

Admin Phone Upgrade Proposal Response



TO: Board of Directors
Mike Fletcher, Executive Director
FROM: Nathan Hughes, Technical Manager
SUBJECT: Admin Phone Upgrade Proposal Response

Project Update

At the previous board meeting the board requested that we compare the cost of purchasing the new administration phone system outright versus leasing it from Pacific Office Automation (POA). We requested POA to send us a new quote with this information. POA submitted an updated quote with the current discounts from Mitel. One important caveat is that POA only offers “lease to own” and upfront purchasing. If we choose to lease the equipment we will own the equipment at the end of the five-year contract, and we would need to renew our contract to upgrade our equipment.

Cost Comparison

Lease to own

Monthly: \$1,043.56

Yearly: \$12,522.72

Five-year cost: \$62,613.60

Purchase Hardware

Hardware: \$29,437.83

Monthly support fee: \$396.81 (\$4,761.72/yr --- \$23,808.60/5yrs)

Five-year cost: \$29,437.83 + \$23,808.60 = \$53,246.43

Five-year cost with 10% contingency: \$32,381.62 + \$23,808.60 = \$56,190.22