



To: Dr. Kent Mutchler
 From: Michael Wilkes
 Date: April 23, 2018
 Re: Student Device Purchase Recommendation

In late March, the District requested quotes on student devices from several vendors. On April 9th official pricing was received from six vendors. Pricing for the recommended devices ranged from a low of \$335.00 to \$509.83.

The vendors submitting quotes were:

- CDW-G
- COTG
- Heartland Business Systems (HBS)
- Insight Public Sector, Inc
- Paragon Development Systems (PDS)
- Tierney Brothers

Heartland Business Systems (HBS) provided the lowest quoted price for the requested devices. To this end, the table below shows the price per device, quantity, and extended cost of the devices:

Grade Level	Device	Qty	Cost/Unit	Extended Cost
2 nd & 5 th Grades	HP ProBook x360 11EE Celeron Processor	635	\$335	\$212,725
	3-Year Warranty	635	\$ 59	\$ 37,465
6th Grade	HP ProBook x360 11EE Pentium Processor	460	\$380	\$174,800
	Accidental Damage Protection + Warranty	460	\$ 78	\$ 35,880
9th Grade	HP ProBook x360 11EE Pentium Processor	520	\$380	\$197,600
	Accidental Damage Protection + Warranty	520	\$ 78	\$ 40,560
Total		1350		\$699,030

In accordance with the 2018-19 Technology Plan, a combination of a 3-year FMV lease and outright purchase will be used. The funding recommendation, shown below, details the estimated initial and ongoing amounts over the next three years. Bottomline 2018-19 funds required: \$427,763.

Funding Recommendation

Expense	Year 1 (18-19)	Year 2 (19-20)	Year 3 (20-21)	Total
Hardware Purchase (9 th Grade)	\$ 197,600	\$ -	\$ -	\$ 197,600
Hardware Lease – 3-Yr FMV* (2 nd , 5 th , 6 th Grades)	\$ 116,258	\$ 116,258	\$ 116,258	\$ 348,774
3 Year ADP / Warranty	\$ 113,905	\$ -	\$ -	\$ 113,905
Total	\$ 427,763	\$ 116,258	\$ 116,258	\$ 660,279

*Lease amounts based on terms from prior FMV leases. 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 \$38,751 over a cash purchase price. Upon the end of the lease term, the plan is to return devices to the lessor.