DATE: Feb 19, 2026
TOPIC: Phone System Upgrade Process
PREPARED BY: Jordan Stephen

Recommended for:

☐ Action

☒ Discussion

☒ Information

Purpose/Background:

Over the past several months, the Technology Department has been researching replacement options for the District's aging phone system. The current system has been in place since the 2015–2016 school year and will reach end-of-life status in 2026. At that point, the system will be considered at the end of its life and will no longer be supported.

While the existing system has served the District well, like all technology, it must eventually be replaced. Although a phone may appear to simply dial numbers, transmit audio, and allow call transfers, the underlying infrastructure and capabilities have changed dramatically.

Current Phone System Landscape

The District currently operates a traditional on-premise phone system consisting of four buildings, each with its own phone switch. Each of these handle internal calls within buildings and inter-building communication. The switch located at the Administration Center routes all buildings and delivers outbound calls to external numbers. Our current phone system has many standard features such as voicemail, call forwarding, and call transfers. Phones are connected to the District's computer network and we use existing network wiring to route voice traffic.

Current Billing Model

Before fully evaluating replacement options, it is important to understand the current billing model. The existing phone system was purchased approximately ten years ago and paid for upfront. In recent years, the Technology Department conducted a thorough analysis of the District's phone and internet service costs and transitioned services to AT&T's IP Flex solution. While this transition required significant

planning and time, it was undertaken to reduce ongoing expenses. In 2019, combined phone and internet costs were approaching $5,500 per month. Today, those costs have been reduced to approximately $1,800 per month.

The chart below provides an overview of annual phone service and support costs for the District's current environment.

Item	Qty	Price	Total
Internet Line	12	$1,011.00	$12,132.00
IPFlex Line	12	$383.00	$4,596.00
IP Flex Service	12	$429.00	$5,148.00
HBS Support	1	$6,000.00	$6,000.00
HBS Software	1	$725.00	$725.00
TOTAL PER YEAR			$28,601.00

Ongoing expenses must be factored into any comparison with modern solutions to ensure an accurate assessment of total cost of ownership.

Types of Phone Systems
When evaluating new systems, organizations generally choose between two primary service models: an on-premise phone system or a cloud-based phone system.

An on-premise phone system is similar to the District's current setup. Under this model, the District would work with a vendor to install and maintain a new local system housed within the District. While the overall project would resemble what we have now, the modern on-premise systems offer significantly expanded capabilities. These can include features such as integrated video calling, unified messaging, calendar integration, mobile app support, and software-based phones (softphones) that run directly on a computer.

The second model is a cloud-based phone system. In this approach, the system is hosted and managed by a third-party provider, with calls routed over the internet rather than through dedicated on-site phone switches in each building. The District would continue to use its existing internal network wiring, but system management and call routing would occur entirely in the cloud. This model closely mirrors how modern cellular phone systems operate, but traveling over data networks rather than traditional phone circuits.

Each model has advantages and tradeoffs.

Cloud Based	On-Premise Phone Systems
Pros	**Pros**
Lower upfront costs: No need to purchase or maintain on-site servers	Full control: Complete ownership of configuration, security, and system behavior
Scalability: Easy to add or remove users, phones, and features as needs change	Predictable long-term costs: After the initial investment, ongoing costs can be lower
Remote-friendly: Staff can make and receive calls from any location with internet access	Resilience to internet outages: Internal calling can continue even during internet disruptions
Automatic updates: Software updates, patches, and new features are handled by the provider	High customization: Well-suited for complex or specialized call routing needs
Built-in redundancy: Failover and disaster recovery options are typically included	**Cons**
Cons	Higher upfront costs
Ongoing subscription costs: Monthly or annual fees can accumulate over time	Requires purchasing hardware, licensing, and infrastructure
Internet dependency: Call quality and availability rely on a stable internet connection	Maintenance responsibility: IT staff or external vendors must manage updates and repairs
Reduced direct control: Configuration and troubleshooting depend on the vendor	Limited flexibility: Scaling often requires additional hardware and advance planning
Limited customization: Highly specialized or complex configurations may not be supported	Disaster recovery challenges: Redundancy and off-site backups must be designed and funded separately

Ultimately, the right choice depends on budget, staffing, technical capacity, and long-term goals.

Fiscal Impact:

The Technology Team has been meeting with multiple vendors to identify the best possible phone system solutions for the District. With several options under consideration, we wanted to provide a **preliminary** look at what upcoming pricing may include.

The options listed below represent a range of potential solutions, along with estimated costs for hardware and professional services, as well as projected monthly service fees. It is important to note that none of these vendors have provided a fully finalized quote; while the estimates are close, some figures remain budgetary at this stage.

	BTS	MITEL *	WEBEX *	ZOOM *	GOTO	NEXTIVA	VONAGE *
Total Upfront Costs *** Project Fees** *** Phone Equipment. *** **Shipping Charges**	$33,318.50	$124,624.07	$106,780.00	$78,100.10	$9,988.93	$13,800.00	$5,403.55
Total Monthly Costs *** Voip User** *** Call Path** *** DID Numbers** *** E911 Services** *** Support** *** FAX Connection**	$1,533.37	$812.00	$403.20	$0.00	$3,509.50	$2,793.10	$2,907.46
Total Yearly Costs	**$18,400.44**	**$20,102.14**	**$4,838.40**	**$0.00**	**$42,114.00**	**$33,517.20**	**$34,889.52**
Est Start up Total	$51,718.94	$144,726.21	$111,618.40	$78,100.10	$52,102.93	$47,317.20	$40,293.07
	* - Current estimate is not 100% complete						

Other Factors:

Recent and ongoing technology initiatives within the District can help offset these costs. The majority of the outlined proposals require a high-quality internet connection and do not rely on the current IP Flex infrastructure, which alone represents an approximate savings of $800 per month. As outlined in recent board updates, the District has joined the ICN backbone, increasing internet bandwidth from the current 1 GB connection to 10 GB. This upgrade will not only significantly improve performance but will also reduce internet costs by approximately $1,000 per month, as the State of Illinois will begin covering the District's internet service in July. Together, these changes offset approximately $1,800 per month in existing fees.

As the Technology Department continues to evaluate replacement options for the District's aging phone system, we remain focused on reliability, modern functionality, and long-term cost efficiency. This work is still in the research and comparison phase; however, formal vendor proposals will be brought to the Board of Education in the near future for review and approval. As always, we welcome any questions or feedback from the Board as this process continues.

Recommendation:
The Administrative team is seeking guidance and direction from the Finance Committee regarding the desire to move forward finalizing a formal contract from a vendor that can meet our needs and requirements for an upcoming phone upgrade.