Christie Administration Announces Millions in Savings and Faster Internet Access for 219 Schools through Innovative Broadband Cooperative

For Immediate Release

Contact: Michael Yaple
David Saenz

Date: September 3, 2015

Trenton, NJ â€” An unprecedented initiative for the cooperative purchase of broadband will improve Internet access to 219 schools in 145 New Jersey districts, charter and private schools, while generating millions of dollars in savings over the next three and a half years, the state Department of Education announced today.

The new consortium, created through the New Jersey Digital Readiness for Learning and Assessment Project, was officially launched July 1, 2015 after a procurement effort to aggregate demand for Internet access among hundreds of K-12 schools, all while increasing capacity and quality, and significantly cutting costs.

"We are committed to ensuring that all schools have the necessary high-speed bandwidth to support digital learning in their classrooms," said Evo Popoff, the state Department of Education's Chief Innovation Officer.

"Through this consortium, 145 New Jersey school districts, charter and private schools have acquired the broadband services that are essential to operate effectively in the 21st century."

The program allows districts to reduce costs, obtain improved bandwidth and services, or both. Participating school districts not only collectively save an average of 76 percent of their Internet costs over the three-and-a-half-year span of the contract, but Internet bandwidth in schools is increased by 2.5 times as well, resulting in better reliability and enhanced functionality for digital learning.

"This effort is returning truly compelling results," said Education Commissioner David C. Hespe. "These are substantial savings of tax dollars that can be directed into the classroom. In addition, schools are able to leverage greater bandwidth speeds, which helps improve instruction and give New Jersey children a competitive edge with technology."

The initiative was conceived by the New Jersey Department of Education (NJDOE), which supported the Middlesex Regional Educational Services Commission (MRESC) and Bergen County Technical Schools in creating the consortium. To facilitate the project, NJDOE contracted with Dellicker Strategies, a Lehigh Valley, Pa., consulting firm specializing in broadband infrastructure, information applications and blended learning.

MRESC issued a Request for Proposal (RFP), in which the schools were grouped into four geographic regions. Comcast, Lightpath, Affiniti, DNS, PenTeleData, Sunesys and Xtel were awarded contracts for high-speed Internet access or other related services. Twenty-five consortium members upgraded from slower cable modems or DSL to more advanced Ethernet fiber, which enhances Internet service in the school.

The consortium includes 137 school districts, six charters and two nonpublic schools, representing a total of 219 school buildings. Not all schools were able to join the consortium during the first year for reasons such as existing multi-year contracts with Internet providers.

"Even schools that did not participate in the consortium should experience a decrease in Internet costs because the competitiveness of the school-broadband marketplace has advanced markedly," said Patrick Moran, Business Administrator at MRESC. "We estimate that nonparticipating schools will also potentially save millions of dollars on Internet access over the next 42 months."

"The process changed the competitive landscape of the telecommunications marketplace by transforming K-12 schools from 'price takers' to 'market makers' â€“ a positive development for schools and taxpayers," said Kevin Dellicker, Chief Executive Officer at Dellicker Strategies. Savings vary by school, but the average price of Megabits per second (Mbps) declined dramatically from $26.77 to $6.40. At the same time, schools in the consortium saw increased bandwidth from 284 to 718 Mbps on average.

"This consortium will allow us to effectively build cooperative solutions to the overwhelming growth of technology needs in our schools," said Ed Hayward, Director of Technology at Bergen County Technical Schools. "The Bergen County Technical Schools has always believed in the uniqueness of the team approach when providing IT services."

Considering the significant return on investment and positive results from the rollout this summer, more districts are expected to join the consortium in the coming months, which may lead to further cost savings. In this school...
year, MRESC will be issuing a second RFP to continue the work of reducing bandwidth costs for New Jersey schools in partnership with Bergen County Technical Schools and supported by the NJDOE and Dellicker Strategies.

A full report by the Digital Readiness for Learning and Assessment Project is available online.