

## EXECUTIVE SUMMARY

### Recommendation of Continuation

#### 59-042E – Continuation of the Lease or Maintenance of District Software and Hardware for Fiscal Year 2018/2019

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District schools and departments utilize many software and hardware (SW/HW) technology systems that are provided by various vendors. These products and services provide support for:

- 1) Curriculum & Instruction
- 2) Business Support Software
- 3) Technology & Equipment Maintenance

To maintain these systems, the Information & Technology department established a process in Fiscal Year (FY) 2000-2001 to streamline and consolidate requests for spending authority on an extensive number of annual SW/HW maintenance contracts, licenses, and lease renewals.

Approval of the requested spending authority is necessary for day-to-day operations to continue without interruption and to ensure that the District remains in compliance with the requirements to support the applications. Departments review and prioritize current needs and decide whether renewals are required.

The Information & Technology department is not asking for additional funding, only the authority to spend the budgeted amount to maintain existing technology systems.

The attached District *Software/Hardware Maintenance Report FY 2018/2019* provides the supporting documentation for the SW/HW maintenance spending request. The details 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.

In the *FY 2018/2019 Report*, some individual items increased due to new licensing, upgrade requirements, and consumer price index fluctuations. Other items decreased because of the removal of certain products and services and discounts relative to the quantity of items and/or length of the renewal timeframe.

Furthermore, there are two (2) key categories, which cause fluctuations in cost:

- 1) **Pricing changes for annual renewals:** Costs for items may change from year-to-year based on these factors:
  - Some renewals have varied multi-year pricing as part of their payment terms and conditions. The result is these costs may vary from year-to-year.
  - Some renewals require annual renegotiations that may result in upward or downward pricing.
  - Costs may increase due to expanded use and licensing of technologies throughout the District.

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**2) Reduction due to maintenance removal:**

- Some software and hardware items are no longer being used. Part of the process of preparing this year's spending authority request is to remove any items that are no longer needed. Items that fall within this category were removed from this year's report.

**Procurement Rationale**

Policy 5306, School and District Usage envisions a fully integrated technology system covering the District's Strategic Plan for technology. To acquire, install, operate, and maintain this technology system, the District will conduct a high level of technology procurement activities on an on-going basis.

The items listed in this report have been reviewed by the **Technology Advisory Committee** and have also been categorized into different relevant cost categories and all items fall into one (1) of the four (4) methods of procurement categories outline below:

- 1) Exempt from competitive solicitation per Purchasing Policy 3320
- 2) Small Purchases < \$5,000
- 3) Directed sourcing by grant funding
- 4) Purchases from \$5,000 to \$50,000

The following describes each item category:

1. **Exempt from competitive solicitation per Purchasing Policy 3320** – This term refers to those purchases where according to Purchasing Policy 3320, Part II, H, the requirement of requesting competitive solicitations from three or more sources is hereby waived as authorized by chapter 6A-1.012 (F.A.C.) State Board of Education Administrative rules for the purchase of educational services and any type of copyrighted materials including, without limitation, educational tests, textbooks, printed instructional materials, and computer software.
2. **Small Purchases < \$5,000** – Items are not on contract and are less than \$5,000, and therefore only one vendor quote is required as stated in Purchasing Policy 3320, Part II, B.
3. **Directed sourcing by grant funding** – As stated in Purchasing Policy 3320, Part II, N, a contract for commodities or contractual services may be awarded, without competitive solicitations, if state or federal law, a grant or a state or federal agency contract prescribes with whom the School Board must contract or if the rate of payment is established during the appropriations process.
4. **Purchases from \$5,000 to \$50,000** – Items that are not being considered exempt from competitive solicitation between \$5,000 and \$50,000 require three quotes as stated in Purchasing Policy 3320, Part II, C.

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The SW/HW maintenance **spending authority request for FY 2018/2019** represents a **four (4) percent increase from the previous year**, which amounts to **\$264,344**. This increase is due to pricing changes for current items and does not reflect any new purchases.

The breakdown by three major categories are:

- 1) Curriculum & Instruction = \$1,383,347
- 2) Business Support Software = \$5,499,059
- 3) Technology & Equipment Maintenance = \$330,917

The chart below illustrates the historical requested spending authority from FY 2009/2010 through FY 2018/2019.

<b>FISCAL YEAR</b>	<b>INFORMATION &amp; TECHNOLOGY SPENDING REQUESTS</b>	<b>OTHER DEPT SPENDING REQUESTS</b>	<b>TOTAL AGENDA AMOUNT</b>	<b>NET CHANGE (YR OVER YR)</b>
<b>2009/2010</b>	\$10,246,389	\$0	\$10,246,389	-
<b>2010/2011</b>	\$10,214,680	\$642,115	\$10,856,795	6%
<b>2011/2012</b>	\$8,277,601	\$811,394	\$9,088,995	-19%
<b>2012/2013</b>	\$6,880,035	\$1,096,878	\$7,976,913	-14%
<b>2013/2014</b>	\$6,965,811	\$1,024,393	\$7,990,204	0%
<b>2014/2015</b>	\$7,531,667	\$1,369,513	\$8,901,180	10%
<b>2015/2016</b>	\$5,112,952	\$1,646,136	\$6,760,088	-32%
<b>2016/2017</b>	\$4,723,218	\$1,452,013	\$6,175,231	-9%
<b>2017/2018</b>	\$4,675,179	\$2,273,800	\$6,948,979	11%
<b>2018/2019</b>	<b>\$4,610,034</b>	<b>\$2,603,289</b>	<b>\$7,213,323</b>	<b>4%</b>

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 The School Board of Broward County, Florida.

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