



Minnesota
STATE COLLEGES
& UNIVERSITIES

COMPUTER & ELECTRONICS DISPOSITION CONTRACT

General Summary

MNSCU CONTRACT #: CST-125

CONTRACT EFFECTIVE: SEPTEMBER 18, 2009

<http://www.finance.mnscu.edu/contracts-purchasing/collaborative/index.html>

Contacts

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Minnesota State Colleges and Universities entered into master contract CST-125 on September 18, 2009 (for two years with an option to renew for two years and an option for one additional fifth year) for the disposition of computers and other miscellaneous electronic equipment which allows all campuses to participate. Previously, each university or college separately researched how to dispose of computers and miscellaneous electronic items; computer hard drives were wiped clean using different campus processes and documentation of disposal varied. It is estimated that MNSCU institutions combined dispose of 5,000 computers annually.

This contract will provide improved security, revenue from viable computers and reduced administrative fees, sustainability, and the ability to work with the vendor to create further efficiencies. The contract will also be available for other Minnesota state entities and school districts to participate and benefit from the contract.

Definitions:

VIABLE DESKTOP COMPUTERS, LAPTOPS, AND LCD MONITORS: shall mean complete and working units that are eligible for credit based upon meeting the following minimum criteria:

Desktop Computers with Pentium P4 2.0 GHz or better processors.

Laptop Computers with Pentium P4 or better processors.

LCD Monitors with screen sizes of 17 inches or larger.

NON-VIABLE COMPUTERS, LAPTOPS, AND LCD MONITORS: shall mean non-complete or non-working units, and/or those that do not otherwise meet the viable requirements.

MISCELLANEOUS ELECTRONICS: shall mean products including, but not limited to, keyboards, mice, printers, cables, fax machines, telephones, copiers, hubs and switches.

MARKET MATRIX PRICING: shall mean the amount of credit for Viable Desktops, Laptops, and LCD Monitors. The Market Matrix is based upon re-marketable value at the time of receipt. Market Matrix pricing is set at the 1st of each month based upon current market conditions. For example, Market Matrix pricing for April 1 through April 30, 2009 is as follows:

Viable Desktop Computers: \$30.00 per unit - assumes P4 2.0 GHz*

Viable Laptop Computers: \$140.00 per unit- assumes P4 2.0 GHz*

Viable LCD Monitors: \$30.00 per unit

*Market Matrix pricing is dependent on specific equipment configuration.

Please contact Joy McClellan at 651-621-2680 for current pricing.

BENEFITS:

SECURITY

MNSCU ITS participated on the vendor selection committee and was charged with reviewing vendor security and processes. Maintaining the security of MNSCU's data is an ongoing and continual process, not something which can be checked off on a questionnaire. As such, ITS reviewed Asset Recovery Corporation's (ARC) process and information security-related controls to verify that all data storage devices were either destroyed or securely wiped prior to being recycled or sold. Multiple site visits were made and conversations had specifically relating to vendor security and processes.

- ARC shreds or wipes all hard drives (in addition to the campus wipe as required by Board Policy) and ensures asset tags are removed.
- ARC provides detailed tracking of computers for audit purposes.
- ARC employs their own trucks and drivers (with background checks) versus outsourcing.

INCOME INSTEAD OF EXPENSE

Colleges and universities will now be paid for viable computers versus, in some cases, an expense in having old computers hauled away and recycled.

REDUCED FEES

- Asset Tag Removal – waived \$1 fee/computer for MnSCU (campuses should make every effort to remove the State of Minnesota/MnSCU asset tag).
- Computer Tracking – waived \$3 fee/computer (detailed standardized documentation of computers disposed by institution)
- Computer Wiping/Shredding – free (and provides an additional layer of security)
- Milk Runs (see below under Sustainability)

SUSTAINABILITY

A program that maximizes the value of resalable equipment can have a significant effect on the environment. The United States Environmental Protection Agency estimates that if a computer and monitor can be reused, it is the equivalent of taking a car off the road for half a year.

- ARC has a no “land fill” policy. Every effort is made to recycle all components delivered.
- “Milk Runs”
ARC will work with campus’s to schedule regional (zone) “milk runs” to operate more efficiently, sustainably, and mutually save money. ARC will contact campuses when a milk run is forthcoming so campuses and other ARC clients can share fuel costs.
- Allow other Minnesota state agencies, school districts, and colleges and universities to participate under this contract.

PACKAGING AND PICKUP REQUIREMENTS

Due to the varying needs of each MnSCU campus, ARC adapts to the packaging and pick-up resources available. For example, ARC can assist with the packing and loading of several hundred loose pieces, without a loading dock or packing materials.

Conversely, they can assist with palletized equipment readily available at docks. To expedite the pickup of computers and avoid any extra loading charges, it is recommended that the computers be palletized and shrink-wrapped. This will enable the computers to be loaded within the *allowed hour*. It will also help reduce potential damage to computers and increase your return on viable computers.

To facilitate logistics needs, ARC has assigned a dedicated Account Manager (Joy McClellan) to coordinate pickups for MnSCU customers. Pickups may be arranged by contacting Joy by phone or email. Local pickup requests within the Twin Cities Metro Area would be guaranteed a pickup within 5 business days. ARC does not have a minimum or maximum quantity that they will pick up. The account manager would need the following information when a pickup is requested:

- Name of MnSCU facility
- Pickup address
- Site contact name and phone number
- Facility information such as whether there is accessibility to a dock, where the equipment would be located in the facility, whether equipment would be loose or palletized at time of pickup, number of pieces and types of equipment if loose, or if palletized the number of pallets, if there were any special requirements or restrictions such as low clearance to dock area, etc.
- Billing address
- Billing contact name and phone number

PRICING BASIS:

Credits and Fees:

A. Credit Per Unit Based upon "Market Matrix" Value:

1. Viable Desktop Computers
2. Viable Laptop Computers
3. Viable LCD Monitors

B. Credit for Servers Available Based upon Outright Quote

C. Requested Recycling Services:

1. Non-Viable Desktop Computers and Laptops at \$0.00 per pound (no charge).
2. Cell Phones, PDA's, and IPOD's at \$0.00 per pound (no charge).
3. CRT Monitors and Non-Viable LCD monitors at \$0.17 per pound.
4. Miscellaneous Electronics at \$0.15 per pound
5. Televisions at \$0.30 per pound.

D. Hard Drive Sanitation Services

1. Hard Drive Sanitization performed at ARC facility at no charge.
2. On-Site Hard Drive Sanitization or Destruction Services available upon request for case by case quote.

E. Additional Services Provided:

1. Campuses should remove asset tags (no fee for MnSCU).
2. Make, model, and serial number reporting at \$3.00 per unit is waived under this contract. This is valuable documentation for audit purposes.
3. For additional on-site packaging, palletizing and loading services, contact your Account Manager for rates and fees, if needed.

TRANSPORTATION SERVICES

Transportation services are available throughout the state and vary based on zip code and weight. A pricing matrix is provided below. All prices include 1 hour of driver's time for loading.

Mobilization Price Matrix

Maximum Mobilization Prices to Be Charged Under This Contract

Location		Weight In Pounds.			
Zone	3-digit ZIP	Under 1,000	1,000 - 4,000	4,001 - 12,000	Over 12,000
1	550, 551, 553, 554, 555	\$86.00	\$86.00	\$86.00	\$86.00
2	559, 560, 562, 563	\$299.00	\$311.00	\$323.00	\$336.00
3	561, 564	\$391.00	\$414.00	\$437.00	\$460.00
4	556, 557, 558, 565	\$391.00	\$414.00	\$437.00	\$460.00
5	566, 567	\$508.00	\$508.00	\$508.00	\$508.00

This pricing does not include **"Milk Runs"** which normally result in substantial savings to the contract users versus individual pick-up requests. ARC will contact MnSCU campus contacts and attempt to coordinate regional pick-ups outside of the metro area to facilitate mutually saving money on transportation costs and for sustainability purposes. Contact Joy McClellan at 651-621-2680
or jmcclellan@assetrecoverycorp.com regarding participating in the outstate "milk runs."

For security purposes, ARC's trucks are locked at all times unless the driver is present and in visual range of the trailer door. All drivers are subject to MNDOT requirements, background checks, alcohol checks, and drug screening. Asset Recovery Corporation does not use subcontractors.