

Illinois Century Network

Policy Committee Meeting Agenda

October 11, 2016
1:00 p.m.



**ILLINOIS CENTURY NETWORK
POLICY COMMITTEE
MEETING AGENDA
OCTOBER 11, 2016
1:00 P.M.**

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Next Meeting
January 10, 2017
Illinois Community College Board, Springfield
James R. Thompson Center, Chicago

**ILLINOIS CENTURY NETWORK
July 12, 2016 POLICY COMMITTEE MINUTES**

Submitted for: Action

Summary: Distribution of the July 12, 2016 minutes for review by the Policy Committee.

Action Requested: Adoption of the July 12, 2016 minutes.

Recommended Motion: *The ICN Policy Committee adopts the July 12, 2016 minutes with any edits as noted.*

**ILLINOIS CENTURY NETWORK
JULY 12, 2016 POLICY COMMITTEE MINUTES**

Kathleen Bloomberg called the meeting to order at 1:03 p.m. on behalf of Chairman Bhatt who was unable to attend.

Members Present (Springfield):

Hardik Bhatt, Department of Innovation & Technology	Michael Dickson, Western Illinois University
Lori Sorenson, Central Management Services	Todd Jorns, Illinois Community College Board
Kathleen Bloomberg, Illinois State Library	Erich Schroeder, Illinois State Museum

Members on Audio Bridge:

Chet Olson

Members Absent:

Brent Engelman, State Board of Education	Tom Steele
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Staff and Guests:

Essam El-Beik, Central Management Services	Tom Oseland, Central Management Services
Robin Woodsome, Central Management Services	Judy Hessler, Central Management Services
Valerie Bolinger, Central Management Services	Carla Paoni, AT&T
John Leonard, Central Management Services	

Announcements and Remarks

Hardik Bhatt welcomed board members and guests.

Minutes – July 12, 2016

Hardik introduced the first item on the agenda, approval of the minutes from the April 12, 2016 meeting. A motion was made by Kathleen Bloomberg to accept the minutes. The motion was seconded by Todd Jorns. The motion carried.

DoIT Update

Hardik provided a report about the Department of Innovation & Technology (DoIT). On January 25, 2016, Governor Rauner issued an executive order establishing DoIT. DoIT will be responsible for information technology functions for state agencies under the jurisdiction of the Governor.

Transformation is moving quickly and will occur over a series of stages to improve IT service delivery. On July 1st 1700+ staff members transferred to the DoIT organization and were delegated back to their legacy agency. Staff will have the same managers and same job responsibilities and will not lose access to their State benefits. We expect to see incremental improvements in IT service delivery by the next fiscal year. The goal is to make a 45-year journey in 4 years to improve the business of IT.

Internal teams will begin building real-time analytics and develop mobile applications. Every website we build moving forward will be mobile responsive. Starting this month, we plan to develop and deliver a mobile app every month. We are looking at options for improving usage of the ICN and will reevaluate the entire business plan and improve our profit margin. We plan to accelerate our modernization the next 24-30 months and will deliver products to improve productivity, customer service and bring Illinois into the 21st century. The ICN will play a critical role in this initiative.

E-rate Update

Tom Oseland provided the E-rate update and referred members to pages 9 of the meeting packet. The 2015 E-rate funding year came to a close on June 30, 2016. Many ICN E-rate customers are beginning to work on filing their reimbursement claims for the year. ICN has reviewed and approved a number of these requests to date. A total of \$90,715.51 has already been claimed via this process. As of July 1st the approval and transfer of reimbursement funding will be handled directly by USAC. ICN, along with other service providers participating in the E-rate program, are asked to continue providing oversight of the process. The final billing cycle for ICN services will be completed in mid-July. Once this process takes place the remaining ICN funding claims will be prepared based on invoice discounts given in the second half of the year. A total of \$331,849.42 has been collected through this process primarily based on invoice discounts for the first half of the 2015-16 funding year along with some miscellaneous claim activity.

The 2016 E-rate funding year filing window for K-12 schools to submit their applications closed on May 26th after having been extended for approximately one month. The filing window will remain open for Libraries and Consortia until July 21st. To date there are 319 applications that list ICN as the service provider for Internet access. These applications represent a total of approximately \$3.95 million in potential revenue for the ICN. This would translate to E-rate funding claims totaling over \$2.6 million after applicant discount percentages have been applied. A small number of these applications have been approved.

K-12 Broadband Initiative

Essam El-Beik reported that Illinois was selected to participate in the National Governors Association (NGA) effort to expand K-12 broadband and digital learning. Illinois representatives from ICN, Illinois State Board of Education (ISBE) and the Governor's office attended a two-day policy academy with NGA and Education SuperHighway (ESH) on March 31 – April 1. Short and long term action resulted from the policy academy. Key actions and milestones completed in the past three months include:

- Presentations to key Illinois education stakeholders at multiple forums, including the ISBE Board meeting, ISBE stakeholder meeting, Illinois CTO Conference, Large Unit District Association (LUDA) conference.
- Press release issued by ISBE regarding expanding access to K-12 broadband and participation in the Digital Learning Policy Academy. ESH supported by the Learning Technology Centers (LTC) have created a target list of school districts for outreach. ESH are currently contacting the target school districts to provide fiber consultancy support (for example build versus buy for fiber) and bandwidth upgrade support (for those districts that appear to be fully fiber connected but not meeting the 100kbps per student goal).
- Hosted two webinars with Illinois service providers describing the fiber consulting efforts.
- Submitted comments to the FCC regarding proposed Eligible Services List for E-rate funding year.

We will continue to reach out to target school districts and provide fiber consulting and bandwidth upgrade support and plan to host two more E-rate Category 2 workshops. A second Policy Academy meeting will be held October 17–19, 2016.

Advanced Engineering Task Force (AET) Membership

Lori Sorenson referred members to page 13 of the meeting packet. The AET is seeking approval on the appointment of Matthew Pennell, Technology Coordinator Regional Office of Educations #20. Matthew's term would extend through 2019. A motion was made by Mike Dickson to approve Matthew Pennell as a new member of the AET advisory council. The motion was seconded by Kathleen Bloomberg. The motion carried.

Adjourn

Mike Dickson moved to adjourn the meeting. Motion seconded by Kathleen Bloomberg. Motion passed and meeting adjourned at 1:35 p.m. The next meeting will be October 11, 2016 at the Illinois State Library in Springfield, the JRTC in Chicago or via audio.

**ILLINOIS CENTURY NETWORK
E-RATE UPDATE**

Submitted for: Informational

Summary: This item provides an update on ICN E-rate funding requests.

Action Requested: None

Recommended Motion: *None*

**ILLINOIS CENTURY NETWORK
E-RATE UPDATE**

The majority of ICN funding reimbursement claims based on invoice discounts given to ICN customers throughout the 2015 E-rate funding year have been received. There were a total of 122 ICN customers involved in this process. A total of \$701,684.13 has been collected for the year with only a few small claims remaining to be processed or received pending review. In addition to these claims for invoice discounts given, 51 ICN customers have also claimed an additional \$251,622.71 in direct reimbursements for supported funding discounts after having paid for ICN services in full throughout the funding year. Together, these two figures represent a total of \$953,306.84 in E-rate funding support for ICN services provided at a total billed cost of approximately \$2 million. Review and funding decision activity continues for the 2016-17 E-rate funding year. To date, there are 331 applications that list ICN as the service provider for Internet access. These applications represent a total of approximately \$4 million in potential revenue impact for the ICN supported by almost \$2.7 million in E-rate funds. So far this year, 219 of these applications have been approved for funding with a total of almost \$1.23 million in E-rate funding support committed. In addition, projections from the July billing for ICN services show that 147 customers were given E-rate invoice discounts totaling approximately \$95 thousand for the month. The 12-month projection based on this billing activity indicates that roughly \$1.14 million in E-rate invoice discounts alone will be processed this year.

The chart below summarizes activity for the ICN as a service provider in the E-rate program beginning with the 2013 funding year; the first year in which ICN participated as an Internet service provider.

***Service Provider Activity**

Funding Year	Total apps listing ICN	Total apps approved for funding (to date)	Total E-rate dollar amount approved (to date)	Total dollar amount claimed for support (to date)
Year 16 (2013)	117	107	\$823,699	\$261,086
Year 17 (2014)	162	151	\$1,273,953	\$595,758
Year 18 (2015)	368	355	\$2,403,042	\$953,307
Year 19 (2016)	331	219	\$1,226,836	-0-
Totals	N/A	N/A	\$5,727,530	\$1,810,151

*All figures refreshed as of September 2016.

Applicant Activity

Funding Year	Reviewed
Year 3 (2000)	\$2,137,765
Year 4 (2001)	\$2,522,559
Year 5 (2002)	\$4,996,227
Year 6 (2003)	\$4,644,171
Year 7 (2004)	\$2,497,427
Year 8 (2005)	\$2,424,567
Year 9 (2006)	\$982,392
Year 10 (2007)	\$953,998
Year 11 (2008)	\$799,251
Year 12 (2009)	\$1,339,032
Year 13 (2010)	\$2,982,199
Year 14 (2011)	\$2,561,151
Year 15 (2012)	\$2,520,377
Totals	\$31,361,116

The chart summarizes ICN E-rate application history for each funding year up to 2012.

**ILLINOIS CENTURY NETWORK
E-RATE UPDATE**

In preparation for the upcoming E-rate season the DoIT legal and ICN teams are finalizing the two remaining contracts with the awarded vendors for the Category 2 RFP issued late last year. The awarded vendors are CDW for WLAN/Wi-Fi equipment, Ficek for cabling and Education Networks of America (ENA) for managed broadband services. The Ficek contract has been executed.

**ILLINOIS CENTURY NETWORK
K-12 BROADBAND INITIATIVE**

Submitted for: Informational

Summary: This item provides an update on the K-12 Broadband Initiative program.

Action Requested: None

Recommended Motion: *None*

**ILLINOIS CENTURY NETWORK
K12 BROADBAND INITIATIVE**

As communicated in prior meetings, the State of Illinois is working with the National Governors Association (NGA) and Education SuperHighway (ESH) to expand K-12 Broadband and Digital Learning throughout Illinois. Key activities of the working group include:

- Outreach and conference calls with school districts by ESH. ESH have a target list of school districts requiring broadband upgrade. This list has been communicated to Illinois service providers (including ICN) to solicit interest in providing the school locations with broadband connectivity. ICN has responded for those school districts close to ICN fiber.
- Mailings have been sent and a webinar was held in September on the “Illinois Classroom Connectivity Initiative”, the external branding for this work.
- The 2nd NGA/ESH policy academy is October 17-19th in Denver, Colorado. There will be representation from DoIT/ICN, Illinois State Board of Education (ISBE), the Governor’s Office and the Learning Technology Centers (LTC).

**ILLINOIS CENTURY NETWORK
DoIT/ICN SERVICES**

Submitted for: Informational

Summary: This item provides an update on the DoIT/ICN service offerings.

Action Requested: None

Recommended Motion: *None*

ILLINOIS CENTURY NETWORK DoIT/ICN SERVICES

Over the past three months, an ICN Services team has been working on updating our service offering and pricing with the objective of having a refreshed service and pricing model in place in time for the start of the E-rate bid response season.

The Services Team will address the following:

Service Grouping

- Standard Internet Access Package – services which are available to all ICN customers and bundled as part of the standard ICN Internet Access service. Examples include IP Addressing, DNS, and Internet2
- Services Individually Priced – services which may be purchased in addition to those services within the Standard Internet Access Package. Examples include SIP, Colocation, and Content Filtering

Add or Remove Services

- Identify new services available July 1, 2017
- Identify new services available July 1, 2018
- Identify any services to discontinue

Service Catalog

- Develop a full service catalog to include pricing, service description, and examples of application
- Establish an agreed upon service name for each service

Service Costs

- Updated pricing

The recommendations of the Services Team will be presented to DoIT leadership later this month.

**ILLINOIS CENTURY NETWORK
2017 ICN POLICY COMMITTEE MEETING SCHEDULE**

Submitted for: Action

Summary: Determination of the ICN Policy Committee meeting schedule for calendar year 2017.

Action Requested: The ICN Policy Committee adopts the calendar year 2017 meeting schedule as presented.

Recommended Motion: *The ICN Policy Committee adopts the 2017 meeting schedule.*

**ILLINOIS CENTURY NETWORK
2017 ICN POLICY COMMITTEE MEETING SCHEDULE**

The schedule is based on four meetings per year, occurring on the second Tuesday of the months of January, April, July and October. Based on this formula, the schedule for 2017 is as follows:

- January 10, 2017 – Illinois Community College Board, Springfield
- April 11, 2017 – Illinois State Library, Springfield
- July 11, 2017 – Illinois State Library, Springfield
- October 10, 2017 – Illinois State Library, Springfield

All meetings will be held at the Springfield addresses listed above and the James R. Thompson Center in Chicago.

A WebEx will be available for those members unable to attend at either location.