

E-rate Q & A September 25, 2020



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- 1. Does the new E-rate window apply to new hotspot services? No, the E-rate program excludes hotspots.
- 2. What are next steps when creating a new 471 form for 2020 and a message is received that it is too late?

You may ignore the messages regarding that it is too late to complete the form and that the appeal process must be followed. Complete the Form 471 as usual. Make sure to accurately document your LEA's connection type and bandwidth. In the "Narrative" make sure to document "Bandwidth upgrade for COVID-19" and specify your LEA's current cost per megabyte and your LEA's proposed cost per megabyte. Universal Service Administrative Company (USAC) will not approve more than your LEA's current cost per megabyte.

- 3. Our LEA contacted our vendor a day before the announcement. Our LEA received a quote with a 2-year agreement which changes the end date. What scenario would we fall under? Your LEA should not sign a 2-year agreement for two reasons: First, the second 471 window is only good until June 30, 2021; Second, your LEA is signing outside the normal E-rate funding window (July 1 / June 30) and will have a hard time getting back into a "normal" funding year scenario.
- 4. Our LEA already filled out a 471 during the first window. What are next steps? If your LEA has enough bandwidth, nothing more is needed. If your LEA needs more bandwidth and your current service provider can provide it, complete a new 471. In the "Narrative" make sure to state, "Bandwidth upgrade for COVID-19" and specify your LEA's current cost per megabyte and your proposed cost per megabyte. USAC will not approve more than your LEA's current cost per megabyte.
- 5. If our LEA does not have an existing 470 for internet access (because we are part of a consortia) and want to add a completely new service, is it possible to use this program? Yes, your LEA can use the E-rate program, but cannot take advantage of this filing window. Your LEA can file a Form 470 now, accept bids and then file a Form 471 when the window opens. Services will begin July 1, 2021.
- 6. When completing the Form 470, our LEA received the following message, "Your application is being filed after the close of FY 2020 filing window. Therefore, your application will not be considered for funding." What are next steps

Please proceed. Client Service Bureau (CSB) / USAC will not be providing new forms for the additional filing window. If your LEA is filing a Form 470, the procurement rules probably dictate it, but the 28-day rule does not need to be followed.

7. What is meant by bandwidth and costs?

The intent of the second window is to allow an increase in bandwidth to schools because of unexpected increased in usage by distance learning users. USAC will only fund up to your current cost per megabyte. Example: if your LEA has100M and are paying \$300 per month,

that is \$3 per megabyte. If your LEA wants 500M, your LEA could be allowed to pay up to \$1,500, but typically, as the bandwidth goes up, the cost per megabyte goes down.

- 8. Have any changes been made concerning content filtering for at-home students? It is up to each LEA to determine their own content filtering parameters.
- 9. If our district has signed a 2-year contract for bandwidth, would the new Form 471 nullify the 2-year contract, or would it just be the additional bandwidth/discount for the current year?

E-rate filing windows and rules do not nullify contracts an LEA signs with a vendor. It is best to negotiate with the vendors up front that your LEA may adjust your bandwidth needs during the term of your contract without changing the duration. Your LEA may also want to remove all "auto-renew" clauses from carrier contracts. Most carrier contracts will auto-renew after the initial term unless your LEA notifies the carrier in writing 30 days before expiration. When the carrier auto-renews, they renew for at least 12 months and sometimes the original term (Up to 60 months). If your LEA has signed another contract, your LEA is now stuck with two vendors and only one pay source.

- 10. Are the devices purchased through Classroom Connectivity project already being filtered and Children's Internet Protection Act (CIPA) compliant? Yes.
- 11. If E-rate works for bookmobiles, would it work for school buses? Our LEA can put a bookshelf in the school buses.

No, Bookmobiles are considered libraries. Buses are not eligible (yet). State E-rate Coordinators' Alliance (SECA) continues to work on it.

12. Are Access Points covered?

No, access points are Category 2.

13. Our LEA purchased added bandwidth last month from VTX1. We think that our LEA will need to add an additional line. Will E-rate pay for that as well?

The answer is maybe. A second line could be seen a duplicative service in which case, no. If a second line is required because your provider cannot provide the needed bandwidth with the single line then, yes. You will need to include a complete explanation either way.

14. Should our LEA contact our vendor and get quotes for additional bandwidth?

Yes, your LEA should contact your current vendor and get quotes for additional bandwidth. Just make sure it does not extend the contract service date.

15. If our LEA has filled a Form 471 for the first window but it is still under review, can we still apply for this second window?

Yes, your LEA can file during the second window if you have received your Funding Commitment Letter (FCL) or are pending.

- 16. Does this new funding window have a name? No.
- 17. We have 10Gb service, but our LEA needs to add some equipment to supply 10Gb to all campuses. Is this equipment eligible?

It is if Category 1, but not if Category 2.

18. If our LEA used an existing Form 470 for internet access that is on a 3-year contract, is our LEA eligible to use this window? Our LEA did not submit a Form 470 for 2020 for Category 1 since we were under contract with an existing 470.

Yes, your LEA does not have to file a Form 470 every year, but you do have to file a Form 471 every year. Your LEA can file a Form 471 during this additional filing window to obtain additional bandwidth.