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Michael Wilkes
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Geneva School District 304

To: Dr. Kent Mutchler
From: Michael Wilkes
Date: May 13, 2019
Re: Three Year FMV Student Device Lease Recommendation

The District sought 3-year fair-market-value (FMV) lease proposals from multiple providers. Four proposals were received, and their annual payments ranged from \$87,947.16 to \$93,209.56. The *estimated* annual lease payment was \$89,400. Providers were asked to include key terms/conditions in their proposal. These include:

- District accepts delivery of new devices in June 2019
- Initial and annual payments due in July of each year
- Lease shall include all costs and work associated with packing/shipping devices for return at end of lease
- District to compile devices in a central location

After a review and evaluation of all proposals, the recommendation is to secure the lease with HPE Financial Services (HPEFS). HPEFS is the current lease provider for student devices purchased in 2016 and 2017. The annual / total costs are shown below:

- **Annual lease payment (x3): \$87,947.16**
- Total cost of lease payments (3-year total): \$263,841.48
- Total number of leased devices (Grades 04 and 06): 835

Upon approval, the District shall order the total number of student devices that were approved at the 4/22/2019 BOE meeting and secure the lease agreement.

Thank you for your consideration.