

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

SUBJECT: APPROVAL OF EXTENSION OF TIME TO USE THE MASTER LEASE PURCHASE AGREEMENT WITH BANC OF AMERICA CAPITAL CORP. FOR THE PURCHASE OF DIGITAL DEVICES APPROVED BY THE BOARD AS PART OF THE 21ST CENTURY TECHNOLOGY UPGRADE AND DIGITAL CONVERGENCE

COMMITTEE: FISCAL ACCOUNTABILITY

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

On May 29, 2013, as part of the 21st Century Schools Technology Upgrade and Digital Convergence Initiative, the School Board approved Item A-2 authorizing the purchase of digital devices utilizing the Banc of America Master Lease Purchase Agreement for a total of \$63,450,000 to be executed through April 25, 2014. Due to funding availability to support the lease payments, the first portion of the equipment lease was issued in April 10, 2014 for a total of \$35,988,860, with the remaining balance of \$27,461,140 to be executed once additional funding was available to pay for the remaining equipment lease purchase.

The purpose of this item is to request the extension of the execution date from April 25, 2014 to April 30, 2015, which is also the deadline to issue the equipment lease at the same low interest rate funding formula included in the Banc of America Master Lease Purchase Agreement. The equipment lease funds will be used to purchase tablets, laptops, and required equipment to support instruction in both elementary and secondary classrooms.

On January 20, 2015, the Treasury Advisory Committee reviewed and recommended the proposal to extend the execution of the \$27,461,140 remaining portion of the originally authorized equipment lease up to April 30, 2015. In case there is a need to purchase digital devices prior to the execution of the equipment lease, the Board must express its intent to reimburse the District for all or a portion of such expenses (the "Plan") from the proceeds of the tax exempt obligations (the lease) as per Treasury Regulations, as included in the below proposed action by the Board.

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RECOMMENDED:

That The School Board of Miami-Dade County, Florida:

- 1) authorize the Superintendent to extend the execution date of the Master Lease Purchase Agreement with Banc of America Public Capital Corp. through April 30, 2015 to purchase up to \$27,461,140 of digital devices not to exceed the original approved \$63,450,000 total.
- 2) hereby declare its official intent to reimburse itself from the proceeds of tax exempt lease obligations for expenses incurred with respect to the Plan to the extent permitted by Treasury Regulation 1.150-2. The reimbursement obligations intended to finance the Plan are expected not to exceed \$63,450,000.