Vendor Cost Comparison and Proposal for Internet Hotspots

Introduction:

This document summarizes a comparison of proposals for Internet hotspots from 4 different mobile service carriers. The comparison lists the startup, monthly, and overall cost for each carrier and my recommendation based on this information.

Carriers and Cost:

	Start-up Costs	Monthly Costs	Contract Time Minimum	Other	Min Cost vs Max Cost over /12 months
T-Mobile	$2,800	$2,800 up to $3,400	12 months	Allows flexibility on the initial # of devices ordered.	$33,600/$40,800K
Sprint	$3,910	$3,910	12 months	No flexibility on initial order.	$46,920/$46,920
Verizon	$12,240	$6,800	3 months	Too costly after 3 months.	$25,840/$87,040
Kajeet	$12,319	$12,319	4 months	Way too costly.	$49,275/$147,825

Recommendation:

Based on the assumption that we will need to provide students with Internet access for up to a year, *T-Mobile is the most cost effective solution at a maximum $40,800 annually.*

The T-Mobile contract is flexible and allows MWA to purchase the minimum number of devices we anticipate needing initially, and to add more devices if necessary before the end of the school year. Presently, we estimate the minimum number of devices at 140 devices and the maximum number is 170. Therefore, I propose we order 140 devices at $2,800 per month initially, with the ability to add up to 170 total at $3,400 monthly.

Given the current uncertainty surrounding the timeline for the school closure and when students will be able to safely return, I think there is a good possibility that MWA will need to provide mobile hotspots to students for longer than a 4 month period. Therefore, I recommend the T-Mobile proposal, which has the lowest initial and annual cost. This will provide MWA with flexibility as we contend with the uncertainty of timing for the school closure.