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## Funding Status – FY 2016

Wave 39 for FY 2016 was released last Thursday, March 23<sup>rd</sup> for a total of \$13.1 million. An estimated 57 FCDLs were issued in Wave 39. There was no funding for North Carolina in this wave. Cumulative national funding through Wave 39 is \$2.38 billion, including \$97.9 million for North Carolina. Wave 40 is scheduled to be released on Thursday, March 30<sup>th</sup>.

## Updates on USAC’s E-Rate Productivity Center and Legacy System

### *Category Two Budget Inflation Adjustments, cont.:*

Our last [newsletter of March 20<sup>th</sup>](#) noted that the FCC had approved a 1.3% inflation adjustment for FY 2017 and that we had calculated the impact of this adjustment on the five-year Category 2 budget caps as shown in the table below. USAC has confirmed these new budget numbers are correct — at least as rounded to the nearest penny.

Inflation-Adjusted Category 2 Budget Caps (Pre-Discount)						
	FY 2015 (base year)		FY 2016 (1.0% increase)		FY 2017 (1.3% increase)	
Schools	\$ 150.00	per student	\$ 151.50	per student	\$ 153.47	per student
Non-urban libraries	\$ 2.30	per sq.ft.	\$ 2.32	per sq.ft.	\$ 2.35	per sq.ft.
Urban libraries	\$ 5.00	per sq.ft.	\$ 5.05	per sq.ft.	\$ 5.12	per sq.ft.
Minimum	\$9,200.00	total	\$9,292.00	total	\$9,412.80	total

Note: As currently configured — which may or may not change — the EPC Category Two Budget Status calculations do not round the per unit budget cap numbers to the penny. For FY 2016, the non-rounding affects only the budget cap for non-urban libraries for which the more precise 1% inflation adjustment results in a cap of \$2.323 per sq.ft. instead of the rounded \$2.32 per sq.ft. figure.

USAC is expected to update EPC shortly to reflect the FY 2017 Category 2 budget caps. It has also indicated that a new multi-year, non-EPC, budget tool will be available next month (with or without the new FY 2017 budget caps).

#### *FY 2016 FCDL Constraints:*

As of last Friday, following the release of Funding Commitment Decision Letters (“FCDLs”) in Wave 39, there were 151 pending applications shown as “Wave Ready.” Early in the FY 2016 review cycle, the “Wave Ready” status normally meant that an application had successfully completed PIA and would be approved in the next funding wave. Currently, many of the applications designated “Wave Ready” have been in that stage for multiple weeks. USAC has acknowledged that a variety of EPC system issues, gradually being resolved, have prevented the release of FCDLs for certain applications.

In an effort to relieve applicant anxiety, USAC has begun a targeted outreach program on completed, but unapproved applications. Applicants potentially affected by system FCDL-issuance problems should look for USAC emails to their EPC Account Administrators. Applicants’ Form 471 contacts will not receive this correspondence unless they are also their EPC Account Administrators.

#### *Pending EPC Features for FY 2016 and FY 2017:*

The EPC Landing Page has long promised that “more functionality will be rolling out soon!” Indeed, that has been occurring. EPC is much more feature-rich than when it was first introduced in 2015. But much more remains to be done. The most important functionality we hope to see in the next month or so are as follows:

1. Applicant and service provider notification of decisions on service substitutions, SPIN changes, and appeals. USAC is already processing these change requests for FY 2016, but is still testing EPC features to release the resulting decisions, including the generation of Revised Funding Commitment Decision Letters (“RFCDLs”). As indicated in USAC’s March 24<sup>th</sup> News Brief, referenced below, the new RFCDLs should be ready for release in the next few weeks.
2. Applicants filing early Form 471s for FY 2017 are promptly receiving confirming Receipt Acknowledgment Letters (“RALs”) via their News Feeds. The RAL Correction process, which is used to request allowable changes to completed Form 471s, has not yet been implemented for FY 2017.

The delays in implementing these changes have likely resulted in significant backlogs in the processing of these activities. It is our hope that USAC will dedicate additional resources to reduce the backlogs and allow applicants to move forward with projects that are on hold pending these enhancements.

## E-Rate Updates and Reminders

### *Upcoming 2017 E-Rate Deadlines:*

March 28 Form 486 deadline for FY 2016 funding committed in Wave 23. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (often July 1<sup>st</sup>), whichever is later. This means that Form 486 deadlines for funding commitments received in later waves will follow at roughly one week intervals, including the following April deadlines:

Wave 24	04/04/2017
Wave 25	04/11/2017
Wave 26	04/20/2017
Wave 27	04/27/2017

Applicants missing these (or earlier) deadlines should watch carefully for “Form 486 Urgent Reminder Letters” (actually emails directing the applicants to EPC News Feed items). The Reminders will afford applicants with 15-day extensions from the date of the emails to submit their Form 486s without penalty.

- April 13 Last day to file a Form 470 for FY 2017 meeting the required 28-day waiting period prior to submitting a Form 471.
- April 17 End date for the special FCC 30-day waiver period on October, 2016 (or February, 2017) invoice deadlines. The new 30-day extension applies only to applicants missing invoice deadlines after July 1, 2016, as the result of late approvals of Form 498s or the late distribution of BEAR PINs (see our [newsletter of March 20<sup>th</sup>](#)).
- April 18/20 USAC service provider training in Dallas and Chicago. Registration and hotel information to be available shortly.
- May 11 Last day of the Form 471 filing window for FY 2017. The window closes at 11:59 p.m. EDT.

### *USAC Webinars for E-Rate Beginners:*

USAC issued a [Special Edition News Brief](#) last week announcing two upcoming webinars for beginners.

E-rate 101: Introduction to the E-rate Program  
Wednesday, April 5, 2017, 1:00-2:00 PM EDT

E-rate Program Application Process  
Thursday, April 6, 2017, 1:00-2:00 PM EDT

As a practical note, E-rate beginners just being introduced to E-rate during the first week in April will have to be fast learners. At this point, applicants for FY 2017 will have less than one week to complete Form 470s beginning the competitive bidding process, and less than five weeks to complete Form 471 applications. Webinar-like training videos covering the key aspects of the E-rate process are already available in USAC's [Online Learning Library](#).

## USAC News Brief Dated March 24 – USAC Review Process for FRN Change Requests

USAC's [Schools and Libraries News Brief of March 24, 2017](#), discusses USAC's revised procedures for reviewing and issuing decisions on FRN changes requested by applicants (or service providers), e.g., appeals, service substitutions, and SPIN changes. For FY 2016 funding, approved changes will be communicated via EPC-generated Revised Funding Commitment Decision Letters ("RFCDLs"). USAC expects to start issuing RFCDLs in the next few weeks.

If USAC needs additional information to process FY 2016 changes, emails will be sent to users who have post-commitment rights, directing them to the EPC inquiries. Users may then (a) respond, (b) request an extension to respond, or (c) cancel the request through EPC.

Appeals and change requests for funding years before FY 2016 will be handled as before.

Last week's News Brief also provides updated guidance on known EPC issues, including the:

1. Unnecessary technology plan certification in the Form 486.
2. Missing service provider Form 486 notifications.
3. Incorrect "Wave Ready" (instead of "In Review") status as shown immediately upon Form 500 submission.
4. Missing form identification numbers on Form 500s for FY 2015 or earlier.
5. Apparent disappearance or misclassification of incomplete Form 471s

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*Newsletter information and disclaimer: This newsletter may contain unofficial information on prospective E-rate developments and/or may reflect E-Rate Central's own interpretations of E-rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by the SLD, FCC, or NCDPI.*

Additional North Carolina specific E-rate information is available through our Web site — <http://www.e-ratecentral.com/us/stateInformation.asp?state=NC>. Note that this site provides easy access to formatted North Carolina applicant E-rate histories via the Billed Entity Number ("BEN") search mechanism in the upper left-hand corner. Detailed information can be obtained by "drilling down" using the links for specific funding years and individual FRNs.

For further information, follow E-Rate Central on Twitter, Facebook, and LinkedIn.



If you have received this newsletter from a colleague and you would like to receive your own copy of the North Carolina E-Rate Forum, send an email to [join-ncerate@lists.dpi.state.nc.us](mailto:join-ncerate@lists.dpi.state.nc.us). Please include your name, organization, telephone, and e-mail address.

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