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Funding Status – FY 2020

Wave 26 for FY 2020 was released on Thursday, October 22nd for a total of \$35.2 million including \$297 thousand for 4 North Carolina districts. Cumulative commitments are \$1.80 billion including \$60.2 million for North Carolina. Nationwide, USAC has now funded 88% of the FY 2020 applications representing 63% of the requested funding.

Category 2 Budget Information in EPC Profiles

As discussed in our [newsletter of October 19th](#) and in [USAC's News Brief of October 16th](#), the administrative (“admin”) window for FY 2021 opened on October 19th. The window provides applicants with approximately three months to update their entity profiles in EPC prior to the opening of the Form 471 application window for FY 2021. Once the application window opens, entity profiles will be locked for its duration to avoid conflicts between interrelated school, library, and consortium applications.

Applicants reviewing and updating their entity profiles this year will see differences as a result of the way Category 2 budgets are being calculated and set for the forthcoming five-year budget cycle. The two most significant changes — reflected in revised EPC entity profiles — are:

1. School and school district budgets are initially set based on current enrollment. Those budgets are, at a minimum, fixed for the five-year period. The budgets may be increased within the five-year cycle if enrollment rises but will not decrease if enrollment drops. Because enrollment figures used for discount rate purposes typically change from one year to the next, EPC will be maintaining two enrollment numbers — the most current enrollment total used for the discount rate calculation and the historic and more stable enrollment total used for the five-year Category 2 budget calculation.
2. For school districts and library systems, Category 2 budgets will now be set and administered district- or system-wide. In many cases, these budget calculations are straight-forward. School district budgets are the greater of \$167 per student or \$25,000 per school and library system budgets are the greater of \$4.50 per square-foot or \$25,000 per library branch. However, for school districts or library systems with 10 or fewer component schools or libraries, there is an additional hybrid option. The budgets for each individual school or library can be maximized individually and then added together to

determine the district-wide or system-wide budget. The best way to determine this is to use USAC’s new [FY 2021+ Category Two Budget Tool](#) (see our [newsletter of August 24th](#)).

Given the Category 2 budget calculation options, the Category 2 budget fields within EPC appear a bit confusing. Additionally, having not seen the revised version of the Form 471, it is not yet clear how the Category 2 entity data will be carried over into the applications.

For individual schools and libraries, the “Category Two (C2) Budget Information” is simple. As an example, the listing for an independent school shows the following:

Category Two (C2) Budget Information

We calculate your Category Two budget and your discount rate separately, and so we collect separate numbers for each. You are allowed to re-use your Category Two student count from year to year within a Category Two budget cycle, so this number needs to be updated less frequently than the student count for your discount rate.

Total Students for C2 Budget 118


The information for school districts includes the total student count but offers an apparent choice as to how the district proposes to report its student count for Category 2 budget purposes. The default choice on every district profile we’ve seen is “A number for each school in the district.” It is not clear what the effect will be on a district’s budget, if any, if the district selects a suboptimal choice in its entity profile. As an example:

Category Two (C2) Budget Information

We calculate your Category Two budget and your discount rate separately, and so we collect separate numbers for each. You are allowed to re-use your Category Two student count from year to year within a Category Two budget cycle, so this number needs to be updated less frequently than the student count for your discount rate.

How does the district report its student count for Category Two budget? ⓘ

One number for my whole district

A number for each school in the district 

Sum of Student Counts of all Schools in the District

3488

For library systems, as shown in the example below, only the total square footage of all the system’s branches is shown. This leaves no apparent distinction as to how the system might report square footage for its individual libraries.

Category Two Budget Information

Sum of Square Footage of All Libraries in the System 29108

We expect more clarification from USAC in the coming weeks — particularly with respect to the district reporting option.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

- October 29 First Form 486 deadline for FY 2020, covering funding committed in Waves 1-8. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (typically July 1st), whichever is later. The upcoming Form 486 deadlines are:
- | | |
|-----------|------------|
| Waves 1-8 | 10/29/2020 |
| Wave 9 | 10/30/2020 |
| Wave 10 | 11/06/2020 |
| Wave 11 | 11/13/2020 |
- November 4-6 Three days of USAC E-rate webinars — 3 per day — on a full range of E-rate topics. A full schedule and registration information is available in the [USAC Special Edition News Brief of October 22nd](#). The webinar series is the beginning of a broader series of online learning opportunities replacing, in part, USAC’s traditional regional training workshops that will not be held this year.

Multiple One Portal Verification Codes:

Logging into USAC’s new One Portal system for access to EPC and the BEAR system is a multifactor authentication (“MFA”) process requiring users to first enter their usernames and passwords and then a one-time unique verification code requested by email or text. Users have been reported receiving multiple verification codes, often within seconds. This has caused some confusion particularly when only the last in the series of codes received appears to work.

The multiple code problem can be avoided. Here’s how.

Once you request a code, in this example via email, you’ll get the Email Authentication screen in which to enter the 6-digit code in the “Enter passcode” field. When the code has been entered, the next step is key. You must click the blue “Verify” button.

If instead, perhaps by force of habit, you simply press “Enter,” the system will interpret that action as a request to re-send a verification code. That will immediately invalidate the code you just entered. At that point, even if you click “Verify,” the screen will indicate (as shown below) that you’ve entered the “Wrong passcode.” You’ll then have to wait until the system sends you a new code, enter that, and correctly click “Verify.”

Email Authentication
USAC requires multifactor authentication to add an additional layer of security when signing in to your account.

Wrong passcode.

Email Address
w...h@...com

Enter passcode
505984 [Re-send Email](#)

Verify

USAC’s MFA login process is designed to assure secure access to the Open Portal system. To simplify your own access, remember this: “Trust but **Verify** .”

USAC News Brief Dated October 23 – Reminders and Notices

[USAC’s Schools and Libraries News Brief of October 23, 2020](#) covers the following four topics:

1. USAC is working with schools who filed for additional internet bandwidth in the second window to minimize the number of additional FRNs. Whenever possible, USAC will modify an applicant’s initial FRN rather than create a new FRN. If the first application is still pending, this may be handled via a Receipt Acknowledgment Letter (“RAL”) modification. If the first application has already been funded, a modification may be made as a service substitution. When approved, the modified FRN will be reflected as appropriate in a new FCDL or RFCDL.
2. The EPC administrative window opened last Monday, October 19th, and will remain open until shortly before the FY 2021 application window opens (probably in early January). While the “admin” window is open, applicants can update their EPC entity profiles. When the window closes, these profiles will be locked for the duration of the Form 471 application window.
3. USAC’s [FY 2021+ Category Two Budget Tool](#) has been updated to draw school student counts from the “Total Students for C2 Budget” field of revised EPC school profiles (see article above). School profiles now include two total enrollment fields, one for discount rate purposes that may change every year and one for Category 2 budget purposes that may remain fixed for the duration of the five-year budget cycle. For FY 2021, the first year of the budget cycle, the two enrollment numbers should be identical.
4. Applicants who received FY 2020 funding commitments on or before July 1st (Waves 1-8) and whose services started July 1st are reminded that the regular Form 486 deadline remains October 29th. The FCC’s extended deadline order does not apply to FY 2020 Form 486s.

USAC reminds Form 486 filers to include only FRNs for services that have started and to carefully choose the correct CIPA certifications. Other upcoming Form 486 deadlines are noted above.

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 USAC, the 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.

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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