

September 27, 2013

TIP OF THE WEEK: September 30 is the deadline to submit a request to extend the deadline for delivery and installation of FY2012 non-recurring services. If you need to file a service delivery extension request, be sure not to miss this deadline.

Commitments for Funding Years 2013 and 2012

Funding Year 2013. USAC will release Funding Year (FY) 2013 Wave 20 Funding Commitment Decision Letters (FCDLs) October 2. This wave includes commitments for approved Priority 1 (Telecommunications Services and Internet Access) requests at all discount levels. As of September 27, FY2013 commitments total over \$785 million and encompass 24,535 of FY2013 applications.

Funding Year 2012. USAC will release FY2012 Wave 62 FCDLs October 3. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90 percent and denials at 89 percent and below. As of September 27, FY2012 commitments total over \$2.76 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.

APPLICATION PROCESS: Eligibility

As applicants and service providers begin preparations for the FY2014 filing window, we will be providing informational articles in upcoming SL News Briefs about each step in the application process. The titles of each of these articles will start with the words "APPLICATION PROCESS" and will provide timely information to help you prepare for a particular step. This first article deals with eligibility issues for applicants and service providers.

To participate in the Schools and Libraries Program, potential applicants, recipients of service, and service providers must first determine if they are eligible. Below are some points to consider about eligibility.

Schools

To be eligible for E-rate discounts, a school:

- must provide elementary and/or secondary education as determined under state law.
- must not operate as a for-profit business.
- must not have an endowment exceeding \$50 million.

In general, public schools meet these requirements. Other types of schools – such as non-public schools, charter schools, and diocesan schools – should check with the state department of education in their state to see if the educational services they provide fall within that state's definition of elementary and/or secondary education.

In some states, Head Start, pre-kindergarten, adult education, and juvenile justice students and/or facilities may fall under the state definition of elementary or secondary education. For more information, review USAC's guidance on Non-traditional Education. USAC has also posted an Eligibility Table for Non-traditional Education that contains current information from each state on the eligibility of these students and facilities.

NOTE: Every two years, USAC sends letters to state departments of education asking for official
confirmation of the status of these types of entities and other matters related to eligibility. The
status in the Eligibility Table reflects the information provided to USAC. If you feel the information
in this table is incorrect, your state department of education may be able to provide you with
more information.

Also, <u>Educational Service Agencies (ESAs)</u> are eligible for discounts in some states. ESAs are regional agencies authorized by state statute that provide services or programs to local educational agencies such as individual schools and school districts. ESAs may go by different names in different states, and the programs and services provided by ESAs vary from state to state. You can refer to the <u>Eligibility</u> Table for Educational Service Agencies for information specific to your state.

Libraries

To be eligible for E-rate discounts, a library:

- must be eligible for assistance from a state library administrative agency under the Library Services and Technology Act (LSTA).
- must not operate as a for-profit business.
- must have a budget completely separate from any schools.

In general, public libraries meet these requirements. Other types of libraries – such as academic libraries, research libraries, or private libraries – should check with the state library agency in their state to see if they are eligible for assistance under LSTA. Note that they are not required to have received such assistance; they must only be eligible to receive it. As with schools, eligibility requirements may vary from state to state.

Service providers

To participate in the program, service providers must file an FCC Form 498, Service Provider Identification Number and General Contact Information Form, with USAC and receive a Service Provider Identification Number (SPIN). For providers of Internet Access other than Interconnected Voice over Internet Protocol (VoIP), Internal Connections, Basic Maintenance of Internal Connections, and – beginning with FY2011, Telecommunications – there are no other eligibility requirements. (For a description of Telecommunications – which is distinct from Telecommunications Services – refer to the FY2013 Eligible Services List.)

Providers of Telecommunications Services must provide those services on a common carriage basis. Such companies are therefore often referred to as "common carriers." Generally, providers of Telecommunications Services and providers of Interconnected VoIP must complete FCC Form 499-A, Telecommunications Reporting Worksheet, and – in general – must contribute to the <u>Universal Service Fund</u>.

- You can check the status of a company providing these services using the SPIN Contact Search Tool on the USAC website. After you enter either (1) at least the first three letters of a service provider's name and a percent sign (%) immediately following those letters or (2) a SPIN, click "Next" to view the results of your search. In general, in the column marked "Form 499 Filer," you will see a "Y" if USAC has determined that the service provider is eligible to provide Telecommunications Services and/or Interconnected VoIP services under that SPIN.
- Note that some service providers, although exempt from filing an FCC Form 499, can provide these services. You can refer to the text above your search results for more information about these providers. If you still have questions, contact the Client Service Bureau at 1-888-203-8100.

For more information on eligibility, refer to <u>APPLICANTS: Before You Begin</u> and <u>SERVICE PROVIDERS:</u> <u>Before You Begin</u> on the USAC website.

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