

NW-LINKS

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K-12 TELECOMMUNICATIONS ACCESS IN MINNESOTA

HISTORY

THE LEARNING NETWORK OF MINNESOTA (LNM) AND THE MINNESOTA EDUCATION TELECOMMUNICATIONS COUNCIL (METC)

The Learning Network of Minnesota (LNM) was established in 1993 by the Minnesota Legislature to provide a statewide high-speed telecommunications highway for distance learning for higher education. In 1995, the higher education LNM was expanded to establish links to K-12 public education and public libraries. Using high-speed telecommunications lines, the LNM provides access and delivery of information resources to students and library patrons such as Internet access, distance learning opportunities through interactive television (ITV) and on-line learning, a transport system for the state to send and receive data electronically from K-12 schools and libraries, and access to MnLINK, the Minnesota Library Information Network.

The governance of the LNM was initially the responsibility of the Minnesota Education Telecommunications Council (METC). The METC was a multi-agency advisory board established in law and composed of 25 members. Membership on METC included representatives from both houses of the Legislature, K-12 public schools, public libraries, state agencies (Departments of Administration, Children, Families & Learning (now known as the Minnesota Department of Education), and the Minnesota Office of Higher Education Services), and higher education (University of Minnesota, Minnesota State Colleges and Universities, and the Private College Council). METC was charged in statute with establishing priorities, criteria, and policy relating to the funding and use of telecommunications infrastructure by K-12 education, higher education, and libraries. Specific tasks for the Council as specified in statute included:

- Develop a statewide vision and plans for the use of distance learning technologies and provide leadership in the implementation and deployment of these technologies;
- Develop recommendations for long-term governance and a proposed structure for statewide and regional telecommunications;
- Develop recommendations for educational policy that relates to telecommunications;
- Set priorities for network use;
- Oversee the coordination of the network for postsecondary campuses, K-12 education, and regional and community libraries; and
- Determine priorities for telecommunications access funding.

The METC was an active advisory group from 1996-2005, after which time the existence of METC expired in statute.

In 1995, the expansion of the higher education telecommunications network to include links for K-12 education and public libraries was supported by an initial appropriation of \$10.5 million in noncompetitive

GOVERNANCE COUNCIL MEMBERS

Peg Werner, President, Viking Library System; **Dan Markert**, Vice-President, Moorhead Public Schools **Susan-Heusser-Ladwig**, Secretary, Perham Public Library; **Tamara Uselman**, Treasurer, Perham-Dent Public Schools; **Kathy Fredette**; Lake Agassiz Regional Library; **Barbara Jauquet-Kalinowski**, Northwest Regional Library; **Norman Kolstad**, Underwood School Board; **John Jacobson**, D-G-F Public Schools; **Don Leonard**, East Grand Forks School Board; **Karen Lundstrom**, ETS ITV Network; **Wendy Merrick**, Viking Regional Library Board; **Leo Morgan**, Bemidji State University; **Barb Nelson**, Northwest Service Cooperative; **Marian Ridge**, Kitchigami Regional Library; **Ron Ruud**, Greenbush-Middle River and Tri-County Public Schools, **Dr Ann Valentine**, MSCTC

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telecommunications access grants known as the Telecommunications Access Grants (TAG). The appropriation was intended to bring connectivity to the “door” of the school district or regional public library system. Individual school districts and public libraries were expected to provide the local area networks needed to link individual buildings and connect to the Learning Network of Minnesota.

The K-12/public library TAG program included a requirement that school districts and libraries apply in groups of at least ten school districts and one regional public library system to secure funding. In order to provide for improved coordination of funding distribution, delivery of services, and economies of scale through cooperative purchasing, school districts and public libraries voluntarily organized themselves into eight telecommunications access clusters, or regions, throughout the state.

The TAG program was supplemented with additional funding in 1996, and continued funding was appropriated for the 1998-99 biennium. In 2000, the Legislature discontinued funding the ongoing costs of telecommunications access for schools through the TAG program. A very limited amount of TAG funding was provided in 2000 to purchase equipment for sites that had not previously connected to the Learning Network. Libraries were provided with ongoing telecommunications funding through a newly established Regional Library Telecommunications Aid (RLTA) program.

In 2001, the Legislature provided funding for school district and library telecommunications access through separate funding streams. For school districts, funding was appropriated for ongoing telecommunications access and maintenance through a \$5 adjusted marginal cost per pupil (AMCPU) increase in the operating capital revenue, and a supplemental program known as the Telecommunications Access Revenue Program (TARP). Any district whose ongoing telecommunications costs associated with line leases, interactive television, Internet access, and ongoing wide area network maintenance exceeded the additional \$5 per AMCPU in operating capital revenue could submit projected costs to the Department of Children, Families & Learning (CFL) for reimbursement of up to one 1.544 Mbs data or video link per elementary, middle, and secondary school. School districts could also claim costs associated with cooperative agreements relating to delivery of telecommunications access. The \$5 per AMCPU in operating capital revenue and the supplemental TARP program were also provided to school districts in 2002.

In terms of libraries, the year 2000 resulted in the creation of Regional Library Telecommunications Aid (RLTA) program. Funding for this program continues to be appropriated today.

Critical to the operation of the LNM are the K-12 /library telecommunications access clusters and the higher education telecommunications regions. For K-12 education and libraries the telecommunications access clusters serve a crucial role in the coordination and operation of the network. Services provided by the K-12/library telecommunications access clusters and their coordinators include:

- Aggregation and coordination of service demands and needs
- Cooperative purchasing and procurement practices based on aggregated needs and cost effectiveness
- Coordinated application for federal E-rate telecommunications services discounts
- Wide area network operational support and maintenance
- Coordination and scheduling of distance learning activities via ITV throughout the state
- Advocating for telecommunications access needs of member school districts and libraries to the Legislature and other policy-making bodies
- Coordination with telecommunications service providers on service issues
- Linking schools and public libraries to content resources for education and life-long learning
- Facilitating the effective integration of technology with learning for schools

Due to the existence of telecommunications access clusters, the technical and logistical burdens associated with delivery of telecommunications access and service for school districts are greatly reduced. For most districts and libraries the delivery of telecommunications access is a “given” and the complex technological logistics are completely transparent. Not only do the clusters provide a wide range of technical expertise to their members which does not exist at the independent school district or library level, but the organization of clusters throughout the state directly results in an aggregation of need, network efficiencies, technical support and

reduction in overall resources needed that would not exist if school districts and libraries were to seek an equivalent level of telecommunications service and support independently. For more information on Minnesota telecommunications access clusters, visit <http://www.mitnmin.ning.com>. A map of the current telecommunications access clusters is also included with this document.

TELECOMMUNICATIONS FUNDING FOR SCHOOLS AND LIBRARIES PROGRAMS

Since 1996, the state has provided various levels of funding support for telecommunications access costs for schools and libraries through four funding programs. A fifth program, the federal E-rate Telecommunications Discount Program supplements state and local funding to help school districts and public libraries with the costs of telecommunications services and Internet access.

- 1. Telecommunications Access Grant Program (TAG).** In 1996-2000 the Legislature provided funding support for school and library telecommunications through the Telecommunications Access Grant Program (TAG). TAG was a noncompetitive grant program that provided funding for telecommunications through eight telecommunications access clusters throughout the state. Schools and libraries sharing common traits of geographic location, service needs, and political subdivisions grouped together in the telecommunications access clusters to apply for and obtain TAG funding and coordinate the procurement and delivery of services. Cluster funding requests and budgets were reviewed and approved by the METC and funds were allocated to the clusters by the Minnesota Department of Children, Families & Learning (now known as the Minnesota Department of Education).
- 2. Telecommunications Access Revenue Program (TARP).** Beginning in 2001, the TAG program was discontinued by the Legislature and an entitlement program known as the Telecommunications Access Revenue Program (TARP) was enacted in legislation. Under TARP, each school district began receiving an additional \$5 per adjusted marginal cost per pupil unit (AMCPU) in operating capital revenue to be reserved for ongoing telecommunications access costs associated with data, video, and Internet access. In addition to this funding, a separate appropriation was provided to assist school districts whose ongoing telecommunications access costs exceeded these additional operating capital revenue funds. School districts submitted projected costs to the CFL. CFL then calculated a district TARP entitlement by subtracting both the \$5 per AMCPU in operating capital revenue and the anticipated federal E-rate discounts on the services to generate the entitlement that was then leveled against the TARP appropriation. This combination of a per pupil formula and a supplemental entitlement based on projected costs was designed to address the issues of disparity that arise when a school district's enrollment does not generate sufficient funds to cover the cost of telecommunications through the per pupil formula approach. At the time of the TARP program significant areas of high telecommunications costs existed throughout the state due to telecommunications service provider availability and distance. For districts in high cost areas, access to telecommunications services was cost prohibitive if any funding scenario was based entirely on a per pupil formula. Telecommunications access support was also provided to charter schools and nonpublic schools from this TARP appropriation using a formula calculation based on enrollment. TARP was not funded again by the Legislature in FY2003 or the FY2004-05 biennium.
- 3. Telecommunications/Internet Access Equity Aid for Schools.** For the FY2006-07 biennium, the Legislature again provided some relief to K-12 public schools and nonpublic schools for the cost of telecommunications access. With Telecommunications/Internet Access Equity Aid, school districts report the actual costs of a connection that operates up to 1.544 megabits per school for the previous fiscal year. School districts and charter schools are then reimbursed for the approved cost for the previous year that exceed \$15 times the adjusted marginal cost per pupil units (AMCPU) for the previous year **OR** reimbursement of approved costs with no per pupil unit limit if the school district or charter school is a member of an organized telecommunications access cluster that was in operation by July 1 of the previous funding year. All reimbursement is based on the costs after the federal E-rate discount has been subtracted. Nonpublic schools also report costs and are allocated funding for costs that exceed \$10 per pupil or the telecommunications equity aid per pupil rate of their resident school district, whichever is less. The Telecommunications/Internet Access Equity Aid for Schools is in Minnesota's base budget for \$3.75 million each year. This amount is not sufficient to meet the needs of school districts and nonpublic schools.

The \$3.75 is typically prorated at between 65-70%. Proration of this aid will grow higher as school district and charter school needs increase. The 2007 Legislature provided a one time increase for the FY08-09 biennium to more fully meet the costs of school district telecommunications access, but the appropriation will return to \$3.75 million per year for FY10-11 unless advocacy efforts to maintain increased amounts are successful.

4. **Regional Library Telecommunications Aid (RLTA).** In 2000-2001, Regional Library Telecommunications Aid (RLTA) existed as a noncompetitive grant program. Regional public library systems applied to CFL on behalf of their branch/system members for this funding. In 2002-2003, RLTA was converted to a categorical aid program. Funds are disbursed to regional public library systems based on actual costs and are prorated to maintain adequate connectivity across the state's public libraries.

5. **E-Rate.** E-rate is a federal program that provides discounts of between 20-90 percent to schools and public libraries based on free and reduced price lunch eligibility for students in the school district or school. Nonpublic schools are also eligible for this program. State funded RLTA and Telecommunications/Internet Access Equity Aid programs both require public school districts and public libraries to apply for E-rate in order to receive state funds for telecommunications access. E-rates generate millions of dollars in support for Minnesota schools and public libraries each year.

STATE TELECOMMUNICATIONS PROGRAMS FOR SCHOOLS AND LIBRARIES FUNDING HISTORY

The appropriation levels of the state telecommunications funding programs for schools and libraries are illustrated in the following table:

PROGRAM	FY1996-97	FY1998-99	FY2000-01	FY2002-03	FY2004-05	FY2006-07	FY2008-09
Telecommunications Access Grants	\$15.5 million	\$23.0 million	\$5 million	\$0	\$0	\$0	\$0
\$5 AMCPU Additional Operating Capital Revenue for Telecommunications	\$0	\$0	\$9.6 (\$4.8 each year)	\$9.6 (\$4.8 each year)	\$0	\$0	\$0
Telecommunications Access Revenue Program (TARP)	\$0	\$0	\$18,520,000 (\$18,520,000 in FY2001)	\$15,387,000 (\$15,387,000 in FY2002). No appropriation for FY2003.	\$0	\$0	\$0
Regional Library Telecommunications Aid (RLTA)	\$0	\$0	\$4.8 million	\$2.8 million	\$1,200,000 for FY04 \$1,200,000 for FY05	\$1,200,000 for FY06 \$1,200,000 for FY07	\$2,300,000 for FY08 \$2,300,000 for FY09
Telecommunications/Internet Access Equity Aid	\$0	\$0	\$0	\$0	\$0	\$7.5 million for biennium (\$3.75 each year)	\$7,622,000 for FY08 \$8,743,000 for FY09

E-RATE IN MINNESOTA

FUNDING YEAR	AMOUNT
1998 (January 1, 1998 – June 30, 1999)	\$24,787,282
1999 (July 1, 1999 – June 30, 2000)	\$31,204,803
2000 (July 1, 2000 – June 30, 2002)	\$18,389,422
2001 (July 1, 2001 – June 30, 2002)	\$22,588,943
2002 (July 1, 2002 – June 30, 2003)	\$22,388,365
2003 (July 1, 2003 – June 30, 2004)	\$26,253,637

FUNDING YEAR	AMOUNT
2004 (July 1, 2004 – June 30, 2005)	\$22,702,337
2005 (July 1, 2005 – June 30, 2006)	\$22,319,423
2006 (July 1, 2006 – June 30, 2007)	\$21,358,153
2007 (July 1, 2007 – June 30, 2008)	\$26,818,356
2008 (July 1, 2008 – June 30, 2009)	*\$18,903,899

***To date. Funding commitments for Funding Year 2008 are still being issued.**

CONCLUSION

Access to broadband speed connectivity is a necessity for all schools and public libraries. Without it, school districts are severely disadvantaged when working to meet their goals of providing a fair and equitable education for every student. Schools rely on telecommunications access to deliver education services, provide additional education opportunities for students, report required data to the state and federal government and conduct school business. The demand for increased bandwidth continues to grow as online education applications grow in sophistication and become more media-intensive. Public libraries continue to need more bandwidth as library customers use the Internet capacity of the public library to do research, search for employment, and communicate with others outside of their community. Rural communities in Minnesota continue to be particularly challenged when it comes to obtaining broadband access. Broadband access needs to be provided to school and library communities in such a way that it is affordable and readily available.

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