

- Funding Status – FY 2021
- Consortium Participation in ECF
 - Student, Staff, and Patron Surveys
 - Device and Service Record Retention
 - Funding Prioritization Considerations
- E-Rate Updates and Reminders
 - Upcoming E-Rate Dates
 - FCC Streamlined Decisions
- USAC News Brief Dated May 28 – Overview of Selective Review

Funding Status – FY 2021

Wave 7 for FY 2021 was released on Thursday, May 27th, for a total of \$78.8 million including \$2.19 million for 25 North Carolina applicants. Cumulative commitments are \$1.20 billion including \$38.4 million for North Carolina. Nationwide, USAC has now funded 71% of the FY 2021 applications representing 40% of the requested funding.

Consortium Participation in ECF

The Emergency Connectivity Fund (“ECF”) rules ([FCC 21-58](#)) clearly state that “all of the schools, libraries, and consortia of schools and libraries that are eligible for support under the ERate Program are also eligible to request and receive support through the Emergency Connectivity Fund Program.” That is clearly good news for schools and libraries that have historically received E-rate benefits through a consortium thus freeing the consortium members from the burdens of competitive procurement, contracts, applications, and invoicing. Not surprisingly, therefore, we would expect many of these same schools and libraries to turn to their consortia to handle their ECF needs.

The ECF program, however, is different from traditional E-rate in several regards that all parties need to understand including the identification of “unmet needs,” record retention, and potential funding prioritization. As discussed below, these differences will require a higher degree of cooperation between a consortium lead and its consortium members.

Student, Staff, and Patron Surveys:

ECF funding is meant to meet the “unmet needs” of students, school staff, and library patrons. The ECF application is expected to include:

- (a) “[A] set of questions regarding the specific unmet needs that existed at the start of the pandemic and how the Emergency Connectivity Funds are being used to address remaining unmet needs.”
- (b) A narrative description/document, which can be uploaded into the application, describing how the applicant “obtained the data to answer these questions and the timing of the data collections or needs assessments.”

In most cases, this will require surveys of school students and/or staff and of library patrons — most likely best done by the individual consortium members. Some of the members may already have conducted surveys; some may not. Some surveys may have been done at the start of the pandemic; some may have been done more recently; and some may still need to be done. Some surveys may have been well executed; some may not. In other cases, the consortium lead may need to conduct a new consortium-wide survey — probably requiring extensive member coordination. Ultimately, a consortium lead will have to pull together a cohesive narrative.

The entire ECF “needs” determination and documentation is likely to require more cooperative work between the consortium lead and its members than has typically been the case in the E-rate process. If a decision is made not to pursue ECF funding through a consortium, its members may face a particularly steep learning curve simply navigating EPC.

Hint for all ECF applicants: To provide the greatest flexibility in supporting ECF funding, surveys should identify “unmet needs” as of March 1, 2020, and as of July 1, 2021. The latter will support projected expenses for the first 2021-2022 funding window. The former would support retroactive funding — assuming there is another window — covering pandemic expenditures through June 30, 2021.

Device and Service Record Retention:

Unlike any other E-rate records, ECF will require applicants to track the provision of devices and/or internet services down to individual persons. Those records must be retained for at least ten years following the end of the ECF window. The ECF rules detail the information that must be tracked and retained. Specifically:

- (1) For each connected device or other piece of equipment provided to an individual student, school staff member, or library patron, the asset inventory must identify:
 - (i) The device or equipment type (i.e. laptop, tablet, mobile hotspot, modem, router);
 - (ii) The device or equipment make/model;
 - (iii) The device or equipment serial number;
 - (iv) The full name of the person to whom the device or other piece of equipment was provided; and
 - (v) The dates the device or other piece of equipment was loaned out and returned to the school or library, or the date the school or library was notified that the device or other piece of equipment was missing, lost, or damaged.
- (2) For services provided to individual students, school staff, or library patrons, the service inventory must contain:

- (i) The type of service provided (i.e., DSL, cable, fiber, fixed wireless, satellite, mobile wireless);
 - (ii) The service plan details, including upload and download speeds and monthly data cap;
 - (iii) The full name of the person(s) to whom the service was provided;
 - (iv) The service address (for fixed broadband service only);
 - (v) The installation date of the service (for fixed broadband service only); and
 - (vi) The last date of service, as applicable (for fixed broadband service only).
- (3) For equipment and services provided for use by multiple eligible users (e.g., in a community center or homeless shelter), the service inventory must also contain:
- (i) The name of the school or library employee responsible for that equipment or service; and
 - (ii) A description of the intended service area.

Keeping track of all widely-used equipment and services throughout the community may be a herculean effort for a consortium lead and will require complete cooperation and assignment of responsibilities with each consortium member.

Consortia, which have long provided traditional E-rate filing services for their members, will be best served to initiate ECF conversations on roles and responsibilities with their members as soon as possible.

Funding Prioritization Considerations:

At some point ECF funding will be depleted. Perhaps not in the first 2021-2022 window, but certainly in a subsequent window. The FCC has already indicated that there may be a second prospective 2021-2022 window and that a retroactive window (back to March 1, 2020) is a real possibility. A funding window for 2022-2023 is not out of the question.

When funding is insufficient to fully fund all valid requests within a given window, ECF “rules for distribution” provide a mechanism for prioritizing which applicants receive funding. Although all funding is at the 100% reimbursement level, ECF uses the following modified discount matrix for prioritization.

	Emergency Connectivity Fund Prioritization Matrix	
	Discount Level	
% of students eligible for National School Lunch Program	Urban	Rural
< 1.....	20	30
1-19.....	40	55
20-34.....	50	65
35-49.....	60	75
50-74.....	80	85
75-100.....	90	95

Modeled after the traditional E-rate Category 1 discount matrix, the ECF matrix provides an additional 5% at each band level for rural applicants. If, in any window, total demand exceeds

available ECF funds, those applicants in the highest bands — i.e., rural at 95%, then urban at 90%, then rural at 85%, as so on in descending order — will be fully funded first. If funding within a discount band is not sufficient, then those applicants with the highest NSLP percentage within the band will be funded.

This prioritization scheme has important implications for a consortium. Although not specifically addressed in the rules, we would assume that the discount level of an ECF consortium application would be calculated as the average of the ECF discounts of its members. Should that average be above the priority funding breakpoint, presumably all members would be funded at the 100% reimbursement level. Should the average be lower than the breakpoint, no member would be funded. Such a result would appear to be contrary to the spirit of ECF prioritization. The best way to avoid this consortium problem would be to file multiple consortium applications grouping member entities in different consortium applications by their discount bands. With multiple applications, “unmet need” surveys (and possible inventory records) may need to be grouped separately.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

June 4	Form 486 deadline for FY 2020 covering funding committed in Wave 41. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (typically July 1 st), whichever is later. Upcoming Form 486 deadlines are: <table><tr><td>Wave 42</td><td>06/11/2021</td></tr><tr><td>Wave 43</td><td>06/18/2021</td></tr></table>	Wave 42	06/11/2021	Wave 43	06/18/2021
Wave 42	06/11/2021				
Wave 43	06/18/2021				
June 21	Due date for comments on Comcast’s FCC gift rule waiver request to provide Lift Zone to establish remote learning centers in seven selected library systems (see Comcast waiver request and FCC comment notice DA 21-597). Reply comments are due July 6 th .				

FCC Streamlined Decisions:

The FCC issued another set of “streamlined” precedent-based decisions ([DA 21-598](#)) last week. As with past streamlined decisions, 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 May’s streamlined decisions, the FCC:

1. Dismissed one Request for Review as failing to comply with the FCC’s basic filing requirement.
2. Granted:

- a. One Request for Review and Waiver reportedly for improper service provider involvement arising from a bid evaluation error incorrectly giving a higher pricing score to an existing supplier. The FCC found that, upon correction, the existing supplier's bid "still would have scored the highest overall total."
 - b. 72 Requests for Waiver of late-filed Form 471 applications received within 14 days of the close of the FY 2021 window.
 - c. 81 Requests for Waiver of late-filed Form 471 applications received more than 14 days (but apparently within 30 days) of the close of the FY 2021 window due to circumstances beyond the applicants' control. Many of the "circumstances" involved COVID-related staff unavailability.
 - d. Five Requests for Review and/or Waiver for ministerial and/or clerical errors.
 - e. One Request for Review and/or Waiver for not meeting the service substitution request deadline but otherwise complying with the rules and with a "reasonable explanation" for missing the deadline.
 - f. One Request for Review of a USAC audit-related decision to recover funding for recurring services invoiced in advance of delivery. The FCC found that the supplier had properly invoiced for services delivered within the funding year.
3. Granted in part three requests for Review and/or Waiver finding that when the new provider of service is delayed in being able to provide service, the applicant may receive support for service during the transition from the incumbent provider, but a SPIN change cannot increase the funding level of an FRN.
 4. Denied:
 - a. One Request for Waiver of a late-filed Form 471 where the petitioner failed to present special circumstances justifying a waiver.
 - b. One Request for Waiver and/or Review for a ministerial and/or clerical error where the petitioner had not demonstrated good cause for a waiver.

USAC News Brief Dated May 28 – Overview of Selective Review

[USAC's Schools and Libraries News Brief of May 28, 2021](#), provides an overview of the Selective Review Information Request ("SRIR") process that some applicants receive during USAC's review of their applications. The purpose of a SRIR is primarily to make sure that the applicants properly followed all the competitive bidding rules. It may also confirm that the applicant has all the necessary resources to make effective use of the requested services. This week's article discusses how:

- USAC issues the SRIR questions;
- Applicants confirm receipt of the SRIR;
- Applicants respond to a SRIR and provide the appropriate documentation; and
- Applicants can request extensions if necessary.

The News Brief also provides the following three tips to prepare for the ECF application process, namely:

- Request an FCC Registration Number (“FCC RN”) — E-rate applicants should already have one;
- Obtain a DUNS Number — E-rate applicants should already have one; and
- Register with SAM.gov — many schools and libraries already have a current SAM registration for other purposes (but should confirm that the registration is current).

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.

In compliance with federal law, the NC Department of Public Instruction administers all state-operated educational programs, employment activities and admissions without discrimination because of race, religion, national or ethnic origin, color, age, military service, disability, or gender, except where exemption is appropriate and allowed by law.