

BOARD OF EDUCATION NO. XXX – 03/04

Information Technology Division for presentation
to the Board of Education on November 25, 2003
via Audit, Business and Technology Committee

SUBJECT: YEAR 7 (2004-05) E-RATE PROGRAM

A. PROPOSAL:

It is proposed that the Board of Education approve filing Year 7 E-rate applications totaling \$33,111,071 using \$6,723,905 of Information Technology Division matching funds; authorize the Superintendent or his designee to sign all E-rate related documents; authorize Budget Services and Financial Planning Division to establish budget authority and make budget transfers as needed.

B. BACKGROUND:

The E-Rate program is funded through the “Universal Access Fee” on telephone bills. Congress allocates \$2.25 billion each year for this program. The E-Rate program is designed to provide Internet access and telecommunications support for schools and school Districts with high free and reduced lunch rates. All E-Rate eligible K-12 schools may receive discounted telephone services, Internet connectivity, and equipment needed to allow these schools to access the Internet.

Over the five years that the E-Rate program has been in existence, 655 LAUSD schools have received or will receive E-Rate discounted products and services totaling over \$385 million.

C. POLICY IMPLICATIONS:

The requested actions do not involve any change to current District policies.

D. BUDGET IMPLICATIONS:

In order to receive E-Rate discounts, the District is required to provide a cash match, which varies between 10 to 20 percent of the funding requested. The following table shows the service or product applied for under Year 7 E-Rate, the amount requested from the E-Rate program, and the estimated required match:

Application Description	Requested SLD Funding	District Match	District Match Source
Basic telephone Service for all K-12 schools	7,695,177	2,025,039	Telephone Budget (ITD)
Long Distance Service for all K-12 schools	156,947	39,237	Telephone Budget (ITD)
Digital T1 Lines for all K-12 schools	2,672,797	694,068	Telephone Budget (ITD)
Internet Service Provider	500,000	125,000	Telephone Budget (ITD)
Maintenance; LAN and Configuration- for 530 schools	8,643,200	2,160,800	E-rate Rebate Account
Maintenance; PBX for 530 schools	2,361,715	590,429	E-rate Rebate Account
Security Firewalls	400,000	100,000	E-rate Rebate Account
Client Access Licenses	420,530	105,132	E-rate Rebate Account
E-mail for all students and teachers at all K-12 schools	3,536,800	884,200	E-rate Rebate Account
Total	\$ 26,387,166	\$ 6,723,905	

Funding in the amount of \$6,723,905 to meet the match requirement for the Year 7 E-Rate program has been identified in various ITD budgets that currently exist

E. DESEGREGATION IMPACT:

This communication does not require a desegregation impact statement.

F. RECOMMENDATIONS:

IT IS RECOMMENDED THAT THE BOARD OF EDUCATION:

1. Approve participation in the Year 7 (2004-05) E-Rate Program.
2. Approve filing all applications and documents required by the Schools and Libraries Division of the Universal Services Administration for funding under the E-Rate program.
3. Approve up to \$6,723,905 in matching and other program costs to carry out the Year 7 E-Rate program.
4. Authorize the Budget Services and Financial Planning Division to make budget transfers and establish budget authority as required to carryout the implementation of this program.
5. Authorize the Superintendent or his designee to sign all related E-Rate documents on behalf of the District.

G. COMMITTEE RECOMMENDATION:

The Audit, Business, and Technology Committee at its November 13, 2003 meeting recommended approval of the above actions and the placement of this report on the (Receipt, Consent, Regular) Calendar of the Order of Business for the December 9, 2003 Board Meeting.

	AYES	NO	ABSTAIN	ABSENT
D. Tokofsky				
M. Canter				
J. Huizar				
M. Lansing				
J. Lauritzen				

Respectfully submitted
 Roy Romer
 Superintendent of Schools

APPROVED AS TO BUDGET IMPLICATIONS:

LORENZO TYNER
 Budget Director

PREPARED BY:

JAMES ALTHER
 Director
 Strategic Planning Office
 Information Technology Division

PRESENTED BY

MARGARET A. KLEE
 Chief Information Officer