

## EXECUTIVE SUMMARY

### Recommendation to Approve Additional Spending Authority 57-105N – Mail Processing Equipment & Supplies

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#### Introduction

##### Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the recommendation for additional spending authority for Invitation to Bid (ITB) 57-105N – Mail Processing Equipment & Supplies in partnership with Neopost USA and Pitney Bowes, Inc. This contract is a piggyback to the Florida Department of Management Services (DMS) agreement and was administratively approved by the Superintendent through a Post Board Memo\* on March 21, 2017, for three (3) years starting March 22, 2017 through March 21, 2020, with an approved spending authority of \$350,000.

The additional spending authority requested is \$30,000.

#### Goods/Services Description

##### Responsible: End User Department

This contract is used District-wide in around sixty (60) different locations, including schools. It provides a vehicle to acquire mail processing equipment, related supplies, and services from Neopost USA and Pitney Bowes, Inc., which are the two (2) awarded vendors in the State contract. Core products offered under this Contract are the lease and maintenance of equipment, classified under six (6) categories:

#### Procurement Method

##### Responsible: PWS

Pursuant to Purchasing Policy 3320 and the Department of Education, Rule 6A-1.012, 11(a), Florida Administrative Code as authorized by Section 1010.04(4)(a), Florida Statutes, and Purchasing Policy 3320, Section II, M, the requirement for requesting competitive solicitations from three (3) or more sources is hereby waived. The School Board of Broward County, Florida, may make purchases at or below the specified prices from contracts awarded by other city or county governmental agencies, other district school boards, community colleges, federal agencies, the public or governmental agencies of any state, or from state university system cooperative bid agreements.

#### Financial Impact

##### Responsible: PWS and End User Department

The additional spending authority estimated for this contract, until expiration date is \$30,000 as calculated below:

<u>Historical average monthly expenditure</u>	<u>\$ 10,485</u>
<u>Number of months remaining on contract</u>	<u>4</u>
<u>Estimated additional spending authority for four (4) months</u>	<u>\$ 41,940</u>
<u>Current unused authorized spending</u>	<u>\$ 14,490</u>
<u>Total additional spending authority</u>	<u>\$ 27,450</u>
<b><u>Estimated additional spending authority (rounded)</u></b>	<b><u>\$ 30,000</u></b>

The new total for this contract will be \$380,000.

The funding source will come from the departments' and the schools' operating budget.

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The previous bid was used as the baseline for this Bid’s spending authority request and the increase in spending is mainly based on the usage of three (3) new locations. Schools and other locations maintained almost the same level of spending, while the warehouse had a substantial decrease when compared to the previous bid. The table below shows a comparison between the current and previous bid spend per location.

	<b>Previous Bid</b>	<b>Current Bid</b>	<b>Spend</b>	
	<b>35 months</b>	<b>31 Months</b>	<b>Amount</b>	
	<b>Spend</b>	<b>Spend</b>	<b>Difference</b>	
Henry D Perry Education Center	\$ -	\$ 31,590	\$ 31,590	\$ 48,541
College Academy	\$ -	\$ 11,630	\$ 11,630	
McFatter Tech H	\$ -	\$ 5,322	\$ 5,322	
Community Schl-N	\$ 3,276	\$ 4,447	\$ 1,171	
Community Schl-S	\$ 3,404	\$ 4,213	\$ 808	
BECON Admin	\$ 485	\$ 1,206	\$ 721	
Broward Virlt H	\$ 2,224	\$ 1,000	\$ (1,224)	
Atlantic Tech H	\$ 4,092	\$ 2,547	\$ (1,545)	
Schools (around 60)	\$ 249,122	\$ 241,867	\$ (7,256)	
Warehouse	\$ 53,900	\$ 31,688	\$ (22,212)	
<b>Total</b>	<b>\$316,504</b>	<b>\$335,510</b>		

**Financial Impact Table:**

Action	Date	Term (years)	Amount
Original spending authority request	3/21/2017	3	\$ 350,000
Additional spending authority	1/14/2020		\$ 30,000
<b>New total contract amount</b>		<b>3</b>	<b>\$ 380,000</b>

The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.

\* Post Board Memo: In accordance with Purchasing Policy 3320, Part II, Rules (P), (S), “the Superintendent is authorized to purchase commodities or contractual services where the total amount does not exceed \$500,000 and does not exceed the applicable appropriation in the District’s budget” and “if the requested spending authorization for purchases from contracts or exemptions described herein is less than \$500,000, then the Superintendent is authorized to make purchases from the contract without prior School Board approval.