

E-rate Modernization

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E-rate Modernization

Goals:

1. Close the Wi-Fi Gap by encouraging high speed broadband to support digital learning in schools
2. Maximize cost-effective spending for E-rate supported purchases
3. Simplify E-rate processes



E-rate Modernization

- New terminology
 - Category 1 / Category 2
- Leaner Meaner Eligible Services List
 - Focus broadband to the classroom
 - Phasing out of voice services
- Online Filing / Transparency
 - Item 21 imbedded in new online filing requirements
- District Discounts & Urban/Rural Classifications
 - District Discount Average requirement
- Document Retention
 - Retain for 10 years after last service date



Simplifying E-rate Processes

- Multi-year contracts – 5 year max for expedited review
- Contract signing requirements
- Required Electronic filing / Embedded Item 21 / paper certification accepted
- New discount principles
 - All entities use district discount average
 - No multiple worksheets
 - 85% C-2 max discount
- Urban/Rural classifications (may affect your discount %)



Calculating District Discounts

6,000 students in an urban district

2,000 qualify for NSLP

$2,000/6,000$ students = 33% eligible

	Category one schools and libraries discount matrix		Category two schools and libraries discount matrix	
	Discount level		Discount level	
% of students eligible for National School Lunch Program	Urban discount	Rural discount	Urban discount	Rural discount
< 1.....	20	25	20	25
1-19.....	40	50	40	50
20-34.....	50	60	50	60
35-49.....	60	70	60	70
50-74.....	80	80	80	80
75-100.....	90	90	85	85



Filing 471s & Multi-Year Contracts

Contract Dates:
07/2015 – 6/2020

FY 2015 – Complete
Full FCC Form 471

FY 2016 - Complete
Simplified FCC Form
471

Contract Dates:
07/2015 – 06/2022

FY 2015 –Complete
Full FCC Form 471

FY 2016 – Complete
the Full FCC Form 471

Contract Dates:
07/2013- 06/2018

FY 2015- Complete Full
FCC Form 471

FY 2016 –Complete
Simplified FCC Form
471



ESL - Category 1

- Limited to Data Transport and Internet Access
 - Data plans and air cards must demonstrate most cost effective way to connect students.
- Voice Services will be phased out annually @ 20% reduction
- Services **ineligible** for 2015:
 - Web hosting, voicemail, email, and texting
 - Outdated or legacy voice services including, e.g.
 - Paging service
 - Inside wire maintenance
 - Custom calling service



ESL - Category 2

- **Eligible:** Broadband distribution services and equipment needed to deliver broadband to students are eligible. For example:
 - Routers
 - Switches
 - Access Points
 - Internal cabling
 - Managed Wi-fi
- **Ineligible:** Components that do not support broadband distribution are no longer eligible, e.g.
 - Servers
 - Voice/VOIP components
 - Circuit cards
 - Video components



Making the Most of C-2

- Each school has a Category 2 budget – cannot be pooled or shared (except allocated as described below)
- NIFs with classrooms and administrative bldgs do not have C-2 budgets, except:
 - If a NIF is essential for the effective transport of information to or within a school, the applicant must allocate the NIF costs to the entities benefiting from the service (cost allocation tool in the online Form 471)
- Districts may not average their costs across multiple school budgets.
- Unexpended funds can be used in subsequent years – discount will be adjusted for population growth/decline.



Making the Most of C-2

- Assume 50% discount rate at Red School District
- There are 1,000 student in total. The High School has 550 student but 10 middle school students also take advanced classes at the high school part-time.

School	F/T & P/T Students	Pre-discount Category Two Budget	Post-discount Category Two Budget
Red Elementary	100	$100 * 150 = \$15,000$	$\$15,000 * 0.5 = \$7,500$
Red Middle School	300	$300 * 150 = \$45,000$	$\$45,000 * 0.5 = \$22,500$
Mountain Top ES	50	$50 * \$150 = \$9,200$ (floor!)	$\$9,200 * 0.5 = \$4,600$
Red High School	560	$560 * \$150 = \$84,000$	$\$84,000 * 0.5 = \$42,000$
District Office	0	\$0 (NIFs don't qualify)	\$0 (NIFs don't qualify)



Making the most of C-2

- Consortium purchasing encouraged
- Cannot list specific make and model of services sought without also allowing equivalent products and/or services to be bid.
 - “XYZ manufacturer's router model 345J or equivalent”
- Applicants may set some eligible service requirements.
 - Applicants should base procurement on standards and specifications, and can evaluate with consideration given to wireless controller compatibility.



Tips for Success

Start Early

- Rules have changed – you need time to prepare
- Item 21 is embedded in the Form 471
- Use tools provided by USAC
 - Templates (available in early November)
 - Urban/Rural look up
- PIA will reach out more – they are learning too
- Keep records...DOCUMENT everything!
- Contact your ESU rep or NDE for help



RESOURCES

USAC Schools and Libraries

- Phone: (888) 203-8100
- Fax: (888) 276-8736
- Website: www.usac.org/sl

Nebraska Department of Education

- SuAnn Witt, State E-rate Coordinator
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Educational Service Unit E-rate Coordinators

∞ Thank You ∞
Questions?

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