

## **Minnesota Education Telecommunications Council K-12 Schools/Public Libraries Funding Plan**

The Minnesota Education Telecommunications Council is given oversight responsibility for the operation of The Learning Network of Minnesota.™ This responsibility includes establishing a funding plan for the K-12 schools/Public Libraries portion of the network, as well as establishing interoperability and minimum bandwidth standards.

The *Permanent Funding for K-12 School and Public Library Telecommunications Access Report to the Legislature* as published by the Minnesota Department of Children, Families & Learning in February 2002 recommended the following:

Funds to support telecommunications access for K-12 schools and public libraries that are generated by a state level mechanism to support operation and maintenance of the shared, statewide telecommunications infrastructure should be distributed in a manner similar to that presently used to fund the higher education network. In other words, telecommunications access clusters, regional public library systems or other appropriate regional agencies work to access local needs, procure services through cooperative purchasing, promote network efficiency and reduce service redundancies, and present proposals to the appropriate state agency for funding. Funding would then be distributed by the appropriate state agency acting as fiscal agent.

- An appropriate state level agency would establish criteria for distribution of funding for school and public library telecommunications based on needs, cost effectiveness, network efficiency, and existing telecommunications infrastructure available throughout the state.
- Funding for nonpublic schools would flow through the school district of residence as is currently the case for other types of funds for nonpublic schools.
- Incentives for aggregating needs and service, collaboration on service delivery, and continuous improvement in network efficiency and cost reductions should be provided.

Based on this report's recommendation, the Minnesota Education Telecommunications Council establishes the following as the Education Telecommunications Funding Plan:

- Funding for this program would be generated by a fee of \$0.25 per month, collected by telecommunication service providers, on all wire and wireless customer access lines as part of their monthly billing. These funds would be deposited in the Education Telecommunications Fund account in the state treasury. The Department of Children, Families & Learning will act as fiscal agent for the funding account. Dollars not allocated to schools and libraries from the fund in one year would be carried forward for subsequent years.

- The Education Telecommunications Fund would support telecommunications access for public and private K-12 schools and public libraries, including monthly line leases, Internet access fees, network maintenance support and installation costs. The line of demarcation for eligible costs is a connection point at each school or public library, including maintenance on the router and codec, or similar equipment deployed at the point of presence. The METC will review and define eligible costs and establish standards for interoperability and minimum bandwidth amount on an annual basis.
- The Minnesota Education Telecommunications Council will establish criteria for the distribution of funding for school and public library telecommunications based on needs, cost effectiveness, network efficiency and existing telecommunications infrastructure available throughout the state.
- Telecommunications access clusters, regional public library systems or other appropriate regional agencies will work to access local needs, procure services through cooperative purchasing, promote network efficiency and reduce service redundancies.
- Telecommunications access clusters, regional public libraries, or other appropriate regional agencies will present budget proposals based on actual costs to METC on behalf of their member districts and/or libraries.
- METC will approve requests and instruct the Department of Children, Families & Learning to make payments directly to the regional entities.
- Regional entities applying for funds from the Education Telecommunications Fund would be required to make E-rate application on the telecommunication network portion of their members E-rate eligible costs.

Approved by METC, March 21, 2003