Members, Board of Trustees:

LEASE/PURCHASE OF EQUIPMENT AND INFORMATION TECHNOLOGY ITEMS

Recommendation: that the Board of Trustees approve the acquisition of the following major equipment and information technology items using a lease/purchase method of procurement:

1. IT Disk Storage  
   Agency Funds - $530,000

2. Replacement of IT Servers for Administrative Applications  
   Agency Funds - $648,500

3. Air Conditioner and Uninterruptable Power Supply (UPS)  
   Agency Funds - $533,000

4. Upgrade of Communication Switches and Routers  
   Agency Funds - $465,000

5. Genome Sequencer FLX  
   Federal Funds - $600,000

Background: At its September 11, 2007 meeting, the Board delegated to the Executive Vice President for Finance and Administration the responsibility for managing university debt related to the lease/purchase of equipment and information technology items costing less than $200,000. Acquisitions of major equipment and information technology items costing $200,000 or more where the method of procurement involves debt in the form of capitalized lease obligations are to be submitted to the Board for approval. The university’s Debt Committee has reviewed these acquisitions to assess the impact on the university’s debt capacity. The Debt Committee has determined that acquisition of these items is consistent with the university’s Debt Policy. A brief description of each item is attached.

Action taken:  ✔ Approved  ☐ Disapproved  ☐ Other ______________________
1. **IT Disk Storage**  
   Agency Funds - $530,000  
   
   This electronic storage equipment is necessary to support the increased data needs of the IRIS/SAP system for the financial, human resources, campus management, plant maintenance, and materials management modules.

2. **Replacement of IT Servers for Administrative Applications**  
   Agency Funds - $648,500  
   
   Four-year old IT servers will be replaced. These servers run the IRIS/SAP administrative systems for the financial, human resources, campus management, plant maintenance, and materials management modules.

3. **Air Conditioner and Uninterruptable Power Supply (UPS)**  
   Agency Funds - $533,000  
   
   Installation of air conditioning and a UPS system is needed for the Parking Structure #2 Frame Room to improve cooling and power reliability for campus communications equipment.  
   
   All campus telephone and data equipment are required to function 24 hours a day, seven days a week. Uninterruptible power to operate the equipment and devices is essential to the overall operation of the University as power fluctuations could cause systems to malfunction and negatively impact the entire network.

4. **Upgrade of Communication Switches and Routers**  
   Agency Funds - $465,000  
   
   The upgrade of distribution switches and routers will provide needed improvement in campus communication services.

5. **Genome Sequencer FLX**  
   Federal Funds - $600,000  
   
   This research equipment reads the DNA gene sequence, or “code of construction”, of various biological, animal, and human organisms to determine their makeup and life patterns. This new sequencer will facilitate research in plant, animal, and human diseases by greatly reducing the time and cost of gene sequencing. Acquisition of this equipment item is contingent upon receipt of a federal grant that will fund the purchase.