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Funding Status – FY 2020

Wave 27 for FY 2020 was released on Thursday, October 29th for a total of \$29.3 million including \$575 thousand for 4 North Carolina districts. Cumulative commitments are \$1.83 billion including \$60.7 million for North Carolina. Nationwide, USAC has now funded 88% of the FY 2020 applications representing 63% of the requested funding.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

November 4-6 Three days of USAC E-rate webinars — three per day — on a full range of E-rate topics. A full schedule and registration information are 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. Participants unable to attend the live sessions will be able to view recordings of the presentation on-demand.

November 6 Form 486 deadline for FY 2020 covering funding committed in Wave 10. 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:

Wave 11	11/13/2020
Wave 12	11/20/2020
Wave 13	11/27/2020
Wave 14	12/04/2020

FCC Streamlined Decisions:

The FCC issued another set of streamlined precedent-based decisions ([DA 20-1265](#)) last week. Applicants facing similar problems as those 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](#) under Docket 02-6.

In October's streamlined decisions, the FCC:

1. Dismissed:
 - a. One Petition for Reconsideration relying on arguments that had already been fully considered and rejected.
2. Granted:
 - a. One Request for Review allowing the resubmission of discount information when the applicant was previously unable to fully comply with USAC's document request within the permitted time.
 - b. One Petition for Reconsideration "upon reconsideration of the record" granting a waiver of the signed contract requirement.
 - c. Three Requests for Waiver for late-filed FY 2020 Form 471 applications filed either within 14 days of the close of the window (no excuse required) or less than 60 days late (as a result of the COVID crisis).
 - d. Four Requests for Waiver for ministerial and/or clerical errors involving missing items or typographical errors on a Form 471.
 - e. Two related Requests for Review regarding an audit finding of improper invoicing in advance of delivery that the FCC found was properly invoiced.
3. Granted in Part:
 - a. One Request for Review finding that two services used to support district needs were not duplicative but limiting funding for each service to that of the least expensive service. Importantly, this is a restatement of a principle included in the 2007 *Macomb Decision* ([FCC 07-64](#)) that USAC has not heretofore consistently followed. This may lead to a significant change in USAC funding decisions and provide some additional flexibility to applicants seeking alternative network routing capability.
4. Denied:
 - a. One Request for Review for improper service provider involvement in the competitive bidding process. The service provider, in this case, was the school's long-time IT provider that apparently developed specification sheets for the school's Form 470.
 - b. One Request for Waiver for invoice deadline extension requests.
 - c. Two Requests for Review for applicants relying on Form 470s that did not seek bids of the types of services for which funding was later requested.
 - d. One Request for Waiver reading as a denial of a request for a service substitution not meeting the FCC's requirements. By our reading, the [underlying waiver](#) was actually requesting an invoice deadline extension.
 - e. One Request for Waiver of the appeal/waiver deadline that "did not show special circumstances."

USAC News Brief Dated October 30 – Administrative Window Tips

[USAC's Schools and Libraries News Brief of October 30, 2020](#), provides the following tips for applicants updating their EPC entity profiles during the current administrative window (see also [USAC's News Brief of October 16th](#)):

- If you need to add an entity to your profile, do it now.
- Any associated entity changes that need to be made to FY 2020 applications, by RAL modification or appeal, should be filed before updating EPC profiles.
- Small school districts with 10 or fewer schools should consider reporting student counts for Category 2 budget purposes on a school-by-school basis. This can be done by being sure that the proper option is select in the Category 2 section of the EPC entity profile.

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 

Note 1: This tip suggests that EPC will not reflect an optimized Category 2 budget calculation as is done in USAC's new [FY 2021+ Category Two Budget Tool](#).

Note 2: We would expect that a similar tip would apply to square-footage data for library systems with 10 or fewer branches but the EPC profile section for library systems does not provide a choice.

Category Two Budget Information

Sum of Square
Footage of All
Libraries in the
System

- Charter schools associated with their local school districts wanting to apply using their own Category 2 budgets will need to demonstrate financial and administrative independence.
- Schools fully or partially closed due to COVID-19 can provide full-time enrollment numbers from the FY 2020 Form 471 applications. Remember that enrollment numbers may be increased for Category 2 budget purposes in future years of the five-year cycle.
- Independent schools with part-time students may count those students as full-time for Category 2 budget purposes.
- District schools showing zero students (e.g., new schools under construction, juvenile justice, swing spaces, etc.) can still be included in Category 2 budget calculations.
- Conversely, library branches in library systems showing zero square footage will not count in Category 2 budget calculations.

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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