DATE: April 27, 2000

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

SUBJECT: Authorization to enter into Master Lease Agreement with Dell Financial Services
(Resolution No. 000427-B17)

BACKGROUND INFORMATION:

The Purchasing Department and the Information Services Department of the College conducted a formal bidding process in June 1999 to choose a tier-one vendor and a PC-clone vendor for all of the College's PC microcomputer purchases for the 1999-2000 fiscal year. Dell Computers was chosen as the tier-one vendor in that bidding process.

City College of San Francisco purchases hundreds of microcomputers annually for instructional purposes. As technology and software changes rapidly, the College is required to keep pace with these changes in order to keep its curriculum current. As part of this "Technology Refresh" effort, the College will be leasing more of its microcomputers rather than purchasing. This resolution seeks authorization to enter into a Master Lease Agreement with Dell Financial Services to lease Dell microcomputers over a three-year period. At the end of the lease period, the College can either return the equipment and enter into a new lease for new equipment, or buy out the old equipment at the then-fair market value.

This Master Lease Agreement sets up the general terms and conditions for leasing microcomputers with Dell Financial Services and is being set up to expedite the leasing process. Subsequently, as departments need to lease equipment, individual lease schedules, listing specific equipment to be leased and the terms of repayment, will be applied against this Master Lease Agreement. The total lease payments of each schedule will not exceed $53,000,
the upper limit for instructional equipment not requiring formal bidding. The total repayment costs for all lease schedules against this Master Lease Agreement will not exceed $350,000. As only instructional equipment is being leased at this time, the sources of funds for the leasing of equipment under this Master Lease Agreement is Instructional Block Grant.

**RECOMMENDATION:**

RESOLVED: That authorization be hereby given to enter into a Master Lease Agreement with Dell Financial Services for the purpose of leasing Dell Microcomputers for a total repayment cost of all lease schedules against this agreement not to exceed $350,000, and

FURTHER BE IT RESOLVED: That the Chancellor, Vice Chancellor of Finance and Administration, and/or their designee are hereby authorized to execute any and all documents on behalf of the District to effectuate this resolution.

Mamie How, Originator