

## Testimony before the House Primary and Secondary Finance Subcommittee

March 28, 2017

Good morning Chairman Smith, Ranking Member Cera, and members of the House Finance Committee.

My name is Geoffrey Andrews, CEO of the Management Council, and I appreciate the opportunity to testify today on behalf of the Management Council of the Ohio Education Computer Network, its member Information Technology Centers, their client schools and districts, and in support of the information and education technology needs for the K-12 community in Ohio.

The Ohio Education Computer Network (OECN) is made up of regional data centers known as Information Technology Centers (ITC). I have included a statewide map of the sites in my written testimony. The Management Council optimizes activities among and on behalf of the OECN, and provides an array of services to the Information Technology Centers. The Management Council also supports ODE on several initiatives, including recently picking up the responsibility to coordinate EMIS training around the state.



Each ITC is a local governmental entity collectively owned and primarily funded by the school districts that receive technology services from that center. While I have provided a more comprehensive list of services in the written testimony, these services include fiscal accounting and payroll, student scheduling, attendance, and report cards, teacher grade book, parent access portals, network management, Internet access, library automation, digital learning and teaching resources, video

distance learning, phone and email, document management, and others. These services are performed on a large scale. For instance, the OECN processes over ten million checks, purchase orders, and other fiscal instruments each year, and disburses over ten billion dollars in payroll and payments for schools. ITCs maintain millions of parent accounts and student report cards, and offer data analysis tools to schools that help to optimize the educational experience for students, teachers, parents, and administrators.

As a collaborative of school districts, the ITCs offer these educational technology support services at significant savings to over 1000 school districts, community schools, ESCs, Career Tech Centers, and other K-12 entities in Ohio. The Management Council produces additional savings by optimizing capacities and purchases across the ITCs. It is from the student and finance data maintained at these ITCs that all the state-required data is extracted and submitted to ODE.

***Services provided to schools by Information Technology Centers:***

- Class and student scheduling
- Grade reporting/Report cards
- Attendance and Discipline tracking
- Electronic grade books
- Parent access portals
- Library automation
- Digital learning resources covering PreK-12 across content areas
- Electronic databases that transcend career and college readiness
- Data analytics measuring student progress and program effectiveness
- Learning Management Systems
- Video Distance Learning that includes College Credit Plus access
- State Required EMIS reporting
- Special Education reporting
- Student Success dashboards
- Transportation routing
- Internet Access
- Internet 2
- Telephone systems
- Network management, including wireless management to classrooms
- Service Management Software
- Document and forms management
- Email and spam filtering
- Network security
- Data storage and backup/recovery
- Web hosting
- Server and virtual server hosting
- Disaster Recovery
- CIPA (Internet Protection)
- State testing access and support

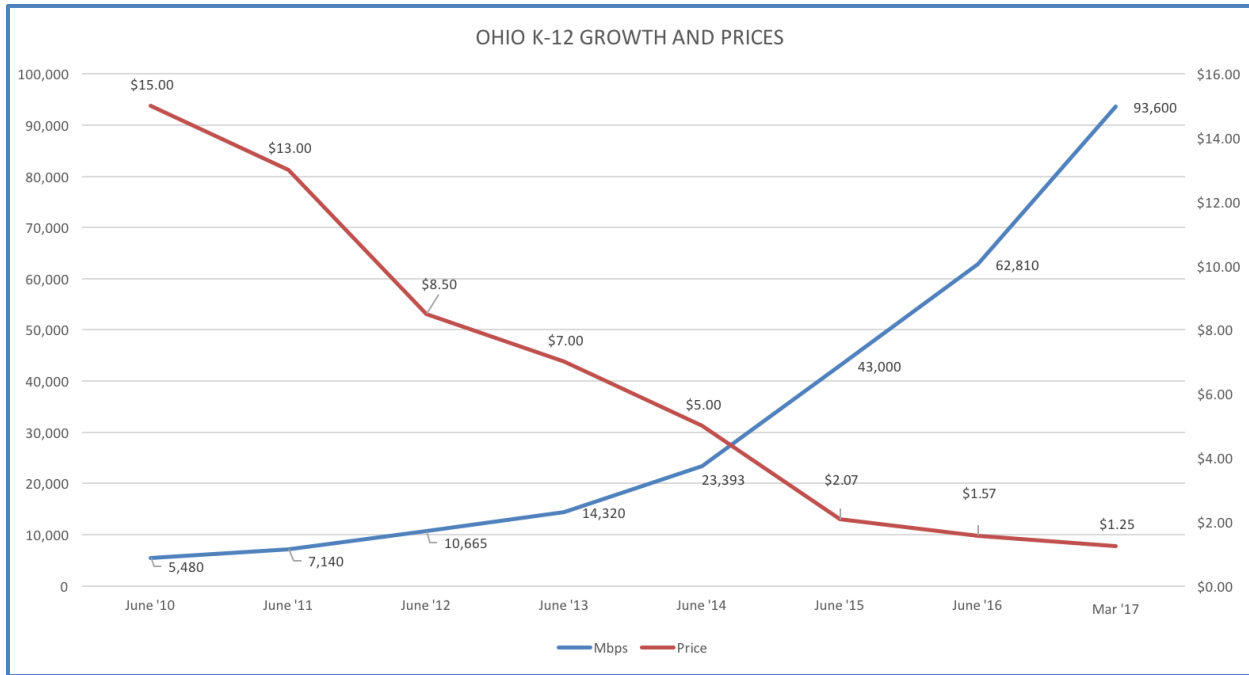
State funding in support of schools and ITCs comes from the Ohio Educational Computer Network funding line 200-426. This line is currently proposed to be flat funded at \$16.2M in HB 49. Though the 426 line was reduced last time around, I am pleased to report that I am not here seeking an increase; we continue to pursue efficiencies and cost-effective collaborations across the state, providing high quality services while avoiding cost increases. Briefly, the \$16.2M in line 426 is separated into three areas.

The first set aside, at \$10M, is for network connectivity. This is largely sent from ODE to districts, community schools, stem schools, ESCs, and non-public schools who apply for funding based on defined requirements. Well over 4000 school buildings in Ohio are each allocated \$1800 annually. To support the network, funds from 426 are also allocated to our partner, OARNET, for network operations; for a continuity and disaster recovery facility supporting the ITCs; and for a service management business intelligence tool (think sophisticated help desk) that provides capabilities to ODE and ITCs.

The second set-aside in line 426, at \$5M, funds ITCs directly to support the fiscal and student data reporting services they provide to schools. This constitutes about 4-5% of the typical ITC budget; two decades ago the 426 line was much larger, constituting nearly 50% of ITC budgets. ITCs are now largely funded by their owner school districts.

The remaining \$1.2M has traditionally been used by ODE as a partial source of funds to support development and maintenance of the state-owned school finance software package that the Auditor of State's office initiated in the late 1970s.

I want to spend just a moment to underscore the importance of the network support in line 426. In the written testimony I have included a graphic demonstrating the remarkable growth (and dependence) of Ohio's schools on state network and Internet resources.



In the graphic you can see that in the past 7 years, schools' monthly use of Internet through the ITCs has grown from 5 gigabits to nearly 100 gigabits (or 100,000 megabits) – almost 20 times – while the price per megabit through the Ohio network (OECN) has fallen from \$15 to \$1.25, and when one factors in eRate, there are schools in Ohio getting Internet access for a few pennies per megabit. That was unfathomable a decade ago. It recalls a calculation Intel's engineers did recently – they determined that if the pace of technology development from 1971 to today were applied to a Volkswagen Beetle, today that car would go 300,000 miles per hour, it would travel two million miles per gallon of gas, would cost about 4 cents, and you could drive the car your whole life on one tank of gasoline. This serves to underscore the pace of acceleration in the world for which we are preparing Ohio's students.

This accelerating consumption of digital resources in Ohio's schools demonstrates the important role technology plays in today's educational environment. This expanded network capacity also supports Ohio testing to move fully online for the first time this year. And state support for this infrastructure enables local funds to be spent on computers and resources for students in the classroom.

This brings me to the second budget line I would like to address, and that is the 465 line, which is focused on Technology Integration and Professional Development. Until the last biennium, INFOhio, which is a division within the Management Council of the OECN was funded through the 426 line. In 2015, ODE moved INFOhio to the 465 line.

A little bit about INFOhio. INFOhio began as a library automation initiative decades ago. While library automation remains a part of the INFOhio pantheon, INFOhio has evolved into a robust professional development and digital resource provider for all the schools in Ohio. This year, INFOhio resources are used 173,000 times per day in Ohio's schools.

Because of this evolution in INFOhio's role, the \$2.5M that was allocated to INFOhio each year was moved from line 426 to line 465. However, this shift was not well understood nor adequately conveyed. The reduction in line 426 was welcomed in the budget effort back then, of course, and happily assimilated into the biennium budget in 2015. However, the corresponding increase in line 465 was not understood as a shift from 426 - it was perceived as an increase and therefore drew negative attention. The \$2.5M that had funded INFOhio in line 426 was reduced to \$1.4M in line 465.

While there has been some carryover money and other one-time funds that sustained much of INFOhio's resources and people these past two years, those efforts and resources have been exhausted.

***Digital resources that will disappear  
June 30 without restored funding:***

- BookFlix – integral to early reading
- Academic Search Premier
- Ancestry Library Edition
- Biography Reference Bank
- Consumer Health Complete
- Early World of Learning
- Explora
- Literary Reference Center
- Points of View Reference Center
- Science Online
- Science Reference Center
- Storia
- World Book

My testimony today on line 465 is focused on seeking restoration of the \$1.1M that was inadvertently removed two years ago. Specifically, in HB 49, at line 97286, we ask that you insert 2.5M and delete the \$1,443,572 figure. Without a restoration of these funds, a host of learning, instructional, and research resources will go away June 30. These include Bookflix and Storia, key tools that contribute significantly to meeting the Third Grade Reading Guarantee; EBSCO

and World Book, which are vital to College and Career Readiness; and a litany of digital resources that will support student achievement on the new Mathematics and Language Arts standards. These resources are fundamental in addressing Ohio's stated goal of having 65% of the population earn postsecondary credentials by 2025. In my written testimony have included a more complete list of those resources that are poised to become unavailable.

To appreciate the magnitude of the loss, consider this: if all the schools in Ohio that currently receive these digital resources free of charge were to purchase these same digital resources on their own, the price tag would be over \$50M, yet the Management Council and INFOhio procure these resources for \$1.1M for all of Ohio's schools and children. Remember, these resources are used 173,000 times a day by teachers and students in Ohio. While the source of any restoration is the purview of others, it could be accomplished either with Ohio GR funds or through Federal Title 4 Ed Tech money in ESSA.

In closing, the Management Council, on behalf of the ITCs, the schools, and the students across Ohio is deeply appreciative of the opportunity to testify today, and I would be pleased to address any questions the committee members may have.