



Durham Public Schools

Administrative Services

November 17, 2009

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W. Suite TW-A325
Washington, D.C. 20554

RE: Comments: GN Docket Nos. 09-47,09-137;CC Docket No. 02-6;and WC Docket No. 05-195

COMMENTS TO NPB PUBLIC NOTICE #15

E-Rate Funding and Broadband

ISSUE: The current cap of \$2.25 billion has not been increased or indexed to inflation since the program's inception.

Comment: When the FCC implemented the Telecommunications Act of 1996 via FCC 96J-3, the Federal-State Joint Board on Universal Service Recommended Decision, November 7, 1996, and the FCC 97-157, Federal -State Joint Board on Universal Service, August 8, 1997, the FCC ignored the report ("Report") that was developed by McKinsey & Company, Inc. for the National Information Infrastructure Advisory Council (NIIAC).
<http://www.uark.edu/mckinsey/exsum.html>

That Report stated, in relevant part, that:

[a]t a minimum, connectivity promotes the computer literacy and networking/information skills that are prerequisite "!" to an increasing number of jobs. By the year 2000, as much as 60% of American jobs may require such technology skills. In addition, by providing easier, faster, and more efficient access to a wide array of courseware, connectivity supports and enhances computer-assisted instruction, which has been proven effective in helping students master traditional academic subjects such as mathematics, science, and writing.

Unfortunately, the government failed to look at the broader picture of not only educational connectivity via schools and libraries, but connectivity for the local community. There was an opportunity to develop "Broadband connectivity" with E-rate funds as a starting point.

With the stimulus law, there was another opportunity to build on connectivity using E-rate as a bases, a foundation, upon which to enhance connectivity for the entire community. That was not done. So, again, the approach has been piecemeal.

"Broadband" stimulus funds should have been distributed, in large part, to schools, school districts and libraries because that was an administrative foundation already in existence. From that perspective, Broadband could be expanded to the entire community. Moreover, the focus would have more narrow versus multiple institutions, rural and urban, competing for grants.

Further, as stated in the McKinsey & Company Report, "as much as 60% of American jobs may require such technology skills." And that was in 2000. There should be a logical connection between schools, and the community.

Schools, school districts and libraries are in both urban and rural areas. The bases through which to funnel stimulus funds existed. Not only was there a physical bases for the funds, but there was an infrastructure upon which Broadband would not only increase technology skills for students, the American future, but that bases, that infrastructure, could be used for public and business connectivity.

Interestingly, the Report addresses cost. The Report suggests, in relevant part, that:

the funding challenge can be met through a combination of cost reduction, reprogramming existing funds, and additional initiatives **from both private and public sectors.** For example, the Classroom model could be funded by the following combination of initiatives: maintaining the current spending rate on technology of 1.3%, capturing 0.4% through additional cost reductions (or a further 10% savings on purchases), reprogramming anywhere from 1% to 2% of closely related budget categories, and securing up to 1% in additional funds. The more successful the cost reduction and reprogramming initiatives are, the lighter the burden that will fall on

securing alternative funds. The following list of funding suggestions is neither prescriptive nor by any means exhaustive.

Reduce costs. One way to reduce the cost of deployment is to **form buying consortiums at the state, regional, or national level to negotiate lower prices than a typical district could negotiate on its own.** Such negotiation with equipment and service providers could reduce the cost of deploying the Classroom model by about 10%; these savings go beyond discounts assumed in the model.

***Likewise, securing donations of in-kind services from local community groups-free local area network installation, for example-represents another way to reduce individual schools' funding burden.

Cost reduction efforts should target the largest cost elements that can be affected: hardware, internal network installation, and professional development for teachers. Most proposals to date, however, have focused on the connection to the school-for example, ensuring universal access to the Internet through telephone line or other connections. While such initiatives are important, they will not by themselves make much of a dent in overall funding needs.

While the Reports' focus is schools, the analyses can be used for future Broadband planning/grants. The FCC is in the best position to accomplish this.

Conclusion: It's not too late. Durham Public Schools, and other schools and libraries throughout the country, could be used as an administrative vehicle to expand Broadband to the surrounding community, public and private.

Disbursing stimulus funds or future Broadband stimulus funds would increase Broadband funding for schools and libraries and that existing infrastructure could be used as a bases for implementing community Broadband from both a public and business perspective. Further, no increase in fees on telecommunications carriers would be required. No amendment to the Telecommunications Act would be required. (It should be obvious by now that more stimulus funds are required for Broadband if we hope to achieve "universal" Broadband.)

E-rate Funding and Broadband

Page 4

November 17, 2009

Filed on behalf of Durham Public Schools,

A handwritten signature in black ink, appearing to read "Muirhead". The signature is fluid and cursive, with the first name being the most prominent.

Mike Muirhead,
Executive Director
Technology Services
Durham Public Schools

Cc: Hank Hurd