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## Funding Status – FY 2018

### *FY 2018:*

Wave 8 for FY 2018 was released Saturday, June 2<sup>nd</sup> for \$61.3 million. Wave 7, released the previous Saturday, totaled \$97.7 million. Cumulative funding as of Wave 8 is \$1.03 billion, including \$43.0 million for North Carolina. The next scheduled wave has not been announced.

Funding for FY 2017 is essentially complete; we will no longer be reporting FY 2017 status on a regular basis.

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

### *USAC Data Tools Outage*

As of last Thursday, after not being available for a week, USAC’s [FRN Status Tool](#) (“FST”) and [Search Commitments](#) tool were back in operation. USAC’s more sophisticated [Open Data](#) tool (in its beta version) was also restored; an enhanced release has been rescheduled for June 7<sup>th</sup>.

Other USAC system updates are discussed in Friday’s News Brief referenced below.

## E-Rate Updates and Reminders

### *Upcoming 2018 E-Rate Dates:*

June 4	FY 2017 Form 486 deadline for funding committed in Wave 38. Other upcoming Form 486 deadlines include:
	Wave 39                      06/08/2018
	Wave 40                      06/11/2018

Wave 41	06/15/2018
Wave 42	06/22/2018
Wave 43	06/29/2018

Applicants missing these (or earlier) deadlines should watch carefully for “Form 486 Urgent Reminder Letters” in EPC. The Reminders will afford applicants with 15-day extensions to submit their Form 486s without penalty.

The first Form 486 deadline for FY 2018 is not until October 29, 2018.

- June 20 USAC webinar on [Understanding Post-Commitment Actions](#).
- June 30 Last day to file a [special construction implementation deadline extension request](#) for FY 2017.
- July 2 Reply comment deadline on the FCC’s national security NPRM (see below).
- July 23 Deadline for submitting Form 470/471 comments (see [Federal Register notice](#)).

*National Security NPRM Comments:*

Last Friday was the deadline for submitting comments on the FCC’s Notice of Proposed Rulemaking (“NPRM”) on *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs* (see [FCC 18-42](#)). As discussed in our [newsletter of April 2<sup>nd</sup>](#), the proposed rules would bar Universal Service Fund (“USF”) payments — including E-rate discounts — related to equipment and/or service providers deemed to be posing a national security risk to U.S. communications networks or supply chains.

Although the primary burden of the proposed rules would fall on the U.S. telecommunications carriers, all E-rate (and Rural Healthcare) service providers and applicants would also be affected. The State E-Rate Coordinators’ Alliance encouraged the FCC (see [SECA comments](#)) to base applicant compliance on the assurances and certifications of their services providers. Specifically, SECA recommended that:

- Applicants be deemed compliant with proposed national security rules whenever purchasing E-rate funded equipment and/or services from vendors certifying their own compliance via Form 473 and/or Form 498.
- Applicants not be required to consider bids from non-certified vendors nor to consider otherwise “equivalent” products from prohibited companies.
- Non-compliance by service providers should be deemed a legitimate reason for granting Operational SPIN changes.
- Liability for the recovery of funds for violations of the rules should rest with service providers erroneously certifying their compliance.
- Compliance requirements for applicants must lag service provider compliance by at least one year to account for adequate procurement cycles.

Other comments on this docket may be found by searching the FCC's [Electronic Comment Filing System](#) under the proceeding designated 18-89. Reply comments on this NPRM are due July 2<sup>nd</sup>.

#### *USAC 2018 Training Uncertain:*

USAC has not yet announced plans for E-rate training this year. Service provider training, historically scheduled in the spring, is still being discussed for some time and some place this summer. We still expect USAC to hold a fall applicant session in (or around) Washington DC in the September-October timeframe, but additional regional USAC fall training plans are unknown.

Responding to this uncertainty, and reflecting concerns with last year's issues, the American Library Association ("ALA") sent a [letter](#) to USAC and the FCC last month outlining the following suggestions:

- Focus the Washington DC workshop on the needs of state and regional E-rate coordinators.
- Have two program tracks — one for those new to the program and one for veterans.
- Select easily accessible locations.
- Do not change a location and date of a workshop once it is announced.
- Hold more workshops.
- Have workshop material available at least 2–4 days before the workshop.
- Provide basic amenities for attendees.
- Seek out local public libraries or schools for training locations (if costs are limited).

The E-Rate Management Professionals Association ("[E-mpa](#)") filed a [letter](#) on Friday supporting ALA, but suggesting that USAC's Washington DC training focus on the needs of E-rate "power users," not just on state and regional school and library E-rate coordinators. E-mpa also suggested soliciting all stakeholders for relevant topics, providing more in-depth Q&A sessions, and allowing participants to submit questions in advance of the training.

#### *CSB Transition Complete:*

The transition for the staffing of USAC's Client Service Bureau ("CSB") has taken place as of this month. CSB calls are now being handled out of Chesapeake, VA, by Sutherland Global Solutions. Callers to CSB — still 888-203-8100 — will note a new introduction, an option to complete a brief end-of-call survey, and perhaps an estimated wait time.

#### *FCC Decision Watch:*

The FCC issued another set of "streamlined," precedent-based decisions ([DA 18-561](#)). Applicants facing similar problems as addressed in these decisions may garner useful information by carefully reading the additional FCC explanations found in the footnotes. The original appeal and waiver requests can be found online in the FCC's [Search for Filings](#).

In last week's decisions, the FCC:

1. Dismissed:
  - a. One Request for Waiver deemed an “appeal” which thereby should have been submitted first to USAC.
  - b. Two Requests not meeting the FCC’s basic filing requirements.
2. Granted:
  - a. Sixty Requests for Waiver involving 97 late FY 2018 Form 471s filed within two weeks of the window deadline. The FCC also approved Requests for Waiver for 6 other late-file applications due to either “actions beyond its control” or “unexpected serious illness or death.”
  - b. Three Requests for Waiver for ministerial and/or clerical errors.
  - c. One Request for Waiver of the appeal- or waiver-filing deadline submitted “only a few days late.” A second Request for waiver of the same deadline was partially granted with respect to one specific application.
3. Denied:
  - a. Three Requests for Waiver for invoice deadline extensions.
  - b. Twenty-five Requests for Waiver for 28 applications filed more than two weeks after the close of the FY 2018 window.
  - c. One Request for Waiver of the service implementation deadline.
  - d. Nine Requests for Waiver or Review submitted beyond the 60-day appeal deadline.

### **USAC News Brief Dated June 1 – Category 2 Budget Tool and EPC Updates**

[USAC’s Schools and Libraries News Brief of June 1, 2018](#), summarized two recent updates to USAC systems:

1. The non-EPC [Category Two Budget Tool](#) has been updated to utilize the precise, unrounded, per-student and per-square-foot budget factors (previously used only in the EPC budget tool), and to reflect FY 2018 funding requests and commitments.
2. Email notifications of Revised Funding Commitment Decision Letters (“RFCDLs”) are now being sent to the main applicant or service provider contact associated with the request.

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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.*



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