

State Connectivity Grant Funding Formula Examples – 2018-19 School Year

Allocations of the State connectivity funds are distributed to schools based on an equity formula. The premise of the formula is that a certain level of connectivity should be provided for all schools at no cost. Resources to accomplish this come from E-rate discounts that schools receive for Internet service and from the State connectivity funds ([SCHOOL AND LIBRARY INTERNET CONNECTION – IC 4-34-3-2](#)). A combination of E-rate discount and state connectivity funds will cover up to \$2,700 of monthly internet service/bandwidth for each public or charter school corporation.

Corporation ABC (uses more than \$2,700/month in service)

- Monthly Bandwidth Cost = \$7,425
- E-rate discount level = 70%
- State Connectivity Fund Allocation = 30% of \$2,700

Monthly bandwidth costs from Service Provider (before E-rate discount)	\$7,425
Less E-rate Discount (70%)	(\$5,198)
Less State Connectivity Grant Allocation (30%)	(\$810)
Local Monthly Cost	\$1,417

Corporation JKL (uses less than \$2,700/month in service)

- Monthly Bandwidth Cost = \$1,432
- E-rate discount level = 80%
- State Connectivity Fund Allocation = 20% of \$1,432

Monthly bandwidth costs from Service Provider (before E-rate discount)	\$1,432
Less E-rate Discount (80%)	(\$1,146)
Less State Connectivity Grant Allocation (20%)	(\$286)
Local Monthly Cost	\$0

Corporation XYZ (uses exactly \$2,700/month in service)

- Monthly Bandwidth Cost = \$2,700
- E-rate discount level = 72%
- State Connectivity Fund Allocation = 28% of \$2,700

Monthly bandwidth costs from Service Provider (before E-rate discount)	\$2,700
Less E-rate Discount (72%)	(\$1,944)
Less State Connectivity Grant Allocation (28%)	(\$756)
Local Monthly Cost	\$0