



To: Dr. Charles Johns
Board of Education

From: Dr. R.J. Gravel

Date: Monday, February 10, 2020

Re: Class of 2024 Chromebook Purchase

Recommendation

It is recommended that the Board of Education approve the purchase of 1,400 Lenovo 500e Chromebooks with the Google Chrome Management License from Computer Drive at a cost of \$421,750.

Background

For the past five years, the District has selected the Lenovo Chromebook for the 1:1 initiative. Recently we have utilized the Lenovo 500e Chromebook, which is extremely durable and features spill-proof keyboards and touchpads, mechanically anchored keys, rubber bumpers around the LCD and base, Gorilla Glass, reinforced ports, corners, and hinges. From a technical specification perspective, both devices include Intel Apollo Lake processors, 4GB of memory, 32GB of internal storage. It is recommended the District continue with the Lenovo 500e Chromebook.

Three vendors submitted a quote for the purchase of 1,400 Chromebooks and associated management licenses. The following is a summary of the result:

	Lenovo 500e Hardware	Google Chrome Management License	Total Unit Price	Total Cost (1,400 units)
CDW	\$285.25	\$24.00	\$309.25	\$432,950
Computer Drive	\$278.00	\$23.25	\$301.25	\$421,750
PCM	\$297.23	\$22.95	\$320.18	\$448,252

Chromebook Fee

The annual Chromebook fee is assessed to all students (up to a maximum of 4 years) for the use of a Chromebook during their high school career. After making the designated amount of payments, the Chromebook becomes the property of the student.

	Year 1	Year 2	Year 3	Year 4	4-Year Total
Class of 2021 Seniors	\$100	\$100	\$100	\$100	\$400
Class of 2022 Juniors	\$100	\$100	\$100		\$300
Class of 2023 Sophomore	\$100	\$100	\$100		\$300
Class of 2024 Freshmen	\$100	\$100	\$100		\$300

A breakdown of the Chromebook fee budget is presented in the following table:

	2017-18 Class of 2021 Seniors	2018-19 Class of 2022 Juniors	2019-20 Class of 2023 Sophomore	2020-21 Class of 2024 Freshman
Device Cost	\$367.00	\$268.94	\$272.00	\$278.00
Extended Warranty				
Chrome Mgmt. License				
<i>Subtotal</i>	\$367.00	\$268.94	\$272.00	\$278.00
Self-Insurance Fund	\$33.00 \$8.25/Year	\$31.06 \$7.77/Year	\$28.00 \$7.00/year	\$22.00 \$5.50/year
Total Cost to Student	\$400	\$300	\$300	\$300
Number of Payments	4	3	3	3

In addition to ownership rights after three or years of payment (depending on the class), students are provided with a comprehensive insurance program at no additional cost. Information regarding coverage is indicated on the attached *Chromebook Rights and Responsibilities* document. Balance in the self-insurance reserve is \$104,381; of which approximately 60% is a result of the early Samsung devices when the district bought third party insurance coverage and, due to the high number and cost of claims, the insurance company paid the district to fix the devices in-house.

The cost of this program not reflected in the table above is the cost of the loaner and replacement pool. 100 devices are typically purchased each year to serve as a loaner and replacement pool. The total cost for the 2020-21 fiscal year is \$27,800 which equates to \$5.35/student per year.

The Lenovo Chromebook product line has performed extremely well with regard to durability and functionality. A summary of the types of claims and repairs is summarized in the tables that follow:

Claim Events*	2017-18	2018-19	2019-20 (through Jan. 31)
Quantity of Devices	5,106	5,229	5,288
# of Warranty Claims (No Financial Impact)	108	88	50
% Inventory Resulting in a Warranty Claim	2%	1.6%	0.9%
# of Insurance Claims (Financial Impact)	314	290	249
% Inventory Resulting in an Insurance Claim	6.1%	5.5%	4.7%
Deductible Collected	\$14,875	\$18,550	\$14,795
Additional Cost of Claims **	\$9,219	\$13,725	\$13,563

Net Addition / Reduction of Pool Reserve

+ \$5,656 + \$4,825 + \$1,232

* An individual claim event might include multiple repair tasks (ex. replaced charger port and battery are part of 1 claim but are counted as 2 repairs below).

** The District's managed service agreement with Beck's Bookstores includes personnel to perform the actual repairs. The only additional claim expense is for repairs performed by a third-party (due to complexity), parts, and shipping expenses.

Repairs	2017-18	2018-19	2019-20 (through Jan. 31)
Quantity of Devices	5,106	5,229	5,288
Charger Port	24	26	30
Keyboard	12	14	32
Screen	43	35	48
Battery	75	82	77
OS or WiFi Damage	69	87	23
Stolen	0	2	1
Water Damage	5	11	5
Other	14	33	69

Total Repairs

242 290 285