DATE: March 26, 2026
TOPIC: Phone System Upgrade Process
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Recommended for:

☐ Action

☒ Discussion

☒ Information

Purpose/Background:

Over the past several months, the Technology Department has been evaluating replacement options for the district's aging phone system. The current system was implemented during the 2015–2016 school year and is scheduled to reach end-of-life status in 2026. At that time, manufacturer support will cease, and the system will no longer receive updates or service coverage.

At the committee's previous meeting, we indicated that the Technology Department would continue to provide updates as we progressed toward selecting a final vendor.

In recent weeks, the department has met with multiple vendors, reviewed system capabilities, and conducted a comprehensive analysis of total cost of ownership. After careful review, the team has narrowed the field to three finalists, which will be presented and discussed.

Through these discussions, it became clear that the most appropriate path for the district is to transition to a cloud-based phone system. Under this model, the system is hosted and managed by a third-party provider, with calls routed over the internet rather than through on-site phone switches located in each building. The district would continue utilizing its existing internal network infrastructure; however, system management and call routing would occur entirely in the cloud. This approach mirrors how modern cellular systems operate, relying on data networks rather than traditional phone circuits.

Outlined below are the three finalist vendors, along with the respective advantages and considerations for each.

3CX Cloud-Based VoIP (Provided BTS Solutions)

BTS Solutions, a local company based in Lincolnwood, Illinois, is proposing a cloud-based Voice over IP system utilizing the 3CX platform. The 3CX system has been implemented in schools, municipalities, and small businesses and represents a very cost-effective solution when reviewed.

Advantages:

- Local vendor presence and support
- Highly competitive pricing
- Flexibility in equipment models (offering newest YeaLink equipment models)
- Used locally by many municipalities and some school districts
- Advanced features include voicemail-to-email, SMS texting, mobile and desktop applications
- Low setup cost

Considerations:

- 3CX Platform is used worldwide, but does not consistently receive the highest industry ratings
- All equipment must be purchased upfront, increasing initial capital costs

Nextiva (Provided by Constellation Telecom)

Nextiva is a worldwide provider with exceptionally strong customer satisfaction ratings across multiple review platforms. Their services are used by municipalities, school districts, businesses, and nationally recognized companies.

Nextiva would provide all new Polycom equipment free of charge as part of the 60 month agreement, with the district retaining ownership after fulfilling the term. Polycom phones were selected for their durability, design, Bluetooth integration, and advanced hardware capabilities. The phones are simple looking and are constructed with antimicrobial plastics, supporting hygiene.

Advantages:

- Strong industry reputation and customer satisfaction ratings
- New equipment included in agreement, with ownership after five years
- Advanced unified communications features (voicemail-to-email, SMS texting, mobile and desktop applications, AI transcription)
  Modern, durable hardware with enhanced hygiene considerations
- Used locally by many municipalities and some school districts and companies worldwide

Considerations:

- Higher monthly service cost due to bundled equipment model
- Higher total cost of ownership

RingCentral (Provided by Isidore Systems)

RingCentral is a nationally recognized brand known for its comprehensive unified communications platform. The system offers advanced SMS messaging capabilities, strong desktop and mobile applications, browser integrations, and a wide range of communication tools as well as advanced call recording and AI Integration capabilities. Ring Central is currently in use by over 400,000 businesses.

Advantages:

- Recognizable and established brand
- Robust unified communications platform
- Low setup cost

Considerations:

- Highest monthly cost (approximately $3,000 per month)
- Equipment consists primarily of Yealink models, some approaching obsolescence
- Certain hardware models would require separate purchase
- Equipment remains a monthly rental, meaning that at the end of the five-year term, the district would need to renew under a new contract or replace all equipment
- Very high taxes and fees

Fiscal Impact:

The options outlined below provide a comprehensive cost breakdown for each of the three vendors previously discussed. The accompanying charts reflect projected installation expenses, startup costs, and estimated monthly service fees across the range of proposed solutions. They also include anticipated hardware investments and professional service charges.

It is important to note that these figures are based on official proposals. While there still might be some wiggle room, we should be able to use these as an accurate pricing model.

	3CX		NEXTIVA		RING CENTRAL	
Totals	Total Upfront Cost	$33,755.45	Total Upfront Cost	$4,125.00	Total Upfront Cost	$8,951.55
	Total Yearly Cost	$18,148.97	Total Yearly Cost	$29,844.00	Total Yearly Cost	$30,706.32
	Est Total	$51,904.42	Est Total	$33,969.00	Est Total	$39,657.87
Future	Year 1	$51,904.42	Year 1	$33,969.00	Year 1	$39,657.87
	Year 2	$18,148.97	Year 2	$29,844.00	Year 2	$35,748.36
	Year 3	$18,148.97	Year 3	$29,844.00	Year 3	$35,748.36
	Year 4	$18,148.97	Year 4	$29,844.00	Year 4	$35,748.36
	Year 5	$18,148.97	Year 5	$29,844.00	Year 5	$35,748.36
	TOTAL	**$124,500.29**		**$153,345.00**		**$182,651.31**

Based on the overall evaluation of cost structure, long-term ownership, system functionality, and sustainability, the Technology Department recommends moving forward with Nextiva. While the monthly cost is moderately higher than some alternatives, the inclusion of new equipment, long-term ownership after five years, modern feature integration, and strong customer satisfaction ratings provide the most balanced and sustainable solution for the district.

Recommendation:
This phone system upgrade update is for informational purposes to the Finance Committee.