

NCDPI Business Modernization Project

Objective - Replace the outdated financial and human resource computer systems currently in place at the LEA and State level.



What is the problem?

- ▶ LEAs and DPI are using financial and human resource (HR) software programs that were developed in the 1990s, the equivalent of still using the old rotary style phone.
- ▶ State legislature is unable to extract finance and personnel information
- ▶ HR systems and Finance systems are unable to talk to one another
- ▶ Our system is so outdated, it is no longer offered or supported. As a result, the company that owns our program has been bought and sold 3 times in the last 5 years.

The Solution-Step 1

- ▶ A committee was created consisting of key DPI personnel along with experienced finance officers and HR directors from across the state.
- ▶ **Step 1 - Determine what we need in a modern system?**
- ▶ 1-Cloud based - information stored off-site, user can work from any location, using any connected device.
- ▶ 2-Integrated finance and HR systems that talk to one another.
- ▶ 3-Reduces the need for paper.
- ▶ 4-Allows customized reporting options.
- ▶ 5-Provides dashboard options catered to the unique needs of the individual's job function.
- ▶ 6-Enables information to be easily transferred between the districts and DPI.

The Solution - Step 2

- ▶ Step 2 - Find vendors that are capable of providing a modern system.
- ▶ Two vendors were selected:
- ▶ 1-Tyler Technologies - Target market is state and local governmental agencies, including many municipalities in NC. They serve 13,900 school districts across the US, including the entire state of Kentucky. In existence since 1995 with sales forecasted to exceed \$1 billion in 2019.
- ▶ 2-CherryRoad/Oracle - Provides database software and technology systems to clients around the world. Founded in 1977, their systems can be tailored to fit any business or governmental application. They have over 1000 K-12 clients. Sales in 2018 were nearly \$40 billion.

Now we have to decide?

- ▶ District staff have attended numerous presentations in both large and small settings.
- ▶ We have been impressed with both vendors as their programs are lightyears ahead of what we have now. (Remember the rotary phone)
- ▶ Tyler understands governmental accounting and the specific needs of a school system.
- ▶ CherryRoad/Oracle is a world technology leader, offering greater innovation, allowing the user to better customize their system to their unique needs.
- ▶ **Conclusion: There is no wrong choice as both systems will meet our needs.**
- ▶ So how do they compare in cost?

The Cost

- ▶ Current provider's annual fee is \$50,000.
- ▶ Tyler Technology's annual fee.....\$7/student = \$28,777
- ▶ CherryRoad/Oracle's annual fee.....\$9/student = \$36,990
- ▶ Price is frozen for 5 years and can only increase a maximum of 3% per year for years 6 through 10.
- ▶ Either vendor's product will enable the district to eliminate several complementary software programs, saving an additional \$25,000 per year.

DPI's Incentive to the Districts

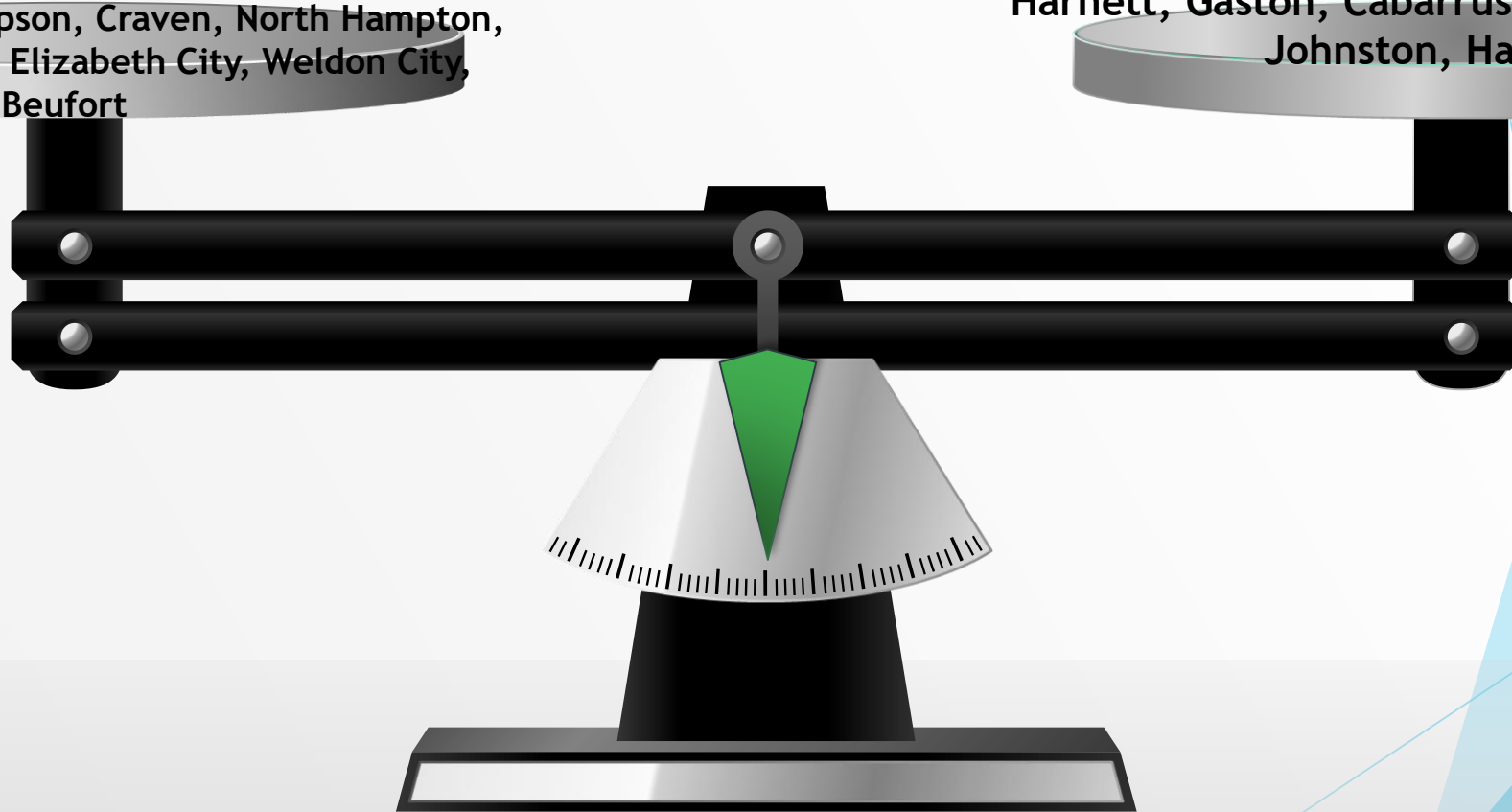
- ▶ DPI will cover the cost of implementation estimated at \$104,000.
- ▶ If needed, DPI will pay the cost of a project manager during implementation.
- ▶ DPI will pay the first year's subscription fee ranging from \$28,777 to \$36,990.
- ▶ Implementation is expected to last 12 - 18 months.

Tyler Technologies

Stanly, W/S Forsyth, New Hanover, Chapel
Hill/Carrboro, Macon, Randolph, Union, Pitt, Franklin,
Currituck, Swain, Sampson, Craven, North Hampton,
Rutherford, Warren, Elizabeth City, Weldon City,
Beaufort

CherryRoad Oracle

NC DPI, Charlotte-Meck, Hyde, Gates, Chatham,
Harnett, Gaston, Cabarrus, Cleveland, Duplin,
Johnston, Haywood



We must choose by December 31, 2019?

The Dilemma

- ▶ We would like to utilize the time between now and December 31st to continue doing our homework.
- ▶ To date, only 30 of the 115 districts have made their selection. Most of the district's that had members on the selection committee have not announced their choice.
- ▶ **Why is everyone waiting?** Due to the complexity of time keeping in a school environment, a concern has been voiced that neither vendor's time keeping product is sufficient for our needs. I believe most districts are waiting to see how this will be addressed before choosing.
- ▶ To keep our options open, since this is our last meeting before December 31st, we would like to obtain your approval for us to select either of the two vendors, as both vendors will satisfy our fundamental needs and the cost savings associated with both vendors will be substantial.