MCOECN under Contract with the
Ohio Department of Education

SITE REVIEW OF

Hamilton Clermont Cooperative Association

HCCA ITC

April 28 – 30, 2015
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Opening Remarks
Members of the review team commend the current chairperson of the Hamilton Clermont Cooperative Association (HCCA) Information Technology Center (ITC) Board of Directors, the fiscal agent superintendent, the fiscal agent treasurer, and the members of the executive committee for participating in this review. The review team extends its sincere appreciation to both the staff and the user school district personnel who took the time to provide input. The team also thanks the HCCA ITC for participating in an on-site review to assess the current operations and services this ITC provides to its member districts. Finally, the team appreciates contributions made by the HCCA ITC Executive Director as well as the Hamilton County ESC Board in its role as the HCCA ITC Fiscal Agent.

Rules outlined in the Ohio Administrative Code section 3301-3-05 direct the State Department of Education to enable an accountability system to evaluate the delivery of core services by OECN ITCs. The site review process conducted by the Management Council on behalf of the department is a component of this accountability system. A site review encompasses an examination of multiple aspects of an ITC. These include governance, finances, administration, customer support, professional development, physical environment, hardware environment, and compliance with the Ohio Administrative Code rules that define organizational and operational requirements for ITCs. The observations and recommendations of the review team are noted in this report.

While some may want the review team to recommend specific actions relative to the future configuration and operations of the HCCA, this is not within its purview, nor would it be prudent for the review team to be permitted to provide such counsel. The review team is on-site for a very short time and would not have to live with the consequences of any suggested specific actions. It is the function of the review team to provide information and alternatives, which may be considered by the owner-members in determining the future direction of the organization.

Governance
The members’ attention to the operations and finances of the organization by the association’s owner-members is essential. Information Technology Centers are locally-owned and operated government entities. They may be formed as a council of governments (COG) under Chapter 167 of the Ohio Revised Code as is HCCA since 1990, or as a consortium of cooperating school districts under Ohio Revised Code Section 3313.92. Under both organizational models, the ITC is owned and governed by its owner-member school districts. It is the responsibility of the governing body (as specified in the governance documents creating the ITC), to oversee the operation of the organization, to ensure that it is performing as desired by the majority of the owner-members, and that it is funded and staffed appropriately to meet the desires of the owner-members. While the Ohio Department of Education (ODE) has limited oversight of ITCs, the owner-members must assume full responsibility for the governance and operation of an ITC.

The review team observed that the executive committee requested the governance document be updated over a year ago. ITCs are encouraged to review governance documents every 3-5 years, especially after Ohio Revised Code and Ohio Administrative Code revisions are made to ensure compliance. The governance document should be updated to allow for opportunities for additional
revenue from other user entities such as governments and/or municipalities. Another suggestion would be to clarify charter and non-public membership and remove any language that may contain geographic limitations pertaining to a service area. Once the governance document is updated, HCCA should review internal processes (e.g., evaluations) for proper alignment and compliance.

Finance
For the purpose of this site review, the team will focus on fiscal policy, revenue/expenditure trends, and stability. The intent is not to conduct a comprehensive fiscal audit that is done periodically by the state auditor. Rather, our task is to review trend data and projections to determine negative/positive trends of ITC finances and make recommendations related to increasing revenue or decreasing expenditures. Obviously, the review team is only on site for a very short period of time and has no prior knowledge of the fiscal state of the ITC, other than financial data provided prior to and during the review. Therefore, the review team is looking to identify potential risks and any threats to the ITC’s financial stability and to recognize good business practices.

The review committee commends HCCA for their commitment to fiscal management through the creation of a five-year financial forecast. This process and plan enables HCCA to monitor their cash flow, while also helping the administrative team and board to be knowledgeable and proactive in monitoring spending and revenue trends. Although language in the Ohio Administrative Code requiring ITCs to have “the greater of an average of thirty days expenditures from the past twelve months or anticipated expenditures for the next sixty days” no longer exists in law, the review team commends HCCA for adhering to this “best practice” policy to help ensure financial stability. The data presented in the HCCA financial forecast shows projected general fund cash carryover balance that far exceeds the recommended 30 days of operating expenditures. Additionally, the future projections of financial data provided to the review team suggest that the upcoming three years are indicative of cash balances that should, if met, continue to exceed 30 days of operating expenditures.

The HCCA 5-year forecast for FY16 thru FY19 shows expenditures will moderately increase each year by an average of 1.03%. Conversely, revenues move in a negative direction, with an average yearly decrease over the life of the forecast of -1.72%. These trends suggest deficit spending will begin in FY 17. While the cash balance available is able to absorb deficit spending in the short-term, HCCA will need to address the deficit spending by decreasing expenditures, increasing revenues, or a combination of both, to maintain long-term financial viability.

It is evident a successful association has existed between the fiscal agent and the ITC for many years. To safeguard this relationship, the review team recommends this be documented in an agreement that defines the relationship and duties of each entity.

Administration
The review team feels that the HCCA ITC is at an important point as management looks to the future. The selection of and continued direction provided by the next executive director is vital to the continuation of the HCCA’s customer-oriented culture. The owner-members should accept ownership of the council of governments and work cooperatively with the HCCA ITC staff to establish a vision of future activities and a mechanism for continuing support.
The HCCA ITC Staff is capable of maintaining day-to-day operations but needs information and feedback from the districts to optimize the delivery of services. The direction of the operation must be a joint decision by the owner-members and the HCCA ITC staff. The review team feels that the administration of HCCA ITC is successful in providing leadership to the organization. The administration of HCCA ITC has demonstrated vision and leadership by adopting new technologies and by constantly seeking to provide new or expanded services to HCCA ITC districts. The review team commends the administration for its efforts in seeking ways to serve and support member districts.

The HCCA ITC Continuous Improvement Plan (CIP) is posted on the HCCA ITC website. The CIP for the FY14 and FY15 fiscal year is available. Districts are encouraged to review this document to gain a better understanding and appreciation for the operation.

**Personnel**
The review team commends the HCCA ITC support staff for being truly customer-driven. They were praised for their on-going assistance and dedicated service, with many going beyond typical expectations to provide for the needs of HCCA ITC users. Users appreciate the approachability of the staff. It was observed employees are extremely dedicated and express a genuinely positive attitude regarding their work at HCCA ITC.

Based upon customer comments, it appears the HCCA staffing levels are adequate for the current customer base and services provided. The review team recommends exploring options for reciprocal sharing of INFOhio support, as practiced by other ITCs. As HCCA has only one INFOhio support person, this type of sharing could provide coverage when she is unavailable. HCCA administrators should review staffing levels as customer base or service levels change.

It is also the review team’s opinion that, for the long-term sustainability of the organization, HCCA should give serious consideration to the creation of a succession plan, supported by its strong financial plan. Such a plan would help to ensure the quality of staff, operations, and services when staff turnover, technological changes, or economic conditions create financial pressures on the districts or organization. A formal succession plan provides a pro-active, constructive, practical approach through this transition period. For example, it was reported that HCCA anticipates some degree of staff turnover as a result of retirements in the near future. An additional support person has been selected and employed to prepare for this event. HCCA is encouraged to make an ongoing formative evaluation of the transition plan to ensure it continues to meet the needs of districts as changes unfold. Special attention should be paid to recruiting personnel who have previous district experience using services and who are familiar with HCCA operations. This may be particularly necessary as attrition at the ITC reduces the pool of experienced staff.

**Staff Professional Development**
Documentation provided by the HCCA indicates compliance with current CEU requirements. The staff expressed appreciation for the professional development opportunities available to them. With changes to individual CEU requirements pending in the next revision of Ohio Administrative Code rules
for the OECN, the HCCA should consider including professional development aspects in future continuous improvement plans.

**Hardware and Network Infrastructure**
The current computing hardware being utilized appears to be adequate for the current and anticipated future needs of the organization. HCCA has built an impressive infrastructure, dedicating much time and planning to the creation of a fully redundant core network, computer, and storage infrastructure. All core components of the network were refreshed recently and are scalable beyond the current 10GB capabilities, allowing the current setup to carry HCCA well into the future. The data center colocation facility in downtown Cincinnati is impressive, offering multiple levels of redundant power, battery backup, cooling, and physical security to ensure the infrastructure and data are safe and have maximum availability for district end users. The review team recommends that HCCA ITC continue to monitor performance levels to ensure that the equipment is sufficient to meet the needs of its users.

The review team observed that HCCA has dedicated significant funds annually for equipment purchases and upgrades, allowing them to create and maintain a network with appropriate levels of redundancy.

**Software**
Even though the HCCA provides exemplary customer service, end user feedback suggests dissatisfaction with certain aspects of the fiscal and student-information software currently in use.

The users were advocates of state-developed software; however, they expressed concern with the lack of progress on development of additional features. For example, users expressed a desire to have seamless, two-way integration between student-information and district-owned learning management systems (Blackboard, Schoology, etc). They also expressed a desire to have a modern interface and expanded functionality of the current USAS software. The review team notes that these suggestions are outside of HCCA’s direct control; however, the team feels HCCA must continue to express users’ concerns to the various software developers.

**User Staff Development**
The users expressed appreciation for the quantity and quality of professional development. It was shared with the review team that the training areas of the HCCA ITC facility are used almost every day. The depth and range of training provided is commendable. The review team offers several recommendations regarding professional development. Documentation should be provided to those who were unable to attend the sessions. HCCA ITC should consider offering round table sessions across all service areas in which users are invited to share their best practices.

Especially noted for their help are the Wednesday “Open Labs” in Hamilton County and Thursday “Open Labs” in Clermont County. Included in the training support are large and small group on-site training sessions, and group and individual training sessions provided in the districts and their buildings. Users voiced appreciation for this high level of support.
Customer Support
HCCA has developed service level agreements (SLAs) for their service areas. The review team recommends periodic assessment and reporting of performance against these SLAs. Customers expressed appreciation for the high level of staff availability inside and outside of normal service hours. The HCCA is commended for their customer-centric approach.

Operations
The review team commends the HCCA ITC in their forward thinking approach to operations. Data backups are very important and highly prioritized by the HCCA staff. The team observed several levels of backups, including redundant replication between SANs, replication of that data to an off-site SAN, OpenVMS backups to an off-site location, and the use of Veeam software to provide machine-level backups for all servers.

Daily operations are very customer-focused, with multiple communication methods available for end-users to contact HCCA staff (voice, email, and helpdesk). While helpdesk is the preferred contact method (for HCCA reporting purposes), the other options are not restricted in any way. Transparency of communication to end-users is a policy adhered to by HCCA staff. Information about the nature of outages is shared freely to the customers. The use of Rave Alerts allows HCCA to communicate critical information to end-users even in the event the communication systems at HCCA are offline.

HCCA has established a recurring, scheduled maintenance window for performing necessary maintenance that could result in downtime. Any work done during this window is communicated to end users with no less than 3 days advance notice.

Closing
The review team concludes this report by noting this ITC is felt to be of exceptional quality. Among several positive attributes demonstrated by the HCCA, their culture of excellent customer service is especially noteworthy. As this ITC approaches a leadership transition, the review team suggests HCCA embrace a committed focus to ensure this culture endures.

While grounded in the collective experience brought by members of this review team, the recommendations contained in this report are based on a brief snapshot of the operations of this ITC. The governing board and administration of the HCCA are encouraged to carefully consider each recommendation to ensure they are truly in the best interest of the ITC and the district owner-customers of the HCCA.

The review team felt it their responsibility to provide some recommendations that, upon close examination by the owner-members, might challenge their thinking and generate cooperative discussions and decisions that will further enhance the operations of this ITC. The team members are pleased to have been able to share in the growth of the HCCA ITC.
Appendix A – General Recommendations to ITCs

The items below are “food for thought” and are provided only as reference. The HCCA is encouraged to do the following:

• Look for new services that help districts improve efficiency and control their costs;
• Expand services or partnerships supporting instructional technology in the classroom;
• Be open to sharing services with other ITCs, agencies, and the MCOECN to improve operational efficiency and potentially reduce costs;
• Participate on statewide initiatives such as eTranscript and Roster Verification;
• And, being ever mindful that service to your membership is paramount; continually strengthen the ITC’s ability to provide the highest level of customer service to schools.

It must be noted that implementation of any of the above concepts proposed herein may require additional financial and/or staff resources be provided.
Appendix B – Review Team Members

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