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This document is intended to comment during the open response window for NRPM: **WC Docket 13-184**. It is broken into the following sections for ease of review:

Seattle Schools has many concerns about the NPRM. Most of these concerns stem from three components:

- Timing – The timeline for these changes could eliminate all P1 and P2 funding for Urban School Districts within the next two years. This would have a serious negative impact on the ability of Seattle Schools to sustain present technology levels.
- Incomplete, inadequate analysis –The data presented in the NPRM, could have school districts over and under allocating E-rate supported resources if adopted.
- Penalizing cost-conscious districts – If adopted, districts with a history of cost conscious requests for support from the E-rate program will be in effect penalized. There is no accountability for those who modified plans simply to increase funding levels in the current NPRM.

Introduction and Background

Our concerns about the proposed changes contained within the NPRM are many but we have chosen to focus on those issues most critical to our district and other urban school districts nationwide.

Seattle Public Schools represents a typical Urban School District. With just under 50,000 students, 104 schools, 27,000 computers and 8,500 staff, our overall discount is 61%. Only 19 of our schools qualify for a 90% discount based on the current urban matrix. We have an FRL distribution that is typical of the economic fabric of the American school system. We have pockets of impoverished housing as well as wealthy areas.

Seattle Schools has received support since the first year of the E-rate Program in 1998. Seattle Schools was instrumental in providing leadership and advice for USAC's Waste Fraud and Abuse

Task Force at its inception.¹ Additionally, Seattle Public Schools was invited to testify before a House Subcommittee in 2004², and was instrumental in the Ysletta decision. The reason Seattle Schools was invited to testify was due to our strict compliance to E-rate eligibility rules and understanding of the program.

We have numerous challenges in meeting the needs of our students, including making sure they graduate, that they are properly prepared for career and college. Computer-based formative assessments and other tools help us tailor education to the student and provide early interventions at any grade level. Those activities use technologies that rely on a solid infrastructure.

Timing

Another area of concern involves the Equitable Distribution of Limited Funds, Section III in the NPRM table of contents. This timing is untenable considering the required budget forecasting of urban schools.

We are alarmed at the apparent speed at which some form of these recommended changes or proposals contained within the NPRM are poised to be adopted. These changes were made available during the time when the schools were out on summer break and consensus was most difficult to obtain due to vacations and closed schools. Having done our best to consider and discuss those items contained within the NPRM, one thing that seems of paramount concern is the potential abrupt and impactful disruption to the school district's budget. After 14 years of consideration of the E-rate System, countless trainings, discussions with colleagues, appeals to clarify the nuance of the language contained within the eligibility list or form instructions, PIA reviews and audits, it is unimaginable that we are facing a ruinous change to the support model. If the funding for telecommunications and internal connections is curtailed next E-rate Year, and since school districts typically require a 6 year budget forecast, the impact of these changes will ripple through our city and take us away from the intended target of a "21st century broadband that supports digital learning". For example, a recently passed capital projects levy in Seattle passed which will provide much needed renovation to schools that have substandard facility for our classrooms. Technology plans for the next 6 years and a dozen schools were considered and proposed within the levy campaign with E-rate in mind for both priority one and priority two support.

Sections of this massive NPRM provide for changes that will result in the disruption of support for urban schools need to be reconsidered and at a minimum rolled out slowly, ideally after commitments made to the public through levies and subsequent changes to property value taxes have had the required time to align with these modifications.

Incomplete Analysis

Based on the numbers provided in the NPRM, there is significant risk of over or under-provisioning E-rate supported services.

¹ Panel discussion, Washington DC, July 2003 FCC Chairman Powell presiding

² U.S. v. IBM (Energy and Commerce, Rayburn Bldg, Washington DC, May 2004)

We are concerned that the E-rate changes thus far are not driven by data and research, but rather seem to be a collection of varied opinions and anecdotes on ways to improve the system. Consider for example the district bandwidth expectations. In our district 80% of the traffic to/from a school is Internet traffic to/from various cloud-hosted services. Using the 10Gb per 1000 users model (10Mb per student)³ multiplied by 40%, that would imply the district would potentially require a greater than 200Gb uplink to the Internet. This would be seriously over-provisioned and yet the provided wireless numbers are significantly under-provisioned, giving those same 50,000 students less than 3.6Mb per student, where wireless access is coverage-based rather than density-based. These are but two examples where more analysis and discussion for proposed changes of this magnitude is warranted.

Case by case basis

Equitable distribution should first prioritize funding commitments based on history of funding for a given district. As an example, some districts may have requested as little as \$5 per student while others may request more than \$800.

The “Big Spender Phenomenon” may account for 19% of the total Priority One requests⁴. If analysis were able to establish this and corrective action were taken, this would have a great positive impact and could even provide for an equitable distribution of limited support as stated in the NPRM without disruption to urban school budgets nationwide.

In E-rate Year 2012, fully 92% of reported student expenses for Internet and Telecommunications range from \$5 to \$200 dollars per student (19,000 applicants). The remaining 8% of requests for support average \$612 per student. This is out of step with normal expenditures for Internet and telecommunications. If these figures agree the FCC analysis then fully 20% (dollar calculation) of all Internet and telecommunications support is funding “Big Spenders”.³ By comparison, Seattle Public Schools has received Priority One support from USAC based on an average cost per student of \$8 in 2012.

Conclusion

If the E-rate support history of each district is not considered, an unintended consequence will be the inadvertent punishment of those districts who controlled costs and did not succumb to the temptation to shift expenditures (due to the P1/P2 dichotomy) simply to maximize E-rate support. This will have the opposite of the desired effect.

Many districts like Seattle Public Schools kept costs down and supported the of the E-rate Program through judicious use of what funding plainly met the criteria set forth in the eligibility list.

The consequence of a sudden elimination of P1 and P2 support for Urban Schools will be a disruption to Internet and telecommunications for thousands of schools and millions of students nation-wide. Past history should be taken into account and totals should be established based

³ SEDTA from NPRM page 11

⁴ FFL Exparte document to the FCC, John Harrington, June, 2013

on the 14 years of available of data. Only then can equitable distribution of limited support become a reality.

We agree that it is time to modernize the E-rate Program and support those changes that benefit K-12 schools, such as streamlining the application process but a considerable amount of analysis is required first. The development of a guaranteed alternative district model may be a good idea as well but only after careful review.