

Smart Schools Funding

Implementation Guidance for NYS-Approved In-State Day and Residential Schools Serving Students with Disabilities

The SMART SCHOOLS BOND ACT OF 2014 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. In conjunction with the Smart Schools Bond Act, the 2014 Budget in Chapter 54 and 55 of the Laws of 2014, authorized the issuance of a one-time \$5 million bond to finance educational technology capital projects to improve learning and opportunity for students with disabilities in Special Act School Districts, State-Supported Schools and approved private special education day and residential schools (also known as 853 Schools) throughout the State. The \$5 million in Smart Schools funding will support students enrolled in these schools by funding capital projects including:

1. **Classroom Technology:** Acquire learning technology equipment, including but not limited to interactive whiteboards, computer servers, and desktop, laptop, and tablet computers;
2. **High-Tech Security:** Install high-tech security features in school buildings and on school campuses, including but not limited to video surveillance, emergency notification systems, and physical access controls;
3. **School Connectivity:** Install high-speed broadband or wireless internet connectivity for schools; and/or
4. **Classroom Trailer Replacement:** Construct, enhance, and modernize educational facilities to provide instructional space to replace classroom trailers.

Smart Schools Appropriation

The Smart Schools appropriation for each school is available on the Smart Schools website (http://www.p12.nysed.gov/mgtserv/documents/SSBASpecialEdSchoolAllocations_Final.pdf). The appropriation was calculated as a per pupil allocation using 10-month FTE enrollment data from each school as a three-year average of the 2009-10, 2010-11, and 2011-12 school years.

Please note, for schools subject to the rate-setting process, for purposes of calculating tuition rates and cost screens, Smart Schools funding will not be treated as offsetting revenue or non-direct care costs. Smart Schools revenue and expenses should be recorded under Program Code 9811 and may not be allocated to any other program codes. Use of these funds will have no impact on your tuition rate, nor will these funds be associated with any tuition waivers.

All schools¹ will be required to submit a Smart Schools Investment Plan to demonstrate how Smart Schools funding will be used to provide the educational tools and opportunities students with disabilities throughout New York State will need to succeed in the 21st century economy. Effective plans should:

¹ For purposes of this guidance, the term school is intended to include all Special Act School Districts, State-Supported Schools for the Blind and Deaf, and approved private school serving students with disabilities.

- Include linkages between the school's long-term educational planning and technology investments;
- Provide learning opportunities within and beyond the classroom through the use of technology;
- Address the educational needs of all students attending the school; and
- Propose capital spending that is eligible for tax-exempt financing.

It's important to note that Smart Schools funds may not be used for any expenditures made prior to formal approval by the Smart Schools Review Board of a school's Smart Schools Investment Plan.

All Smart Schools expenditures must be consistent with approved Smart School Investment Plans and any related capital plans.

The Smart Schools Review Board will review each school's plan for alignment with the goals in this guidance document and ensure the plan contains elements necessary for the long-term success of this program. Elements of a successful plan will include:

1. **Adequate Technological Infrastructure:** In order for students and faculty to receive the maximum benefit from the technology made available under the Smart Schools appropriation, school buildings must possess sufficient connectivity infrastructure to ensure that devices can be used by many students at once during the school day. Smart Schools Investment Plans should describe the infrastructure that currently exists in the buildings where capital projects using Smart Schools funds, including where new devices will be deployed.
2. **Technical and Educational Support:** The school must describe how it will provide sufficient on-going technical and instructional support to ensure that the technology (hardware and/or educational technology-related infrastructure) purchased with Smart Schools funds will be distributed, prepared for use, maintained and supported appropriately. Please note that Smart Schools funding may not be used for technical support, maintenance, professional development or any on-going service.
3. **Sustainability:** As part of their Smart Schools Investment Plans, schools are required to certify that they have a plan to maintain the investments made with Smart Schools funding. This sustainability plan should demonstrate a school's capacity to support the recurring costs of use, for which Smart Schools funding may not be used. These recurring costs include, but are not limited to, issues such as device maintenance, as well as other technical support, internet and wireless fees, maintenance of hotspots, ongoing professional development, building maintenance, or replacement of incidental items.

This document describes: the process through which schools will receive their appropriations (which will be distributed on a reimbursement basis,) the components of the Smart Schools Investment Plan required by the Smart Schools funding, eligible expenditures under the law, the requirements for stakeholder involvement and the accounting of Smart Schools funds.

Section 1. State Review Process for Smart Schools Investment Plans

Smart Schools Investment Plans: Chapter 54 of the Laws of 2014 requires that schools develop and receive approval of a Smart Schools Investment Plan from the Smart Schools Review Board, which is comprised of the Chancellor of the State University of New York, the Director of the Budget and the Commissioner of Education.

Schools must submit their Smart Schools Investment Plans, which will describe the proposed expenditures and projects to be supported by Smart Schools funding, through an application on the New York State Education Department's (NYSED) Business Portal.

NYSED will review the Smart Schools Investment Plan for completeness and adherence to the guidance. If accepted, the application will be submitted for consideration by the Smart Schools Review Board.

Portal Open for Plan Submission: April 8, 2016

Plan Submission Deadline: Schools will have up to 5 years (until April 7, 2021) to submit their Smart Schools Investment Plans, receive approval and expend all funds. In order for students to realize an immediate benefit from these funds, schools are encouraged to submit plans as soon as possible.

Timing of Grant Funds: The Smart Schools Review Board will meet quarterly to review and approve Smart Schools Investment Plans. A Smart Schools Investment Plan should be submitted well in advance of the expected first use of any Smart Schools funding.

Note: Expenditures made before formal approval of a school's Smart Schools Investment Plan will not be reimbursable with Smart Schools funds.

Section 2. Application Process

This section describes the steps school administrators need to take to gain approval of their Smart Schools Investment Plans and receive reimbursement under the Smart Schools appropriation.

1. **Review appropriation amount and NYSED guidance:** School administrators should review this guidance and their school's appropriation:
http://www.p12.nysed.gov/mgtserv/documents/SSBASpecialEdSchoolAllocations_Final.pdf
2. **Stakeholder Engagement:** The planning process must include consultation with parents, students and teachers. The Chief School Administrator will certify in his or her submission of the Smart Schools Investment Plans that the required stakeholder engagement has occurred. Once stakeholder input has been received and considered, the school will complete its proposed Smart Schools Investment Plan and the school board/trustees will adopt it.
3. **Plan Submission:** Once steps 1-3 are complete, schools will submit Smart Schools Investment Plans through the Smart Schools application on the NYSED Business Portal. The Chief School

Administrator will be required to certify the accuracy of the plan. The application will provide space for both narrative explanations of the school's plan and budgets for specific portions of the planned investment within the eligible categories (devices, connectivity improvements, replacement of modular classrooms with permanent instructional space or high-tech security devices).

4. **Department Review:** NYSED will review the plans for completeness and follow up with schools on any portions that require further explanation. The Smart Schools Review Board will then review all complete plans.

Smart Schools Review Board Approval: The Smart Schools Review Board will review each plan to determine whether it meets the requirements of the Smart Schools funding and demonstrates a sound plan to use the funds in a manner that advances the educational well-being of the school's students. Once the Smart Schools Review Board approves a plan, the school will be authorized to spend the funds. If the Board rejects a plan, the school shall have the opportunity to modify and resubmit the plan.

Section 3. Disbursement and Reporting of Funds

Expenditure and Reimbursement of Funds: All funds will be distributed on a reimbursement basis; therefore schools should not purchase items under the Smart Schools appropriation until approval is granted by the Smart Schools Review Board. Schools must expend funds in a manner consistent with their approved Smart Schools Investment Plans. Once a request for reimbursement has been reviewed and approved, NYSED will release the funds within 90 days in most cases. Expenditure claiming will be done through the NYSED Business Portal. The Portal reimbursement system has been designed to expedite reimbursements to schools as much as possible. Note: Schools can be reimbursed on an ongoing basis as they expend the funds. It will not be necessary to expend the entire allocation before receiving reimbursement.

Contracts: Depending on the size of their appropriation, schools **may** be required under the State Finance Law to enter into a contract with NYSED. In general:

- Awards under \$10,000 will be reimbursable through the NYSED Office of Grants Finance.
- Awards over \$10,000 will require a contract through Grants Gateway and approval from NYSED.
- Awards greater than \$50,000 will require additional approvals from the State Attorney General and State Comptroller.

The New York State Education Department will take steps to streamline the contract process as much as possible. More information on the contract review process will be released.

Financial Reporting of Smart Schools funds: Smart Schools revenue and expenses should be recorded under Program Code 9811 and may not be allocated to any other program codes when filing the school's financial reports. For Consolidated Fiscal Report (CFR) filers, see Section 8 General Instructions page 8.5 of the 2014-15 CFR Manual. Accrual accounting is required. Calendar year filers must separate this program into two six-month segments.

Fiscal Notes: Please note these are one-time funds. Once funds are expended, no additional funds are scheduled to be made available. Additionally, there is no provision in law to re-allocate any unused funds, so schools are encouraged to utilize their entire allocation.

For schools subject to the rate-setting process, for purposes of calculating tuition rates and cost screens, Smart Schools funding will not be treated as offsetting revenue or non-direct care costs. Use of these funds will have no impact on your tuition rate.

Schools should carefully consider how other existing funding sources (i.e. Federal, Tuition Rates, Other) can be combined with these funds to maximize opportunities. Please note however that all revenue derived from tuition rates must adhere to the reimbursable cost manual for programs receiving funding under Article 81 and/or Article 89 of the Education Law to educate students with disabilities and the approved tuition reimbursement methodology for the applicable school year.

Purchasing and Pricing: All purchases must be fully supported by standard documentation, such as canceled checks and invoices listing the items purchased, date of purchase and date of payment and available on audit.

When applicable, competitive bidding practices should be used by all providers (both public and private) in conformance with the Purchasing Handbook located at:
<http://www.p12.nysed.gov/mgtserv/purchasing/handbook.html>.

In addition to meeting the applicable requirements on the purchasing handbook, all devices obtained as part of a Smart Schools Investment Plan must be purchased at or below prices available on federal and State contracts authorized in the General Municipal Law. Links to some of these contracts will be posted at http://www.p12.nysed.gov/mgtserv/smart_schools/ for your convenience. Schools are also encouraged to take advantage of consortium purchasing efforts and other means to maximize the benefit of these funds.

Inventory Management: Schools must ensure that devices purchased will be distributed, prepared for use, maintained, and supported appropriately. Schools must maintain detailed device inventories in accordance with generally accepted accounting standards. The school's Smart Schools Investment Plan and records of any payments made to schools in support of particular purchases may be shared with appropriate agencies in support of future local audits.

Section 4. Allowable Expenditures by Category

Categories of Eligible Projects are defined as:

- **Classroom Technology:** Acquiring learning technology equipment or facilities, including but not limited to interactive whiteboards, computer servers, and desktop, laptop, and tablet computers;
- **High-Tech Security:** Installing high-tech security features in school buildings and on school campuses, including but not limited to video surveillance, emergency notification systems, and physical access controls;
- **School Connectivity:** Installing high-speed broadband or wireless internet connectivity for schools; and/or

- **Classroom Trailer Replacement:** Constructing, enhancing, and modernizing educational facilities to provide instructional space to replace classroom trailers.

Schools should identify school needs and develop their Smart Schools Investment Plans with those needs in mind. There are no minimum percentages of Smart Schools funds that must be dedicated to any of these categories.

Classroom Technology

The Smart Schools appropriation language provides examples of devices that would be eligible for expenditures, which are listed below. The review of the Smart Schools Investment Plans will examine the information provided to ensure that the devices/platforms chosen will be linked to a coherent instructional plan and will enhance teaching and learning on a sustainable basis. Smart School Investment Plans must describe any device purchase in detail. Review will be device- and platform-neutral. Schools should plan their device purchases carefully to ensure that devices are compatible with the district's instructional and learning applications.

Examples of allowable expenditures include:

- Interactive whiteboards;
- Computer servers;
- Desktop, laptop, and tablet computers; and
- Other technology items that enhance teaching and learning.

Examples of non-allowable expenditures include:

- Software, including apps; and
- Subscription services.

The proposed technology purchases should address the following goals:

- Enhance differentiated instruction and expand student learning beyond the classroom.
- Ensure equal access to these improved educational services and learning opportunities for students with disabilities and English language learners, if applicable, and should also contribute to the reduction of other learning gaps experienced within the school.
- Enhance ongoing communication with parents and other stakeholders.
- Leverage technology to facilitate regional partnerships, including distance learning, to provide additional technology-related learning opportunities for students.
- Expand wireless internet connectivity/Wi-Fi.
- Be consistent with the schools' short and long-term educational goals.

High-Tech Security

Schools that choose to spend Smart Schools funds on high-tech security features are required to demonstrate that any installations or alterations to the building are code compliant.

Acceptable items include, but are not limited to:

- Electronic security systems for entrances.
- Access control systems for entrances. These may include:
 - An intercom to speak with visitors;
 - Remote electronic door unlatching systems;
 - Cameras;
 - Interface with the building management system; and
 - Central lockdown buttons.
- Acceptable door hardening items:
 - Door replacement;
 - Door hardware replacement;
 - Door frame replacement;
 - Sidelight removal;
 - Sidelight frame replacement;
 - Change size of door or window vision panels to limit opening size;
 - Change door or sidelight glass materials;
 - Bars, grills or other protective measures over existing glass to prevent access; and
 - Glass films, including security films or tinted films.
- Generators to be used as backup for high-tech security systems.

There is a streamlined review process for high-tech security projects that do not exceed \$100,000, as described below. Projects that require a new or substantially altered space, or result in capitalized costs in excess of \$100,000, must follow the standard review process, described in Section 5.

Streamlined Review Process: Schools that choose to spend Smart Schools funding on certain limited costs of installing high-tech security features that do not require construction or will not result in capitalized costs in excess of \$100,000 will not require formal capital project review, consultation and/or approval of the NYSED Rate Setting Unit, Office of Special Education - Special Education and Quality Assurance Office and the Office of Facilities Planning. However, schools will be required to demonstrate that projects are code compliant.

School Connectivity

The Smart Schools funding may be used to support schools' efforts to connect their school buildings to high-speed broadband to support technology-enabled and digital instruction and learning.

In order for students and faculty to receive the maximum benefit from the technology made available under the Smart Schools funding, their school buildings should possess sufficient connectivity infrastructure to ensure that devices can be used during the school day. Smart Schools funds may be used for capital construction and equipment costs related to wired and wireless connectivity projects in school buildings. Schools should explore all available options to increase connectivity and work with

internet/telecom service providers and fiber construction companies to identify the most cost-efficient and effective mechanism to deliver the required speeds and access.

For wired connectivity projects, eligible capital equipment or construction expenses must be for the primary purpose of delivering enhanced connectivity to a school building to benefit students, teachers and staff. To be eligible for reimbursement, construction-related expenses must relate to school building connectivity. If a project also benefits (or may benefit) a non-school entity, this portion of the related costs will not be eligible for reimbursement under this category. Smart Schools funding may be used to purchase lit or dark fiber and may also be used to self-provision fiber, if this option is the most cost effective.

In addition to supporting broadband connectivity to the building, schools considering the purchase of wireless-enabled devices should also plan and account for wireless internet access and connectivity within classrooms, offices and common areas adjacent to school buildings. If a school wishes to have students and staff access the internet from wireless devices within the building, or in close proximity to it, it should first ensure that it has a robust Wi-Fi network in place that has sufficient bandwidth to meet demand. (Note: When estimating demand, schools should consider the number of internet-enabled/mobile devices their students and school personnel are likely to bring to school on a daily basis, consistent with existing “Bring Your Own Device” policies.) To determine bandwidth, technology and equipment needs, schools should consult with technology experts, as well as other resources, including those listed below in this section.

The Smart Schools funding may be used:

- For capital construction costs to install new, or upgrade existing, broadband or wireless equipment on a one-time, capital improvement basis in order to expand broadband access and increase capacity in and around school buildings.
- To fund the purchase of all equipment required to provide broadband service and necessary wireless connectivity.

Examples of allowable expenditures include:

- Capital Construction Costs: Projects that expand connectivity at a school building, including those related to professional services directly related to the construction project such as site engineering, project management, and consultant services costs directly related to designing and constructing the proposed capital construction project.
- External Plant Costs: Includes cable (aerial, buried, underground and submarine), fiber, conduit systems, poles, and network interface devices.
- Internal Network and Access Equipment Costs: Includes, but is not limited to, switches, video head-ends, optical equipment, digital line concentrators, digital subscriber line access multiplexers, middleware, video-on-demand equipment, radio equipment and data routing equipment.
- School Internal Connections and Components: Includes, but is not limited to, server and network configuration, data and electrical connections. Components at the applicant site are eligible only if they are an essential element in the transmission of information within the school. The components must be necessary to transport information to the individual classrooms.

- Testing: Includes items such as testing network and information technology systems, user devices, servers, lab furnishing and test generators.

Examples of non-allowable expenditures include:

- Recurring costs associated with the use and maintenance of technology purchased. These costs will be the responsibility of the school that owns the technology purchased. No operating expenses of the school can be supported by these funds. Examples include Internet, email, phone, voice mail service, web hosting or webcasting.
- Capital improvements to facilities that are not owned by the school or if the term of the lease for the leased property is shorter than probable useful life of the capital improvement as determined by the New York State Education Department’s Office of Facilities Planning.
- Leased Equipment.

School administrators can find technical assistance for planning both wired broadband and Wi-Fi networks from the following Education Superhighway links:

- **Education Superhighway’s District Tools and Services:**
<http://www.educationsuperhighway.org/districts/>
- **Education Superhighway School Wi-Fi___33 Buyer’s Guide:**
<http://buyersguide.educationsuperhighway.org/>
- **Education Superhighway Network Essentials for Superintendents:**
<http://www.educationsuperhighway.org/wp-content/uploads/2014/12/Network-Essentials-For-Superintendents-Version-2.14-2.19.15.pdf>

There is a streamlined review process for school connectivity projects that do not exceed \$100,000 as described below. Projects that require a new or substantially altered space, or result in capitalized costs in excess of \$100,000 must follow the standard review process, described in Section 5.

Streamlined Review Process: Schools that choose to spend Smart Schools funds on certain limited costs of installing connectivity devices that do not require construction or the installation of new wiring or will not result in capitalized costs in excess of \$100,000 will not require formal capital project review, consultation and/or approval of the NYSED Rate Setting Unit, Office of Special Education - Special Education and Quality Assurance Office and the Office of Facilities Planning. However, schools will be required to demonstrate that projects are code compliant.

Classroom Trailer Replacement

Smart Schools funding may be used for the expansion or construction of adequate, appropriate and permanent instructional space to replace transportable classroom units. Allowable expenditures shall be consistent with the New York State Education Department’s [Manual of Planning Standards](#) and may include:

- Replacing transportable classrooms with permanent construction – supported by enrollment; and

- Removal of existing transportable classrooms from school property and restoration of the site after completion of permanent construction.

Non-allowable expenses include:

- Renovation or upgrade of existing transportable classroom space. Schools should concentrate on removal/replacement of existing space; and
- Replacement of existing transportable instructional space with new transportable instructional space.

Any of these projects that exceed \$100,000 will be required to follow the standard review process, as described in Section 5.

Section 5: Capital Construction Approvals

Standard Review Process: Capital-intensive infrastructure projects involving new or renovated facility space, both instructional and non-instructional, to be occupied by approved programs in which space is new or substantially altered or result in capitalized costs in excess of \$100,000 will require separate and additional approval of NYSED (the Rate Setting Unit, Office of Special Education - Special Education and Quality Assurance Office and the Office of Facilities Planning). The Application, Instructions, and Criteria & Guidelines for Development, Review, and Approval may be found on the NYSED webpage: http://www.oms.nysed.gov/rsu/Manuals_Forms/Manuals/CapitalProjects/home.html

It is important to note, that although Smart Schools appropriations may be combined with existing funding sources, the Smart Schools Investment Plan may not be used to generate additional state or local public funds.

For Special Act School Districts: the portion of capital project costs funded by the Smart Schools appropriation will **not** be deducted from the 5 year **maximum** cost allowance for State Building Aid, however Smart Schools funded costs will be deducted from the approved cost of any specific project. Smart Schools funding will not generate building aid. Special Act School Districts must contact the State Education Department’s Office of Facilities Planning to file a Smart Schools-specific Letter of Intent (LOI) and obtain a Building Permit, if needed.

Approved Private Special Education Schools and State Supported Schools must obtain building permits from their local jurisdiction.

Section 6. Requirements for Stakeholder Involvement

Before the Smart Schools Investment Plan can be approved, the school must demonstrate that it has met the requirements for public input concerning the school's proposed use of their Smart Schools appropriation. This input must include consultation with parents, students and teachers.

Timelines for Stakeholder Involvement: A school must certify in its Smart Schools Investment Plan submission that the following required steps have taken place:

- The Smart Schools Investment Plan has been posted on the school website for at least two weeks. The school must include an address to which any written comments on the Plan should be sent.
- The School Board/Trustees conducted a hearing that will enable stakeholders to respond to the Plan. This hearing may occur as part of a normal Board and/or Trustees meeting, but adequate notice of the event must be provided at the school and the school website for at least two weeks prior to the meeting.
- School has prepared a final plan for the Board and/or Trustees and it has been approved.
- The Final plan has been posted on the school website. The Plan should remain posted for the life of the included projects.

Once all of these steps have been taken, the school will submit the Smart Schools Investment Plan through the Business Portal for review.

Section 7. Amendment of Smart Schools Investment Plans and Audits

Amending the Smart Schools Investment Plan: Schools may amend the Smart Schools Investment Plan after it has been approved. If the amendment would cause more than 25 percent of the entire allocation to change, the school will be required to post the proposed amendments to the school website for 30 days and discuss the item in a public board meeting where stakeholders may comment prior to adoption of the amendment and resubmission of the Smart Schools Investment Plan online application. The amendments will not be eligible for reimbursement unless and until approval is granted.

Auditing: Expenditures made under the Smart Schools appropriation must be included in the school's annual independent audit and are subject to audit by any and all appropriate government agencies, including the New York State Education Department's Office of Audit Services. Audits will ensure that schools operate their programs in the manner described in the Smart Schools Investment Plan, expenditures claimed are allowable, best available prices were obtained for products and services and that adequate and effective controls were maintained to safeguard the use of funds and ensure reliability of reporting.

Section 8. Contact Information

Smart Schools Program Questions: Please contact the New York State Education Department Office of Educational Management Services.

Telephone: (518) 474-2487

Email: Smartschools@nysed.gov

Capital Project Questions: Please call the New York State Education Department Office of Facilities Planning at (518) 474-3906.

Visit http://www.p12.nysed.gov/mgtserv/smart_schools/ for additional information.