

OFFICE OF THE GOVERNOR

**KAY IVEY**  
GOVERNOR



**STATE OF ALABAMA**

ALABAMA DEPARTMENT OF ECONOMIC  
AND COMMUNITY AFFAIRS

**KENNETH W. BOSWELL**  
DIRECTOR

November 17, 2020

Mr. Kelly Butler  
Director of Finance  
Department of Finance  
State Capitol  
Montgomery, Alabama 36130

Dear Mr. Butler:

RE: Report on ADECA MOU for CARES Act Coronavirus Relief Funds  
ABC Students Program

Total expenditures entered in the ADECA accounting system for the ABC for Students program through November 12, 2020: Grants, \$1,742,634.61, and CTC \$1,375,622.66.

Please see below the detail of the expenditures and program information for the ABC for Students Program as of November 15, 2020.

Invoice #	Item	Program Start through Sept. 14	Sept. 15-Oct. 14	Oct. 15-Nov. 14
007790-2	Secondary Track Mailing	\$17,660.14		
007990-2	Primary Track Mailing	\$171,733.54		
007738-1	Consulting Services	\$64,515.00		
090000-54	Supplementary Mailings		\$208,843.92	
007815-2 (August)	Consulting Services		\$360,478.60	
007984-1 (September)	Consulting Services		\$548,510.21	
Estimated October Invoice	Consulting Services			\$490,000

**Outreach to Eligible Families**

As of November 15, the program estimates that it has connected more than 123,500 students, representing approximately 43 percent of income-eligible students in the State (by comparison,

the federal government's Lifeline broadband subsidy program reaches less than 20 percent of eligible Americans).

The program continues to provide vouchers to eligible households through multiple strategies, including:

1. Mail vouchers sent to eligible families with information for calling to order service from participating ISPs in their area. Given the substantial percentage of inaccurate addresses in school databases, the program worked with ALSDE to update the list twice a month and to send out new letters to households whose addresses were corrected.
2. Mail vouchers sent to eligible families located where there is no participating provider, enabling them to contact us to have a hotspot delivered to their home
3. Voice vouchers provided over the phone to families who contact or are contacted by our customer service center
4. Outbound calls by ABC Ambassadors to voucher holders who have not yet redeemed their voucher to encourage them to participate in the program
5. Voucher codes provided in person by school personnel in districts that have worked with us on local strategies for engaging eligible families

### **Customer Service, Communications, and Community Outreach**

Our customer service center has handled more than 36,500 calls to date. The average hold time is less than a minute and overnight or overflow messages continue to be returned on the day received or within 24 hours.

During this growth phase, the program has continued to engage interested school districts, with a focus on districts in the Black Belt. The program is designed to provide support, tools, and guidance to encourage family participation in ways that do not burden or tax the schools. Under this approach, 52 superintendents statewide have signed a Memorandum of Agreement with ADECA expressing their interest in collaborating to expand service through ABC for Students. Participating superintendents have received:

- Access to a full communications toolkit of traditional analog tools (banners, posters, etc.) and digital tools (social media strategy, Instagram maker, explanatory video and animations, etc.)
- Scripts and guidance for phone, text, and email outreach by the Superintendent to all students
- Physical distribution of voucher codes to families with first-quarter progress reports
- Development of on-campus events that provide an opportunity to sign up on site with participating ISPs

In addition, schools throughout the state can request a "voice voucher" by verifying in writing that a student is eligible for the National School Lunch Plan. Vouchers are typically provided over the phone within one day of receiving this request.

Also, ADECA has authorized a pilot effort in one school district (Jefferson County) whereby the State will send hotspots to the district to distribute to eligible households that have not yet redeemed their vouchers.

### **ISPs**

From the program's inception, ADECA contracted with 37 ISPs across Alabama. To ensure as much participation as possible by Alabama companies, ADECA re-released the Request for

Information to ISPs on October 19, 2020. As a result of the second RFI, eligible households can now secure service from five additional service providers. While the initial providers can no longer accept new customers as of November 15, the five new ISPs will continue to accept vouchers through November 30.

An additional mailing announcing the new ISPs is being sent to all eligible households in their service area that have not yet redeemed their voucher.

The program has received initial invoices from nearly all participating ISPs reflecting equipment, installation, and service charges since the inception of the program. These invoices are being carefully reviewed to ensure that they accurately reflect claimed vouchers. This process requires significant back-and-forth between ADECA's contractor and each provider. Once vouchers have been verified, ADECA's contractor forwards recommendations to the State to process payment. These recommendations include a detailed summary of the back-and-forth with the provider and the required corrections that were made.

### **Program Participation**

The project has connected 43 percent of the approximately 290,000 students who are eligible for ABC for Students, based on income eligibility for the National School Lunch Program (We estimate that the remaining students in the ALSDE database who receive school lunches are not eligible for ABC for Students because their lunch eligibility is automatic for their entire school rather than based on income eligibility. The voucher letter explicitly requests that recipients not use the voucher if they are not income-eligible for the NSLP).

### **Program Spending**

Spending to-date has been lower than anticipated in part because the program has successfully negotiated lower pricing from participating ISPs than we had anticipated. Rather than an average household cost of \$400, actual costs per household are averaging \$220. As a result, we expect cost under-runs for the program; however, it is too early to pinpoint what the actual expenses will be. The total dollar value of vouchers redeemed to date is approximately \$16 million.

Please let us know if there are questions or further information is necessary.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth W. Boswell". The signature is fluid and cursive, with a long, sweeping tail on the letter "l".

Kenneth W. Boswell  
Director

KWB/tjr