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Funding Status – FY 2017 and FY 2016

FY 2017:

Wave 13 for FY 2017 was released Friday, August 25th, for a total of \$90.8 million. Funding for North Carolina was \$3.33 million for 18 applicants. Cumulative national funding through Wave 13 is \$964 million (\$786 million for Category 1, \$179 million for Category 2), including \$40.2 million for North Carolina. Wave 14 is scheduled to be released on Friday, September 1st.

FY 2016:

Wave 60 for FY 2016 was released on Tuesday, August 22nd, for a total of \$345 thousand for one district in North Carolina. Cumulative national funding through Wave 60 remains \$2.91 billion, including \$104 million for North Carolina. Wave 61 is scheduled to be released on Tuesday, August 29th.

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

Form 470 Simplified Drop-Down Options:

USAC issued a [Special Edition News Brief dated August 22nd](#) pre-announcing changes that were made on Saturday to the eligible services drop-down menus in the Form 470 for FY 2018 (see also in last Friday’s USAC News Brief referenced below). Most importantly, the changes were made to try to simplify the requested services options for applicants seeking leased dark fiber and self-provisioned services — often a point of confusion under the FCC’s E-rate Modernization Orders. In addition to simplifying the Category 1 drop-down menu, USAC has added “helper text” to assist applicants in selecting the proper options.

Important note: Applicants requesting fiber services, who have already filed Form 470s for FY 2018, are not required to re-file using the updated menu options, but may wish to use the new version to confirm that their filing options were correct. Should it be necessary or advisable to re-file a Form 470, doing so will restart the minimum 28-day posting period.

Add New Service Request

Function *

Please select a value
Leased Lit Fiber
Internet Access & Transport Bundled
Transport Only – No ISP Service Included
Internet Access: ISP Service Only
Leased Dark Fiber and Leased Lit Fiber
Self-Provisioned Networks and Services Provided Over Third Party Networks
Cellular Data Plan/Air Card Service
Voice Service
Cellular Voice
Other

Applicants planning to use the new Form 470 drop-down options to request fiber or other broadband services are encouraged to read last week’s Special Edition News Brief carefully. A more detailed [Form 470 User Guide](#) is also available. Although the new option descriptions are better, the choices are not quite as simple as advertised for inexperienced applicants. In summary, the connectivity and Internet options are as follows:

- Applicants interested only in leased lit fiber should quite simply use the “Leased Lit Fiber” option.
- Applicants considering leased dark fiber must also bid for — and evaluate — leased lit fiber solutions. This requirement is encompassed in the new drop-down combination “Leased Dark Fiber and Leased Lit Fiber.”
- Applicants considering self-provisioned fiber services must also, and more broadly, consider non-fiber (e.g., wireless) solutions. The proper drop-down option in this situation is “Self-Provisioned Network and Services Provided Over Third-Party Networks.”
- Applicants seeking non-fiber connectivity (e.g. coaxial cable or microwave) must use “Transport Only – No ISP Service.” This option cannot be used for fiber.
- For managed Internet access services, including connectivity, applicants should choose “Internet Access and Transport Bundled.” For Internet access only — meaning that connectivity is being provided as a separate service — Use “Internet Access: ISP Service Only.”

There are two options available for those seeking bids for cellular services, but applicants should recognize that those services may not be eligible for E-rate discounts. In particular:

- As the result of the phase-out of discounts on voice services, only the highest discount applicants (nominally 90%) will be eligible for a 10% discount on cellular voice services in FY 2018. Those applicants should use the “Cellular Voice” option.
- Most cellular users will also be subscribing to cellular data plans or air card services. These are eligible for E-rate discounts if, and only if, the applicants can demonstrate that

such wireless data services are more cost-effective than more traditional in-building WiFi systems — typically a difficult argument to make. Regardless of eligibility, applicants may wish to take advantage of the Form 470 process to seek bids for cellular data services by including the “Cellular Data Plan/Air Card Service” option.

For “Other” services not otherwise included in the simplified set of drop-down options — indeed, to provide more and critical details on any services covered — create a descriptive document, formal or informal, that can be uploaded as an “RFP.”

Form 472 (“BEAR”) Training Site:

With the upcoming October 30th invoicing deadline for FY 2016 recurring services, USAC has created a [BEAR Training Site](#) to allow applicants to practice filing and certifying BEAR invoices. Additional information on the use of the BEAR Training Site is included in last Friday’s USAC News Brief referenced below.

E-Rate Updates and Reminders

Upcoming 2017 E-Rate Deadlines:

Sept. 1 Form 486 deadline for FY 2016 funding committed in Wave 45. 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 46	09/07/2017
Wave 47	09/19/2017
Wave 48	10/02/2017

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.

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.

October 10 USAC’s first annual fall applicant training session in Washington DC. Additional training sessions are planned in Charlotte, Minneapolis, and San Diego (dates not yet announced).

October 30 Invoicing deadline for FY 2016 for FY 2016 recurring services. (Note: The normal October 28th deadline falls on a Saturday pushing this year's actual deadline to the following Monday.)

Caller ID NPRM Comments:

Although not an E-rate issue, one other set of FCC rules occasionally affecting schools are the privacy restrictions involving the release of Calling Party Numbers (“CPNs” or caller IDs) to organizations such as schools, and law enforcement agencies attempting to deal with threatening calls. Current rules prohibit carriers from disclosing a caller’s number when the caller has specifically requested that number be blocked by first dialing “*67.” The rules were put in place to protect the privacy of individuals, such as those involved in acrimonious family situations, to hide caller ID information from the called party. The rules address serious privacy concerns when involving individuals, but become highly problematic when they serve to shield those making threatening calls to educational or religious organizations. Historically, the FCC has dealt with the most egregious of these situations by providing limited waivers of the CPN rules, often a time consuming process involving public comment periods.

In June, the FCC released a Notice of Proposed Rulemaking (“NPRM”), [FCC 17-76](#), proposing to amend its privacy rules along the lines of its earlier limited waivers. Comments on the NPRM were due last Monday, August 21st. There were a handful of substantial and supportive comments including one from the [Chevrah Hatzalah Volunteer Ambulance Corps](#), which had received one of the limited waivers last year. Carrier comments by [AT&T Services](#) and [CTIA](#) (representing the wireless industry) acknowledged the need, but wanted any release of caller ID to be only to law enforcement agencies, and to make those agencies, not the carriers, responsible for determining what constituted a threatening situation (see also the comments of [Louis Enterprises](#) as to defining a “threatening call”). Both sets of carrier comments encouraged the FCC to also address the growing problem of caller ID spoofing. CTIA was alone in calling for the continued use of a waiver process. [E-Rate Central](#)’s comments, to the contrary, argued that waivers, however streamlined, have and would continue to hamper timely and effective response to threatening situations.

Reply comments on the caller ID NPRM are due by September 19th.

USAC News Brief Dated August 25 – Form 486s for FRNs Requiring SPIN Changes

[USAC’s Schools and Libraries News Brief of August 25, 2017](#), covers the following three topics:

- The new drop-down options in EPC for completing a Form 470 — supplemental notes to USAC’s Special Edition News Brief released on August 22nd and discussed above.
- The availability of a new BEAR Training site — discussed above.
- Instructions for filing a Form 486 for FY 2017 FRNs that also require SPIN Changes.

SPIN changes are a particularly difficult subject this year. As noted in our [newsletter of August 21st](#), EPC does not yet permit the filing, much less the processing of SPIN changes for FY 2017. Applicant filing capability is expected soon, but EPC functionality to allow USAC to process SPIN changes and notify applicants is further off. In the interim, USAC recommends:

- If an FCDL has not been issued, work with PIA to correct SPIN information before application approval. One way to do this, if PIA review is not currently active, is to file a RAL Correction.
- If an FCDL has been issued, Form 486(s) should be handled as follows:
 - File a separate Form 486 as normal for all FRNs not requiring SPIN changes.
 - For FRNs requiring SPIN changes, file a Form 486 with the existing SPIN(s), but initiate an “invoice check” by filing a customer service case as described in the News Brief. An invoice check will ensure that no invoices are processed on that FRN before being approved by the applicant if and when the SPIN has been corrected. Once a SPIN change has been successfully processed, the added invoice check step can be removed.

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.



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