NORTH SLOPE BOROUGH SCHOOL DISTRICT

M E M O R A N D U M

TO:	John Hopson, President Members of the School Board
THROUGH:	David Vadiveloo, Chief School Administrator *DSVadiveloo*
FROM:	Reginald Santos, Director of Information Technology Reginald Santos
DATE:	October 3, 2025
SUBJECT:	**Purchases Over $50K - District Computer Refresh**

Memo No: SB26-041
(Action Item)

NSBSD Policy Manual:

BP 3300 Expenditures/Expending Authority: The Superintendent or designee may purchase supplies, materials, and equipment in accordance with the law. The Superintendent or designee shall not authorize any proposed expenditure that exceeds the major budget classification allowance against which the expenditure is the proper charge unless an amount sufficient to cover the purchase is available in the budget for transfer.

BP 3310, Purchasing Procedures: The School Board desires to ensure that maximum value is received for money spent by the district and that records are kept in accordance with the law. The Superintendent or designee may issue and sign purchase orders.

BP 3311, Bids: All purchases in the amount of $20,000 or more shall be based, when possible, on three competitive bids. The Superintendent or designee shall establish procedures to ensure that formal advertised bids are solicited for purchases over $50,000.

BP 3312, Contracts: The Superintendent or designee may enter into contracts and memoranda of agreement on behalf of the district. All contracts and memorandums of agreement with a dollar value of $10,000 or greater must be approved by the School Board.

BP 3440, Inventories: The Superintendent or designee shall provide for the proper control and conservation of district property.

2020-2025 NSBSD STRATEGIC PLAN

4.0 Financial & Operational Stewardship: Effectively employ our operational and financial resources to support the long-term stability of the district.

Issue Summary

The North Slope Borough School District has a unique opportunity to **restart and sustain a proper four-year refresh cycle for all district-wide student computers**. In the past, the district was not able to fully utilize CIPM funds for student technology, resulting in uneven refreshes and an aging fleet of devices. With our **renewed and stronger partnership with the North Slope Borough** and the **renewed commitment from CIPM to fund student technology**, we can now establish a sustainable and repeatable refresh cycle aligned with best practices.

By utilizing this years $1.5M allocation from CIPM and a contribution from the **FY24/25 fund balance**, the district can complete a **full, district-wide refresh** that immediately provides every student with a reliable, modern device. While the District contribution would be $766K, the estimated buyback revenue to the district after four years would be $580K. This proposal represents a $2.2M refresh that will effectively cost the District less than $200K.

This initiative not only addresses current equipment obsolescence but also strategically resets the district's equipment lifecycle to a **predictable 4-year cycle**, sustained through CIP allocations and future resale revenue.

Importantly, with the renewed support from CIPM, **we no longer need to rely on one-time grants,** such as COVID-19 relief funds, ESSER, or RUS grants, which often come with **complex reporting requirements, restrictive timelines, and policy limitations**. This transition to stable, recurring local funding ensures long-term operational and financial independence from external grant cycles.

This refresh is more than a purchase, it is a **strategic reset** of the district's long-term technology and financial plan, enabling NSBSD to operate sustainably, equitably, and efficiently for years to come.

Background

- The district's last major refresh occurred in 2021. Many devices are now beyond AppleCare coverage and at risk of failure.
- Apple Education's latest full refresh proposal (Quote 2112285999) totals $2,266,330 — a reduction from the prior $2.46M quote last December of 2024.
- Package includes:
  - 1,905 MacBook Air (M4, 13-inch) with AppleCare+
  - 70 iMacs (M4, 24-inch) with AppleCare+
  - 400 iPads (128GB) with Rugged Keyboard Cases and AppleCare+
- Total price: $2,266,330.

The timing of this refresh is especially advantageous. Apple's latest **Apple Silicon MacBook Airs (M4)** have demonstrated **exceptional performance, durability, and higher resale value** than any prior model. Industry data and district experience confirm Apple devices consistently retain **25–35% of their value after 3–4 years**, creating a **self-sustaining refresh model** that significantly reduces reliance on the district's general fund, freeing those resources for instruction, staffing, and student support.

A **Forrester Total Economic Impact survey** of Apple in K-12 education reinforces this approach: Districts using Apple devices report a **lower total cost of ownership, reduced IT support costs, improved instructional time, and higher productivity among teachers and students** compared to non-Apple environments. When combined with AppleCare+ coverage, this model enhances reliability, reduces downtime, and further strengthens fiscal stewardship.

This approach to the 4-year refresh cycle meets the requirements of Board Strategic Plan item 4.0 and delivers multiple long-term benefits to the district:

1. **Financial Health** – Predictable and recurring funding (CIPM + resale revenue) stabilizes budgeting and prevents sudden capital spikes.
2. **Operational Efficiency** – A uniform fleet simplifies IT management, software deployment, and warranty alignment across all sites.
3. **Educational Equity** – Every student, K–12, receives equal access to high-quality technology for learning, creativity, and digital literacy.

4. **Reduced Dependency on External Grants** – Less administrative burden, fewer compliance restrictions, and greater local control over technology investments.

FUNDING STRATEGY

- FY25 CIPM Approved Allocation: $1,500,000
- FY24/25 Fund Balance Contribution: $766,330
- Total: $2,266,330

ESTIMATED BUY-BACK VALUE

Apple and certified third-party buyback vendors consistently provide strong **residual value** for Apple devices, typically between **25% and 35% of the original purchase price** after 3–4 years of use. This is largely due to Apple's hardware longevity, durable construction, and continued OS support for multiple years beyond the original release cycle—factors that maintain high demand in the secondary education and refurbisher markets.

Using **conservative resale estimates** (~30% for MacBooks/iMacs, ~20% for iPads), the district anticipates the following **recovery value after 4 years**:

- **MacBook Airs** – 1,905 units @ ≈ **$265 each → ≈ $505,000**
- **iMacs** – 70 units @ ≈ **$375 each → ≈ $26,000**
- **iPads** – 400 units @ ≈ **$125 each → ≈ $50,000**

Total Estimated Buy-Back Revenue: ≈ $581,000

These proceeds will be **returned to the General Fund or reinvested into the next refresh cycle**, directly offsetting future costs and strengthening the sustainability of the 4-year refresh model.

Furthermore, the district can **maximize return and competitiveness** by **putting the buyback process out for bid** at the end of the cycle. Many specialized buyback companies now compete nationally for large K–12 fleet purchases, offering additional value through:

- **Competitive trade-in pricing** that often exceeds Apple's baseline offer.
- **Data-wipe and environmental compliance services** at no added cost.
- **Guaranteed logistics and pickup**, reducing internal staff burden.
- **Rebate or direct credit options** for future Apple purchases.

By conducting a **competitive bid process**, the district ensures **best value and transparency**, potentially increasing resale returns **beyond the conservative $581,000 projection**. This market-driven approach, paired with predictable CIPM funding, allows NSBSD to operate a **repeatable and financially self-sustaining technology lifecycle** with minimal reliance on general fund resources.

WHY FULL REFRESH NOW

1. Equity and Student Learning
   - All students K–12 will receive current, reliable devices at once.
   - Eliminates disparities between refreshed vs. non-refreshed schools.
2. Operational Efficiency
   - One uniform refresh cycle simplifies repairs, software compatibility, and IT management.
   - Aligns warranty expirations, maximizing AppleCare coverage.
3. Long-Term Fiscal Responsibility
   - Higher resale value from uniform fleet.
   - Predictable 4-year refresh cycle supported by CIPM and resale revenue.
4. Strategic Reset
   - This refresh positions the district to repeat the model: CIP allocation + resale revenue = sustainable cycle.
   - Avoids budget spikes from staggered partial refreshes.

ADVANTAGES OF APPLE

- Durability & Reliability: Lower break/fix rates than PC alternatives.
- Educational Value: Proven impact on engagement and teacher productivity.
- Security: Smaller attack surface, fewer vulnerabilities.
- Resale Value: Retains value longer, making the refresh cycle financially sustainable.

Grant Funds:

Grant funds are associated with funding the attached renewal quotes.

Compliance with BP 3311:

Sole Source Statement attached.

Proposed Motion:

Move to authorize the Superintendent or designee to purchase student MacBook Airs, iMacs, and iPads with AppleCare, as outlined in Apple Quote 2112285999, in the amount of $2,266,330, funded by $1,500,000 CIPM allocation and $766,330 from FY24/25 fund balance, with the intent to resell devices at the end of the 4-year cycle and apply proceeds (~$581,000 projected) to offset future refresh costs, pursuant to BP 3300/3310/3311/3312 and BP 3440.