

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

BOARD ACTION

Approval Of Contract Exceeding \$2 Million Dollars –
Winona State University Laptop Program

BACKGROUND

Board Policy 5.14, Procurement and Contracts, adopted June 21, 2000 and amended December 7, 2005, requires pre-approval by the Board of Trustees for contracts, including amendments, with values greater than \$2,000,000. The proposed action item is for Board approval of a lease financing contract totaling \$6,100,000.

Subsequent to extensive campus wiring and support network upgrades, Winona State University began phasing in its laptop program during the fall of 2000 as part of its goal to increase computer literacy for all graduates. The laptop program requires all full-time students at the Winona campus to have a laptop. The program, a self-supported auxiliary enterprise, includes a PC or Apple laptop and a comprehensive package of educational software, insurance, repair and maintenance services, automatic software upgrades, a 24-hour help line, tutorial resources, and support for shared educational technology. Computers are replaced on two-year cycle to assure students have the most current technology.

During 2002, WSU competitively identified Apple and Gateway laptops for its program. Concurrently, the school identified Merrimak Capital and ePlus as the companies to provide financing to its students. Annually thereafter, WSU solicits lease quotes from Merrimak Capital and ePlus subsequent to identification of the Apple- and Gateway-brand laptops to be procured for the next academic year.

The University plans to issue Request for Proposals during the fall of 2007 to identify replacement brands and finance companies that will provide laptops and financing commencing with the 2008-2009 academic year.

During the spring of 2007, new lease rates were solicited from Merrimak Capital and ePlus. The University selected Merrimak Capital to provide financing for laptops leased commencing with the 2007-2008 academic year following ePlus' declination to provide a quote.

RECOMMENDED COMMITTEE ACTION

The Finance/Facilities Policy Committee recommends the Board of Trustees approve execution of a 2-year contract with Merrimak Capital totaling \$6,100,000 to provide lease financing to participants in Winona State University's Laptop Program; and that the Board delegate execution of the contract to the Vice Chancellor-Chief Financial Officer and President of Winona State University.

RECOMMENDED BOARD ACTION

The Board of Trustees approves execution of a 2-year contract with Merrimak Capital totaling \$6,100,000 to provide lease financing to participants in Winona State University's Laptop Program. The Board delegates execution of the contract to the Vice Chancellor-Chief Financial Officer and President of Winona State University.

Date Presented to the Board: June 20, 2007