

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

November 8, 2023

TOPIC: Arapahoe Community College Spending Authority Request for Lease of IT Equipment

PRESENTED BY: Dr. Stephanie Fujii, President

RELATIONSHIP TO THE STRATEGIC PLAN:

Value proposition through accessibility, affordability, quality, accountability, resource development and operational excellence.

EXPLANATION:

Arapahoe Community College is seeking spending authority approval for a lease with Insight Financial Services (IFS) for computer devices including laptop devices, desktop devices, servers and peripherals. ACC currently purchases Dell laptop and desktop PCs and wishes to shift to a leasing model. Leasing will ensure that our technology is always up to date.

ACC plans for the initial lease to be for a 3 year period totaling approximately \$525,000, but we will plan to continue cycling our fleet of devices every three years going forward. We intend to lease approximately 500 devices per year on three year cycles, culminating in a total ongoing fleet of 1500 devices. The lease agreement will be accomplished under a cooperative purchase agreement with IFS that has been approved by the State.

In addition to the underlying lease model, IFS provides wrap around services including device configuration and preparation, department level ordering from a catalog, SaaS management models with 24x7 support, device onboarding for staff and faculty, cloud-based asset management and inventory tracking with reporting for all our onsite and offsite devices, device distribution dashboards, direct replacement and repair, direct integration with our service management and ticket system, end-of-life data-wiping, and end-of-lease device replacement, collection and disposal. These services are included in the lease pricing of the devices, which per device is competitive with the purchase cost of devices that do not include these services. The leasing model will also save substantial staff time. Under our current purchasing model, we manage the ordering, device management, repair arrangements, inventory tracking and disposal process with our own staff.

Under our current purchasing model of buying new devices and refreshing every 3-5 years, we spend approximately \$480,000 per year on purchases. We also incur repair

costs for the devices. Over a three year period of purchasing, we spend over \$1.4M to maintain the devices. Also, disposal of devices under our current purchasing model currently incurs additional costs due to restrictions on donations or recycling. Thus, ACC will experience substantial cost savings under the IFS lease model.

RECOMMENDATION:

Staff recommends the approval for ACC to proceed entering into a 3-year lease for computer devices, with a do not exceed amount of \$525,000. Staff also recommends that the Board delegate to the System Vice Chancellor of Finance and Administration the authority to sign the contract and associated documents on the condition that all Board and State processes are followed.