



To: Dr. Kent Mutchler
From: Michael Wilkes
Date: May 8, 2017
Re: Student Device Bid Summary & Recommendation for Award

On April 27, 2017 at 11:00 a.m. sealed bids were opened and read aloud for the Student Laptop Bid.

Fourteen bid packets were issued but only five 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
- Insight Public Sector, Inc
- Paragon Development Systems (PDS)
- Heartland Business Systems (HBS)
- COTG

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

Grade Level	Device	Qty	Cost/Unit	Extended Cost
3rd Grade	HP ProBook x360 11EE Celeron Processor	422	\$414.00	\$174,708.00
6th Grade	HP ProBook x360 11EE Pentium Processor	433	\$454.00	\$196,582.00
9th Grade	HP ProBook x360 11EE Pentium Processor	495	\$454.00	\$224,730.00
Total		1350		\$596,020

The cost per unit figure reflects the following:

- Base cost of device: \$324.00 (Celeron) / \$364.00 (Pentium)
- 3-Year Accidental Damage Protection / Warranty: \$78.00
- Imaging and Preparation Services: \$12.00

On a per unit basis, there is a small increase of \$8 to \$10 per device as compared to 2016-17.

In accordance with the 2017-18 Technology Plan, it is my recommendation 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 (17-18)	Year 2 (18-19)	Year 3 (19-20)	Total
Hardware Purchase (District Capital – 9 th Grade)	\$ 180,180.00	\$ -	\$ -	\$ 180,180.00
Hardware Lease – 3-Yr FMV*	\$ 88,530.00	\$ 88,530.00	\$ 88,530.00	\$ 265,590.00
3 Year ADP / Warranty	\$ 105,300.00	\$ -	\$ -	\$ 105,300.00
Image / Prep Service	\$ 16,200.00	\$ -	\$ -	\$ 16,200.00
Total	\$ 390,210.00	\$ 88,530.00	\$ 88,530.00	\$ 567,270.00

*Lease amounts based on estimates received from a prospective lessor. Estimates are based on fair-market value financing with a total payment equal to approx. 90% of the Cash purchase price.

The combination of a fair-market-value (FMV) lease and purchase saves approximately \$28,750 over a cash purchase price. Upon the end of the lease term, the plan is to return devices to the lessor.