



To: Dr. Kent Mutchler
From: Michael Wilkes
Date: May 9, 2016
Re: Student Device Bid Summary & Recommendation for Award

On April 20, 2016 at 11:00 a.m. sealed bids were opened and read aloud for the Student Laptop Bid.

Fifteen bid packages were issued but only seven vendors submitted bids for the opening. The results are shown on the attached response sheet and the lowest responsible bidder is highlighted.

The vendors submitting qualified bids were:

- CDW-G
- Trinity 3 Technology
- Insight
- SHI International
- Peragon Development Systems (PDS)
- Tierney Brothers
- Heartland Business Systems (HBS)

One bid, submitted by Insight, was disqualified as the bid response form was not complete.

It is my recommendation that the bid is awarded to Heartland Business Systems according to the devices, quantities, and services as outlined below:

Grade Level	Device	Qty	Cost/Unit	Extended Cost
4th Grade	HP x360 310 G2 Celeron Processor	430	\$404.50	\$173,935.00
6th Grade	HP x360 310 G2 Pentium Processor	450	\$446.50	\$200,925.00
9th Grade	HP x360 310 G2 Pentium Processor	520	\$446.50	\$232,180.00
10th Grade	HP x360 310 G2 Pentium Processor	270	\$446.50	\$120,555.00

The cost per unit figure reflects the following:

- Base cost of device: \$318.00 (Celeron) / \$360.00 (Pentium)
- 3-Year Accidental Damage Protection: \$77.00
- Imaging and Preparation Services: \$9.50

On a per unit basis, the average cost savings is \$125 per device as compared to 2015-16.

In accordance with the 2016-17 Technology Plan, it is my recommendation that to use a combination of a 3-year fair-market-value lease and purchase. The funding recommendation, shown below, details the initial and ongoing amounts over the next three years.

Funding Recommendation

Expense	Year 1 (16-17)	Year 2 (17-18)	Year 3 (18-19)	Total
Hardware Purchase (Fabyan Foundation)	\$ 97,200.00	\$ -	\$ -	\$ 97,200.00
Hardware Purchase (District Capital)	\$ 187,200.00	\$ -	\$ -	\$ 187,200.00
Hardware Lease – 3-Yr FMV*	\$ 88,967.76	\$ 88,967.76	\$ 88,967.76	\$ 266,903.28
3 Year ADP / Warranty	\$ 128,590.00	\$ -	\$ -	\$ 128,590.00
Image / Prep Service	\$ 15,865.00	\$ -	\$ -	\$ 15,865.00
Total	\$ 517,822.76	\$ 88,967.76	\$ 88,967.76	\$ 695,758.28
<i>(Less Offset Amount)</i>	<i>(120,000.00)</i>			
Total District Capital	397,822.76			

*Lease amounts based on estimates received from a prospective lessor.

The combination of a fair-market-value (FMV) lease and purchase saves approximately \$31,837 over a cash purchase price. Upon the end of the lease term, we would return the devices to the lessor.