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January 20, 2012

**FY2012 WINDOW COUNTDOWN**

<b>Days to window close</b>	<b>60</b>
<b>Forms 470 filed to date</b>	<b>22,269</b>
<b>Forms 471 filed to date</b>	<b>1,160</b>
<b>Online Item 21 attachments filed to date</b>	<b>1,885</b>

**TIP OF THE WEEK: Remember that the invoicing deadline for FY2010 non-recurring services is Monday, January 30.** To avoid having to request an [invoice deadline extension](#), submit your FCC Form 472 (BEAR) or FCC Form 474 (SPI) by the deadline. BEAR Forms filed online must be approved online by service providers on or before the January 30 deadline for the forms to be considered timely filed.

## Commitments for Funding Years 2011 and 2010

**Funding Year 2011.** USAC will release FY2011 Wave 31 Funding Commitment Decision Letters (FCDLs) January 24. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90%. As of January 20, FY2011 commitments total over \$1.55 billion.

**Funding Year 2010.** USAC will release FY2010 Wave 83 FCDLs January 25. This wave can include commitments for approved Priority 2 requests at all discount levels. As of January 20, FY2010 commitments total over \$2.95 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 to DRT Interface

If you use the [Data Retrieval Tool \(DRT\)](#) to gather or review information related to funding commitments, you should note the following changes to the DRT webpage:

- In addition to returning results in Excel or tab-delimited text, the DRT now includes an option for an XML feed. You can choose any of the three options for both the Standard Report (the ten most commonly requested information fields or "data points") and the Select Data Points (where you can select any or all of the fields you are interested in).
- The "Select Data Points" choice is now a check box rather than a clickable button. It is located just above the "Clear Form" and "Create Standard Report" buttons.
- If you check the "Select Data Points" box, the DRT now opens the list of data points below the checkbox but on the same webpage. (The earlier version of the DRT opened a separate webpage.)

Note that there are no changes to the list of data points or to the formatting of the search results.

## Calculating Discounts

To assist applicants that are already working on an FCC Form 471, we are going to turn this week to a quick summary of E-rate discount calculations. As a reminder, USAC also posted an updated presentation on "Discount Calculations" which is available on the [Fall 2011 Applicant Training webpage](#). We will resume our discussion of the competitive bidding process next week.

### General Information

E-rate discounts are calculated and reported to USAC on Block 4 of the FCC Form 471. If you file online and follow the instructions, the calculations detailed below are performed for you based on the data you provide when you complete the form.

- For a single entity receiving service – e.g., an individual school or a single library outlet/branch – you calculate a "site-specific" discount.
- For a number of entities receiving a service – e.g., all the individual schools in a school district or all the library outlets/branches in a library system – you calculate a "shared" discount.

To calculate the discount for an individual entity (recipient of service), you need two pieces of information:

- The urban or rural status of the entity, which you can determine using the physical location of the entity and the appropriate state list available on the guidance document [Rural/Urban Classification](#).
- The percentage of students eligible for the National School Lunch Program (NSLP) or an equivalent measure of poverty (see below).

You can then find your discount in the [Discount Matrix](#) posted on the USAC website. Locate the row that includes the percentage of students eligible for NSLP and find your discount in the urban or rural column, as appropriate.

Following is information on how to calculate discounts for different types of entities.

#### Individual school

Divide the number of students eligible for NSLP at the individual school by the total number of students at the school. Use this number (the percentage of students eligible for NSLP) and the urban or rural status of the school to look up the discount on the Discount Matrix.

#### Library outlet/branch

Divide the number of students eligible for NSLP in the public school district in which the library outlet/branch is located by the total number of students in that public school district. Use this number and the urban or rural status of the library outlet/branch to look up the discount on the Discount Matrix. Note that while a library outlet/branch may **serve** more than one school district, it uses the student information from the public school district in which it is **physically** located for its discount calculation.

#### School district

Prepare a worksheet in Block 4 of the FCC Form 471 that lists each individual school in the school district, then calculate the discount for each individual school as described above under "Individual school." Multiply the discount for each individual school by the number of students in that school (the "weighted product" for that school). Add all the weighted products and divide the result by the total number of students in the school district to get the "weighted average discount" for the school district.

#### Library system or library consortium

Prepare a worksheet in Block 4 of the FCC Form 471 that lists each library outlet/branch in the library system, then calculate the discount for each outlet/branch as described above under "Library outlet/branch." Add all the discounts and divide the result by the total number of outlets/branches in the library system to get the "simple average discount" for the library system.

#### Consortium of schools and/or libraries

Prepare a worksheet in Block 4 of the FCC Form 471 that lists each consortium member, then calculate the discount for each member as described above for that member type. (For a school district or library system member, you will first complete a separate worksheet to calculate that member's discount.) Add

all the member discounts and divide the result by the total number of members in the consortium to get the simple average discount for the consortium.

### **School or library non-instructional facility (NIF) without classrooms**

A [non-instructional facility](#) or NIF is a school building without classrooms or a library building without public areas. (Some school NIFs do contain classrooms - see below.)

- The discount for a school NIF without classrooms is the weighted average discount of its school district.
- The discount for a library NIF is the simple average discount of its library system.

### **School NIF with classrooms**

If the student population in the classroom(s) is fixed (the same students are expected to attend class every day), use the calculation for an individual school as described above.

If the student population varies from day to day or over time, use a "snapshot" of the student population for your calculation. Choose a particular day and calculate the percentage NSLP eligibility for the student population in the classroom(s) on that day and carry that percentage eligibility into the Discount Matrix. Be sure to maintain accurate and complete documentation of your calculation.

### **New school construction**

You must first determine whether you know the population of students that will attend the school.

- If you know which students will attend the new school, calculate the discount for that individual school as described above.
- If you don't know which students will attend the new school, use the school district weighted average.
- If you don't know which students will attend the new school and that school is not part of a school district, the new school will be eligible for a 20% discount in its first year – that is, until the student population is known. Once you know which students will attend the new school, you can update your information.

### **New library construction**

For a new library, calculate the discount as described above under "Library outlet/branch" using the student information from the public school district in which the new building will be located.

### **Head Start, pre-kindergarten, juvenile justice, or adult education**

You must first determine if the students and/or facilities in these programs are eligible in your state using the [Eligibility Table for Non-traditional K-12 Students and Facilities](#). If they are eligible, calculate the discount for an individual school (or a NIF with classrooms as appropriate) as described above. Note that all Head Start students that meet the age requirement are considered eligible for NSLP.

### **Schools with changing student populations**

Some schools offer instruction to students drawn from other schools, and the student population in those schools may vary throughout a school year. Examples of these types of schools include some magnet schools, vocational schools, outdoor education facilities, and career centers.

To calculate their discounts, these schools can use the "snapshot" method described above under "School NIFs with classrooms." Remember to maintain accurate and complete documentation of your calculation.

### **Alternative discount mechanisms**

For schools that either do not participate in NSLP or choose not to use NSLP participation numbers, there are certain acceptable [alternative discount mechanisms](#) that can be used to calculate an equivalent measure for the percentage of students eligible for NSLP. In all cases, these mechanisms must be based on or not exceed the same measure of poverty used by NSLP.

As above, applicants using an alternative discount mechanism must maintain accurate and complete documentation of the calculations that support their funding requests. Remember that documentation must be retained for five years after the last date to receive service.

In general, data from alternative discount mechanisms must be collected and verifiable on an individual student basis. There is only one exception: if you send a survey to all households in your school and at least half of the surveys are completed and returned, you can project a percentage of eligibility based on the returned surveys. Here are a few suggestions:

- Follow the website guidance in the [Alternative Discount Mechanism Fact Sheet](#) carefully when you design your survey.
- NSLP forms CANNOT be used as surveys.
- Send one survey per household, not one per student.
- Number your surveys consecutively so that returned surveys are easier to track.
- If you do a projection, base it ONLY on returned surveys. You can combine multiple sources of data if you are verifying your data student by student, but NOT if you are using a projection.

For detailed information on acceptable combinations of various discount data, surveys, and other alternatives to NSLP – including Provisions 1, 2, 3, Direct Certification, and the Community Eligibility Option – refer to the "Discount Calculations" presentation available on the [Fall 2011 Applicant Training webpage](#) and the [Alternative Discount Mechanism Fact Sheet](#). The [FCC Form 471 Instructions](#) also contain much useful information.

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USAC | 2000 L Street NW | Suite 200 | Washington, DC 20036

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