

Status Update on Implementation and Improvement of the Shared School District Data Management System

Subtitle: Act 66 of 2017, Section 17

REPORT

June 30, 2021

Report to the General Assembly

Submitted by

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Introduction

Legislation

This report is submitted pursuant to [Act 66 of 2021, Sec. 17](#), which requires the Agency of Education (AOE) to submit quarterly status reports on the implementation and improvement of the Shared School District Data Management System (SSDDMS), and the Agency's management and oversight of the project's identified contractor, PowerSchool. The section requires a status update on the following five items:

1. System outages
2. Bank reconciliation
3. Reporting enhancement
4. System enhancement
5. User Training

Sec. 17(b) requires the AOE to consult with the Vermont Association of School Business Officials (VASBO) and professional accounting firms actively engaged in school finance in Vermont.

Background

In [Act 11 of 2018 \(Special Session\)](#), the General Assembly required all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts to implement the SSDDMS system by July 1 of 2020. This made a voluntary program established by AOE in response to Act 179 of 2014 a requirement for all Vermont supervisory unions and supervisory districts (SU/SDs).

The Agencies of Education and of Digital Services (ADS), in collaboration with a group of Vermont school business officials, had already selected a contractor, PowerSchool for the implementation of the voluntary program, using the eFinancePlus (hereinafter eFinance) software platform. Pursuant to the intent of the General Assembly in Act 18 of 2018, the selected system became the requirement for all Vermont SU/SDs. Subsequently, the General Assembly adjusted the implementation dates of the program to July 1 of 2022, in Act 72 of 2019, in response to concerns from school administrators that the implementation was complex and needed additional time.

In December of 2020, AOE Chief Financial Officer William Bates , recommended to Secretary French that the Agency introduce a six month pause in implementation, to allow the vendor time to address identified deficiencies in its software and training. Both AOE and ADS worked with the General Assembly establish this pause in Act 66.

Act 66 of 2021 extended the statutory deadline from July 1, 2022 to January 1, 2023, for all SU/SDs to be using the SSDDMS, and paused the further implementation for new SU/SDs until after January 1, 2022.

Stakeholder Engagement

Pursuant to Sec. 17(b) of Act 66, the AOE is required to collect input from VASBO and audit firm accountants in preparing these reports. The Agency will, on a quarterly basis, provide a set

period for the collection of stakeholder input from VASBO and audit firms known to have recently performed audits with Vermont school districts. Due to the short time between passage of the act, signature by the Governor, and the due date of this (first) report, the timeline was necessarily compressed. For future reports, the AOE anticipates a longer period of stakeholder engagement.

Status Update

In addition to general updates on improvement and implementation issues, Act 66 requires five specific additional items be addressed in this status report: outages, bank reconciliation, reporting enhancements, system enhancements and user training.

Implementation:

As of June, 2021, 19 SU/SDs have implemented eFinance, one is prepared to go-live on July 1, 2021 and one more will go-live on January 1, 2022. Due to the pause referenced above, the remaining 32 SU/SDs are now scheduled to begin implementation in two rounds. Round one will begin implementation in January 2022 and go-live on July 1, 2022. Round two will begin implementation on July 1, 2022 and will go-live January 1, 2023. Both of these two final rounds will begin prerequisite activities with the AOE three months ahead of either starting date.

System Outages

There were 21 system outages between June and December of 2020, broken down as follows:

- 10 – System-wide outages (access to the system unavailable)
- 10 – Start page outages impacting all SU/SDs logging in from a start page (see following paragraph)
- 1 – Printing service outage to all users.

AOE and ADS pressed PowerSchool to identify the root causes of these outages and address them. PowerSchool determined they were largely due to bad network switches, which were upgraded by February of 2021. Additionally, there was a less severe problem that involved users still logging into eFinance through a previously supported login page that is no longer valid. Users experiencing this issue were instructed to use the direct eFinance URL to log in to the system. There have been no outages or reported downtimes in 2021 as a result of these improvements.

Bank reconciliation improvement

Initial adopters of SSDDMS observed that the embedded bank reconciliation process did not pull in payroll checks tied to the bank account being reconciled, only accounts payable (A/P) checks. An enhancement request was submitted to systemically incorporate payroll checks, and also compare the reconciled balances to the actual system general ledger (G/L) cash balance. PowerSchool committed to having this in place by July 1, 2021. In early June of 2021, a new bank reconciliation module was made available to two SUs for user acceptance testing (UAT). Issues were identified and sent back to PowerSchool for resolution. As of late June, it appears that a final version will not be made available until mid-July.

Reporting Enhancements

Initial adopters of SSDDMS experienced frustration in identifying needed data and system reports. Some users noted the absence of what they considered to be must-have industry standard reports in eFinance. Users were provided training on the add-on reporting tool, Cognos, but were frustrated by its complexity. In September of 2020, PowerSchool and AOE jointly delivered a set of user forums dedicated to advanced training in using Cognos. Also, in late 2020, PowerSchool designated a support consultant to work with a sub-group of users to identify priority reporting needs.

It was decided that PowerSchool would deliver 8 weeks of advanced user or white glove training in the spring of 2021 for all SU/SDs that included guidance on the differentiation and usage of key system reports and advanced data searches. Additionally, PowerSchool would build or perfect Vermont's top 5 needed reports, first in the stand-alone Cognos reporting system, and later as embedded system reports. PowerSchool committed to having the Cognos reports in place by July 1, 2021. These reports included the following:

1. Trial Balance
2. Profit and Loss (P&L, or Income Statement)
3. General Ledger report that includes Assets, Liabilities, Equity, Expenditures and Revenues
4. Open Accounts Payable Aging
5. Payroll Journal Entry

As of June 30, 2021, two of the five Cognos reports (Trial Balance and P&L) have been initially accepted by AOE and the designated user-subgroup. The others are in final stages of user acceptance testing.

System Enhancements

In the fall of 2020, auditors listed several perceived issues with the eFinance software. Some of these issues had already been identified by the Governance Group and were enhancements-in-progress or Cognos report improvements that were underway, while others were related to user fluency and training issues or perceived issues with internal controls.

The AOE's system for identifying software improvements involves users submitting requests to the SSDDMS Governance Group, made up of SU/SD business office professionals, which vets and prioritizes the list and engages with the AOE and PowerSchool to refine and schedule product enhancements. PowerSchool has been a cooperative and willing partner in this process. PowerSchool responded to the auditors' concerns and as stated, many of the issues were already in the queue to be resolved or were addressed through supplemental user training (see below). The Governance Group continues to prioritize outstanding and ongoing enhancement requests and work with the AOE and PowerSchool to implement them as resources allow.

Additionally, PowerSchool has a Roadmap timeline for its own regularly scheduled system releases. PowerSchool typically releases a major system update in the fall of every year, with minor 'dot' releases occurring as needed in between. The Version 20.11 major update included

the Interfund (Due To/Due From) enhancement that Vermont had requested, as well as a stand-alone Student Activities module.

While completing this update for all Vermont districts ahead of the July 1, 2021 deadline, the overdue release of this software update created many unanticipated system functionality issues for users, some of them of a critical nature, and caused significant frustration. PowerSchool responded with a series of fixes in subsequent dot releases. As of late June 2021, there are still a number of open support tickets related to the update.

On June 16, 2021, AOE met with many users in an After-Action review, to be able to provide PowerSchool with needed customer feedback on the roll-out of their update process. Users overwhelmingly voiced concern about the disruption that the update caused and called upon PowerSchool to raise the level of their internal quality control procedures prior to the next release scheduled for November of 2021.

User Training

Vermont users voiced some frustration that even after having been on the eFinance system for many months, they still felt like they lacked the basic understandings of crucial system configurations, setup, and detailed feature functionalities. PowerSchool responded in the spring of 2021 with a series of in-depth user forums/trainings over the course of 8 weeks. The feedback from these trainings was mostly positive. (e.g. Some users prefer to have individualized trainings vs. group trainings, etc.) PowerSchool will use this feedback to better incorporate this advanced level of training into the new-user trainings for implementations in Vermont now scheduled for 2022.

Input from VASBO:

At this time, AOE has not received any formal input from VASBO, but a representative did express their concern that, in their view, PowerSchool is under-resourced with respect to system upgrades and support.

Input from auditors:

RHR Smith was the only auditing firm to submit input to this report. Their comments note the fact that they have not seen some of these system improvements yet since they are just being implemented on or around July 1, 2021 for FY21, but they look forward to evaluating the improved Bank Reconciliation module, the improved Cognos reports and improved internal controls during their FY21 audit process.

System Upgrades

Early in 2021, the PowerSchool project sponsor committed to delivering some key project upgrades by July, including advanced, customized user trainings, the development of Vermont's top 5 needed reports in Cognos, an improved Bank Reconciliation module, resolution of system outage issues and the 20.11 system update including the Student Activities module and Interfund accounting functionality. While most of these items have nominally been delivered, users have not had an opportunity to even configure these features, much less use

them as intended. Accordingly, AOE will evaluate the status of these deliverables later in July and provide a supplemental update to this report in August.

Project Next Steps

As summer schedules permit, the AOE/ADS Project Team will reach out to business office staff at SU/SDs that have implemented SSDDMS or are in process to conduct a lessons learned session. The team will use this opportunity to record what went well, what did not go well and what needs to be done differently. The results of this session will be shared with the project leadership at AOE and ADS and with the vendor. The results will be used to map out next steps for the project. Unless circumstances change, the Project Team will map out and schedule the next top project deliverables, schedule on site visits to shadow back office use of the system and prepare for the next round of implementations and the upgrade to version 21.11.