

OAKLAND UNIFIED SCHOOL DISTRICT  
Office of the State Administrator  
February 9, 2005

To: Randolph E. Ward, Ed.D.  
State Administrator  
Board of Education

From: Oswaldo Galarza  
Technology Information Officer

Subject: SCHOOLS AND LIBRARIES DIVISION  
**E-RATE TELECOMMUNICAITON DISCOUNTS**  
**FUNDING YEAR 07/01/2005-06/30/2006**  
**APPLICATION AND AWARD RECOMMENDATIONS**

**RECOMMENDATION**

Approval of and authorization by State Administrator to submit to the Federal Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) the District's Year 8 application seeking approximately **\$1.7** million in E-Rate discount funds for Fiscal Year 2005-2006; The telecommunication discount will be paid directly to telecommunication providers of voice and data communications further authorizing Award of and Agreements with the following vendors:

SBC Gigaman – Multiyear (5 Year) Contract signed May 2002  
DGS-CALNET Pacific Bell-MCI, Dedicated Services, Frame Relay & ATM, Internet Services – which expires December 2005 to received and extension through December 2008.

Subject to mutual agreement with SBC, transfer Centrex Services from AT&T to SBC Centrex under proposed SBC Centrex 96A Contract for a period of two years with a one year renewal option.

Subject to mutual agreement with SBC, transfer AT&T Basic Phone services and AT&T Long Distance services from the month-to-month coverage of an expired 5 year contract to the DGS CALNET contract for the purpose of ensuring continuity of service without an increase in cost to OUSD over current annual costs. In the absence of reaching an agreement with SBC, OUSD will fall back to its current month to month agreements with AT&T in order to timely file E-rate discounts with the SLD.

These awards are subject to approval of all or a portion of the funding application by SLD and further authorizing acceptance of and execution of contract agreement and any amendments thereto with SLD for Fiscal Year 2005-2006; each and all documents referenced herein, subject to form and content approval by the General Counsel.

**BACKGROUND**

The Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) provides affordable access to telecommunications services for all eligible schools and libraries in the United States. Funded at up to \$2.25 billion annually, the Program provides discounts on telecommunications services, Internet access and internal connections.

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Oakland USD staff filed an application with the SLD for telecommunication and Internet discounts for all applicable telecommunications services for all schools and other approved OUSD departments that provide a direct service to schools. In accordance with SLD procedures, OUSD posted 470 applications on the SLD website for the required minimum period of 28 days. The District is eligible to receive a discount of up to 80% district-wide on all approved telecommunication services.

SBC submitted a proposal to replace Centrex services replacing OUSD month to month services from AT&T. In order to take advantage of the E-rate discounts, the district must submit a form 471 to the SLD no later than February 16, 2004 with signed and approved contracts for the service(s) requested.

### **FISCAL IMPACT**

For the Fiscal year 2005-2006, upon approval of the application, The District will experience a reduction in cost of its telecommunication services equal to the discount approved by the SLD. Based on the 2004-2005 expenses; OUSD is expected to receive an approximate saving of \$1.7 million in its communication charges.

### **RECOMMEDATION**

Staff is recommending that the State Administrator authorize submittal of the application and award of agreements for Fiscal Year 2005-2006 E-rate discounts through the School and Libraries Division process as enumerated herein.

OUSD/Galarza