



**TO:** Mayor Shaun Sipma

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Members of the City Council

**FROM:** Lisa Jundt, Human Resource Director

**DATE:** December 28, 2021

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**SUBJECT:** Removal of Payroll and Human Capital Management Phases from the Enterprise Resource Planning (ERP) Project Agreement with Tyler Technologies, Inc.

**I. RECOMMENDED ACTION**

1. Recommend to Exercise Option 3./a./i. from the Memorandum of Understanding with Tyler Technologies, Inc. and Amend the Agreement with Tyler to Remove the Payroll and Human Capital Management Project Phases.

**II. DEPARTMENT CONTACT PERSONS**

Lisa Jundt, Human Resource Director 857-4753

**III. DESCRIPTION**

A. Background

On November 30, 2021 City Council approved a Memorandum of Understanding (MOU) with Tyler Technologies, Inc. outlining the requirements for a Proof of Concept (PoC) demonstration of the Payroll and Human Capital Management Phases for the City's Enterprise Resource Planning (ERP) Project. At the December 17, 2021 meeting, Tyler failed to demonstrate the system's ability to perform within the City's software environment and did not exhibit the agreed upon data provided by the City per outlined requirements. The City then extended a second opportunity to Tyler to meet the requirements outlined in the MOU with a deadline of December 24, 2021. Review of this information by staff shows the data entered by Tyler was still not correct, nor was the system set up to the specifications originally agreed upon. Rather than expend any further time or effort on Tyler Technologies, Human Resource Staff recommend the City discontinue implementation of the applicable phases.

**IV. IMPACT:**

a. Fiscal Impact:

1. Per the Memorandum of Understanding, Tyler was unable to demonstrate the warranted software functionality in accordance with mutually agreed requirements, and will provide a refund credit in the amount of \$229,063.49 to offset the funds already paid up to now.

**V. ALTERNATIVES**

Seek other software applications for Payroll and Human Capital Management platforms.

**VI. TIME CONSTRAINTS**

Regardless of the outcome of the demonstration, the Human Resource Department will be under a significant time constraint to successfully implement an Alternative Software due to the ending maintenance agreement in December of 2022 with the City's current financial software provider, Central Square.

**VII. LIST OF ATTACHMENTS**

Memorandum of Understanding (MOU) between Tyler Technologies, Inc and the City of Minot  
Attachment A – Summary for December 17, 2021 Demonstration on Required Functionality Criteria  
History of Implementation Experience Difficulties with Tyler ExecTime and Munis Products  
Email on PoC Follow-up