



E-Rate Overview

Denton ISD

1/20/2015



E-Rate Overview

- ▶ What Is E-Rate?
- ▶ Where Did E-Rate Come From?
- ▶ How Do Schools Benefit From E-Rate?
- ▶ Denton ISD & E-Rate Over The Years
- ▶ Moving Forward (2015 and beyond)
- ▶ Questions



What Is E-Rate?

- ▶ E-Rate is a program administered by the FCC which helps schools afford their telecommunications connectivity, including internet
- ▶ E-Rate funds are generally used for four purposes:
 - ▶ telecommunications/phone service
 - ▶ internet connections
 - ▶ internal connections and
 - ▶ internal connection maintenance



Where Did E-Rate Come From?

- Created as part of the 1996 reauthorization of the Telecommunications Act
- An already existing program was expanded to include funding to support connectivity in schools and libraries
- The funds come from telecommunications companies, who usually pass the fee along to consumers
 - You can see the fee (Universal Services Fund) on your monthly phone bill



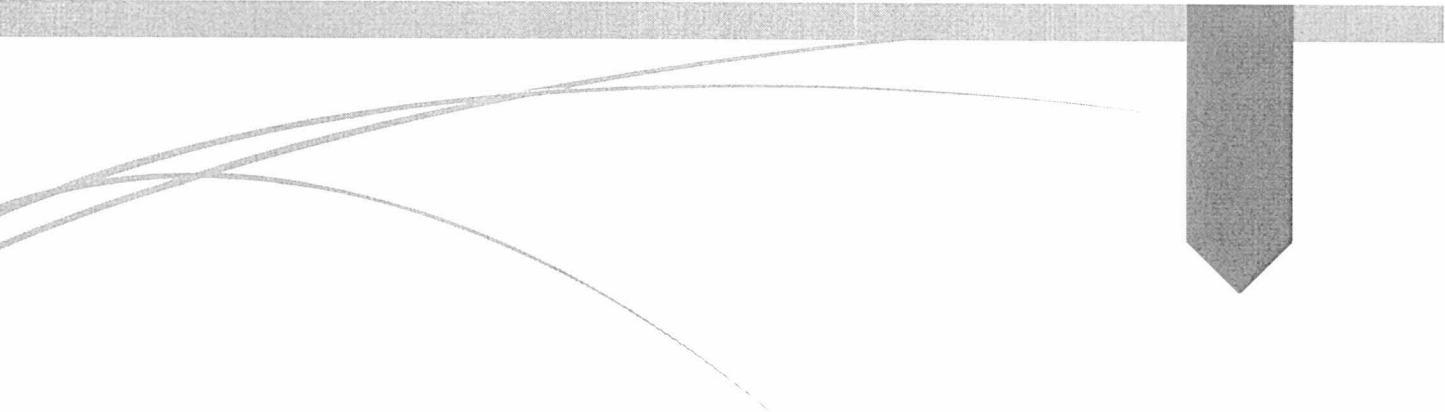
How Do Schools Benefit from E-Rate?

- The E-Rate program provides funding, in the form of a discount, that helps schools afford their telecommunications connectivity.
- E-Rate was critical in the massive expansion of Internet access to schools over the last decade.
- As digital learning becomes the 'norm' in education, internet access and adequate bandwidth are a 'must-have', something E-Rate supports.
- Discounts are based on Free and Reduced Lunch counts.

Denton ISD (prior 10 years)

Year	Category 1	Category 2
2014	\$ 227,438.71	\$ -
2013	\$ 271,428.84	\$ -
2012	\$ 245,910.80	\$ 1,446,496.44
2011	\$ 228,180.25	\$ -
2010	\$ 267,546.03	\$ -
2009	\$ 341,029.35	\$ -
2008	\$ 234,525.39	\$ -
2007	\$ 130,048.86	\$ 117,221.18
2006	\$ 166,463.30	\$ 74,359.08
2005	\$ 123,877.74	\$ -
Total	\$ 2,236,449.27	\$ 1,638,076.70

Note: Denton ISD traditionally receives an average of a 60% discount in Category 1 funding per year. For 2014, the discount is 62% for eligible services.



Moving Forward (2015 & Beyond)

- ▶ Starting with Year 2015 (Fiscal 2015-16), the e-rate program is undergoing significant changes.
- ▶ E-Rate is phasing out discounts for voice services. Phase out is 20% per year. So, DISD's discount in 2015 will be approximately 40%, 20% in 2016, and near zero in 2017. For 2014, voice services totaled \$ 330,300.72 with an e-rate discount of \$ 204,786.45.
- ▶ Discounts for Broadband Services (Internet Circuits, etc) will continue to be fully supported. For 2014, broadband services totaled \$ 45,499.92 with an e-rate discount of \$28,209.95.
- ▶ Category 2 services (network & wireless equipment) will be subject to a five year pre-discount budget of \$150 per student / campus. With an expected discount of 60%, this translates to about \$ 90 per student / campus.

Questions?

