization Phase I.
- b. *Description:* The evaluation and replacement of TEA applications that were deemed outdated as a result of HB 2738, passed during the 83rd Legislative Session, or that are end of life.
- c. *What problems are being addressed?* The Legacy Modernization initiative seeks to comply with HB 2738 that was passed during the 83rd Legislative Session which required DIR to survey all TEA applications and determine if they were outdated or needing remediation. 87% of TEA applications were deemed obsolete as a result of the study and TEA is attempting to take proactive steps to reduce the risk of data breach and protect private student, teacher and employee information that is stored in applications. Legacy applications also need to be replaced to alleviate the support of multiple versions of outdated software and infrastructure which is costly for licensing and staff time. Due to current staff restraints, TEA has created a master spreadsheet of legacy applications, prioritized them, and will be modernizing outdated applications in multiple phases.

V. Hardware/Software Infrastructure:

- a. *Amount:* \$275K requested each year of the 16/17 biennium to be added to the existing Hardware/Software Infrastructure capital budget.
- b. *Description:* The continued need to ensure agency staff has secure access to Hardware/Software Infrastructure that process/store confidential data.
- c. *What problems are being addressed?* TEA seeks to ensure agency staff has secure access to current technologies to allow them to continue providing quality services to help schools meet the educational needs of all students.

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Will this be an ongoing exceptional item for the agency?

- We do not anticipate TSDS to be an Exceptional Item every biennium. However, there may be additional funding needed depending on school districts that adopt the additional optional components such as Student GPS dashboards.
- Next session (2018-2019) we anticipate that the financial needs for Phase 2 of the Legacy Modernization will remain the same at \$5,377,340 each year of the FY 18/19 biennium. TEA seeks to remediate or replace obsolete applications that were not addressed in FY 16/17. Applications that were remediated/upgraded in FY 16/17 will require maintenance updates to continue to operate on current software/hardware platforms.
- Security and Privacy will be an ongoing exceptional item for the agency. Once applications are remediated/upgraded it is imperative to continue routine software/hardware maintenance to ensure that they remain up to date.
- FileNET will not be an ongoing exceptional item for the agency. This is an FY 2016-2017 ask only.
- Hardware/Software is an exceptional item for FY 2016-2017 only to increase the capital project baseline.

What are the 15 FTEs for and will they be permanent additions to the agency's FTE cap?

- 15 additional FTEs are needed permanently to conduct and perform the work required to either replace or remediate those Phase 1 outdated applications found in the Legacy Modernization study by DIR. This staff will also be responsible for implementing the other phases of Legacy modernization.

What if the exceptional item is not funded?

- TEA will continue to operate using aging technology that will eventually become end of life and unsupported, which will pose risks to information and data shared with TEA.
- If TSDS/PEIMS is not funded deployment will slow significantly. By the end of the fiscal year PEIMS will be done, however if not funded deployment to districts will be suspended. The additional 106 data collections expected to transition to the TSDS platform will also be suspended.

Previous Funding & Timeline for TSDS

What is the history of funding for TSDS?

- 2002 PriceWaterhouseCoopers study estimated \$81M to reinvent PEIMS
- 2009 IBM TDCARS report estimated \$106M to reinvent PEIMS over 6 years
- 04-05 TEA requested \$10M...denied
- 08-09 TEA requested \$20.5M ...denied; \$4.8M appropriated
- 10-11: Rider authority provided to establish capital budget for major state system funded by gifts, grants, & fed. funds
- Capital/Alternative funding history
 - Federal: SLDS I & II: \$26M
 - Michael and Susan Dell Foundation: \$8.4M
 - PEIMS (Capital ongoing): \$3.8M

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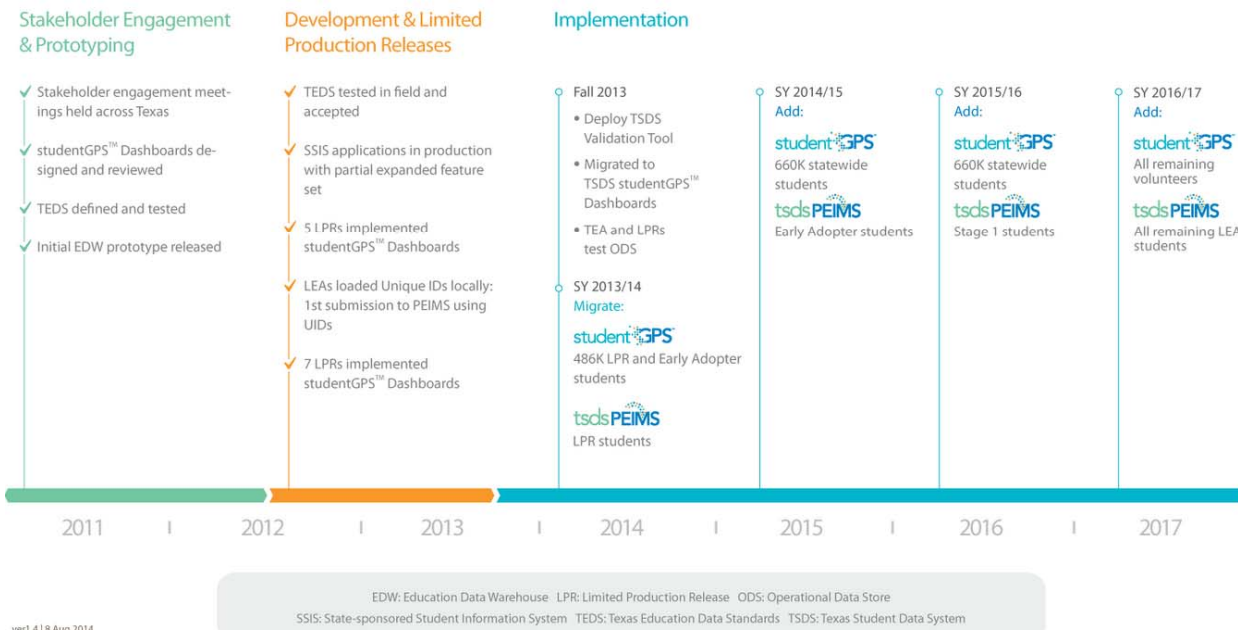
How has PEIMS funding been used over the last 10 years?

Initially, TEA used the capital funds below to incrementally improve the legacy PEIMS application/database; with TSDS, we began to invest in a long-term solution.

- **FY12/13** – \$3.8M TSDS infrastructure and hosting
- **FY10/11** – \$3.8M Address KPMG audit findings; XML PEIMS submissions; Oracle purchase to support TSDS
- **FY 08/09** – \$20.5M requested; only \$4.8M appropriated for upgrade of PEIMS servers, mainframe migration
- **FY 06/07** – *No PEIMS funding requested this biennium*
- **FY 04/05** – \$10.5M requested; however, *request was denied*



Implementation Timeline



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