

STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

June 14, 2023

TOPIC: Pueblo Community College Spending Authority Request for Lease of Computer Equipment

PRESENTED BY: Dr. Patty Erjavec, President – Pueblo Community College

RELATIONSHIP TO THE STRATEGIC PLAN:

Value proposition through accessibility, affordability, quality, accountability, resource development and operational excellence.

EXPLANATION:

Pueblo Community College is seeking approval for a lease of computers and computer related hardware for use by all staff and student-required access as is necessary at all campuses and locations. In March 2018, PCC adopted a strategy of leasing computers versus buying because it provided a greater long-term value proposition. Leasing allowed for PCC to obtain the computers at a much lower cost per unit and it also gave us the ability to periodically renew the lease along with the return of the legacy units and the acceptance of new ones, which then allowed PCC to stay current with technology at an affordable cost.

Leasing of the computer technologies allows PCC to budget more effectively by knowing our predetermined monthly/annual costs for our college. The standardization of our technology on an annual bases reduces soft costs allowing for fewer IT staff to be hired and to provide superior service due by supporting fewer like models of technology distributed across the college. Leasing ensures that our technology is always up to date, enabling PCC to stay current with all software patches; so that we never are forced to avoid deployment of upgrades that will keep our computing environment safe from viruses.

The leases were phased in by department as computer upgrades across campus were needed. The leases are now up for renewal and the cost to renew totals \$542,065.60. The renewal term is for 48 months. This lease, initiated through Hewlett Packard Finance (as part of a State price agreement), covers the costs associated with 1320 desktop and laptop computers, monitors, other associated hardware and warranties, which brings the cost down to \$410.66 per full computer unit for four years. In contrast, the average purchase cost for a computer system would be approximately \$1119 per unit every four years, and this does not allow for inflation, supply cost increases, etc.

RECOMMENDATION:

Staff recommends the Board approve the spending authority for entering into a lease agreement with Hewlett Packard Finance with a do not exceed amount of \$542,065.60 for a 48 month term. Staff also recommends that the Board delegate the signing of related lease documents, as long as all State and CCCS processes are followed, to the PCC President.