

FY 2023 Infrastructure and General Government Appropriations Subcommittee

FY 2023 Funding Items

Below are the five funding requests appropriated in FY 2023 listed in COBI for the Utah Education and Telehealth Network.

| Funding Request | | One-time | Ongoing |
|-----------------|---|--------------|---------|
| 49 | UETN - K-12 Telehealth Equipment | 4,432,000 | - |
| 48 | UETN - Network Infrastructure | 1,500,000 | - |
| 50 | UETN - Network Infrastructure (ARPA) | 13,450,000 | - |
| 51 | UETN - Telehealth Equipment Replacement | 1,413,400 | - |
| 38 | Utah Futures Unused Funding | (456,900) | - |
| Total | | \$20,338,500 | - |

Below are three funding requests to utilize ARPA funds upon approval. To date, UETN has not received approval for the use of ARPA funds nor the funding. These requests are on hold until funding approval.

| Funding Request | | One-time | Ongoing |
|-----------------|---|--------------|---------|
| 49 | Telehealth Equipment for Schools | 4,432,000 | - |
| 50 | UETN - Network Infrastructure (ARPA) | 13,450,000 | - |
| 51 | UETN - Telehealth Equipment Replacement | 1,413,400 | - |
| Total | | \$19,295,400 | - |

The UETN Network Infrastructure funding request provided funding to upgrade and strengthen the network. At FY 2023 year-end, \$1M expensed for network equipment, backbone equipment, and a dark fiber IRU. The remaining \$500K balance is encumbered and is anticipated to be fully expended in FY 2024.

| Funding Request | | One-time | Ongoing |
|-----------------|-------------------------------|-------------|---------|
| 48 | UETN - Network Infrastructure | \$1,500,000 | - |

The Utah Futures Unused funding request was transferred to another agency.

| Funding Request | | One-time | Ongoing |
|-----------------|-----------------------------|-------------|---------|
| 38 | Utah Futures Unused Funding | \$(456,900) | - |

FY 2023 Closing Non-lapsing Balance & Commitments Appropriation

| | |
|--|----------------------|
| Emergency Reserve | 12,250,000 |
| Corporation of Public Broadcasting & Digital Service Grant | 2,186,000 |
| Supplemental San Juan Project Phase 2 | 2,200,000 |
| Encumbered Maintenance Renewals & Projects | 5,000,000 |
| One-time Equipment Replacement | 400,000 |
| UETN - Network Infrastructure Supplemental One-time (received June 2022) | 500,000 |
| Software (including Learning Management System) | 8,600,000 |
| Digital Teaching and Learning | 100,000 |
| Grants: UIMC, NHK World Japan, NETA, & ULEAD | 310,000 |
| | |
| TOTAL | \$ 31,546,000 |

- **Emergency Reserve:** UETN’S emergency reserve sets aside funds to secure financial stability to guard against unexpected events, loss of revenue, and large unbudgeted expenses. The reserve is used to upgrade bandwidth capacity when usage unexpectedly exceeds projections and covers unanticipated major equipment. The goal is to increase the reserve to cover one year of federal E-rate funding and to reduce the operational funding bridge gap. UETN receives approximately \$14.5M a year in federal E-rate funds. E-Rate, also known as the Universal Service Schools and Libraries Program, is a federally funded program that provides eligible schools and libraries with discounts of 20-90 percent on telecommunications and internet services. UETN applies for these funds every year on behalf of schools, libraries, and healthcare facilities. The application process is complex, and the funding is not guaranteed. If applications are not funded, held under review, or delayed (sometimes by years) UETN is fully responsible to cover these costs to ensure the network can continue functioning (even though our legislative appropriation is typically 30 percent of the total cost).
- **Corporation of Public Broadcasting & Digital Service Grant:** these funds are solely expensed on the grant and will be fully expensed in FY 2024.
- **Supplemental San Juan Project Phase 2:** the San Juan project has slowed down due to project challenges such as the Telcom receiving “right of ways” on tribal lands where the project money is spent.
- **Encumbered Maintenance Renewals & Projects:** these funds are carried forward from FY 2023 to meet the financial obligations that were made and will be expensed in FY 2024.
- **One-time Equipment Replacement:** this funding is to replace equipment and will be expensed in FY 2024.
- **UETN - Network Infrastructure Supplemental One-time (received June 2022):** these funds are carried forward from funding request forty-eight to upgrade and strengthen the network and will be expensed in FY 2024.
- **Software (including Learning Management System):** these funds are earmarked for stakeholder software such as Canvas licensing for Higher Education. The funds cover future commitments with the plan to increase the reserves to fully fund commitments in FY 2026.
- **Digital Teaching and Learning:** multi-year project with a gradual spend down of funds. These funds will be fully expensed in FY 2024.
- **Grants: UIMC, NHK World Japan, NETA, & ULEAD:** multi-year grants that are used solely for the grants and will be fully expensed within the grant periods.