

# EDS

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involves more than hometown loyalty. There is money at stake.

Data General Corp. of suburban Boston has offered to perform the job for \$800,000 less than EDS. Within the next few weeks, school board members will confront the possibility of having to pass over EDS in favor of the out-of-town alternative.

Said school board member Judy Coppolo, "I think that would be perceived as a major issue."

Even more disappointing for EDS officials is that they originally were chosen for the job. What happened next could end up costing the Plano company millions of dollars.

EDS spokesman Roger Still said the company has no intention of giving up without a fight. He said EDS has worked long and hard to help Plano schools prepare for modernization. The company believes strongly, he added, that it is the right choice for doing the job.

"Our children go to their schools," he said. "We have their best interests in mind, for obvious reasons."

Last year, Plano school board members agreed and voted to hire EDS for an undertaking with a price tag estimated as high as \$50 million.

The idea was to link every school in the community by computer. The network would allow teachers and administrators to communicate more

effectively. And students could learn on the most sophisticated system available.

Months after choosing EDS, however, school officials changed their minds. They decided to break the modernization program down into several jobs.

EDS would have to compete for each contract separately.

David Thompson, an attorney for the school district, said it became too difficult to draft a contract articulating the lofty objectives of the program.

"How do you do a contract to design the future?" he said. "What is the standard for success?"

School board members say they also had grown uncomfortable about rewarding the entire job to EDS without inviting more competition.

Board member Mike Evans said he and others became leery of possibly violating the rules on competitive bidding for public contracts.

"We just wanted to head off anything that looked like something fishy was going on," he said.

Unfortunately for EDS, trying to play by the rules does not always mean victory for the home team.

After winning a small consulting job to help the school district plan the computer system, EDS has encountered tough competition.

In proposals submitted last week, EDS bid \$5.2 million for the job of installing hardware and developing the desired computer network. Data General bid just \$4.4 million.

There were no other proposals

submitted.

A spokeswoman for would-be competitor Affiliated Computer Systems Inc. of Dallas expressed surprise "that anyone got in besides EDS."

Tom Cooper, district sales manager for Data General, said he expects to be awarded the job.

Cooper called it unusual for a company to bid on a contract after helping the customer structure the job. Maybe EDS submitted a proposal "just to keep it competitive," he said.

"We're hoping we just saved the school district \$800,000," he added.

Some school officials said they would find it difficult to reject such savings. Others said saving money is not the only issue.

The accounting firm of Deloitte & Touche has been hired to help school administrators analyze the competing bids and recommend a selection to the school board.

Assistant Superintendent Gil Noble said a recommendation will not be made until next month or later.

Noble stressed that the choice would not be made based on EDS' prominence in the community — which includes a close relationship with Barron Elementary School through the Adopt-a-School program.

Other factors, Noble said, will include a company's track record, financial stability and technical credentials.

"If we happen to have a history with them, wonderful," he said. "If we are striking up a new relationship with someone, that's wonderful, too."

School board member Judy Drotman said it would be difficult to justify hiring EDS if another company is \$800,000 less expensive.

"That is not a luxury that a public entity has," she said.