

## Student 1:1 Device Refresh Proposal Summary Sheet

**Background Information:** Our 1:1 Device Program uses iPads for students in grades K-5 and Macbook Airs in grades 6-12. The last payment of the lease for the current devices was made earlier this year. While on the one hand this means that the district owns those devices entirely now, it also means that all student devices, with the exception of the 6th grade Macbook Airs, have reached the end of their AppleCare warranty coverage. While the devices have useful life left, it is no longer cost-effective to repair them, as the standard out-of-warranty repair cost exceeds half the purchase cost of a new device.

It is the Tech Department's recommendation to follow previous practice and enter into a new device lease to maintain AppleCare coverage on all student devices. Bids for auction/buyback of the retired devices would be obtained and the proceeds used to offset or possibly cover the first lease payment on the new agreement. Damaged or inoperable devices bring little to no resale value, so the return on a trade-in is at a high for the district now.

**Proposed Lease Details:** We are requesting board approval to proceed with a 4 year lease that includes 700 Macbook Air laptops, 650 iPads, a protective case for each device (which usually need to be replaced at the district's cost after a couple of years) and 4 years of AppleCare+ for Schools warranty coverage. The total price of this lease is \$1,004,932.50. Apple has offered 1.9% financing, which would make each lease payment \$258,369.96. For reference, the 4 year lease which just ended's payments were \$281,270.00. That lease included staff devices, but also was during a time of 0% financing being offered, but is still in line with what we have been budgeting for annually.

**Additional Benefits:** The new terms of the AppleCare+ for Schools have lowered the basic accidental charge per incident from \$100 to \$0. Liquid and intentional or extreme damage do still incur a fee. AppleCare+ does increase the initial cost of the devices, and in order to help build a sense of ownership and responsibility in our students, we think a lower repair fee or service hour agreement is still in order, but should be less of a burden on families to pay while still offsetting the additional upfront cost of the warranty coverage provided by the district. Potential changes to our device agreements are in the planning stages.

**Next Steps:** If the board approves moving forward with this lease plan, we would begin the required state approval process for any leases over \$100,000 and prepare a waiver application needed to be able to purchase the Macbook Airs in alignment with state contract procurement rules. We would like to move forward as soon as possible so that we could take delivery of the devices as close to July 1 as possible in order to prepare them for the upcoming school year. The approval process can take some time to get through and although we do not expect supply-chain issues at this time, we are wary of that as well and need as much lead-time as we can get. After state approval, the board would then formally agree to the lease at a later meeting.

**Questions/Clarifications:** Please reach out to me with any additional questions.

# Apple Inc. Education Price Quote

**Customer:** Rusty Adams  
NEWPORT BOARD OF EDUCATION  
email: nis.adp@newport.kyschools.us

**Apple Inc:** Brittney Rowlett  
One Apple Park Way  
Cupertino, CA 95014  
email: browlett@apple.com

**Apple Quote:** 2211793219

**Quote Date:** Monday, February 20, 2023

**Quote Valid Until:** Saturday, February 25, 2023

## Quote Comments:

Please reference Apple Quote number on your Purchase Order.

Row #	Details & Comments	Qty	Unit List Price	Extended List Price
1	<b>13-inch MacBook Air: Apple M1 chip with 8-core CPU and 7-core GPU, 128GB - Space Gray with 4-Year AppleCare+ for Schools (Packaged in a 5-pack) (No Service Fee)</b> Part Number: BSG92LL/A  <b>13-inch MacBook Air: Apple M1 chip with 8-core CPU and 7-core GPU, 128GB - Space Gray (Packaged in a 5-pack)</b> Part Number: MGNF3LL/A Quantity: 700  <b>4-Year AppleCare+ for Schools - MacBook Air (no service fees)</b> Part Number: 58245LL/A Quantity: 700	140	\$5,040.00	\$705,600.00
2	<b>Brenthaven 360 case for MacBook Air 13-in. (M1) - Special 5-pack Pricing (contains qty. 5 HPUR2VC/A)</b> Part Number: BTHG2LL/A  <b>Brenthaven 360 case for MacBook Air 13-in. (M1)</b> Part Number: HPUR2VC/A Quantity: 700	140	\$224.75	\$31,465.00
3	<b>10.2-inch iPad Wi-Fi 64GB-Space Gray (Packaged in a 10-pack), STM Dux Plus Duo case (Black), w/ 4YR AppleCare+ for Schools (no service fees)</b> Part Number: BT7J2LL/A  <b>10.2-inch iPad Wi-Fi 64GB - Space Gray (Packaged in a 10-pack)</b> Part Number: MK2Y3LL/A Quantity: 650	65	\$4,079.50	\$265,167.50

**4-Year AppleCare+ for Schools – iPad (no service fees)**

Part Number: S7832LL/A

Quantity: 650

**STM Dux Plus Duo for 10.2-inch iPad (7th, 8th, and 9th generation) with built-in holder for Apple Pencil – Black**

Part Number: HNU02ZM/A

Quantity: 650

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4	<b>Remote Technical Services (up to 4 hours)</b>	3	\$900.00	\$2,700.00
	Part Number: D8535LL/A			

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<b>Edu List Price Total</b>	<b>\$1,004,932.50</b>
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– Additional Tax	\$0.00
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– Estimated Tax	\$0.00
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<b>Extended Total Price*</b>	<b>\$1,004,932.50</b>
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\*In most cases Extended Total Price does not include Sales Tax

\*If applicable, eWaste/Recycling Fees are included. Standard shipping is complimentary

Complete your order by one of the following:

- This document has been created for you as Apple Quote ID 2211793219. Please contact your institution's Authorized Purchaser to submit the above quote online. For account access or new account registration, go to <https://ecommerce.apple.com>. Simply go to the Quote area of your Apple Education Online Store, click on it and convert to an order.
  - For registration assistance, call 1.800.800.2775
- If you are unable to submit your order online, please send a copy of this Quote with your Purchase Order via email to [institutionorders@apple.com](mailto:institutionorders@apple.com). **Be sure to reference the Apple Quote number on the PO to ensure expedited processing of your order.**
  - For more information, go to provision C below, for details.

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  - PURCHASE ORDER NUMBER
  - VALID SIGNATURE OF AN AUTHORIZED PURCHASER
  - APPLE PART NUMBER AND/OR DESCRIPTION OF PRODUCT AND QUANTITY
  - TOTAL DOLLAR AMOUNT AUTHORIZED OR UNIT PRICE AND EXTENDED PRICE ON ALL LINE ITEMS
  - CONTACT INFORMATION: NAME, PHONE NUMBER AND EMAIL
- UNLESS THIS QUOTE SPECIFIES OTHERWISE, IT REMAINS IN EFFECT UNTIL Saturday, February 25, 2023 UNLESS APPLE WITHDRAWS IT BEFORE YOU PLACE AN ORDER, BY SENDING NOTICE OF ITS INTENTION TO WITHDRAW THE QUOTE TO YOUR ADDRESS SET OUT IN THE QUOTE.

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- F. UNLESS SPECIFIED ABOVE, APPLE'S STANDARD SHIPPING IS INCLUDED IN THE TOTAL PRICE.

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Date of last revision – June 20th, 2016

## \$1 Purchase Option

Thank you for considering Apple Financial Services to fund your technology plan. Please find your \$1 Purchase Option financing proposal below.

Financed Amount	Annual Payments (at Advance)	Lease Term
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\$1,004,932.50

\$258,369.96

4 Years

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*1.9% Promotional Rate*

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### What is a \$1 Purchase Option?

This is a financing option designed for equipment ownership at the end of the financed term. The \$1 Purchase Option creates predictable payments while enabling universities and schools to deploy years' worth of equipment today using budgeted funds.

### Why use a \$1 Purchase Option?

This option is usually recommended for educational institutions that know they want to own equipment at the end of term. Once the financed term ends, ownership will enable flexibility: continue using the equipment or trade it in to recover value toward new gear.

### What are my options at the end of the financed term?

End of term options will be detailed in the final documents. The options include:

1. Purchase the equipment at end of term for \$1.
2. Trade in equipment for value toward a new purchase or financed term.

Overall, the \$1 Purchase Option enables administrators to buy more equipment today, while providing the flexibility that ownership allows.

Please do not hesitate to call or email me at the contact information below with any questions.

### **Corey Stephenson**

Education Financing Manager–Northeast/Southeast US | Apple Financial Services

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#### **Pricing Notes and Conditions**

This proposal is for informational purposes and does not constitute a legally binding obligation of either party. Subject to the satisfactory completion of the Lessor's standard credit approval process and the completion of documentation acceptable to the Lessor, Apple Financial Services is not a financial advisor and does not have a fiduciary duty to you under federal securities laws. Consult with your financial advisor regarding the options offered.

Lease Discount Disclosure Statement: Apple Inc. through the Apple Financial Services program may provide an equipment discount to certain third-party investors. The discount may be applied to facilitate a lease rate discount. The actual interest rate paid on any resulting lease may be reflected in an amortization table provided with lease documents. The quoted payment amount does not include amounts that may be due for taxes or fees, if applicable.

The lease charge portion of the payments can be determined by applying to the total adjusted cost the rate which will amortize the total adjusted cost down to the purchase option amount. The lease charge rate may be higher than the actual annual interest rate because of the amortization of certain costs and fees incurred by the third-party investor. Rates may be subject to verification that the Lessee is a state or political subdivision as defined in Sec. 103 of the IRS Code, 1986.

## Apple Professional Services Solution - FY23

Project Summary for Newport ISD		Recommended Services	
APS Number	T4108		PLANNING Project Management
Total iPad Units	0		PLANNING Project Engineering
Total MacBook Units	0		Apple School Manager & Federation Coaching
Total Mac Desktop Units	0		Configuration/Consulting Services
Total Apple TV Units	0		Post-Deployment Consulting
Total Display Units	0		Caching Service Configuration
			Deployment Services w/ Deploy Assist

Service	Prof.SvcID:	Total Number Days/Hours	Part Number	Order QTY	Price per Unit	Total Customer Price
<b>Configuration Services</b>						
Remote Time and Materials (4 Hours)	None Needed	4 Hour(s)	D8535LL/A	3	\$900.00	\$2,700.00
					Apple Professional Services Total	<b>\$2,700.00</b>