2014/2015 Hardware and Software

Executive Summary

District schools and departments utilize many curriculum and business software and hardware technology systems provided by various vendors. As part of the annual contract renewal, these vendors agree to provide maintenance and new releases to the District for an annual fee.

The attached documentation provides detailed information supporting the hardware and software maintenance request being presented to the Board for the 2014-15 fiscal year. This year's request is higher than the request made for the 2013-14 fiscal year. The overall cost increase encompasses annual cost fluctuations for existing hardware and software contracts, the reduction of costs associated with the removal of certain items, and increases related to hardware/software needed for new initiatives. Together, these changes represent various strategic planning frameworks in the District including the District's overall Strategic Plan, the Five-Year Strategic Plan for Technology, The Office of the Chief Academic Officer's planning efforts, and other department initiatives. There are three categories for annual cost fluctuations:

Changes to existing contracts: Costs for many individual items fluctuate from year to year based on three factors. The first of these is that some contracts have varied multi-year pricing as part of their payment terms and conditions. This results in higher costs some years within the contract and some years at lower costs. The other dynamic that impacts overall annual cost is that some contracts require annual renegotiation of pricing resulting in upward or downward shifts. Finally, some software contract costs increase due to expanded use of the software in the District, and the consequent need to expand licensing. Examples of these three dynamics include McAfee (-$347,948) and Destiny Textbook Management K-8 (+$387,196)

Reductions due to warranty and/or maintenance removal: Some software items and equipment no longer require warranty and/or maintenance coverage. Part of the process of preparing this budget and the item for Board review and approval each year is to remove any items that are no longer required. An example of this dynamic is the elimination of NetTrekker (-$123,176), Microsoft Desktop Optimization (-$68,752), and Worldbook Online (-$55,643).

Increases due to new initiatives: Changes to the District's Strategic Plan and the strategic planning efforts of various departments also impact the procurement of equipment and software in the District. As new educational and business systems are implemented, new line items are added to the annual Hardware and Software Maintenance Budget. An example of this dynamic is the addition of Schoology licensing (+$100,400) and Britannica Online School Edition (+$95,000).

Bringing forward a consolidated budget item for hardware and software maintenance for all departments in the district is done to improve contract manageability and leverage consolidated buying power. While this year's budget represents an increase from last year of $910,976 over the past five years we have significantly reduced the overall Hardware/Software Maintenance Budget. This increase represents a portion of the overall hardware/software growth request for the Information & Technology Department. The chart below identifies the changes from FY2009/10 – FY 2014/15.

FISCAL YEAR	DISTRICT I&T FUNDING	OTHER DEPARTMENT FUNDING	TOTAL AGENDA AMOUNT
2009-2010	$10,246,389	0	$10,246,389
2010-2011	$10,214,680	$642,115	$10,856,795
2011-2012	$8,277,601	$811,394	$9,088,995
2012-2013	$6,880,035	$1,096,878	$7,976,913
2013-2014	$6,965,811	$1,024,393	$7,990,204
2014-2015	$7,531,667	$1,369,513	$8,901,180