

**TEA Update on  
New E-rate Application  
Window for Funding Year  
2020**



## Agenda

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**Highlights of FCC order**

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**Eligible Services**

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**Competitive Bidding**

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**SLD Clarifications on 2<sup>nd</sup> filing**

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**FCC Questions and Answers**

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**Q/A from webinar**

# Highlights of FCC Order

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- Specifically addresses increased bandwidth on campus
- The window is open 9/21 through 10/16.
- Allows additional funding without a new competitive bidding process
- Schools may only request discounts for Category 1 internet access and/or data transmission services needed due to COVID-19.
- Discounts may be requested on services already provided as early as July 1, 2020.

# Eligible Services

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- **Additional on-campus Category 1 internet access and/or data transmission needed because of COVID-19 pandemic**
- **Off-campus use, even for educational purpose, is ineligible for support.**

# Competitive Bidding

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- **E-rate discounts are allowed for bandwidth increases without conducting competitive bidding with limitations:**
  - **If the school has already sought bids by posting a form 470**
  - **If the school has received approval from Universal Service Administrative Company (USAC) for funding year 2020 for eligible Category 1**
  - **And requests for additional bandwidth are through an existing service provider or a new one.**

# Schools and Libraries Division CLARIFICATIONS ON 2ND FILING WINDOW FORM 471 APPLICATIONS P1

## SLD CLARIFICATIONS ON 2<sup>ND</sup> FILING WINDOW FORM 471 APPLICATIONS

### Bottom Lines:

- USAC intends to work with applicants to adjust existing FRN, whenever possible.
- Use the narrative to explain as much as possible.

Scenario 1: Applicant already has an approved or pending FRN for the **same service** with the **same vendor** and has increased both the amount of the bandwidth and associated costs.

### Actions:

1. Applicant would submit one FRN for the **total** bandwidth and **total** monthly cost.
  - A. Service start date is the date that the increased bandwidth began.
2. Contract Record: If increased bandwidth and pricing are not addressed in the scope of the original contract, Applicant can upload new contract/amendment in a new contract record and cite that new contract record on the FRN (this is a best practice). If they do not, USAC will likely reach out to the applicant to obtain the new contract/amendment. By creating the new contract record, this could help avoid the need for outreach on this issue.
3. FRN Narrative should contain the following:
  - A. FY 2020 original 471 & FRN.
  - B. Statement confirming request for additional bandwidth.
  - C. Information regarding price per megabit in the original and new funding request, highlighting difference. The price per Mbps will be funded at the same or lower amount as the amount in the original contract.
  - D. Whether they are increasing bandwidth on an **existing circuit** or installing a **new circuit**.
4. USAC Processing: USAC will adjust original FRN to modify bandwidth and increase FRN amount.

# Schools and Libraries Division CLARIFICATIONS ON 2ND FILING WINDOW FORM 471 APPLICATIONS P2

**Scenario 2:** Applicant has an approved or pending FRN and has a **new vendor** for the additional service.

Actions:

1. Applicant would submit new FRN for new bandwidth quantity and costs.
  - A. Service start date is the date that the increased bandwidth began.
2. Contract Record: Applicant creates new Contract Record for new service provider and cites original 470 or new Form 470 if posted. The original 470 may be cited even if the bandwidth requested on the 470 is different from the bandwidth in the new contract.
3. FRN Narrative should contain the following:
  - A. FY 2020 original 471 & FRN.
  - B. Statement confirming request for additional bandwidth.
  - C. Information regarding price per megabit in the original and new funding request, highlighting difference. The price per Mbps will be funded at the same or lower amount as the amount in the original contract.
  - D. Because this is service with a new vendor, applicants should note that the service is for a new circuit and not an existing circuit.
4. USAC Processing: A new FRN will be created for the service with the new vendor.

# Schools and Libraries Division CLARIFICATIONS ON 2ND FILING WINDOW FORM 471 APPLICATIONS P3

**Scenario 3:** Applicant already has an approved or pending FRN with **same service provider** and the **additional service is different from the original FRN**. (For example, the service on original FRN was cable modem and the service on the new FRN is fiber).

Actions:

1. Applicant would submit new FRN for new service with bandwidth quantity and costs.
  - A. Service start date is the date that the increased bandwidth began.
2. Contract Record: Applicant creates new Contract Record for new service and price and cites original 470 or new Form 470 if posted. The original 470 may be cited even if the bandwidth requested on the 470 is different from the bandwidth in the new contract.
3. FRN Narrative should contain the following:
  - A. FY 2020 original 471 & FRN.
  - B. Statement confirming request for additional bandwidth.
  - C. Information regarding price per megabit in the original and new funding request, highlighting difference.  
The price per Mbps will be funded at the same or lower amount as the amount in the original contract.
  - D. Because this is a new service with the same vendor, applicants should note this in the narrative.
4. USAC Processing: The new service will be a separate FRN from the original FRN.



Schools and  
Libraries Division  
CLARIFICATIONS  
ON 2ND FILING  
WINDOW FORM  
471 APPLICATIONS  
P4

**Scenario 4:** Applicant already has an approved or pending FRN for the same service with the same vendor, and simply has increased the amount of the bandwidth and **the cost has remained the same (no increase).**

Actions:

Applicant should submit a service substitution to reflect the increased bandwidth.

# FCC Questions and Answers p1

## SECA Questions re 2<sup>nd</sup> Filing Window Order

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### September 18, 2020 Verbal Clarifications from FCC WCB Staff

FCC Attendees: Sue McNeil, Ryan Palmer, Gabby Gross, Molly O'Connor and Kate Dumouchel

SECA Attendees: Charlie, Deb, Joe, Julie

1. **When must an applicant post a new form 470 and how long must the bidding period be?**
  - A. Only when state/local bidding requirements mandate a competitive bid. In that case, the length of the bidding period shall be prescribed by state/local requirements.
  - B. There is no minimum waiting period per the E-rate program.
  
2. **May an applicant post a Form 470 even if not required by local laws?**
  - A. They may but it really does not seem to make sense to do so (no benefit to doing so) because the services beyond June 30, 2021 must be rebid even if the form 470 is now posted for 28 days. **Any Form 470 posted for the supplemental filing window is only for services through June 30, 2021.**
  - B. Window is limited to services that end June 30, 2021 and any 470's that are posted for this timeframe cannot be establishing Form 470s for services after June 30, 2021.

# FCC Questions and Answers

## p2

3. **Which Category 1 services/equipment are eligible for funding?**
  - A. All of the services/equipment listed in the Form 470 drop down menu including WAN circuits and C1 equipment that is needed to make broadband functional and is needed for additional bandwidth arising from COVID. All of these services/equipment are exempt from competitive bidding.
  - B. NRC charges may be eligible, if needed for additional bandwidth for a school.
  - C. Emphasize to applicants when training or communicating with them that if the Category 1 service/equipment is needed in order to meet the school's bandwidth needs arising from COVID-19, then the service/equipment are eligible under the Order.
  - D. No Category 2 funding is eligible under the 2nd filing window. Any Category 2 Form 471 requests must be submitted as a late Form 471 and a waiver of the deadline must be submitted to the FCC. If an applicant submits a supplemental application that does not meet the parameters of the Order, the application will be denied. The only equipment that is eligible for funding under this Order is C1 network equipment.

# FCC Questions and Answers

## p3

4. **What steps should be taken by schools that already submitted a late Form 471 for supplemental Internet and submitted a request for waiver of the window deadline?**
  - A. If they are already submitted a waiver request, the best thing to do is to submit a letter in the FCC docket withdrawing the request (include the waiver request in the letter so it's easy for the FCC to ensure that they are examining the correct request for waiver).
  - B. If they already submitted a late 471 application for additional bandwidth, there is nothing they HAVE to do on USAC's side of things. They are not REQUIRED to cancel the original, late-filed application, but they still must submit a new Form 471 in the 2<sup>nd</sup> window if they want to apply for that funding. If the applicant WANTS to cancel their original, late filed application they may, but it is not a REQUIREMENT. It would be helpful for the applicant to note that they had previously filed a late Form 471 and provide that 471 number as part of their FRN narrative in their new Form 471 that is submitted during the 2nd filing window.
  - C. The important thing is that the applicant MUST file a new Form 471 application during the 2nd filing window.

# FCC Questions and Answers

## p4

5. **When schools file their Form 471s for additional bandwidth in the 2<sup>nd</sup> window, should they limit their new requests to the *additional* bandwidth costs and NOT include the bandwidth and costs from the original FRN?**
  - A. Yes. Only seek additional funding and not the total amount of the original plus supplemental funding in the 2<sup>nd</sup> filing window.
  - B. On the back end, USAC will determine what is the best way to process the commitment depending on the circumstances and the process. Therefore, it would be useful for applicants to provide as much information as possible in the narrative description of the FRN to help USAC decide whether to combine original and new FRNs, etc.
    - i. For example, if the original FRN is pending, USAC may increase the original FRN based on the newly received 471.
    - ii. If, on the other hand, the request is for a new circuit, that would be a separate charge and would require a new FRN.
  - C. Once the window is open and USAC begins processing applications the FCC hopes to have more information to share on this point. (This is likely an area where more clarification will need to be obtained from USAC.)

# FCC Questions and Answers

p5

6. **What steps should be taken by applicants with *pending* FRNs for bandwidth who wish to increase their bandwidth?**
  - A. They must submit a new Form 471 application for the additional bandwidth during the 2nd filing window.
  - B. They must **not** rely on the RAL correction process to increase their bandwidth.
  
7. **May an applicant that forgot to file in the original FY 2020 application window obtain funding for the omitted FRN by filing a Form 471 in the 2nd filing window?**
  - A. No, they may not.
  - B. Their potential recourse is to file a late Form 471 and request a waiver from the FCC.
  
8. **When must applicants create new Contract Record in EPC for their new/amended contracts prior to filing their Form 471 applications during the 2nd filing window?**
  - A. When the existing contract does not provide for the expanded service.
  - B. Deb Note: Applicants may answer 'no' when asked whether they posted a Form 470 for the service. Therefore, it is possible to enter a new contract record created as a result of the 2nd filing window competitive bidding exemption option.



# FCC Questions and Answers

## p6

9. **May applicants that have a breach of contract with a service provider rebid their service agreement and re-file with a new service provider under the 2nd filing window?**
  - A. No, they may not.
  - B. The 2nd filing window is only for increases in bandwidth necessitated by COVID-19.
10. **May applicants rely on a MTM arrangement through the end of the funding year for the additional bandwidth?**
  - A. Yes, as long as the service meets the requirements for the competitive bidding exemption.
11. **NEW/PENDING: If the applicant wants to sign an agreement but because of the short timing cannot get their board to approve it, can they just rely on the existing flexibility for the legally binding agreement to suffice in place of a signed contract? Will PIA deny funding if the applicant cannot produce a signed amendment dated on or before the certification of the new Form 471?**

# Resources

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- [classroomconnectivity@tea.texas.gov](mailto:classroomconnectivity@tea.texas.gov)
- [Classroom Connectivity Website](#)
- ([DA 20-1091](#))
- More information about the Order can be found in the [September 18, 2020 SL News Brief](#).



# Questions and Answers

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- **Feel free to type your question in the Q/A box.**
- **We have a special guest, Milan Eaton who will be answering your questions. Milan is the State Erate Director for Schools, Arizona Department of Education**