

Guidance for Special Entities

What We Do and Why We Do It

Schools and Libraries Division

Washington, DC • Seattle • Denver • Chicago • Newark • Los Angeles • Atlanta

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Overview

- Non-traditional Entities
- ESA Issues
- ESA Conflicts of Interest
- PIA Review of Non-traditional Entities
- Charter Schools
- Head Start Facilities

Who are non-traditional entities?

- Adult Education
- Juvenile Justice
- Pre-K
- Head Start
- Educational Service Agencies (ESA)

Eligibility

- FCC Rules require entities to meet federal definition of elementary or secondary school
- Federal definition looks to state definition
- USAC reviews **state law** to determine if each special entity type
 - fits within the state definition of elementary and secondary education; and
 - whether the school facility fits within the state definition of an elementary or secondary school.
 - Definitions cannot apply only for purposes of E-rate.

Eligibility

- **Biennial Survey**
 - USAC conducts a biennial survey of states and territories to determine whether non-traditional entities students and facilities are included in the state definitions of elementary or secondary education.
 - States are also surveyed to determine whether ESAs are eligible to receive funding.
 - State Superintendents provide legal support and certify the accuracy of their determinations.
 - State Head Start agency cannot independently verify eligibility
 - Survey results are located on USAC's website [Eligibility Table for Non-Traditional K-12 Students and Facilities](#)

Eligibility Table for Non-Traditional K-12 Students and Facilities

(Head Start, Pre-kindergarten, Adult Education, and Juvenile Justice)

(5/19/2008)

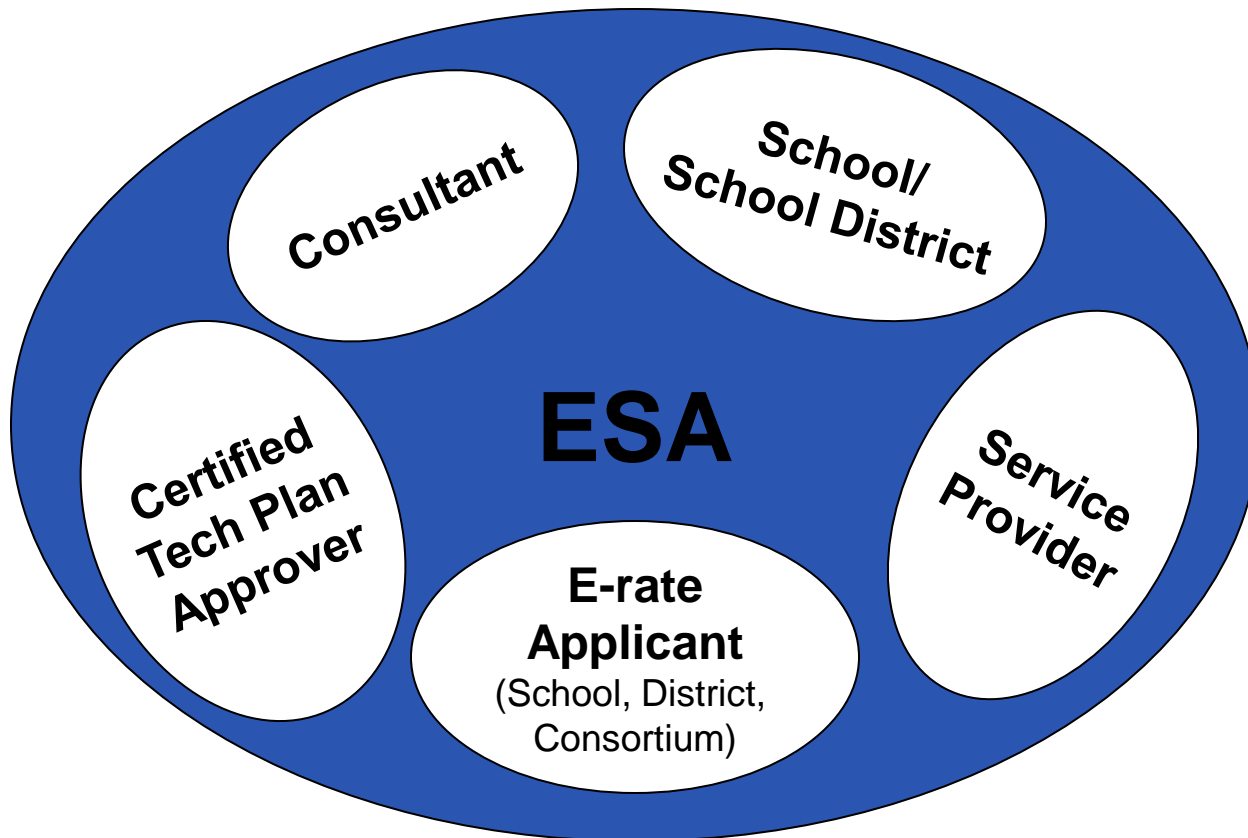
NOTICES REGARDING HEAD START FOR ALL STATES

- Services for children less than 3 years old are not eligible for discounts and must be cost allocated, unless otherwise noted.
- Home based Head Start programs are not eligible.
- Click the on the stand-alone facilities hyperlink to find a list of Head Start facilities in your state. If link is not available, contact your state's Department of Education.

	<i>Head Start</i>	<i>Pre-kindergarten</i>		<i>Adult Education</i>		<i>Juvenile Justice</i>	
<i>State</i>		<i>Facilities</i>	<i>Students</i>	<i>Facilities</i>	<i>Students</i>	<i>Facilities</i>	<i>Students</i>
Alabama	No, because Pre-K is not eligible in this state	No	No	No	No	Yes	Yes
Alaska	No, because Pre-K is not eligible in this state	No	No	No	Yes	Conditional¹	Yes

- Educational Service Agencies (ESAs) in many states play key roles in the economic and efficient provision of a wide range of educational services to their component school districts.
- Are known by many different names including
 - Educational Service Units (ESUs),
 - County Offices of Education,
 - Board of Cooperative Educational Services (BOCES)
 - Education Service Centers (ESC)
 - Regional Education Service Agencies (RESA)
 - Etc.

An ESA may function in one or many roles:



ESA Conflicts of Interest

“The Service Provider”

- When ESAs function as a service provider, two potential competitive bidding conflicts may arise:
 - In some states, state law or regulation permits school districts to select services provided by ESAs on a non-competitive basis.
 - Some states provide subsidies so that ESAs may provide discounted rates to member schools.

ESA Conflicts of Interest

“The Service Provider”

- Competitive bidding conflicts will arise when ESAs:
 - functions as service provider and applicant
 - provides consulting services for an application and acts as the service provider on the same application
 - develops or approves the tech plan and serves as the service provider

ESA Conflicts of Interest

“Tech Plan Approver”

- Conflicts arise when ESAs:
 - Act as the technology plan developer, and
 - Approves technology plans

ESA Conflicts of Interest

Methods to Avoid Conflicts

1. DON'T serve as the service provider and applicant on the same application
2. DO have organizational separation between staff performing service provider and applicant roles.

Document the organizational separation:

- Organizational flow charts
- Budgetary codes
- Supervisory administration

ESA Conflicts of Interest

Methods to Avoid Conflicts

3. DO ensure that individuals who function in the Service Provider area should recuse themselves from any vendor selection or bid award activities.
4. DON'T double dip.
 - Can't get discounts from yourself (be the applicant and be your own provider)
 - Can't apply for the same services once as the consortium leader and once as the eligible school.

ESA Conflicts of Interest

Methods to Avoid Conflicts

5. DON'T serve as the applicant's consultant for the competitive bidding process (e.g., post the Form 470, develop the RFP) and serve as service provider on the same application.
6. DON'T participate in the technology plan development process and approve the technology plan.

ESA Conflicts of Interest

Methods to Avoid Conflicts

7. DO contact USAC's Billing & Collections Department to deactivate an inactive SPIN.
 - Deactivating SPIN automatically resolves perceived conflict of interest that the ESA is acting as a provider and an applicant, and avoids questions from PIA.

Charter Schools

- Charter Schools take many forms
- USAC will need information to determine correct information for a Charter regarding:
 - Discount rate and student count
 - Technology plan – who wrote and who approved
 - 2-in-5 eligibility
 - Competitive Bidding and Form 470 compliance
 - Necessary Resources
 - Eligibility of the school
 - See Openings, Mergers, and Closings presentation for more on new schools

Head Start Facilities

- Head Start is only potentially eligible in States where Pre-K is eligible
- Many states require Head Start facility to be part of a school district
 - If so, then Head Start cannot be Block 1 applicant
- Students less than 3 years old are never eligible for discounts
- Home based Head Start programs are not eligible
- Head Start students all qualify for 90% discount based on USDA determination



Questions?