

- **Improved service levels:** The system had the ability to meet the K-12 processing requirements and mandated state reports. Consortium members had 24/7 access from any Internet connection, within or outside each district.

- **Reduced total cost of ownership:** netASPx guaranteed a 72-hour return to service in case of a catastrophic event, as well as the ability to add additional school districts and reduce overall costs.

“In education, we don’t come across very many ways to actually reduce our overall long-term costs by adding other districts to the mix,” Weiland says. “Usually, we have some group buying power, but the ability to actually reduce our ERP costs over time was different (in this case).”

Only one more hurdle had to be cleared. Each district’s school board had to agree to a governing charter for the group. Davidson Services helped draft an intergovernmental cooperation agreement that guides decision-making and management of the shared system. Once the agreement was finalized, the Wisconsin Schools Consortium was official.

## Jumping in the pool

Shortly after the consortium came together, the group saw a request for proposal from the Racine Unified School District, an urban district on the shores of Lake Michigan. Racine was looking for an ERP solution that would fit the needs of its 21,000 students.

“We saw the RFP and said, ‘Hey that sounds like us,’” Wohlleber says. “They were looking for something that we just solved. So we decided to reply to Racine as the Wisconsin Schools Consortium.”

Dennis Barkow, Racine’s director of information services, says he welcomed the information from the consortium. “Their responses were right on,” he says. “They seemed to really know their stuff. So we included them in the presentations.”

At the presentations for the Racine district, Barkow says the consortium’s knowledge really stuck out. “Here was a group of colleagues that were out there competing for our business, and they had the answers,” he says. “They really knew what we were going through, because they do it, too. It’s their jobs.

They understood it from the inside out. They were incredibly candid.”

After the review process, Racine joined the consortium in May 2006. Together, the consortium now hosts more students than any other school district in the state, except Milwaukee. Consortium officials are in active talks with other school districts in the state to expand the group, but will only do so if the fit is right.

“You know, we took something that most people thought could never be done,” Murphy says. “And when it comes right down to it, even though our business processes might be a little different, we’re a lot more alike than we are different.”

Wohlleber agrees.

“We have the same state reporting requirements. We need current financial information. And we all absolutely require secure, safe and redundant record keeping,” he says.

As for advice to other school district business managers, consortium members have plenty.

“First, look in your own backyard,” Murphy says. “Make it a point to get to know other district personnel in your area, and in your state. Everyone knows someone. It’s a starting point, a door opener. And don’t be afraid to approach a larger school district – we were always a little intimidated by the larger district next door, but we found out that we all share the same issues, just on a different scale.”

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# School American

AMERICAN SCHOOL BOARD JOURNAL • THE SOURCE FOR SCHOOL LEADERS

## All the Right Moves

John Peretz

**Five Wisconsin school districts develop a planning system that saves money and streamlines business practices**

**S**chool boards do a lot of great work across the country. But, as any past or present member knows, boards can be filled with passionate people who don’t always see eye to eye.

Those passions make the collaborative work of administrators and school board members from five Wisconsin school districts, a group now known as the Wisconsin Schools Consortium, all the more impressive.



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Including districts with vastly different sizes and resources, the consortium has implemented a new Enterprise Resource Planning (ERP) system that saves costs and streamlines administrative business processes all around. The consortium was formed in 2004 after several districts faced the simultaneous “sunsetting” of their existing business systems.

“We were all looking to replace our old ERP system, and it seemed natural to form some kind of exploratory group,” says Tom Wohlleber, assistant superintendent of the Middleton-Cross Plains Area School District, which serves about 5,600 students in 10 schools near Madison, the state’s capital.

## Exploring the options

Wohlleber and officials from two smaller school districts—Verona and Oregon—decided to approach the Madison Metropolitan School District about exploring a joint ERP system. Combined, the three smaller school districts serve about 14,000 students in small-town or suburban Wisconsin. Madison, the state’s second largest district, serves about 25,000 students.

Madison was “of great interest to us because of its larger size and close proximity,” Wohlleber says. But Roger Price, Madison’s former assistant superintendent of business services, had several concerns.

How would adding three school districts impact Madison’s operations? Could the current IT staff and infrastructure even support a shared system? Would all the school boards agree to move forward?

“Sharing a complete business system? But we’re so different,” Price says of his initial thoughts about working with the other districts. “We looked at it and said: ‘OK, we’re all pretty much running the same software.’ And we knew the (old) system was being sunsetted, so maybe this does give us an opportunity.”

Chris Murphy, Verona’s business manager, says, “Nobody knew if this could actually work.”

“We really felt like having Madison was critical,” he says. “We knew they had more resources than our three districts. But we also knew we were bringing in our own insight and resources. We were just hoping

that would be recognized as well.”

The group decided to document and identify the critical business processes used by each school district. Technology consultant Chuck Odorizzi of the consulting company Davidson Services was hired to run the project.

Officials from each school district met independently with Odorizzi and his Davidson team to document the current business workflow and see which new features would be most important in a new system. After the initial meetings, officials from the four districts decided to explore three options: individual systems for each district; a shared system hosted by one district; or a shared system that could be hosted commercially.

Because of the complexity of the project, the districts hired Davidson to prepare a request for proposal that included the three options and the “must-have” features identified in the initial meetings.

Consortium members examined the results as independent districts and also as a group.

Major software vendors responded to the bid requests. Each district scored and ranked the bidders independently. All four districts agreed on the top



# American School

three vendors, and Lawson Software, an international computing company, was selected.

“We ate a lot of bagels and pizza while participating in the vendor presentations,” says Andy Weiland, Oregon’s business manager. “I think we were all looking for the solution that best fit our own needs. But in the end, our top selection was unanimous.”

The next step was determining the actual fixed cost over five years.

“We were forewarned by Davidson Services that the software costs are just a fraction of the overall cost of the system,” Weiland says. “We knew that, but when we compiled the spreadsheets it really crystallized the reality. Once we started to calculate the costs of project management, implementation, training, support, storage and back-up, we began to get a lot closer to our actual price.”

Then came a tough decision.

“We had to evaluate whether we would be better off maintaining individual systems or operating in a shared environment,” Weiland says. “No one had ever done a shared environment in Wisconsin before, but it was clearly the most cost-effective solution.”

## Selecting the best

With the software and collaboration settled, one question remained: Which district would host the new ERP?

Price and his Madison team volunteered, as did officials from the other school districts. But after comparing costs and installation services, the consortium decided that a managed application services (MAS) provider would give the lowest total cost of ownership. Two providers were identified, and the consortium chose the Virginia-based company netASPx as the most cost-effective solution.

Odorizzi says using a MAS provider has many benefits.

“What we’ve found in a number of installations throughout the United States is that the majority of costs lie in the five years after the technology is in place,” he says. “It’s the little secret that no one wants to talk about. That’s why we make sure that all of our

clients go through a process of total cost of ownership, not just an analysis of the front-end cost of software.”

Ongoing support, patches, upgrades, redundancy and training are normally underestimated, he says, and can throw off a budget by hundreds of thousands of dollars. When new versions or upgrades become available, districts face a tough decision: Keep what they have, and lose out on the new functionality, or go ahead with the upgrade.

“If they upgrade, they run the real possibility of stressing out their internal IT department, or more than likely, outsourcing it at a significant expense, all of which is unplanned,” Odorizzi says. “The use of a MAS gives you a fixed monthly amount of what the technology will cost, including any additional hardware. And you’ll always have the latest version.”



**“Sharing a complete business system?  
But we’re so different,”  
Price says of his initial thoughts about  
working with the other districts.**

With software, hardware and system support in place, consortium members felt they had created the following clear advantages:

- **Minimized risk:** The system had flexible architecture and hardware with nearly round-the-clock support and fixed costs over a five-year period. Process flow and unique time-entry screens are customized, allowing each district to align the new software with its own business processes and not have to conform as a group to a single way of doing things.

Software runs on an open UNIX platform in a clustered environment, providing complete hardware redundancy while allowing growth in processor and disk space. Negotiated costs included all application and system software patches and system upgrades, allowing for enhanced functionality without incurring additional expense or burdening the IT staff with integration “nightmares.” Upgrades are included at no additional charge.