



NORTH CAROLINA
State Board of Education
Department of Public Instruction

Report to the North Carolina General Assembly

Cooperative Purchasing Agreements

SL 2015-241 (HB97), Section 8.14(d)

Date Due: October 15, 2023
DPI Chronological Schedule, 2023-2024

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COOPERATIVE PURCHASING AGREEMENTS

SL 2015-241 (HB 97) SECTION 8.14: By October 15, 2015, and annually thereafter, DPI and the Friday Institute shall report on the establishment of the cooperative purchasing agreements, savings resulting from the establishment of the agreements, and any issues impacting the establishment of the agreements. The reports shall be made to the Joint Legislative Oversight Committee on Information Technology, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.

BACKGROUND

Cooperative purchasing agreements allow Public School Units to leverage economies of scale by purchasing technology equipment and instructional materials at lower rates than an individual PSU (especially smaller PSUs) would be able to secure on their own.

For many years, PSUs have leveraged commodity contracts through the Department of Administration, as well as IT Term Contracts from the Department of Information Technology. These contracts, especially contract 915A for cellular telephone service, became especially useful during the COVID-19 pandemic in helping PSUs secure mobile hotspots, tablets, and other devices quickly and affordably.

Over the past few years, DPI has provided additional cooperative purchasing agreements to PSUs based on recommendations contained in the *North Carolina Digital Learning Plan*. These agreements primarily exist in three forms:

- Procurements that are made by DPI on behalf of PSUs. For example, the DPI purchases a set of encyclopedia resources and makes them available to all PSUs free of charge. This represents the most direct savings to individual PSUs as these costs are paid centrally and provided at no cost to PSUs.
- Cooperative contract pricing that is made available to all PSUs. For example, DPI holds a contract with Instructure for the Canvas Learning Management System. Any PSU may purchase Canvas licenses from this contract at the state-negotiated rate.
- Hybrid approaches where some materials are provided to PSUs and PSUs have cooperative pricing for additional purchases. For example, as a part of the Read-to-Achieve Program, DPI purchases Amplify Learning's mCLASS for all students in Kindergarten through third grade. However, PSUs may purchase licenses for students in grades 4 through 6 at the state negotiated rates.

Additionally, some products are included in the *Home Base* suite of tools. For these products, DPI charges \$1 per ADM to recover costs, and allows access to several tools for this cost. 115 out of 115 LEAs have opted-in to *Home Base*, which provides access to the Schoolnet Instructional Improvement System and the NC Educator Evaluation System's Professional Development modules.

There is currently no mechanism in place to track the utilization of any statewide contract without individually auditing each specific purchase order between every PSU and the contracted vendor. In addition, the savings generated using these procurements is difficult to quantify for several reasons:

- Vendor pricing is not always transparent – it is often difficult to know what the difference in cost would be for a PSU were they to procure the same product on their own.

- PSUs may be able to negotiate lower costs for alternative products on their own but may choose instead to use the service “endorsed” by DPI.
- PSUs may have opted to not subscribe to a service or to subscribe to a lower tier of service were the convenience contract not available.

The primary cost savings from adopting a convenience contract solution results from streamlined implementation and configuration services: by leveraging state resources to configure the integration, these costs are often one-time costs that can be absorbed by DPI or distributed evenly between the PSUs. The result is that the deployment is often less expensive for both the state and individual PSUs, is often much simpler, and leverages integrations with state systems that PSUs could not achieve on their own.

Anecdotally, other sources of savings may include:

- Legal overhead involved in the RFP and contract negotiation process duplicated between PSUs.
- Administrative and cybersecurity challenges that are shifted from each PSU to DPI.
- Consistency of implementation and training between PSUs and the reduced training burden when a staff member transitions between PSUs.
- Centralized or community-driven vetting of digital resources.
- The ability to share resources and supplemental materials between PSUs.

CONTRACTS

The following agreements were developed, executed, or utilized in the 2020-2021 academic year and represent agreements where DPI provides services to all PSUs or where PSUs may leverage convenience pricing. Note that a “convenience contract” establishes pricing for the PSUs but DPI does not pay for services on behalf of the PSU unless otherwise indicated:

IDENTITY AND ACCESS MANAGEMENT

Provides for a single statewide login system that provisions accounts and access for students and staff automatically and facilitates integration with both DPI-level and PSU-level applications.

- Vendor: Identity Automation, LP
- Contract Type: DPI purchased on behalf of all PSUs
- Contract Start Date: October 1, 2018
- Contract End Date: September 30, 2021
- Contract Number: RQ21464696
- Cost: \$1,700,000 (2020/2021 Academic Year)

CYBERSECURITY TRAINING

Pursuant to SL2020-04 COVID Recovery Act legislation, NCDPI purchased a license for KnowBe4 Cybersecurity Training software for all PSUs staff. These 185,000 licensees were issued to all PSUs at no charge to the PSU.

- Vendor: KnowBe4
- Contract Type: DPI purchased licenses on behalf of all PSUs; \$554,383.33
- Contract Start Date: 6/15/2023.
- Contract End Date: June 30, 2024
- Contract Number: Purchased under DIT master contract number ITS-41-2018-35JB.
- Cost: \$554,383.33 (Contract Term)

ENDPOINT SECURITY

Pursuant to SL2020-04 COVID Recovery Act legislation, NCDPI purchased a license for KnowBe4 Cybersecurity Training software for all PSUs staff. This service provides CrowdStrike Endpoint Protection for all staff devices in PSUs. This procurement utilizes and existing DIT state term contract.

- Vendor: DLT Solutions
- Contract Type: DPI purchases licenses on behalf of all PSUs
- Contract Number: Purchased under DIT state term contract 208M
- Cost: \$8,828,000.00 (2023-2024 School Year)

READ-TO-ACHIEVE ASSESSMENT SOFTWARE

The new Read-To-Achieve RFP selected a single statewide vendor for K-3 reading assessments to ensure consistency across PSUs. The selected product was mCLASS, from Amplify Education.

- Vendor: Amplify Education
- Contract Type: Hybrid. DPI purchased licenses for all students in grades K-3. Convenience contract pricing was included to allow PSUs to purchase licenses for additional grades. The contract included training for K-3 teachers and set pricing for others.
- Contract Start Date: May 28, 2021
- Contract End Date: June 30, 2024
- Contract Number: 40-PR11968232
- Cost (DPI Only): \$2,218,773 (2023-2024 Academic Year)

APPLICANT TRACKING SYSTEM

The Applicant Tracking System is available to PSUs on an opt-in basis. For PSUs that opt-in, DPI pays for the service centrally. PSUs may elect instead to procure and pay for a system on their own. The contract was awarded to TeacherMatch, Inc. in April 2015. Through multiple acquisitions, PowerSchool now owns the original product.

TeacherMatch was successfully retired and PSUs are currently using the PowerSchool Applicant Tracking System. TeacherMatch was permanently deprecated on October 31, 2022. The PowerSchool Contract was amended (Amendment 19) fall 2022 to add a new Interactive Consortium Job Board including Statewide vacancy reporting by category to enhance the SchoolSpring Job Board component of this PowerSchool Unified Talent Applicant Tracking and Onboarding System. As of September 1, 2023 90 districts and 79 charters utilize the PowerSchool Applicant Tracking System. The new Interactive Job Board went live at the beginning of 2023 and can be found at <https://northcarolina.schoolspring.com>.

- Vendor: PowerSchool
- Contract Type: DPI purchased licenses on behalf of all PSUs that opt-in
- Contract Renewal Date: July 1, 2021
- Contract End Date: June 30, 2024
- Contract Number: NC10196522, Amendment 18
- Cost: \$1,205,561.99 (2021-2022 Academic Year) (Included Implementation)
- Cost: \$1,004,640.00 (2022-2023 Academic Year)
- Cost: \$1,044,825.60 + \$43,534.89 (2023-2024 Academic Year)

ANONYMOUS TIP LINE

Provides access to an Anonymous Tip Line, Safety App, and notification services for PSUs.

- Vendor: Sandy Hook Promise Foundation
- Contract Type: DPI purchased on behalf of all PSUs that opt-in
- Contract Renewal Date: May 23, 2019
- Contract End Date: May 22, 2023
- Contract Number: NC10518609
- Cost: \$62,0340 (2022-2023 Academic Year)

COMPETENCY-BASED ASSESSMENT PLATFORM FOR COMMUNITY COLLEGE READINESS

Purchased a competency-based assessment program to support placement in courses in the NC Community College System as a part of the Career and College Ready Graduates Program

- Vendor: The NROC Project
- Contract Type: DPI purchased on behalf of all high schools
- Contract Start Date: August 1, 2022
- Contract End Date: June 30, 2024 (Optional renewals yearly through June 30, 2025)
- Contract Number: 40-PR12314406
- Cost: \$1,437,912 if all optional years are exercised

INTERNET SERVICE

Through the School Connectivity Initiative, DPI maintains a contract for Internet connectivity for each PSU through Department of Information Technology.

- Vendor: NC DIT/MCNC
- Contract Type: DPI purchased on behalf of all PSUs that opt-in
- Contract Start Date: July 1, 2022
- Contract End Date: June 30, 2032
- Contract Number: MOU EP-PR12225894
- Total Contract Cost: \$120,000,000 (Includes managed firewall and content filtering services below)

MANAGED FIREWALL SERVICE

Through the School Connectivity Initiative, DPI maintains a contract for PSUs to opt-in to a centrally managed and patched firewall through the Department of Information Technology. DIT is responsible for the installation and configuration of these firewalls within the PSU

- Vendor: NC Department of Information Technology
- Contract Type: DPI purchased on behalf of all PSUs that opt-in
- Contract Start Date: July 1, 2022
- Contract End Date: June 30, 2032
- Contract Number: MOU EP-PR12225894

MANAGED CONTENT FILTERING

Through the School Connectivity Initiative, DPI maintains a contract for PSUs to opt-in to a centrally managed content filtering solution. This contract is awarded to MCNC who runs the ZScaler product.

- Vendor: MCNC
- Contract Type: DPI purchased on behalf of all PSUs that opt-in
- Contract Start Date: July 1, 2022
- Contract End Date: June 30, 2032
- Contract Number: MOU EP-PR12225894

CLIENT NETWORK ENGINEERING

Through the School Connectivity Initiative, DPI maintains a contract for technical assistance for network setup and configuration, available to all PSUs, through MCNC

- Vendor: MCNC
- Contract Type: DPI purchased on behalf of all PSUs that opt-in
- Contract Renewal Date: July 1, 2019
- Contract End Date: June 30, 2024
- Contract Number: 40-CMSA
- Cost: \$1,800,000 year

WI-FI INFRASTRUCTURE (E-RATE CATEGORY 2)

Establishes contracts with vendors to provide high-density wi-fi infrastructure on a 5 year contract, with five optional one-year extensions. This contract was awarded to 25 vendors.

- Vendors
 - Cisco
 - Aruba/HP
 - Extreme
 - Ruckus
 - SonicWall
 - Juniper
 - Double Radius
 - EC America
 - Cambium
 - D-LINK
 - Arista
 - Tripp Lite
 - A3 Communications
 - Synnex
 - Vertiv
 - CNIC
 - Sophos
 - Applied Network Consulting
 - CDW-G
 - TiberCreek
 - DISYS
 - Encore
 - ENA
 - Pharr Tech
 - SHI
- Contract Start Date: July 1, 2020
- Contract End Date: June 30, 2025
- Contract Number: 40-RQ22294323
- Cost: \$0 (PSUs purchase directly with vendors through E-rate vendor “mini-bid”)

ENCYCLOPEDIA AND REFERENCE MATERIALS

Encyclopedia and reference materials are provided by the Division of Digital Teaching and Learning to all PSUs at no charge.

- Contract Type: DPI purchased licenses on behalf of all PSUs
- Vendors
 - EBSCO Information Services

- Contract Renewal Date: July 1, 2022
- Contract End Date: June 30, 2025
- Contract Number: 200018-004
- Cost: \$436,103 (2022-2023 Academic Year)
- Encyclopedia Britannica, Inc.
 - Contract Renewal Date: July 1, 2022
 - Contract End Date: June 30, 2025
 - Contract Number: NC10299755
 - Cost: \$339,000 (2022-2023 Academic Year)

OPEN EDUCATIONAL RESOURCES REPOSITORY

This service is a repository of Open Educational Resources, allowing teachers to find standards-aligned resources on the Internet, rate the quality of OER materials, upload their own materials, and create PSU and statewide hubs to share resources.

- Vendor: Institute for the Study of Knowledge Management in Education (ISKME)
- Contract Type: DPI purchased licenses on behalf of all PSUs
- Contract Start Date: July 20, 2023
- Contract End Date: July 19, 2024
- Contract Number: 40-IT00109-17-2
- Cost: \$269,500 (2022-2023 Academic Year)

PSU HR/FINANCIAL ENTERPRISE RESOURCE PLANNING (ERP) SYSTEMS

Through the School Business Systems Modernization initiative, a software as a service RFP was issued and establishes vendors to provide LEAs more than one ERP offering based on key attributes such as the number of ADMs (Average Daily Membership), their desired processes, and cost. This RFP results in 5 years, plus 1 3-year optional renewal and 1 2-year optional renewal (a maximum 10-year contract) for each awarded vendor.

- Vendors:
 - Tyler Technologies, Inc.
 - CherryRoad Technologies, Inc.
- Contract Type: Convenience Contract
- Contract Start Date: April 18, 2019
- Contract End Date: April 18, 2024
- Contract Number: 40-IT00118-18

K-8 DIGITAL LITERACY CURRICULUM

Makes available curriculum materials to support: 1) Students to learn essential digital literacy skills (including computer fundamentals, computational thinking, keyboarding, digital citizenship and online safety, Web browsing, email and online communication, visual mapping and productivity applications; 2) Teachers to assess digital literacy

growth and integrate digital literacy into core and supplemental subjects using research-based frameworks; and 3) English learners as well as students with special needs the resources they need to excel.

- Vendor: Learning.com, Inc.
- Contract Type: DPI provides subscriptions for Tier 1 districts that opt-in. Convenience pricing for other PSUs.
- Contract Start Date: March 18, 2019
- Contract End Date: June 30, 2024
- Contract Number: RQ21322385

LEARNING MANAGEMENT SYSTEM

Makes available the Canvas Learning Management System for all PSUs on an opt-in basis. While this is a convenience contract, funding was made available through COVID-19 provisions to fund this purchase.

- Vendor: Instructure, Inc.
- Contract Type: Convenience Contract
- Contract Start Date: March 30, 2015
- Contract End Date: June 30, 2024
- Contract Number: RQ21139941

MICROSOFT PRODUCTS

Microsoft Enrollment Education Solution Reseller IFB for the procurement of Microsoft Education Academic Volume Licensing Software (MVLS) for the North Carolina Department of Public Instruction and all related entities defined in the IFB.

- Vendor: Softchoice Corporation
- Contract Type: Convenience Contract
- Contract Start Date: April 24, 2019
- Contract End Date: December 31, 2023
- Contract Number: RQ21209249

NC EDUCATOR EVALUATION SYSTEM (NCEES)

The NCEES system is required for use by all PSUs, however any PSU who opt-in to Home Base have access to the professional development tracking features within the NCEES platform.

- Vendor: PowerSchool, LLC.
- Contract Type: Included for all PSUs that opt-in to Home Base
- Contract Start Date: September 15, 2015
- Contract End Date: June 30, 2024
- Contract Number: NC10196522
- Cost: \$488,131 (2022-2023) Academic Year

INSTRUCTIONAL IMPROVEMENT SYSTEM

Provides the Schoolnet platform for formative assessments, including state-developed items and third-party test item banks.

- Vendor: Pearson, Inc.
- Contract Type: Included for all PSUs that opt-in to Home Base
- Contract Number: NC10475244
- Contract Start Date: July 1, 2013
- Contract End Date: June 30, 2024
- Cost: \$5,483,500 (2022-2023) Academic Year)