

April 23, 2019

Senator Rick Girdler
Representative Walker Thomas
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Capital Annex Room 34
Frankfort, KY 40601

RE: Authorization Increase: Computer Processing System and Storage

Dear Senator Girdler and Representative Thomas:

In accordance with provisions of KRS 45.760, I am writing to request an increase in authorization for the IT project authorized in the 2018-2020 biennium budget. This increase was the result of higher than expended technology cost.

Purchase price of the hardware is \$2,149,689, which is 7.5% over the authorized amount of \$2M. The purchase price of the hardware and associated finance charges is \$2,310,656, which is 15.6% over the authorized amount of \$2M.

The computer server and storage hardware will replace the existing seven-year-old equipment currently in use. The existing equipment has reached end of life, and continuing to operate it exposes the University to an increasing risk of significant business disruption due to hardware failure.

Please contact Kim Noltemeyer at 852-8186, if you have any questions regarding the request for the increase in authorization.

Sincerely,



Mark Watkins
Senior Associate Vice President of Operations
University of Louisville

cc: Neeli Bendapudi, President
Dan Durbin, CFO
Rehan Khan
Katherine Stevenson
Shaun McKiernan
Carla Wright (OSBD)

Capital Projects over the Authorized Amount

The following information is required to make a request to the State to increase the State authorized budget for a project or purchase. A copy of the vendor quote will also need to be attach to the request.

- A. Description of the item
Computer server and storage hardware

- B. The purpose for which it will be used and the necessity for the purchase
This equipment will replace the existing seven-year-old equipment currently in use. The existing equipment has reached end of life and continuing to operate it exposes the University to an increasing risk of significant business disruption due to hardware failure.

- C. Is the purchase 15% over the authorized amount by the General Assembly?
Purchase price of the hardware alone (\$2,149,689) is 7.5% over the authorized amount of \$2M.
The purchase price of the hardware and associated finance charges (\$2,310,656) is 15.6% over the authorized amount of \$2M.

- D. The amount to expend for the purchase and the funding source?
Hardware alone - \$2,149,689
Hardware plus finance charges - \$2,310,656
Funding source from University restricted funds.

- E. Required by an unforeseen decision by a federal or state court or regulatory agency
No.

- F. Not allotted or re-allotted from monies specifically budgeted and appropriated by the General Assembly for another purpose
Correct.

- G. Not jeopardizing any existing program and not requiring the use of any current general funds specifically dedicated to existing programs.
Correct.

- H. The purchase will not require the use of any current general funds specifically dedicated to existing programs.
Correct.

- I. Funds are available for the purchase and the method of financing the purchase will not require any additional appropriate of state funds.
Correct.

QUOTATION



QUOTE | UofL 19MP01-R2 Hyperflex
 DATE | 2/12/2019
 EXPIRES | 3/12/2019

COMPANY | University of Louisville
 ADDRESS | Miller Info Tech Center, Louisville, KY 40292
 CONTACT | Mike Dyre
 EMAIL | michael.dyre@louisville.edu
 PHONE | (502) 410-3713

ACCOUNT MANAGER | Matt Poynter
 EMAIL | matt.poynter@data-strategy.com
 PHONE | 859-721-1515

REF: NVP #AR233 (14-19) Participating Addendum for KY #MA 758 140000876

Item	Qty	Model #	Description	List Price	Unit Price	Extended Price
1	1	UCS-SP-FI633216-2X	UCS SP Select 2 x 6332-16UP FI	\$0.00	\$0.00	\$0.00
2	2	UCS-SP-FI6332-16UP	(Not sold standalone) UCS 6332-16UP FI/4 QSFP+, 8SFP+	\$25,590.01	\$11,054.88	\$22,109.76
3	2	CON-OSP-SP16UP	ONSITE 24X7X4 (Not sold standalone) UCS 6332-16UP FI/No PSU/	\$11,686.50	\$9,232.34	\$18,464.68
4	4	UCS-PSU-6332-AC	UCS 6332 Power Supply/100-240VAC	\$0.00	\$0.00	\$0.00
5	4	CAB-C13-C14-2M	Power Cord Jumper, C13-C14 Connectors, 2 Meter Length	\$0.00	\$0.00	\$0.00
6	8	QSFP-H40G-CU3M	40GBASE-CR4 Passive Copper Cable, 3m	\$0.00	\$0.00	\$0.00
7	8	QSFP-40G-SR-BD	QSFP40G BiDi Short-reach Transceiver	\$0.00	\$0.00	\$0.00
8	8	DS-SFP-FC16G-SW	16 Gbps Fibre Channel SW SFP+, LC	\$0.00	\$0.00	\$0.00
9	2	N10-MGT015	UCS Manager v3.2	\$0.00	\$0.00	\$0.00
10	8	UCS-FAN-6332	UCS 6332/ 6454 Fan Module	\$0.00	\$0.00	\$0.00
11	2	UCS-ACC-6332	UCS 6332/ 6454 Chassis Accessory Kit	\$0.00	\$0.00	\$0.00
12	10	UCS-SP-FI6332-L-4X	UCS SP Select 6300 Series Fabric Int port license 4Pk	\$0.00	\$0.00	\$0.00
13	40	UCS-SP-LIC-40GE	SP 3rdGen FI Per port Lic to connect B-series, FEX or C-di	\$3,000.00	\$1,296.00	\$51,840.00
14	40	UCS-LIC-6300-40G-B	3rd Gen FI Per port License to connect B-series, FEX or C-di	\$0.00	\$0.00	\$0.00
15	1	HXAF-M5S-HXDP	Cisco HXAF2X0C M5 Hyperflex System	\$0.00	\$0.00	\$0.00
16	12	HXAF240C-M5SX	Cisco HyperFlex HX240c M5 All Flash Node	\$5,095.00	\$1,080.14	\$12,961.68
17	12	CON-SSC4P-AF240CSX	SOLN SUPP 24X7X4OS Cisco HyperFlex HX240c M5 All Flash Node	\$11,495.00	\$9,081.05	\$108,972.60
18	144	HX-MR-X64G4RS-H	64GB DDR4-2666-MHz TSV-RDIMM/PC4-21300/quad rank/x4/1.2v	\$5,020.00	\$1,064.24	\$153,250.56
19	12	HX-PCI-1-C240M5	Riser 1 incl 3 PCIe slots (x8, x16, x8)	\$199.00	\$42.19	\$506.28
20	12	HX-PCI-2B-240M5	Riser 2B incl 3 PCIe slots (x8, x16, x8)+2 NVMe (1cnctr)/supports GPU	\$199.00	\$42.19	\$506.28
21	192	HX-SD38T61X-EV	3.8TB 2.5 inch Enterprise Value 6G SATA SSD	\$9,888.00	\$2,096.26	\$402,481.92
22	12	HX-NVMEHW-H1600	1.6TB 2.5in U.2 HGST SN200 NVMe High Perf. High Endurance	\$7,353.00	\$1,558.84	\$18,706.08
23	12	HX-SD240G61X-EV	240GB 2.5 inch Enterprise Value 6G SATA SSD	\$734.00	\$155.61	\$1,867.32
24	12	HX-M2-240GB	240GB SATA M.2	\$535.00	\$113.42	\$1,361.04
25	12	HX-MLOM-C40Q-03	Cisco VIC 1387 Dual Port 40Gb QSFP CNA MLOM	\$2,192.00	\$464.70	\$5,576.40
26	12	HX-MSD-32G	32GB Micro SD Card for UCS M5 servers	\$220.00	\$46.64	\$559.68
27	24	HX-PSU1-1600W	Cisco UCS 1600W AC Power Supply for Rack Server	\$929.00	\$196.95	\$4,726.80
28	24	CAB-C13-C14-2M	Power Cord Jumper, C13-C14 Connectors, 2 Meter Length	\$0.00	\$0.00	\$0.00
29	12	HX-RAILB-M4	Ball Bearing Rail Kit for C220 M4 and C240 M4 rack servers	\$220.00	\$51.04	\$612.48
30	24	UCSC-HS2-C240M5	Heat sink for UCS C240 M5 rack servers CPUs above 150W	\$0.00	\$0.00	\$0.00
31	96	UCSC-BBLKD-S2	UCS C-Series M5 SFF drive blanking panel	\$0.00	\$0.00	\$0.00
32	12	UCSC-RNVME-240M5	C240 M5 Rear NVMe CBL(1) kit, Rear NVMe CBL, backplane	\$0.00	\$0.00	\$0.00
33	12	UCS-MSTOR-M2	Mini Storage carrier for M.2 SATA/NVMe (holds up to 2)	\$0.00	\$0.00	\$0.00
34	12	HXAF240C-BZL-M5SX	HXAF240C M5 Security Bezel	\$0.00	\$0.00	\$0.00
35	12	HX-SAS-M5HD	Cisco 12G Modular SAS HBA for up to 26 drives	\$1,693.00	\$358.92	\$4,307.04
36	12	HX-VSP-FND-D	Factory Installed - vSphere 6.0 SW (End user provides License)	\$0.00	\$0.00	\$0.00
37	12	HX-VSP-FND-DL	Factory Installed - VMware vSphere 6.0 Fnd SW Download	\$0.00	\$0.00	\$0.00
38	24	HX-CPU-8168	2.7 GHz 8168/205W 24C/33MB Cache/DDR4 2666MHz	\$18,000.00	\$3,816.00	\$91,584.00
39	12	HXDP-P001-5YR=	Cisco HyperFlex Data Platform Enterprise Edition 5 Yr Subscr	\$0.00	\$0.00	\$0.00
40	12	HXDPP001-5YR	HyperFlex Data Platform Enterprise Edition 5 Yr Subscription	\$71,719.20	\$15,204.47	\$182,453.64

Item	Qty	Model #	Description	List Price	Unit Price	Extended Price
41	1	DC-MGT-SAAS	Cisco Intersight SaaS	\$0.00	\$0.00	\$0.00
42	24	DC-MGT-SAAS-EST-C	Cisco Intersight SaaS - Essentials	\$15.99	\$9.95	\$238.80
43	24	SVS-DCM-SUPT-BAS	Basic Support for DCM	\$0.00	\$0.00	\$0.00
44	24	DC-MGT-IMCS-1S	IMC Supervisor - Advanced - 1 Server License	\$0.00	\$0.00	\$0.00
45	24	DC-MGT-UCSC-1S	UCS Central Per Server - 1 Server License	\$0.00	\$0.00	\$0.00
46	20	QSFP-H40G-CU3M-	40GBASE-CR4 Passive Copper Cable, 3m	\$250.00	\$60.50	\$1,210.00
47	10	QSFP-H40G-CU5M-	40GBASE-CR4 Passive Copper Cable, 5m	\$375.00	\$90.75	\$907.50
48	24	QSFP-40G-SR-BD-	QSFP40G BiDi Short-reach Transceiver	\$1,095.00	\$275.94	\$6,622.56
49	2	DS-C9148T-48PETK9	MDS 9148T 32G FC switch, w/ 48 active ports +32G SW, exhaust	\$60,800.00	\$22,009.60	\$44,019.20
50	2	CON-SNT-DS9148PE	SNTC-8X5XNBD MDS 9148T 32G FC switch, w/ 48 active po	\$335.00	\$264.65	\$529.30
51	4	DS-CAC-650W-E	650W AC PSU Port side Exhaust	\$0.00	\$0.00	\$0.00
52	4	CAB-C15-CBN	Cabinet Jumper Power Cord, 250 VAC 13A, C14-C15 Connectors	\$0.00	\$0.00	\$0.00
53	8	DS-C32S-FAN-E	MDS 9132 FAN tray , port side Exhaust	\$0.00	\$0.00	\$0.00
54	6	M9148T-PL8	MDS 9148T 32G FC switch 8-port upgrade license	\$0.00	\$0.00	\$0.00
55	96	DS-SFP-FC32G-SW	32 Gbps Fibre Channel SW SFP+, LC	\$0.00	\$0.00	\$0.00
56	2	DCNM-S-M91XK9	DCNM SAN Adv Features for MDS 9100 Switch-Based	\$7,000.00	\$2,534.00	\$5,068.00
57	2	CON-ECMU-M91X	SWSS UPGRADES DCNM SAN Adv Features for MDS 9100 Switch-Base	\$534.00	\$421.86	\$843.72
58	2	M9148S6K9-8.3.1	MDS 9148T Supervisor/Fabric-6, NX-OS Software Rel. 8.3(1)	\$0.00	\$0.00	\$0.00
59	2	DS-9148T-KIT-CSCO	MDS 9148T Accessory Kit for Cisco	\$0.00	\$0.00	\$0.00
60	1	HX-VB-B00R00	Veeam Data Protection on HX LFF	\$0.00	\$0.00	\$0.00
61	1	VEEAM-SPLUS-DPHX	Veeam Solutions Plus HyperFlex	\$0.00	\$0.00	\$0.00
62	4	VEM-PVBRP-HX-S	HX Promo - VBR Ent Plus Annual Subs 24/7 Support, PS	\$157.50	\$97.97	\$391.88
63	8	HX-C240M5LVN0	HX Veeam Data Protection Node w/192GB, 96TB, 40GVIC	\$88,947.00	\$23,304.11	\$186,432.88
64	8	CON-3SSNT-40M5LVN0	3Y SOLN SUPP 8X5XNBD Cisco HyperFlex HX240c M5 LFF w/2x6126,	\$7,620.00	\$6,019.80	\$48,158.40
65	16	HX-CPU-6126	2.8 GHz 6126/125W 12C/19.25MB Cache/DDR4 2666MHz	\$0.00	\$0.00	\$0.00
66	96	HX-MR-X16G1RS-H	16GB DDR4-2666-MHz RDIMM/PC4-21300/single rank/x4/1.2v	\$0.00	\$0.00	\$0.00
67	8	HX-PCI-1-C240M5	Riser 1 incl 3 PCIe slots (x8, x16, x8)	\$0.00	\$0.00	\$0.00
68	8	HX-PCI-2B-240M5	Riser 2B incl 3 PCIe slots (x8, x16, x8)+2NVMe(1cntr) supports GPU	\$0.00	\$0.00	\$0.00
69	96	HX-HD8T7KL4KN	8 TB 12G SAS 7.2K RPM LFF HDD (4K)	\$0.00	\$0.00	\$0.00
70	8	HX-SD32T123X-EP	3.2TB 2.5in Enterprise Performance 12G SAS SSD(3X endurance)	\$0.00	\$0.00	\$0.00
71	8	HX-SD240G61X-EV	240GB 2.5 inch Enterprise Value 6G SATA SSD	\$0.00	\$0.00	\$0.00
72	8	HX-M2-240GB	240GB SATA M.2	\$0.00	\$0.00	\$0.00
73	8	HX-MLOM-C40Q-03	Cisco VIC 1387 Dual Port 40Gb QSFP CNA MLOM	\$0.00	\$0.00	\$0.00
74	8	HX-MSD-32G	32GB Micro SD Card for UCS M5 servers	\$0.00	\$0.00	\$0.00
75	16	HX-PSU1-1050W	Cisco UCS 1050W AC Power Supply for Rack Server	\$0.00	\$0.00	\$0.00
76	16	CAB-C13-CBN	Cabinet Jumper Power Cord, 250 VAC 10A, C14-C13 Connectors	\$0.00	\$0.00	\$0.00
77	8	HX-RAILB-M4	Ball Bearing Rail Kit for C220 M4 and C240 M4 rack servers	\$220.00	\$51.04	\$408.32
78	16	UCSC-HS-C240M5	Heat sink for UCS C240 M5 rack servers 150W CPUs & below	\$0.00	\$0.00	\$0.00
79	8	UCSC-RSAS-C240M5	C240 Rear UCSC-RAID-M5 SAS cbl(1)kit incl bkplforSFF&LFF	\$0.00	\$0.00	\$0.00
80	8	UCS-MSTOR-M2	Mini Storage carrier for M.2 SATA/NVME (holds up to 2)	\$0.00	\$0.00	\$0.00
81	8	HX240C-BZL-M5S	HX240C M5 Security Bezel	\$0.00	\$0.00	\$0.00
82	8	HX-SAS-M5	Cisco 12G Modular SAS HBA (max 16 drives)	\$0.00	\$0.00	\$0.00
83	8	HX-VSP-FND-D	Factory Installed - vSphere6.0 SW(End user provides License)	\$0.00	\$0.00	\$0.00
84	8	HX-VSP-FND-DL	Factory Installed - VMware vSphere 6.0 Fnd SW Download	\$0.00	\$0.00	\$0.00
85	16	HX-VSP-STD-3A	VMware vSphere 6 Standard (1 CPU), 3-yr, Support Required	\$0.00	\$0.00	\$0.00
86	16	CON-ISV1-VSXSTD3A	VSphere Standard for 1 CPU; ANNUAL List 3-YR Req'd	\$1,080.00	\$853.20	\$13,651.20
87	8	MSWS-16-ST24C	Windows Server 2016 Standard (24 Cores/2 VMs)	\$2,788.46	\$1,204.61	\$9,636.88
88	8	CON-ISV1-M16S24C	UC ISV L1 + L2 24X7, Windows Server 2016 Standard (24Cores, 2	\$3,485.00	\$2,753.15	\$22,025.20
89	8	MSWS-16-ST24C-RM	Windows Server 2016 Stan (24Cores/2 VMs) Rec Media DVD Only	\$0.00	\$0.00	\$0.00
90	8	HXDP-S001-5YR-	Cisco HyperFlex Data Platform Standard Edition 5 Yr Subscrip	\$0.00	\$0.00	\$0.00
91	8	HXDP-S001-5YR	HyperFlex Data Platform Standard Edition 5 Yr Subscription	\$39,844.00	\$10,439.13	\$83,513.04
92	3	RHEL-2S2V-5A-	Red Hat Enterprise Linux (1-2 CPU, 1-2 VN); 5-Yr Support Req	\$0.00	\$0.00	\$0.00
93	3	CON-ISV1-EL2S2V5A	ISV 24X7Red Hat Enterp Linux (1-2 CPU, 1-2 VN); 5-Yr Supp Req	\$6,495.00	\$5,131.05	\$15,393.15
94	3	UCS-RHEL-TERMS	Acceptance of Terms, Standalone RHEL License for UCS Servers	\$0.00	\$0.00	\$0.00
95	1	VMW-VCS-STD-5A-	VMware vCenter 6 Server Standard, 5 yr support required	\$9,991.67	\$4,316.40	\$4,316.40
96	1	CON-ISV1-VXSTD5A	VCenter Server STD for vSphere 1-Inst; ANNUAL List 5-YR Req'd	\$6,965.00	\$5,502.35	\$5,502.35
97	1	UCS-VMW-TERMS	Acceptance of Terms, Standalone VMW License for UCS Servers	\$0.00	\$0.00	\$0.00

Item	Qty	Model #	Description	List Price	Unit Price	Extended Price
98	2	HX-SP-FI6332	UCS SP Hyperflex 6332 FI w/8p Lic	\$20,940.00	\$9,046.08	\$18,092.16
99	2	CON-SNTP-HXSPFI63	SNTP-24X7X4 UCS SP Hyperflex 6332 FI w/8p Lic	\$11,172.00	\$8,825.88	\$17,651.76
100	2	N10-MGT015-HX	UCS Manager v3.2(1) for HyperFlex	\$0.00	\$0.00	\$0.00
101	8	QSFP-40G-SR-BD	QSFP40G BiDi Short-reach Transceiver	\$0.00	\$0.00	\$0.00
102	2	UCS-ACC-6332	UCS 6332/ 6454 Chassis Accessory Kit	\$0.00	\$0.00	\$0.00
103	8	UCS-FAN-6332	UCS 6332/ 6454 Fan Module	\$0.00	\$0.00	\$0.00
104	4	UCS-PSU-6332-AC	UCS 6332 Power Supply/100-240VAC	\$0.00	\$0.00	\$0.00
105	4	CAB-C13-CBN	Cabinet Jumper Power Cord, 250 VAC 10A, C14-C13 Connectors	\$0.00	\$0.00	\$0.00
106	24	QSFP-40G-SR-BD=	QSFP40G BiDi Short-reach Transceiver	\$1,095.00	\$275.94	\$6,622.56
107	15	TRN-CLC-000	10 Training credit. Expires in 1 yr. Team Captain required	\$1,000.00	\$942.00	\$14,130.00

SMARTnet quoted for 60 months

108	1	FA-X50R2-FC-153TB-45/45-63/0-EM	Pure Storage FlashArray X50R2-FC-153TB-45/45-63/0-EMEZ	\$895,500.00	\$298,175.14	\$298,175.14
109	60	FA-X50R2-153TB 1MO,PRM,GOLD	FA-X50R2-153TB 1 Month Evergreen Gold Subscription 4 Hour Delivery, 24/7 Support	\$4,295.00	\$3,478.95	\$208,737.00
110	1	PS-FLASHARRAY-INSTALL	FlashArray (/i/m, /i/x) Install Service	\$4,400.00	\$4,444.00	\$4,444.00

Equipment Estimate: **\$2,099,569.64**
Shipping and Handling: **\$119.60**
Professional Services: **\$50,000.00**
Equipment, shipping and Professional Services Total: \$2,149,689.24

- * Price does not include applicable sales taxes or shipping.
- * Please request an updated quote after the expiration date as pricing and availability are subject to change.
- * Thank you for the opportunity to earn your business.

TERMS & CONDITIONS

- Equipment is subject to manufacturer's warranty and eligible for manufacturer's maintenance unless otherwise indicated.
- Software Licenses are non-returnable.
- Data Strategy's Return Policy* will accept returns for credit on cancelled/returned product within the first 30 days after purchase. All returns outside 30 days will be subject to a 25% restocking fee and are not eligible for credit. Cancelled or returned product authorizations are subject to prior approval.
- All hardware is new unless otherwise indicated.
- Shipping terms FOB Origin.
- Change orders received within 15 days of the shipment date may cause a delay in shipment and additional fees.
- Data Strategy reserves the right to assign all or part of your purchase order.
- Title to the Products and Services will be free and clear of all liens, claims and encumbrances of any kind and shall vest in Customer upon payment of the full price as set forth in this Quote.
- Payment Terms are available with the completion of a credit application.
- Customer is responsible for all applicable taxes.
- Applicable to financed/leased engagements. If for any reason the Customer's finance/lease company of choice does not fund a finance agreement or lease covering the full amount of this quote, Customer may satisfy payment obligation by independently enlisting another third-party finance company lessor who shall satisfy the full payment obligation on the Customer's behalf. If no finance/lease agreement is reached the Customer will work with Data Strategy to ensure payment of the product in a mutually agreeable fashion.

*Data Strategy's Return Policy - Warranty with distribution source for the first 30 days - as a replacement for defective product. Manufacturer warranty beyond the initial 30 days, subject to specific warranty terms based on the product type / manufacturer policy. Returns for credit on non-defective product will only be considered within the first 25 days. They will require prior approval before processing and be subject to 25% restocking fee.

Purchase Order Number: _____

Authorized Signature: _____

GRAND RAPIDS | 5555 Corporate Exchange Ct SE Grand Rapids, MI 49512
ATLANTA | 5 Concourse Parkway Suite 3000 Atlanta, GA 30328
CINCINNATI | 8044 Montgomery Rd Suite 700 Cincinnati, OH 45236
COLUMBUS | 6500 Emerald Parkway Suite 100 Dublin, OH 43016
DETROIT | 50 W Big Beaver Rd Suite 100 Troy, MI 48064
INDIANAPOLIS | 8425 Woodfield Crossing Boulevard Suite 101 Indianapolis, IN 46240
LEXINGTON | 2265 Harrodsburg Rd Suite 200 Lexington, KY 40504
LOUISVILLE | 950 Breckenridge Lane Suite 110 Louisville, KY 40207
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CISCO CAPITAL FINANCING OPTION

April 22, 2019
 **Quote Expires: May 22, 2019

University of Louisville

EQUIPMENT FINANCE OPTION:

The financing will be completed by Key Government Finance, Cisco Systems Capital's financing partner for government and education customers. Payments due under the financing will be made directly to Key Government Finance, Inc.

LESSOR: Key Government Finance, Inc.
LESSEE: University of Louisville
EQUIPMENT: Cisco Systems Products

	Project Summary
Cisco Equipment	\$ 1,303,020.80
Software, Maintenance, and Services	\$ 846,668.44
Sales Tax	\$ -
TOTAL AMOUNT TO BE FINANCED	\$ 2,149,689.24

FINANCING STRUCTURE: This is a net financing under which Lessee pays all costs, including insurance, maintenance and taxes, for the term of the financing.

Amount to be Financed	Interest Rate	Annual Payments	Payment Due Date	Payment Factor ^(*)	Pmts / Year	Term	Easy Pay Buy Down	
\$2,149,689.24	0.00%	\$416,907.64	*8/1/2019	0.3333333	1	5 Years	\$186,948.12	
		\$416,907.64	*8/1/2020					
		\$416,907.64	*8/1/2021					
		\$416,907.64	*8/1/2022					
		\$416,907.64	*8/1/2023					
*Optional Payment to Purchase Equipment at End of Term								
		\$65,151.04	*8/1/2024					

^(*) This lease contains a Refresh Option under which the lessee has the contractual right to return the property at the end of the 3 Year Payment Term or Purchase Equipment at End of Stated Term

**Assumes a lease/escrow funding on 6/1/2019

^(*) The payment factor expresses the payment as a percentage of the Equipment Cost. To calculate the periodic lease payment for any Equipment Cost, multiply the payment factor by the Equipment Cost.

RATE INDEX: The interest rate provided above is based on current market rates as of the date of this proposal, and will be subject to change based on market conditions as of the time of closing. After closing the interest rate will be fixed for the term of the financing.

APPROVAL:

The financing contemplated by this proposal is subject to the execution and delivery of all appropriate documents (in form satisfactory to Lessor), including without limitation, to the extent applicable, the Easy Pay Agreement, any Schedule, financing statements, legal opinion or other documents or agreements reasonably required by Lessor. This proposal, until credit approved, serves as a quotation, not a commitment by Key Government Finance to provide credit. Final acceptance of this proposal is subject to credit, collateral and essential use review and approval by Lessor.

CONTACT: Contact your financing representative with any questions:

Brindon Casement- US State & Local Government Account Manager
 Cisco Systems Capital
 843-822-4455
bcasement@cisco.com

Kevin Law- US State & Local Government Account Manager
 Key Government Finance, a Cisco Systems Capital Partner
 720-304-1186
kevin.law@key.com

NOTES:

The rates provided above are based on a minimum funding amount of \$50,000. If total to be funded will be less than \$50,000 please contact us for a revised Proposal.

RECOMMENDATION TO THE
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES
REGARDING THE FINANCING OF REPLACEMENT
INFORMATION TECHNOLOGY SYSTEMS DATA CENTER INFRASTRUCTURE

Finance Committee – April 18, 2019
Board of Trustees – April 18, 2019

RECOMMENDATION:

The President recommends that the Board of Trustees approve the financing of a proposal to replace systems within the university's data center infrastructure, at a cost of \$2,345,222.

BACKGROUND:

The central storage and computer clusters which provide the majority of the computing and storage capacity used by the University's business critical enterprise systems have exceeded their design lifetime and will no longer be supported by the manufacturer on October 1, 2019.

An extended support contract is estimated to cost approximately \$6M. Continuing to operate these systems without support will expose the University to an unacceptable amount of risk, primarily risk of significant business disruption due to system failure. Information Technology Services (ITS) proposes replacing these systems.

ITS has evaluated competing proposals from Dell/EMC and Cisco Systems, and recommends that the Cisco Systems proposal be acquired and implemented. The solution has a planned lifespan of five years.

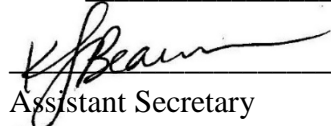
PNC has proposed financing the equipment over the five-year design lifespan at an interest rate of 3.23%. This yields ten equal semi-annual payments in the amount of \$234,522.21. The total cost of acquisition, including interest, is \$2,345,222

COMMITTEE ACTION:

Passed X

Did Not Pass

Other

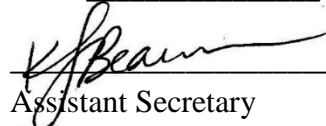

Assistant Secretary

BOARD ACTION:

Passed X

Did Not Pass

Other


Assistant Secretary