Public-Private Partnerships
NC Digital Government Summit 2012
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NCPTS CASE REVIEW

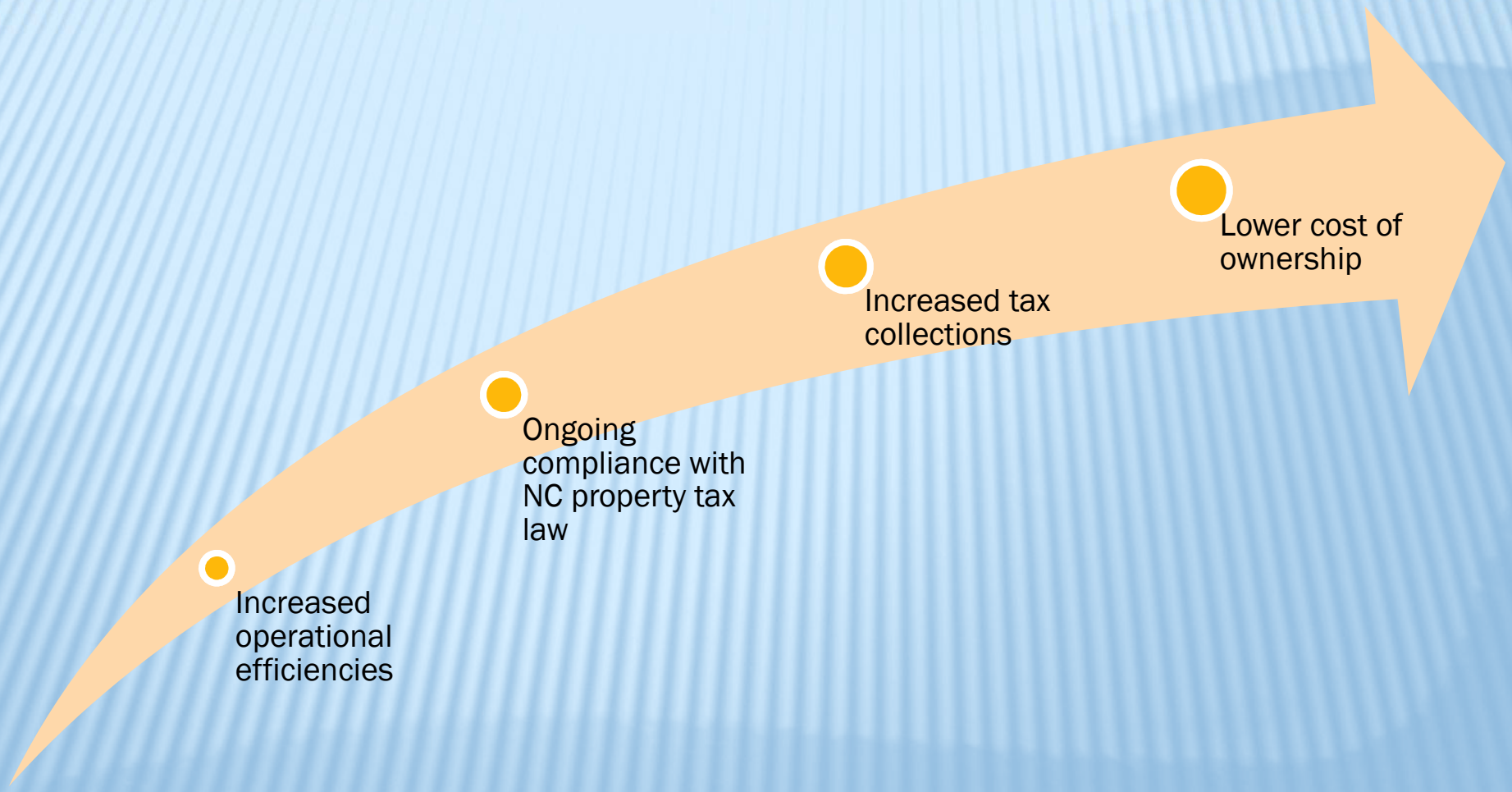
WHAT IS NCPTS?

- NCACC Collaborative Property Tax System
- Integrated tax software system that automates and streamlines tax administration functions:
  - Real estate
  - Personal property
  - Vehicle tax
  - Billing & Collections
  - Land records & Appraisal

HOW DID NCPTS BEGIN?

- Around 2000, Wake County contracted with IIS [now Farragut] to jointly develop NCPTS.
- Upon completion, the software would be jointly owned by Farragut and NCACC. [NC Association of County Commissioners]
- Concept of collaborative ownership and ongoing development with interested NC counties.

NCPTS GOALS


Increased operational efficiencies
Ongoing compliance with NC property tax law
Increased tax collections
Lower cost of ownership

WHERE ARE WE TODAY?

- Since completion of the billing & collections module in 2003, a total of ten counties have joined the partnership
- Land records and assessment module was implemented in 2007
- Through a direct contractual arrangement between Mecklenburg County and Farragut, a new version of billing & collections was completed in 2009
- Working to negotiate an updated master agreement.

STRUCTURE - GOVERNANCE

- NCPTS Steering Committee
  - Representative from member counties
  - Representative from state professional associations
  - Representative from NCACC
- NCPTS owned by NCACC & Farragut
- Master agreement defines the contractual terms and responsibilities

STRUCTURE - GOVERNANCE

- Steering Committee approves software enhancements
- Bylaws define NCPTS Steering Committee
  - Membership
  - Officers
  - Roles
  - Voting protocol

STRUCTURE – GOVERNANCE

- User's Group
  - Hands on staff using the system
  - Discuss system performance/efficiencies
  - Collaborate on new functionality
  - Feedback on support

COSTS

Initial

- Implementation services
- Software enhancements
- Enhanced support

Pool Fund

- Annual contribution to fund:
  - State law changes
  - Product enhancements
  - Technology updates

Support

- Quarterly fee to Farragut for support and problem resolution
- Fee for customized software enhancements

CHALLENGES TO SUCCESS

CHALLENGES

- Control versus Collaboration
  - When I want it
  - How I want it
  - How much I'm willing [able] to pay
- Performance metrics
  - Difficult to define
  - Difficult to measure
  - Difficult to enforce

CHALLENGES

- Partnership versus Traditional Procurement
  - Cost per enhancement versus Maintenance/support
  - Greater control of software functionality
  - Unique installations versus standardized
  - Learning curve for new members
  - Business function driven or technology

CHALLENGES

- One size does NOT fit all
  - Volume affects operational practices
  - Technical infrastructure may be a barrier
  - Local proficiency and efficiency varies
  - Percentage of tax revenue by source varies
- Version management

LOOKING AHEAD

- Finalize an updated Master Agreement
- Refine the review/approval process
  - Enhancements
  - Proposals for new member counties
- Evaluate the possibility of a combined support contract for all member counties
- Continue partnership with Farragut as the successful response to the State vehicle tax system [VTS]

THINGS TO CONSIDER

- Start with clear objectives and scope
- Define any special operational understandings
- Documented governance model
- Multi agency participation increases complexity and challenges
- Qualify the percentage of commonality versus uniqueness

THINGS TO CONSIDER

- Solid contract
  - Clear responsibilities
  - Appropriate performance metrics
  - Adequate penalties for non-compliance
  - Clarify ownership
  - Non compete clause
  - Qualify monetary or other consideration for the partnership
  - Reasonable term

QUESTIONS