



UNIVERSITY OF
**NORTHERN
COLORADO**

BOARD OF TRUSTEES AGENDA ITEM

Meeting Date: Nov 15th, 2019

☒ Action Item ☐ Discussion Item ☐ Information Item

**Name of
Item:**

Data Center and Core Network Infrastructure Lease

Responsible Staff Member: Michelle Quinn

Summary of Issue:

We have several major capital expenditures needed in FY20 to replace end of life network and storage devices. We are in the process of finalizing an RFP to purchase key network infrastructure and storage equipment. We plan on utilizing vendor provided financing to spread the cost over five years. We have identified funding within the IM&T operational budget to satisfy the lease payments.

We recommend the approval of two major infrastructure projects, with a total not to exceed \$2,100,000 and paid through leases over 5 years. The RFP issued included options for the financing. If this equipment is purchased, several current software contracts will be eliminated. The budget allocated for those contracts will be repurposed for the lease payments.

We requested this equipment through the State IT Capital Project Process in FY20. Unfortunately, the project was not funded by the State. In FY21 we requested additional security software that complements the equipment we would purchase with the lease.

Recommended Action by BOT: ☒ Approval ☐ No Action Needed

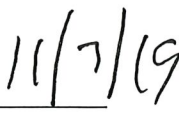
Change to Board Policy Manual: ☐ Approval ☒ No Action Needed

If yes, Section:


Administrative Recommendation (Motion): approve Data Center and Core Network Infrastructure Refresh Lease



Signature of Vice President



Date



Signature of President



Date



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INFRASTRUCTURE LEASE DETAILS

We conducted an RFP to replace critical network and storage components that have reached end of life. The purchase will include the following:

- Core network routers for data centers
- Replacement of legacy switches with improved design
- Fiber channel (inter-connectivity) connections for storage network
- New, improved identity management for Student and Guest network access
- Improved security posture, by combining firewalls with Intrusion Prevention System (IPS)
- Firewall replacement for University Advancement call center
- New virtual firewall to secure cloud assets
- Replacement of physical racking equipment and interconnectivity
- Replacement of campus storage equipment with static drives (extended useful life)

Financing Options:

- As a part of the RFP we asked bidders to provide two price quotes; one to fund the equipment via a lease and one to purchase the equipment outright.
- Vendors that bid on the RFP provided zero-interest financing through their own internal financing units. This is the industry standard for multi-year technology purchases.

Data Center and Core Network Infrastructure Refresh	\$1,500,654
Storage Equipment and Maintenance	\$514,405
Total Value of Lease	\$2,015,059

Five-year Lease Amortization:

Annual Payments	\$403,012
Financing	0%
Total Value of Lease	\$2,015,059

Payments will be made from discontinued equipment maintenance funds in the existing IT budget.