Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Schools and Libraries Universal Service Support Mechanism	)	CC Docket No. 02-6
	)	
A National Broadband Plan For Our Future	)	GN Docket No. 09-51
	)	
	)	
	)	

COMMENTS OF THE OHIO E-RATE CONSORTIUM

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SUMMARY

The State of Ohio established Information Technology Centers ("ITCs"), which are locally run state created Internet Service Providers, to encourage widespread deployment of Internet services to schools and the students that they serve. The ITCs have operated for thirty-two years, and Ohio has become a frontrunner in providing Internet access to students in Kindergarten through Grade 12. Ohio's network now serves nearly 4,000 buildings and 1.4 million students statewide. Ohio has ensured that 100% of its classrooms have Internet connectivity. The E-Rate program has been indispensible to the success of the deployment of telecommunications and Internet services in Ohio. Since 1998, Ohio schools have saved $899,789,059.22 on services through the E-Rate program. Beginning this year, Ohio schools will be forced to rely more heavily on E-Rate funding than in previous years, because state funding to the ITCs has been cut by 16% due to state budgetary issues.

The ITCs applaud the Commission's efforts to streamline the E-Rate process so as to encourage continued and unimpeded broadband deployment to the nation's schools. The ITCs caution, however, that the Commission must not modify components of the E-Rate Program that are functioning well. In particular, as set forth herein, the ITCs strongly disagree with the Commission's tentative conclusion to eliminate the Form 470 and the 28-day waiting period for priority one service providers that are subject to public procurement requirements. Doing so would undermine the competitive bidding process. The ITCs also disagree with the Commission's tentative conclusion that billed entities' employees be prohibited from serving on the boards of service providers in their area. This proposal is overly broad, does not take into consideration the composition of government and quasi-government service providers, is in

conflict with Ohio state law and effectively would prohibit the state-created ITCs from serving schools, thus *diminishing* the number of competitors in the state.

The ITCs also propose several measures to streamline the E-Rate application process. First, the ITCs propose that the Commission ensure that the personnel most closely involved in the administration of the application process—its PIA auditors—receive ongoing training appropriate to their job duties. The Commission also must ensure better information-sharing processes among USAC personnel, including PIA auditors, and between USAC personnel and Commission staff. The ITCs recommend that the Commission install a mechanism within the application process by which USAC personnel and Commission staff communicate regularly concerning prevalent or contentious issues arising during the E-Rate application process and the audit process by the PIA team. The ITCs also recommend that the Commission require that USAC personnel be transparent with their concerns when investigating a perceived competitive bidding violation or other violation by a service provider or billed entity. These modifications to the E-Rate process would greatly improve efficiency and effectiveness within the E-Rate program.

Lastly, the ITCs support the Commission's proposal to provide greater flexibility for students to access the Internet outside of the classroom by supporting portable Internet devices that could provide Internet access to students away from the classroom. These devices could be added to the Eligible Services List without unduly affecting other services.

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The Information Technology Centers of the Ohio E-Rate Consortium (referred to herein as the "Ohio E-Rate Consortium" or "ITCs") respectfully submit their comments in accordance with the Public Notice issued in the above-captioned proceeding.[1]

I. BACKGROUND

The Ohio General Assembly established the ITCs to (i) promote the value and benefits of the Ohio Education Computer Network ("OECN"); (ii) advocate for continuous improvement; (iii) support statewide technology programs and initiatives; and (iv) promote innovative technologies, partnership arrangements, and cooperative purchasing agreements to help support

[1] Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6; A National Broadband Plan for our Future, GN Docket No. 09-51, *Notice of Proposed Rulemaking*, FCC 10-83 (rel. May 20, 2010).

the technology initiatives of the OECN and Ohio schools.[2] Each ITC is organized in accordance with the Ohio Revised Code.[3]

Ohio's current technology education infrastructure has a proven track record of success, having provided Internet connectivity to 100% of Ohio K-12 classrooms. As explained by Deborah S. Delisle, Superintendent of Public Instruction for the Ohio Department of Education, the statewide initiative that began with the creation of the OECN and ITCs has enabled the ITCs to take advantage of economies of scale to provide cost-effective and efficient services.[4]

The ITCs provide vital information processing services and support to more than 900 school districts, Educational Service Centers, and community schools, and bring Internet services to approximately 1.4 million students throughout Ohio.[5] Ohio has ensured that 100% of its

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[2] *See* O.R.C. § 3301.075 (stating in relevant part, "[t]he state board of education shall adopt rules governing the purchasing and leasing of data processing services and equipment for all local, exempted village, city, and joint vocational school districts and all educational service centers. Such rules shall include provisions for the establishment of an Ohio education computer network under procedures, guidelines, and specifications of the department of education.")

[3] *See* O.R.C. § 3313.92 ("[t]he boards of education of any two or more school districts may, subject to the approval of the superintendent of public instruction, enter into agreements for the joint or cooperative ... participation in the Ohio education computer network established by section 3301.075 of the Revised Code."); O.R.C. § 167.01 ("[t]hat governing bodies of any two or more counties, municipal corporations, townships, special districts, school districts, or other political subdivisions may enter into an agreement with each other, or with the governing bodies of any counties, municipal corporations, townships, special districts, school districts or other political subdivisions of any other state to the extent that laws of such other state permit, for establishment of a regional council consisting of such political subdivisions.").

[4] *See* Letter to Michael Crumley, Chairman, Ohio E-Rate Consortium, from Deborah S. Delisle, Ohio Superintendent of Public Instruction (July 7, 2010) (attached as Exhibit A).

[5] *See* OECN website, available at http://www.mcoecn.org/AboutUs.aspx; Letter to Michael Crumley, Chairman, Ohio E-Rate Consortium, from Kathleen J. Harkin, Executive Director, eTech Ohio (July 7, 2010) (attached as Exhibit B); Letter to Michael Crumley, Chairman, Ohio E-Rate Consortium, from H. Samuel Orth, III, Ohio Chief Information Officer (July 7, 2010) (attached as Exhibit C).

classrooms have Internet connectivity. The E-Rate program has been indispensible to the success of the deployment of telecommunications and Internet services in Ohio. The success of the ITCs is attributable, in large part, to the E-Rate Program. Through the receipt of E-Rate Funding, schools in Ohio have been able to provide services to numerous students that otherwise would not have access to the Internet.

II. THE COMMISSION SHOULD PRESERVE ITS CURRENT COMPETITIVE BIDDING RULES TO ENSURE A FAIR AND OPEN BIDDING PROCESS

The ITCs applaud the Commission's efforts to facilitate broadband deployment, but caution that the Commission must not alter processes and procedures that currently work well. In particular, the ITCs strongly disagree with the Commission's tentative conclusion to eliminate the requirement that billed entities for priority one services that are subject to public procurement requirements file the FCC Form 470 and wait 28 days before signing a contract with their chosen provider. Eliminating this requirement for any billed entity, including those subject to public procurement, would undermine the competitive bidding process. The ITCs also disagree with the following Commission proposal to prohibit board members from serving on Internet Service Provider boards: "applicant employees of board members may not serve on any type of telecommunications, Internet access, or internal connections service provider that participate in the E-Rate program in the same state."[6] This proposal is overly broad, does not take into consideration the composition of government and quasi-government entities, is in conflict with

[6] *NPRM* ¶ 29.

Ohio state law and effectively would prohibit the state-created ITCs from serving schools, thus *diminishing* the number of competitors in the state.[7]

A. The Commission Must Retain Form 470 and the Mandatory 28-Day Waiting Period

The ITCs disagree with the Commission's tentative conclusion that it should eliminate FCC Form 470 and the 28-day waiting period requirements for priority one services billed entities subject to state and local procurement laws.[8] The Form 470 is critical to the facilitation of a competitive bidding process. The Form 470 serves as a notice—and often the only notice—to service providers that schools and libraries are seeking a service provider. If the Commission eliminated this requirement for priority one billed entities, then fewer service providers would know of the school's needs, thus eliminating any competitive bidding. As a result, schools might be forced to pay a higher rate for services because they would not have the advantage of multiple bids. The Form 470 is vital to business interests and crucial to ensuring that schools and libraries have the most opportunities to receive low-cost services. Thus, elimination of the Form 470,

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[7] Indeed, the proposed guideline likely would affect numerous states in addition to Ohio. Comments in universal service proceedings demonstrate that other states also maintain state-run networks, many of which likely would be affected by this proposal. *See, e.g.*, Comments of Wisconsin Department of Public Instruction; Comments of the Iowa Department of Education; New York State Education Department; Comments of the West Virginia State Department of Education; Comments of the Texas Education Telecommunications Network; Comments of the Utah Education Network; Comments of Colorado's Education Access Gateway Learning, each filed in *Comment Sought on Broadband Needs in Education, Including Changes to E-Rate Program to Improve Broadband Deployment, NBP Public Notice #15*, GN Docket No. 09-51, 24 FCC Rcd 13560 (2009).

[8] *See NPRM* ¶¶ 22-25.

while it may streamline the application process, would do so to the detriment of the program's goal of delivering cost-effective service to as many schools as possible.[9]

The state procurement rules, without Form 470 and the 28-day waiting period, are not sufficient to enable a fully competitive bidding process. In particular, in Ohio, the state procurement rules do not provide the same type or level of notice as the FCC Form 470. Thus, it is critical that the Commission maintain the FCC Form 470 filing requirement and the 28-day waiting period for applications requesting priority one services.

B. The ITCs Strongly Oppose the Commission's Proposal To Prohibit Board Member Participation on ISP Boards

The ITCs strongly support the Commission's proposal to codify the requirement that a billed entity must conduct a fair and open bidding process when seeking bids for services eligible for E-Rate support.[10] The ITCs, however, disagree with the Commission's tentative conclusion that the presence of a billed entity employee on the Board of any service provider would be conduct that would violate the fair and open bidding process. The Commission's blanket prohibition ignores the fact that governmental and quasi-governmental entities also are valid E-Rate service providers.

Adoption of the prohibition regarding Board members is not necessary to preserve a fair and open bidding process in Ohio and would be detrimental to the public. As set forth below, the Commission's prohibition is in direct contravention of Ohio law. As a result, ITCs would be

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[9] The Commission's goal of streamlining the process can be more effectively achieved by adopting the methods discussed *infra* than through the elimination of the Form 470 and waiting period.

[10] *See NPRM* ¶ 27.

forced to leave the marketplace or risk violating either Commission or state law. Moreover, there is no indication that the presence of a Board member has hindered—or will hinder—competition.

1. Ohio Code Requires School District Representatives to Sit on ITC Boards.

The Commission's proposed guideline is contrary to Ohio law, and adoption of the guidelines would force ITCs to cease operations. Each ITC is organized under the Ohio Revised Code.[11] Under Ohio law, "**the membership of each information technology center [must] be composed of combinations of school districts and educational service centers**…."[12] Therefore, for an ITC to operate, school district representatives (usually superintendents) *must* sit on its board.[13] Therefore, an ITC could not comply with the proposed Commission guidelines and Ohio law.

The Ohio legislature has implemented safeguards to deter conduct that would impede a fair and open competitive bidding process. Ohio law prohibits the Board of Education from

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[11] *See* O.R.C. § 3313.92 (stating "[t]he boards of education of any two or more school districts may, subject to the approval of the superintendent of public instruction, enter into agreements for the joint or cooperative ... participation in the Ohio education computer network established by section 3301.075 of the Revised Code."); O.R.C. § 167.01 (stating "[t]hat governing bodies of any two or more counties, municipal corporations, townships, special districts, school districts, or other political subdivisions may enter into an agreement with each other, or with the governing bodies of any counties, municipal corporations, townships, special districts, school districts or other political subdivisions of any other state to the extent that laws of such other state permit, for establishment of a regional council consisting of such political subdivisions.").

[12] O.R.C. § 3301.075 (emphasis added).

[13] *See id.*

adopting rules limiting a school district's choice of service providers.[14] In addition, to preserve a fair and open bidding process, school district employees are not involved in the bid creation process. School districts have control over pricing offered to them by ITCs in the bidding process. There is no financial incentive for school districts, or their superintendents, to compromise the bidding process. Superintendents are paid for fulfilling their duties in the course of their employment with their school districts- they are not compensated by the ITCs for their service on boards of directors. No superintendents own any stake or otherwise have any financial interest in the service providers on whose boards they serve.

The superintendents' involvement with the ITCs is limited to attendance at meetings and voting on the recommendations presented. ITC board members vote to affirm the recommendation on fees for all services provided by an ITC at periodic meetings. These safeguards are sufficient to deter the conduct of concern to the Commission.

Furthermore, ITCs are subject to state and school district oversight, thus deterring the anti-competitive conduct of concern to the Commission. The school district superintendents that sit on the Board of the ITCs have the opportunity to monitor the governance of the ITCs. All records of the government created ITCs are open to public scrutiny and subject to audit by the

[14] *See id.* (stating, the "state board of education shall adopt rules governing the purchasing and leasing of data processing services and equipment for all local, exempted village, city, and joint vocational school districts and all educational service centers. Such rules shall include provisions for the establishment of an Ohio education computer network under procedures, guidelines, and specifications of the department of education… *However, no such rule shall prohibit a school district or educational* service *center from receiving computer services from any information technology center established under this section or from any other public or private vendor.* Each information technology center shall be organized in accordance with section 3313.92 or Chapter 167 of the Revised Code.") (emphasis added).

state of Ohio.[15] No harm will result from the service of school district representatives on ISP boards that are similarly situated to the Ohio state-created ITCs.

2. The ITC Board Structure Does Not Violate the Commission's Fair and Open Bidding Requirements

The ITC Board structure does not frustrate the fair and open bidding process. In the *NPRM*, the Commission states that the purpose of the proposed guideline is as follows:

> Generally speaking, all potential bidders and service providers should have access to the same information, they should be treated in the same manner throughout the procurement process, and they should not have additional information beyond the contents of an applicant's FCC Form 470 or RFP, if the applicant uses these documents to initiate bidding.[16]

As discussed above, the presence of a school member on the ITC Board does not impede these goals. Billed entity school districts are not involved in the ITCs' bidding process, and the ITCs are not involved with the creation of any Forms 470 or the vendor selection process for any district. Thus, ITCs obtain no information outside of the Form 470 or RFP regarding the service sought, nor are they treated differently from other bidders by the billed entity school districts.

The Commission has provided clear rules for determining when a service provider (or billed entity) has violated the Commission's requirement that the billed entities hold a fair and open competitive bidding process. In *Mastermind*, the Commission found that, when a billed entity allows a prospective service provider to assist in preparation of a billed entity Forms 470 and to serve as the contact on its Form 470, the billed entity impairs its ability to hold a fair competitive bidding process.[17] The Ohio Code ensures that there is appropriate separation, thus

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15 *See supra* Exhibit B.

16 *NPRM* ¶ 29.

17 *MasterMind Internet Services*, Order, 16 FCC Rcd 4028 (2000).

addressing the concern expressed in *Mastermind*. Separation between the ITCs and E-Rate billed entities whose superintendents serve on their boards is maintained so that this would never occur. It is the school districts that are wholly responsible for all aspects of vendor selection, from creation of their Forms 470 through receipt of inquiries and bids from districts to the final decision of a winning bid. The superintendents of these districts generally are not involved in the vendor selection process. To the extent that the superintendents are involved in this detailed process, their participation is nominal and limited largely to compliance issues, such as ensuring a prospective bidder is in compliance with state procurement rules.

3. The Proposed Guideline Would Hinder Competition

The Ohio ITCs cannot satisfy both Ohio law and the Commission's proposed guideline. If the Commission adopts the proposed board member guideline, then the Ohio ITCs will be unable to provide Internet access services to the schools, thereby denying schools and the thousands of students they serve from choosing the most affordable service provider currently available. The proposed guideline also would hurt competition by reducing the number of service providers and potentially eliminating service in areas exclusively served by the ITCs. In the end, the proposed E-Rate guideline would prove directly contrary to the E-Rate programs goal of providing telecommunications and Internet services to K-12 schools at affordable rates.

Even if the ITCs could afford to provide Internet access service without E-Rate funding, they would be unable to provide affordanble services. Without E-Rate funds, the ITCs could not keep prices low enough to provide cost-effective service to schools. As a result, Ohio would have to reconfigure its entire network infrastructure at a great cost.[18] Until these extensive

[18] *See* Exhibit B.

changes could be made, nearly every school district in Ohio would have to change its Internet Service Provider, and, in the end, the OECN and Ohio technology plan would become unworkable.

This result would be disastrous to the school districts served by the ITCs, which currently play a key role in assisting schools and libraries in receiving the best value for their limited funds. Private Internet Service Providers are almost invariably pricier than the government created and funded ITCs.[19] The ITCs are able to take advantage of the economies of scale that result from being part of a statewide network. If school districts were required to choose among private companies that no longer have to compete with the ITCs' pricing structures, the costs would skyrocket. In combination with reductions in state funding for technology in schools, continued payment at their current level of service may prove untenable for many districts. Adoption of the board member prohibition as written would jeopardize the ability of Ohio school districts to obtain valuable Internet services and compromise the Ohio General Assembly's technology plan for its K-12 schools.

III. COMMISSION SHOULD IMPLEMENT OTHER MEASURES TO STREAMLINE THE APPLICATION PROCESS

Although the ITCs disagree with certain of the Commission's proposals, the ITCs agree that the Commission should implement measures to streamline the E-Rate application and funding process. In the *NPRM*, the Commission sought comment on other proposals that would streamline the E-Rate application process.[20] The current E-Rate application process, from the

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[19] Where the ITCs have not proposed the best value, school districts have contracted with private entities.

[20] *NPRM* ¶ 17.

time billed entities post FCC Form 470 until USAC issues a Funding Commitment Decision Letter, is rife with delays. These delays are not caused by the submission of the FCC Form 470 or the 28-day waiting period, but rather are a product of inefficiencies in the PIA process. This year, the first wave of E-Rate application approvals occurred three months after the closing of the Form 471 window. Although USAC approved approximately 60% of applications nationwide by the three-month mark, as in past years, applications whose fates are not decided in this first wave may linger with no resolution for months after the first applications are granted. Therefore, the Commission must improve training of PIA auditors, improve information sharing between PIA auditors and other USAC personnel, and promote transparency in ongoing audits.

A. The Commission Must Ensure that PIA Auditors Receive Appropriate and Ongoing Training

The Commission must ensure that all PIA auditors are trained thoroughly and uniformly. In particular, auditors must be trained regarding the scope and structure of the E-Rate program and potential technical solutions that billed entities might employ. Many of the PIA inquiries initially directed at billed entities, in which the ITCs become involved, revolve around technical questions. In the ITCs' experience, PIA auditors sometimes ask unnecessary technical questions that are not relevant to the goals of the E-Rate program or the Commission's rules. The very nature of these questions often reveals a basic misunderstanding by PIA auditors of either the technology solutions implemented to address the needs of the billed entities or the E-Rate program itself.

These misunderstandings by some PIA auditors have led to delays and even denials of E-Rate funding. For example, this year, several school districts received inquiries from PIA auditors regarding the purchase price of equipment owned and operated by the service provider.

Inquiries regarding equipment costs for service providers are not relevant to the E-Rate funding process when those costs are not passed on to billed entities. Recently, after learning that certain ITCs do not charge school districts for costs related to equipment, PIA auditors have continued to demand an accounting for how these non-existent fees are charged. After repeated back-and-forth, some PIA auditors have demanded to know how much the ITCs paid for the equipment they use to provide service. This question is completely inappropriate, as Commission representatives explained to USAC after they were contacted by the ITCs and asked to intervene. Before Commission staff intervened by calling USAC, numerous districts experienced long delays in approval of their funding requests and were threatened with loss of funding altogether. These delays can, and should, be prevented by ensuring that PIA auditors receive appropriate training.

B. The Commission Should Require Better Information-Sharing between PIA Auditors and other USAC Personnel to Eliminate Repetitive and Redundant Questioning

The Commission should establish a mechanism to facilitate information sharing among PIA auditors and between PIA auditors and other USAC personnel. Schools and libraries are subject to delays due to repeated, unnecessarily duplicative inquiries. Because of an apparent lack of internal communication among auditors, the districts served by the ITCs are often subjected to the same litany of questions from multiple PIA auditors and/or other USAC staff. Additionally, PIA auditors frequently request the same question of the same school district year after year. These repeated and preventable inquiries inevitably result in funding delays.

As one example, one Ohio ITC has had to answer repeated questions about address matches, resulting in wasted resources for the ITC, the billed entity and USAC. These

duplicative questions are particularly evident in cases where a service provider or its agent's address matches that of a billed entity. Public and private organizations frequently inhabit the same building. This is an issue which, if resolved, could be explained in a short entry in a database and then would not need to be revisited in the future.

In addition to addressing repetitive questions, service providers and billed entities also waste resources when they are required to respond to PIA inquiries from previous cycles. One ITC reports that, in the summer of 2009, USAC required one of the ITC's customers to prove that it had filtered its Internet access appropriately in the summer of 2003. The PIA auditor in this matter refused to accept a letter from the ITC certifying that they had provided appropriate filters since service began. The auditor threatened to reclaim six years of funding. Had the ITC not retained a log demonstrating that filtering was in place, which it is not required by the Commission to keep, the school district would have had to return much-needed funds for no reason. The same service provider learned recently that another school district was being required to prove that it had held a fair and open competitive bidding process in the spring of 2003, seven years earlier. No reason was given for the demand. Both of these issues were previously addressed and resolved in 2003, when the facts and circumstances of the billed entities' situations were current. If PIA maintained a database of the questions they asked and responses that were given, the information needed would be available to the PIA auditor reviewing the claim and would not have to demand this ancient information from the billed entities.

The Commission should also facilitate information-sharing between Commission staff and USAC staff. It is vital that the personnel overseeing day-to-day administration of the

program have a direct line to the entity whose rules it is attempting to enforce. USAC staff should be able to contact Commission staff to ask questions about unusual or confusing circumstances arising during the E-rate application process. In addition, Commission staff should have a mechanism whereby they receive information about prevalent PIA inquiries or changes in the approach of PIA personnel.

C. The Commission Should Require PIA Auditors and Other USAC Personnel To Be Transparent in Investigations

The Commission also must adopt transparency requirements, which, in turn, streamline the application process. Further complicating the process of responding to PIA inquiries is the lack of transparency in the process. PIA reviewers are often secretive about the nature of their concerns in investigations, which leads to failures of communications and delay in the E-Rate funding process. As one example, one Ohio ITC that had contracted with a billed entity to provide VOIP services was informed by a PIA auditor that the routers it used as voice gateways were only partially eligible, but the PIA auditor in charge of its application steadfastly refused to explain why this was so. After two months of phone calls and emails, Commission intervention (and accompanying attorneys' fees), the ITC discovered that the routers were on a USAC schedule of equipment to be price allocated to accommodate "redundant" capabilities that was never made public. Had the ITC known of the existence of this schedule or if USAC had provided a copy of the schedule when it first began questioning the billed entity, the billed entity could have received the funding to which it was entitled in a timelier manner, thus serving consumers and the public interest in a sufficient manner. Instead, billed entity and USAC resources were wasted in an unnecessary and useless exchange of communication and research.

As another example, an ITC has been under review by USAC for over 18 months, but USAC has refused to identify its concerns. In the normal course of practice, a billed entity certifies it has received services before an invoice form (Form 474) is submitted by the service provider. In this case, however, for the past year and a half, all schools that contract with this ITC have had to complete service certification forms *after* the provider filed its Forms 474. PIA auditors also required a number of these school districts to provide copies of the checks they used to pay for services, copies of bank statements, further inquiries about the signatures on the certification forms, and re-submission of all certification forms after changes in the information sought in the forms. In addition, the ITC has had to provide meeting minutes and contracts with its fiscal agent, received "anonymous" phone calls requesting similar information from numbers that link back with the SLD, and requests for duplication of E-Rate forms. If ITC employees could determine the reason for these actions, they could address them, but the PIA auditors working on the applications of its billed entities have made that impossible.

IV. THE COMMISSION SHOULD PROVIDE GREATER FLEXIBILITY FOR STUDENTS TO ACCESS THE INTERNET OUTSIDE OF THE CLASSROOM

The ITCs support the Commission's tentative conclusion that it should adopt the National Broadband recommendation that the E-Rate program fully support wireless Internet access services enabled by portable learning devices that are used off-premises.[21] Ohio schools have experienced a substantial increase in the demand for Internet access for students outside of the classroom. Teachers around the country are using the Internet more than ever in the classroom and in homework assignments. Furthermore, employers and colleges increasingly seek

[21] *NPRM* ¶ 45.

candidates who can exploit the Internet's resources – from the job or college application through work or study assignments. For elementary and high school students to maintain a level of competency (both technological and general) comparable to that of their peers, they must have Internet access outside of the classroom. In districts with a high level of students on the Free and Reduced Lunch program, the likelihood that students will have broadband or other types of Internet access available to them outside of the school without governmental assistance is low.

Adding portable learning devices to the Eligible Services List would not unduly impact other services. Adding these devices would not increase the broadband capacity schools need and thus would not increase the cost of services to the schools. In addition to having no financial impact on the E-rate program, these devices would prove invaluable to students in completing their homework assignments or preparing extra-curricular school projects. Therefore, the Ohio ITCs recommend the adoption of this National Broadband Plan recommendation to add portable learning devices to the Eligible Services List.

V. CONCLUSION

For the foregoing reasons, the Ohio E-Rate Consortium respectfully requests that the Commission adopt the recommendations contained herein.

Respectfully submitted,

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July 9, 2010

EXHIBIT A

Ohio | Department of Education

Ted Strickland, Governor
Deborah S. Delisle, Superintendent of Public Instruction

July 6, 2010

Mr. Michael Crumley, Chairman
Central Ohio E-Rate Consortium
3607 Hamilton-Middletown Rd.
Hamilton, OH 45011

Dear Mr. Crumley:

This letter is to express my support of Ohio's Information Technology Centers (ITC's), and illustrate some of the ways in which they have created efficiencies and enhanced education for Ohio students. Below are just a few of the examples of how they support our technology efforts throughout the state:

- **Conduits for connectivity**: The Ohio Computer Education Network (OECN) is an all-fiber, high-bandwidth network connecting 23 Information Technology Centers (ITC) and seven large-urban districts across the state. The ITCs serve as the connection points to the state intranet, the public internet, and Internet 2 for the districts they serve. The ITCs share the network with the higher-education campuses.

- **Equitable access to service**: By design, the ITCs provided identical network access to the districts they serve and support the vision of using broadband connectivity as an economic development tool by leveling the playing field for all students statewide.

- **Portal for services**: ITCs serve as a portal for videoconferencing services, distance learning classes, and professional development opportunities for teachers and students. The ITCs also provide access to library automation services across the state.

- **Economies of scale and scope**: As part of the OECN, ITCs are able to take advantage of economies of scale for instructional and administrative software purchases that can be licensed on a single state intranet. The cost savings from this business model allows for the provision of technical services to all students that would otherwise not be possible.

- **Coordinated and collaborative, not centralized**: ITCs allow for local choices in both the development and distribution of services. Being close to their customers

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allows for optimal customer relationship management and high-touch technical support.

- **Statewide security policies**: ITCs provide a uniformly secure environment for the storage and handling of personally identifiable student data that allows for efficient reporting to the state and federal levels.

The Ohio Department of Education is pleased to support the ITCs continued efforts and work collaboratively with them to provide creative and innovative solutions to support the advancement of each and every student throughout the state regardless of zip code, with high quality, technologically advanced educational opportunities that will enable them to compete in today's global society.

Sincerely,

Deborah S. Delisle

DSD:FP:pbp

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EXHIBIT B

Ohio | eTech Ohio

July 7, 2010

Mr. Michael Crumley
Chairman, Ohio Erate Consortium
3607 Hamilton Middletown Rd.
Hamilton, Ohio 45011

Dear Mr. Crumley:

For over 15 years the Ohio eTech Commission and its predecessor agencies have worked diligently with the Ohio Department Education and the Ohio Education Computer Network to create a comprehensive, statewide network capable of meeting the needs of Ohio's educators and learners. These collaborative efforts have been successful, and Ohio now has one of the most advanced educational networks in the country, serving almost 4,000 buildings and 1.4 million students statewide. The network provides access to many essential resources including the Internet, Internet 2, and distance learning services, and because this is a statewide, collaborative network, we are able to leverage its immense size to obtain deeply discounted rates for these key services.

A major element in the success of our network has been the status of the member sites of the Ohio Education Computer Network as Internet Service Providers under the Erate program. These regional centers, under the leadership of the local superintendents and treasurers, have consistently provided outstanding computer and network services at very competitive rates to their member schools. Their primary focus has always been to find cost effective solutions that will enable the delivery of a quality education to their students. All of their records are open to public scrutiny and subject to audit by the State of Ohio, so everything is completely transparent.

The proposal to disallow the participation of these school personnel from the Service Provider controlling boards would be a serious blow to educational technology in Ohio. It would require extensive reworking of our entire network infrastructure at substantial one-time cost, plus invariably higher ongoing costs. I encourage the maintenance of the existing rules which we have found to work very well for our purposes.

Sincerely,

Kathleen T. Harkin
Executive Director, eTech Ohio

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EXHIBIT C

Ohio Department of Administrative Services
Ted Strickland, *Governor*
Hugh Quill, *Director*
H. Samuel Orth, III, *State Chief Information Officer*

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OhioDAS

July 7, 2010

Mr. Michael Crumley
Chairman, Ohio Erate Consortium
3607 Hamilton Middletown Rd.
Hamilton, Ohio 45011

Dear Mr. Crumley:

For the last decade and a half, the state of Ohio via the Ohio eTech Commission and its predecessor agencies have worked together with the Ohio Department of Education and the Ohio Education Computer Network to create a robust, comprehensive statewide educational network that provides important resources, content and capability for Ohio's students, teachers and administrators.

Ohio's investment and collaborative efforts have been successful, and Ohio now has one of the most advanced educational networks in the world, serving 1.4 million students and over 4,000 school buildings. The network provides access to many essential educational resources including the Internet, Internet 2, distance learning, educational content, administrative computing systems and other resources that enable effective learning in our classrooms.

The network is statewide, collaborative, and comprehensive; so much so that our state is able to leverage its size to obtain a higher quality of services for our students and educators at a lower cost.

A major component of the success of our state's network has been the partnership of the Ohio Education Computer Network as an Internet service provider under the Erate program. Originally created by the state legislature to assist school districts with student data collection, these regional sites have grown to provide vitally important network services to their member schools. These regional centers, led by governing boards of local superintendents and treasurers, focus on finding cost effective solutions and driving service quality for their member schools. As local councils of government, all of their business transactions are open to the public, and are subject to audit by the state.

The proposal to disallow the participation of these school personnel from the Service Provider controlling boards would be a serious detriment to broadband connectivity and learning for children in Ohio. It may potentially require extensive redesign of our entire network infrastructure at substantial one-time cost to the state, plus higher ongoing operational and capital maintenance costs. Consequently, I encourage the continuation of the existing rules which have fostered cost-efficient and effective collaboration and service delivery to the children, teachers and school administrators in Ohio.

Sincerely,

H. Samuel Orth, III
State Chief Information Officer
Assistant Director
Office of Information Technology
Ohio Department of Administrative Services
eTech Ohio Commissioner