



Mohammed Choudhury
State Superintendent of Schools

DATE: June 17, 2022

TO: Michael Zimmerman, Chief Procurement Officer
Office of State Procurement, Department of General Services

FROM: Jenna Meinel, Business Services Partner, MSDE

SUBJECT: Procurement Officer's Determination for the Use of Intergovernmental Cooperative Purchasing Agreement Per COMAR 21.05.09.04 – MSDE Finance and Data System – PowerSchool Group – Contract # R00B2600106

The Maryland State Department of Education (MSDE) requests approval to use The Interlocal Purchasing System (TIPS) contract to purchase a finance and data system through an Intergovernmental Cooperative Purchasing Agreement (ICPA).

The Blueprint for Maryland's Future legislation requires MSDE must develop and implement a new statewide finance and data system capable of supporting fiscal and student information requirements set forth in the legislation, which is intended to transform Maryland's education system to the levels of high-performing systems around the world; establishing a method for verifying certain synthesized or compiled school-level and school system data; requiring certain funds be distributed to certain workforce development boards; establishing the Teacher Quality and Diversity Program and the Teacher Quality and Diversity Grant Program in collaboration with the Accountability and Implementation Board (AIB).

MSDE had a tight turnaround for the proposed procurements -- these timelines are set in law and align with the Department's goals of providing urgent and immediate assistance to Local Education Agencies (LEAs) as they implement the requirements of the Blueprint for Maryland's Future. Releasing a new bid opportunity would not allow MSDE to meet timeline requirements as that process is 6-12 months, at best. The finance and data system project must commence immediately to make the July 2023 go-live deadline in State law related to reporting minimum school funding allocations, by school, for each LEA starting July 1, 2023.

However, MSDE also did not want to pursue an emergency or sole source contract option. The Department recognizes and is deeply committed to its fiduciary responsibility to the taxpayers and to all of our stakeholders. As such, MSDE first explored existing options through eMMA and through MBE options. The TIPS Consortium pricing is provided through the State of Texas on a contract that was competitively bid and entered into with hundreds of vendors. This contract allows MSDE to obtain pricing for these selected goods and services at a very competitive rate. MSDE has exercised due diligence in an attempt to utilize one consortium that has multiple vendors and offers competitive pricing to MSDE. For governmental agencies such as public education organizations, higher education entities, and city or county governments, membership in a purchasing cooperative offers access to

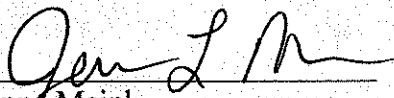
competitively procured contracts; savings of time and financial resources necessary to fulfill the procurement requirements; access to fair and reasonable pricing offered by the awarded vendors.

MSDE has exercised due diligence in an attempt to utilize one consortium and offers competitive pricing. The cross-functional MSDE team assigned to this project identified two potential vendors with potential solutions that are available to the MSDE via existing purchasing consortia and evaluated each option's pricing and capacity to meet the requirements of the law. A Solution offered by Microsoft was priced at \$8.1 million for three years of service. The solution offered by PowerSchool is priced at \$7.6 million for three years of service. Procurement Officer's preliminary review of the cost for comparable solutions offered by two other vendors were estimated to be higher than the two solutions explored by MSDE team. PowerSchool provides a system that provides cost benefits to the state.

Due to the legislative mandate, MSDE does not have months to evaluate the competencies of master contract or other vendors to build a system from the ground up. Building a new system from ground-up carries the time and cost investments that are redundant, carries risk of development. PowerSchool system is used by half of the MD local public school systems that makes it efficient for MSDE to collect data and implement the mandates that have been asked of the Department to accomplish by the State of Maryland. Some of the larger school systems in Maryland use Enterprise Resource Planning (ERP) software provided by leading software companies in the field. These types of software are accompanied by higher cost and implementation time. Using PowerSchool allows MSDE to pursue efficient integration with the systems that already use PowerSchool system and allows the department to ensure integration and testing with the remaining systems to ensure timely and successful implementation. This provides both cost and administrative efficiencies to the state.

MSDE shall contact DGS OSP Chief Procurement Officer (or designee) if there will be any further purchases through TIPS in the future.

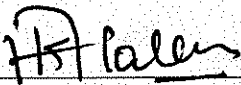
MSDE has determined that using the Intergovernmental Cooperative Agreement with TIPS provides a cost benefit to the State and promotes administrative efficiencies. MSDE's procurement officer determined, pursuant to COMAR 21.05.09.04 recommended the use of this Intergovernmental Cooperative Agreement. MSDE requests permission to purchase off of the TIPS contract.



Jenna Meini
Business Services Partner

6/24/2022


Date



Krishnanda Tallur
Deputy State Superintendent, Operations

6/24/2022

Date

APPROVED: 

Michael Zimmerman
Chief Procurement Officer

Jun 24, 2022

Date