



South Washington County Schools

Keith Jacobus, Ph.D., Superintendent

District Service Center

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ADMINISTRATIVE REPORT

TO: Members of the School Board
Keith Jacobus, Ph.D., Superintendent of Schools

FROM: Robert Berkowitz, Director of Technology

DATE: June 12, 2019

TOPIC/PURPOSE OF REPORT: Approval of Lease for iPad Lifecycle

REFERENCE TO POLICY/STRATEGIC PLAN: 701, Establishment and Adoption of School District Budget

RECOMMENDED BOARD ACTION: Approval

DATE FOR BOARD ACTION: June 20, 2019

REPORT

As part of the yearly technology refresh plan, the South Washington County Schools technology department had been repurposing 4th generation model iPads from secondary Social Studies classes into elementary classrooms for the past 4 years. This pass down cycle has enabled our district to extend the use of technology equipment much longer than expected.

The following models of Apple iPads will no longer be supported in our schools. We are fortunate that we were able to get 2 extra years of use from the 4th generation iPads. Google, Schoology, and several other software authors have permanently discontinued support for all 32bit Apple iPad devices. The list below reflects all 32bit Apple iPad devices that will no longer be supported.

iPad	Released with	Release date	Final supported OS	Support ended
iPad	iPhone OS 3.2	April 3, 2010	iOS 5.1.1	September 18, 2012
iPad 2	iOS 4.3	March 11, 2011	iOS 9.3.5	September 12, 2016
iPad (3rd gen)	iOS 5.1	March 16, 2012	iOS 9.3.5	September 12, 2016
iPad Mini	iOS 6.0.1	November 2, 2012	iOS 9.3.5	September 12, 2016
iPad (4th gen)	iOS 6.0	November 12, 2012	iOS 10.3.3	September 18, 2017

There are 15 additional models of iPads released from 2013 to March of 2019 that will continue to be supported in our schools.

For the 2019 lifecycle of iPads at the elementary schools, we will be entering a 4-year lease for the purchase of 2000 iPads. These new (March 2019 model) devices will replace 4th generation devices. The devices being replaced were originally purchased in 2012 and 2013 and will be sold via public auction this summer.

This will be a 4 year lease with annual payments of \$167,404.95. The lease between Apple Finance and South Washington County Schools transfers ownership to South Washington County schools upon completion. This purchase will be funded by the voter approved 2017 capital projects levy.

Administration recommends approval of this lease.

EXHIBIT A

SCHEDULE NO. PUB18670 DATED June 10, 2019 TO MASTER LEASE PURCHASE AGREEMENT DATED November 18, 2016

This Schedule No. PUB18670 ("Schedule") is entered into pursuant to that Master Lease Purchase Agreement dated November 18, 2016 ("Master Lease"), and is effective as of June 10, 2019. All of the terms and conditions of the Master Lease, including Lessee's representations and warranties, are incorporated herein by reference. Unless otherwise indicated, all capitalized terms used but not otherwise defined herein shall have the same meaning as set forth in the Master Lease.

To the extent that less than all of the Equipment subject to this Schedule has been installed and accepted by Lessee on or prior to the date hereof, Lessee hereby acknowledges that a portion of the Equipment has not been delivered, installed and accepted by Lessee for purposes of this Lease. In consideration of the foregoing, Lessee hereby acknowledges and agrees that its obligation to make Lease Payments as set forth in this Schedule is absolute and unconditional as of the date hereof and on each date and in the amounts as set forth in the Lease Payment Schedule, subject to the terms and conditions of the Lease.

Lessee expressly represents that at least ninety-five percent (95%) of the financing cost set forth in this Schedule is being used to acquire Equipment that will be capitalizable for federal income tax purposes

EQUIPMENT INFORMATION	
QTY	EQUIPMENT DESCRIPTION
	Computer Hardware--See attached Exhibit 1.

LEASE PAYMENT SCHEDULE						
Pmt #	Payment Date	Payment Amount	Interest	Principal	Purchase Price after scheduled payment(s)	Outstanding Balance
Commencement	7/15/2019					\$657,900.00
1	7/15/2019	\$167,404.95	\$0.00	\$167,404.95	\$501,531.19	\$490,495.05
2	7/15/2020	\$167,404.95	\$5,836.88	\$161,568.07	\$336,327.84	\$328,926.98
3	7/15/2021	\$167,404.95	\$3,914.23	\$163,490.72	\$169,158.58	\$165,436.26
4	7/15/2022	\$167,404.95	\$1,968.69	\$165,436.26	\$0.00	\$0.00
Promotional Interest Rate	1.19%					
Totals		\$669,619.80	\$11,719.80	\$657,900.00		

LESSEE ACKNOWLEDGES THAT THE AMOUNT FINANCED BY LESSOR IS \$641,019.56 AND THAT SUCH AMOUNT, NET OF ANY ADVANCE PAYMENTS, IS THE ISSUE PRICE FOR FEDERAL INCOME TAX PURPOSES. THE YIELD FOR THIS SCHEDULE FOR FEDERAL INCOME TAX PURPOSES IS 2.99%. SUCH ISSUE PRICE AND YIELD WILL BE STATED IN THE APPLICABLE IRS FORM 8038-G OR 8038-GC, AS APPLICABLE.

IMPORTANT: Read before signing. The terms of the Master Lease should be read carefully because only those terms in writing are enforceable. Terms or oral promises which are not contained in this written agreement may not be legally enforced. The terms of the Master Lease or Lease may only be changed by another written agreement between Lessor and Lessee. Lessee agrees to comply with the terms and conditions of the Master Lease and this Lease.

Commencement Date: **July 15, 2019**

LESSOR: **APPLE INC.**

LESSEE: **SOUTH WASHINGTON COUNTY INDEPENDENT SCHOOL DISTRICT NO 833**

SIGNATURE: X _____

SIGNATURE: X _____

NAME / TITLE: X _____

NAME / TITLE: X _____

DATE: X _____

DATE: X _____