

EXECUTIVE SUMMARY

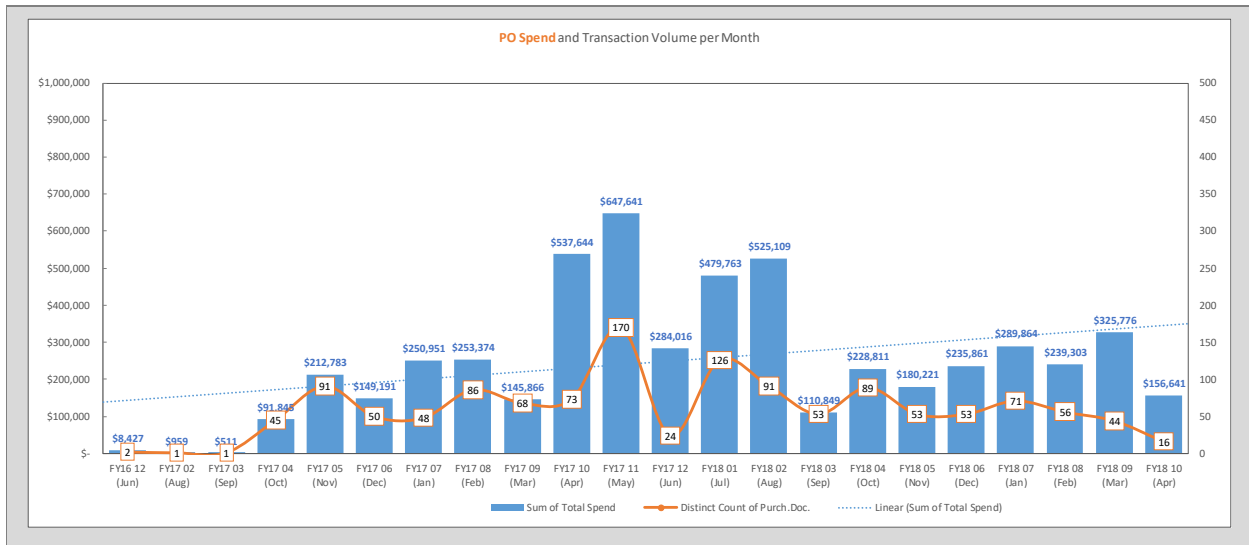
Recommendation for Additional Spending Authority 17-009V - School and Department Furniture

Invitation to Bid (ITB) 17-009V - School and Department Furniture was approved at the Regular School Board Meeting of September 20, 2016, with a spending authority of \$5,600,000 for a two (2) year term from October 21, 2016 through September 30, 2018. This contract is in its seventeenth (17) month and is utilized District-wide for the purchase of furniture and related products.

This Bid includes a single-fixed percentage discount from manufacturer's catalog/list price and also includes furniture with firm-fixed pricing that is consistently purchased throughout the District. All school furniture orders must be approved by the school's principal, and department furniture orders are approved by the department's director. However, no District office or buildings other than schools can purchase furniture without prior approval.

Financial Impact

As per the Purchase Order spend as described in the graph below, between April and August are the months with the most spend and the additional spending authority should cover the District until this bid expires. Moreover, many schools have used the School Choice Enhancement Projects (SCEP) funds to purchase furniture and related items, which led to the need for requesting additional spend authority.



The total spending authority requested is \$770,000 as demonstrated in the breakdown below:

Average monthly expenditure		\$289,446
Number of months left on the current contract	*	5
Estimated spend	=	\$1,447,231
Unused authorized spending left	-	\$679,416
Total spending authority requested (rounded up)	=	\$770,000

The estimated financial impact to the District will be \$770,000. The contract award amount was for \$5,600,000. The request is to increase the spending authority by \$770,000 bringing the new contract value to \$6,370,000. The funding source will come from the general, capital, and grant funds, as well as the School Choice Enhancement Projects (SMART Program). The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the contract award amount