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Funding Status – FY 2017 and FY 2016

FY 2017:

Wave 7 for FY 2017 was released Friday, July 14th, for a total of \$76.0 million. Funding for North Carolina was \$4.19 million for 32 applicants. Cumulative national funding through Wave 7 is \$452 million, including \$21.5 million for North Carolina. Wave 8 is scheduled to be released on Friday, July 21st.

FY 2016:

Wave 54 for FY 2016 was released on Tuesday, July 11th, for a total of \$5.40 million — none for North Carolina. Cumulative national funding through Wave 54 is \$2.82 billion, including \$107 million for North Carolina. Wave 55 is scheduled to be released on Tuesday, July 18th.

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

Form 486 and Invoicing Capability for FY 2017:

As noted in our [newsletter of July 10th](#), EPC has been updated to permit the filing of Form 486s for approved FY 2017 applications. As a part of the update, EPC will also generate the electronic equivalent of Form 486 Notification Letters once Form 486s have been approved.

What has not been implemented yet — but should be shortly — is the Form 486 interface between EPC and USAC’s legacy invoice system. Until this occurs, neither service providers nor applicants can file invoices for FY 2017 FRNs. The effect of this temporary restriction is most likely to impact applicants seeking discounted service provider invoices (“SPIs”) for services billed in the month of July.

Our recommendation for applicants in this position is to:

1. Clearly indicate to their service providers that they are choosing discounted billing;
2. Make sure that their service providers have received notification that their FRNs and associated Form 486s have been approved; and
3. Seek agreement that they will be paying only the non-discounted portions of any July invoices.

Jefferson-Madison Invoice Extensions:

On May 30th, the FCC released the *Jefferson-Madison* Order on Reconsideration ([DA 17-526](#)) that, in the main, granted invoice extensions to a list of applicants who had filed timely BEARs for FY 2014, but had those BEARs rejected because their service providers had not acknowledged the BEARs by the invoice deadline (as was required at the time¹). This was a reversal of a previous FCC decision denying such extensions. In addition to the applicants specifically listed in Appendix A of the Order, the FCC instructed USAC to process invoices from any other applicants whose BEARs had been denied for a similar reason (see our [newsletter of June 5th](#)).

As of last week, USAC indicated that all of the applicants listed in the Order had been notified that their previously-denied invoices can now be re-filed. In doing so, USAC established a new invoice deadline of August 28th — ninety days from the release of the Order. The new deadline for the associated FY 2014 FRNs is reflected in the [FRN Extension Table](#).

USAC is still working to identify and notify any other applicants not specifically listed in the Order.

E-Rate Updates and Reminders

Upcoming 2017 E-Rate Deadlines:

July 21 Form 486 deadline for FY 2016 funding committed in Wave 39. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (often July 1st), 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 deadlines:

Wave 40	07/28/2017
Wave 41	08/07/2017
Wave 42	08/11/2017
Wave 43	08/18/2017
Wave 44	08/25/2017

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.

The earliest Form 486 deadline for FY 2017 will be Monday, October 30th.

- July 21 Last day to file public comments on the FCC's Proposed Eligible Services List for FY 2018 ([DA 17-602](#)).
- July 25 USAC's only service provider training this year is in Dallas. See details and registration information in [USAC's Schools and Libraries News Brief of June 9, 2017](#).
- Sept. 30 Service delivery deadline for the receipt of non-recurring services (i.e., installation or other one-time charges) for FY 2016. Requests to extend the service delivery deadline, if needed, must be made on or before this date.

Senate Nomination Hearing for FCC Commissioners:

Senator John Thune (R-SD), Chairman of the Senate Committee on Commerce, Science, and Transportation, [announced a nomination hearing](#) on Wednesday, July 19th, for the following FCC Commissioner positions:

- The reappointment of Ajit Pai, who is currently the FCC Chairman.
- The reappointment of Jessica Rosenworcel, whose previous term on the FCC had expired.
- The new appointment of Brendan Carr, currently FCC Chairman Pai's Wireless, Public Safety, and International Legal Advisor.

Witness testimony, opening statements, and a live video of the hearing will be [available online](#).

FCC Enforcement Actions on Lifeline Program:

FCC Chairman Pai sent a [letter to USAC](#) last week with detailed instructions to implement safeguards against waste, fraud, and abuse in the Lifeline program. Although not directly related to E-rate, the FCC's Lifeline actions are of interest to E-rate applicants for at least two reasons.

1. The Lifeline provides assistance to low income families by subsidizing phone and Internet services. Off-campus Internet services, which are not eligible for E-rate discounts, are of particular importance to students attending schools with one-to-one programs or otherwise relying on Internet access to complete homework assignments.
2. The Lifeline actions may be indicative of a broader level of FCC activism regarding E-rate and the other two Universal Service Fund ("USF") programs.

In the Lifeline -specific case, the FCC's instructions to USAC are focused on the following issues:

1. Ineligible Subscribers — involving family income level determinations not unlike E-rate discount calculations.
2. Oversubscribed Addresses

3. Phantom Subscribers
4. Deceased Subscribers
5. Exact Duplicates
6. Sales Agent Accountability

As with E-rate, if problems are discovered, USAC is instructed to recapture any improper payments and, if appropriate, to refer situations found to the FCC for civil or criminal action.

USAC News Brief Dated July 14 – PIA Reminders and Form 470 Q&As

[USAC's Schools and Libraries News Brief of July 14, 2017](#), reminds applicants that responses to PIA inquiries are generally required within 15 days, but that applicants will be placed on summer deferment if USAC is unable to establish contact.

The News Brief also provides a series of Q&As on the Form 470 process, including:

- When can I file a Form 470? Short answer: now.
- What is an RFP and is one required?
- What corrections can I make to a Form 470?
- How do I make corrections to an existing Form 470?
- My Form 470 does not show the correct number of entities. What do I need to do?
- What service/function should I list this service/product under on the Form 470?
- What should I do if I certified a Form 470 and left off some services?

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. Please include your name, organization, telephone, and e-mail address.

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ⁱ With BEAR reimbursements now being made directly to applicants, service provider acknowledgments are no longer required.