

***Opportunity Online Broadband Pilot Grant Program***

***Interim Grant Report Narrative***

***from the***

***New York State Library***

**Grant Award # OPPLi009**

**August 2010**

## **Narrative Questions Part A – Program Management**

### **1) Indicate the reporting period covered by this report**

The reporting period is 12/01/2009 through 06/30/2010

### **2) Describe any major changes that have had or will have an impact on the project funded by the foundation that have occurred during the past year, either within your organization (i.e. major staff or governance changes), or outside of your organization (i.e. in the community, the political landscape, etc.). How have you responded or do you plan on responding to these changes? What changes do you expect in the coming year?**

Currently, there are three major challenges that have had or might have an impact on the State Library's Opportunity Online Broadband Grant Program.

- a) There has been a temporary gap in State Library representation on the NYS Broadband Development and Deployment Council led by the Governor's Office for Technology (OFT) since the Spring. Unfortunately the State Librarian was unable to attend the June 2010 meeting due to serious illness, but he expects to participate in the September 21 meeting as will a State Library staff member who is familiar with the State Library's various Broadband projects. Library interests, however, were represented at the June meeting by the New York Library Association.
- b) New York State's political climate and economy continue to deteriorate. A lengthy and contentious State Budget process finally concluded in early August, more than five months late. There is a projected revenue shortfall of almost \$9 billion dollars for 2010-2011 and a larger amount (\$18 billion) projected for 2011-2012. The State budget reduced library funding for the fifth time in two years, from a high of \$102 million to \$84.5 million. State funding for libraries is now at pre-1998 levels. Delays in State aid payments are anticipated, and there is a possibility of further mid-year reductions if the State's economy continues to decline. The State Library is working in partnership with the New York Library Association, the library systems and others to expedite 2010 payments and increase funding for 2011.
- c) State Library staffing was significantly reduced in 2009 and additional staff reductions are anticipated before the end of 2010 through a combination of retirement incentives and threatened layoffs. However, there are several staff working in the State Library with grants management experience so job responsibilities related to the management of this Broadband Grant can be adjusted, if necessary.

**3) Explain any administrative budget category (line item) variances of more than 10% from the original budget estimates. Request any adjustments to this budget category in Year 2 of the program, as applicable with supporting rationale. The foundation will consider shifting funds from one budget category to another as justified or will reduce the subsequent payment by the amount of surplus funds.**

Since the State Library's reported grant period (determined by State Education Department (SED) grant management procedures) is not for an entire year, the funds received in the Administrative fund category have not been 100% expended. The State Library currently anticipates that such funds received for Year 1 along with funds received in Year 2 will be 100% expended and that a variance will not be requested.

The administrative funds portion of the data chart will not reflect an accurate picture of the amount of expended funds due to the automatic calculations it contains based on a full grant activity year. Therefore, they are supplied here as follows:

Salaries: \$53,048.00

Benefits: \$7,656.00

Materials & Supplies: \$1,000.00

Travel: \$875.00

Conferences & Meetings: \$1,000.00

Total: \$63,569.00

### **Narrative Questions Part B – Connectivity Plan**

#### **Connectivity Upgrade Activities (one-time upgrade costs, training and technical support)**

##### **1) Please briefly restate the goals and objectives for the use of these funds.**

755 public libraries with a total of 1,069 public library buildings serve the people of New York State. These libraries are members of a very supportive and effective infrastructure consisting of 23 regional state-funded public library systems. These systems employ staff providing various types of training, including technology training, and various technology services, including network and connectivity management. It is system personnel that negotiate with local connectivity vendors for their member libraries and configure their computers so they can be a part of the system network in order to deliver both system-wide services (such as resource sharing) as well as public access computing.

The State Library received \$87,000 for the Year 1 grant period. Such funds were subgranted proportionately to the 10 library systems that have member libraries participating in the Broadband Grant Program. Grant funds were used according to grant guidelines. Expenditures were limited to: staffing costs involved with technology project administration; technology training; network configuration; equipment costs that could be a part of one-time upfront connection costs such as routers, switches, and servers; and wiring costs, as appropriate.

**2) Explain any variance of more than 10% from the original budget estimates. Request any adjustments to this budget category in Year 2 of the program, as applicable with supporting rationale. The Foundation will consider shifting funds from one budget category to another as justified or will reduce the subsequent payment by the amount of surplus funds.**

The State Library is not requesting any adjustments in this category for Year 1 (all received funds were expended appropriately) and is not requesting any funding adjustments in this category for Year 2.

**3) Describe what was accomplished with these funds in terms of specific activities, categories of purchases, types of training, personnel, etc. Please quantify the dollar amount as well as number of items purchased or participation counts for each area of spending. This should capture 100% of Year 1 spending for this budget category.**

As these funds were sub-granted to the library systems, these funds were spent in differing proportions regarding appropriate grant program expenditures according to the individual needs of the library system: staffing costs involved with technology project administration; technology training; network configuration; equipment costs that could be a part of one-time upfront connection costs such as routers, switches, and servers; and wiring costs.

**4) Were there any proposed activities or milestones that were not successfully met according to the grant proposal? Please address the reasons they were not completed and any future plans for carrying them out or reasons not to.**

All 65 public libraries participating in the Opportunity Online Broadband Grant Program were upgraded to a minimum T-1 connectivity level, with many libraries exceeding that minimum level.

**5) To what extent did the technical support, one-time costs, training and/or equipment funds reduce participating libraries technical barriers to upgrading?**

As previously mentioned, individual libraries depend on their library systems for their technology services, including network and connectivity management services. System staff are responsible for negotiating contracts and services with network

providers. These services are provided at the system level to ensure cost-effective pricing and equipment and network interoperability. Individual libraries would not have been able to upgrade their connectivity on their own, as many of these libraries are very small and managed by part-time “library managers”, not certified librarians. Providing their library systems with funding enabled them to successfully upgrade their connectivity, as it is system technology staff that has the knowledge and expertise to know what is needed for each individual library and can negotiate with the appropriate connectivity vendors so the upgrade can become a reality.

**6) Please describe major activities you are currently planning to accomplish in Year 2 and state if there are newly assigned or revised milestones.**

There are several activities the 10 participating library systems are planning in Year 2 of the grant period with their connectivity upgrade/technical support funds. They are not viewed by the State Library as newly assigned or revised milestone activities. They are considered activities that support and maintain the upgrade activities accomplished in Year 1.

Major connectivity upgrade/technical support activities planned by the library systems for Year 2 using appropriate Gates funding:

- a) Provide ongoing project support and technical assistance to member libraries for public access computing services;
- b) Provide training in the use of equipment, filtering software, security software, internet resources, and wireless management software;
- c) Continue funding for staffing that provides technical support services;
- d) Purchase software that records usage statistics;
- e) Travel to participating grant program libraries to provide on-site technical support;
- f) Help participating grant libraries with their connectivity sustainability plans that include the participation of trustees and community members;
- g) Hold workshops about technology basics for library staff and library trustees;
- h) Develop and share best practices for supporting public access computing with all their member libraries and their library trustees.

**E-rate Application Support**

**1) Please briefly restate the goals and objectives for the use of these funds.**

The State Library believes that training libraries to take advantage of federal E-rate funds is a key factor to sustaining connectivity. The State Library had received \$63,000 for E-rate support funding for Year 1. The funds were used for the following four purposes:

- Training library system staff, targeting, but not limiting the training, to the ten participating library systems regarding E-rate filing procedures, timelines, and the impact E-rate can have for funding sustainability;
- Providing an introduction to E-rate value and procedures for all types of library staff at a statewide library association conference in 2010;
- Hiring a staff person whose primary role is to work with the State Library's E-rate Coordinator in assisting grant-eligible libraries currently not applying for E-rate to complete E-rate applications; and
- Targeting grant-participating libraries currently not applying for E-rate funds so they will apply for such funds as part of their sustainability strategy.

**2) Explain any variance of more than 10% from the original budget estimates. Request any adjustments to this budget category in Year 2 of the program, as applicable with supporting rationale. The Foundation will consider shifting funds from one budget category to another as justified or will reduce the subsequent payment by the amount of surplus funds.**

The State Library is not requesting any variances for Year 1 funding or any funding adjustments for Year 2.

**3) Describe what was accomplished with these funds in terms of specific activities, types of training, personnel, etc. Please quantify the dollar amount as well as participation counts for each area of spending. This should capture 100% of Year 1 spending for this budget category.**

Expending these funds involved two major activities which lead to several E-rate-related accomplishments:

- a) A staff person has been hired whose primary role is to work with the State Library's E-rate Coordinator in assisting grant-eligible libraries currently not applying for E-rate to complete E-rate applications. Grant participating libraries that are not currently applying for E-rate discounts have been identified and targeted for filing assistance. Workshops have been scheduled for August and September that involve E-rate application form information. Amount budgeted: \$45,002

- b) Grant funds have been sub-granted to the ten participating library systems that have enabled the following activities: library system staff have received training regarding E-rate filing procedures and timelines, a library system has received grant funds to cover expenses for an E-rate program to be given at the fall statewide library conference, and library system staff have received funds to cover travel costs to various local E-rate workshops not given at system headquarters. Amount sub-granted: \$17,998

**4) Were there any proposed activities or milestones that were not successfully met according to the grant proposal? Please address the reasons they were not completed and any future plans for carrying them out or reasons not to.**

One of the four proposed activities: "Providing an introduction to E-rate value and procedures for all types of library staff at a statewide library association conference in 2010" will be done at the New York Library Association annual statewide fall conference in November 2010. Linda Schatz will present a program on Thursday, November 4 entitled "Myth Busters" which will explain how E-rate discounts can be an important part of a library's plan for achieving affordable telecommunications, Internet access, and internet connections.

**5) To what extent did the E-rate application support reduce participating libraries financial barriers to upgrading? Describe progress toward desired increased in the number of libraries participating in E-rate or an increased dollar amount received by the state.**

As previously mentioned, public libraries have been identified that do not currently apply for E-rate and workshops have been scheduled for August and September that include E-rate application information. Due to the E-rate application time line, libraries will apply for E-rate discounts beginning in fall 2010 for possible summer funding in 2011. Therefore, data has not yet been collected with which this question can be answered. An unexpected challenge to applying for E-rate discounts became evident when increased connectivity levels from the participating libraries were collected for the Year 1 data reporting chart. Many libraries indicated that in order to get increased connectivity levels at an affordable rate, they had to commit to multi-year contracts, which precludes them from filing for E-rate.

**6) Please describe major activities you are currently planning to accomplish in Year 2 and state if there are newly assigned or revised milestones.**

Major activities planned for Year 2 funding are basically the same as Year 1. The \$55,000 requested for Year 2 will be used for three major activities:

- a) Funding a staff person whose primary role is to work with the State Library's E-rate Coordinator;

- b) Through sub-granting E-rate assistance grant funds to the 10 participating library systems, E-rate training procedures for library system staff regarding E-rate filing procedures, timelines, and developing the impact E-rate can have for funding sustainability will be done;
- c) Libraries participating in the grant currently not applying for E-rate discounts will be targeted for assistance through efforts of the aforementioned staff person hired with E-rate assistance grant funds.

## **Bridge funds for libraries**

**1) Please explain the situation if any original applicants did not meet grant requirements for timely completion of their connectivity upgrade or collection of matching funds. We'd like to understand the barriers and challenges faced by these libraries.**

All 65 libraries participating in the grant program have upgraded to the required minimum 1.5 Mbps (see accompanying data chart) and have produced written verification to the State Library that they have upgraded and have met their match requirement for Year 1.

Originally, 70 libraries were scheduled to be grant participants, but 5 dropped out of the program before receiving their grant funds for a total of \$13,410. It is expected that this amount will be subtracted from the Year 2 bridge funding total. Library names and reasons for non-participation are the following:

- **Haines Falls Free Library** (\$3900): The interim library director did not want to assume responsibility for the grant requirements without the support of the library's board.
- **Marcellus Free Library** (\$4410): The library was able to get a reduced cost and a connectivity upgrade from their local Internet provider.
- **Olive Free Library** (\$3900): The library board was afraid of committing to the match requirement and was satisfied with the library's existing connectivity level.
- **Sarah Hull Hallock Library** (\$1770): The library's funding proposition was voted down and the library's board decided to continue current Internet levels in favor of concentrating efforts in passing a successful funding proposal.
- **Williamstown Library** (\$750): The library was able to negotiate with their local connectivity vendor to upgrade their Internet level at no charge.

The State Library does not anticipate a reduction in upgrade costs for Year 2. In order to ensure optimum pricing discounts, most libraries were required to enter into

multi-year contracts. Therefore, the earliest time price changes could occur would be in June 2012. Also, while there are currently multiple middle and last mile broadband infrastructure projects scheduled to occur in New York State in the next couple years, the State Library is hoping the eventually broadband costs would be lowered, but the perception is too uncertain at this time to determine actual costs in 2011. Therefore, the State Library can only assume funding costs will remain the same for Year 2 grant funding.

## **2) To what extent did the bridge funding increase the prioritization of broadband connections for eligible libraries and address financial barriers to upgrading?**

Due to the uncertain and challenging budget situation in New York State, many of the grant participating libraries would have delayed seeking funding for their connectivity upgrades until New York's economic situation was more stabilized. However, the broadband grant funds made it possible for these libraries, which are among the smallest and most economically challenged libraries in the state, to make increased connectivity a priority and a reality. Now these libraries can concentrate their efforts on that important Next Step – sustainability - instead of still being at the initial funding phase.

### **Narrative Questions Part C – Sustainability Strategy**

#### **1) Please describe the major activities undertaken since the submittal of your updated sustainability plan to implement the long-term sustainability strategy.**

The sustainability plan for the New York State Library was submitted in March 2010. It can be viewed online at:  
<http://www.nysl.nysed.gov/libdev/gateslib/broadbnd/sustainability.pdf>

At the February 2010 Advisory Group meeting, it was decided that there would be a “three-legged stool” approach to sustainability efforts, which would involve local, State, and national activities, with each “stool leg” supporting the activities of the other, giving overall strength to the desired outcome. The three-legged approach and updated activities are as follows:

(1) Build librarian and community leader support for the value of libraries having sufficient connectivity to meet community demand and need:

Update report on activities:

- a) Each library, when reporting their upgrade speeds, was also asked to describe its sustainability strategies. The State Library helped these libraries develop their local sustainability plans. Major sustainability strategies include:

- Advertising the library's increased connectivity services through websites and newsletters
  - Adding a line item in the yearly budget for connectivity costs
  - Forming partnerships with community leaders emphasizing the importance of good connectivity
  - Creating partnerships with local connectivity vendors
  - Applying for E-Rate discounts
- b) A document entitled "Best Practices for Broadband Sustainability" was developed by the State Library and shared with the grant-participating libraries. It is attached to this document as Appendix A.
- c) A sustainability module has been created to be delivered as part of the workshops scheduled in fall 2010 to prepare participating libraries for their participation in Year 2 of the grant program.

(2) Support efforts at the federal and State level for regulations, legislation, and financial support:

Update report on activities:

- a) The State Library's E-rate Coordinator, Maribeth Krupczak, worked with appropriate people in the NY State Education Department (SED) to ensure that libraries were included in comments sent to the FCC due July 9, 2010 regarding proposed changes to the federal E-rate program;
- b) Libraries were included as part of the mapping effort by the Governor's office for Technology, representing important anchor institutions;
- c) For the second year, the State Library has submitted a capital request for broadband infrastructure funding for public library buildings. The \$22 million request was sent forward for possible inclusion in the Governor's 2011-2012 budget;
- d) State legislation was reintroduced in the State Legislature for 2010-2011 to enact a regulatory change that would allow public libraries to contract with Boards of Cooperative Education Services (BOCES) as their connectivity providers, allowing libraries to purchase connectivity services at more cost-effective rates. The State Senate did pass the bill, but it is currently stalled in the Assembly;

- e) Both the NY Assembly and Senate signed a bill that will allow libraries and library systems to engage in cooperative bidding, thereby saving money through bulk purchasing. The Governor signed this bill in August 2010 and it takes effect immediately. This could have a positive impact on bulk purchases related to connectivity equipment;
- f) Through a \$235,500 Universal Access grant awarded to the State Library, four public libraries in central New York (New Hartford, Rome, Utica, and Whitesboro) were able to double their existing broadband speeds and last mile broadband access was created in two northern New York rural communities serving less than 700 people each (Osceola and Cranberry Lake), using the public library as a hub.
- g) The State Library partnered with the New York Library Association in developing a grant application for a digital literacy statewide project as part of the NTIA program making available additional mapping initiative funding. A funding decision is expected by the end of September.
- h) The State Library was awarded \$9.5 million from NTIA through the BTOP program in the public computing category (PCC). The project is entitled "New York Computer Centers: Broadbandexpress@yourlibrary " and involves creating PCC centers in 30 public libraries in 41 upstate New York counties in addition to the creation of 5 E-Mobile units that will travel into communities to deliver digital literacy and workforce development skills. Participating libraries are expected to provide \$5,521,150 in matching funds. Upgrading PCC broadband connectivity is a component of this project.

(3) Increase E-rate funding for New York State's public libraries:

Update report on activities:

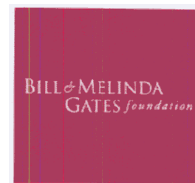
- a) Maribeth Krupczak worked with the appropriate people in SED to ensure library services were included in an RFP for statewide E-rate services. The current contract expires in fall 2010;
- b) Workshop materials have been developed explaining E-rate application basics that will be used in fall 2010 workshops focused on Year 2 activities for the Broadband Grant Program;
- c) Data has been collected concerning the type of E-rate discounts NY Broadband Grant Program libraries are receiving and also identifies which libraries are not participating in the E-rate program;

- d) An E-rate program has been scheduled at the annual fall New York Library Association conference that will discuss perceived barriers to E-rate participation and offer instruction on filing procedures;
- e) The 30 public libraries participating in the State Library's BTOP PCC grant project: New York Computer Centers: Broadbandexpress@yourlibrary recently participated in a webinar explaining how their required teleconferencing equipment could be eligible for E-rate discounts.

**2) What, if any, outcomes have resulted to date from implementation of the long-term sustainability strategy?**

Although sustainability strategies can take a long period of time to come to fruition, the State Library believes that the partnerships formed with other government agencies, particularly those agencies represented on the Broadband Advisory Group developed for this grant project is the major outcome that can be reported at this time. (A list of agencies represented on the Advisory Group can be seen at: <http://www.nysl.nysed.gov/libdev/gateslib/broadbnd/advisory.htm> )

The State Library's partnership with the Governor's Office for Technology (OFT) led to support for the State Library's BTOP PCC application and subsequent funding award and led to the State Librarian's appointment to the important statewide NYS Broadband Development and Deployment Council. This partnership also enabled libraries to be a part of the statewide mapping initiative and participation in an OFT grant application for additional funds available from NTIA to be used in the development of a statewide digital literacy initiative.



### **Best Practices for Broadband Sustainability**

- Make sure libraries are “at the table” at all appropriate meetings
- Include strategic members of other state agencies and state organizations on library advisory boards
- Speak to non-library groups/organizations @ the importance of libraries as anchor institutions regarding broadband access
- Seek private and federal funding and leverage grant projects whenever possible
- Facilitate and enable “grass roots” support
- Develop a toolkit to educate people @ the importance of sufficient broadband being available at libraries
- Support appropriate federal and state legislation
- Develop partnerships with key state agencies that regulate broadband services
- Support libraries in their efforts to receive E-rate funding
- Stay current regarding published broadband studies and public computer use