



The Opportunities and Challenges of Digital Equity

Report of the Invitational National Digital Equity Summit

Held at National Education Association Headquarters

Washington, D.C. March 5-6, 2017

Executive Summary

On March 5-6, 2018 the National Collaborative for Digital Equity (NCDE) and our partners held an unprecedented national invitational gathering of thought leaders to develop key elements for a strategic plan to close the nation’s digital divide for low-income learners of all ages. Through generous support from Capital One, Connection Public Sector Solutions and Sage Sustainable Electronics, the summit was held at the headquarters of the National Education Association in Washington, DC.

One hundred thought leaders came together, representing five constituencies whose involvement and collaboration with one another is essential for the development of a systemic national infrastructure to initiate, plan, sustain and scale efforts to close the digital divide in support of significant gains in educational and economic opportunity for low-income learners in economically distressed communities. Participants formed into five workgroups:

-) Community and school system leaders
-) Funders
-) Educational technology researchers
-) Professional association leaders and policy makers
-) Digital equity resource providers

As you’ll see from this report, participants grappled with issues arising from the ever intensifying human and societal costs of the digital divide in a digital age economy and society. They’ve formulated recommendations that will become the basis for action by NCDE and our committed, deeply knowledgeable and increasingly numerous partners.

We look forward to your thoughts and insights as you read this report, and invite you to join us all in this important effort.

Acknowledgements

Deepest thanks go to:

Our Sponsors

Capital One
Connection Public Sector Solutions
Sage Sustainable Electronics

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Background and Rationale for Summit

Americans face a historic moment in the evolution of our economy, society and polity. We face again the same choice we had when, in 1990, Marc Tucker wrote [America's Choice: High Skills or Low Wages?](#) In that seminal report, the National Center on Education and the Economy warned that we had to decide whether we wanted a high-skill, high-wage economy or a low-skill, low-wage economy. The first path required concerted, thoughtful actions by leaders in workforce development, the private sector, education and government; the second required we do nothing.

We know now, with the stagnation of wages, widening disparity between the wealthy and the poor, political polarization that often accompanies such profound disparity, and the worst rates of intergenerational poverty seen since the Great Depression, that we as a society elected to do nothing. We have a chance to revisit this decision: concerted thoughtful, collaborative decision making for democratization, civic engagement, economic and educational opportunity, or inertial acceptance of even worse economic disparity, intergenerational despair, profound political polarization and cynicism, and a spiraling loss of global economic competitiveness.

As a country, the progress toward digital equity has plateaued during the past three years with over half of low income families still without access to the Internet. Recognizing the need for concerted action, the [National Collaborative for Digital Equity](#) was formed to bring together key organizations committed to work together to address the critical need for a national citizenry with the digital access and skills to be competitive in a knowledge and technology-based global society.

The staff and partners of the National Collaborative for Digital Equity believe we face an existential moment as a society, presenting itself as what, if anything, we shall do together to address the digital divide. It is not that access to technology and the skills to utilize it are crucial in themselves, but that they are a necessary precondition for economic opportunity, mobility and vitality. Never before has the digital divide had such dire consequences: without digital access and skill, it is rapidly becoming impossible for low-income learners of any age to find out about, prepare, apply and qualify for a living wage job. While digital access and skills won't by themselves ensure civic engagement, full access to living wage careers, health promotion and other key societal benefits, they are increasingly essential preconditions to achieve such outcomes.

NCDE's advocacy was instrumental in persuading the Federal Reserve to issue [guidance](#) in 2016 encouraging banks to include digital equity in their portfolio of investments for economic opportunity in high poverty communities, under the federal Community Reinvestment Act ([CRA](#)). Enacted in 1977, the [CRA](#) requires that commercial banks and savings associations provide equitable access to banking services and make investments for economic opportunity

in [low and moderate income communities](#) in their service region. Banks annually commit over \$100 billion to meet their CRA requirement.

Historically, banks have not utilized CRA investments to support digital equity and inclusion in high poverty communities. In a pilot planning effort NCDE mobilized in San Antonio during 2013-15, together with partners from the city, school district, community-based organizations, and the Federal Reserve Bank of Dallas, we reasoned that it no longer made sense for fully \$100 billion in annual investments in economic opportunity in high poverty areas to ignore the crucial barrier the digital divide presents. That planning conversation persuaded the Federal Reserve System to support release in August 2016 of the abovementioned guidance, [Closing the Digital Divide: A Framework for Meeting CRA Obligations](#). It was a significant development for the Federal Reserve, as one of the three federal agencies responsible for monitoring CRA compliance, to send this signal that banking institutions are encouraged to include funding for digital equity in their CRA investment portfolios.

Because CRA funds have since 1977 supported highly valuable investments in affordable housing and financial literacy, NCDE has not wanted to advocate for a rob-Peter-to-pay-Paul strategy of recommending a substantial diversion of CRA funds from these purposes toward digital equity. Rather, we call for ***One Percent for Digital Equity***, as this would not unduly disrupt longstanding expectations and commitments to affordable housing and financial literacy as vital outcomes for low-income families and communities.

Redirecting a modest portion of CRA funds for digital equity would enhance the efficacy of affordable housing and financial literacy investments, by strengthening low and moderate income families' ability to make the conversion from subsidized rent to subsidized mortgage and further their economic mobility, and by enabling financial literacy educators to reach more learners and support them both in person and virtually, while greatly enlarging their access to financial literacy tools and content. Yet, even "just" 1% of CRA funding going into digital equity investments would yield fully \$1 billion annually to narrow the digital divide in our nation's high poverty communities and would leverage many times over this amount in in-kind and philanthropic contributions. Properly coordinated through local collective impact processes, local digital equity efforts aligned with otherwise disparate investments in workforce and economic development, health promotion, and civic engagement would yield substantial multiplier effects.

Such a modest but achievable shift in CRA investment would present us with the opportunity to think freshly about what kind of society, polity and economy we truly desire – one, by default and inertia, of increasing disparity, despair and divisiveness, or one in which evidence-based strategies for enhancing educational and economic opportunity lead to significant gains in participation in living wage careers and thus, movement toward a high skill, high wage economy and society.

To take advantage of this opportunity the NCDE partners have chosen to work deliberately, thoughtfully and tirelessly, together, for a healthier society and economy.

Our Opportunities

Federal policy makers, CRA examiners at the three federal agencies responsible for monitoring banks' compliance with CRA (the Federal Reserve, the Treasury Department's Office of Comptroller of the Currency, and the FDIC), banking and philanthropic leaders, and now community and school system leaders are exploring how best to proceed to foster effective utilization of CRA resources and other non-CRA grant resources for digital equity.

Broadly speaking, national summit participants were asked to consider two immediate opportunities:

1. Assist banking institutions and their community partners to take advantage of *current* CRA policy to make digital equity-related investments that garner CRA credit. Banks can already garner CRA credit for digital equity-related investments provided they address one or more of the primary purposes for which CRA credit has historically been granted – affordable housing, financial literacy education and, more widely, economic inclusion.

As we will explore, this means that CRA credit can be granted for investments not only in financial literacy, but also such closely related areas as math literacy, computers that come bundled with financial literacy resources, and training and tech support that aid low-income learners' in acquiring financial literacy skills.

2. Encourage federal CRA policy makers to more fully articulate the guidance they provide to CRA examiners and banks, to explicitly encourage a richer and more impactful array of digital equity investments. The three CRA regulatory agencies will shortly hold an open call for comment, encouraging the public to recommend digital equity and inclusion strategies which they most hope amended guidance to banks and their CRA examiners will include as permissible, even distinctly desirable ways of meeting CRA requirements.

Thus, summit participants were asked to consider:

-) What CRA investment strategies for digital equity related purposes are known to be already permissible? And
-) What wider range of promising and proven digital equity strategies do we most strongly recommend regulators include in new guidance provided to CRA examiners and banks?

A first edition of NCDE's Guide to CRA Grantmaking for Digital Equity and Economic Opportunity was released at the start of the summit to stimulate participants' deliberations.

Our Challenges

Thanks to the collaboration of many committed partners (see “convening partners” at www.digitalequity.us/national-summit.html), five stakeholder groups came together:

-) Community and school system leaders
-) Funders
-) Educational technology researchers
-) Association leaders and policy makers
-) Digital equity resource providers

Each has a crucial role to play in crafting and enacting a collaborative strategic plan for conceiving, piloting, assessing, validating, institutionalizing and scaling local digital equity investments that lead to measurable gains in educational and economic opportunity for low-income learners of all ages:

Community and school system leaders:

School boards and administrators have the authority to determine where their school district does its banking. They already have an established relationship with a banking institution which itself is likely to be expending resources each year to address their CRA requirements.

Therefore, community and school system leaders were invited to consider:

-) How can school community and school system leaders best collaborate with their banking partner to gently and gradually leverage and extend this partnership to design and carry out win-win-win CRA investments for digital equity that benefit low-income learners, their community and their banking partner alike (e.g., in fostering financial literacy, greater access to online banking services, improved local economic vitality)?
-) What do these local leaders most need to know in order to be successful in crafting such partnerships and local digital equity initiatives?
-) What do they most want funders, researchers, policy advocates, and digital equity resource providers to understand about their needs and challenges?

Funders:

Leaders in foundations, corporate giving, and community reinvestment have the authority to determine how to deploy their philanthropic and CRA resources. Two recently launched NCDE initiatives have made it clear how keenly they desire to support digital equity for educational and economic opportunity. NCDE has partnered with [Grantmakers For Education](#) to launch a new “[impact group](#)” on digital equity, comprised of foundation leaders committed to a

sustained collaborative effort to close the nation’s digital divide. NCDE also formed a national banking advisory council, comprised of senior executives in banking and CRA regulation, exploring how best to deploy CRA resources to support digital equity investments, both under current CRA policy guidance as well as under new guidance they hope to encourage regulators to adopt.

Therefore, we invited funders to consider:

-) What guidance can they offer to community and school system leaders regarding realistic expectations they should have, particularly of banks’ CRA decision makers, concerning whether and how much CRA funding can become available for local digital equity efforts – given constraints banks face in terms of pre-existing CRA commitments and examiners’ assessment requirements?
-) What guidance do philanthropic and community reinvestment decision makers themselves most need in order to have well-informed “filters” enabling them to assess when a proposal for local digital equity investment is sufficiently evidence-based as to likely yield meaningful impacts?
-) What do they most want researchers, policy makers and digital equity resource providers to understand about their needs and challenges?
-) How can funders build sustainable alliances with other funders and other stakeholders to be really impactful?

Education technology researchers:

Nearly three decades of massive public and private investment in learning technologies in schools and colleges of education have made it amply clear that simplistic investments in education technology are almost certain to fail. The history of education technology investments is replete with well-intentioned but utterly ineffective investments: For example, let’s put a computer lab in every school or give every child an iPad, and think mistakenly that these efforts will yield noticeable gains in student engagement, learning opportunities and results. Conversely, we [know with confidence](#) that thoughtful, multi-dimensional investments in learning technology do yield substantial gains in educational opportunity and attainment.

This is why NCDE and our partners urge communities to undertake, funders to support, and professional associations and policy makers to advocate for only those digital equity investments that are “**systemic**” – i.e., foster equitable access not only to broadband and computers but also to multilingual tech support, librarian assistance for cybersafety and information literacy, and support to develop reading and writing, math literacy and financial literacy skills. For banking and philanthropic leaders to sustain and scale digital equity investments, such investments must be *worth* sustaining, and so need to yield meaningful impacts on educational and economic opportunity.

Therefore, we invited education technology researchers to consider:

-) How can they best pool and share key insights from established and emerging understanding of effective learning technology strategies in ways that local leaders, funders, policy makers and advocates, and digital equity resource providers can best understand rapidly and put to use?
-) What do researchers themselves need to know about the current and anticipated opportunities to scale and sustain unprecedented funding for digital equity, so that the research community can best contribute to successful outcomes?
-) How can the research community best organize itself to respond to pressing needs for new research articulated by local leaders, funders, policy makers and digital equity resource providers?

Association leaders and policy makers:

There is mounting evidence that professional associations may themselves benefit from reconsidering their mission and services, in light of generational shifts in interest and participation in professional associations. In [*The End of Membership as We Know It*](#), author Sarah Sladek argues that associations may need to reinvent themselves to ensure they continue to provide compelling value to younger professionals who now find so many other ways to network socially in the digital age. Professional associations in education possess a unique advantage in having their finger on the pulse of their members, knowing what concerns most alarm them, particularly with regard to threats to their students' well-being.

The New Hampshire Association of Special Education Administrators, for example, recently identified their members' most urgent concern being the nearly exponential increase in the incidence of students suffering from multiple "[adverse childhood experiences](#)". Special education system leaders in school districts across the nation have seen a profoundly disturbing increase in the numbers of children so multiply traumatized that they have become uneducable, not due to lack of cognitive ability or other impairment, but because of their life experiences. Because researchers understandably tend to research and funders to support what interests them, we have knowledge dissemination systems that tend to be supply-driven rather than demand-driven. Yet, were professional associations to share with researchers and funders their members' most pressing concerns, this would enable the former to undertake and the latter to finance pilots that develop, assess and validate strategies that meet these urgent concerns, which could then be shared by their partner associations, in ways that meet members' concerns (and their students' direst needs) while adding significant value to association membership.

NCDE and our partners are committed to fostering such interrelationships among local leaders, associations, funders, researchers and resource providers as we jointly develop a well-functioning ecosystem for digital equity and inclusion.

Therefore, we invited association leaders and policy makers to consider:

-) What do their respective members most need to know about effective digital equity strategies and investment opportunities, so they can more successfully identify and address the digital divide challenges faced by students and their families?
-) In what concrete ways can their associations, individually and together, undertake a concerted collaborative campaign to leverage their considerable dissemination capabilities to make it significantly easier for educators and their students, families and communities to learn about and access digital equity resources that improve educational opportunities, engagement and success?
-) In what ways can researchers, funders and digital equity resource providers best support their efforts to serve their members?

Digital equity resource providers:

As we've considered, simplistic approaches to the digital divide – e.g., providing every low-income learner with affordable broadband alone, or even with broadband coupled with a device – will not ensure they possess the skills and ongoing support to use these mission critical resources effectively. Fortunately, many exceptional initiatives *already operate at scale* to provide essential digital equity resources across a rich range of dimensions from broadband to deeply discounted new and free refurbished recent computers, open educational resources, training for linguistically diverse youths to provide multilingual tech support for adults in school, at home and in the community, librarian mentoring for cybersafety and information literacy, programs that equip low-income learners with literacy, math literacy, and writing skills, and deeply discounted fee-based academic content – all essential building blocks for educational opportunity and attainment.

Yet, these worthy initiatives are undertaken largely in isolation from one another, leaving low-income learners and economically distressed communities to figure out (or not) for themselves how to piece together an integrated approach to the digital divide, one whose multifaceted approach enhances their prospects for success. At the same time, promoting their services in isolation from each other leads to missed opportunities to pool their often very limited marketing capabilities for cost savings and improved outcomes for their respective clients.

Therefore, we invited digital equity resource providers to consider:

-) What are the biggest barriers they face (in addition to funding) to enabling more low-income learners and economically distressed communities to take advantage of your resources?
-) How can resource providers foster community-wide collaboration to address digital inclusion as a community, for greater understanding of needs and maximum, sustainable impact?

-) What strategies would make it easier for resource providers to learn about one another’s offerings and explore whether and how they might work together to jointly promote complementary services?
-) What might researchers do to help affirm the impact and value of their resources, and how might local leaders, funders and associations learn about and best disseminate about the existence and value of these resources so that together they have greater and more integrated impacts?

For all summit participants, four overarching questions were also posed:

-) What digital equity strategies can we best undertake today, given state and federal policies as they are now?
-) What advice do we have for CRA policy makers and examiners on how best to refashion CRA rules and guidance, to promote inclusion in CRA portfolios of the most promising and proven digital equity strategies?
-) What do we most want foundation and banking leaders to share with their respective professional communities about why and how to undertake systemic digital equity, so that they can discern between simplistic and evidence-based funding proposals?
-) Who else needs to be at the table?

Recommendations

In response to these questions, summit participants framed the following recommendations.

The **Community and School System Leaders Workgroup** recommended that NCDE and our partners should provide:

1. A brief guide is needed to help local leaders understand how to form partnerships with banks and seek grants under CRA for digital equity.
2. Guidance also concerning (a) stakeholders whom local leaders should bring together to undertake digital equity planning and action, and (b) resource providers that the community can tap to support their efforts.
3. Examples of local systemic digital equity initiatives that describe how the community has tackled digital equity systemically.
4. Directions on how to plan and convene a statewide summit on digital equity, as a key strategy for mobilizing local partnership teams to initiate sustained digital equity efforts.

The **Funders Workgroup** recommended that NCDE and our partners should provide:

1. A clear definition of systemic digital equity that all stakeholders – funders, local leaders, association leaders, researchers, and resource providers – understand and embrace.
2. Continued logistical support for NCDE’s national banking advisory council, so that its members can continue refining NCDE’s Guide to CRA Grantmaking for Digital Equity and Economic Opportunity, as more examples of digital equity-related investments for which CRA credit can be granted are identified.
3. Engagement with foundations and other funders willing to provide support for innovative R & D efforts that demonstrate the feasibility and value of novel approaches to the digital divide.
4. Engagement with banking leaders to explore how best CRA funding can support sustained support for digital equity efforts in high poverty communities. That is, funding is needed for *both* innovation as well as ongoing operational support to sustain and scale digital equity. Bank CRA funding lends itself well to providing sustained support, while many foundations are well positioned to support innovative R & D pilots and capacity building efforts.
5. Continued guidance for local leaders, helping them understand that banks are highly diverse in their approaches to investing CRA resources so that it’s very unlikely to find a one-size-fits-all approach to developing community partnerships with banks.

The **Education Technology Researchers Workgroup** recommended that NCDE and our partners should provide:

1. A clear definition of systemic digital equity, as noted above, that all stakeholders understand and embrace.
2. Support and seek funding for the workgroup to continue as a national network of researchers. Researchers at the summit agreed to form the nucleus of this network and will:
 - a. Encourage other researchers unable to attend the summit to join the research network.
 - b. Propose metrics that can be used to assess digital equity initiatives.
 - c. Recommend how best to create and maintain a web-based clearinghouse of research that stakeholders (community leaders, funders, etc.) will find useful in planning and assessing their respective digital equity efforts.
 - d. Provide guidance on new research needed to enhance understanding about effective approaches to close the digital divide using CRA and other resources.
 - e. Provide counsel to NCDE and its partners on how best to encourage community partnerships to incorporate local action research as a standard feature in their approach to closing the digital divide.
 - f. Conduct studies on the return on investment for banks that utilize CRA funds for digital equity, starting perhaps with research on grants that support financial literacy which assess qualitative and quantitative outcomes.
 - g. Provide guidance for local leaders on how to optimize their planning efforts, drawing on lessons learned from the network’s research.

- h. Advocate that NCDE and its partners encourage and assist community/bank partnerships that integrate digital equity as a new dimension in a bank's existing CRA portfolio rather than as new stand-alone digital equity investments. For example, a bank could be encouraged and assisted to infuse equitable access to devices, broadband and tech support for low-income learners participating in a bank's CRA-funded financial literacy program.
 - i. Provide templates to local leaders for digital equity planning and funding proposals.
- 3. Technical assistance for community partnerships in how to utilize a collective impact process for undertaking systemic digital equity efforts.

The **Association Leaders and Policy Makers Workgroup** recommended that NCDE and our partners should provide:

1. A clear definition of systemic digital equity, as other workgroups noted above, that all stakeholders understand and embrace.
2. Information for association leaders regarding:
 - a. The collective impact process
 - b. Exemplars and case studies of local systemic digital equity initiatives
 - c. A template that association members can use for local planning and grant proposals for bank CRA and other funding.
3. Outreach to engage other national associations in NCDE's national digital equity initiative.
4. A national awareness campaign, with thoughtful framing, that associations can adopt/adapt to promote local digital equity resources and practices. The campaign should deepen the awareness of the "haves" for the digital divide realities faced by "have-nots".
5. Guidance to the Researcher Network (see above) encouraging researchers to:
 - a. Answer the question – why does digital equity matter, and why should other stakeholders care?
 - b. Conduct high quality research that can be cited in grant proposals.
 - c. Publish especially noteworthy findings, for dissemination to and by the collaborating national associations.
6. Outreach to funders, soliciting their examples of successful digital equity-related grants, in order to create an NCDE showcase of successful grant-funded digital equity projects.
7. Information to the associations about
 - a. Funders with expressed interest in supporting digital equity-related efforts.
 - b. Resource providers willing to support local digital equity efforts.
8. Training and ongoing technical assistance for association members at the local level in securing funding and planning research-based digital equity projects.

The **Digital Equity Resource Providers Workgroup** recommended that NCDE and our partners should provide:

1. A definition of digital equity that
 - a. Includes access not only to broadband and devices but also to tech support and librarian assistance to ensure that disadvantaged learners develop the skills needed to use these resources successfully.
 - b. Also calls for support for learners' educators, mentors, and caregivers so that they can effectively assist learners to use these resources safely.
 - c. Gives special attention to the challenges faced by learners with disabilities for assistive devices, accessible content, and universal design for learning.
2. A web-based clearinghouse that makes it significantly easier for funders, learners, associations and community leaders to locate digital equity resources across all key dimensions of systemic digital equity.
3. Templates that communities can adapt to develop local digital equity plans and funding proposals.
4. Direct technical assistance to leaders in economically distressed communities in digital equity planning, funding partnership development, and grant proposal writing.

At the **Closing Plenary** participants agreed on the following next steps in addition to carrying out the workgroups' recommendations. NCDE and our partners should:

1. Hold an annual national summit to revisit progress made since this March 2018 gathering, take stock of work still needing to be done, and identifying urgent priorities for further collaborative effort.
2. Develop a clearinghouse pointing to resource providers in each essential dimensions of systemic digital equity.
3. Expand the membership of the NCDE national banking advisory council to represent the wider diversity of banks in terms of asset size, geography and mission, so that the [Guide to CRA Grantmaking for Digital Equity and Economic Opportunity](#) can provide guidance for working with banking partners across the full spectrum.
4. Assist state leaders to plan and carry out statewide digital equity summits that mobilize local partnership teams to use the collective impact process to undertake sustained digital equity efforts in support of educational and economic opportunity.
5. Report on these recommendations to the membership of Grantmakers For Education's new impact group on digital equity.

The National Collaborative for Digital Equity will be working closely with summit participants, other interested stakeholders who were not able to join us, and our growing array of partners to mobilize concerted joint efforts to bring these important recommendations to fruition.

To our summit participants, we wish to express our deep gratitude for your participation and look forward to your continued engagement afterwards, along with that of others whose voices

and agency will be essential so that we can realize an America that is rich in opportunity, inclusion, innovation and vitality.

Robert T. McLaughlin, Ph.D.
Executive Director
St. Patrick's Day, 2018