

TO: Mike Riggle
FROM: Rosanne Williamson
RE: Digital Learning Proposal
DATE: May 29, 2013
CC: Board of Education

The findings of the digital learning pilot were presented at the May 6 Board meeting and financing options were presented at the May 13 Board meeting. The Board expressed an interest in creating equity among students and ensuring current and reliable technology for students during all four years at Glenbrook. To guarantee a consistent, uniform learning experience for all students, a district-issued device must be leased from the district at booksale. The district-issued device provides protection for families with an extended warranty, insurance against breakage & theft, and a management console that allows the district to meet the Children's Internet Protection Act (CIPA) requirements and push-out learning applications to students.

Three options for an expanded implementation are being presented. All options include providing a device for low-income students and assume the district will finance the devices through a 2-year \$1 buyout lease. This model ensures students have a new device every two years and the district will maintain ownership of the devices. Options are outlined in the attached documents.

Besides the educational advantages of this approach, aspects of the business model are outlined below:

1:1 Device Business Model

- Eliminates the future need to replace multi-purpose computer labs when leases are up in two years.
- Rooms used for multi-purpose labs can be reclaimed for classrooms which will be helpful as GBS enrollment is expected to increase over the next few years.
- A 1:1 environment will likely lead to reduced printing as students and teachers can seamlessly share documents electronically through Google applications.
- At the end of the two-year lease on Chromebooks, students may purchase the device for \$50, potential revenue \$125,000.
- The 150 Chromebooks used in this year's pilot will be available to students if a device is returned for repair or replacement under extended warranty or insurance. There is no need to lease additional devices that would serve in this capacity.
- Research indicates that when families have to financially contribute to the cost of a device, students take more ownership and better care of the device leading to fewer repairs.
- In order to access Title I dollars, the parents of non-low income students must be required to pay a portion of the cost.
- The Glenbrook Foundation is likely to contribute to this effort which will offset some of the Board subsidy.
- The Chromebook requires no maintenance by technology staff, thus there is no impact on district resources.
- In order to diminish the financial impact to families, the Board may consider waiving the materials fee (\$15) for freshmen and sophomores.

EXPANDED PILOT PROGRAM - (Revised 5/29/13)

All options assume a device will be given to ALL students of low income.

<u>Negotiated Rates</u>	<u>5/13/2013</u>	<u>5/29/2013</u>	<u>Annual Rates w/Lease</u>	
Insurance & Warranty	\$40/yr	\$35/yr	Insurance & Warranty	\$35
Management Console	\$30	\$26	Management Console	\$14
Chromebook	\$250	\$234	Chromebook	\$119
Cover	\$20	\$12	Cover	\$6
				<u>\$174</u>

OPTION 1

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

<u>Freshman</u>		<u>OPTION 1A</u>		<u>OPTION 1B</u>	
		<u>District</u>	<u>Student</u>	<u>District</u>	<u>Student</u>
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
2016/17	Year 2 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$286</u>	<u>\$410</u>	<u>\$304</u>	<u>\$392</u>

<u>Sophomores</u>		<u>OPTION 1A</u>		<u>OPTION 1B</u>	
		<u>District</u>	<u>Student</u>	<u>District</u>	<u>Student</u>
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$237</u>	<u>\$285</u>	<u>\$239</u>	<u>\$283</u>

<u>Juniors</u>		<u>OPTION 1A</u>		<u>OPTION 1B</u>	
		<u>District</u>	<u>Student</u>	<u>District</u>	<u>Student</u>
2013/14	Option to Buy @ Negotiated Rates	\$0	optional	\$0	optional
2014/15	Option to Buy @ Negotiated Rates	\$0	optional	\$0	optional

<u>Seniors</u>		<u>OPTION 1A</u>		<u>OPTION 1B</u>	
		<u>District</u>	<u>Student</u>	<u>District</u>	<u>Student</u>
2013/14	Option to Buy @ Negotiated Rates	\$0	optional	\$0	optional

<u>Board Subsidy</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>Total</u>
Option 1A	\$253,387	\$134,584	\$197,600	\$82,600	\$668,171
Option 1B	\$182,797	\$191,160	\$273,120	\$158,120	\$805,197
	<u>\$70,590</u>	<u>-\$56,576</u>	<u>-\$75,520</u>	<u>-\$75,520</u>	<u>-\$137,026</u>

OPTION 2

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

<u>Freshman</u>		OPTION 2A		OPTION 2B	
		District	Student	District	Student
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
2016/17	Year 2 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$286</u>	<u>\$410</u>	<u>\$304</u>	<u>\$392</u>

<u>Sophomores</u>		OPTION 2A		OPTION 2B	
		District	Student	District	Student
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$237</u>	<u>\$285</u>	<u>\$239</u>	<u>\$283</u>

<u>Juniors</u>		OPTION 2A		OPTION 2B	
		District	Student	District	Student
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
		<u>\$188</u>	<u>\$160</u>	<u>\$174</u>	<u>\$174</u>

<u>Seniors</u>		OPTION 2A		OPTION 2B	
		District	Student	District	Student
2013/14	Option to Buy @ Negotiated Rates	\$0	optional	\$0	optional

<u>Board Subsidy</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>Total</u>
Option 2A	\$417,824	\$192,600	\$197,600	\$82,600	\$890,624
Option 2B	\$311,744	\$268,120	\$273,120	\$158,120	\$1,011,104
	<u>\$106,080</u>	<u>-\$75,520</u>	<u>-\$75,520</u>	<u>-\$75,520</u>	<u>-\$120,480</u>

OPTION 3

Freshman, Sophomores & Junior required with a two year \$1 buy-out lease
Seniors have the option to pay student portion

		OPTION 3A		OPTION 3B	
		District	Student	District	Student
<u>Freshman</u>					
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
2016/17	Year 2 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$286</u>	<u>\$410</u>	<u>\$304</u>	<u>\$392</u>
<u>Sophomores</u>					
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
2015/16	Year 1 of Second Lease	\$49	\$125	\$65	\$109
		<u>\$237</u>	<u>\$285</u>	<u>\$239</u>	<u>\$283</u>
<u>Juniors</u>					
2013/14	Year 1 of First Lease	\$139	\$35	\$109	\$65
2014/15	Year 2 of First Lease	\$49	\$125	\$65	\$109
		<u>\$188</u>	<u>\$160</u>	<u>\$174</u>	<u>\$174</u>
<u>Seniors</u>					
2013/14	Option to pay Year 1 of First Lease	\$139	\$35 - optional	\$109	\$65 - optional

<u>Board Subsidy</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>Total</u>
Option 3A	\$504,838	\$192,600	\$197,600	\$82,600	\$977,638
Option 3B	\$379,978	\$268,120	\$273,120	\$158,120	\$1,079,338
	<u>\$124,860</u>	<u>-\$75,520</u>	<u>-\$75,520</u>	<u>-\$75,520</u>	<u>-\$101,700</u>

SUMMARY OF DISTRICT COST - OPTION 1A

	2013/14 2 grades required	2014/15 3 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
2,035 students @ \$139	\$282,865				\$282,865
3,097 students @ \$49		\$151,753			\$151,753
4,155 students @ \$49			\$203,595	\$203,595	\$407,190
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$427,495	\$296,383	\$353,225	\$353,225	\$1,430,328
Funding Sources					
Title 1 funds	\$54,108	\$76,799	\$70,625	\$70,625	\$272,157
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	\$253,387	\$134,584	\$197,600	\$82,600	\$668,171
	\$427,495	\$296,383	\$353,225	\$353,225	\$1,430,328

SUMMARY OF DISTRICT COST - OPTION 1B

	2013/14 2 grades required	2014/15 3 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
2,035 students @ \$109	\$221,815				\$221,815
3,097 students @ \$65		\$201,305			\$201,305
4,155 students @ \$65			\$270,075	\$270,075	\$540,150
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$366,445	\$345,935	\$419,705	\$419,705	\$1,551,790
Funding Sources					
Title 1 funds	\$63,648	\$69,775	\$61,585	\$61,585	\$256,593
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	\$182,797	\$191,160	\$273,120	\$158,120	\$805,197
	\$366,445	\$345,935	\$419,705	\$419,705	\$1,551,790

SUMMARY OF DISTRICT COST - OPTION 2A

	2013/14 3 grades required	2014/15 4 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
3,097 students @ \$139	\$430,483				\$430,483
4,155 students @ \$49		\$203,595	\$203,595	\$203,595	\$610,785
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$575,113	\$348,225	\$353,225	\$353,225	\$1,629,788
Funding Sources					
Title 1 funds	\$37,289	\$70,625	\$70,625	\$70,625	\$249,164
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	\$417,824	\$192,600	\$197,600	\$82,600	\$890,624
	\$575,113	\$348,225	\$353,225	\$353,225	\$1,629,788

SUMMARY OF DISTRICT COST - OPTION 2B

	2013/14 3 grades required	2014/15 4 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
3,097 students @ \$109	\$337,573				\$337,573
4,155 students @ \$65		\$270,075	\$270,075	\$270,075	\$810,225
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$482,203	\$414,705	\$419,705	\$419,705	\$1,736,318
Funding Sources					
Title 1 funds	\$50,459	\$61,585	\$61,585	\$61,585	\$235,214
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	\$311,744	\$268,120	\$273,120	\$158,120	\$1,011,104
	\$482,203	\$414,705	\$419,705	\$419,705	\$1,736,318

SUMMARY OF DISTRICT COST - OPTION 3A

	2013/14 3 grades required	2014/15 4 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
3,597 students @ \$139	\$499,983				\$499,983
4,155 students @ \$49		\$203,595	\$203,595	\$203,595	\$610,785
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$644,613	\$348,225	\$353,225	\$353,225	\$1,699,288
Funding Sources					
Title 1 funds	\$19,775	\$70,625	\$70,625	\$70,625	\$231,650
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	\$504,838	\$192,600	\$197,600	\$82,600	\$977,638
	\$644,613	\$348,225	\$353,225	\$353,225	\$1,699,288

SUMMARY OF DISTRICT COST - OPTION 3B

	2013/14 3 grades required	2014/15 4 grades required	2015/16 4 grades required	2016/17 4 grades required	TOTAL
Low Income Devices	\$129,630	\$129,630	\$129,630	\$129,630	\$518,520
District Subsidy					
3,597 students @ \$109	\$392,073				\$392,073
4,155 students @ \$65		\$270,075	\$270,075	\$270,075	\$810,225
Beck's Management Fee	\$15,000	\$15,000	\$20,000	\$20,000	\$70,000
	\$536,703	\$414,705	\$419,705	\$419,705	\$1,790,818
Funding Sources					
Title 1 funds	\$36,725	\$61,585	\$61,585	\$61,585	\$221,480
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	\$379,978	\$268,120	\$273,120	\$158,120	\$1,079,338
	\$536,703	\$414,705	\$419,705	\$419,705	\$1,790,818

EXPANDED ONE-TO-ONE PROGRAM

<u>Enrollment</u>	<u>GBN F/R</u>	<u>GBS F/R</u>	<u>Total F/R</u>	<u>GBN Other</u>	<u>GBS Other</u>	<u>Total Other</u>	<u>Total All</u>
Freshman	46	164	210	479	536	1,015	1,225
Sophomores	51	154	205	474	546	1,020	1,225
Juniors	42	121	163	483	579	1,062	1,225
Seniors	41	126	167	484	574	1,058	1,225
Total	180	565	745	1,920	2,235	4,155	4,900

<u>Cost of Chromebook</u>		<u>Third Party</u>
Chromebook	\$250	<u>Insurance</u> - \$25/year \$25 deductible per incident
Mgmt Console	\$30	Includes:
Cover	\$20 \$300	Theft - with police report, spills, breaks, damage, fire, flood, vandalism, accidental damage.
Premium	\$25/year	Does not include: loss
Ext. Warranty	\$15/year	<u>Extended Warranty</u> - Extension of manufacturer warranty. Covers wear/tear, mechanical failures

PRICING MODEL - 2 year lease

2-year \$1-buyout lease	<u>Option 1</u>		<u>Option 2</u>	
	<u>9th & 10th graders</u>		<u>9th, 10th & 11th graders</u>	
<u>District Cost</u>	<u>1-year cost</u>	<u>2-year cost</u>	<u>1-year cost</u>	<u>2-year cost</u>
Annual lease	\$382,247	\$764,494	\$573,371	\$1,146,741
Insur/Warr. for F/R	\$16,600	\$33,200	\$23,120	\$46,240
Beck's Increased Mgmt Fee	\$15,000	\$30,000	\$15,000	\$30,000
	\$413,847	\$827,694	\$611,491	\$1,222,981

Student Cost \$40/year - insurance premium & extended warranty
 \$25 deductible for any insurance claim
 \$300 replacement fee for lost device

Buy-out Option After year 2 - option to buy the device for \$50
 Potential Revenue \$125,000

Becks Fee (Becks would assume the responsibility of inventorying and distributing chromebooks, serving as the liaison between the students and insurance company, distributing loaners, collecting the \$40 annual student fee, collecting any insurance deductible, depositing insurance claim money.)
 (\$15K increase to mgmt fee)

<u>FUNDING of year 1</u>	<u>9th & 10th</u>	<u>9th, 10th & 11th</u>
Title I funds	\$16,600	\$23,120
Medicaid	\$30,000	\$30,000
Decrease in Tech Budget for student devices	\$85,000	\$85,000
Copier/Printer Savings (lease)	\$146,000	\$146,000
Board Subsidy	\$136,247	\$327,371
	\$413,847	\$611,491