

## The FY 2016 KETS Expenditure Plan

The State Shared Discounted Services categories and the estimated expenditure amounts associated with each in the FY 2016 KETS Expenditure Plan are:

<b>Instructional/Administrative Software Maintenance Licenses that are for or go directly to School Districts</b>	<b>\$2.1M</b>
Financial Management System (MUNIS), Virus Protection, Educational Audio/Video Resources for Students (KET Encyclomedia), Student/Teacher Technology Usage Analytics (Bright Bytes), Microsoft Licensing for Student/Teacher BYOD	
<b>Instructional/Administrative Systems Operations and Maintenance Services that Students, Teachers and Staff Depend on Daily</b>	<b>\$4.9M</b>
Help Desk Service (Levels 1-3, KDE and Vendor Partners), Customer Relationship and Resource Management (e.g., KETS Field Staff), Student Technology Leadership	
<b>Administrative Systems Operations and Maintenance that are regularly used by Teachers, Staff or School District Leadership</b>	<b>\$2.3M</b>
School Report Card, Instructional Management System, Kentucky Educator Placement Service, School Technology Readiness Survey, Missing Children, Student Voice, Open House	
<b>KETS Leadership, Planning, Management, Research and Evaluation</b>	<b>\$2.0M</b>
KETS Engineering, KETS Vendor Management, KETS Planning, KETS Product Testing and Evaluation, KETS Project Management	
<b>Total FY2016 Funds for KETS State Shared Discounted Services</b>	<b>\$11.3M</b>

**In addition to State Shared Services, the FY2016 Expenditure Plan includes:**

KETS Trust Fund Offer of Assistance for all districts projected as		\$5.1M
Microsoft IT Academy		\$800K
Coal Severance Funds for grid computing for districts		\$1.8M
Possible federal E-rate rebates on KETS shared services for districts up to		\$11.5M
<i>for KETS Offer of Assistance to school districts projected to be</i>	\$8.6M	
<i>for KDE technology infrastructure updates projected as</i>	\$0.4M	
<i>Student Information System State Portion projected as</i>	\$1.6M	
<i>Absorption of 5% BOSS Cut from Legislature</i>	\$0.8M	
<i>E-rate Management and Administration</i>	\$0.1M	
Contingency Funds		\$1.0M
Possible increase from Interest gained on KETS Trust Fund and Escrow account that is recommended to go toward KETS Offer of Assistance up to		\$20K
<b>The Total funds available for KETS Shared Services, KETS Offers of Assistance, Microsoft IT Academy, Coal Severance Assistance, E-rate rebates and contingency</b>		<b>\$31.5M</b>

**Other local, federal and state funding sources that can address KETS unmet need.**

Local district funds that are used to equally match KETS Offers of Assistance funds. This is projected as **\$14.4 M.**

Federal E-rate funds that districts apply for themselves that are sent directly to districts. This is projected as **\$31.8M.**

KEN General Funds: The state legislature appropriated **\$18.4M**, an additional 2.9M Legislative appropriation from FY15 in annual operational funds to support the continued growth of high-speed K-12 Internet network used by KDE and all KY school districts.

- This shared service is called the Kentucky Educational Network (KEN) which utilizes the Kentucky Information Highway (KIH3) that just completed the second year of a 10-year contract. The KIH3 is an E-rate eligible state contract that brings in \$11.5M in federal E-rate rebates back into KY K-12 each year. In 1995, Kentucky became the first state in the nation to provide high speed Internet services to every school district. Since that time, KDE has continued to provide equity of Internet access speed, price, and service to every one of the 173 school districts. For example, this current school year, through the existing KIH3 contract, all 173 districts had their Internet bandwidth raised to at least 75 Kbps per student, which is nearly 10 times faster, more robust and reliable than what they had the previous school year. By the beginning of next school year (i.e., August 2015) every KY school district will be raised to at least 100 Kbps per student through the KIH3 contract. A January 2015 survey of all 173 Kentucky school district education technology leaders resulted in them consistently listing

their district's transition to the new KIH3 Internet network as the top KY K-12 education technology accomplishment of the year. This high level of Internet satisfaction is important, because KDE and school districts have to deal directly with the fallout from any bad Internet experience with their students, teachers and staff. Superintendents can ill-afford any controversy over allowing students to have unreliable access to Internet resources/content, intermittent issues with Internet access to on-line testing sites, the inability for teachers to input attendance data in a timely fashion to the cloud-based student information system in Frankfort (soon to be Minnesota), inability to send/receive e-mail or a two-way video conferencing session through our cloud-based communication system in San Antonio or the inability to generate payroll from our cloud-based financial management system in Maine. Additionally, we now have many KY school districts with cloud-based management of security systems and HVAC systems, which if not accessible could prevent the buildings from even being opened.

- KEN also utilizes KY K-12 firewalls around each district, a variety of Internet defense/protection services (e.g., prevention of DDOS attacks) for all KY K-12 schools and will soon be transitioning to a new Internet Content Management System to help provide a safer, more secure and more reliable Internet experience for KY K-12 students, teachers and staff. The new Internet Content Management functionality will include a much more robust (a) Internet usage report for district staff and (b) bandwidth shaping/management tools for key instructional and administrative applications used frequently by districts. This functionality will help districts prioritize/provide the most important services and the most Internet bandwidth (e.g., virtual courses/content, on-line testing, student Internet research, running payroll so staff can be paid on time). The system also meets Senate Bill 230, 701 KAR 5:120 and Federal Children's Internet Protection Act (CIPA) regulations that are required for (a) KDE to meet state Internet safety/security requirements for KY K-12 students/adults and (b) for KY K-12 to receive up to an estimated \$43.3M in federal E-rate rebate funding (KDE-\$11.5M; school districts-\$31.8M).

State School Facility Construction Funds for new construction or renovations: Funds can go toward (1) internal wiring of voice video and data lines within the school, (2) phone systems (including phone handsets), and (3) electronic projectors/boards or televisions. This is approximately **\$15M** per year.

KDE Program Area Funds: Funds are used to directly support instructional and student information systems such as: KIDS Operational Budget, Instructional Management System (IMS), the Educator Development Suite (EDS), Online Professional Learning Resources, Individual Learning Plan (ILP), Child Nutrition Information Payment System (CNIPS), Online Assessment, The Adaptive System of School Improvement Support Tools (ASSIST), HMB Grant Management System, eTranscripts, Technology Education Database Systems (TEDS), PBS Learning Media and P20 Data System. This is approximately **\$15.4M** per year.

**The Total for the other funding sources listed above is \$95M.**

**Additional funding sources that can go toward technology services for students:**

Professional Development funds (increased funding now up to \$8.8M of which x%, varies per district, can be used for teacher technology training including Technology Resource Teachers/Technology Integration Specialists), Instructional Resource Material Funds (x%, varies per district, of \$16.7M can be used to acquire instructional software/e-textbooks and end devices), Special Education Funds, SEEK Funds, Corporate Donations, Local Tax Funds, other Federal Funds (not technology specific) and Local Fund Raisers