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Funding Status – FY 2019

USAC released Wave 23 for FY 2019 on Thursday, September 5th. Funding totaled \$4.88 million — a small wave after the two September 1st waves the previous weekend. Wave 23 included no funding for North Carolina. Cumulative commitments through September 5th are \$1.66 billion including \$49.7 million for North Carolina.

E-Rate Updates ESL Comments — Category 2 Reply Comments

September 3rd was a dual FCC comment filing deadline for submitting:

1. Reply comments to the FCC’s Notice of Proposed Rulemaking (“NPRM”) on the future of Category 2 funding for FY 2020 and beyond ([FCC 19-58](#)). (See our [newsletter of August 19th](#) for a summary of the initial comments.)
2. Initial comments on the draft Eligible Services List (“ESL”) for FY 2020 ([DA 19-738](#)). (See our [newsletter of August 5th](#).)

The following is a list of some of the major comments received (including links to the filings themselves).

- American Library Association (“ALA”) [Category 2 Reply](#)
- Consortium for School Networking (“CoSN”) et al. [Category 2 Reply](#)
- Council of Chief State School Officers (“CCSSO”) [Category 2 Reply](#)
- Education & Libraries Networks Coalition (“EdLiNC”) [Category 2 Reply](#)
- EducationSuperHighway (“ESH”) [Category 2 Reply](#)
- E-Rate Management Professionals Association (“E-mpa”) [Category 2 Reply](#)
- Funds For Learning (“FFL”) [Category 2 Reply](#) and [ESL Initial](#)
- State Educational Technology Directors Association (“SETDA”) [Category 2 Reply](#)
- State E-Rate Coordinators’ Alliance (“SECA”) [ESL Initial](#)

Not surprisingly, most of last week’s comments addressed the Category 2 NPRM. Specifically, regarding Category 2 budgets, the reply comments broadly supported the same points made in most initial comments, namely:

1. The Category 2 budget process is working and should be maintained.
2. Minimum budgets and per student (or square-foot) budget factors should be increased. Most recommendations were to increase the minimum budget to \$25,000 or more and to increase the per student factor to \$250 or more.
3. Budgets should be calculated on a districtwide (or library systemwide) basis rather than on a building basis.
4. Budgets should be set on a fixed (not rolling) five-year basis beginning with FY 2020.

Additionally, many of the Category 2 reply comments — as well as the few ESL initial comments — recommended additions or revisions to eligible services for FY 2020. Traditionally, the FCC has not considered the eligibility of new products or services as a part of the ESL comment process. The Category 2 NPRM, by way of contrast, proactively sought recommendations on Category 2 eligibility changes. The most common proposals sought E-rate eligibility for network security devices and services — enhanced firewall features, DDoS prevention, intrusion protection, filtering, and other cybersecurity protection — be they Category 1 or Category 2 services. Given the recent spate of ransomware and denial of service attacks on school networks there is growing hope that the FCC will expand the eligibility network security services.

To this point, CoSN recently released an important [K-12 Cybersecurity Cost Report](#) surveying what school districts are doing and need to do to protect their networks and students. A key conclusion of the report is that:

The E-Rate program has an opportunity to enhance the cybersecurity stance of the networks and Internet access that the program currently funds by expanding the funded list of services and equipment to include web content filtering and modern network security monitoring and capability as identified in this document’s executive summary. By making these changes to the E-Rate program, the FCC would remove the burden of the unfunded web content filtering mandate and allow school systems to modernize network security monitoring/response services and equipment. This would help mitigate the ongoing and rapidly increasing threats to educational services, business continuity, and confidential student and employee data.

Reply ESL comments are due September 18th. Given the overlap between the Category 2 NPRM and the FY 2020 ESL proceedings, reply ESL filings are likely to include further comments on the eligibility of Category 1 and Category 2 products and services.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

September 11 Form 486 deadline for FY 2018 funding committed in Wave 55. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (typically July 1st), whichever is later. Other upcoming Form 486 deadlines are:

Wave 56	N/A (no commitments)
Wave 57	10/03/2019

Note 1: Applicants missing any Form 486 deadline should watch carefully for “Form 486 Urgent Reminder Letters” in their EPC News Feed. These Reminder Letters afford applicants 15-day extensions to submit their Form 486s without penalty.

Note 2: The first Form 486 deadline for FY 2019, covering funding committed in Waves 1-10, will be October 29, 2019.

September 16 – November 21	See USAC’s 2019 Training webpage for a schedule of all USAC 2019 fall applicant and tribal training sessions.
September 18	Deadline for submitting reply comments on the FCC’s draft Eligible Services List (“ESL”) for FY 2020 (DA 19-738).
September 23	Deadline for submitting comments to the USDA’s proposal to revise the categorical eligibility of families in the Supplemental Nutrition Assistance Program (“SNAP”) (FNS-2018-0037). (See our newsletter of August 5th for E-rate implications.)
September 30	Last day to receive non-recurring services for FY 2018 and/or the deadline for requesting a one-year extension of the delivery and installation of such services.
October 28	Due date for nominations for six positions on the USAC Board of Directors (see DA 19-835) including the slot reserved for a library representative and one of the two slots reserved for school representatives.

USAC News Brief Dated September 6 – Invoicing FAQs, cont.

[USAC’s Schools and Libraries News Brief of September 6, 2019](#), continues the series of invoicing FAQs begun in [last week’s News Brief](#). This week’s issue poses — and answers — the following invoicing questions:

- Must a service provider use the same time frame to invoice USAC that it uses to bill its customers?
- What is the earliest date an invoice can be filed for a funding year?
- What should an applicant do if its service provider will not use the SPI method as requested by the applicant?
- How can a service provider sign up for electronic invoicing?
- What information should be included on a customer bill for Basic Maintenance of Internal Connections?
- If an applicant has a fixed-price contract for basic maintenance, how can an invoice be generated for an hourly rate and hours worked?
- What is the new field that must be updated on the Form 498? (See our [newsletter of August 19th](#).)

- How can an applicant remove old incomplete BEAR forms that show up when logging into the online BEAR Form?
- How can you get more information on invoice rejection codes?

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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