

## EXECUTIVE SUMMARY

### Recommendation for Additional Spending Authority 16-007B – Letter and Legal-Sized Paper

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Invitation to Bid (ITB) 16-007B - Letter and Legal-Sized Paper is being used throughout the District for daily use to print special projects, documents, emails, facsimiles, etc. Under this contract, schools and departments have the option to order these items directly from our Warehouse, alleviating the problem they were having fulfilling the minimum order requirements imposed by the vendor.

This request is to approve an additional spending authority of \$550,000 for the remaining term of the contract which expires on July 30, 2018. The total new spending authority will be \$4,200,000.

#### Financial Impact

Procurement & Warehousing Services is requesting an additional spend authority due to the increase of the monthly average expenditures, from \$95,000 to \$111,875 (17.8% percent more). As of September 2017, the allocated spend reached 76.7% percent with ten (10) more months into the contract.

#### Spending Analysis

(previous awarded amount)	\$3,650,000
(total spent as of Sept 2017)	\$2,796,870
(monthly average spend)	\$ 111,875
(unused spend as of Sep 2017)	\$ 853,130

#### New Estimated Spending

(estimated spending for the next ten (11 months)	\$1,230,623
(ten (10) percent additional provision for unexpected needs)	\$ 123,062
(estimated additional spend required)	\$ 500,555
(projected spend at expiration July 2018)	\$4,150,555
(rounded projected spend at expiration July 2018)	\$4,200,000
(rounded additional spend required)	\$ 550,000

The approval of this recommendation does not mean the new authorized amount will be spent.

This contract was originally awarded to Mac Papers, Inc. at the May 19, 2015, RSBM as EE-5 with a spending authority of \$3.2 million. On April 18, 2017, item EE-9 was presented to the School Board with an additional spending authority of \$450,000 to cover an additional year of the contract.

The amount requested will provide adequate funding for the District to continue ordering copy paper until the expiration of the contract.