

MEMORANDUM

TO: Indiana Superintendents, Principals, School Technology Leaders & School Business Officials
FROM: Dr. John Keller, Chief Technology Officer, Indiana Department of Education
RE: Changes on the Horizon for School Connectivity
DATE: May 12, 2017

New Money: The recently passed budget bill (HB1001) provides additional funding for the School and Library Internet Connection line item. In each year of the upcoming biennium, \$3,415,000 is dedicated to the support of school connectivity. The IDOE will add these new dollars (\$1,000,000 increase) to the existing funding allocation distributed to schools on a quarterly basis. The impact of this increased funding for individual school districts will be communicated prior to the first quarterly distribution in the 2017-2018 school year.

Old Money: The final distribution for this funding year (E-Rate funding year 17) will be sent to schools in June. We expect this distribution to be slightly higher than the first three payments in order to fully spend down available funds.

State Contract: As we look ahead to the funding year 2018 (July 1, 2018 to June 30, 2019), the department **will not** be putting out a FCC Form 470 to negotiate a new state master contract. A statewide procurement effort limits respondents to providers who can provide service to all schools. We believe the provider space is expanding, and a state contract with one provider is no longer in the best interests of schools. We anticipate as schools evaluate options at the local level, they may discover their current provider has the best prices for their needs or may realize advantageous pricing from another provider. This decision is meant to spur each K-12 entity in the state taking advantage of E-rate to evaluate their options and is in no way a reflection of dissatisfaction with the services of our current state master contract provider.

In advance of funding year 2018 (July 1, 2018 to June 30, 2019), schools currently relying on the state master contract negotiated by the Indiana Department of Education will need to create their own Form 470 to procure connectivity from an E-rate eligible provider. The Department is taking this approach to encourage schools to continuously review connectivity needs including service levels and bandwidth needs. The Department will be sharing information about opportunities to leverage existing quantity purchasing agreements (QPAs) during your FCC Form 470 evaluation process. These QPAs are negotiated by the Indiana Office of Technology with a variety of Internet Service Providers and may result in deep volume discounts.

What should districts/schools do next?

- Contact your [representation in the Indiana General Assembly](#) to let them know you appreciate the additional funding for connectivity. Feel free to share an interesting shift or innovation in your district which depends upon Internet access.
- Know how your district/school stacks up on the recommended connectivity levels issued by the FCC. Review the 2017 [connectivity data](#) reported by Indiana schools. How much of your current bandwidth are you using at peak times? Identify the instructional drivers for bandwidth consumption in your district.

- Decide how you will conduct your procurement for the next E-Rate funding year. If you are using the state master contract to procure all or some of your internet connectivity, your district will need to file an FCC Form 470 to competitively rebid that service.
- Check the [IDOE Connectivity Page](#) to see answers to [frequently asked questions](#) or [ask a question of your own](#).

In summary, we believe the new funding from the Indiana General Assembly, the potential to leverage existing QPAs, and local competitive bidding for Internet access can help to propel Indiana Schools to achieve the necessary infrastructure for learning and to meet the [connectivity targets set out for the nation's schools](#) by the State Educational Technology Directors Association (SETDA) and the Federal Communications Commission (FCC).

FAQs

Q: Why has the Department decided not to conduct a statewide procurement for funding year 18?

A: A statewide procurement effort limits respondents to providers who can provide service to all schools. We believe the provider space is expanding, and a state contract with one provider is not in the best interests of schools. Schools should compare rates among providers in their geographic area by bidding out their needs for connectivity and the spectrum of services available in addition to their basic connectivity needs.

Q: Without a state contract with ENA as the provider, can our district stay with ENA in funding year 18?

A: Yes, but you will need to rebid your Internet service by posting the required FCC Form 470 with no influence from any eligible service provider, per E-Rate program rules. When you post your FCC Form 470 for funding year 18, ENA will be aware and have the opportunity to respond.

Q: Where can I see the state QPA's for connectivity providers negotiated by IOT?

A: These QPA's will be posted on the IOT web site and made available through the IDOE connectivity page. When these QPA's become available, additional communication will be shared through the Friday morning communication from the IDOE to superintendents and principals.

Q: Currently AdTec files FCC Form 471's and 486's for schools purchasing from the DOE negotiated state contract. Will AdTec continue to file FCC Form 471's and 486's on behalf of schools in funding year 18?

A: The DOE will not be funding FCC Form 471 and 486 filings through AdTec, but schools are free to negotiate their own agreements with AdTec or with other E-Rate filing companies. This change will allow the Department to send more money directly to schools to support bandwidth needs.