

**GLENBROOK HIGH SCHOOLS  
District Business Office**

**TO: Dr. Mike Riggle**

**FROM: Kimberly Ptak**

**DATE: July 15, 2013**

**RE: DISCUSSION/ACTION: APPROVAL OF CHROMEBOOK INSURANCE POLICY**

Recommendation

It is recommended that the Board of Education approve a 2-year, unlimited accidental and theft insurance policy with Safeware at a price of \$25.32 per unit with \$0 deductible. The total cost for 3,900 chromebooks is \$98,748.

Background

The district received the following three competitive quotes –

Safeware	\$25.32/unit	\$0 deductible
Worth Ave Group	\$35.00/unit	\$0 deductible
	\$33.00/unit	\$25 deductible
GoCare Warranty Group	\$63.00/unit	\$0 deductible
	\$57.00/unit	\$25 deductible

Although Safeware offers a \$0 deductible, the District will charge a \$25 per incident deductible to assist in covering Beck's management fee as well as provide an incentive for proper care.

See attached for an updated pricing model.

## RECOMMENDED PRICING MODEL

This assumes ALL students of low income will receive a device.

<u>Negotiated Rates</u>	<u>5/13/2013</u>	<u>5/29/2013</u>	<u>6/10/2013</u>	<u>7/15/2013</u>	<u>Annual Rates w/Lease</u>	
Insurance & Warranty	\$40/yr	\$35/yr	\$15/yr	\$13/yr	Insurance & Warranty	\$13
Management Console	\$30	\$26	\$24	\$24	Management Console	\$12
Chromebook	\$250	\$234	\$232	\$232	Chromebook	\$118
Cover	\$20	\$12	n/a**	n/a**	Cover	\$0
						\$143

\* Insurance for unlimited accidental damage and theft through Safeware is \$13/year.

The district will self insure the extended warranty coverage. Year 1 is covered by the manufacturer and year 2 the district will use the machines from the low income seniors.

\*\* The cover will not be part of the lease nor will it be mandated. Students will have the opportunity to purchase a variety of covers at different price points from Becks or other third parties.

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Freshman, Sophomores & Juniors required with a two year \$1 buy-out lease  
Seniors have the option to buy at the above negotiated rates

<u>Freshman</u>		<u>District</u>	<u>Student</u>
2013/14	Year 1 of First Lease	\$118	\$25
2014/15	Year 2 of First Lease	\$25	\$118
2015/16	Year 1 of Second Lease	\$25	\$118
2016/17	Year 2 of Second Lease	\$25	\$118
		\$193	\$379

<u>Sophomores</u>		<u>District</u>	<u>Student</u>
2013/14	Year 1 of First Lease	\$118	\$25
2014/15	Year 2 of First Lease	\$25	\$118
2015/16	Devices from first lease will be used for a third year	\$0	\$0
		\$143	\$143

<u>Juniors</u>		<u>District</u>	<u>Student</u>
2013/14	Option to Buy @ Negotiated Rates	\$118	\$25
2014/15	Option to Buy @ Negotiated Rates	\$25	\$118
		\$143	\$143

<u>Seniors</u>		<u>District</u>	<u>Student</u>
2013/14	Option to Buy @ Negotiated Rates	\$0	optional

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## SUMMARY OF DISTRICT COST

	2013/14 3 grades required	2014/15 4 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices (750)	\$107,250	\$107,250	\$107,250	\$107,250	\$429,000
District Subsidy					
3,150 students @ \$118	\$371,700				\$371,700
4,220 students @ \$25		\$105,500	\$105,500	\$105,500	\$316,500
Beck's Management Fee	\$15,000	\$20,000	\$20,000	\$20,000	\$75,000
Estimated Off-set by \$25 deductible	(\$15,000)	(\$20,000)	(\$20,000)	(\$20,000)	(\$75,000)
	<b>\$478,950</b>	<b>\$212,750</b>	<b>\$212,750</b>	<b>\$212,750</b>	<b>\$1,117,200</b>
Funding Sources					
Title 1 funds	\$32,711	\$66,670	\$66,670	\$66,670	\$232,721
Medicaid	\$30,000	\$0	\$0	\$0	\$30,000
Decrease in mobile devices & labs	\$85,000	\$85,000	\$85,000	\$200,000	\$455,000
Foundation	\$5,000	\$0	\$0	\$0	\$5,000
Board Subsidy	\$326,239	\$61,080	\$61,080	-\$53,920	\$394,479
	<b>\$478,950</b>	<b>\$212,750</b>	<b>\$212,750</b>	<b>\$212,750</b>	<b>\$1,117,200</b>