



Overcome the Cost
of
Digital Technology
Through Leasing



Funding Technology

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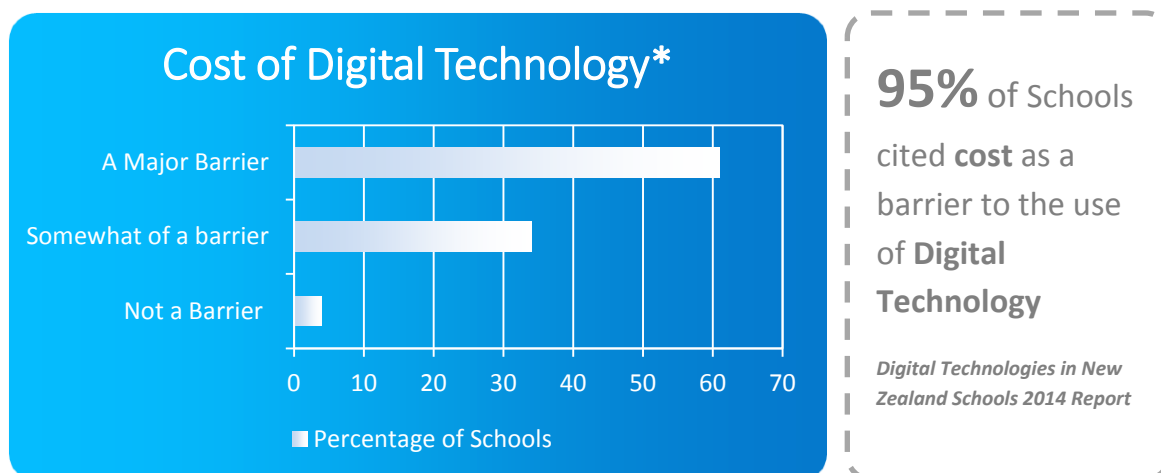
Don't let the cost of digital technology hold your school back

The 20/20 Communications Trust is a charitable organisation set up to help all New Zealanders benefit from the opportunities of the new digital era. In the latest survey the 20/20 Trust showed how digital devices are having a positive impact on achievements by students. While technology is proving to be an effective means to assisting learning, many schools are struggling to overcome the challenges that utilising these tools present.

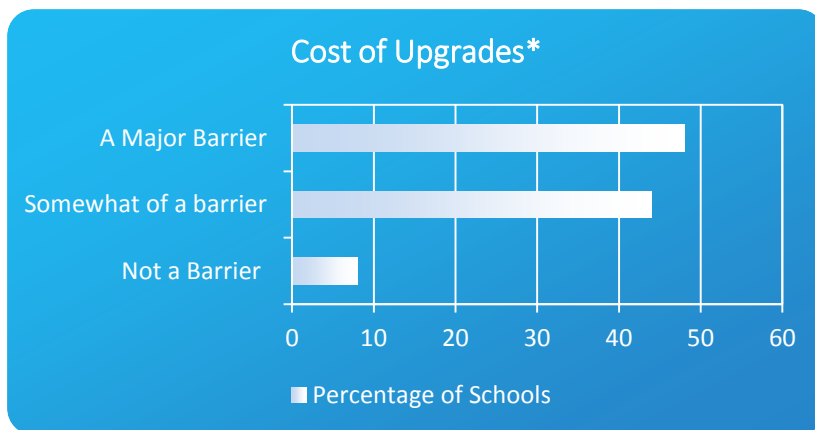
In the survey the 20/20 Trust also identified the greatest barriers faced by New Zealand schools relating to digital technology.

What is the biggest barrier to the use of Digital Technology in your school?

In the ICT survey by the 20/20 Trust, it was uncovered that the cost of digital technology equipment was the greatest barrier to the use of digital technology in schools for 2014.

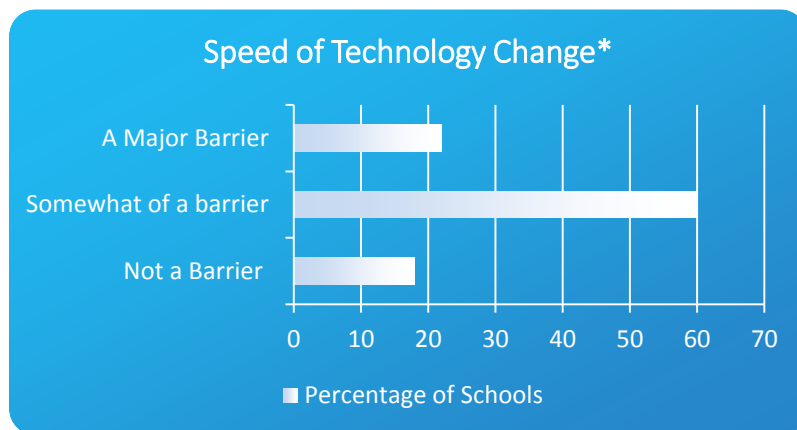


While the cost of digital technology is the greatest aspect of the ICT challenge it is only a part of the overall equation. The other areas of concern are the cost of upgrades and the speed of technological change which contribute to an unsustainable capital funding model.



92% of Schools cited the **cost of upgrades** as a barrier to the use of **Digital Technology**

Digital Technologies in New Zealand Schools 2014 Report



82% of Schools cited the **speed of technological change** as a barrier to the use of **Digital Technology**

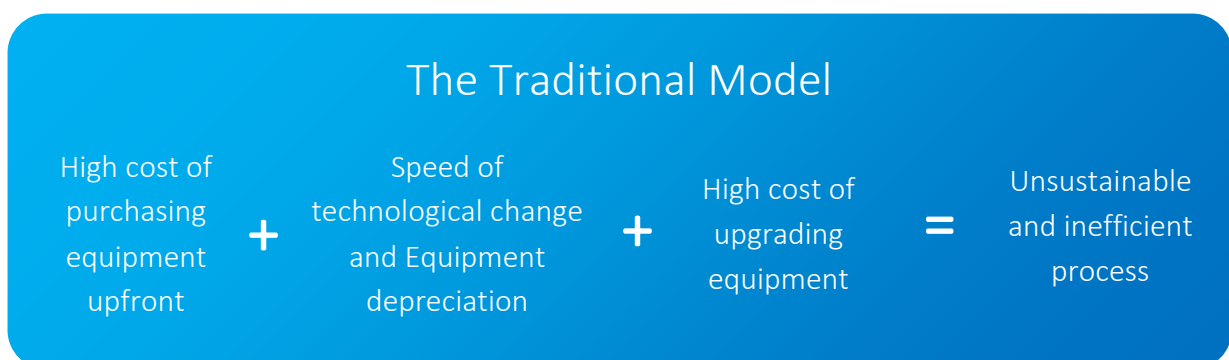
Digital Technologies in New Zealand Schools 2014 Report

**data sourced from (Digital technologies in New Zealand schools 2014 Report)*

This data highlights the inability for the traditional procurement model to keep up with the ever changing digital technology landscape. In order to overcome these barriers schools would require a different procurement model altogether.

How could your school overcome the cost pitfall?

For many schools the equation looks a lot like this:



The traditional model of purchasing equipment outright at the beginning of its life means schools have only one of two choices:

Firstly to have a large capital outlay to purchase all the technology they require.

Downsides include:

- Cash flow issues
- Non-budgeted expenses due to obsolescence
- Cost of obsolete or absent equipment while saving for big ticket items

Secondly to have a smaller capital outlay but only receive a fraction of the technology they require.

Downsides include:

- Non-compatibility in technology due to varied times of purchase
- Shortfall in supply and demand of required technology
Required to use old technology longer

Alternatively, leasing digital equipment has become an excellent way of overcoming this challenge by addressing the main barriers for schools.

The Leasing Model

Mitigate and amortise the upfront cost + Linking lease period to useful life of device + Ability to upgrade at the end of term = Sustainable and cost effective process

Other benefits of leasing include:

- Get the technology you need immediately
- One manageable monthly payment
- Increase your Buying Power
- Use any supplier – receive the technology you want

This model has been instrumental for many schools in helping them to achieve their goals in implementing digital technology in their school.

For example: if a school requires 120 HP Streambooks, but their budget allows for only \$14,500 for this purchase each school year.

Traditional Model	Leasing Model	Benefits
Year 1 Total number of devices being used = 40 Total spent on devices = \$13,806.00 Average price per device = \$345.15	Year 1 Total number of devices being used = 120 Total spent on devices = \$14,343.56 Average price per device = \$328.71	Get the technology you need, when you need it (now) Mitigate high upfront cost and pay-as-you-use. Increase your purchasing power
Year 2 Total number of devices being used = 80 Total spent on devices = \$13,806.00 Average price per device = \$345.15	Year 2 Total number of devices being used = 120 Total spent on devices = \$14,343.56 Average price per device = \$328.71	No hidden fees
Year 3 Total number of devices being used = 120 Total spent on devices = \$13,806.00 Average price per device = \$345.15	Year 3 Total number of devices being used = 120 Total spent on devices = \$14,343.56 Average price per device = \$328.71	Transparent end of lease options
Total spent on devices for relative use = \$41,418.00 Device availability vs. Device Requirement = 50% efficient	Total spent on devices for relative use = \$43,030.68 Device availability vs. Device Requirement = 100% efficient	Wider pool of students can have access to latest and best technology for your budget
Continue to be 18 months behind in current technology	Upgrade to current and suitable equipment on all equipment	Upgrade and stay up to date with the speed of technological change

This means a school only pays 3.9% more to double the efficiency of their device availability to device requirement

Example figures based on actual quotes as on 24 Nov 2014

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How do I get to know more about how leasing can stretch my school's budget even further?

The first step is to get in touch with one of our School Leasing Specialists to discuss how to make your ICT goals a reality. Our team can even assist in arranging demos for your school to ensure you are making the best decision about what technology to use.

Equico can help with the rest of the process from getting comparative quotes to arranging when the equipment will be delivered. It's that easy.

"Leasing allows us to consider the best options for our needs without causing cash flow issues."

"We can plan ahead so we know that before an asset's lifespan is over it will be replaced, providing a seamless transition."

Gary Sweeny Principal at Pukekohe Intermediate

Call: 0800 378 426 | Email: quotes@equico.co.nz | Visit: www.equico.co.nz

