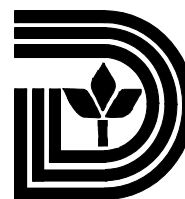


Memorandum



DATE September 29, 2020

CITY OF DALLAS

TO Ad Hoc Committee on COVID-19 Recovery and Assistance

SUBJECT **CARES Act Coronavirus Relief Funds Recommended Allocation to Independent School Districts for Texas Education Agency Operation Connectivity Bulk Ordering**

On June 24, 2020, the City of Dallas designated \$10M in CARES Act Coronavirus Relief Funds (CRF) for bridging the digital divide. The City of Dallas recognizes that having access to the internet is critical for families and individuals during this time of crisis. While practicing social distancing and dealing with the closures of many businesses and social services, internet access will help families and individuals do a wide range of activities, from schoolwork to job searching to paying bills.

In response to the critical need that remote and distance learning become an essential part of a school's academic offering, Governor Abbott and Texas legislative leaders have allocated \$200M in CRF to match \$200M in local school district funding. This combined \$400M in bulk buying power will be used to cover the purchases of internet solutions such as hotspots and e-learning devices for Texas' school districts, with the goal of providing connectivity technology for all students who would not otherwise have them.

TEA has encouraged Local Education Agencies (LEAs) to work with their cities and counties to allocate some portion of their \$5B CRF allocation to reduce the overall cost of acquiring the tools to facilitate distance learning. LEAs are eligible for additional CRF fund matching if they are able to receive funding from their local city or county CRF for TEA's bulk order program. TEA will increase its fund matching by \$1 for every \$1 of local CRF that LEAs receive, up to a maximum of 25% of the expenditure approved and allocated by TEA (based on the number of economically disadvantaged students). LEAs must submit required documentation by October 1, 2020 to be considered for local CRF reimbursement. (See attached flyer from TEA for further detail). This matching reimbursement will be executed per the example below:

Examples of CRF matching reimbursement allocations (Figures illustrative)

District A receives no match from local CRF	District B receives 10% match from local CRF	District C receives 25% match from local CRF
<ul style="list-style-type: none">• LEA total bulk order: \$100,000• Local CRF contributes: \$0• TEA state CRF fund contributes: \$50,000 (LEA base match) + \$0 (local CRF match) = \$50,000 total• LEA contributes: \$50,000	<ul style="list-style-type: none">• LEA total bulk order: \$100,000• Local CRF contributes: \$10,000• TEA state CRF fund contributes: \$50,000 (LEA base match) + \$10,000 (local CRF match) = \$60,000 total• LEA contributes: \$30,000	<ul style="list-style-type: none">• LEA total bulk order: \$100,000• Local CRF contributes: \$25,000• TEA state CRF fund contributes: \$50,000 (LEA base match) + \$25,000 (local CRF match) = \$75,000 total• LEA contributes: \$0

Of the ten independent school districts (ISDs) that overlap Dallas city limits, three school districts have requested matching funds – Dallas Independent School District (DISD), Richardson Independent School District (RISD), and Carrollton-Farmers Branch Independent School District (CFBISD). Following these requests, staff sent an e-mail to the ISDs requesting the following:

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CARES Act Coronavirus Relief Funds Recommended Allocation to Independent School Districts for Texas Education Agency Operation Connectivity Bulk Ordering

1. Number of school-age Dallas residents enrolled in the ISD
2. Number of school-age Dallas residents enrolled in the ISD eligible for free and reduced lunch program
3. Residential zip code of the school-age Dallas residents enrolled in the ISD
4. Campus location of school-age Dallas residents enrolled in the ISD

The information received is as follows:

District	# of Dallas Students Enrolled	# of Dallas Students eligible for Free and Reduced Lunch
Dallas Independent School District	140,593	120,806
Richardson Independent School District	23,726	12,358
Plano Independent School District	NR	NR
Duncanville Independent School District	NR	NR
Carrollton-Farmers Branch Independent School District	3,457	2,481
Grand Prairie Independent School District*	NR	NR
Mesquite Independent School District	NR	NR
Coppell Independent School District	NR	NR
Garland Independent School District	NR	NR
Irving Independent School District	NR	NR
Cedar Hill Independent School District*	NR	NR
Lancaster Independent School District*	NR	NR
Highland Park Independent School District	NR	NR

NR – No Response

*Awaiting responsive information that confirms school-age Dallas residents are enrolled in these ISDs

Staff has calculated the recommended allocation amount as follows:

$\$21$ (30% of hotspot cost of $\$70$) X # of Students on Free and Reduced Lunch Program

Allocation recommendation:

Independent School District	Recommended Allocation Amount
Richardson ISD	\$260,000
Carrollton-Farmers Branch ISD	\$53,000
Dallas ISD	\$500,000
TOTAL	\$813,000

As a result of the other investments the City is making with Dallas ISD related to the digital divide, such as the strategic engineering consultant interlocal sharing agreement (\$250,000) and the private cellular network demonstration projects (\$2.5M), the recommended allocation for Dallas ISD is not calculated using the formula above, and instead is a flat amount.

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SUBJECT **CARES Act Coronavirus Relief Funds Recommended Allocation to Independent School Districts for Texas Education Agency Operation Connectivity Bulk Ordering**

Fiscal Impact

The funding source of the recommended allocation would be drawn from the \$10M in CRF funding allocated for digital divide projects in the City. A total of \$813,000 will be allocated as TEA match funding for the ISDs.

Recommendation

Staff recommends the allocation of CRF funding as follows:

Independent School District	Recommended Allocation Amount
Richardson ISD	\$260,000
Carrollton-Farmers Branch ISD	\$53,000
Dallas ISD	\$500,000
TOTAL	\$813,000

Should you have any questions or need further information, please do not hesitate to contact me.



Liz Cedillo-Pereira
Chief of Equity and Inclusion

c: Honorable Mayor and City Council Members
T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
Directors and Assistant Directors

A Guide to Operation Connectivity: How Municipalities and Counties Can Help

1.8 million students
lack technology
to learn from
home

With the rise of COVID-19 in Texas, **remote learning has become an essential** part of schools' academic offering. Yet, it is estimated that **over 1.8 million students in Texas lack the connectivity technology to learn from their homes**. This connectivity gap is a significant barrier to academic success and economic empowerment for these students.

In response to this critical need, Governor Abbott and Texas legislative leaders have allocated \$200M in CARES Act Coronavirus Relief Fund (CRF) funding to match \$200M in local district funding. This combined \$400M in bulk buying power will be used to cover the purchases of internet solutions such as hotspots and e-learning devices for Texas' School districts, with the goal of providing connectivity technology for all students who would not otherwise have them.



\$200M
in CARES Act
CRF funding



\$200M
in local district
funding



\$400M
bulk buying power for
connectivity technology

1 million
e-learning
devices

The **Operation Connectivity bulk order program** may leverage the majority of these funds to put over 1 million e-learning devices and nearly 500,000 hotspots in students' homes to enable learning, significantly reducing the connectivity gap.

Even with this historic investment, **we may still have hundreds of thousands of Texas students who lack reliable internet access.**

500,000
hotspots



Texas received \$11.24 billion in federal CARES Act CRF funding, of which over \$5 billion has been given to counties and cities to determine how they should be spent.



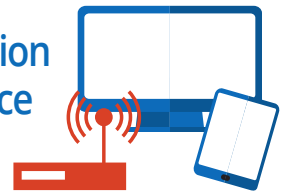
\$11.24B
in CARES Act
CRF funding



\$5B
to City and
County CRF grants



Allocate some portion
to "facilitate distance
learning"



LEAs are encouraged to work with their cities and counties to allocate some portion of their local CRF funds to reduce their cost.¹

Details of the local CRF match reimbursement process are described on the next page.

By assisting school systems with their local match **funding right now**, CRF contributions can enable purchases of devices and hotspots at **steeply discounted rates** that vendors have made available specifically for orders placed through Operation Connectivity.

Local governments will see a **dramatic return on this investment**, including smart procurement, increased access to online learning for students, and access to urgent family telehealth care.



1. U.S. Department of the Treasury's guidance on use of CARES funding lists examples of eligible use of funds, including "Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions." Source: Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments, Updated June 30, 2020

Details of Approach to CRF Matching Reimbursement

Local Education Agencies (LEAs) are eligible for additional state Coronavirus Relief Fund (CRF) fund matching if they receive funding from their local city or county CRF for TEA's bulk order program. TEA will increase its fund matching by \$1 for every \$1 of local CRF that LEAs receive, up to a maximum of 25% of the expenditure approved and allocated by TEA (based on number of economically disadvantaged students). This matching reimbursement will be executed per the details below.

Examples of CRF matching reimbursement allocations (Figures illustrative)

District A receives no match from local CRF <ul style="list-style-type: none"> • LEA total bulk order: \$100,000 • Local CRF contributes: \$0 • TEA state CRF fund contributes: \$50,000 (LEA base match) + \$0 (local CRF match) = \$50,000 total • LEA contributes: \$50,000 	District B receives 10% match from local CRF <ul style="list-style-type: none"> • LEA total bulk order: \$100,000 • Local CRF contributes: \$10,000 • TEA state CRF fund contributes: \$50,000 (LEA base match) + \$10,000 (local CRF match) = \$60,000 total • LEA contributes: \$30,000 	District C receives 25% match from local CRF <ul style="list-style-type: none"> • LEA total bulk order: \$100,000 • Local CRF contributes: \$25,000 • TEA state CRF fund contributes: \$50,000 (LEA base match) + \$25,000 (local CRF match) = \$75,000 total • LEA contributes: \$0
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Key information about local CRF matching reimbursement process

October 1st Deadline to submit requests for CRF matching reimbursement	LEAs must submit required documentation (see below) by October 1st to be considered for local CRF matching reimbursement and will be reimbursed on a rolling basis. ¹
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Process for LEA submission for Local CRF Matching Reimbursement



To submit documentation of any local CRF that has been received, an LEA will provide TEA a completed CRF Reimbursement Application (to be provided) and accompanying documentation that states:

- ▷ Date of allocation from city or county
- ▷ Amount of allocation
- ▷ Purpose of grant (should say TEA bulk order)

The standard application and details of accompanying documentation requirements will be communicated the week of 8/17/2020. Please email customerservice@teabulkorder.com if you have any questions regarding this process.

Note on CARES ESSER Funds

The state has implemented a local matching requirement to this program in that the LEA must pay for an applicable percentage of the total costs of the program. This requires other fund sources available to the LEA to be used to pay for the remaining percentage of the program. This is not an in-kind match.

The LEA may use its CARES Act ESSER Grant allocation, TIMA, and other local sources to be approved later by TEA, in addition to other state and local funding to pay the LEA portion of this program and therefore split the total cost of the connectivity equipment between this program and its ESSER Grant.

LEA local documentation must be maintained to document 1) the percentage paid from the ESSER Grant, 2) inventory records and other appropriate safeguards to protect the equipment are in place, and 3) appropriate internal controls are being implemented.

¹ In the event all \$200M of state funds is expended the local CRF match will be awarded on a first come first serve basis.