

**Purchase Request #7**  
**Regular Board Meeting August 5, 2019**

**Consideration of Approval to Contract for Leasing Technology Services**

**ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends that the Board of Trustees approve a contract for technology leasing providers with First American Education Finance and SHI Government Solutions for the Information Technology Services department.

**BACKGROUND**

Information Technology Services currently leases essential use technology. This is a common industry practice as it spreads the costs over the term of the lease, thus balancing the impact to each fiscal year budget. These assets are owned at the end of the lease. Additionally, leasing helps normalize budget peaks as there are less fluctuations year-over-year. Lastly, leasing provides the financial vehicle needed to provide consistency around replacing outdated equipment, which in turn improves both employee and student access to reliable systems.

A request for proposal, Project Number 19-21, was issued to procure a technology leasing provider. Six responses were received and evaluated by a team consisting of Business Office, Budget and Information Technology Services staff who determined the proposals submitted by First American Education Finance and SHI Government Solutions would best meet the needs and provide the best value to the College.

**IMPACT OF THIS ACTION**

Approval of this request will allow Information Technology Services to lease new essential technology from a variety of manufacturers, replace obsolete technology, and meet service level expectations at a competitive price.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated annual expenditure is \$1,280,000. This expenditure is funded from the Information Technology Services Department's 2019-2020 operating budget and subsequent year budgets, subject to approval by the Board.

**MONITORING AND REPORTING TIMELINE**

The initial five (5) year award term will commence on September 1, 2019, with renewal options of two (2) two-year time periods.

**ATTACHMENTS**

Attachment 1 - Tabulation

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**RESOURCE PERSONNEL**

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**Project Name** Technology Leasing Provider  
**Project Number** RFP 19-21  
**Number of Evaluators** 5

Stated Criteria	Criteria Explanation	Total Points Available	First American Education Finance	SHI	Dell Financial Services	Banc of America Public Capital Corp	Frost Bank	JP Morgan Chase Bank, N.A.
Total Cost of Ownership	Evaluated on a best overall value approach for the College	250	250.0	180.0	145.0	*	*	*
Requirements Understanding Compliance	Master lease agreement with public sector and higher ed.	150	128.0	126.0	96.0	*	*	*
Qualifications & Experience	History and experience in master lease agreements	100	79.0	92.0	70.0	*	*	*
		<b>500</b>	<b>457.0</b>	<b>398.0</b>	<b>311.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Points Received</b>								

Final Ranking	
Vendor Name	Total Score
<b>First American Education Finance</b>	457.0
<b>SHI</b>	398.0
<b>Dell Financial Services</b>	311.0
<b>Banc of America Public Capital Corp</b>	*
<b>Frost Bank</b>	*
<b>JP Morgan Chase Bank, N.A.</b>	*

\* Proposal did not comply with SJCCD business model.