



TO: P-12 Education Committee

FROM: Jhone M. Ebert 

SUBJECT: Update on the Smart Schools Bond Act

DATE: December 5, 2017

AUTHORIZATION(S): 

SUMMARY

Issue for Discussion

To provide the Board of Regents with an update on the utilization of the Smart Schools Bond Act.

Proposed Handling

This item will come before the P-12 Education Committee for discussion at the December 2017 meeting.

Background Information

Smart Schools Bond Act

The Smart Schools Bond Act was passed in the 2014-15 Enacted Budget and approved by the voters in a statewide referendum held during the 2014 general election on Tuesday, November 4, 2014. The Smart Schools Bond Act (SSBA) authorized the issuance of \$2 billion of general obligation bonds to finance improved educational technology and infrastructure to improve learning and opportunity for students throughout the State. Each school district was allocated an amount of one-time funding under the statute. The amount is based on the amount of State aid received by the district as a percentage of the total State aid in a group of aid categories, so the allocations are aligned with both school district and pupil need, as well as district size. The statute did not create a time limit on the use of these funds.

There was also a \$5 million appropriation for special education schools. The Act required that both the special education schools and the public school districts have their planned expenditures under the Act approved by a Smart Schools Review Board (Review

Board), prior to making expenditures. The Smart Schools Investment Plan divides the approved expenditures into six categories allowed under the Smart Schools statute: classroom devices, classroom connectivity, community connectivity, removal of temporary classroom units, new prekindergarten classroom space, and/or high-tech security. Under the statute, public school districts are required to loan classroom technology to nonpublic schools within their boundaries, with the share calculated as a per pupil share of proposed classroom technology and (some) connectivity expenditures.

Smart Schools Review Board and NYSED Roles

The Review Board is made up of the Director of the Budget, Commissioner of Education, and the Chancellor of SUNY, or their designee. The Budget Director's designee serves as Chairman of the Review Board. Because of the three entities whose leaders are on the Review Board, the New York State Education Department (NYSED) is the one with the most experience working with school districts, NYSED was given the task of both doing the intake and initial reviews of the Smart Schools Investment Plans. We also have the responsibility of reviewing claims and making payments on approved expenditures. The Review Board developed program guidance and a format for the Smart Schools Investment Plan.

Review Process

After local stakeholder engagement, schools submit their Smart Schools Investment Plan through the NYSED Business Portal. It is reviewed internally by the appropriate NYSED staff, e.g. a plan to add prekindergarten space is reviewed by the Office of Early Learning. This expert review helps to ensure appropriateness of the planned expenditures from a programmatic perspective. Review by the Smart Schools Bond Act team ensures appropriateness of the planned expenditures from a fiscal perspective. Once a school district's plan has passed through the NYSED review, it is shared electronically with the staff of the other two members of the Review Board which perform additional reviews from those entities' perspectives. When those entities have comments or concerns, NYSED staff share them with the school district in question, obtain revisions, and send the revised document back to the Review Board. When a group of plans is ready for final approval, the Review Board schedules a meeting, which is public and viewable via webcast.

Plans Approved

The Review Board has held 7 public meetings. In those meetings, the Review Board approved 463 plans and amendments for 322 school districts and 20 special education schools with budgets totaling \$396,403,533 in the six categories.

While districts have invested in all six categories, there has been a focus on improving connectivity to provide for more differentiated instruction. It is our hope that these investments will provide the tools necessary to support the instruction that will be enabled by the virtual schooling that is one of your budget priorities for the coming year. The Smart Schools Investment Plan format requires districts to explain how the devices being requested will enhance differentiated instruction, expand student learning, benefit students with disabilities and English Language Learners and contribute to the reduction in other learning gaps identified by the district. In their responses, districts have emphasized the

importance of getting the devices in the hands of students to truly meet the personalized needs of each student and put them on a path to success.

Approved Plans by Category as of 11/27/17		
Categories	# of Plans	Approved Budgets
School Connectivity	258	\$135,829,835
Community Connectivity	3	\$41,309
Classroom Learning Technology	310	\$194,956,567
Pre-Kindergarten Classrooms	8	\$8,882,741
Transportable Classroom Units	1	\$548,795
High-Tech Security	143	\$56,140,536
Total Approved		\$396,399,783

Subset of Approved Plans for the Big Five as of 11/27/17			
Categories	# of Plans	Approved Budgets	Remaining Allocation
Buffalo City SD	1	\$21,378,393	\$34,641,963
New York City	0	\$0	\$783,141,339
Rochester City SD	2	\$26,912,308	\$20,322,269
Syracuse City SD	2	\$1,720,404	\$25,429,664
Yonkers City SD	1	\$3,838,075	\$20,127,776
Totals	6	\$53,849,180	\$883,663,011

Changes in Program

In the 2017-18 State Budget, changes were made to the sharing calculations for nonpublic schools, expanding the share available to religious and independent schools. New guidance, as well as accompanying IT system changes are well underway to reflect the change. In addition, a supplemental \$25 million in loan funds for nonpublic school devices was made available under the new program – to assist nonpublic schools in districts that had already submitted Smart Schools Plans prior to the enactment of the program changes.

Reimbursements to Date

NYSED has received nearly \$115 million in claims for reimbursement of approved expenditures under the Smart Schools Bond Act.

Claims by Category as of 11/30/17		
Categories	# of Plans	Claim Amounts
School Connectivity	109	\$35,275,859
Community Connectivity	0	\$0
Classroom Learning Technology	220	\$73,833,439
Pre-Kindergarten Classrooms	3	\$16,319
Transportable Classroom Units	1	\$300
High-Tech Security	40	\$7,425,692
Total Approved	275	\$114,655,540

Subset of Claims for the Big Five as of 11/27/17		
Categories	# of Claims	Claim Amounts
Buffalo City SD	0	\$0
New York City	0	\$0
Rochester City SD	1	\$13,580,408
Syracuse City SD	4	\$1,255,482
Yonkers City SD	1	\$1,425,760
Totals	6	\$16,261,650

Staff Work

At its enactment, this was the first New York State General Obligation bond authorized in nearly a decade, and New York is a national leader in taking this approach to invest in classroom connectivity. A program with this novelty and scale required substantial collaboration at the state level to implement. This collaboration took place between multiple state agencies and offices. For example, for various aspects of the project, we have worked with the Division of Budget, SUNY, Office of the State Comptroller and the Attorney General's Office. Internally at NYSED, it required the work of numerous program offices and functions within the Department (finance, legal, IT and several P-12 program offices). Much of this work was in addition to these offices' existing workloads, as only two new staff members were hired to support the entire \$2 billion-plus program.

Related Regent's Items

N/A

Next Steps

Department staff will continue to work with districts to ensure that the Smart Schools Investment Plans that are submitted meet the requirements of the statute. When guidance reflecting the changes made in the 2017-18 Enacted Budget is approved, staff will contact districts affected by the new law to inform them of the changes. An outreach plan is also underway for a broader distribution to the field of the changes made.