

For Immediate Release

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New Jersey School Districts Save \$260 Million Through Cooperative Purchasing of Internet Access

Co-op Cuts the Price of Broadband Access to School Districts by 88 Percent

PISCATAWAY – April 1, 2019 – It was a project launched in 2014 to greatly improve Internet access across grades K-12 schools in New Jersey.

Five years later, the “New Jersey Digital Readiness for Learning Assessment Project” (NJDRAP) has been more successful than most could have expected, recruiting more than 265 school districts and saving them a combined \$260 million. That savings is equal to the cost of keeping 500 teachers in New Jersey classrooms each year.

The project – reaching 600,000 students in the state – is a collaboration between the Educational Services Commission of New Jersey (ESCNJ), headquartered in Piscataway, and the state Department of Education. Since its inception, NJDRAP has increased average broadband access by 2.5 times and decreased the cost by 88 percent.

“This is one of the most successful cooperative purchasing initiatives in New Jersey; we couldn’t be more proud of the enormous participation in the program as well as the taxpayer money that has been saved,” said ESCNJ Schools Superintendent Mark Finkelstein. “The goal of this co-op is to make high-speed Internet access available to every student in New Jersey. I’m pleased to say we are well on our way toward achieving that goal.”

The program had immediate success, with 137 school districts signing up in the first year for cheaper and faster broadband access. By the end of last year, more than 45 percent of school districts in the state were enrolled, with more signing up on a regular basis.

“Also, we are pleased that 37 public charter schools, non-public schools and educational non-profits have also taken advantage of the program, to date,” Finkelstein said. “We have developed a program that reaches every county in the state, representing schools big and small, rural and urban, wealthy and poor, from pre-kindergarten to high school. It has become a model co-op, and a world-class example of what we can accomplish together.”

Before the NJDRAP program began in 2014, more than 17 percent of participating schools were struggling with copper lines to connect to the Internet. Today, 98 percent of the districts use fiber connections.

Patrick Moran, the ESCNJ business administrator, explained the enormous savings is realized by bundling the demand for advanced telecom services.

“The ESCNJ co-op helps local telecom providers make more productive investments in the New Jersey economy, which benefits businesses, hospitals and individual citizens, as well as schools and government organizations,” Moran said.

He noted the NJDRLAP co-op is on track to facilitate more than \$100 million in telecom contracts through 2024 for the shared benefit of the co-op’s public sector members, approved service providers and New Jersey citizens.

Before the program began, the average Internet connection for participating school districts was 348 Megabits per second (Mbps). Today, districts are buying more than twice that amount - 886 Mbps apiece – equaling 2.5 times more Internet speed, a 155 percent increase.

“Besides faster Internet access, co-op members are using the NJDRLAP contract to connect multiple campus locations and government buildings together for a super-fast information exchange,” Moran said, noting the co-op delivers fiber-optic circuits of at least 100 Mbps each to 423 additional schools and municipalities, with an average bandwidth of 1.1 Gigabits per second (Gbps).

“These co-op circuits are meeting the ‘need-for-speed’ for schools and municipalities statewide,” he said.

NJDRLAP has also decreased the monthly price of Internet to schools by 58 percent. Before NJDRLAP, schools paid an average of \$26.17 per Mbps for Internet access. Today they pay just \$3.05.

“If these schools had to pay pre-NJDRLAP prices for their current levels of service, they would have needed to make very difficult decisions: buy less Internet, cut spending elsewhere or raise taxes,” Finkelstein said. “Fortunately, the ESCNJ offers a better alternative: buy more for less with the NJDRLAP co-op.”

The co-op continues to expand its services, with the ESCNJ and its consultant, Dellicker Strategies, adding cable modems, fiber-to-the-home services and other affordable means of Internet access. Later in 2019, the ESCNJ expects to upgrade co-op contracts for dedicated Internet and high-speed telecom, further ensuring the best pricing.

Purchasing from the NJDRLAP co-op is easy for schools and municipalities. Visit ESCNJ’s new members’ website (www.escnj.us/members) and select “Telecommunications” from the drop-down menu for the NJDRLAP program.

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