

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, October 23, 1996

EDUCATION TECHNOLOGY GRANT PROGRAM

PURPOSE OF REPORT

To adopt the policy for apportioning \$29,400,000 for technology grants and \$350,000 for administrative costs from the proceeds of AB 1302 (K. Murray), Chapter 767, Statutes of 1995 and AB 1519 (Morrow), Chapter 17, Statutes of 1996.

BACKGROUND

AB 1302 and AB 1519 were signed into law and authorize the PUC to allocate funds for the purpose of telecommunications development in public schools. This included the development of the infrastructure, the purchase or lease of computer hardware, the purchase of software, and staff development training. AB 1519 establishes the Education Technology Trust Fund. Both bills appropriate funds deposited in the Education Technology Trust Fund to the State Allocation Board for allocation of technology implementation grants.

AB 1519 states in part that the State Allocation Board, in consultation with the State Department of Education shall develop a formula for the allocation of technology implementation grants to applicant school districts and county offices of education that operate community schools. The formulas shall include a minimum base funding per schoolsite and additional funding based on the number of pupils enrolled at each schoolsite. AB 1519 requires that the State Allocation Board and the State Department of Education shall give first priority for funding to those schools and school districts that have minimal or no telecommunications infrastructure or communications systems. It furthermore states that schools without need shall not be funded.

The following is the funding distribution for technology implementation grants, administrative costs, and staff development grants, as set forth in both bills:

Technology Implementation Grants:

50 percent Allocated to kindergarten and grades 1 - 8, inclusive, and County Offices of Education AB 1519, Section 11603 (a)	\$ 17,500,000
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34 percent Allocated to grades 9 - 12, inclusive AB 1519, Section 11603 (b) and AB 1302 Section (18)	<u>11,900,000</u>
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SAB Grant funds in Education Technology Trust Fund	\$ 29,400,000
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Administrative Costs:

1 percent allocated to Administrative Costs AB 1519, Section 11602 (b)	350,000
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Staff Development Grant funds

Appropriated to State Department of Education AB 1302, Section 18 (a)	<u>5,250,000</u>
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TOTAL:	<u>\$ 35,000,000</u>
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To ensure the greatest use of the technology implementation grant funds, a minimum of 90 percent of the grant amount will be expended for the actual wiring of and between classrooms, school auditoriums, school libraries, and conference rooms, or the purchase of hardware and software necessary to utilize telecommunications and information services for instructional purposes.

(Continued on Page Two)

BACKGROUND (con't)

Additionally, Section 11608 of AB 1519 states: "No funding shall be provided to a community schoolsite that is not owned by the county office of education except for the purchase or lease of computer hardware or the acquisition of computer software." Section 11603.3 of AB 1519 requires applicant school districts and county offices of education to contribute at least 50 percent of the cost of the technology implementation plan submitted to the State Allocation Board. Applicants may count toward their local matching share, in-kind services such as teacher labor, the fair market value of donated equipment raised from local sources, or other services outlined in the plan. The State Allocation Board may waive the requirement if the State Department of Education determines that the requirement would impose a financial hardship on the applicant district.

FUNDING FORMULA

The State Department of Education and the Office of Public School Construction have collaboratively developed a funding formula for the allocation of the technology implementation grants. Under this proposal, the distribution of grants will occur through two different funding processes. The first process allocates minimum base funding that facilitates funding for qualifying applicant districts and county offices of education. The second process provides additional funding based on student enrollment. Grant amounts shall be expended for wiring of and between classrooms, school auditoriums, school libraries, and conference rooms at a schoolsite, or for the purchase of hardware and software necessary to utilize telecommunications and information services for instructional purposes.

Minimum Base Funding

Each qualifying applicant school district and applicant county office of education that operates community schools is entitled to receive one minimum base funding technology implementation grant of \$21,500. The grant amount is based on one complete instructional setting. An example setting may include six multimedia computers, laser printer, teaching station TV monitor and converter, networking components, and wiring for one schoolsite within the school district or county office of education. The guideline for the setting was established cooperatively by Office of Public School Construction and State Department of Education staff. The technology implementation grant will be automatically accompanied by a staff development grant of \$4,000 for staff training for the same schoolsite receiving a technology implementation grant.

All districts and county offices of education will be required to match the technology grant amount. The districts and county offices of education will certify that at least \$21,500 of in-kind services, such as teacher labor, the fair market value of donated equipment raised from local sources, or other services outlined in the plan, have been contributed towards the project. Financial hardship waivers for the matching requirement can be approved by the State Department of Education. The matching of funds is not required for the staff development grants.

Additional Funding

After allocation of funds for minimum base funding, the remaining balance of funds will be distributed among qualified applicant school districts and county offices of education that operate community schools, based on pupil enrollment, and the percentage of distribution as required by statute (50 percent for grades K-8 and 34 percent for grades 9-12). If all school districts and county offices of education apply for and receive the minimum base funding, the remaining balance of \$6,717,500 will be allocated as additional funding based on pupil enrollment.

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Education Technology Grant Program Board item presented to the SAB	October 23, 1996
Development of application packet and technology implementation plan requirements	November 1996
Applications mailed to districts and county offices of education	December 1996
Application due to the OPSC by districts and county offices of education	February 28, 1997
Review applications	March - April 1997
Education Technology Grant Program apportionments and authorizations to the SAB	May 1997
Release of grant funds to applicant districts and county offices of education	Within 30 days of SAB apportionments and authorizations

STATUTORY APPLICATION REQUIREMENTS

Attachment A lists the minimum application requirements for educational technology grants.

ADDITIONAL PROPOSALS SUBMITTED TO THE OPSC

Attachment B is a summary of the proposals received by the Office of Public School Construction. The Office of Public School Construction staff has reviewed and considered the proposals and has concluded that the proposals do not meet the specific criteria of AB 1302 and AB 1519.

LEGAL COMMENT

Counsel has reviewed the staff's proposal and finds that it complies with the requirements of Education Code Section 11600 et seq. (AB 1519).

RECOMMENDATION

The Office of Public School Construction staff recommends adopting the Educational Technology Grant Program set forth in this item, which is to allocate \$21,500 as minimum funding, and provide additional funding to qualifying applicant school districts and county offices of education that operate community schools. Additional funding shall be based on student enrollment. The aggregate totals of minimum funding and additional funding shall not exceed the statutory limitations for grades K through 8 and grades 9 through 12.

BOARD ACTION

In considering this Item, the Board approved staff recommendation; however, staff was requested to add an "evaluation component" for this program. The OPSC is to coordinate with the California Department of Education in establishing the evaluation criteria. In addition, the Board directed staff to add the following statement to the "Application Requirements" of this program:

First priority for funding shall be given to school districts that have minimal or no telecommunications infrastructure or communication systems.

Attachment A
[Educational Technology Grant Program]

APPLICATION REQUIREMENTS

As required in AB 1519, applicant school districts and applicant county offices of education will be required to submit, at a minimum, the following:

- ◆ The number of students enrolled at each schoolsite in the school district
- ◆ A description of the extent to which parents, teachers, and the community were involved in preparing the district's or county office of education's technology plan
- ◆ A description of the instructional uses and benefits that will occur as a result of using technology in the instructional program
- ◆ A method of evaluating the benefits derived from using technology in the instructional program
- ◆ A description of access to the Internet by pupils
- ◆ A timeline for implementing the technology plan
- ◆ An estimate of the total project costs, including a description of the amount to be paid by the technology implementation grant and the amount to be paid by the school district or county office of education -- to include that adequate future funding will be dedicated for system maintenance and connectivity to the Internet
- ◆ The extent to which schools in the district or county office of education have acquired technology tools and telecommunications infrastructure through other sources

A self-certification process will be used for the application process. Applications submitted after January 31, 1997, will not be accepted.

Attachment B
[Educational Technology Grant Program]

ADDITIONAL PROPOSALS SUBMITTED TO THE OPSC

San Bernardino County Superintendent of Schools (SBCSS)

The SBCSS proposal requests 11 percent (\$3,250,000) of the total technology implementation grant funds and 86 percent (\$4,525,000) of the staff development grants for use to develop an on-line curriculum resources model and for on-line teaching centers throughout the county.

Los Angeles Unified School District

This proposal suggests allocating the PUC funds to 5 or 10 technology pilot projects throughout the state to serve as demonstration sites to be made available to all school districts within the geographical area. One of the pilots would be the Belmont High School project in downtown Los Angeles for which the District is requesting \$2,000,000.

California County Superintendents Educational Services Association (CCSESA)

The proposal requests \$10 million to complete the CCSESA's K-12 telecommunications backbone. This telecommunications plan is envisioned by county offices of education to be a network of networks where each of the eleven CCSESA regions ensures a minimum level of service for all school districts in their area.

Northern Telecom (Nortel)

This proposal is for a core statewide education network that delivers worldwide access to California K-12 students. This network would include equipment to deliver high bandwidth, at a low cost for data, voice, and video services. The proposed project optimizes the value of recent school wiring projects initiated by local communities and opens the potential value of integrating with the California State Lottery network. The estimated cost of the plan is \$221,656,000.

Staff comments

Bill language specifically points to awarding grants individually to school districts or to county offices of education which operate community schools. It does not point to county offices aggregating funds to be made available to school districts within the county. Other legislation requirements provide for (1) minimum base funding per schoolsite (2) the purchase of wiring of and between classrooms and other schoolsite areas and the purchase of hardware and software and, (3) the greatest use of the grant funding to be derived by the pupils. None of the proposals listed meet all of the legislative requirements.