PROGRESS REPORT ON THE DEVELOPMENT OF A COMMON DIGITAL TRANSCRIPT FOR NC PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND UNC CONSTITUENT INSTITUTIONS

Submitted to the
Joint Legislative Education Oversight Committee
by North Carolina State Education Assistance Authority
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I.   EXECUTIVE SUMMARY

In 2023, the enacted State budget appropriated $7 million to the North Carolina State Education Assistance Authority (SEAA) to contract with the College Foundation, Inc. (CFI) to create a common digital transcript for North Carolina public school units and public colleges and universities. SEAA and CFI established a core Working Group of education sector partners to identify options for developing a digital transcript. In doing so, the Working Group examined several options. After considering the pros and cons of each option and after recommendations from the Working Group, SEAA and CFI are beginning work on a common digital transcript system that would be hosted by CFI through which students could access transcripts via the student's CFNC.org[1] account. This option provides a single point of request for students and allows for the transfer of a unified digital transcript to the public postsecondary institutions chosen by the student. As designed, this system will also allow for future expansion to North Carolina private colleges and universities, inclusion of third party credentials, as well as providing a foundation for an interoperable data system in the future as recommended by myFutureNC in its 2023 report to the General Assembly. The initial development costs are estimated at approximately $1.4 million with ongoing recurring costs estimated at $53,000 annually. These estimated costs do not include the loss of transcript fees to postsecondary institutions. Also, since the project is in its initial stages, there may be cost variables. The various options, including the one selected, are detailed in this report along with a cost breakdown and timeline for completion.

II.   BACKGROUND

Section 7.11 of Session Law 2022-74 directed myFutureNC, Inc., in consultation with the SEAA, the Department of Public Instruction (DPI), the Community College System Office (CCSO), and The University of North Carolina System Office (UNCSO), along with their respective institutions to report to the Joint Legislative Education Oversight Committee (JLEOC) on "requirements necessary to create an interconnected and interoperable real-time data system to facilitate communication, collection, and transition of student data between public school units, community colleges, and universities and to provide students access to their own data, including after the student leaves the institution."

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[1] CFNC (College Foundation of North Carolina) is a service of the State which helps students plan, apply, and pay for college. See www.CNFC.org for more information.

myFutureNC contracted with Gartner consulting to study an interoperable and interconnected student data system. As part of its 2023 recommendations to JLEOC, myFutureNC and Gartner Consulting recommended a proof-of-concept which would include a unified K-16 digital transcript.[2]

Section 8A.15 of Session Law 134 appropriated $7 million in non-recurring funds to SEAA for the creation of a common digital transcript for North Carolina public school units, community colleges, and The University of North Carolina constituent institutions. This legislation directed SEAA to contract with the CFI, to design, develop, and maintain a common digital transcript for students enrolled in these institutions. Such a transcript must 1) be available to all students; 2) be secure and confidential; 3) be compatible with data systems used by these institutions; and, 4) be free of cost to students who are enrolled in or have been enrolled in one or more of these institutions. SEAA was directed to report no later than March 15, 2024, on CFI's progress, including, 1) any additional steps needed and a timeline for completing those steps and publishing the transcript to students; and, 2) estimates of any additional costs for design, development, and maintenance, including operational costs.

III.   CURRENT TRANSCRIPT DATA SYSTEMS

A. **DPI.** DPI maintains a single Student Information System (SIS). Currently, DPI uses PowerSchool but is transitioning to Infinite Campus which will provide K-12 transcript data beginning in 2024 with full implementation in 2025.

B. **The University of North Carolina System.** The UNCSO maintains a data warehouse which contains campus-level transcript data from each of the UNC constituent institutions.

C. **Community College System.** Although the CCSO maintains a data warehouse, this warehouse does not include transcript level data from each of the 58 community colleges. All transcript data is maintained at the local community colleges. In addition, within the current Enterprise Resource Planning (ERP) system, Ellucian

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[2] The proof-of-concept also recommended the inclusion of real-time data for dual enrollment and student degree roadmaps as part of the interoperable data system.

Colleague, each community college may further customize data at the campus level. The Community College System is in the process of replacing its current ERP.

D. **CFI.** CFI operates and maintains <u>CFNC.org</u> on behalf of SEAA. As a part of this service, the CFNC website allows students to apply to any of the 58 community colleges, and all UNC institutions. DPI shares student transcript data with CFI. Therefore, through their CFNC account, students are able to request their North Carolina K-12 transcripts free of charge. CFI then securely transmits the student's transcript information to students' selected NC postsecondary institution(s).

IV. PROGRESS TO DATE

A. **Working and Advisory Groups.** After enactment of the legislation, SEAA and CFI established a core Working Group consisting of representatives from DPI, the UNCSO, and the CCSO. The initial work of this group was to identify both short-term and long-term options to meet the requirements of the legislation, as well as identify both costs and any additional issues which might be barriers to implementation. In addition, an advisory committee was identified to include postsecondary campus-level representatives, primarily enrollment managers and registrars, along with business and technical representatives from the UNCSO, the CCSO, and DPI. Once detailed planning and preparation begins, this advisory committee will provide additional perspective and advice based on their knowledge and experience with the specific business and technical aspects of transcript delivery and use.

B. **Key Issues Relating to Digital Transcripts.** At the outset, the Working Group decided to consider both short-term and long-term options for digital transcripts with any long-term options including the development of a more robust interoperable solution. In addition to the requirements of the legislation, the Working Group identified several key issues and solutions that affect all options, both short- and long-term.

- **Student Identification.** Accuracy of student identification must be ensured when matching data from multiple institutions, each with its own unique student identifier.

- o *Solution.* DPI, CCSO, and UNCSO must agree on a standard matching procedure that ensures data integrity and prevents mingling of multiple students' data on a single transcript.

- **Data Sharing vs. Document Sharing.** Data sharing is preferable to document sharing to facilitate the design of a long-term interoperable solution.

  - o *Solution.* Short-term options may require document sharing. Longer-term options should include data-sharing between the sectors.

- **Transcript Contents.** Numerous data points may be appropriate for inclusion in a digital transcript. In addition to traditional academic records and degrees, additional information may include third party credentials, certifications, and credit for prior learning.

  - o *Solution.* Short-term solutions would be limited to a traditional academic transcript (classes, grades, diplomas, degrees). Consideration will be given to the inclusion of other credentials in a long-term solution.

- **Transcript Ownership.** Typically, the institution "owns" the student transcript. However, a feature of the digital transcript could also include a student having "on demand" access to transcript data, including access on a mobile device, along with the ability to officially transmit that data to a receiving postsecondary institution.

  - o *Solution.* Initially, a hybrid model could provide for an official transcript coming from DPI and postsecondary institutions transmitted from CFI through the CFNC portal with an unofficial version available to students thereby providing all parties access to the information. As is the current practice for K-12 transcripts, all information would be securely sent to the postsecondary institutions. Any future version of a digital transcript will address fully the issues around transcript

ownership, verification, and acceptance, including the ability for a student to transmit an official transcript to a receiving institution.

V.   LOSS OF INSTITUTIONAL TRANSCRIPT FEES

One of the requirements for digital transcripts in S.L. 2023-134 is that they must be free of cost to students enrolled in a North Carolina public school, a UNC constituent institution, or a community college. Although K-12 transcripts are provided free of charge through the student's CFNC account, some local school districts charge a transcript fee when a student requests the transcript directly from the district. Furthermore, the majority of UNC constituent institutions and community colleges charge a fee for transcripts. Many of these institutions use a third-party provider such as National Student Clearinghouse ® or Parchment® to fulfill transcript requests. These third party providers receive a portion of the fee with the remainder going to the institution. For UNC constituent institutions and community colleges, fees are typically used to support activities of the registrars' offices. While beyond the scope of recommendations in this report, Working Group representatives from the UNCSO and the CCSO have expressed concerns about transcript fee losses to the institutions.

VI.   OPTIONS CONSIDERED

In addition to meeting the legislative requirements, a digital transcript option should also be a foundation for a longer term solution of integrating other North Carolina higher education institutions as well as credentials and certifications.

A. Single Student Request/Split Transcript Delivery.

Process	Pros	Cons
Student. Submits a request for K-12 and any postsecondary transcripts through the student's CFNC portal. **CFI**	• Single point of request for students. • Ability to use existing infrastructure.	• 3rd party vendors send transcripts directly to postsecondary institutions, not students.

Process	Pros	Cons
• Retrieves K-12 transcript directly from DPI. • Sends post-secondary transcript request to 3rd party vendor. • Submits K-12 transcript to post-secondary institution selected by the student. **3rd Party Vendor.** Submits post-secondary transcript to institution selected by the student.	• No new technical capabilities required for CFI to connect with 3rd party vendor. • Could be implemented quickly.	• Students would not be able to verify via the CFNC account fulfillment of the postsecondary transcript request. • There would be multiple transcripts, i.e., not unified. • Postsecondary institutions would have to ensure matching of separate documents. • Relies on document-based (PDF) technology; could not be integrated into a broader, comprehensive digital transcript system without significant recurring costs. • Costs to contract with 3rd party vendor.
Timeline	**Available to students by the 2024-2025 spring semester.**	

B. Single Student Request/Unified Transcript Delivery.

Process	Pros	Cons
Student. • Submits a request for K-12 and any postsecondary transcripts through the student's CFNC portal and authorizes CFI to request and receive the postsecondary transcript from the 3rd party vendor. • Option to request a personal copy. **3rd Party Vendor.** Submits the student's postsecondary transcript directly to CFI. **CFI.** • Retrieves K-12 transcript directly from DPI. • Sends post-secondary transcript request to 3rd party vendor. • Combines K-12 and postsecondary data and sends to institutions and the student.	• Single point of request for students. • Ability to use existing infrastructure. • No new technical capabilities required for CFI to connect with 3rd party vendor. • Ability to transmit a unified transcript to both the postsecondary institutions and the student. • Ability to provide the student with information on fulfillment of the transcript request. • Option to convert from pdf to data file.	• Relies on document-based (PDF) technology; could not be integrated into a broader, comprehensive digital transcript system without significant recurring costs. • Costs to contract with 3rd party vendor. • Conversion of transcript information from a pdf to digital data would incur additional recurring costs.

Process	Pros	Cons
Timeline	**Available to students by the 2024-2025 spring semester.**	

C. Single Student Request/Delivery by CFI.

Process	Pros	Cons
Student. • Submits a request for K-12 and any postsecondary transcripts through the student's CFNC portal. • Option to request a personal copy. **UNC & CC System Offices/Institutions.** Transcript data would be sent directly from the respective system offices or individual institutions directly to CFI. **CFI** • Retrieves K-12 transcript directly from DPI. • Directly receives postsecondary data via application programming interface (API) access to SIS data. • Combines K-12 and postsecondary	• Single point of request for students. • Ability to transmit a unified transcript to both the postsecondary institutions and the student. • Ability to provide the student with information on fulfillment of the transcript request. • Delivers data instead of documents. • No need for a 3rd party vendor recurring costs.	• Could not be done as quickly as Options A and B. • CCSO does not have a data warehouse containing transcript information. Therefore, all community college transcript data would have to be obtained at the campus level.

Process	Pros	Cons
data and sends to institutions and the student.		
Timeline	**July 2025 (See section IX for greater detail)**	

VII. OPTION SELECTED AND NEXT STEPS

After considering the Options above, SEAA, in consultation with CFI and the education sector partners who made up the Working Group, believes that Option C will invest resources to build not only the digital transcript but a foundation for expansion to include other credentials and certificates.

CFI will work with the current vendor, Ellucian, for the UNC System and the Community College System to build and implement the APIs to pull student postsecondary transcript data directly from the current community college and UNC student information systems. Initially, this approach will allow CFI to combine the K-12 data and the postsecondary transcript data to produce a data feed and/or PDF documents to share with receiving UNC or community college institutions. Eventually, this data system could feed other systems to achieve interoperability.

VIII. COSTS OF SELECTED OPTION

NON-RECURRING ESTIMATED BUILD COSTS	
Technology Implementation Estimates*	
API development cost	$250,000
Implementation cost	$500,000
Sub-total	***$750,000***
CFI Estimates	
Application Hub updates	$122,500
Development for communication with APIs	$389,800
Transcript Data Aggregation	$125,000
Sub-total	***$637,300***
Estimated Total Cost	**$1,387,300**

* *Implementation estimates include funding intended to provide on-site technical implementation assistance for some campuses as well as other implementation costs.*

RECURRING OPERATION AND MAINTENANCE COST ESTIMATES	
CFI	$53,000*

* *This cost does not include loss of institutional transcript fees to campuses. See Section V above.*

IX. TIMELINE FOR IMPLEMENTATION

The target timeline for completion is July 2025. However, several factors may affect the date. First, Option C provides a foundation for future interoperability, but more of the solution requires new development than is the case for Options A and B. This level of effort takes additional time to plan and execute. As such, the timeline and cost reflect a higher amount of development and testing work than the other options, which primarily reflect transaction costs. Second, DPI has begun roll-out of a new student information system, Infinite Campus, which will provide K-12 transcript data for part of the state beginning in 2024 and for the entire state beginning in July 2025. Aligning with the July 2025 Infinite Campus rollout reduces overall cost by avoiding having to build the unified transcript to work with two different systems (PowerSchool and Infinite Campus).

March 2024
Continue Working Group meetings on monthly basis
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April 2024
Identify technical resources to plan and execute
→
May 2024
Contract for development of Colleague/Banner APIs

May 2024-Spring 2025
Build and test system
→
July 2025
Project Completion