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Schools and Libraries News Brief

November 6, 2009

> **TIP OF THE WEEK:** **If you are preparing to file a Form 470 for FY2010, be sure that you have a written technology plan that covers FY2010.** This can be an approved technology plan written in an earlier funding year that covers FY2010 or a new technology plan you are writing now.

Commitments for Funding Years 2009 and 2008

Funding Year 2009. USAC will release FY2009 Wave 27 Funding Commitment Decision Letters (FCDLs) November 10. This wave includes commitments for approved Priority 2 requests (Internal Connections and Basic Maintenance of Internal Connections) at 85% and above and denials at 54% and below. As of November 6, FY2009 commitments total over $1.2 billion.

Funding Year 2008. USAC will release FY2008 Wave 72 FCDLs November 11. This wave includes commitments for approved Priority 2 requests at 88% and above and denials at 86% and below. As of November 6, FY2008 commitments total just under $2.35 billion.

On the day the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

Update on USAC Fall Applicant Training

Each fall, USAC conducts training sessions around the country for applicants to the Schools and Libraries program. This year, USAC staff conducted eight training sessions at the following metropolitan areas and on the following dates:

Washington DC	September 22
Newark NJ	September 24
Atlanta GA	September 30
Chicago IL	October 2
Orlando FL	October 8
Los Angeles CA	October 13
Portland OR	October 15
Houston TX	October 21

You can access copies of the training presentations from the 2009 Fall Training Agenda and Presentations web page on the USAC website.

For those of you that were unable to attend training, we are providing answers to the questions most commonly asked during training.

TECHNOLOGY PLANNING

- **What are technology plans not required for?**

Technology plans are required for all service and products except for:

  - 800 service
  - Centrex
  - Local phone service
  - Long distance telephone service
  - POTS ("Plain Old Telephone Service")
  - Radio Loop
  - Wireless telephone services, e.g., cellular service and Personal Communications Services (PCS)

- Shared telephone service (only that portion of the shared service relating to the eligible use and locations is eligible)
- Telecommunications services and voice mail services used to provide a homework hotline service are eligible

- **What documentation should I keep to show that my technology plan was written before I filed my Form 470?**

You should keep a copy of the written technology plan that formed the basis of your Form 470 requests showing the date the plan was written in the header, footer, or body of the plan. If you are keeping an electronic copy, type the date in manually – don't use the feature in your word processing program that automatically updates the date of the document each time you open it.

You should also keep a copy of the final approved technology plan and evidence that the plan was approved by a USAC-certified Technology Plan Approver (e.g., approval letter, screen print of the approval from a state website).

ELIGIBLE SERVICES

- **Is BlackBerry/Smartphone service eligible for discounts?**

Yes. Here are the steps you should take to apply:

On your Form 470, post for both Telecommunications and Internet Access. This allows for the provision of voice services as well as data/Internet/email services. Remember that the price of the eligible goods and services must be the primary factor in your evaluation. The actual BlackBerry or "smart phone" device is ineligible and cannot be considered as part of the price of the eligible goods and services.

On your Form 471, apply for the SERVICES to these devices and back out the cost of any "free phones" from your request. See the Free Services Advisory for more information. As an administrative convenience, you can apply for these services in a single Funding Request Number (FRN) for Telecommunications Services and we will manually verify that you posted for both Telecommunications Services and Internet Access on your Form 470. Charges for voice and data cellular services are eligible for discounts; however, costs for any applications or games are not eligible for discounts.

Finally, remember that smartphone services must be supported by a technology plan. Because you are also requesting Internet Access, you must be able to make the required CIPA certifications.

- **Is GPS eligible for discounts?**

No. GPS services are not eligible for discounts.

- **Can I install Internal Connections (Priority 2) wiring before July 1st of the funding year?**

No. Internal Connections may not be delivered before the start of the funding year for which funds were requested.

- **Is virtualization software eligible for discounts?**

No. Virtualization software is not eligible for discounts. It is currently proposed as eligible in the draft FY2010 Eligible Services List (ESL).

- **What if I want to use an E-rate funded product or service for an ineligible use?**

You must back out the costs of ineligible usage. You can do this using a cost allocation. USAC will accept various methods of cost allocation so long as the method you use is based on tangible criteria that reach a realistic result. See the Cost Allocation Guidelines for Products and Services for more information.

CALCULATING DISCOUNTS

- **If no children qualify for the National School Lunch Program in my school, can I still get E-rate discounts on my eligible services?**

Yes. Your school would be eligible for a 20% discount if you are located in an urban area and a 25% discount if you are located in a rural area.

- **My school doesn't serve lunch. How do I establish my discount?**

Your E-rate discount is based on the number of students eligible for the National School Lunch Program (NSLP), not the number that actually participate. You can establish eligibility through a number of ways, including by surveying all of your families about their eligibility for the NSLP. The [Alternative Discount Mechanism Fact Sheet](#) explains ways that you can establish your discount without using NSLP participation numbers.

- **Can I combine a survey with other methods of calculating my discount, such as a sibling match?**

No. Surveys can be extrapolated if you receive at least a 50% response rate. Therefore, you cannot combine it with other ways of counting students that may be eligible, because the extrapolation already takes them into account.

- **I'm getting a new school building for my school next year. Does that qualify as a new school or not?**

USAC defers to your State Education Agency (SEA) to determine if a school is new. If your SEA determines that this is simply a new facility for an existing school, then your school would not be new, and it would keep its current entity number, discount rate and 2-in-5 Internal Connections status. If, however, the SEA decides that the facility is a new school, then you should request a new entity number from the Client Service Bureau and it will automatically get a new 2-in-5 Internal Connections status.

- **How do I figure out the discount rate for a new school?**

For regular public schools, if your SEA determines that the school is a new school, and you do not know the specific population that will be attending the school, you can use the school district weighted average. If, however, you can identify the specific population that will be attending that school, then you should base your discount rate on NSLP eligibility for those students. If you are a charter school or private school, you must establish your discount based on the students that will be attending your new school. If you do not yet have a student population, your new school will qualify for a 20% (urban) or 25% (rural) discount.

CONTRACTS

- **If I file a Form 470 now, wait at least 28 days, and then select my service provider, can I sign a contract even if the Form 471 application filing window hasn't opened yet?**

Yes. You do not need to wait for the filing window to open in order to sign your contract as long as you have followed all other program requirements.

- **When I select a vendor from a state master contract, what date should I use as the contract award date on my Form 471?**

The contract award date is the date you decided to purchase from the State Master Contract. We recommend that you memorialize your decision to purchase off the State Contract in an email to yourself or to the file unless your state contract requires that you otherwise document your decision to purchase off the contract and that document includes your decision date.

- **Can I post my own Form 470 and then use the State Replacement Contract SPIN on my Form 471?**

No. You must use the application number from the Form 470 posted by the state in order to use the State Replacement Contract SPIN as the service provider on an FRN.

CHILDREN'S INTERNET PROTECTION ACT (CIPA)

- **What are the new requirements under CIPA?**

The E-rate program rules related to CIPA have not changed. On November 5, 2009 the Federal Communications Commission (FCC) released Notice of Proposed Rulemaking (NPRM) FCC 09-96 proposing revising the FCC rules regarding the E-rate program to comply with the requirements of the Protecting Children in the 21st Century Act. Among other things, section 215 of the Protecting Children in the 21st Century Act, titled Promoting Online Safety in Schools, revised section 254 (h)(5)(B) of the Communications Act of 1934, as amended, by adding a new certification requirement for elementary and secondary schools that have computers with Internet access and receive discounts under the E-rate program. The FCC also proposes to revise related FCC rules to reflect existing statutory language more accurately.

Comments and reply comments will be accepted once the NPRM is published in the Federal Register. When final rule changes are released by the FCC, USAC will provide complete information on any new requirements and a timetable for compliance on its website and in a Schools and Libraries News Brief.

- **Do I have to hold a public hearing or meeting on my Internet Safety Policy every year?**

No. As long as your Internet Safety Policy met program requirements, you do not have to hold another hearing or meeting. Remember to save documentation to show that you provided reasonable public notice of the hearing or meeting (e.g., newspaper advertisement, email or handout to parents) and held the meeting or hearing (e.g., school board agenda, monthly library board meeting minutes).

PROGRAM INTEGRITY ASSURANCE (PIA) REVIEW

- **My PIA reviewer is asking me the same question more than once. Why is that?**

There are several reasons why this can occur. Most commonly, a PIA reviewer will ask the same question again because your first answer was incomplete. You should speak directly with your reviewer to determine what information may be missing.

Also, your application may be undergoing one or more separate review processes – like Selective Review – and those reviews are probably not being conducted by the same PIA reviewer. If this is the case, you can refer the PIA reviewer to your earlier response. Don't forget to provide the reviewer with the application number and FRN associated with your previously submitted response so that it can be located.

- **My school district restructured, closing several facilities and consolidating services and schools. Should I get new entity numbers for the restructured schools?**

You should contact the Client Service Bureau about any entity closings or mergers. They will assist you in determining if you need to change entity names and/or addresses or to request new entity numbers.

INVOICING

- **Is it too late to request an invoice deadline extension for FY2008 recurring services?**

No – just send your request in as soon as possible. Generally the process is fairly straightforward for USAC to review and approve an invoice deadline extension request submitted within 120 days of the last day to invoice. However, we will ask for more extensive documentation or justification for an extension request submitted after that time.

- **I filled out 12 lines of monthly telephone service on my BEAR Form. One line was paid and the other 11 were rejected. Why?**

It's likely that you put the service start date for that FRN in Item 12, Customer Billed Date for every line of monthly service. If each line features the same monthly cost and the same service

date, the 11 subsequent lines will appear to be duplicates of the first line and will not be paid.

The Customer Billed Date in each line on the BEAR Form should be the first date service started FOR THAT LINE. For 12 lines of monthly service, the first line should feature a Customer Billed Date of 07/2008, the second line should feature 08/2008, the third line 09/2008, and so on.

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