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Michael Wilkes
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 Geneva School District 304

To: Dr. Kent Mutchler
 From: Michael Wilkes
 Date: February 22, 2021
 Re: Student Device Purchase and Financing Recommendation

On February 11th, the District received quotes on student devices from multiple vendors. Additionally, the District received lease/financing proposals from multiple providers. This purchase recommendation seeks to procure devices for the 2021-22 school year.

After reviewing all responses and evaluating the lease proposals, the District is recommending the procurement of the equipment identified in Table 1. Additionally, the District is recommending the financing of specific equipment in accordance with the 2021-2022 Technology Capital Plan (see Table 2). Table 1 amounts do not consider any financing as they show the cash equivalent pricing for all items. Table 2, however, outlines by item the recommended funding method and related amounts. Like past years, the funding methods utilize a mix of outright purchase and multi-year financing. Unit costs for the selected device ranged from \$395.90 to \$413.00. Devices are recommended to be sourced from two different resellers as the combination of a device plus warranty/ADP coverage yielded the lowest price from each reseller.

Table 1 – Equipment Procurement

Purchase Lot	Reseller / Provider	Device	Qty	Cost/Unit	Cash Equivalent Cost
Lot A: 1st Grade	Insight Public Sector	HP ProBook X360 11EE G5 Pentium; 4GB RAM; 128GB SSD	322	\$405.00	\$130,410.00
Lot A: 1st Grade	Insight Public Sector	3-year Warranty	322	\$38.00	\$ 12,236.00
Lot B: 5th Grade	Paragon Development Systems	HP ProBook X360 11EE G5 Pentium; 4GB RAM; 128GB SSD	415	\$395.90	\$164,298.50
Lot B: 5th Grade	Paragon Development Systems	3-Year ADP (one-time occurrence)	415	\$75.99	\$ 31,535.85
Lot C: 6th Grade	Insight Public Sector	HP ProBook X360 11EE G5 Pentium; 4GB RAM; 128GB SSD	400	\$405.00	\$162,000.00
Lot C: 6th Grade	Insight Public Sector	3-Year Warranty	400	\$38.00	\$ 15,200.00
Lot D: 9th Grade	Insight Public Sector	HP ProBook X360 11EE G5 Pentium; 4GB RAM; 128GB SSD	448	\$405.00	\$181,440.00
Lot D: 9th Grade	Insight Public Sector	3-Year Warranty	448	\$38.00	\$ 17,024.00
Total					\$714,144.35

Table 2 – Financing/Funding Recommendation

Item	Funding Recommendation	Purchase Amount or 1 st Year Payment	Additional Payments (x years)	Total Financing Cost
3-Year Warranty (all purchase lots)	Purchase Outright	\$44,460.00	N/A	N/A
3-Year ADP Coverage (all purchase lots)	Purchase Outright	\$31,535.85	N/A	N/A
Devices (Lot A)	Lease (4-year \$1 buyout)	\$32,462.11	\$32,462.11 (x3)	\$129,848.44
Devices (Lot B)	Lease (4-year \$1 buyout)	\$42,480.90	\$42,480.90 (x 3)	\$169,923.60
Devices (Lot C)	Lease (3-year Fair-Market-Value)	\$48,724.73	\$48,724.73 (x 2)	\$146,174.19
Devices (Lot D)	Purchase Outright	\$181,440.00	N/A	N/A
Total 21-22 Funds		\$381,103.59		\$322,278.49 (yrs. 2+)

The recommended **lease provider for Lot A and B (4-year \$1 buyout): American Capital.**

The recommended **lease provider for Lot C (3-year FMV): American Capital.**

This purchase is identified in the 2021-22 Technology Capital Plan as 1:1 Student Devices. The total projected budget for 2021-22 funds was: \$391,711.33. The total projected budget for financing costs for years 2 and beyond was: \$318,417.67. This recommendation roughly realizes a \$10,000 reduced need for 21-22 funds whereas the financing costs are projected to be about \$4,000 over budget. In total, the recommendation is slightly under budget.

All agreements are pending Board approval.