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EduTech Steering Committee
December 7, 2000
Marriott Thruway

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Members Present:

Joe Backer, Superintendent Letchworth   Bev Ouderkirk, District Supt GV BOCES
Gary Hammond, Asst. Supt. GV BOCES   Tiffany Phillips, Superintendent Bloomfield
Chuck Kortz, Superintendent North Rose-Wolcott   Bob Smith, Superintendent Elba
Joe Marinelli, District Supt WFL BOCES   Camille Sorenson, Director EduTech
Jack McCabe, Associate Supt WFL BOCES   Steve Uebbing, Superintendent Canandaigua

Members Absent:

Phil D'Angelo, Superintendent Warsaw

Guests:

Chris Saxby, EduTech
Amy Perry, EduTech
Laura Lavine, Liverpool Central School District

I.   **Cost Effectiveness Legislation Update: Camille Sorenson**
       The process for the reporting year 2001-02 is the same as last year. EduTech has once again
       demonstrated Cost Effectiveness, given the guidelines of the legislation. Statement of Assurance form
       must be signed by Superintendents in the spring, Camille will coordinate obtaining signatures in March.
       If a signed Statement of Assurance is not received from the superintendent, the school district will not
       receive state aid on the three CoSers affected. A signature for the school districts in Genesee Valley
       BOCES will be collected March 22 at the superintendent's meeting.

II.   2001-2002 EduTech Budget: Camille Sorenson   ---

       Camille reviewed the year and the budget process ----

       Major Accomplishments:
       - Year 2000
       - Focus Groups and Survey
       - Help Desk Changes
       - System Analysis Assurances (SAA) Changes
       - Data Analysis/Cognos
       - Staffing Recruitment and Retention Changes
       - Project Accelerate
       - Standards, R&D
       - Disaster Recovery
       - Next Generation LAKENet

       The following questions and issues were raised during discussion:
       ▪ do we track the replacement workstations (not currently)
       ▪ how do capital projects impact EduTech workload and revenue
       ▪ The current trend in districts is upgrading networks.
       ▪ SAA Service Delivery - Some of the data we are learning how to read. People were doing stats
         manually, made a lot of assumptions. Today we are using an automated method. Data is different.
         Last year we had numerous supply chain issues.

EduTech Budget:

Total Budget	$9,116,691
Change for Current Budget	- $37,873
Percentage of Change	- .41%

Areas of Budget Changes
- Salary Decreases (reduction in Training FTEs)   -$52,169
- Fringe Benefits (Health Care Insurance Increases)   +$38,974
- Equipment (LAKENet Improvements)   +$19,775
- Other Expenses Conferences/Training   -$49,428

Factors Driving the 2001-2002 Budget - The Changing Picture
- 1. Replacement/Incremental Workstation Cycle
     Capital projects/Networking projects with resource commitment and without income;
     Install income, support income leveling
     Install Volume: incremental down

- 2. Significant increase in use of Student Software
             We have districts going from 10-12 people accessing system to hundreds of people accessing
             Data: time spent creating extracts for districts
             Need for more resources with fewer districts

  - 3. Demand/Model of training changing

   The following questions and issues were raised during discussion:
   - feedback, input on how the structure would change
   - Jack and Camille to come back with recommendations.
   - trying to move our pricing to be better at charging more for what people actually use.

- 4. Use of Infrastructure (LAKENet) increasing
             Disaster Recovery
             Redundancy
             Reliance
             Maintenance
- 5. Shared Support staff increasing Help Desk (Technical) Calls decreasing
- 6. Maintenance Vendor Bankruptcy

III.   2001-2002 EduTech Budget Revenue and Pricing
         Camille reviewed the next step in the budgeting process – the Cost Study, Overhead allocation

   - Budget - determine expenditures for the year
   - Cost Study - determine direct and indirect (overhead) costs. Allocate by billable Cost Centers
        - Identification of cost centers
   - Determine billable (vs. Overhead) cost centers
   - Allocate direct costs (i.e. Salaries, fringe)
   - Allocate Overhead/Indirect Costs (Supervision, Warehouse, Help Desk, R&D) based on a percentage of Direct cost to Total Direct
   - The result is a Cost Center Total Expense comprised of Direct and Indirect Expenses.

The Next Step is to match proposed expenses against revenue using existing prices........

Revenue Sources:
- Annual service fees (required service delivery standards, buy-in services (i.e. Finance, Student)
- one-time service Fees (install income, extra reports)
- Grants (title III)
- Cross Contracts (Project Accelerate, Student, Finance)

Estimate Miscellaneous Revenue based on historical trends for revenue and services...
- One time charges to the districts for services such as --- installation of workstations, printers, servers; additional tests scored; additional report, electronic files requested
- The budget is based on the existing service base. If a district subsequently drops a service (i.e. Finance), then the loss of that income must be made up by Miscellaneous Income.

(Steve Uebbing raised the idea of a policy stating a district cannot drop service in the middle of a year. [include date for cut off of dropping service])

The next step is pricing for services are adjusted based on gap analysis/analyze impact to districts

2001-2002 Pricing Impact to Districts:
- Average district pricing increase +6.48%
- Increase areas:
  Student (classroom module and 8%);
  Test Scoring (26%)
  Warranty Maintenance (+$3,500);
  LAKENet (+3,000 per district)
- Decrease areas:
  Finance (-2.5%)
  Part 200 (-5%)

The committee recommended that the budget be presented at the respective BOCES CSO meetings by the Steering Committee superintendents.

IV.   **Online Courses for Students: Jack McCabe**
        Current State:
        - Student Online Courses
                * Offerings
                 * Evaluations
                 * Opportunities
        - Next Steps

        Amy Perry reported that 96 students started and remain enrolled in the on-line courses. Currently have six school districts using the service for six different purposes. The contacts at the district level are:
                Student
                Faculty Advisor
                Student Contact (Guidance counselor)
                Technical Contact
                Superintendent

Focus on the guidance counselor, faculty advisor, and student for the evaluation process. All signs point that students are actively engaged and motivated.

Jack McCabe introduced Laura Lavine, Director of The Virtual School @ Liverpool. Laura discussed the student based on-line courses available through Liverpool.

    Liverpool starts at $600 per student per semester for courses

    Students should plan to spend 5 to 10 hours per week on courses.

    What is the attrition rate? Nationally 20-70%. Selection process is crucial.

    Liverpool is limiting class size to 20.

Discussion on online courses for students to continue at the next meeting.

Next meeting:
February 2, 2001 - Rochester Marriott Thruway 8:30 a.m. to 12:00 p.m.