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Funding Status – FY 2017 and FY 2016

FY 2017:

Wave 8 for FY 2017 was released Friday, July 21st, for a total of $85.7 million. Funding for North Carolina was $3.11 million for 36 applicants. Cumulative national funding through Wave 8 is $538 million, including $24.6 million for North Carolina. Wave 9 is scheduled to be released on Friday, July 28th.

FY 2016:

Wave 55 for FY 2016 was released on Tuesday, July 18th, for a total of $940 thousand (for only one applicant — not for North Carolina). Cumulative national funding through Wave 54 is $2.82 billion, including $104 million for North Carolina. Wave 56 is scheduled to be released on Tuesday, July 25th.

Comments on the Proposed ESL for FY 2018

The major comments on the FCC's proposed Eligible Services List ("ESL") for FY 2018 (DA 17-602), due last Friday, are summarized below.

1. AdTec supported an option for applicants to categorize connections between different schools or libraries in the same building as either Category 1 or Category 2. As the FCC itself noted in providing a waiver in FY 2017, forcing such applicants to file for such connections as Category 1 would often subject the applicants to adhering to the more complex dark fiber or self-provisioned broadband procurement rules.

   What neither the FCC nor AdTec have addressed is a similar problem in categorizing connections between different buildings on the same campus (now technically referred to as a single "geographically contiguous property"). Although the actual circuit connections may be the same, current FCC rules require the connections between a single school and its annex(es) on the same campus to be Category 2, but connections between different schools or libraries on a campus to be Category 1. To be consistent with the

proposed same-building rule, applicants should be given the same option for using Category 1 or Category 2 for circuits between all campus buildings.

2. ETCVideo, through the President-Elect of the US Distance Learning Association (USDLA"), requested that video components — specifically, video conferencing endpoints and routing equipment — be added back into the ESL's list of eligible equipment.

3. Kellogg & Sovereign Consulting, and a number of supportive applicants, asked the FCC to clarify the treatment of circuit eligibility for an applicant transitioning to a higher bandwidth and/or changing providers. As is, USAC's application review process makes it difficult, if not impossible, for an applicant to accurately request and receive discounts when a transition is required and/or the exact "cut over" date cannot be pre-established. The comments recommended that funding for both services be permitted, without being treated as duplicative, during a transition period of no more than 30 days.

   Hopefully, should the FCC adopt this approach, the new procedure would also simplify the application and processing problems of multi-circuit funding requests for which different circuits are installed in phases throughout the funding year.

4. Various applicants petitioned the FCC to eliminate the phase-out of discounts for voice services and restore full funding. Similar requests have been made, and rejected, during the previous three ESL comment periods. Although the FCC is now operating under a Republican administration, there is no indication that the "new" Commission will support additional E-rate funding.

All the public comments on the 2018 ESL may be accessed through the FCC's Electronic Comment Filing System ("ECFS") entering "13-184" as the "Proceeding" number and clicking "Search" near the bottom of the page. For ESL comments, focus on the most recent search result entries designated:

COMMENT

Reply comments on the 2018 ESL are due August 7th.

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

FY 2017 Invoicing Capability Now Available:

USAC's News Brief of July 21st, referenced below, notes that USAC's legacy invoicing has been updated to handle service provider invoices ("SPIs") and applicant "BEAR" reimbursement invoices for FY 2017 funding. For invoices to be accepted, approved, and paid, the following conditions must be met:

1. A Funding Commitment Decision Letter ("FCDL") and subsequent Form 486 Notification Letter must have been issued for the associated FRN(s).

2. The service provider must have certified its Form 473, the Service Provider Annual Certification ("SPAC"), for FY 2017.

3. For a BEAR payment, the applicant must have a current and approved Form 498 on file to provide accurate electronic payment information.

E-Rate Updates and Reminders

Upcoming 2017 E-Rate Deadlines:

July 28   Form 486 deadline for FY 2016 funding committed in Wave 40. 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 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 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.

August 7   Last day to file reply comments on the FCC's Proposed Eligible Services List for FY 2018 (DA 17-602).

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.

USAC News Brief Dated July 21 – Category 2 Budget Reminders

USAC's Schools and Libraries News Brief of July 21, 2017, supplements Category 2 ("C2") budget information, previously provided in its June 2nd News Brief, in a Q&A format addressing the following questions:

1. How do I calculate the C2 budget for a school or library under construction?
2. I know that each school or library has its own C2 budget. How do I calculate the C2 budget for an annex or a NIF?
3. How do I know how much is left in my C2 budget for FY 2017?

4. If my C2 budget goes down from FY 2016 to FY 2017, do I have to give money back if I spent my entire C2 budget by FY 2016?

5. How does the Category 2 Budget Tool calculate the pre-discount cost of services allocated to my school or library?

6. What if I disagree with the C2 budget calculation in the Category 2 Budget Tool?

7. What if my project will cost more than my available C2 budget?