



Memo

To: Mayor and Council
From: Tracey Nicholson, City Administrator
CC: Jim Chandler, Director, Community and Economic Development
Ron Brooks, City Treasurer
Jan Guszynski, Special Projects Manager
Date: March 31, 2020
Re: Enterprise Resource Planning (ERP) System Procurement

This memorandum provides the City Council with a detailed summary of the solicitation and procurement of an Enterprise Resource Planning (ERP) system for the City of Hyattsville, and includes a recommendation for awarding a contract for services.

Summary

The City has solicited the market for an Enterprise Resource Planning (ERP) platform, has identified systems that provide functionality and operational modules that align with City of Hyattsville operations and are recommending the selection and authorization to proceed with a contract for services with the recommended vendor BC Systems.

Background

The National Government Financial Officers Association (GFOA) has encouraged cities across the United States to replace financial management systems with ERP systems to reduce costs, improve efficiencies and make more informed financial decisions.

What is an ERP System and Why is it Needed?

An ERP System integrates operations and functions into a single IT system so that governing bodies and employees can be more efficient and make data-driven, financial and programming decisions by viewing enterprise-wide information across departments on business and financial operations. ERP systems are used to:

- Integrate and automate internal processes and information systems;
- Streamline processes, gain efficiencies, improve productivity and accountability;
- Provide a real-time view of core business, programming and financial data;
- Allow for the reliance on a common data base to make timely and accurate information

available to stakeholders.

Request for Proposal

The City procured the services of Enterprise Resource Consulting, a vendor with experience vetting Enterprise Resource Planning (ERP) platforms. Through an extensive internal assessment of operational requirements and services, Enterprise Resource Consulting identified firms that matched the City's requirements and issued a Request for Qualifications in October 2018.

“The City of Hyattsville, Maryland invites sealed responses to this Request for Proposal (RFP), for the procurement of an Enterprise Resource Planning (ERP) solution to improve communication and access to cross-departmental information required to provide the highest level of service to the City's residents. The purpose of this solicitation is for the City of Hyattsville to select a “short list” of two to four vendors that appear to meet the criteria and budget and will be asked to demonstrate the software so that one vendor will be chosen to provide a comprehensive ERP solution. The City intends to negotiate terms and execute a comprehensive agreement with the winning vendor. The City is open to a solution utilizing a platform of on-premises, cloud, or Software as a Service, with a preference that the new ERP system be on the cloud or Software as a Service.”

The solicitation stated that the overarching goal of the procurement was to replace most of the current technology with Enterprise Resource Planning software, with the likelihood of utilizing some standalone software for the functions which your ERP does not address.

- Improve the support of financial and accounting applications
- Automate Human Resource applications and processes
- Create a centralized repository for information and data to be stored and shared
- Streamline processes to allow rapid, real-time access to information
- Improve our ability to manage and track information and data
- Create efficiencies within or across departments
- Simplify reporting, and utilize dashboards and business intelligence software
- Track activities, inventory, processes, etc.
- Facilitate project planning, manage and track progress

In addition to the overall functionality requirements, the solicitation required that the responding firm provided (1) document scanning and management services that could either be managed in-house or partnered with a firm to serve as a sub-contractor and (2) the firm provide cost proposal for integration and annual licensing. In December 2018 the City received responses from twenty-one (21) firms, whose responses were reviewed for organizational capacity, system functionality and cost.

In March 2019, the City narrowed the prospective vendor list to the following and hosted a series of in-person and webinars with the following firms to gain a better understanding of platform:

Firm	Description
Tyler Technologies	Proprietary software solution
BC Systems	Proprietary software solution
Ellipse Solutions	Microsoft Dynamics based software system

Required Functions/Capabilities

The scope of services/requirements included a solution that could consolidate and/or integrate existing systems where possible and streamline business processes. The components of the ERP solution and requirements included:

- Finance, Budget & Accounting
- Human Resources
- Employee Dashboard
- Time Clock Management
- Document Management
- Inventory & Fixed Asset Management
- Permits & Licensing
- GIS Compatibility
- Procurement, Contract & Grants Management

Evaluation Criteria

- Understanding of Requirements
- Technical Solution and Approach
- Staffing and Qualifications
- Firm Experience, References and Capabilities
- Price

Technical Proposal Analysis & Evaluation

The proposals were distributed and evaluated independently. The selection team met with each of the finalists and required each to demonstrate how their software fit the City of Hyattsville, using a customized “Demo Script” prepared by our consultant, based on our agreed upon requirements. Several demonstrations and follow-ups were required for each company. This helped us assess the product’s look and feel, learn about the vendor’s organization, and verify the first impressions we formed during the research phase.

The Staff confirmed that all firms were “In Good Standing” with the State of Maryland and after a thorough analysis, the Staff recommended the following three (3) firms participate in the in-person presentations, interviews and webinar sessions with Staff:

- BC Systems
- Ellipse Solutions
- Tyler Technologies

Presentation & Interview Evaluations

In March, 2019, the top-3 firms provided the City with 60-90 minute in-person presentations which included an ERP overview, network security overview and details of their capabilities and services. Following the presentation and interviews, the Staff completed reference checks of the existing and former clients of each of the firms. The Staff then ranked the firms and scheduled follow-up interviews with the Top-2 firms, BC Systems and Tyler Technologies.

Presentations/Demonstration Evaluation Criteria:

- System functionality and applicability to City operations
- Core services: Human Resources Management, Finance, Operations, Customer Service
- User Friendliness: Recognition that user adoption of the system is critical
- System security
- Integration into existing platforms.
- Program Offerings and Platform: Unique features of the individual systems

Assessment of Top-2 Firms

BC Systems

- Founded in 1984 as BC Computers, Inc., BC Systems specializes in browser-based ERP solutions and progressive technology for SMBs and public entities.
- BC Systems core business is designing and implementing integrated business management solutions. BC's ERP solution Priority is a web-based platform geared toward public entities to better manage their internal resources to maximize productivity and to revamp their operational processes with ERP solutions to be more forward-thinking, scalable, manageable, and cost-effective. Priority's features cover finance, manufacturing, logistics, human resources, time and attendance, business intelligence, project management and customer relationship management (CRM) modules. These modules are primarily offered within end-to-end product suites alongside a limited offering of individual modules.
- The solution helps users manage business operations, develop, strengthen and maintain enterprise asset management. It provides executive reports that allow senior management to extract and analyze high-level data in various views.
- Priority is available as either an on-premise and cloud-based enterprise resource planning (ERP) solution suitable for midsize to large businesses in many industry segments including manufacturing, apparel, electronics, food and beverage, industrial machinery and more. The solution enables users to access their data in real-time from mobile devices and tablets. The City intends on implementing a cloud-based ERP solution.
- Priority is built completely on the Microsoft .NET platform. The SDK described above is all based on .NET.
- Priority is completely integrated with MS Office and can import and export to and from Excel, can output to Word, and completely integrates with Outlook. Users of Priority directly from within Outlook for those who are heavy on Outlook, but perhaps lighter users on the Priority side.

- Priority integrates with Voice Over IP (VOIP) phone systems and therefore will integrate with RingCentral, the City’s recently integrated phone system.
- Priority is designed to help users configure the application to the specific needs of the organization. It offers customization and rationalization options to cater to the needs of the companies as they grow. It supports multiple languages and currencies. Support is provided via phone and video tutorials.
- BC Systems training model is based on a webinar and “training the trainer” method and engaging employees act as mentors/trainers in their respective departments. Training will include knowledge transfer of the finer details of the program after first doing an overview of Priority with all departments separately.
- Priority is a flexible solutions, whereas modifications to ERP systems, even minor changes in process workflow, often require modification to be made by a programmer. In Priority, most of the changes we make for our clients are configuration changes using tools like BPM (Business Process Management), Data Generators, and screen nomenclature and layout changes. Once the templates are set for an organization, BC Systems will train the Administrative team how to tweak it is time goes on.
- In the case of a custom programming need beyond that described above, BC Systems employs programmers that can use the SDK (Software Development Toolkit) that comes with Priority to make most any change you might ever need. Priority is essentially built on this SDK.
- On our hosted Priority CloudERP platform, all upgrades are included in the monthly charges.
- The system is compatible with single-sign on and multi-factor authentication for additional security.

Tyler Technology

- Tyler’s Incode product has many of the required and desired functions as a “turn-key” system.
- Their Incode General Ledger is the heart of their financial applications suite and provides comprehensive flexibility and control of financial transactions. Incode is a sequel database designed to support cities.
- Their software has 10 features, Technology Platform, Database management using Microsoft SQL, and Modular integration-extensive collection of applications.
- Tyler’s Incode Personnel Management Suite provides an Employee Self Service portal, time and attendance and applicant tracking interface.
- Tyler hosts continuing education of their products and services through online applications and Tyler University.
- Their Energov Product Suite allows for management for utility payments, permitting and Land management, rental property management and land management. Tyler also has a maintenance management suite and has over 20 government clients in Maryland.
- Tyler’s system security includes unique user log-in credentials each session, user information is pulled from the Windows domain and checked against the database,

user information is queried against the Active Directory structure and the system can isolate single machines to exclude from the network.

- The system security also includes secure digital signatures with encryption for automated check signing, allows viewing of proprietary signature by authorized personnel only, multiple authorizations on single forms to ensure accountability in check disbursements.

Recommended Vendor

Priority ERP System provided by BC Systems (BC Computers, Inc. dba BC Systems, Ridgewood, New Jersey)

1. **Modern Flexible System:** There was agreement that a modern, flexible system which was constructed largely with tools, would be a better choice than an older, “hard-coded” system for which any changes would require programmers with not only skills in the corresponding programming language, but also with in-depth knowledge of the specific software package. A system which could be modified and enhanced by users (without becoming “version locked”) was a better choice now, and for the future.
2. **Application Programming Interface:** It was also agreed that a system with modern Application Programming Interface (API) would easily allow data to be shared between the ERP system, and almost any modern third-party application, which may be employed.
3. **Document Storage:** Also crucial to the decision was the ability of BC Systems’ document-storage partner, Digiscribe, to handle the number of paper documents which need to be scanned (Digiscribe can scan 240 pages per minute). Digiscribe provides the accuracy of the redundant indexing of documents (99.5% accuracy guaranteed), as well as the security and transparency which the City of Hyattsville requires. (Please see appendix A for details)
4. **Comprehensive Responses:** The City of Hyattsville selection team agreed that Priority ERP system was alone in meeting ALL these requirements.
5. **Costs:**
 - a. Integration: \$108,000
 - b. Estimated Annual Maintenance & Licensing Costs: \$57,540 (based on quantity of seat licenses).
 - c. **Total 1st Year Cost: \$165,540**

Recommended Motion

“I move the City Council authorize the City Administrator to enter into a contract for services with BC Computers Inc (dba BC Systems) for the provision of an Enterprise Resource Planning system for a term of five consecutive years and grant the authority to the City Administrator to execute three additional consecutive one-year terms, not to exceed a term of eight (8) years, upon review for legal sufficiency by the City Attorney.”

