

ARIZONA BROADBAND FOR EDUCATION INITIATIVE

2019 Q2 Project Update

“High-speed Internet is the necessary foundation for taking advantage of technology in the classroom. I support expanding broadband connectivity in every classroom in our state to ensure our students have the tools and skills they need to succeed in school and beyond”.

Arizona Governor Doug Ducey

The Arizona Broadband for Education Initiative is a partnership between the Governor’s Office of Education, the Arizona Department of Education, the Arizona Corporation Commission and the nonprofit organization EducationSuperHighway. The program’s goal is to ensure that every public K-12 instructional building in the state is connected via high-speed and reliable broadband connections to enable digital learning in the classroom.

One major component of the Initiative includes supporting schools and libraries as they take advantage of the federal Schools and Libraries (E-rate) Program. The E-rate program provides discounts of up to 90% of the monthly cost of telecommunications services to keep students and library patrons connected to high-speed broadband. It is administered by the Universal Service Administrative Company (USAC), a non-profit designated by the Federal Communications Commission (FCC).

The E-rate Modernization Order, adopted in July 2014, allows states to establish “matching funds” that may contribute up to ten percent in funding to subsidize the cost of Category I “special construction” projects. If a state provides eligible schools and libraries with funding for special construction charges for high-speed broadband that meets the FCC's long-term connectivity targets, the E-rate Program will increase an applicant's discount rate for these charges up to an additional ten percent to match the state funding on a one-to-one dollar basis. The combination of E-rate and state match funding can cover up to 100% of an applicant’s out of pocket cost for the infrastructure necessary to supply high speed Internet.

In March 2017, the Arizona Corporation Commission updated the Arizona Universal Service Fund (AUSF) rules to provide \$8M in funding for “Special Construction” projects in Arizona. Used in combination with the E-rate program, this funding will result in approximately \$150M in new construction projects within the state. In April 2017 the Arizona State Legislature approved an additional \$3M for “Special Construction” projects.

Year	Students Served	Total Funding Requested	Total USAC Denied	Projects In Process	State Portion	School Portion	Total Paid Out
2017	96652	\$ 14,403,208.25	\$ 796,784.33	\$ 13,606,423.92	\$ 1,043,757.54	\$ 149,800.00	\$415,309.01
2018	152,425	\$ 122,763,344.53	\$ 67,596,700.37	\$ 55,166,644.16	\$ 4,135,395.01	\$ 954,170.26	\$163,600.92
2019	33160	\$ 53,397,844.66	\$ -	\$ 53,397,844.66	\$ 5,275,657.63	\$ 2,780.10	\$0.00
Program	282,237	\$ 190,564,397.44	\$ 68,393,484.70	\$ 122,170,912.74	\$ 10,454,810.18	\$ 1,106,750.36	\$578,909.93
AVAIL					\$ 545,189.82		

2017 Year End Status (July 2017 – June 2018)

During the E-rate funding year 2017-2018 (July 2016-June 2017), the Department of Education approved requests for \$1,043,757 which provided \$14,403,209 in total construction projects for 84 sites and over 48,000 students in Arizona. 96,652 Students served.

- Apache County
 - 7 sites
 - Construction Cost: \$8.3M
 - Current Status: In process to be completed by 3-30-20
- Cochise County
 - 1 site, Tombstone School District
 - Construction Cost: \$500
 - Current Status: Complete
- Coconino County
 - 1 site, Page School District
 - Construction Cost: \$750
 - Current Status: Complete
- Gila County
 - 1 WAN, Payson USD
 - Construction Cost: \$159,000
 - Current Status: Complete
- La Paz
 - 1 Site, Bicentennial HS
 - Construction Cost: \$25,303.25
 - Current Status: Complete
- Maricopa
 - 2 Districts
 - Construction Cost: \$810,917
 - Current Status:
 - Arizona Call A Teen – Complete
 - Agua Fria District WAN - Complete
- Mohave
 - None approved
- Navajo
 - None approved
- Pima
 - None approved

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- Pinal
 - 2 Districts
 - Construction Cost: \$1.4M
 - Current Status:
 - JO Combs – Complete
 - Stanfield - Complete
 - Santa Cruz
 - 1 District, Santa Cruz HS
 - Construction Cost: \$874,320
 - Current Status: Complete
 - Yavapai
 - 53 sites (County Wide Consortium)
 - Construction Cost: \$1.8M
 - Current Status: Complete
 - Yuma
 - 1 WAN
 - Construction cost: \$236,000
 - Current status: Complete

2018 Status (July 2018 – June 2019)

During the E-rate funding year 2017-2018 (July 2017-June 2018), the Department of Education approved requests for \$4,135,395 which provided \$122,763,344 in total construction projects for 170 sites in Arizona. 152,425 students served.

- Apache County
 - 11 Districts
 - Construction Cost: \$2,500,000
 - Current Status:
 - Awaiting funding
 - Cochise County
 - 6 Districts
 - Construction Cost: \$408,000
 - Current Status:
 - Cochise Elementary complete
 - Tombstone Library / ESD complete by 6-30-19
 - Douglas WAN – In process
 - Huachuca Library – Complete
 - Tombstone USD WAN - Complete
 - Coconino County
 - 1 District (Grand Canyon)
 - Construction Costs: \$5M
 - Current Status: Extension Form 500 denied by USAC, resubmitted for 2020.
 - Gila County
 - 1 District (Globe WAN)
 - Construction Cost: \$587,000
 - Current Status: Working with town of Globe on permitting and right of ways.
 - Graham
 - 1 District
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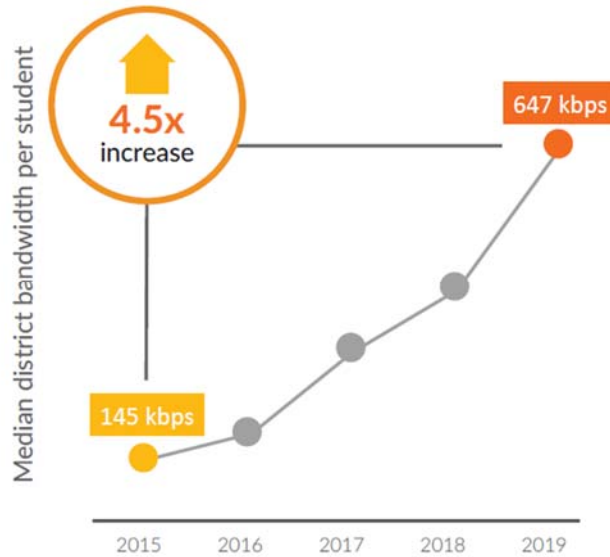
- Construction Cost: \$14,518
 - Discovery Plus Academy - Complete
 - La Paz
 - 11 Districts (County wide consortium)
 - Construction cost: \$4M
 - Current Status:
 - Vendor has walked all sites, bi-weekly project calls, permitting in process.
 - Maricopa
 - 2 Districts funded
 - Construction Cost: \$2,400,000
 - Current Status: All 4 in process, bi-weekly projects calls
 - Mohave
 - 2 Districts
 - Construction Cost: \$1,000,000
 - Current Status:
 - Lake Havasu district WAN – in process, bi-weekly status calls.
 - Cedar Hills – Hackberry - Complete
 - Navajo
 - 3 Districts
 - Construction Cost: \$500,000
 - Current Status:
 - Show Low Complete
 - Snowflake in process
 - Holbrook Complete
 - Pima
 - 2 Districts
 - Construction Cost: \$5,500,000
 - Current Status:
 - PPEP Complete
 - Vail in process
 - Pinal
 - 38 Districts (County wide consortium)(
 - Construction Cost: \$35.7M
 - Current Status: All in process
 - Santa Cruz
 - 12 Districts
 - Construction Cost: \$1.2M
 - Current Status: CenturyLink backed out of the contract. Rebidding for 2020.
 - Yavapai
 - 4 Districts
 - Construction Cost: \$485,000
 - Current Status:
 - Cottonwood – Oak Creek - in process
 - Cupertino – Complete
 - Yavapai ACD - Complete
 - Yuma
 - 2 sites
 - Construction Cost: \$837,550
 - Current Status:
 - Antelope – Complete
 - Mohawk - Complete
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2019 Status (July 2019 – June 2020)

During the E-rate funding year 2019-2020, the Department of Education approved requests for \$5,275,657 which provided \$53,397,844 in total construction projects for 170 sites in Arizona. 33,160 students served.

- Cochise County
 - 21 sites – County wide Consortium
 - Construction Costs - \$29,858,515
 - Current Status:
 - Awaiting USAC approval
- Coconino County
 - 1 Site – Shonto Prep
 - Current Status:
 - Awaiting USAC approval
- Gila County
 - 23 sites – County Wide Consortium
 - Construction Costs: \$19,490,128
 - Current Status:
 - Awaiting USAC Approval
- Mohave County
 - 2 Sites
 - Construction costs: \$380,000
 - Current Status:
 - Desert Star Academy – Approved and in process.
 - Yucca School – Approved and in process.
- Navajo County
 - 3 sites
 - Construction costs: \$2,125,446
 - Current Status:
 - Heber – Overgaard – Approved and in process
 - Little Singer School – Awaiting USAC approval
 - Navajo County Consortium – Awaiting USAC approval
- Pinal County
 - 1 Site (WAN)
 - Construction costs: \$27,801
 - Current Status:
 - Awaiting USAC approval
- Yavapai County
 - 2 sites
 - Construction costs: \$1,255,058
 - Current Status:
 - Orme School – Funded, in process
 - Beaver Creek School – Awaiting USAC approval

Arizona has made huge improvements in our goal of providing 1 Mbps per student regardless of physical location



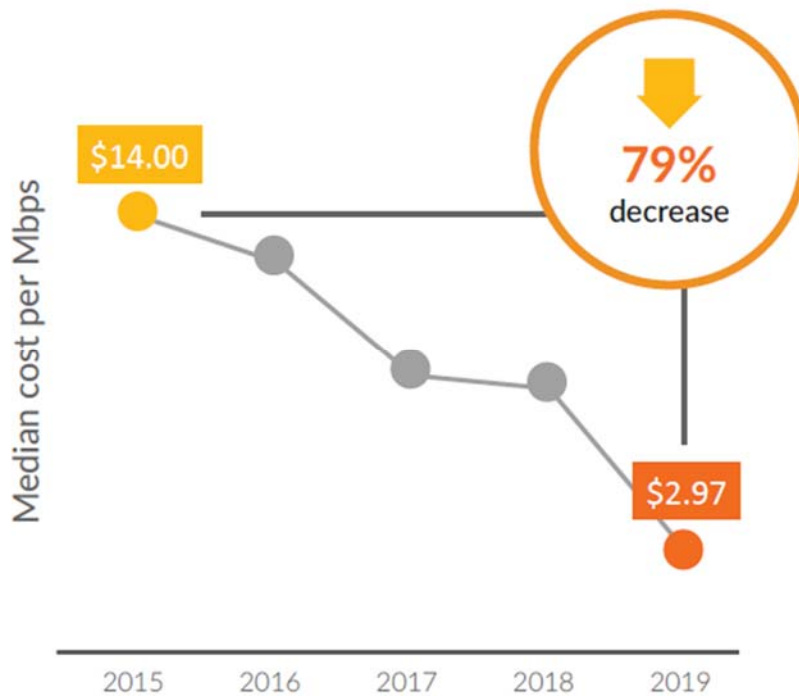
MEETING FCC BANDWIDTH GOALS:

96% of your students are meeting 100 kbps per student, and

16%

of your students are meeting 1 Mbps per student, in comparison to 24% nationally

Amazing progress has been made in creating bandwidth that's both reliable and affordable



This program has been hugely successful and is a model for other states in providing high speed internet access to schools in rural areas. Made possible by;

Funding for this initiative:

- Governor's Office – Doug Ducey
- Corporation Commission

Fully Supported by:

- Arizona State School Superintendent – Diane Douglas
- Education SuperHighway
- Apache County School Superintendent – Barry Williams
- Yavapai County School Superintendent – Tim Carter
- Cochise County School Superintendent – Jacqui Clay
- Gila County School Superintendent – Roy Sandoval
- Navajo County School Superintendent – Jalyn Gerlich
- La Paz County School Superintendent – Jacqueline Price
- Coconino County School Superintendent – Risha Vanderway
- Santa Cruz County School Superintendent – Alfredo Velasquez
- Yuma County School Superintendent – Tom Tyree
- Mohave County School Superintendent – Mike File

For questions or concerns regarding the “Arizona Broadband for Education Initiative”, contact:

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