

Digital Innovation Outpaces E-Rate Policies

By **Kathleen Kennedy Manzo**

In its role helping the nation's schools connect to the Internet and other telecommunications services, the **E-rate** has been among the most consistent of federal programs. But perhaps too consistent, educators and experts say.

Funding for the "education rate" program has held at about \$2.25 billion a year since it was created under the Telecommunications Act of 1996, and it covers few of the technology services available to schools beyond simple Internet and phone connectivity.

But now, with a critical mass of schools connected to the Web, experts say inadequate funding and the program's onerous and often confusing rules and procedures can complicate schools' efforts to pursue more innovative tech-based approaches to teaching and learning.

"The scope of technology is expanding, but the E-rate is not there yet," said Gary Rawson, Mississippi's E-rate coordinator and the chair of the State E-rate Coordinators Alliance. "All the schools love it, all of them apply for it, but if you use E-rate you are going to have to deal with some frustration."

Such frustrations have become synonymous with the E-rate. The program is credited with helping most of the nation's schools move into the Internet age—just 14 percent of K-12 classrooms had access when the program was created in 1996, compared with more than 95 percent today.

But confusion over which services qualify for discounts, the extent of the requirements for addressing Internet safety and access, and a paper trail laborious enough to frighten even the most seasoned of bureaucrats, have hindered plans in some districts to expand the use of digital tools, experts say.

The Federal Communications Commission, which oversees the E-rate program, has made changes over the years to make it easier and more accessible to applicants, and workshops are held each year to provide updates and guidance on rules and procedures, according to Carol Matthey, a senior policy advisor to the task force for the **National Broadband Plan**, which is

[← Back to Story](#)



How E-Rate Works

The "education rate" was instituted under the Telecommunications Act of 1996 to expand Internet and telecommunication connectivity for schools and libraries. Funding was capped at \$2.25 billion annually and provides discounts of 20 percent to 90 percent of the cost of services, depending on the socioeconomic factors of the population served. The program guarantees discounts on Priority 1 services, and then allocates remaining funds for Priority 2 services to the neediest school districts.

PRIORITY 1 SERVICES:

Telecommunications services such as local

scheduled to come out on March 17.

“As part of the broadband plan, we’re using this as a moment to take stock of where we are and how can we modernize the program and go forward to better serve the community,” she said.

A number of education organizations, including the alliance Mr. Rawson chairs, have submitted comments outlining their concerns to the task force.

Innovation on Hold

Wireless Internet service, video conferencing, and Web hosting have been high on the wish list for Vance County’s public high schools for more than a year. But teachers in the North Carolina district have had to wait to introduce those and other tools that could enable more up-to-date, tech-based lessons in their classrooms. The federal funding they need to make such services affordable was due to the district last July, but it was nearly five months late after getting bogged down in the arduous application and review process for the E-rate program.

“The E-rate put us 10 years ahead of where we would be without the funding,” said Marsha S. Abbott, the director of technology for the 8,000-student district, who had to gather 423 pages of documentation last year to satisfy federal administrators who reviewed her \$1 million request. “I would go home ready to pull my hair out [throughout the process]. But in the end we couldn’t do any of this without it.”

Vance County is launching a 1-to-1 laptop initiative next school year and has had to negotiate the complex E-rate requirements related to wireless Internet cards. The federal money can be used to pay for service plans for the cards, but it cannot cover the time students use them at home to access the Web.

“If you’ve got Internet connectivity within school but you’re giving students portable devices like a laptop, naturally you want them to be able to use it at home as well,” Ms. Abbott said. “But E-rate says home is not an educational institution.”

To deal with that issue, Vance County indicated on its application that the wireless cards are used at school 80 percent of the time, and asked for that portion of the cost of the services to be approved under the E-rate.

Another North Carolina county had proposed using E-rate funding combined with local money to upgrade its infrastructure for digital technologies in its schools. By the time the application had been approved, after months of uncertainty, the district’s budget had been frozen and the local funding was no longer available for the project, according to Barry Pace, an E-rate specialist for North Carolina’s department of public instruction.

Such upgrades are lower priorities under the E-rate program. Basic Internet and phone services are all but guaranteed under the program’s sliding-scale discount rates, which are based on a district’s

and long-distance telephone and cellphone plans; digital-transmission services; Internet access

PRIORITY 2 SERVICES:

Internal-connection equipment such as wiring and cabling; basic maintenance of internal connections

Participating school districts must each craft a technology plan that outlines “how information technology and telecommunications infrastructure will be used to achieve educational goals, specific curriculum reforms, or library-service improvements.” They must also have policies for blocking inappropriate content and for ensuring student safety on the Internet.

SOURCES: Federal Communications Commission; *Education Week*

SOURCES: Federal Communications Commission; *Education Week*

poverty rate. However, so-called Priority 2 services, like network servers and cables, are only covered if there is money left over. And those services must be included in a detailed technology plan.

Only schools that claim about 90 percent of their students for the federal free- and reduced-price lunch program are awarded any E-rate money for Priority 2 services, and only sporadically.

“For many districts that do not meet that threshold of being the most needy, there’s not enough money to do the upgrades they need” to expand their use of technology in the classroom, Mr. Pace said. “But the E-rate doesn’t support them, and they don’t have the local budget to build the internal infrastructure.”

Proposed Changes

While the process may be overly burdensome for some districts, the complexity in the application and compliance is necessary to satisfy congressional demands, according to Scott Weston, a spokesman for Funds for Learning, an E-rate consulting firm based in Edmond, Okla.

“Schools are saying they need easier access to E-rate funds, but Congress and the Federal Communications Commission are saying they need stricter oversight,” Mr. Weston said.

That oversight is needed, experts say, to ensure the funding is distributed and spent appropriately. Over the years, the program has been marred by cases of fraud and misuse of funds.

While the money that’s available is limited and targeted, Mr. Weston added, it is a valuable means of supplementing schools’ broader technology goals.

“There has been an evolution of educational methods that schools are looking to put in place, and the E-rate program doesn’t address all of them,” he said. “But what the E-rate program can do is provide discounts to eligible schools which can then leverage the savings to offset the cost of other projects or other initiatives within the district.”

As school administrators scramble to finalize their applications for the next round of E-rate funding—due Feb. 11—many are hoping that the FCC, which oversees the program through the Schools and Libraries Division of the Universal Service Fund, will consider their concerns as it completes a draft of the National Broadband Plan.

The plan, which was mandated under the American Recovery and Reinvestment Act last year, is due to be presented to Congress in March. The FCC has already proposed some changes to the E-rate program as part of that plan.

The **Children’s Internet Protection Act**, which requires schools and libraries participating in the E-rate program to certify that they have Internet-safety policies in place and block pornography and other content that could be harmful to children, would be revised as well. The revised plan would also require that “a school’s Internet-safety policy must include educating minors about appropriate online behavior, including interacting with other individuals on social-networking Web sites and in chat rooms and cyberbullying awareness and response,” according to the FCC’s notice of proposed rule-making.

Schools would also be required to enforce the provisions, and to allow materials to be unblocked for adult use for research and other lawful purposes.

The current rules under CIPA leave it up to districts to decide how to filter Internet content that

might be inappropriate. Many technology directors and administrators, however, have erred on the side of caution in doing so and blocked teachers from using social-networking tools, such as blogs and video-sharing sites, that could make lessons more engaging for students.

'Very Painful'

The FCC has already made some improvements to the strict compliance and auditing components of the E-rate program, and has allowed some flexibility in the application process, according to George McDonald, the director of regulatory affairs for the consulting firm E-rate Central and who managed the E-rate program from 2001 to 2005.

"There are a couple of things in the rules that are really nit-picky," he said. "So it can be very painful to districts that are not well-versed in the rules."

The FCC, however, has received a number of comments from practitioners about the difficulties in sorting through those rules and could respond with additional changes, Mr. McDonald said.

Many educators and experts, however, are hoping for more far-reaching changes, particularly in addressing the potential for schools to use the vast resources of the Internet to expand learning opportunities for students, and even extend them for use in community programs after the school day has ended.

"One of the questions about what can E-rate do, is it just about the bricks and mortar of school or is it going to somehow be extended to home?" said Julie Tritt Schell, an E-rate specialist who works with schools in Pennsylvania. "Learning doesn't end at 3 o'clock anymore."