

EXECUTIVE SUMMARY

Continuation of the Lease or Maintenance of District Software and Hardware for Fiscal Year 2016-17

District schools and departments utilize many curriculum and operational software and hardware (SW/HW) technology systems that are provided by various vendors. In an effort to maintain these systems, Information & Technology established a process to streamline and consolidate requests for spending authority on an extensive number of annual SW/HW maintenance, license, and lease renewals. This process was established and has been used since 2000.

The items listed in the *District Software/Hardware Maintenance Fiscal Year (FY)16/17 Report* are needed in order to ensure business, instructional, and technology enterprise systems, which are necessary for day-to-day operations, continue without interruption. Additionally, each year through this process, departments review the current state of need and make a determination as to whether these renewals are required. To ensure that The School Board of Broward County, Florida, (SBBC) remain in compliance with the requirements to support the applications and systems being used throughout the District, approval of the requested spending authority is required in order to maintain these systems.

The attached *District Software/Hardware Maintenance FY16/17 Report* provides the supporting documentation for the SW/HW maintenance request for FY2016-17. The detail contained within this report represents various initiatives and operational frameworks in the District that align to and support the District's overall Strategic Plan including planning efforts relative to academics, technology, and other departmental initiatives. Some individual items increased due to new licensing, upgrade requirements, and consumer price index fluctuations, while other items decreased as a result of the removal of certain items and discounts relative to the quantity of items and/or length of the renewal timeframe. Further, there are three (3) key categories which cause fluctuations in cost:

- 1) Variations to pricing for annual renewals - Costs for items may fluctuate from year-to-year based on these factors:
 - Some contract renewals have varied multi-year pricing as part of their payment terms and conditions. This results in higher costs some years and some years there may be lower costs.
 - Overall annual cost is impacted when some renewals warrant annual renegotiations of pricing that results in upward or downward shifts.
 - Costs may increase due to expanded use of technology, the need to expand licensing, or functionality throughout the District.

Examples of these factors include Blackboard Learning System Enterprise (+3.2%), BEEP Portal Maintenance (-4.8%), and Schoology (-11%).

- 2) Reduction due to warranty, maintenance removal, or items previously paid - Some software and hardware items no longer require warranty or maintenance coverage. Part of the annual process of preparing this year's spending authority request, and the item for Board review and approval each year, is to remove any items that are no longer needed. An item that falls within this category and was eliminated from this year's report is hardware maintenance labor cost for the scanners used to process report cards and other documents.

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- 3) Increases due to additions and new initiatives - New initiatives, maintenance of daily operations, and planning efforts of various departments also impact the procurement of necessary SW/HW for the District. As new educational and business systems are implemented, new line items are added to this annual report. An example of this dynamic is the addition of first-year software licensing costs for charter tools. This application will accept and track new charter school applications as well as monitor the yearly evaluation and benchmark processes of existing Charter Schools.

PROCUREMENT RATIONALE

The items listed in this report have been reviewed by the Technology Advisory Committee and have also been categorized into four (4) main procurement and relevant cost categories: 1) Sole Source Proprietary; 2) Small Purchases < \$5,000; 3) Single Source; and 4) Purchases from \$5,000 to \$50,000. The following provides each item category being qualified by:

- a. Sole Source Proprietary – This term refers to those purchases where there is one supplier that provides the product. Usually these are unique products that cannot be procured anywhere else other than through only one specific supplier/manufacturer. There is no other vendor available to deliver or offer the application, maintenance, or support of the item. The District has licenses to software or hardware that must be maintained by the sole manufacturing vendor and provider of the item. *Total sole source proprietary items = \$4,333,528.52*
- b. Small Purchases < \$5,000 – Items do not necessarily qualify as sole source, are less than \$5,000, and therefore, only one vendor quote is required. *Total small purchases < \$5,000 = \$79,825.01*
- c. Single Source - Single source purchasing refers to purchases from one selected supplier, even though there are other suppliers that provide similar products. Unlike sole source purchasing, there is the autonomy to switch suppliers, but for strategic and possible additional cost increase reasons associated with implementing a new solution, it is preferable to procure from a specific supplier. *Total single source items = \$1,566,283.77*
- d. Purchases from \$5,000 to \$50,000 – Items that are not being considered for sole or single source, or items not qualified for exemption for sole or single source between \$5,000 and \$50,000, require three quotes. *Total purchases from \$5,000 to \$50,000 = \$235,593.66*

Presenting a consolidated spending authority request item for SW/HW maintenance throughout the District enhances the ability to manage and procure the vast and important items needed to support the strategic, instructional, and operational needs of SBBC. The SW/HW maintenance spending authority request for FY16/17 represents a decrease of \$544,857.10. Part of this decrease is due to the removal of items such as Destiny Resource Management and Portable Radios, which are being presented as a separate Board agenda items during the 2016-17 school year as well as reductions in annual costs for some items such as BEEP Portal Maintenance and Schoology.

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The chart below illustrates the historical requested spending authority from FY2009-10 through FY2016-17.

FISCAL YEAR	INFORMATION & TECHNOLOGY FUNDING	OTHER DEPARTMENT FUNDING	TOTAL AGENDA AMOUNT
2009-10	\$10,246,389	\$ 0	\$10,246,389
2010-11	\$10,214,680	\$ 642,115	\$10,856,795
2011-12	\$ 8,277,601	\$ 811,394	\$ 9,088,995
2012-13	\$ 6,880,035	\$ 1,096,878	\$ 7,976,913
2013-14	\$ 6,965,811	\$ 1,024,393	\$ 7,990,204
2014-15	\$ 7,531,667	\$ 1,369,513	\$ 8,901,180
2015-16	\$ 5,112,952	\$ 1,646,136	\$ 6,760,088
2016-17	\$4,763,218*	\$1,452,013	\$6,215,231

** The spending authority amount of \$4,763,218 does not reflect the total amount of Information & Technology budget items estimated for FY16/17. It is pertinent to note that other Information & Technology contracts will be forthcoming as separate agenda items for approval, and the requested funding source will be the Information & Technology operating budget.*

