

Financial Services
Richard H. Hinds, Chief Financial Officer

SUBJECT: REQUEST AUTHORIZATION TO ENTER INTO A CONTRACTUAL SERVICES AGREEMENT BETWEEN THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AND ACELO SOLUTIONS, PURSUANT TO REQUEST FOR PROPOSALS NO. 008-NN10 – ADULT EDUCATION STUDENT ACCOUNTING SYSTEM; AND EXPANSION OF THE MASTER LEASE PURCHASE AGREEMENT WITH BANC OF AMERICA PUBLIC CAPITAL CORP FOR ACELO SOLUTIONS SYSTEM LICENSES

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Request For Proposals No. 008-NN10 – ADULT EDUCATION STUDENT ACCOUNTING SYSTEM, is to purchase a software system, which will provide a web-based solution for interfacing payment, billing, and student accounting processes to replace financial components of the existing legacy Vocational Adult and Community System (VACS) system while interfacing with existing student scheduling components. The RFP also addressed point of sale automation, web-based collection and support for centralized banking functionality. The software utilized by Acelo Solutions (Acelo) is Microsoft Dynamics GP.

The system is robust and flexible enough to also integrate Internal Fund Accounting for all schools (Adult and K-12). Thereby the system will provide the best of breed internal fund (student accounting), web-based collection, and support for centralized banking functionality that is part of the Superintendent's 2013-14 Millennium Access Platform, Schools 21st Century Banking Transformation Initiative.

The project will reduce risks by minimizing cash collections from the school site, increase controls through automation of reconcilements and district school transfers, and reduces responsibilities and work load placed on the School Treasurers. Internally, the system would allow school and district staff unprecedented control and automation over processes, which have been largely manual and labor intensive.

It is expected that the system would significantly streamline and improve current school site business processes, which directly affect our clients – students and parents. In addition to the student accounting system, Acelo also provides district-wide secure online access for students and parents to pay for a variety of services and obligations, such as:

- Adult education student tuition and related fees
- Student activities and fund-raising
- Field trips and/or associated school sponsored events
- Before, after school care, and community school activities

A significant portion of the implementation cost relate to Adult specific required enhancement, such as Adult multiple fee schedule set-up, financial aid functionality and integration with VACS. Replacement of the VACS financial component is the first priority of the project and is the most complex. It is anticipated that the Adult portion of the project will be implemented first with costs that approximate 50% of the total project cost, to be funded from the Workforce Development budget and will be expended first.

The remaining K-12 portion of the project costs will be paid over time by extending the Banc of America proposal financing of Digital Devices approved by the Board on June 19, 2013. It is recommended that the Board approve expansion of the Banc of America Master Equipment Lease Agreement to include up to \$1.2 million lease schedule for the student accounting system and web-based collection system licenses. The lease schedule will be paid over five years and includes the same advantageous leasing formula rate obtained for the Digital Devices financing. The current indicative rate is 1.33%, representing approximately \$45,000 in interest cost over the five year term.

The initial lease payments will be funded as part of the Adult project costs. The General Fund will fund the remaining annual lease payment (~ \$250,000) starting with FY 2015-16 for the K-12 project costs. It is anticipated that the K-12 roll-out will occur in FY 2014-15 and that the Centralized Banking functionality will be implemented for both Adult & K-12 schools in FY 2015-16.

Included in the RFP was the ability to expand the usage for other district-wide activities. In addition to Adult and K-12 project, other district-wide collection activities may utilize the Acelo, web-based collection product. As such the district will be rolling out in a strategic manner a low cost robust district-wide solution for web-based collections that creates efficiencies district-wide.

As part of the implementation process staff will be coordinating the implementation of a standardized payment platform and merchant services that may include utilizing an Acelo option as the payment gateway, or programming interfaces with other district approved payment gateway providers. Ongoing credit card processing fees (merchant services and payment gateway services), with the exception of K-12 schools, will be funded by the respective school/department less fees that may be charged. K-12 ongoing credit card processing fees will be funded by the General Fund.

This is a very complex project with several pieces that needs to be coordinated in a staged strategic process to achieve the many district-wide objectives. The not to exceed pricing includes software licenses (including 3rd party licenses) and implementation costs. As Adult Centers have the most pressing needs it makes sense to implement the Adult Centers first and pay for their licenses and programming costs first before rolling out the K-12 stage of the project.

A meeting of the Selection Committee was held on January 31, 2013. Five (5) proposals were presented for consideration: Acelo Solutions; KEV Group, Inc.; My Payment Network, Inc.; RICOH USA, Inc.; TRA School Software Solutions. These proposers were ranked based on the criteria set forth in the Request For Proposals. Based on these rankings, two firms, Acelo Solutions and KEV Group, Inc., were selected for oral presentations, which were held on February 20, 2013. The Committee recommended Acelo Solutions, the highest rated proposal, for a Proof of Concept (POC), which was conducted. A final Evaluation Committee meeting was held on June 6, 2013, where the POC sub-committee presented its report. Based on this report, the Evaluation Committee recommended Acelo Solutions, the highest rated proposal, for award.

A representative from the Office of Management and Compliance Audit participated in all the committee meetings and the appropriate cabinet members have reviewed and concurred with the item.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, **AUTHORIZE** the Superintendent of Schools to negotiate and enter into a contractual services agreement between The School Board of Miami-Dade County, Florida, and Acelo Solutions, pursuant to Request For Proposals No. 008-NN10 - ADULT EDUCATION STUDENT ACCOUNTING SYSTEM, to purchase a software system, which will incorporate or interface with the Point of Sale system, Web-Based Collection (On-line Payment) system, and will support Centralized Banking functionality for the district's Adult Centers & K-12 Schools effective October 16, 2013, moving forward indefinitely, as follows:

1. ACELO SOLUTIONS
22375 BRODERICK DRIVE
SUITE 125
STERLING, VA 20166
MIKE BOHN, SENIOR PARTNER

Highest Rated Proposal

2. authorize Procurement Management Services to purchase up to the estimated amount of \$1,836,831, for software licenses (including 3 party licenses) and implementation services,
3. authorize utilizing Acelo for online payment gateway services or implement additional interface to a district approved payment gateway provider,
4. authorize the Superintendent to expand the Master Lease Purchase Agreement with Banc of America Public Capital Corp for up to \$1,200,000 for the Acelo Solutions, System Licenses and execute all agreements.

RHH/mh