Follow-up Information on Financial Software

Q: what modules is West Linn proposing to acquire?

A: Incode is tailored to Local Government accounting and has over 50 different modules. We are proposing to acquire only the basic financial modules with the goal of having a simple and successful implementation. Below is a summary, but *Exhibit A* attached hereto provides a more complete list of all modules proposed and the remaining modules available:

Modules proposing to Acquire:

- General Ledger
- Utility Billing
- Accounts Payable
- Accounts Receivable
- Payroll
- Human Resources
- Employee Self Service
- Project / Grant Accounting
- Budget Manager
- Bank Reconciliation
- Report Writer module
- Scanning module

Modules already owned and using:

- Municipal Court accounting
- Centralized Cash Collections

Further details of the proposed modules are available in Incode's estimate summary of services. This is 76 pages of details which we will also make available for your review.

Q: which other cities in Oregon use Tyler Technologies – Incode/Eden?

A: Tyler has over 11,000 agencies nation-wide and both Lake Oswego and Milwaukie are long-time users of Incode. Also, Wilsonville, Forest Grove and recently Klamath Falls use Tyler products. *Exhibit B* attached hereto is a table of Oregon government agencies and their software which I was able to gather.

Q: will the City of Lake Oswego IT Department be able to help with implementation?

A: yes and Chip Larouche, Chief Technology Officer, will be here on the evening of May 19th to present how they like the software system, which modules they use, and how they will help us be successful.

Q: can we hear feedback from Lake Oswego regarding how they like Incode?

A: Chip will attend the May 19th Council meeting to present and answer QandAs. Also, see *Exhibit C* attached herein for written feedback from their Assistant Finance Director.

Q: can we hear feedback from Milwaukie regarding how they like Incode?

A: Milwaukie will also provide written feedback for the May 19th Council meeting.

Q: how long will implementation take?

A: about one year from contracting. Tyler is about 6 months out in scheduling to start implementation and implementation takes about 6 months.

Q: does Tyler Technology offer this service on through the “cloud”?
A: yes they offer both in-house purchase of the software or renting/using it through their “cloud”. We are proposing the in-house solution as “cloud” services of financial software is still work-in-progress and the annual maintenance cost is double that of in-house.

Q: does Tyler Technology offer a “dashboard” module?
A: yes – the challenge here is the integration into our existing web-site service and program. The City of Albany uses a “dashboard” but had to develop it in-house using a SQL report. We understand that a councilor likes this service and transparency continues to be our goal as well. But with this said, our goal is first to have a successful implementation and conversion, then move on to add extra features such as this. Keeping the implementation team focused on the basics and keeping it simply, will go a long way in a successful conversion.

Q: why did the prior conversion not work?
A: Our prior conversion was really just an upgrade to H.T.E.’s latest version of their software product. Here is a summary:

In December 2013, we learned that the upgraded version offered by H.T.E. through their cloud service was clearly not an improvement so we turned down their offer to upgrade to it (this did not cost the City any extra money as upgrades are part of required annual maintenance cost which the City already pays for and would pay for with any software package it owns). We encountered unacceptable issues with this upgraded product to include that it printed our test checks out on the City of Battleground printers and we were told not to run certain key processes during the day because it would slow down the performance of their other clients sharing the same cloud server.

[Note: a summary of the conversion prior to this upgrade discussed above will be discussed in the City Manager’s confidential memo due to a confidentiality clause in force.]

Exhibit A
Modules Available of the Incode Financial Software

Listing of Incode modules that West Linn is purchasing:

1. General Ledger
2. Accounts Payable
3. Bank Reconciliation
4. Report Editor
5. Budgeting
6. Positive Pay
7. Project Accounting
8. Payroll
9. Human Resources
10. Employee Self Service Online
11. Time and Attendance Online
12. Utility Billing
13. Service Orders
14. Meter Inventory
15. Device Backflow Maintenance
16. Collections
17. Address Verification
18. Miscellaneous Accounts Receivable
19. Reporting Package – Oregon
20. Workspaces
21. Ipad Mobile Management Console
22. Secure Signatures
23. Output Director
24. Tyler Content Manager SE
25. Criminal Court Case Management (upgrade)
26. Centralized Cash Receipts (upgrade)
27. Citizen Portal – Municipal Court Online
28. Citizen Portal – Utility Billing Online
29. Citizen Portal – Accounts Receivable Online
30. Notification for Court
31. Notification for Utility Billing

Listing of Incode modules that West Linn isn't purchasing

32. CAFR/GASB Statement Builder
33. Fixed Assets
34. Purchase Orders
35. Requisitioning
36. Inventory Control
37. Tyler Jury Module
38. Civil Court Case Management
39. Probation Module
40. Property Tax Management
41. Special Assessments
42. Work Orders –Fleet and Facilities Maintenance
43. Cemetery Records
44. Permits and Inspections
45. Impact Case Management
46. E-Reviews Permits
47. License Management
48. Exam Management
49. Tax Remittance Management
50. Rental Property and Landlord Licensing
51. Code Enforcement
52. Public Safety Computer Aided Dispatch
53. Public Safety Records Management
54. Jail Intake and Booking
55. Permits and Registrations (Alarm, Sex Offender, Pet, Bicycle)
56. Property Room/Evidence Management
57. Citizen Portal – Permitting
58. Citizen Portal – Code Enforcement
59. Citizen Portal – Licensing
60. Infrastructure Asset Management (CMMS)
61. iG Workforce ipad modules – Permit inspections
62. iG Workforce ipad modules – Code Enforcement inspections

Exhibit B
Financial Software Packages used by Oregon Agencies

	Financial Software Package Used	Agency
1	Oracle	Washington County
2	Oracle	TriMet
3	Oracle	Salem
4	Oracle	Marian County
5	SAP	Portland
6	SAP	Multnomah County
7	PeopleSoft	Clackamas County
8	PeopleSoft	Metro
9	PeopleSoft	Eugene
10	PeopleSoft	Springfield
11	PeopleSoft	Lane County
12	Tyler - Incode/Eden	Lake Oswego
13	Tyler - Incode/Eden	Milwaukie
14	Tyler - Incode/Eden	Wilsonville
15	Tyler - Incode/Eden	Forest Grove
16	Tyler - Incode/Eden	Klamath Falls
17	Tyler - Incode/Eden	Albany
18	Tyler - Incode/Eden	Benton County
19	Tyler - Incode/Eden	Ashland
20	Tyler - Incode/Eden	Hood River County
21	Tyler - Incode/Eden	Oregon City
22	Tyler - Incode/Eden	Oak Lodge Sanitary
23	Tyler - Incode/Eden	Oak Lodge Water
24	Tyler - Incode/Eden	Hillsboro
25	Tyler - Incode/Eden	TVF&R
26	Tyler - Incode/Eden	Grants Pass
27	Tyler - Incode/Eden	Fairview
28	Tyler - Incode/Eden	Happy Valley
29	Tyler - Incode/Eden	Dallas
30	Tyler - Incode/Eden	Lincoln County
31	Tyler - Incode/Eden	Prineville
32	Tyler - Incode/Eden	Eagle Point
33	Tyler - Incode/Eden	Wood Village
34	Tyler - Incode/Eden	Port Orford
35	SunGard - H.T.E.	West Linn
36	SunGard - H.T.E.	Tualatin
37	SunGard - H.T.E.	Roseburg
38	SunGard - H.T.E.	Bend

Exhibit B (continued)

	Financial Software Package Used	Agency
39	SunGard - H.T.E.	Corvallis
40	SunGard - H.T.E.	Coos County
41	SunGard - H.T.E.	Deschutes County
42	Springbrook	Newberg
43	Springbrook	Estacada
44	Springbrook	Pilot Rock
45	Springbrook	Toledo
46	Springbrook	Astoria
47	Springbrook	North Plains
48	Caselle	Canby
49	Caselle	Molalla
50	Caselle	La Pine
51	Caselle	Damascus
52	Caselle	Madras
53	Caselle	Coos Bay

Exhibit C
Feedback from Lake Oswego's Assistant Finance Director

From: Cross, Shawn [mailto:scross@ci.oswego.or.us]
Sent: Thursday, April 24, 2014 11:11 AM
To: Seals, Richard
Subject: RE: Request to meet and review Incode modules

Hi Richard,

I think you will really enjoy the financials module This module works really well compared to version 8/9. The way you can sort information and dump into Excel is light years ahead of the old system. Adding new accounts is a little more labor intensive then before, but then you also have a lot more control over who can see what.

We didn't have any issues with the A/P module as well. We don't use the P-Card upload function in AP, but rather still use the JE method. We did look at doing this, but with the massive amount of Vendors that would need to be added (and then a small amount ongoing) and the fact that we don't want to add those amounts to our 1099-MISC with the new 1099-Ks sent out by the merchant services. This does limit our ability to run complete vendor reports those and we must always clarify that our reports only include items that have gone through AP and not on our P-Cards or through manual ACHs like payroll stuff.

Bank Reconciliation is one of our trouble spots, but this is due to our cash receipting is done two different ways: cashiering and through the cash receipting module itself from areas like Parks and the Library who send over an Excel sheet with their deposits. This doesn't allow us to break deposits apart as Cash, Check, and Credit Card, but rather as one total deposit. Our bank statement of course splits these up and depending on when they go to the bank could actually go in on three different days. Just a little more juggling on our part. More of a trick and causing JEs for deposits that only partially cleared the bank at month end.

Budget Manager is much like the other financials module, works really good and is really easy to use. No issues with this.

Reporting/Processing is done much different. There is only one module for each of these. Then you pick a process/report you want. Not bad having it all in one place instead of in each module, but the lists to get long on all the different reports. These can be filtered rather easily. Personally, I like it all in one place. Also, you can set reports to run automatically, kind of like scheduling things in outlook. Useful for running year end agings when you are going to be around.

No real change to project accounting. Converting data was our only issue and accessing it. Support was great and it all works now.

Don't use the HR system or payroll, but am very interested to hear back what you think of it after you have had it for awhile.

No problems with cash collections, but we had about 6 months where we were using version 8 for this and financials were in version 10. On the cash collections module you can only have one template for uploading from another system. We use this for Accela for building. It would be nice if we could get more than one, and then we could upload from Gold, Tennis, Parks, ACC, and maybe even the Library allowing us to switch the form of payment back on. Hence helping us fix some of our Bank Reconciliation issues.

Utility billing is fine. I think we were used to some functions from version 8 that were not available in version 10 and still aren't today. But all and all, most of the headaches during the conversion came from using outside vendors for both meter reading and bill printing and mailing. The meter reading was fixed easily, but we had a lot of issues with getting a file over to the printers for our bills. Then we (us and Tyler together) would fix it, and the fix would go away the next month for the other half of the City. The system also had problems prorating bills at the beginning of the next fiscal year, so we ended going back to hard coding those in instead of using the rate tables they set up. Now, starting this year, the prorating is no longer in the MS&F. Going back to the sending the file over the printers, the file never had a total for how many accounts we sent over. No real checks and balances. We still don't have this as of today (our transition was July 2012). With that said we have always been able to get bills out. It just wasn't has seamless as one would think. MOTO payments are a little different. We no longer keep CC numbers in the system, but rather with Tyler in their "vault". Once stored, we only get the last four of someone's number, so anytime they move or need to update an expiration date, we need to ask for the whole number again. Nothing big, just had a few complaints about it, but try to explain to customer this is more secure for the them.

Online payments works as before. They still go through the website to Tyler.

Content manager I personally haven't used, but am very interested in your thoughts about it.

Mobile Management Console and Notify for Utilities are something we haven't used as well.

Tyler U is good when setting up and getting ready for the new system or for a new employee, but I haven't and I don't think many others have gone in since we first set up version 10.

Tyler community gets used a lot by different employees. This is a way to get a new functionality for certain modules. It can become a much larger voice as people from all over the country start to agree as to why something doesn't work the way you would like it to. This is used mostly after support says the system doesn't currently do something and there isn't any plan to implement anything like it in the future. Squeaky wheel theory. Also, many of the various class packets from the conference are posted there for all to view them.

Not very familiar with their cloud product, but we have Chip and Karen, so I don't think we will be looking at that anytime soon.

We are converting to the Court Module next month, so I don't have anything to say about that. Once that is complete, we just need to move over AR and Licensing. I believe that they are not making a module for licensing now and have another platform they want users to purchase for that. AR just isn't written yet, so we are still using version 9 for that.

I have never used the new "dash board". Some might find it useful, but I just go to the module I want.

Now onto what I learned from the process:

1. We added an extra week to the implementation schedule for both financials and utilities. Very helpful, since it actually took that long. We thought we would get an extra week of training for various sections in the City.
2. We converted all the utility billing data back to 2004 and 5 years for GL instead of their suggested two years. This has allowed us not to go back into the old system much to get older data. Very helpful and wasn't that expensive…I believe it was only a few thousand for all the extra years of data.
3. This doesn't really pertain to you since you are coming from a different system, but there are just items that are not doable in version 10 as they had been in version 8. Staff had a little learning curve with some of these items, but the vast improvement in what you can do with the data out ways any of those issues.
4. You can get the trainers to come and teach the whole staff for a week on your data and internal processes We did this when we got new utility billing employees. This seemed to work out very well and got employees up to speed rather quickly.

Let me know if you have any other questions.

Shawn Cross
Assistant Finance Director
P 503.697.7413 | F 503.534.5240
380 A Avenue | PO BOX 369 Lake Oswego OR 97034
www.ci.oswego.or.us

City of West Linn

Investment Summary

4/18/2014

John Rowe
PO Box 527
Sherwood, Oregon 97140
P: 866.256.9077
F: 806.797.4849
john.rowe@tylertech.com

Incode Solution
5519 53rd Street
Lubbock, TX 79414
P: 800.646.2633
F: 806.797.4849
www.tylertech.com

4/18/2014

City of West Linn
Richard Seals, Finance Director
22500 Salamo Road
West Linn, OR 97068

Dear Mr. Seals,

Tyler Technologies, Inc. is pleased to provide the City of West Linn an Investment Summary. Tyler's proposal provides an extremely comprehensive response to all of the requirements provided by the City of West Linn.

We have been in business for thirty years and have installed over two thousand systems nation-wide. The solution offers the widest breadth of products in the industry, the latest technology available, and an integrated system that can operate in diverse offices throughout a jurisdiction. More importantly, Tyler's vision and skill in executing that vision is what ultimately leads to a successful implementation and long-term solution for our customers.

A customer reference list is included and we encourage you to contact any of our customers and inquire on the quality of Tyler Technologies' products and services. The below officer is authorized by Tyler Technologies to negotiate and has signature authority to bind Tyler Technologies to this Response.

Please note that certain sections of this response should be considered confidential and proprietary and are intended for the sole use of the City of West Linn. Confidential information includes detailed information regarding the features, functionality, and technology available from Tyler Technologies.

We trust we have provided enough information for you to make an informed decision. Please feel free to ask us to explore other possibilities if we have not met your expectations in any manner.

Thank you again for considering Tyler Technologies. Please contact John Rowe, your Account Executive at 866.256.9077 or via john.rowe@tylertech.com if you have any questions, or if you need additional information.

Sincerely,

S. Brett Cate

S. Brett Cate, C.P.A.
President
Local Government Division

Table of Contents

EXECUTIVE SUMMARY

CITY OF WEST LINN

INVESTMENT SUMMARY

Executive Summary

In response to the City of West Linn 's desire to replace their financial management system, Tyler Technologies is proposing its Financial CIS solution. Our response reflects our understanding of your requirements and our ability to deliver the quality products and services you need for a successful project. Tyler's solution represents the pinnacle of public sector software offering an integrated solution of comprehensive applications designed to resolve the City of West Linn's complex needs.

Choice

Though the City of West Linn will review many choices during this evaluation process, our goal is to make your choice an easy one. With Tyler, there is no need to move from vendor to vendor, solution to solution, technology to technology. Tyler's solution is an integral part of a community of employees, customers, and partners who all share a passion for serving the public.

As part of that community, the City of West Linn will have access to all the tools needed to efficiently manage your operations. With the goal of being the last software company you ever choose, Tyler will work for and with you to consistently provide you with the broadest and most advanced public sector solutions available.

Total Tyler Solution

Tyler's solution is intended to upgrade City of West Linn's operating units and departments to the latest System available in today's marketplace. Our proposed solution includes integration of applications which is important to maximize interdepartmental efficiencies. Integration coupled with leading edge technology will allow City of West Linn to take advantage of streamlining opportunities which will help avoid multiple data entry, improve management coordination, support effective inter-departmental communications, and help improve public relations. Our group of seasoned consultants, trainers, product experts, and programmers bring years of local government software experience to make your transition a smooth success.

Tyler handles the following aspects of your project under a single contract:

- System Delivery
- Implementation
- Performance
- Support and Maintenance

Tyler's Incode Solution

The Incode solution consists of more than fifty integrated modules. These software applications are specifically designed to enable governments to be more efficient, more accessible, and more responsive to the needs of their citizens. The modular design of the software allows customers the benefit of growing into Tyler's Incode applications by adding modules when the time is right.

Consistent integration among Incode applications has always been a priority and a key benefit to organizations looking to improve their business practices. Consequently, all products in this proposal are designed and supported by Tyler with seamless integration between applications.

Implementation Approach

We know that implementing a new system is not easy so we have tailored our solution to assist the City of West Linn in as many ways as possible from start to finish.

Our proposal provides a full range of services designed to help you get the most out of our products which includes:

- Project Management - Using a proven implementation methodology along with years of experience working with customers just like you, our project managers will help insure your transition to the Tyler product is a success.
- Applicable Data Conversion - With hundreds of conversions over 30 years, and staff dedicated specifically to that responsibility, Tyler Technologies has the experience and skill to effectively manage the complexities of converting data to a new technology.
- On-Site Training - Our proposal includes training to be administered on-site at City of West Linn. Our trainers and managers work together to insure that any issues that require follow-up after a training session are tracked and resolved to your satisfaction.

Training

At Tyler, our clients expect to receive the right training for their needs because learning the tools, benefits, and powerful functions is part of the process. It's a fact that fully trained clients who understand how to use Tyler products are able to do their jobs better, period.

Tyler offers multiple training options to fit your needs:

- Onsite Training
- Group Training
- User Groups
- Remote Training
- Online Training Center
- Tyler Connect

Support

The goal of the Tyler Support department is to provide expeditious technical assistance to Tyler software users in overcoming issues, understanding certain functionality, and recommending approaches to various scenarios. We strive to answer your questions quickly and accurately. Tyler offers mutliple ways to contact your support personnel, as well as access to thousands of users across the country who have the experience to help you utilize the software to your greatest benefit.

- Unlimited toll-free telephone support
- Electronic support via email and web-based chat
- Remote diagnostics and fixes
- Tyler Community – Connecting you to thousands of Tyler experts
- Online knowledgebase and FAQ documents
- Complete documentation, linked directly from the software

Tyler Cloud / Managed Hosting

With Tyler's managed hosting service, Tyler provides and is responsible for the data center, network, devices, central operating systems and application infrastructure components, providing a stable operating environment for your Tyler applications. At Tyler Hosting, we have been building and supporting managed hosting solutions for over a decade – managing the critical needs of our leading government agencies.

Leading Government-Centric Automation Platform

Tyler's Server platform is distinguished from the competitive landscape by the fact that we develop and support 100% of our products in-house. All software development, implementation, and support services are provided solely by our in-house personnel. This has enabled us to build and evolve a software platform and ecosystem that infuses employee passion for industry-specific software automation with the front line experiences our leading customers have provided. The result of this commitment is the industry's most powerful, seamless, efficient, user-intuitive, and scalable platform for government automation.

Commitment

At Tyler, we are uniquely qualified to meet the needs of the City of West Linn through our experience, our software, and our absolute commitment to customer satisfaction. That commitment, along with the consistent evolution of technology and software features, has resulted in a retention rate of more than 99% and long-term relationships with our users. With more than 2,000 customers, this partnership is an integral part of who we are and what we do. Our customers have a direct impact on the evolution of the software and the processes involved in implementing and supporting it.

Protecting Your Investment for Years to Come

Tyler's "Evergreen" Development Philosophy insures that the City of West Linn will always have industry-leading functionality that utilizes current technology. As part of our annual support fee, all enhancements to our software are provided at no additional charge. This allows our users to continue to take advantage of new advances without having to relicense the software. Additionally, these enhancements are delivered in manageable upgrades that do not require a complete reimplementation of the software.

Partnership

We want to thank the City of West Linn for the opportunity to provide a Investment Summary and for your time and consideration during the review process. At Tyler, we feel the evaluation and selection of new software should be as much about people as it is product with the ultimate decision resulting in a partnership between the customer and their chosen software provider. It is our firm belief that Tyler Technologies is uniquely qualified to be that partner and more than meet the needs outlined by the City of West Linn in this document. Should you agree, we look forward to progressing to the next stage in your evaluation process.

Company Background

City of West Linn

Investment Summary

Section Highlights:

Founded in 1966

Based in Dallas, Texas

Incorporated in Delaware

Publicly Owned

NYSE Symbol: TYL

11,000+ Clients

2,500+ Employees

2013 Revenue $416.6M

100% Public Sector Focused

COMPANY BACKGROUND

Tyler Technologies, headquartered in Dallas, Texas, is a leading provider of information management solutions and services to local governments. The company provides software and services to more than 11,000 local government offices throughout all fifty United States, the U.S. Virgin Islands, Canada, Puerto Rico, and the United Kingdom. These mission-critical applications provide the public sector with the ability to streamline and automate operations resulting in improved productivity and reduced costs.

With decades of exclusive public sector experience, Tyler Technologies is the market leader that provides integrated software and services; our singular focus, subject matter experts and in-depth products result in a sustainable client partnership that delivers the industry's most comprehensive solution. We provide the industry's broadest line of software products, and offer clients a single source for all their information technology needs, in several major areas: Financial & Human Resources, Permitting & Land Management, Licensing & Regulatory Management, K-12 School Solutions, Public Safety, Courts & Justice, Property Appraisal & Tax, Pension Management, Citizen Services, Land & Vital Records, and Document Management.

We are known for long-standing client relationships, functional and feature-rich products, and the latest technology. In addition to software products, Tyler provides related professional services including installation, data conversion, consulting, training, customization, support, disaster recovery, and application and data hosting.

Tyler always puts its clients first. We succeed because we take our client's success seriously, and we have a proven record of delivering superior software solutions and services. The overwhelming majority of clients are up and running on time, and within budget. Whether it's developing, enhancing, and implementing our software, or providing excellent service and client support—we succeed because our clients succeed. We want clients for life. In fact, many of Tyler's first clients, across every solution, are still clients today – some with relationships that span decades.

Public Sector Focus

Tyler Technologies' business units have provided software and services to customers for more than forty years and have long-standing reputations in the local government market for quality products and customer service. Tyler is the largest company in the United States focused solely on providing software solutions to the public sector. While many of our competitors compete in multiple vertical markets, Tyler is singularly focused on the public sector. It's100 percent of our business.

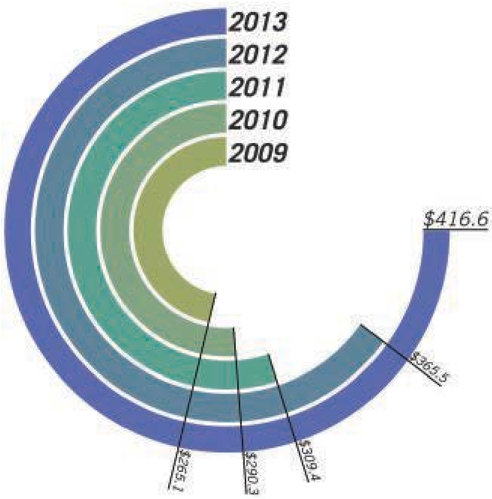
Tyler recognizes that the public sector is generally stable, risk averse, and craves community accessibility, security, and transparency. That is why local government and school entities seek reliable and efficient software and services from Tyler—a vendor who is professional, reputable, dedicated, and achieves results. Tyler has the experience to understand the unique requirements of the public sector, the necessary resources to invest in its products, and the ability to deliver quality services.

Tyler's expansive offering of professional services is designed to complement its software offerings and produce the optimum working environment for local government customers.

- Consulting
- Conversion
- Customization
- Training
- Live ongoing support
- Network management

Financial Stability

Tyler consistently maintains a solid balance sheet and strong cash flow and low debt, experiencing consistent revenue growth with 52 consecutive quarters of profitability. Total revenue for 2013 was $416.6 million and year-end backlog was $531.8 million. Experiencing significant growth opportunities from an increase in staff and expanding territories, we anticipate additional product offerings and new technology will accelerate this growth substantially in the future. We believe a debt-free balance sheet, substantial cash reserves, and a committed customer base put Tyler in a great position in our industry to weather any unexpected turbulence in the economy.



For additional revenue information please visit
www.tylertech.com

Industry Leadership

Tyler strives to provide the best client services in the industry. Our products undergo testing by trained quality assurance and certified usability analysts, therefore our clients benefit from products that work logically based upon user experience and input. We also focus our implementation and support professionals on specific groups of applications so they are able to offer more specialized services.

Our commitment at Tyler is to ensure the highest level of client satisfaction through the efforts of Tyler's most valued resource: its people. We challenge our employees to pursue new initiatives aggressively and become industry leaders in their respective fields. Tyler employs over 2,500 individuals, many of whom are seasoned professionals with unique and proprietary skills and years of industry experience. In fact, our employee turnover rate is very low—in recent years, about half of the industry average.

Company Recognition

Tyler has again been included on ***Software Magazine*'s Software 500 ranking of the world's largest software and service providers for 2012**. "We are honored to be recognized for the fourth straight year by Software Magazine as one of the 500 largest software companies in the world," said John S. Marr Jr., president and chief executive officer of Tyler Technologies. "Our consistently strong performance proves that even in these challenging economic times, Tyler Technologies continues to create significant value and provide the best and broadest scope of software and services available to the public sector."

The ranking is based on total worldwide software and services revenue for 2010. This includes revenues from software licenses, maintenance and support, training, and software-related services and consulting. Suppliers are not ranked on their total corporate revenue, since many have other lines of business, such as hardware. The financial information was gathered by a survey prepared by King Content Co. and posted at www.softwaremag.com, as well as from public documents.

Tyler Technologies, Inc. has been named to Forbes 2012 list of ***Best Small Companies in America***. Company rankings are based on return on equity, sales, and profit growth over the previous twelve months, and a comparison of a company's stock performance with that of its peers.

Tyler has been recognized by Forbes.com as one of the top ***100 Most Trustworthy U.S. Companies***. Based on ranking compiled by Audit Integrity, an independent firm specializing in research on corporate governance best practices, the nomination identifies companies that "showed the highest degree of accounting transparency and fair dealing to stake-holders." Tyler ranked among the top 25 companies honored.

Tyler Technologies also made the Fortune FSB 100 listing of ***America's 100 Fastest-Growing Small Public Companies***. Companies were ranked on the previous three years' earnings growth, revenue growth, and stock performance.

Education and Support

Customer education is offered through a variety of venues including on-site training, regional training, web-based seminars, and self-study courses via the Internet. Education forums are offered annually with classes available on various Incode applications in addition to topics specific to the public sector. With skillfully structured class schedules, users are able to select various classes related to their facet of work and can be awarded Continuing Professional Education credits when applicable.

At Tyler, we understand that even the most extraordinary training does not negate the need for outstanding support. To resolve support issues promptly, Incode offers customers a number of choices for contacting support personnel. That includes the standard email option and live Internet support along with an anomaly in the industry - **live** telephone support. Taking support calls live, rather than the typical call-back method, means a more expeditious resolution for our customers allowing them to more efficiently manage their time.

Software Evolution

Tyler has always emphasized a forward-thinking approach for improving and evolving its software. This is evident in the development of the Incode product line as it progressed from a UNIX application in 1983 to DOS software in 1989 and eventually into a Windows environment in 1997. The Incode customer base has been successfully migrated through all three generations of these technology changes.

As the industry continued to evolve and new technology and tools became available, enhancements were made to maximize the Windows environment. Tyler also established a business partnership with ESRI, which has resulted in many of our applications being spatially enabled.

The latest generation of Incode software utilizes Microsoft's powerful .NET technology allowing for a visually dramatic user experience, seamless and secure communication, and the ability to model a range of business processes. This technology is revolutionary for the data management staff and application users alike. The ability to take advantage of Microsoft SharePoint and role-specific security in Incode allows customers to create user-specific dashboards and control access to dedicated areas and data within the software.

With the end-user in mind, countless features have been included to facilitate more efficient access to data. Incorporating quick launches, extensive query-by-example searches, user-defined and user-specific processes, messaging options, and recent activity tracking allows users to more effectively organize and access pertinent data. This extensive toolset, along with a multitude of reporting options, expands the ability to be more efficient in day-to-day operations and more effective overall.

Dedicated Local Government Division Workforce

Tyler Technologies has more than 2,500 employees with more than 670 of those devoted to the LGD products and services. Employees within the LGD family share a common enthusiasm for serving organizations in the public sector.

Tyler's training and support staff for Incode products and services includes experienced developers, installers, consultants, MBAs, industry professionals, and certified network technicians. Their commitment to excellence, quality training, and support is second-to-none.

LGD Experience

Tyler Technologies Local Government Solutions offer the widest breadth of products in the industry, the latest technology available, and an integrated system that can operate in diverse offices throughout a jurisdiction. More importantly, Tyler's vision and skill in executing that vision is what ultimately leads to a successful implementation and long-term solution for our customers. Our executive team consists of experienced industry leaders that keep our team moving, and making sure we are able to give you the tools to succeed.

LGD Executive Team

Dustin Womble—**Founder/CEO**. Mr. Womble has served as CEO of Incode since its inception in 1981 assuming the additional role of Executive Vice-President for Tyler Technologies after Incode was acquired by Tyler in 1998 and is responsible for corporate-wide product strategy. He graduated Magna Cum Laude from Texas Tech University with a B.S. degree in Management Information Systems.

Brett Cate, CPA—**President**. Mr. Cate has served as President of Tyler's Local Government Division (LGD) since August of 2006. He joined Tyler in 1999 as a Product Specialist with more than 10 years of experience in the computer industry. Prior to his current position, Mr. Cate also served as Chief Operating Officer and Director of Sales and Marketing. He graduated from Lubbock Christian University with a B.S. degree in Accounting.

Sandy Peters—**Executive Vice President**. Mr. Peters joined LGD's Development team at Tyler Technologies in 1998 with over 25 years of experience in the computer industry. He is currently responsible for all software development and customer conversions at the LGD offices. Mr. Peters graduated from Texas Tech University with a B.S. degree in Management Information Systems.

Dane Womble—**Chief Operating Officer**. Mr. Womble joined Tyler in November of 1998 as a software developer with over 15 years of management, operations, and customer service experience. He has held a number of positions including Director of Client Services prior to assuming the role of Chief Operating Officer. Mr. Womble graduated from Midwestern State University in 1991 with a B.B.A. in Management Information Systems.

Janet Joiner, CPA—**Executive Vice President of Finance.** Ms. Joiner spent 14 years working in accounting positions for a number of businesses including a communication services company and large retail grocery chain prior to joining Tyler in December of 2002. She is responsible for managing all aspects of the accounting operations at the LGD offices including policies, procedures, and related personnel. Ms. Joiner graduated from Texas Tech University in 1989 with a B.B.A. in Accounting Management.

SOLUTION OVERVIEW

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INVESTMENT SUMMARY

SOFTWARE FEATURES

Tyler Technologies is dedicated to developing, implementing, and supporting software solutions that are tailored specifically for the public sector. Our specialized expertise and experience in this area gives us the ability to provide solutions that address the varied yet unique needs of this type of organization, positioning Tyler as a leading provider of software for the public sector. We are pleased to offer Incode products and services in response to your Request for Proposal and have included a description of the proposed applications.

TECHNOLOGY PLATFORM

Incode V.X is a true .NET application, built on the leading proven framework from the ground up. From user interfaces to the business layers and database structure, the system utilizes SQL 2008 and up databases and runs on Windows Server 2008 and up.

Tyler's Smart Client provides the high performance of a rich-client model with thin-client manageability. This uses Tyler resources to manage deployment infrastructure and provide intelligent deployment and update services while reducing the burden of installation. Processing data is stored on client services, not workstations, reducing the burden of deployment and maintenance.

MODULAR INTEGRATION

The Incode solution represents an extensive collection of integrated applications that are categorized into suites for Financial Management, Personnel Management, Citizen Services, Court Case Management, Public Safety Management, Mobile Applications, and Online Solutions.

Incode applications are organized in a modular design and utilize a single database for all applications with unlimited concurrent users. The two-fold benefit of this modular approach allows customers to purchase and implement specific applications as needs arise and budgets allow while still offering the integration necessary to maintain a productive and cost-effective environment as new modules are added.

E-GOVERNMENT CAPABILITIES

Incode's web solutions allow organizations to interact with the public and offer access to real-time information through website integration of Incode applications. These web applications are supported by Incode through InSite, a web portal accessed through a link on an existing website for the express purpose of serving the online components within the software. Tyler also offers services designed to facilitate the upload of payment information to the Incode applications.

USER-DEFINED CUSTOMIZATION

Every Incode application offers users the ability to define items unique to their site based on individual security.

- System Files – from basic definitions such as the format of the record identifier (chart of accounts, vendors, customers, etc.) to more complex options like budget checking

- Information Console – user-specific point of entry through Microsoft SharePoint to individual Incode applications and relevant data with the ability to view key performance indicators, summary data, and user-specific reports
- Screens – user-specific colors, processes, and access contingent on role-based security
- Tables – records specific to each application that are accessible and validated during data entry
- Fields – user defined data fields can be created in various modules of the Incode solution and the software allows for multiple customization options. Layouts can also be defined to control how user defined fields are displayed. When creating a user-defined field, a data type is selected; options include check box, date, number, single value or text. Examples of customization are field length, data input format and default value, as well as, characteristics such as "unique" and "required"

Workspaces

The Incode Workspace is the user interface that runs in the program shell. Within the Workspace, an unlimited number of customized, role-based Work Stations can be created. Work Stations can include data processing screens, custom widget spaces, search results, external web pages, and more.

Widgets

Work Stations are customized by including user-defined widgets in the space. Types and content of Widgets are only limited by the user's imagination. Widgets can include application shortcuts or favorites menus, commonly searched terms, system notifications, pinned or scheduled reports, or any sets of data within the application. With Business Intelligence services, the client can use Tyler's resources to build custom widgets specific for that client office.

Key Performance Indicators (KPI)

One of the strengths of role-based work stations is the ability to add customized KPIs relevant to the user's work processes. Whether that's a list of outstanding invoices to process, information about the budget status, or number of employees on PTO at any given time, KPIs are an instrumental part of developing a more efficient work process.

Drill-Down Functionality

All data used from the application to create Widgets include full capability to drill down into the data, and jump to active processing screens directly from a workspace. All data is automatically updated back into the Widget displaying the data. All lists shown in the application are fully interactive and feature abilities for customized queries, column orders, groupings and more.

Workspace Management

User Workspace customization is client-defined. Users can be restricted to pre-defined templates for their workspaces, creating a controlled work environment. By default, individual Work Stations are displayed as tabs within the Incode shell; however, they can also be undocked and used as stand-alone screens, perfect for dual monitors and power users.

Audit Trail Features

The Incode solution offers in depth auditing features to track transaction processes and updates to the database. Audit queries can be created from a centralized audit console within the software based upon specific criteria such as module, user, object, action performed and date range. Initial audit queries can be refined with search filters like “starts with”, “contains”, “ends with”, etc. Drill-down capabilities are available on queried records to allow one-click access to details for a record and audit trail history as well as linked objects. Additional features allow audit queries to be printed or exported in various file formats.

The Incode system creates audit trails for all transactions processed through the application. Users can drill-down on detailed transaction views to supporting details. Audit logging features provide an audit footprint for each processing step (input, last edit, approve, update, etc.), which includes user identification, date, and time. Transaction Registers provide detailed information including dates, general ledger account names and numbers, transaction amounts, descriptions, and references. All transactions are branded with an identification that incorporates the source module from which they originated.

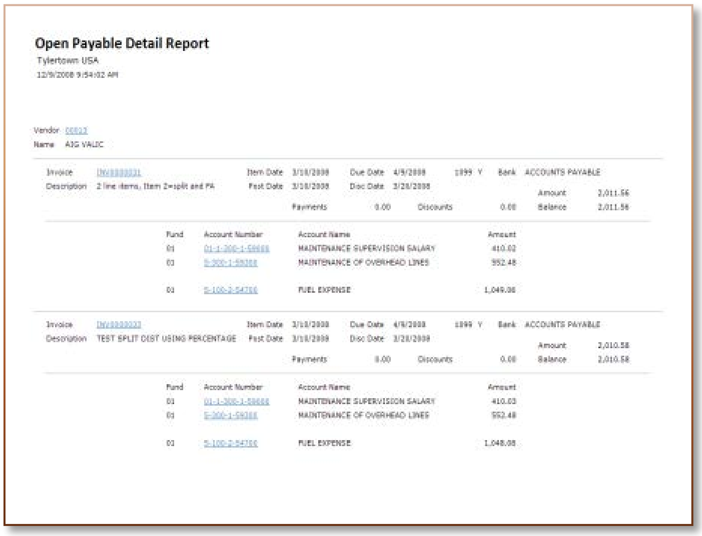
Workflow Capabilities

Incode software provides the tools to allow users to achieve optimal operational efficiency and organizational effectiveness. With that in mind, the Incode solution allows workflow to be built upon your organization’s business rules.

Incode software offers user-defined, role-specific workflow throughout the system. Role-specific processes offer the flexibility to customize workflow based on individual user security and duties. Individual steps within a process also allow for systematic review and suspension of transactions. Within the application’s workflow architecture, Incode offers internal notification and messaging capabilities such as the ability to incorporate alerts into processing steps (examples include alerting users of packets awaiting approval and alerting users of approved transactions). Integration with MS Outlook is also available to incorporate notifications with email. An audit footprint is associated with each processing step (input, last edit, approve, update, etc.), which includes user identification, date, and time.

REPORT SERVICES

Beyond the extensive query capabilities available, Incode software also includes standard reporting and analysis tools and an integrated Report Writer for creating ad-hoc reports. All reports in Incode software can be previewed through a viewer with user-defined display parameters, layouts, formats, and printer options. The viewer provides search and go to functionality as well as drill-down options directly to the related data within the software.



Reports can be printed from the viewer at any time or exported to a variety of formats including, but not limited to, Microsoft Word and Excel, PDF, HTML, JPEG, CSV, EMF, and XML formats. Reports can be scheduled to run automatically at user-specified times in addition to automatic delivery to designated personnel. The Report Writer also allows users to modify existing reports as needed and design new reports more unique to their organization.

DOCUMENTATION

Tyler's Incode application documentation is online and includes both operator and administrative functions. Documentation is included for all released versions of Incode software and is updated as new versions of the software are released. Incode documentation includes a table of contents, index, and key word search capabilities. Within the Incode application, the user experience includes extensive context-sensitive help and quick launch tools to create support request directly to Tyler's Support Services via email, phone or the web through our Client Support portal at http://www.tylertech.com/ client-support/incode-support. From here, users have access to support tools such as Incident Management, Tyler Online Training Center, and Live Support as well as join the Tyler Community. Tyler Community offers new ways to collaborate with Tyler clients and staff on topics that impact users' daily responsibilities and provides an interactive environment to share the latest software tips and tricks and discover what other agencies around the nation are doing to connect and empower their constituents.

QUALITY ASSURANCE

Tyler incorporates an extensive Quality Assurance process in the development of our software products. Members of the Incode Quality Assurance team specialize in specific areas of the product line consistently expanding their expertise in that specialty. The appropriate team member is assigned to test the form and function of each component of a new application, as well as, integration with other Incode applications.

The applicable team member also ensures that any software enhancements perform as expected and validates that any changes made do not have an adverse effect on related programs and systems. In addition to this in-house testing, each new release of Incode software undergoes extensive Beta testing at a number of customer sites to ensure its reliability in the field.

SYSTEM SECURITY

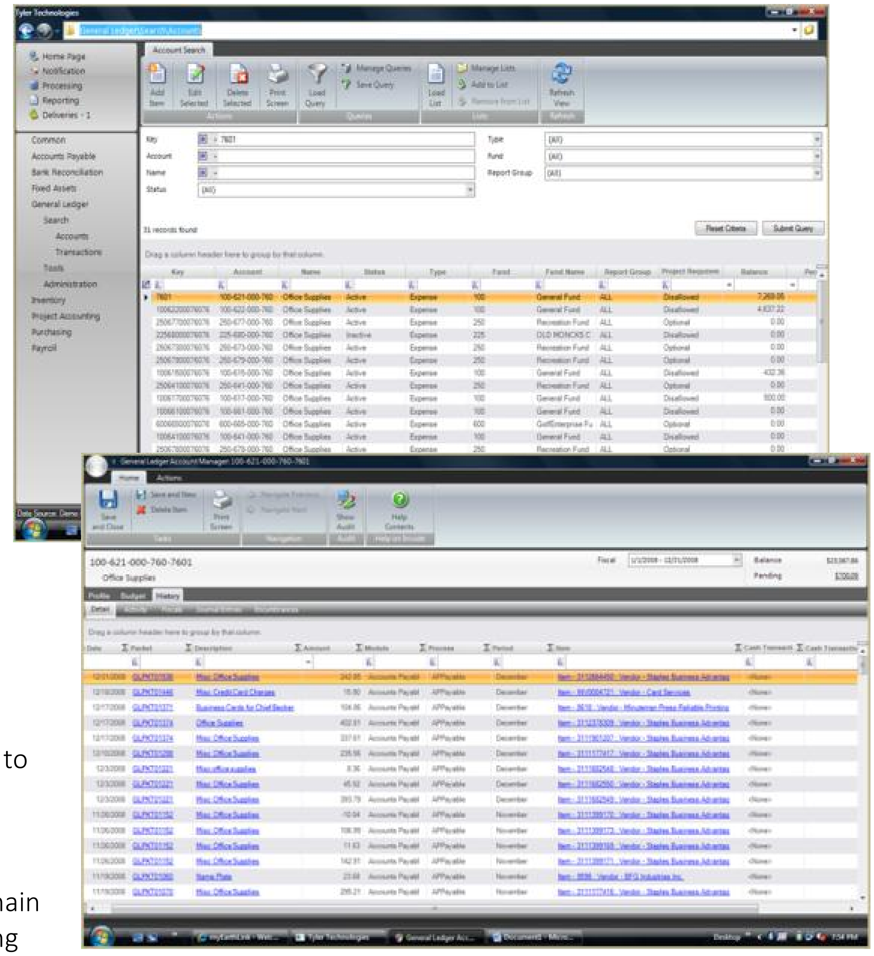
Incode offers a variety of security options.

- Form Based – the user must specify login credentials each time the software is executed
- Domain Based – user information is pulled from the Windows Domain and checked against the database
- Mixed Mode – user information is first pulled from the Windows Domain and checked; on failure of these credentials, the user is able to enter the credentials by hand
- Active Directory – user information is pulled from the Windows Domain and queried against the Active Directory structure
- Single Machine – a single machine can be excluded from the above modes or set to one of the above modes exclusively

Security within the software supports both individual and group permissions simultaneously. These permissions can be assigned to individual applications and programs within applications. The software also tracks which programs are executed and by whom. The system logs information such as date, time, user, program name, and system message for each entry. Other security options available in a number of Incode applications include fund, department, record, tab, and field.

General Ledger

Tyler's Incode General Ledger offers a comprehensive solution that is the heart of our financial suite, providing a true fund accounting application. All financial transactions flow through the General Ledger and update automatically, simplifying data processing. The Incode GL JE Import feature allows users to bring in financial transactions from third party applications. The system generates all "due to" and "due from" journal entries when posting a transaction to one fund, which will affect other funds. In addition, both standard and recurring journal entries are accepted. For recurring journal entries, data entry is required only once but can be edited as to coding accounts and amounts as necessary. General Ledger also handles the automatic reversal of journal entries.



The Incode General Ledger supports an unlimited character account number. Project attributes can also be added at the General Ledger account level to preclude the need for adding project formatting to the account structure. The components of the account can be formatted at the user's discretion, but should be consistent by account type across all funds and departments. General Ledger includes numerous financial reports, including revenue and expenditure statement comparisons, trial balances, balance sheets, etc., specific to the customer's chart of accounts.

Multiple Fiscal Years can remain open simultaneously, allowing processing in any open period based on transaction date. The thirteenth period is available for all closing entries such as general end-of-year journal entries, auditor mandated adjustments, and automatic closing entries.

Information & Reports

- Exports report results through an Export Wizard to other data formats including Microsoft® Excel, Word, and Access
- Produces predefined reports including General Ledger Detail Report, Transaction Audit Report, Budget Analysis, Cash Analysis, and Budget Comparison Report, which can now be modified and customized to the users preferences
- Generates financial statements tailored to the customer's preferences
- Maintains a complete audit trail for journal entry reversal and reposting
- Delivers powerful financial management tools at the individual account level with convenient access to comprehensive information such as account status and balance tracking for actual, budget, and encumbrance activity
- Displays a budget analysis graph for each budgeted line item to compare encumbrance and actual dollars against budgeted dollars for each period in the fiscal year
- Gives users custom screen configurations of detailed transaction history with printing and exporting capabilities

User Friendly

- Complete audit functions include footprints for all transactions and audit logs for tracking changes to critical data
- Comprehensive accounting security to control user access to General Ledger line items at both the fund and department level
- Online validation of General Ledger accounts throughout the INCODE software with secured add/edit functionality from anywhere in the system

Transaction Efficiency

- Calculates and tracks allocations such as interest allocation without the need of a separate spreadsheet and supports multiple allocation methods
- Configures account structures by each account type (asset, liability, capital, revenue, and expenditure) for optimum effectiveness
- Provides multiple time-saving features for journal entry processing with allocation templates, automatic reversals, and reposting capabilities
- Supports transaction processing in multiple periods including three over periods in the next fiscal year simultaneously
- Automates the year-end closing process with closing entries tracked in a separate period

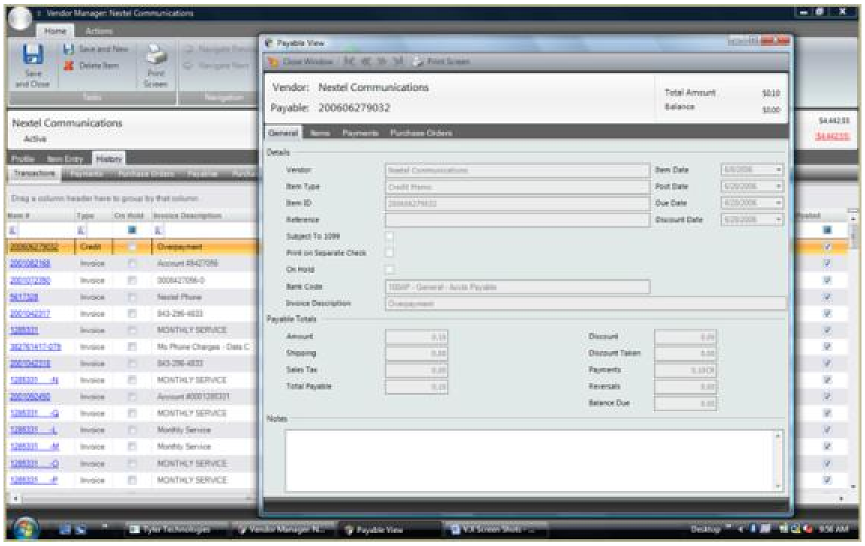
Accounts Payable

The Incode Accounts Payable helps automate and streamline the input and payment processing function and is fully integrated with the Purchase Order system or can operate on a stand-alone basis. Accounts Payable supports cash, accrual, and modified accrual-basis accounting and allows for invoices, debit memos, and credit memos to be processed in packets with a system maintained audit trail for integrity of input, edit, approval, and update of data. Integration with Incode Payroll allows for automatic creation of invoices for liabilities resulting from the payroll process. And, refunds from our Citizen Services applications automatically flow through to Accounts Payable for refund check processing.

Optional methods for handling payment processing include multiple bank accounts, designated disbursement fund, pooled cash account, or a combination thereof. Further, Accounts Payable provides multiple payment methods including check, bank draft and EFT as well as an automated process for reversing accounts payable checks.

Invoices can be distributed by percentage to accounts or by amounts entered by the user. A vendor template feature provides the ability to set up pre-defined sets of accounts and corresponding descriptions for vendors with recurring type invoices that are always expensed to the same General Ledger account numbers. The system internally generates all "due to" and "due from" entries to keep all funds in balance if an item is expensed to multiple funds.

Multiple types of 1099s are supported, as well as electronic filing requirements. A 1099 flag is available on both the vendor record and each transaction processed for the vendor. When checks have been issued, and files are updated, the vendor file is automatically updated for subsequent 1099 use. Users can actually print the contents of the 1099 fields in report format at any time, prior to the actual production of the 1099s. In addition, the system provides the ability to pay an invoice out of the current calendar year before printing 1099s from the previous calendar year.



INFORMATION & REPORTS

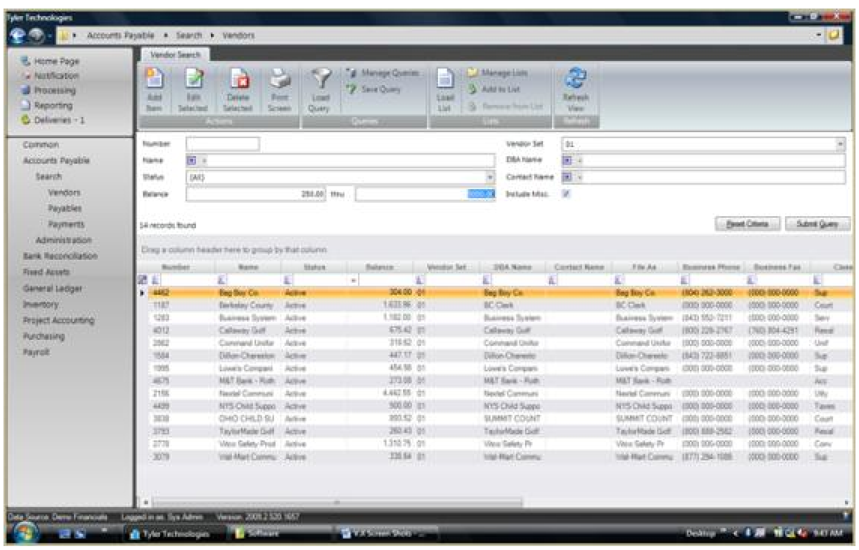
- Offers a variety of reporting options including open items, cash requirements, and check registers
- Includes the Open Item Report, which shows the funds the user specifies and filters the items on the report by a range of amounts.
- Exports report results to multiple formats including Microsoft® Word, Excel, and Access
- Creates a virtual "paperless office" using integrated Document Imaging functionality
- Provides inquiry and management tools for key vendor information
- Presents vendor transaction history in dynamic, configurable grids with powerful query tools and easy printing and data export functions
- Delivers comprehensive control of the payment process and cash requirements

USER FRIENDLY

- Identifies duplicate invoice numbers
- The one-time vendor feature streamlines processing for invoices from vendors that are not set up in the system
- Allows unlimited user-defined fields to be added at the vendor level to accommodate unique information tracking needs

TRANSACTION EFFICIENCY

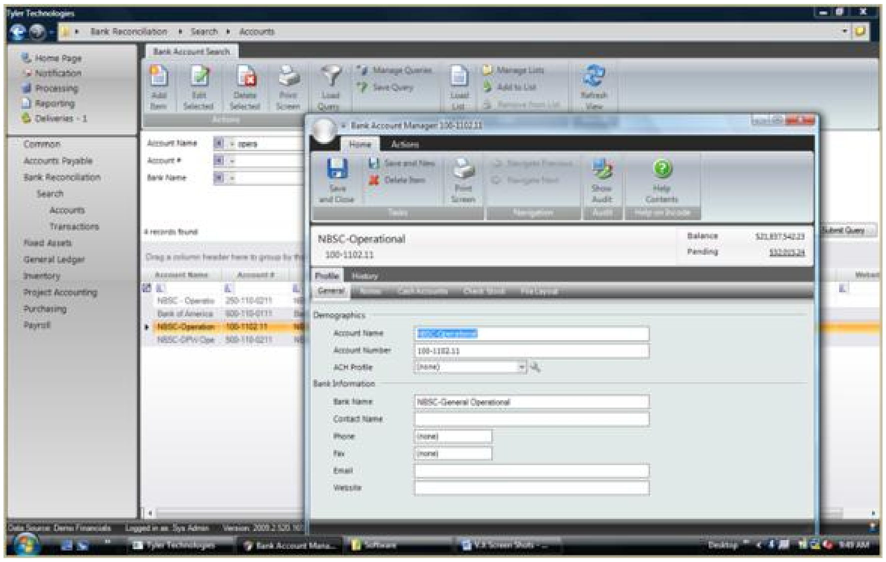
- Manages bank reconciliation with electronic transfer of cleared items from customer's bank
- Produces registers and audit reports necessary for a complete audit trail
- Allows for emergency check writing
- Displays outstanding purchase orders for a vendor during open item invoice entry
- Provides a status column to distinguish good checks, and voided checks
- Allows items to be expensed to a virtually unlimited number of accounts and funds
- Supports check writing from separate funds, a disbursement fund, or a pooled cash fund
- Allows automatic payment selection by due date or manual payment selection
- Provides add/edit functionality for General Ledger accounts and vendors during invoice processing



Bank Reconciliation

Tyler's Incode Bank Reconciliation module provides an efficient integrated solution for reconciling cash accounts, including the ability to import magnetic information on cleared checks from your bank. Bank Reconciliation also allows the user to identify manually items to clear during the current month's reconciliation in a batch, full screen, or individual item mode.

This module also offers flexible features such as user-defined check registers. Bank Reconciliation interfaces with Incode General Ledger, Accounts Payable, Payroll, Fixed Assets, Utility Billing, Miscellaneous Accounts Receivable, Business License, Building Projects, Special Assessments, Sales Tax, Cemetery Records, and Court Case Management.



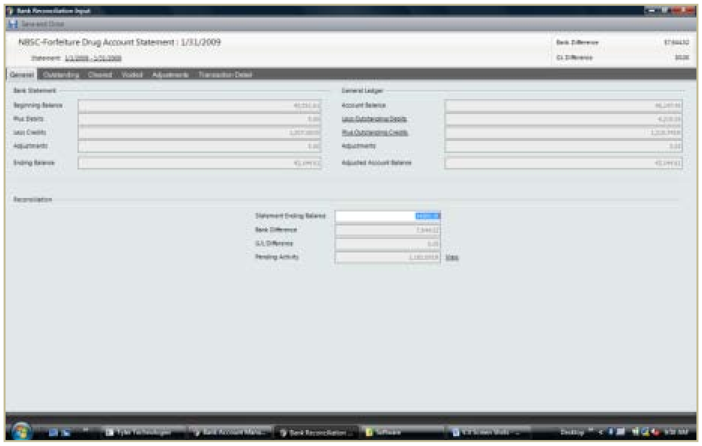
Information & Reports

- Reconciles monthly bank statements to general ledger cash accounts with the INCODE Reconciliation Statement
- Produces monthly reconciliation statements reflecting a summary of balances and period activity for both bank account and general ledger for easy comparison
- Identifies outstanding items to clear during the current month's reconciliation
- Clears items in a batch, full screen, or in individual item mode
- Runs the reconciliation register by account and filters for type of transaction
- Can indicate voided checks on the reconciliation register
- Offers optional suppression of error messages that result when duplicate checks are found
- Tracks the system where an item originated, the account number associated with the item (source), footprint details, and change history

User Friendly

- Allows two periods for an account to be open at a time so that multiple months can be reconciled simultaneously
- Indicates quick item lookup features based on amount range, type, status, originating system, and more
- Interfaces easily with Microsoft® management software
- Provides account security for user account access

Transaction Efficiency



- Can process an unlimited number of cash accounts per fund
- Handles "pooled cash" function with a consolidated reconciliation process when a single bank account is maintained for multiple secondary cash accounts in various funds
- Clears outstanding checks individually, in groups, or electronically by downloading the bank statement via the Internet from your financial institution
- Accepts adjustments quickly and easily for transactions such as service charges, interest, and miscellaneous items
- Tracks the beginning date of the next bank statement, inputs this date when you initially set up an account for reconciliation, and thereafter maintains this date whenever you update the account in the Bank Reconciliation Process
- Allows you to change the status, amount, or description of any item and provides footprint and change history features to create an audit trail of the change

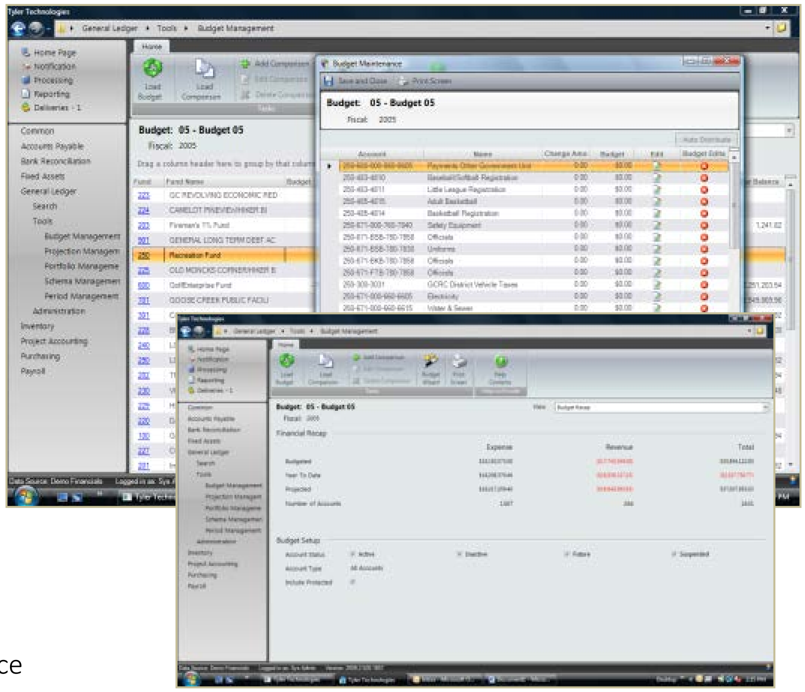
Budget Manager

INFORMATION & REPORTS

- Consolidates budget prep and analysis functions in one place
- Defines budget information views by fund, department, type, or accounts
- Controls access to budget information so that department heads can be limited to departmental budgets under their control
- Allows users to edit budget information at the individual account level or for all accounts
- Reports budget projections through user-defined financial statement formats
- Provides drill-down to supporting details, notes, and distribution of dollars from budget worksheet views

USER FRIENDLY

- User-defined system security that controls access to the budgeting files
- Accessibility to all revenue and expenditure line items, including future status line items intended for future budget periods
- Easy line item grouping for budget control purposes
- Flexible budget notes features including permanent, current, and next year notes at the line item, department, and fund level
- Support for both export and import of budgets with Microsoft Excel



TRANSACTION EFFICIENCY

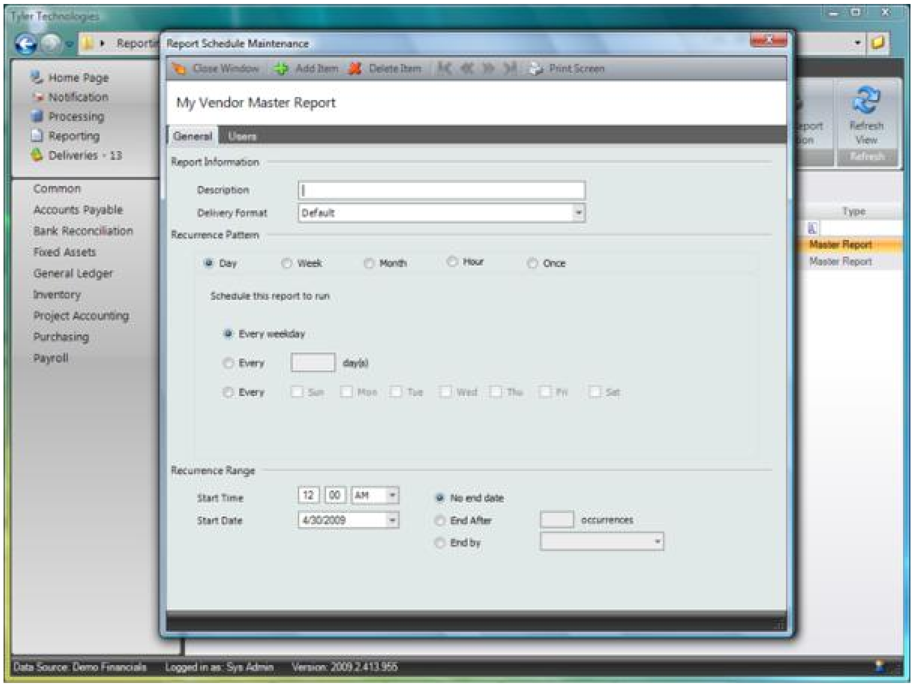
- Maintains ODBC interface compliance
- Calculates projections based on other budgets or YTD balances with user-defined multipliers and filters on cost centers and account segments
- Imports personnel budgets from the HR Position Control Budgeting module
- Automatically distributes budget amounts evenly to all months or to each month in proportion to the actual amounts from a historical year
- Installs the adopted budget in a quick and simple process
- Tracks all changes to the final approved budget as amendments with a complete audit trail and maintains them in an easily updated budget adjustment file
- Allows you to change the status, amount, or description of any item and provides footprint and change history features to create an audit trail of the change

Global Reporting Tool

Report Writer allows the user to design reports using drag-and-drop predefined fields formatted specifically to your Incode data. Users can include logos and graphics, access drill-down functionality and customize the fonts and colors in their reports.

Reporting Features

Standard reporting tools within the Incode applications provide multiple user-driven filter parameters to contour reports to specific user needs. Examples of selection criteria are range of dates, range of record numbers, range of codes, sorting criteria, etc. Users can save filtering and formatting settings specified for a particular report with a profile name for retrieval when printing the report on a subsequent occasion. Additionally, users can flag a profile as the default for loading report settings. The same security definitions established for the integrated applications apply to data accessed through our standard reporting features.



The results of standard report selections can be exported to other data formats through an Export Wizard. Options should include the ability to merge the data with Microsoft Word, Excel, Access and Map Point as well as the ability to have the data set exported directly to a XML or CSV formatted file.

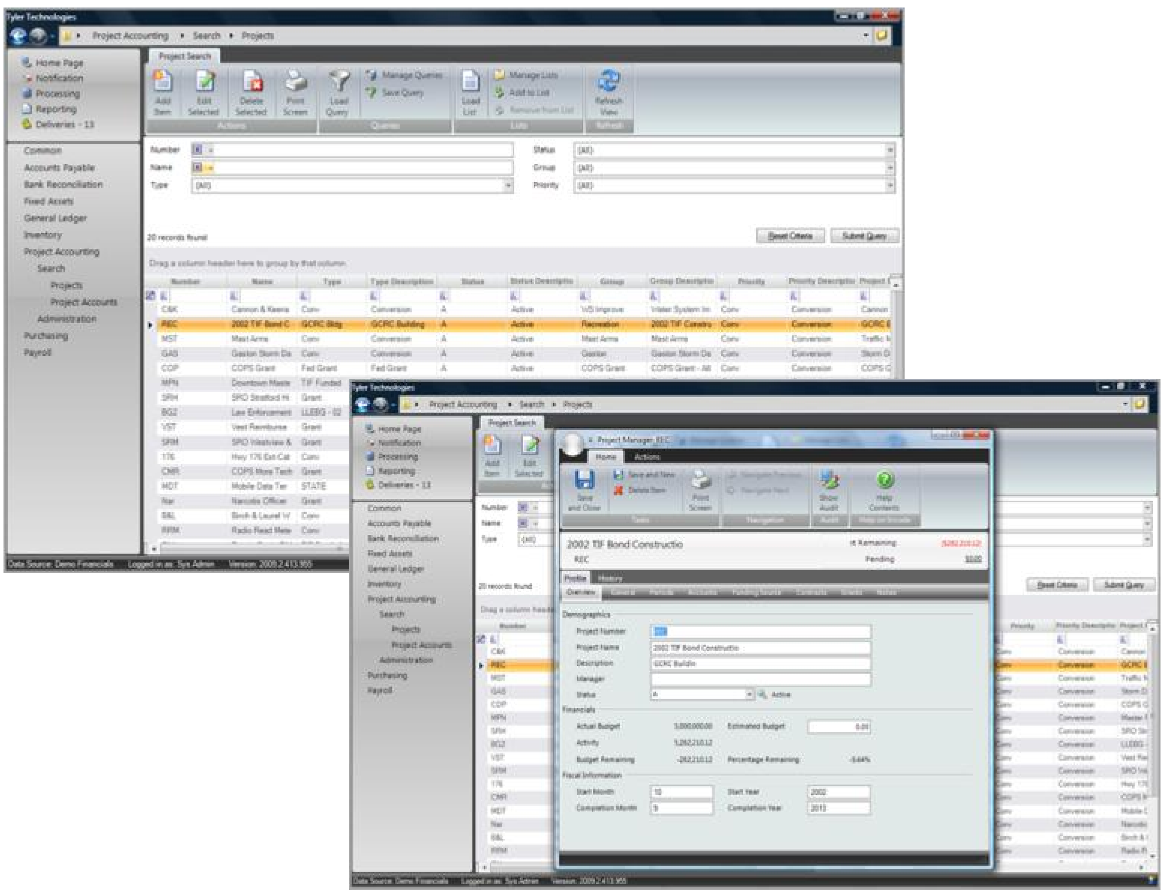
Ad-hoc Reporting Tools

The Report Writer allows the user to modify reports, which are specific to your Incode data with drag-and-drop fields arranged logically according to application and usage. The drag-and-drop fields are written in everyday language, and prompt for specific information about the field when dropped onto a report. Reports can be custom designed by you with titles, logos, page numbers, groupings, and sub-reports. Once reports are created, they can be saved in Excel, Adobe Acrobat, HTML, and other text based formats for easy referencing and sharing. Report layouts may be designed with titles, logos, page numbers, groupings, and sub-reports.

Project Accounting

Tyler's Incode Financial suite of applications includes Project Accounting for tracking projects, jobs, and grants, including actual activity and budget tracking across unlimited fiscal years. User-defined line items and categories can be established for each project and multiple projects can be associated with a master project, thus providing many levels for tracking and reporting.

Project attributes can be added at the General Ledger account level to preclude the need for adding project formatting to the General Ledger account structure so that transactions can be posted to a project as well as a General Ledger account. And, Project Accounting integrates with other INCODE applications such as Accounts Payable, Purchasing, Payroll, Distributed Time Entry, and Miscellaneous Accounts Receivable to allow various type of activity, including payroll related expenses, to be easily tracked at the project level in addition to tracking in other integrated modules.



Information & Reports

- Establishes user-defined line items and categories for each project and associates multiple projects with a master project, thus providing many levels for tracking and reporting
- Provides quick access to detailed historical information and offers dynamic screen configurations with printing and exporting capabilities
- Produces project reports with general information about each project such as fiscal year, start/stop dates, project status, and budgets for each project line item
- Generates budget comparison reports that summarize budget and actual expenditures by line item for each fiscal year
- Prints detail reports of each transaction posted within a selected range of dates, including both actual and encumbered amounts

User Friendly

- Quick project lookup with filters on master project and project status
- Flexible design allows users to define project structure according to specific project tracking and reporting requirements
- Users can access the support website easily to log support requests, query the knowledge base, participate in user group discussions, and download updates via secure connections

Transaction Efficiency

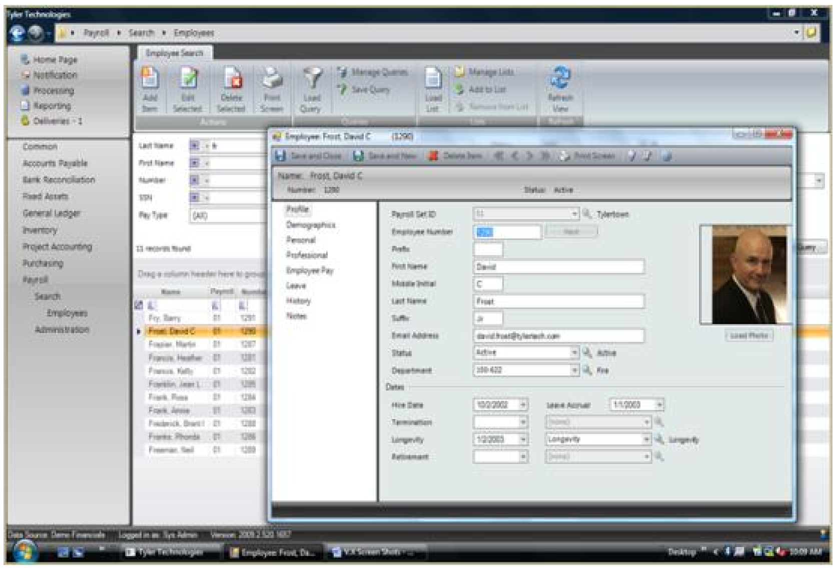
- Automatically posts to project line items from integrated INCODE financial applications
- Tracks project progress by percent of project completion
- Allows easy entry of notes on reimbursements received
- Provides access to detailed information about funding for projects

Personnel Management

The Incode Personnel Management system incorporates all the attributes of both a feature rich Payroll application and comprehensive Human Resources software. Tools are available that allow users to query and manage information at the employee level including personal data, position history, pay details, leave balances, FMLA events, equipment, workers compensation events, training, education, certification, and reviews.

Direct Deposit capabilities are supported allowing employees to designate an unlimited number of financial institutions and/or accounts for distribution of net pay. Leave tracking features include the ability to accrue standard holiday, sick, vacation, and comp time plus an unlimited number of other user defined leave categories for each employee.

Position Control allows you to manage personnel on a position basis and develop budgets for those positions and related information. Requirements for education, certification, equipment, testing, and training can be assigned to positions. Benefit plans can also be defaulted to positions with the ability to change that when employee assignments are made. Flexible budgeting features give users the ability to develop budgets for future events and multiple scenarios, each utilizing a different set of assumptions. Information about dependents may also be tracked, including name, relationship, social security number, birth date, age, benefit eligibility flag, mailing address, home and work phone numbers.



An Incode Time Clock Interface is available in a Kronos or Generic format that allows users to import data into the Incode Personnel Management module. In addition, the Incode Distributed Time Entry software fully integrates with the Personnel Management module.

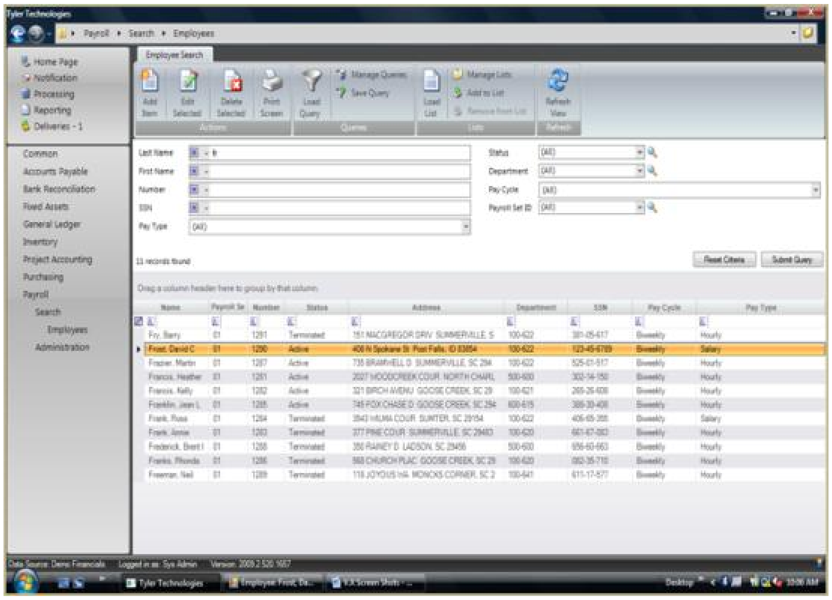
Information & Reports

- Produces monthly, quarterly, and year-end reports as required for workers' compensation, insurance, tax withholding, and FICA
- Maintains addresses, dependents, emergency contacts, W-2 and I-9 information, training, licenses, education, medical information, pay scales, benefits, disciplinary actions, grievances, and reviews

- Tracks and ensures compliance with certification or training required and completed for each employee
- Manages accident and injury claims covered by workers' compensation, including OSHA reportable events
- Reports employer's liability for accrued benefits at fiscal year end
- Prints 941 forms with an overlay
- Prints payroll forms, letters, and more from Word templates

USER FRIENDLY

- Provides complete security and user-specific restrictions with permissions applied at the department level
- Provides effective tools for monitoring compliance with FLSA and FMLA requirements
- Easily identifies important dates on employee records through an alerting process
- Allows for efficient scheduling by groups of employees for training, testing or reviews
- Generates and prints user-defined forms, letters, etc., from Microsoft Word® templates
- Allows multiple payroll sets to accommodate processing for entities with separate taxpayer ID numbers



TRANSACTION EFFICIENCY

- Includes emergency check writing capabilities and automated check reversal process
- Offers flexible leave tracking features including standard as well as user-defined leave types, accrual calculations based on length of service or hours, multiple accrual cycles, leave rollover functionality, and validation of leave availability during payroll processing
- Controls viewing of Social Security numbers by security code.
- Creates user-defined checklists quickly and easily including hire checklist, annual review, and termination checklist

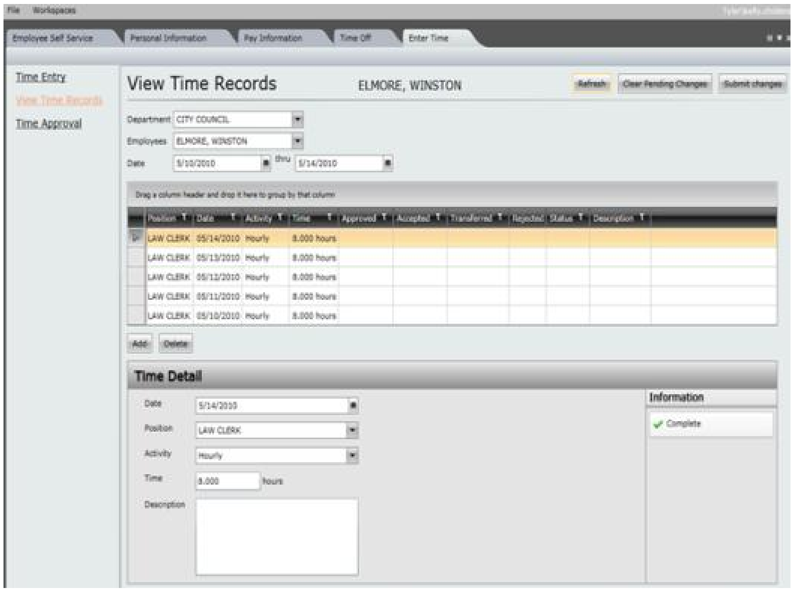
Employee Self Service

Tyler offers Incode Employee Self Service (ESS), an integrated web application that includes a robust Time Entry solution. Time Entry features support automatic FLSA based overtime calculations according to user-specified overtime periods between 1 and 28 days.

Employees can enter time entry directly through the ESS web application with full integration with Incode Personnel Management. Time can be completed by individual employees or by an assigned delegate for a group of employees. Delegates may assign another individual to complete his/her duties while out on leave, if the need arises. A group approval screen allows approvers to easily identify the status of time for each employee, review in summary the time submitted, and approve the group as a whole.

View or Update Personal Information

- Name
- Address
- Phone Numbers
- Dependents
- Contacts
- W-4 Information



View Leave History

- Search by Date Range and Leave Type

View Paycheck History

- Search by Date Range

View Position History

View Homepage

- Check Announcements, which may include links to documents and websites

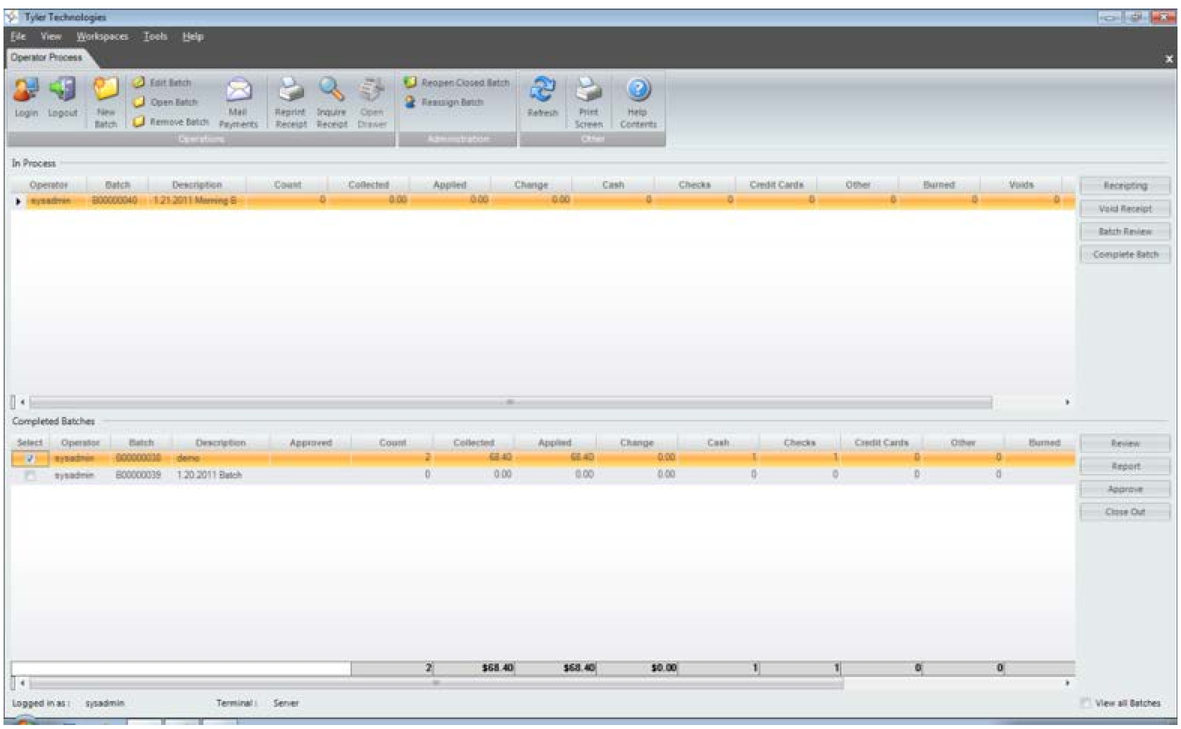
Online Administration - Accessible only by Administrator(s)

- Add/Edit/Delete Announcements
- Add/Edit/Delete Users
- Configure Online Display Options

Centralized Cash Collections

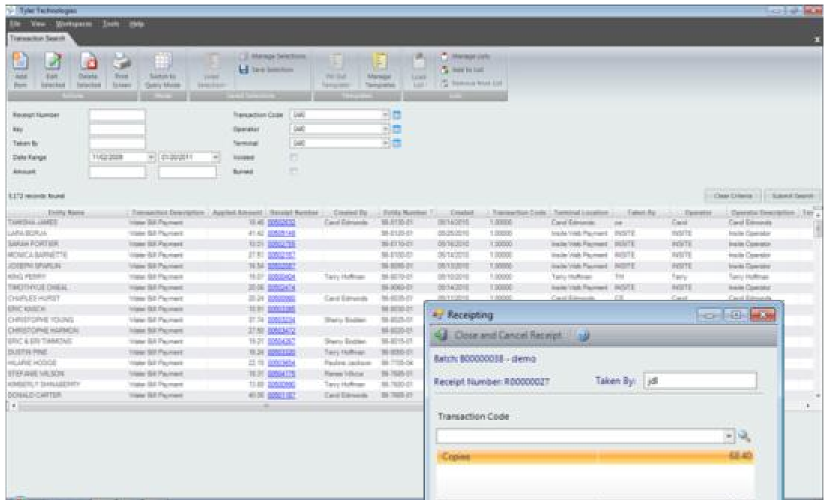
Tyler's Incode Central Cash Collections offers full cashiering functionality with connected cashier workstations equipped with a dedicated receipt/validation printer, automated cash drawer, and an optional bar code scanner. Central Cash Collections interfaces with all of the other Incode Customer Relationship Management applications, Utility CIS, Court Case Management, and the General Ledger. This application provides a seamless and uniform interface regardless of the type of payment that is received. In addition, it provides for easy lookup and validation of customer account name and number. Miscellaneous payments not associated with accounts in integrated systems post directly to the General Ledger.

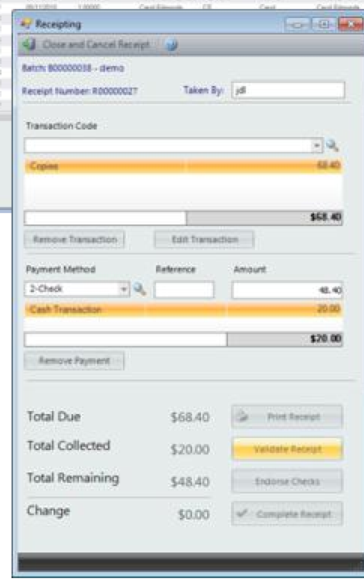
Cash Collections supports payments made by credit cards with online credit card processing. Tyler provides this functionality through an interface with Electronic Transaction Systems Corporation (ETS). Credit card reading equipment is connected to the Cash Collection workstation so that data captured from card swipes may be transmitted to ETS through an Internet connection.
Users also have the option to enter credit card information into the Cash Collection module before the transaction is submitted to ETS for authorization and processing. The Customer would need to establish a merchant account with ETS and provide them with bank account information for transactions to flow through.



Information & Reports

- Provides automatic real-time inquiry on system, operator, and terminal statuses
- Allows user-defined payment types including, but not limited to, cash, checks, and any type of credit card
- Facilitates bank account balancing using reconciliation groups
- Generates a summary of all receipts processed at any time
- Saves format settings as user-defined reporting profiles
- Produces on-demand management reports such as journal, history transaction, and payment type reports





User Friendly

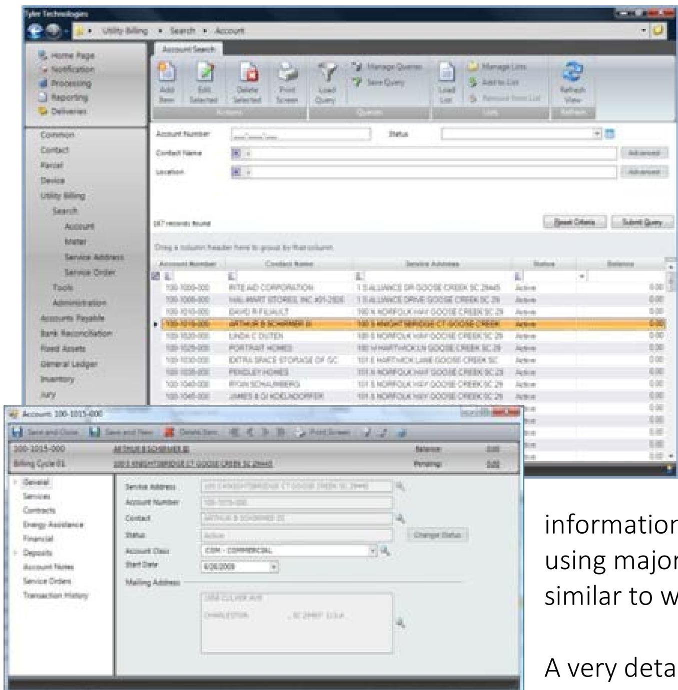
- Allows operators open and close batches quickly and easily shows batch information for a selected operator
- Prints and voids receipts from Operator Process window
- Includes specialized "mail processing" module for efficient transaction processing
- Transmits support requests by email or fax directly from application
- Integrates seamlessly with cash drawer hardware

Transaction Efficiency

- Provides online account number validation for integrated sub-systems
- Allows for Product and/or Transaction-based receipting
- Supports payment processing for multiple accounts across all integrated applications on a single receipt
- Allows selection of multiple accounts through a simple point-and-click interface
- Transmits automatic endorsement of checks to receipt printer
- Defaults automatically to current balance owed and allows override
- Allows user to reinstate cut off accounts and remove past due status
- Supports bar code scanners as well as credit card scanning and validation equipment
- Accommodates multiple merchant accounts for online credit card processing
- Allows auto-posting of transactions from all integrated systems with "single click" update

Utility Billing

The Utility Billing system is a major component among our Incode citizen services product offerings. The Utility Billing application is extremely powerful, yet a premium is placed on ease of use. It is designed to facilitate metered and non-metered billing. Current customers use the system to bill for electricity, gas, and water metered services as well as non-metered services such as solid waste and miscellaneous services. In addition, shared Property and Contact databases within the CRM suite allow contact and property records to be maintained in one place in the system in a consistent format. Contacts and properties can be easily associated with Utility accounts as well as accounts within other modules in the CRM suite such as Business Licenses, Miscellaneous Accounts Receivable, Building Projects, Sales Tax, and Special Assessments.



Tyler offers a variety of bill and supplemental notice forms options with the Utility CIS system. Accounts may be billed individually or flagged so that billing activity is consolidated with other account activity in a statement format. Other notices such as past due reminders and cutoff notices may be generated during the past due/penalty process.

This product offers the added feature of integration with other Incode such as Utility Billing On-Line, which allows your city's utility customers to access customer information. Customer may also pay utility bills online using major credit cards. Proper security is provided similar to websites that offer banking online.

A very detailed, user-friendly handheld meter-reading interface is included in the Utility CIS system. The interface tracks meter reading uploads and downloads, dates and times of transfers, and current status of the route information. This interface includes an annual maintenance fee to support any modifications required if either Tyler or handheld company file formats change.

The Incode Utility Billing system includes meter inventory tracking functionality and tracks complete meter data at each location, including service type, meter serial number, size, type, make, note, multiplier, price, date purchased, date installed, last date repaired. Each service address includes a history of all meters that have been installed at the service address and reflects the date a meter was removed, the meter serial number and last reading. Where meters have been changed out, the system shows separate individual meter readings and consumption, and shows a total consumption and billing amount on the same bill.

Information & Reports

- Supports multiple billing cycles per month
- Allows for user-specified and maintained rate tables, including support for tiered billing, demand ratchets, KVAR metering, master/slave combinations, and much more
- Offers detailed information on customer statistics, service revenue and consumption, taxes, aging analysis, usage analysis, service order statistics, and bad debt
- Offers rate analysis tools for analyzing the effects of changes to your current rate structure
- Supports bad debt processing and write-offs, including support for tax lien processing
- Includes extensive features for billing pro-ration, penalties, cutoff, and payment arrangement processing
- Supports intra-cycle billing of stepped, graduated, and demand metered services
- Provides extensive support for bill presentation and support for third party bill printing
- Integrates with Microsoft® Office for letter generation and data analysis

User Friendly

- Provides flexible security options to allow access by individual authorization
- Supports multi-year unlimited transaction and consumption history
- Captures multiple user-defined data elements through the use of comment codes
- Provides multiple search paths for easy location of premise, customer, meter, and devices

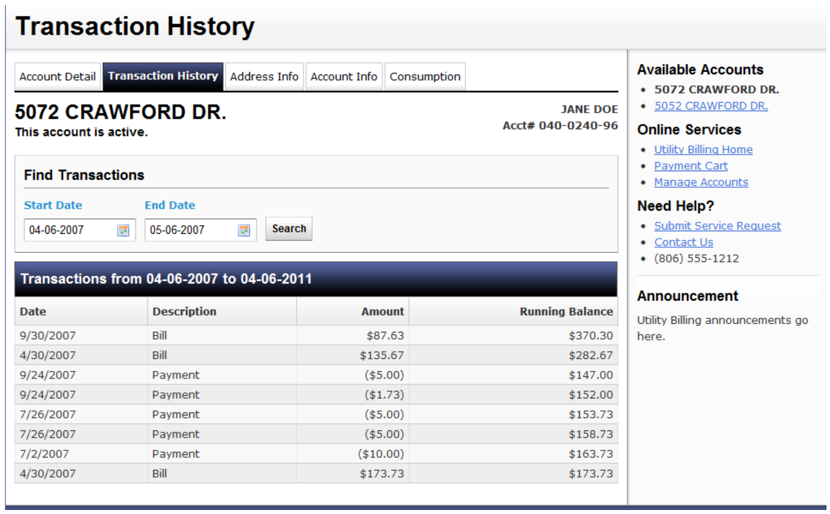
Transaction Efficiency

- Processes full, partial, and pre-payments
- Prevents duplicate entries for a person and/or properties using built-in system checks
- Allows turning on/off individual metered and non-metered services at specified intervals with pro-ration
- Produces statement bills for customers with multiple utility accounts
- Transfers account information and balance to new account when appropriate

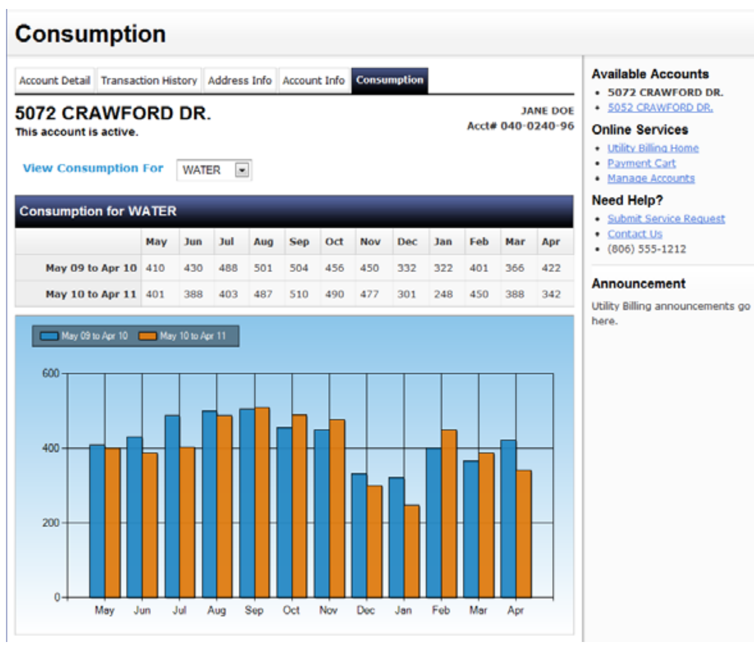
Utility Billing Online

Secured Access allows your agency to provide detailed information about an account to the account holder in a secured section. Once an account holder logs into the secured section, the following information can be viewed: financial information, address information, transaction information, and consumption information.

Citizen Secured Access



- View last payment date, payment amount, and bill due date
- Access contracts on file and status
- Generate transaction history
- Review payment arrangements available on file
- Make a request for service, an optional feature that can be added by the agency
- Submit an information/account change or disconnect request, an optional feature provided at the agency's discretion
- Receive an automated email response to a request
- View current balances
- View deposits on file
- View graphs detailing consumption history by service



IT Friendly

- Provides Secure Socket Layer (SSL)
- Manages system functions including storage

Easy Online Setup

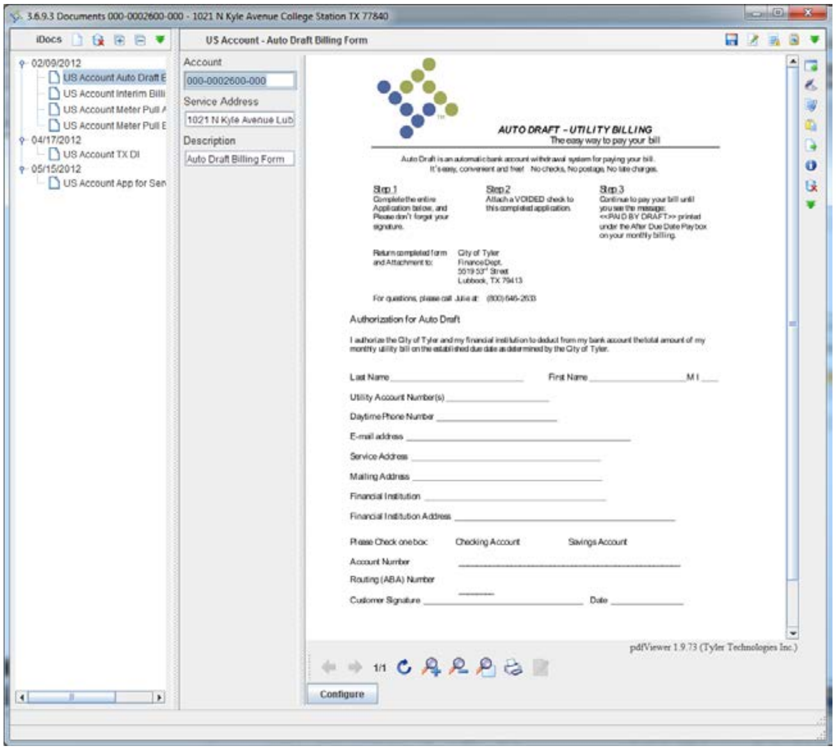
- Uses a simple link on your agency's existing website to send citizens to the Utility Billing Online section hosted by Tyler

Tyler Content Manager

Records management features allow for document version control, full audit trail and restore options, and comprehensive purge management related to your specific retention schedules and suspend requirements. Your organization remains in compliance, has improved efficiency and reduces overall organizational liability. The integrity of your documents is ensured with a valid audit trail, only deleting documents when appropriate.

Information & Reports

- Supports a variety of electronic file formats whether you are dealing with scanned images, word processing documents, or spreadsheets
- Accepts other electronically received content such as faxes, TIFF images, PDFs, electronic forms, photos, Microsoft file formats, and emails
- Allows all items to be saved in the same location regardless of format



User Friendly

- Integrates with all Incode suites such as Financial Suite, CRM Suite, and Court
- Tyler's Content Manager SE can also be utilized as a report archive

Transaction Efficiency

- Scan directly into Content Manager from any TWAIN scanner
- Use available utilities to "Acquire an Image" from a directory and to mass load images for batch processing
- Facilitates proper organization and indexing of records

OCR, Full-Text Searching, and Automatic Indexing

- Facilitates proper organization and indexing of records.
- Employs Optical Character Recognition (OCR).
- Incorporates full-text searching and automatic indexing with flexible "foldering" techniques to reduce costs commonly associated with misfiling, retrieval, photocopying, and content distribution.

Mobile Management Console

Tyler's Incode Mobile Management Console puts decision making power at your fingertips. Whether you're in a meeting down the hall, an appointment across town, or traveling to another state, the Incode Mobile Management Console application gives business managers and decision makers remote access to the important financial and personnel information you rely on every day..

Information is just a finger-tap away

Your software functionality needs are different when you're away from your primary computer. You need quick access to respond to time-sensitive processes such as approvals, requests and requisitions. Real-time updating back to your Incode servers keeps you connected while you're away from your office. The application provides intuitive processing to respond to, approve or reject:

- Employee Leave Requests
- Purchase Requisitions
- Purchase Orders

Designed as a native mobile application, the intuitive interface is optimized for internet-enabled touch tablet devices such as iPads and Windows 8 tablets. Familiar tap, swipe and pinch gestures navigate the user through at-a-glance analytics.

Access to accurate, real-time information is essential to making decisions on-the-go. The Incode Mobile Management Console provides one-touch access to:

- Employee and Department Directories
- Budget and Accounting Indicators
- Staff Availability Calendars
- Service Anniversary and Birthday Alerts

System security keeps mobile data protected

The Mobile Management Console runs independently of the server-based Incode system and maintains a real-time connection through available 3G and 4G networks or WiFi connections. The mobile application utilizes the same secure login and password credentials as your primary system - only allowing authorized personnel to access and process data from their mobile devices.

Incode Notify for Utilities

Do you have more productive ways of using your time than calling and leaving messages? Tyler's Incode Notify for Utilities relieves you of the duty of contacting utility customers regarding matters such as billing delinquencies, cut-off notices and more by allowing users the capability to create and send customized phone messages in an audited environment—even during the past due and penalty process phases.

After a call is made, Incode Notify for Utilities posts back to the host server confirming delivery. For example, during a call campaign the result of each call will be recorded back to the system indicating whether the call was answered, the line was busy or if the call was picked up by an answering machine or voicemail. This helps you ensure all citizens are notified appropriately and enables you to easily set up follow-up campaigns as needed.

Incode Notify for Utilities gives you the ability to:

- Send courtesy messages, penalty notifications or 24-hour utility service cut-off
- notification at any point during the past due and penalty processes
- Replace mailings with personalized phone messages
- Set up multiple phone messages
- Control time range for calls to be made
- Control notification exclusion based on specific message codes (calls successful,
- delivered to voice mail, etc.)
- See comprehensive, campaign-based or account level notification results

Standard Incode Notify for Utilities features include:

- User-defined messages with embedded application data field values
- Independent interactive and voicemail messages
- Bilingual option (English/Spanish/both)
- Right party contact confirmation
- Schedulable time frames
- Input modes (touch tone/ voice recognition)
- Wait on hold for right party
- User-defined retry for missed calls
- Inbound campaigns with real-time lookups

Tyler U

Tyler University is Tyler Technologies' continuing education platform—a place where you can improve your skills, learn new software or keep up with the latest technology or procedures. Anyone can take charge of their personal or employees' learning opportunities because Tyler U's intuitive design makes it easy to schedule classes, organize learning credits and certifications, track staff training and more. With hundreds of courses to choose from, there's something for everyone to learn at Tyler U!

Why Tyler U?

TYLER UNIVERSITY

- 24/7 access
- Ability to revisit important topics
- Hundreds of courses covering Tyler products
- Learn functionality before, during and after software implementations
- Reduced new employee training costs
- Monitor employee progress and transcripts
- Expand product knowledge by learning new functions
- Unlimited access to compliance courses (e.g., sexual harassment, Red Flag Rules)
- Microsoft Office training, beginner to advanced

From the convenience of your office or a regional location, Tyler's team of experts involve participants in engaging, relevant, hands-on curriculum to help teach programs and processes that can be used the same day. Registrants get live, individualized guidance at the time it's needed whether they're in the same room or a virtual environment. Course selections include product-specific, in-depth, training focusing on Tyler solutions you use daily or maybe professional development classes such as Microsoft® training or presentation development.

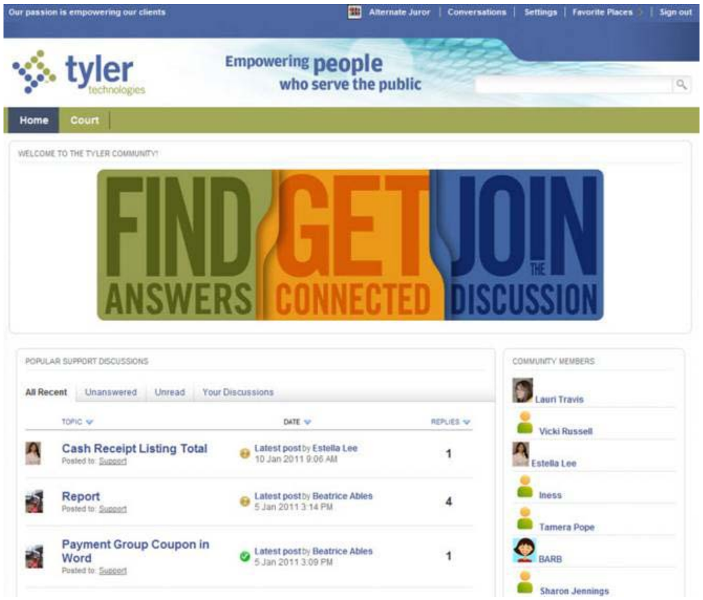
And because of our partnership with Strategic Government Resources (SGR), you can say goodbye to third-party trainers. You now have 24/7 access to courses that may satisfy mandatory compliance training, including Anger and Stress Management, Preventing Sexual Harassment, Embracing Diversity and many other courses in human relations, customer service and professional competency. And you get it all as part of your subscription to Tyler U!

Tyler's commitment is to exceed expectations when it comes to making sure its clients have one convenient source to get ongoing training and professional certification. Consider which of these learning environments might be best for your needs.

Tyler Community

As America's largest software provider dedicated to serving the public sector, Tyler is uniquely qualified to leverage the combined experience of tens of thousands of users with our staffs' deep domain knowledge to bring a one-of-a-kind interactive online community.

In the Tyler Community clients connect with other users and Tyler staff to share information, collaborate, access support and receive training. In this interactive environment, individual knowledge is amplified exponentially across the community.



Find answers. Ask questions and get answers from Tyler employees and other users. The Community brings out the experts and empowers all of our clients to become experts. Share knowledge, documents, media files, and expertise.

Get connected. Connect with colleagues from neighboring communities or from across the country. And stay connected by joining groups with other users who are in the same geographic region, share common job functions or use the same software products.

Join the Discussion. Join discussions on topics that impact your daily life, keep up with the latest software tips and tricks and discover what other agencies around the nation are doing to connect and empower their constituents.

What is Tyler Community?

- An online peer-to-peer support community
- A user-driven software support system available 24/7/365
- A business tool to find answers to product questions
- A place to share best practices and knowledge
- A secure, private, online community
- A solution engine that brings people together to solve problems and generate results

Quick access to information is vital in our fast-paced, online world. When it comes to software support, it's easy to forget that some of the most valuable information lies not in internal systems or product manuals, but in the minds of you — our clients —and our employees.

TYLER'S SAAS SOLUTION

CITY OF WEST LINN

WHITE PAPER

SOFTWARE AS A SERVICE (SAAS)

Software as a Service, or SaaS, solutions allow organizations to utilize software that is hosted and administered by a third party at a remote data center, typically over an Internet connection, on a subscription rather than a one-time license basis. The Internet connection is used to transmit data between the client workstation and the application or database servers. According to Gartner, Inc.®, a leading IT research firm, the annual cost to own and manage software applications can be up to four times the cost of the initial purchase. A SaaS solution provides a predictable, fixed cost solution that replaces ownership and management costs.

SaaS providers offer varying degrees of services, including application and database administration, all server hardware and operating systems licenses, and integration support. Hardware and technical expertise provided by SaaS resources is spread over multiple clients, and often provides a higher level of quality than can be cost justified by any one client.

This Web-based subscription service model is unique and powerful in its ability to meet a variety of end-user needs. For instance, clients using SaaS experience benefits such as shortened implementation periods, and cost savings in many areas, such as from off-site IT services. In fact, the overall lowered total cost of ownership sets the SaaS solution widely apart from traditional client-managed operations. The typical organization's cost-of-business overhead to run, maintain and upgrade its own software and hardware is eliminated — all of the expense is now operating costs with minimal capital expenditures. The result: each SaaS client enjoys all the service and functional benefits of a self-administered organization due to the large investment made by the SaaS provider but at a fraction of the cost.

THE HISTORY

The current SaaS function is similar to the service bureau offerings of the 1960s and '70s. Service bureaus emerged as computer processing became more widespread, but few small- and medium-sized companies could afford mid-range and mainframe systems. Companies that did invest in these systems often had excess capacity and were willing to rent out the use of the systems during off-peak time. Service bureaus emerged from this concept, often running a host of programs such as accounting and payroll for smaller organizations.

During the late 1970s and '80s the cost of hardware dramatically decreased, and local and wide-area networks emerged. This allowed companies to bring processing back in house and move to real-time processing, rather than batch processing through the service bureau model. With the emergence of the Internet, data centers were able to provide inexpensive, high-speed data transfer capabilities with no impact to users or application performance. It's easy to see that the driving factor for service bureaus was the cost and availability of hardware.

SAAS DEFINITIONS

Although SaaS has become a common industry term, it is sometimes referred to as ASP, or Application Service Provider. In addition, each provider defines SaaS differently. Some are simply hosting companies that host your application in their data center without administrative support, and with little-to-no application expertise. Others are merely middlemen who arrange for companies to host common applications and then sell access to those applications.

SaaS in Today's State and Local Governments

In the SaaS model, the over-riding benefit to clients is the ability to have others outside their organization manage and administer the expensive and complex computing environments used today — something that is increasingly important to governments.

More and more government organizations are turning to SaaS and other cloud computing services because of this benefit — reducing large upfront hardware, software, server, and licensing costs and eliminating their responsibility for maintaining databases or operating systems. According to Darrell West, director of the Center for Technology Innovation at the Brookings Institution, a large percentage of public sector IT costs get sunk into hardware, software and storage. Government organizations can save between 25 and 50 percent of those costs by moving to the cloud. Governing magazine also suggests that the cost-saving potential to government organizations is huge. "Thanks to the cloud, government won't be stuck with obsolete legacy systems and outdated hardware that require expensive maintenance…Unlike many technological advancements, cloud computing can provide a quick, dramatic return with limited investment."

Client Centered

With more than 30 years of industry experience, Tyler provides a unique combination of services to meet the specific needs of state and local government. Our SaaS offering is a full-service SaaS, meaning we own, administer, and support all hardware and applications. Our commitment to full service means that Tyler doesn't rely on sub-contractors. We have a team of Tyler employees who are dedicated solely to SaaS operations.

Data Center Equipment

Tyler maintains two SaaS data centers operating under a continuous improvement model whereby the hardware, software and technical infrastructure are constantly being reviewed and optimized for performance and stability. New client acquisition, utilization and advancements in technology all influence changes in the data center configuration. Our investments include industry-leading solutions from:

- Microsoft®
- IBM®
- Cisco®
- Liebert®
- Caterpillar

Operational Tasks

Tyler's SaaS operations team is dedicated solely to our SaaS and online services. The team performs a number of ongoing proactive steps to ensure best performance and stability of your hosted applications. Our operations team also performs routine maintenance and administration to the system. The tasks include, but are not limited to:

- Adding and changing user IDs
- Adding and changing printers
- Backing up and restoring data
- Migrating data to test and train environment
- Updating operating system, database and application software
- Configuring and maintaining integration to third-party products
- Monitoring Internet and VPN traffic, utilization and intrusion detection
- SaaS operations client desktop support
- Operating system and database performance tuning

Data Security

Tyler takes security very seriously. We use a multitude of different security solutions to ensure secure communications including Virtual Private Network (VPN) devices, software VPNs and HTTPS. Network engineers work closely with application teams to ensure security practices are employed throughout the entire product lifecycle.

Redundancy

When we built our SaaS infrastructure the goal was simple: no single point of failure. Our investments in every facet of the project include multiple devices set up for high availability and failover. The disk sub-system uses fully redundant drive arrays that prevent downtime due to a failed disk drive. We have multiple Internet providers at both of our data centers in Yarmouth, Maine, and Dallas, Texas, leaving their respective states through different routes. An Uninterruptible Power Supply (UPS) provides seamless failover to a diesel generator in the event of a power outage. In the event of a catastrophic failure at one facility, our disaster recovery plan assures that all critical processes continue uninterrupted at the second data center.

An audit of Tyler's SaaS data center, sponsored by one of Tyler's SaaS clients, was performed by IBM Global Services. The audit was conducted to formally document the redundancy and fault tolerance capabilities of the data center and its operational procedures. The following is an excerpt from that audit: *" The...corporation facility and data center are well maintained. Single points of failure have been eliminated. The facility has dual telecommunications feeds with separate entry points into the building. Backups are performed nightly and backup tapes are sent off-site to a secured, environmentally controlled vault..."*

It's clear — Tyler takes its SaaS services very seriously. Our professional staff is trained and knowledgeable in all aspects of SaaS administration, our facility is state-of-the-art and our attention to our clients is unrivalled.

Tyler's Responses to Typical SaaS Questions

Q. What kind of computer and Internet connection do users need to use SaaS?

A. System requirements vary slightly for each Tyler product and can be found on our website. In general, our products can be supported and configured on commonly used machines. Although bandwidth requirements are low, a high speed Internet connection is required. Dial-up modems may work but will not provide ideal performance.

Q. Do users have to install any programs on their computers to access their SaaS-hosted database and software applications?

A. Certain applications require software to be loaded on your users' computers, such as an ActiveX® control which is a small add-on program used on the Internet. If software is required, our Tyler SaaS team can help with the installation.

Q. How does your data center utilize multiple ISPs to prevent telecommunications outages in the event your primary ISP goes down?

A. Tyler's data centers not only utilize multiple ISPs, but are also designed so that bandwidth is drawn from different hub locations. Multiple ISPs and multiple hub sources mitigate the risk of a data center Internet outage.

Q. What measures do you have in place for a power outage?

A. The SaaS data center is equipped with battery back-ups in the event of a power loss. During a sustained outage a diesel generator supplies power. The equipment is tested weekly.

Q. How often do you perform backups?

A. Nightly backups are stored off site.

Q. What about physical security?

A.. The facility is manned by a guard 24 x 7 and includes keycard and biometric security tools in place.

Q. Do you rely on any sub-contractors or third parties to administer the SaaS application and database servers?

A. No, Tyler recognizes the importance and value of having experienced staff support and administer the SaaS infrastructure.

Q. Does your company own and have complete control of the data center that hosts the SaaS servers?

A. Yes.

Q. Redundancy and fault tolerance are important to us. Please list all single points of failure that remain in your SaaS solution. Include all hardware, network and Internet components.

A. Tyler's data centers have eliminated virtually every single point of failure. Redundant systems include ISPs, DASD, processor, power supply, electrical power, staff and facilities.

Q. Does Tyler provide a Service Level Agreement (SLA)?

A. Yes, Tyler provides a comprehensive SLA that includes operational performance and technical support response times.

Current SaaS Clients

Tyler historically has added approximately 50 new clients each year to the SaaS data center. Our current clients number in excess of 400 with more than 20,000 users.

Support & Maintenance

City of West Linn

Investment Summary

City of West Linn Oregon

Section Highlights:

Support Options

Support Goals

Data Analysis

Problem Escalation

Tyler Community

Updates & Monitoring

tyler technologies

SUPPORT AND MAINTENANCE

The goal of the Tyler Support department is to provide expeditious technical assistance to Incode users in overcoming software issues, understanding certain functionality, and recommending approaches to various scenarios. A retention rate of more than 99% suggests we do that very well and, is evidence of our commitment to customer satisfaction.

As partners with us in the business of automating local government, our customers have a direct impact on the evolution of the software itself, as well as the policies and procedures for implementing and supporting it. Support services have been expanded to incorporate a variety of options.

- Tyler offers **Live telephone support** on our toll-free support hotline (5am-5pm, PST). This allows our customers to receive the quickest response to their inquiries, and the quickest resolutions to any problems they may come across.
- Our E-mail support allows our clients to ask detailed questions, attach documents and screenshots, and explain the issues so that our staff can create a resolution efficiently.
- Live Chat Support initiates a conversation between the client's employees and our staff. This feature is great for quick questions and comments that may come up about the software.
- Go-To-Assist allows our support staff access to your system. One of our support team members will be able to see exactly what is happening on your system, assess the situation, and resolve the issue quickly.
- Tyler Community – your direct link to thousands of Tyler software users across the country, as well as Tyler personnel in support, implementation, sales, etc.
- Our customer website (www.e-Incode.com) has a wide variety of online support features, such as:
  - Incident Management – where a client can create new support incidents or search existing and past incidents.
  - Knowledge-Based articles – use a key-word search engine to search for answers to frequently asked support questions
  - FAQ documents, downloadable training documents, and streaming training videos
  - User Forum discussions – discuss the Incode product or other topics with other Tyler clients in your area, and around the country
  - Enhancement Requests – submit a new software enhancement request or vote on existing enhancement requests for consideration in future versions of the Incode software. This feedback is priceless to Incode, as this is often how we decide what new features to include.

Support Goals

Though our Live Telephone Support reduces call-backs, it does not eliminate them. Goals have been established for those incidents and are monitored via constant communication with the Customers and specific metrics. The information presented below does NOT include live support, only incidents where live support was not available, such as high-volume seasons.

Support Analysis

With the majority of our customers taking advantage of our Live Telephone Support, we track First Call Resolution. The Industry Standard for Call Back Resolution falls below 49 percent. Incode stays well above the industry standard in resolving issues upon first contact by our customers, with an average 70 percent resolution rate. Taking support calls live allows us to resolve issues more quickly creating a more efficient environment for our customers.

Tyler carefully gauges all the aspects of support to maintain a customer-conscious atmosphere, so in addition to tracking First Call Resolution, we track relevant data that helps us to better serve our customers.

- Average wait time in the queue
- Average response time
- Average resolution time
- Average call volume by day
- Average incidents closed by agent by day
- Incident trend analysis

Problem Escalation

The goal of the Tyler Support department is to provide technical assistance to Incode Product users in overcoming issues, understanding certain functionality, and recommending approaches to various situations.

An incident is originated when a customer contacts Tyler's Incode support staff. Support can be contacted via the toll free support line, e-mail, or the e-Incode support website. The incident can be received in several different ways via our flexible support systems.

If the support incident is received via the toll-free support line, a support representative will create and log the support issue into our help desk system. The support representative will take ownership of the incident and see it to resolution. The support representative will use many different resources to resolve the issue including on-line help, Knowledge Base, advisors, team leaders, managers, and software developers.

If the support incident is received via e-mail or e-Incode, an incident is created and a support representative will contact the customer based on a combination of the priority of the issue and the order that the issue was received. The support representative will take ownership of the incident and see it to resolution. The support representative will use many different resources to resolve the issue including on-line help, Knowledge Base, advisors, team leaders, managers, and software developers.

The Team Leaders and Manager of Support Services monitor the status of all support incidents received during the day. In situations where the Team Leaders or Manager identify an incident that needs escalation, the Team Leader or Manager may manually escalate the incident or assign it to a specific support representative. If the software support representative cannot resolve the incident, they have several different levels of help in order to resolve the incident in a timely manner. The levels are as follows: Support Specialist > Advisor > Team Leader > Manager of Support Services > Director of Client Services.

Tyler Community

As America's largest software provider dedicated to serving the public sector, Tyler is uniquely qualified to leverage the combined experience of tens of thousands of users with our staffs' deep domain knowledge to bring a one-of-a-kind interactive online community.

In the Tyler Community clients connect with other users and Tyler staff to share information, collaborate, access support and receive training. In this interactive environment, individual knowledge is amplified exponentially across the community.

Get connected. Connect with colleagues from neighboring communities or from across the country. And stay connected by joining groups with other users who are in the same geographic region, share common job functions or use the same software products.

Join the Discussion. Join discussions on topics that impact your daily life, keep up with the latest software tips and tricks and discover what other agencies around the nation are doing to connect and empower their constituents.

Software Updates

Tyler has proven history of providing upgrades and enhancement releases on a continual basis, which are available to all clients. Our Evergeen Philosophy ensures that those upgrades and enhancements are provided at no cost to those current with their annual software maintenance contract.

Enhancement releases take place every year and are scheduled with the client to provide the best possible timeframe for both the client and Tyler. Upgrades, however, occur periodically and are initiated by the client at any time via the Internet through a process called Live Update, making the process as convenient as possible for our clients. Patches and fixes are provided to the client through Live Update as well.

With over 600 professionals working with the Tyler's Incode Solution and almost half of those in Development and Implementation, we have successfully migrated many of our customers through three generations of software. Tyler views this software development and migration as a stewardship of your annual maintenance dollars. Those dollars are invested on behalf of our customers into new products and features, continually taking advantage of current technology.

As Tyler develops new applications, service models, and technologies, we do so from a three-dimensional, 360-degree view. Tyler's **Evergreen** philosophy means our products perpetually renew themselves. We don't abandon the old—we migrate to the new so our clients' needs are met steadily and consistently.

IMPLEMENTATION

CITY OF WEST LINN

INVESTMENT SUMMARY

SECTION HIGHLIGHTS:

PROJECT OVERVIEW

PROJECT MANAGEMENT

CONSULTATION

DATA CONVERSION

CHANGE MANAGEMENT

IMPLEMENTATION TIMELINE

ROLES & RESPONSIBILITIES

Implementation

A successful implementation of Tyler products requires building a strong link between Tyler Technologies and the City of West Linn with designated personnel from both organizations making up a cohesive team. The team functions most effectively when all members are committed to the project and contribute equally toward its success; open and consistent communication between all team members is essential.

Tyler's staff has the experience and the expertise to organize the project and manage it properly for our customers. From the initial implementation of the Tyler software to maintenance and support long after the implementation is complete, Tyler will take responsibility for all aspects of the project. We assist with each crucial step to facilitate the change to Tyler making it as effortless as possible.

In creating a consistent and efficient implementation plan, Tyler's process consists of the three primary segments, all of which are equally important to the success of a project. Each segment consists of four distinct, essential components that are based on industry standards and company expertise. Strategically organizing each segment and methodically incorporating each of the related components into the implementation process ultimately leads to a successful implementation.

Project Management

Project management and consulting most often takes place at the beginning of implementation as an avenue for building a realistic project plan with reasonable timelines and milestones. These days are extremely important and require the full attention of all involved parties. Tyler staff works with customers from the moment the contract is signed until going live on the software.
Professional and competent project management can make the difference between a successful implementation and a disaster. The Project Managers at Tyler prescribe to the principles of the Project Management Institute (www.pmi.org), including the monitoring and controlling of the four common parameters of any major project: resources, time, money, and scope.

Project Managers

Continuity is maintained by assigning one Tyler Project Manager as the primary contact for all applications. In addition to being the single point of contact, the Project Manager (PM) has a variety of responsibilities.

Tyler Project Manager

- Serve as a single point of contact.
- Work through the Implementation Process Document with the customer
- Work with the customer to coordinate the implementation schedule and timeline
- Schedule Tyler resources for training days
- Coordinate conversion services with appropriate departments within Tyler
- Coordinate the testing of forms, printers and third party interfaces
- Oversee project and monitor progress with customer
- Hold regular conference calls with the customer to review status and outstanding issues
- Monitor implementation expenses against budgeted contract amount
- Manage program change orders and custom interfaces

- Coordinate transition from Implementation to Support

Client Project Manager

- Coordinate with Tyler PM to develop and maintain implementation schedule
- Scheduling client resources for training days
- Identify additional employee training needs and update schedule
- Ensure that employees accomplish tasks on time
- Oversee project and monitor progress with Tyler PM
- Develop conversion specifications with Tyler PM
- Coordinate regular internal project meetings to determine status of outstanding issues
- Review invoices in accordance with the contract and associated milestones

Project Manager Selection

Project Managers are selected only after contracts have been signed and returned to Tyler. Once we have fully analyzed your situation we will provide you with the Project Manager best suited to your needs. We believe that this is an important step to the implementation process, and would appreciate your patience as we make this crucial decision.

Roles and Responsibilites

Your Tyler Project Manager will develop an implementation schedule outlining specific tasks for specific applications and will determine live dates based on communication with the your staff. We have outlined below the responsibilities of the Tyler team, and the responsibilities of the City of West Linn's team.

This is a general guide.

	TYLER RESPONSIBILITIES	CLIENT RESPONSIBILITIES
1 - Contract Agreement	Complete and deliver Contract	Return signed contract
2 - Project Management	Project Manager makes initial contact Deliver implementation binder to client	
3 - Pre-implementation	Review implementation plan with client Check for possible custom programming	Return pre-implementation documents Alert 3rd party vendors software change
4 - Hardware Detail	Order hardware based on contract Schedule hardware installation Set up client Server	
5 - Data Conversion	Schedule data conversion Verify and evaluate client data	Return sample data form
6 - Software Installation	Install software applications	Sign and return installation verification forms
7 – Post-installation	Build required form files Set up required financial reports Provide post-installation tech support	

	Install required handheld files	
8 - Pre-Training	Discuss procedure with client Discuss General Ledger account structure	Complete any pre-training "Homework"
9 - Training	Train on software	Return live verification notice
10 - Going LIVE	Transfer client from implementation to support	

Change Management

At Tyler, we understand that employee acceptance and understanding of change is as important to a project's success as having the right resources, tools, and experts on the job. We have provided our strategies and methodologies here to illustrate how managing the people side of change during Tyler product implementations can lead to a faster speed of adoption, a higher employee utilization rate, and greater user proficiency.

Change management has two parts—*organizational change management* and *individual change management*—each with its own focus and process based on the specific roles of the people involved.

Organizational change management is from the perspective of leadership surveying an organization from the top down. Management is focused on results. Divided into three phases, organizational change management emphasizes complete communication with—and training for—each employee, and seeks to maintain your organization's overall structure and culture.

Phase I—Preparing for Change

- Create readiness and risk assessments and develop a strategy
- Identify and prepare a communication lead on the project team
- Create a sponsorship model and prepare sponsors to effectively lead the change

Phase II—Managing Change

- Develop change management plans (communications, sponsor roadmap, coaching, training, and resistance management)
- Take action and implement plans

Phase III—Reinforcing Change

- Collect, analyze and respond to employee feedback to examine change management effectiveness
- Identify causes of and manage resistance
- Celebrate successes and transition the project to daily operations

Individual Change Management is about managing change from the perspective of the employees at an individual level. These employees are ultimately the ones that perform any new day-to-day activities and make the new processes and systems come to life in your organization.

Managers and coaches help employees:

- Gain awareness of and understand the need for change
- Become motivated and excited to engage and participate in the change
- Attain the skills and knowledge of how to change
- Become proficient in and able to implement the change
- Gain support and reinforcement needed to sustain the change

From communications and coaching plans, to resistance management strategies, and even to change performance measurements, our consulting analysts provide the tools, resources and knowledge for each employee to adapt successfully to our Tyler software solutions. We help each person within your organization develop invaluable skills to successfully prepare for, manage and reinforce change, not just for the project at hand–but also for any changes that are made in the future.

Data Conversion

A successful conversion is one that provides the least amount of displacement and discomfort for the customer and their employees. With hundreds of conversions over 20 years and staff dedicated specifically to that responsibility, Tyler Technologies has the experience and skill to effectively manage the complexities of converting data to a new technology.

Methods

One of the most difficult aspects of software transition revolves around data conversion, which can take place in one of two ways.

- Manual – The client enters data from the existing system into the new Tyler Technology system
- Automated – A software program is written or coded in order to facilitate moving information from the existing system to the new Tyler Technology system

The Conversion Process

The process itself has a predefined set of steps necessary for a successful conversion.

- Data Extraction – The customer performs the preliminary extraction and transmission of data with any necessary assistance from Tyler staff.
- Data Evaluation – Tyler Technologies will evaluate the information that has been transmitted.
- Conversion Scheduling – Upon a successful evaluation, Tyler will contact the customer to begin the development process of the conversion programs. During the development step, the client will be responsible for providing knowledge and insight into the information from their current system.
- On-Site Conversion – Upon Tyler Technology's arrival at the client's site for the conversion, the client will be responsible for a final extraction of the data. In most situations the client will not have to transmit the final extraction to Tyler Technologies. The Tyler Technology trainer on site will assist the client in preliminary Incode application setup that is required for the conversion as well as execute the conversion programs and assist in the verification of the converted information's integrity.

Data Extraction

The customer will ideally supply data in ASCII file format with unpacked data fields. The data that is transmitted to Tyler should be legible in a standard text-processing program such as Windows TextPad or WordPad. There are also other options for transmission.

- SQL Databases[1]
- Excel spreadsheets[1]
- Access databases[1]
- delimited ASCII text files[1]
- FoxPro[1]
- Paradox[1]
- Acu-cobo[2]
- RM-Cobol[2]
- Micro-Focus Cobol[2]
- Report files[3]

1 These files can be accepted as long as they have column headings

2 Must have record layouts

3 Only after all other options have been exhausted

Data evaluation

The initial data extraction is for the sole purpose of developing the conversion software. Once Tyler receives the data from the customer, the evaluation process begins. The media itself is first evaluated as to readability. Each data file is then reviewed as to its format, file description, and estimated complexity. A final data extraction will be performed the day of or close to the day of final conversion.

Conversion Scheduling

Tyler's Implementation Coordinator will work with the customer to schedule a time for the data conversion, conversion assistance, and eventual training. Timing is an important element during a data conversion. The conversion will revolve around the most advantageous dates for all parties, which will be discussed during scheduling.

Data Validation

The final step in the conversion process is the data validation. Much attention will be given to data integrity during the testing phase by the program developers. The conversion assistant will also spend time testing the integrity of the information. Working with the customer, balances and the output of processes will be tested after the conversion.

IMPLEMENTATION GUIDE

The Implementation Sample Gantt chart is included here as a reference tool to see the most ideal scenario for your software implementation. This is merely a suggested timeline, and is in no way a commitment from Tyler.

IMPLEMENTATION TIMELINE GUIDE

Task		Weeks	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
	Start	Finish																						
Contract Negotiations	01/01/14	02/01/14																						
Survey & Data	02/01/14	03/01/14																						
Setup & Consult	03/01/14	04/01/14																						
Conversion	03/01/14	04/14/14																						
Forms & Interfaces	04/15/14	06/01/14																						
Training	05/01/14	06/01/14																						
Setup Support	06/01/14	06/08/14																						
Go Live!	06/08/14	06/08/14																						

Training

City of West Linn

Investment Summary

Section Highlights:

Multiple Options

On-Site Training

Group Training

User Groups

Remote Training

Online Learning Center

Tyler Connect

TRAINING

At Tyler's Incode solution, our clients expect to receive the right training for their needs because learning the tools, benefits, and powerful functions is part of the process. It's a fact that fully trained clients who understand how to use Tyler products are able to do their jobs better, period.

Different Needs, Different Options

Every customer is unique so the training process can vary from one customer to the next. Rather than adhering to a stringent schedule, Tyler offers flexibility in the training process that considers each customer's unique scheduling needs. The amount of training time required for an implementation may also depend, to a certain degree, on the specific individuals who will be trained. The timing of sessions for individual applications can vary a great deal depending upon several factors including the customer's preferences, the time spent on data conversion, and the availability of the staff being trained.

ON-SITE TRAINING

Training customers on-site using their hardware and data is an extremely effective method for educating customers. Training sessions are a combination of lecture and hands-on education, using the customer's actual live data. In a decentralized environment, it is critical that all pertinent users be trained and as importantly, that training is effective. To this end, personnel should make every attempt to attend all applicable sessions with as few distractions as possible. Tyler also suggests having a management representative attend training classes.

GROUP TRAINING

Tyler offers group training to our installed client base throughout the year and in various locations across the country. Group training provides an excellent opportunity for customers to learn introductory, new, or advanced processes in a classroom environment. With this approach, our clients are able to learn away from their offices without interruption while benefiting from sharing experiences, questions, and procedures with other clients.

USER GROUPS

Sound development of the Incode product is largely driven by existing clients. To that end, we encourage active, client-organized product User Groups. User Groups typically consist of like-minded customers in geographic proximity of one another and running the same or similar Tyler applications. Customers often meet on a semi-annual basis and represent the caucus that drives much of the ongoing software development.

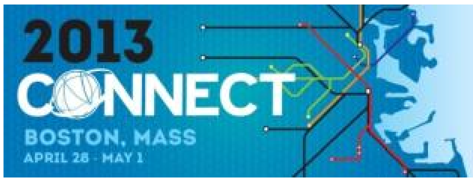
REMOTE TRAINING

Through a typical Internet connection, Tyler provides several options including regional training for client groups, individualized follow-up and refresher training, and education presentations to keep clients informed about Tyler services and solutions. Tyler Web-based training is an affordable way to keep skills fresh, get new employees up to speed, and ensure offices stay abreast of the latest products and services.

Tyler Online Training Center

The Tyler Online Training Center offers an online training library focused on core application suites. Customers will find Self-Study Courses, Group Internet-Based Webinars, and Archived Webinars. Tyler Technologies is also registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

Tyler Connect



Tyler hosts an annual education forum, Tyler Connect, which serves our customers' need for new information, as well as refresher information on our software products. Each class is tailored to meet the needs of attendees in order to increase productivity and, ultimately, improve responsiveness to your citizens and clients. Tyler is a nationwide community dedicated to learning, growing, sharing, and connecting every year.

2012 marked the 4th annual Tyler Connect event, and the first year all divisions were represented. Connect is unique because it's the only time we have staff and clients from every division come together. Approximately 2500 attendees participated in this year's connect, including more than 600 clients from our Local Government division.

Tyler offered more than 600 training sessions across all four divisions of Tyler, with 11 product tracks, and Tyler-wide sessions. These Tyler-wide sessions, open for anyone to attend, ranged from IT sessions to preparing a CAFR, and presentation skills training.

Clients who attended Tyler Connect took advantage of the opportunity to connect directly with Tyler's seasoned professionals and business partners. They attended educational sessions, new product demos and workshops, as well as networked and shared ideas with their public sector peers. These classes enabled them to gain knowledge that will empower them to better serve their communities through the use of Tyler's products.

INVESTMENT SUMMARY

CITY OF WEST LINN

INVESTMENT SUMMARY

City of West Linn
OREGON

SECTION HIGHLIGHTS:

INVESTMENT NOTES

SUBSCRIPTION OPTION

ESCROW SOURCE CODE

COST OVERVIEW

DETAILED QUOTE

tyler technologies

Investment Summary

Investment Summary Notes

The following price quote is based on information provided by the City of West Linn. It includes Tyler License Fees, Services, Project Management, Conversion, and estimated Travel and Expense costs.

Travel expenses are estimated, however, actual expenses will be billable. The license fees listed in this Investment Summary do not include any tax or other governmental impositions including, without limitation, sales, use, or excise tax. All applicable sales tax, use tax, or excise tax shall be paid by client and shall be paid over to the proper authorities by client or reimbursed by client to Tyler Technologies on demand in the event that Tyler Technologies is responsible or demand is made on Tyler Technologies for the payment thereof. If tax-exempt, client must provide Tyler Technologies with client's tax-exempt number or form.

Tyler's Subscription SaaS Option

For the first time, the Incode product line of software solutions is available to you on a subscription basis, reducing up-front computer hardware costs and eliminating the need for dedicated IT staff. Incode Subscription provides full functionality without the burden of hosting, maintaining, or upgrading software or hardware. It is easy to implement and you pay a predictable annual fee based on the number of users.

Subscription Advantages:

- Eliminates upfront license fees
- Includes Tyler Online Training and Disaster Recovery
- Simplified Remote Access
- Reduced hardware infrastructure
- Reduced impact on IT staff
- Fixed costs
- Includes single, per-user fee (covers all purchased Incode suites)

Escrow-Source Code

Tyler has established a relationship with a third party escrow company, Iron Mountain Escrow Services, who can store, maintain, and update the Incode source code. Under specific conditions or triggers spelled out in the source-code agreement, the escrow company can provide the Incode source-code directly to the City of West Linn. The cost for this *optional service* is a $750 fee, plus $750 annual maintenance.

Clients have the ability to enroll in this program at any time (This is an optional service and is <u>not</u> included in our Investment Summary.)

Investment Summary - On-Premises

Richard Seals
City of West Linn
April 18, 2014

Investment Breakdown

Proposal Valid for 120 days

Software	Investment	Annual Fees
License Fees	76,037	28,496
	76,037	**28,496**

Tyler On-Demand	Investment	Annual Fees
Hosted Applications	800	5,520
Incode Notification		
Tyler U		2,850
	800	**8,370**

Professional Services	Investment	
Implementation Services	70,500	
Professional Services	22,569	
Data & Conversion Assistance Fees	51,875	
	144,944	
Project Total	**221,781**	**36,865**

Estimated Travel Expenses 47,081

Note: Travel Expenses are billed as incurred based on Federal IRS per diem standards.

Software Licenses

Richard Seals
City of West Linn
April 18, 2014

Application Software	Hours	Estimated Services	License Fee	Estimated Services
Incode Financial Management Suite			28,083	16,000
Core Financials	100	12,500		
(General Ledger, Budget Prep, Bank Recon, Accounts Payable)				
Positive Pay				
Project / Grant Accounting	12	1,500		
Financial Consulting Services	16	2,000		
Incode Personnel Management Suite			20,900	20,500
Personnel Management	100	12,500		
(Payroll & Human Resources, FMLA Leave Tracking, Benefits Administration, Position Control/Budgeting)				
Employee Self Service (ESS)	32	4,000		
(Employee Portal, Leave Tracking, Time Request & Approval)				
ESS Time & Attendance	32	4,000		
Incode Customer Relationship Management Suite			32,450	28,000
Utility CIS System	200	25,000		
(Utility Billing, Direct Debit, Payment Arrangements, Bad Debt, Service Orders, Meter Inventory, Backflow/device maintenance)				
Utility Handheld Meter-Reader Interface	Included	Included		
Collections	Included			
(Bad Debt, Tax Lien, Etc.)				
Incode Address Verification with Presort				
Miscellaneous Accounts Receivable	24	3,000		
Incode Content/Document Management Suite			19,950	6,000
Incode Printing and Reporting Solutions				
Standard Reporting Package - Oregon	Included	Included		
Dashboard/Workspaces - Unlimited	Included	Included		
Integrated Report Editor	Included	Included		
Ipad Mobile Management Console	Included	Included		
Secure Signatures *(includes 2 signatures)*	Included	Included		
Output Director				
Output Director	8	1,000		
(Base Engine, Print Output Channel, Tyler Content Management Output Channel, Email Output Channel)				
Content Management				
Tyler Content Manager Standard Edition (TCM SE)	40	5,000		
(Unlimited Full & Retrieval Licenses, Multiple Scan Stations, Advanced OCR, Content Manager for Incode Applications)				
Professional Services				22,569
Incode Migration Services				
INCODE v.X Court Migration Services	80	10,000		
Professional Services				
Final Implementation	40	5,000		
Project Management		7,569		7,569
Incode Application Subtotal	564	70,500	101,383	70,500
Professional Services	120			22,569
Preferred Customer Discount (25%)			(25,346)	
Application and System Software Total		70,500	76,037	93,069

Professional Services

Richard Seals
City of West Linn
April 18, 2014

Conversion Services	Programming Fee	Hours	Estimated Services	Conversion Fee
Financial Applications				10,500
General Ledger	5,000	8	1,000	
- Chart of Accounts				
- Budget (2 years)				
- Summarized History (2 years)				
Accounts Payable	4,000	4	500	
- Vendor Master Info, address, primary contact				
- 1099 Balances (current year)				
Personnel/Payroll Applications				14,750
Personnel Management/Payroll	7,500	32	4,000	
- Basic Employee Information - employee master, address, primary contact, standard dates (i.e. hire, birth, termination, leave), standard phones (work, home, cell), current direct deposit, current position, retirement, employee deductions, employee taxes				
- Current Year Leave Balances				
- Current Year detailed employee pay history - paycheck earnings, earning distribution, deductions and taxes OR current year quarterly summarized history				
Direct Deposit detailed h istory	500	4	500	
Detailed Employee Information	1,250	8	1,000	
- Additional contacts, dependent details, notes, additional dates (i.e. anniversary, seniority), additional phones (i.e. spouse, fax)				
Utility Billing				20,625
Utility - CIS	16,250	28	3,500	
- Contacts/Properties/Accounts				
- Service meter info - meter inventory				
- Transaction/Consumption/Read History (2 Years)				
- Metered services (up to 3 metered service)				
- Non-Metered service (up to 4 services)				
Bank code, drafts, deposits		2	250	
Meter change outs, contracts/billed deposits, devices		4	500	
Notes		1	125	
CRM				6,000
Accounts Receivable	5,000	8	1,000	
- Master (includes contacts & properties)				
Transactions (2 years + current)				
Conversion Services Total				**51,875**

Note:
Financial data conversion consists of current year plus 2 years history.
Utility Billing conversion data consists of current year plus 2 years history.

Hosted Applications

Richard Seals
City of West Linn
April 18, 2014

Service	Initial Year	Annual Fee
Citizen Portal		
One Time Setup Fee - Hardware Configuration - DNS registration	800	
INCODE Utility Billing On-Line Component		
Utility Billing Online - Data extraction and storage - Display of: • Current status (late, cut off etc) • Action needed to avoid penalty • Current Balance • Deposits on file (optional) • Last payment date • Last payment amount • Payment arrangements on file • Last bill amount • Last bill date • Bill due date • Contracts on file and status • Transaction history - Address information including • Mapping • Legal description* • Precinct* • School district* • Services at address * - Subject to data availability - Consumption history by service, including graphs - Request for service (optional) - Information change request (optional) - Security - SSL (Secure Socket Layer) - Online Payments • Payment packet is created to be imported to Utility System *NOTE: Customer pays $1.25 fee per transaction for payment on-line.*	4,320	4,320
INCODE Accounts Receivable Online Component		
Monthly support/maintenance fee - Display of account status - Display of accounts for payment - Security -- SSL (Secure Socket Layer) - Payment Processing - Credit Card • Payment packet is created to be imported to Accounts Receivable System *NOTE: Customer pays $1.25 fee per transaction for payment on-line.*	1,200	1,200
Hosted Applications Total	6,320	5,520

INCODE Notification

Richard Seals
City of West Linn
April 18, 2014

Service	Annual Fee

INCODE Notification for Courts

INCODE Notification for Courts ($1 per violation)
- Defendant Notification by Phone
- Call can be made for:
  - Citation Issued
  - Court Date Reminder
  - Court Date Missed, Notify of Next Step
  - Warrant Issued
  - Payment Plan due date reminder
  - Etc.
- Case updated after call
  - Call taken live
  - Left message
  - No answer
- Court creates unique message for each call type
- Call message can be English or Spanish
- Call Attorney, rather than Defendant

Note: The Court will be billed for the cases in which calls are made. The $1.00 charge per violation includes up to 4 calls per violation, as shown above. The Court will be billed by Tyler Technologies monthly for the calls conducted.

The Court will be allowed 2 call campaigns in the first 30 days at no charge.
- Trial offer is free for 30 days.
- Campaign is limited to a one year time frame. Example; All warrants in 2012.
- Both campaigns must be used within the 30 day time frame.
- If more than 2 campaigns are used, then customer will be billed for the additional campaigns.

INCODE Notification for Utility Billing

INCODE Notification for Utility Billing	1,500

-Customer Notification by Phone
  - Call Late Notices
  - Call Cutoff Notices
- Call Lists automatically generated
- Account updated after call
- Custom message for each call type
- Call Message can be English or Spanish
- Generate reports based on call results

INCODE Notification For Court Total	1,500

Tyler On Demand - Tyler U

Richard Seals
City of West Linn
April 18, 2014

Service	Annual Fee
Tyler On Demand - Tyler U	
Tyler U Subscription	2,987
- E-learning courses available for all employees during the subscription period	
- Unlimited access to hundreds of e-learning courses spanning the entire suite of Tyler applications	
- Unlimited access to on-demand Continuing Professional Education credit courses certified by NASBA standards	
- Unlimited access to Government compliance courses such as HIPAA Compliance, Red Flag Rules, and Workplace Harassment Prevention	
- Available 24/7	
- New courses created continually	

Tyler Technologies, Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org

Tyler Online Training Center Total	**2,987**

COST SUMMARY-SAAS OPTION

With the Tyler –Subscription SaaS Option, we will host and manage the Incode applications from our facilities. We will provide the ongoing support, maintenance, and upgrades of the applications, hardware, and operating system.

You receive clear and concise documentation, defining all aspects of the relationship. You will receive a Contract (Commitment to Partner), a Statement of Work (clearly defines Scope, Roles and Responsibilities of both partners), and a Service Level Agreement (Measurable Expectations of Performance).

FEATURES

The Incode Subscription model is reliable, available, and secure. There are no code changes to the client or server without proper notification. It offers complete redundancy with no single point of failure. In addition, it utilizes data encryption and Virtual Private Networks (VPN) to transmit all data.

- System Administration: Tyler performs daily administrative tasks. We address the installation, upgrade, support and file maintenance of the Incode application and database servers, operating system, database and application files.
- Security Administration: Tyler provides secure data transmission paths from each client workstation to the Incode servers. User Ids, passwords and application access rights for the VPN and the Incode application are administered by Tyler with the client’s final approval.
- Hardware Performance Maintenance: Tyler supplies and maintains all the necessary hardware required to provide workstation access to the Incode applications at the standard industry performance levels. All repairs, upgrades, and replacements to server hardware are the responsibility of Tyler.
- Disaster Recovery & Fault Tolerance: Tyler backs up all system and data files and stores them in a secure off-site location. We have fully redundant telecommunications access, electrical power, and required hardware to provide access to the Incode applications in the event of a disaster or component failure.

BENEFITS

- Easy budgeting: The lease is based on a per user fee, flattening the peaks and valley associated with the acquisition of software. All services are billed as incurred. Leasing dramatically lowers initial costs. It provides a consistent quarterly fee that can be easily budgeted for the duration of the agreement.
- No Secondary Operational Fees: no additional fees, such as maintenance and support are required.
- Expandable: All Incode modules are included in the per user fee. Training is required to utilize the modules.
- IT Management Reports: Tyler supplies monthly management reports containing detailed information regarding access, usage, performance, and availability for all hosted applications.

Subscription Summary

Richard Seals
City of West Linn
April 18, 2014

Investment Summary

Proposal Valid for 120 days

Professional Services & Hardware	Cost
Implementation Services	70,500
Professional Services	22,569
Data & Conversion Assistance Fees	51,875
Tyler On-Demand Setup Fee	800
Services	**144,944**

Estimated Travel Expenses	47,081

*** Note: Travel expenses are billed as incurred based on Federal IRS per diem standards.*

Subscription - Hosted			Annual Fees
Length of Agreement	7 Years - 84 Months		
Annual Subscription Fee		39,936	
Annual User Fee	40	19,200	
Tyler On-Demand		7,020	
Summary			**66,156**

***Note: Additional users may be added at any time at the per user rate of $480 per year.*

SaaS Subscription vs. On-Premises Guide

Hardware and Technology Investment	SUBSCRIPTION	ON-PREMISES	
Database / Operating Server Hardware Costs		●	The subscription model uses Tyler's remote IT infrastructure to run software eliminating all need for dedicated server hardware.
Hardware Maintenance and Upgrade Costs		●	Tyler maintains and upgrades the server and IT infrastructure at no additional expense to the subscription model agency.
Server Software, 3rd Party and Client Access Licenses		●	All software and license fees required for server or client access are applied at no additional expense to the subscription model subscriber.
Technical Support Staff		●	Technical staff dedicated to supporting an on-premises software deployment are reduced or eliminated in a subscription model.
End-user Workstation and Hardware Cost	●	●	End-user investment for workstation hardware and software is the same with both models.

Business Processes and Functionality	SUBSCRIPTION	ON-PREMISES	
Remote and Mobile Access	●		Subscription model users access the system through any active internet connection.
Data Security and Reliability	●		System data on a subscription model is stored on secure servers with built-in redundancy and back-up services.
Software Functionality and Features	●	●	The same feature-rich software is deployed in the subscription model as would be in an on-premises installation.
Instant Upgrade Deployment	●		Upgrades and patches are delivered instantly through the subscription model and manually through an on-premises installation.
Complete Software Suite Access	●		The subscription model provides access to all Incode modules within a suite instead of individual licensed modules.

License and Reoccurring Fees	SUBSCRIPTION	ON-PREMISES	
Initial Software License Investment		●	Per-module license fees apply to on-premises contract. There are no license fees charged to deploy the subscription solution.
Annual Maintenance Fee		●	On-premises deployments are subject maintenance fees applied annually and subject to increases at renewal.
Subscription Fees	●		Subscription model billed on fixed subscription fees based on per-user pricing.
Fixed Annual Expenditure	●		Subscription fees stay constant over the life of a subscription model contract.
Upgrade License Fees			There are no additional license fees for upgrading Incode software in either deployment model.
Implementation and Training Fees	●	●	Both models charge for implementation, conversion and on-site training services as incurred.

References

City of West Linn

Investment Summary

References

City of Lake Oswego, Oregon	
Address	380 A Avenue Lake Oswego, OR 97034
Contact	Karen Luby, IT Analyst
Email	kluby@ci.oswego.or.us
Phone	503-635-0233
Population	38,000
Products	Financials, Utilities and Court
Previous Vendor	**Peoplesoft**

City of Dallas, Oregon	
Address	187 SE Court Street Dallas, OR 97338
Contact	Cecilia Ward – Finance Director
Email	cecilia.ward@ci.dallas.or.us
Phone	503-831-3505
Population	15,000
Products	Financials, Utilities and Court
Previous Vendor	**ASP**

City of Klamath Falls, Oregon	
Address	500 Klamath Ave Klamath Falls, OR 97601
Contact	Sue Kirby– Support Services Director
Email	sgkirby@ci.klamath-falls.or.us
Phone	(541) 883-5326
Population	20,000
Products	Financials, Utilities and Court
Previous Vendor	**HTE**

City of Milwaukie, Oregon	
Address	10722 SE Main St. Milwaukie, OR 97222-7606
Contact	Casey Camors-Finance Director
Email	camorsc@ci.milwaukie.or.us
Phone	(503) 786-7522
Population	23,000
Products	Financials, Utilities and Court
Previous Vendor	**Springbrook Software**