Universal Service Administrative Co.

Schools and Libraries Program
News Brief

January 12, 2018

TIP OF THE WEEK: The E-rate Productivity Center (EPC) will be unavailable from 7:00 - 11:00 PM EST on Sunday, January 14 for monthly system maintenance. During this time, users will be unable to log in to and use EPC. We apologize for any inconvenience.

Commitments for Funding Year 2017

Funding Year 2017. USAC is scheduled to release Funding Year (FY) 2017 Wave 35 Funding Commitment Decision Letters (FCDLs) on January 19. As of January 12, FY2017 commitments total over $2.03 billion.

On the date that FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in EPC.

Updates to C2 Budget Tool

Starting in FY2015, requests for Category Two (C2) products and services – that is, internal connections, managed internal broadband services, and basic maintenance of internal connections – are limited to a pre-discount five-year budget for each school or library based on the number of students in the school or the number of square feet in the library. A school or library can spend all of its C2 budget in one year or spread it out over any or all of the five years. Also, the school or library can use its C2 budget for products and/or services under one, two, or all three C2 service types.

USAC developed a search tool – the Category Two Budget Tool - to assist program participants to locate information about C2 budgets. This tool has now been updated with FY2017 information. We have also made some minor changes to the interface. Details of these updates and changes appear below.

C2 budget information now appears for one funding year at a time.

To start an entity search for C2 budget information, you must now first choose the funding year from the new drop-down menu in the upper right-hand corner of the search screen. Then enter your entity number(s) and click the **Lookup C2 Budget Status** button.

When you click the plus sign ("+") to the left of the entity number, you will see each entity's C2 budget, along with the total pre-discount amount committed for the five-year C2 budget period and the balance remaining in the C2 budget for that funding year.

Detailed commitment information now shows 10 Funding Request Number (FRN) line items at a time.

To see the details of the pre-discount costs of the C2 commitments USAC has made to the entity, click the plus sign to the left of the funding year. The detail expands to show all FCC Forms 471 and the associated line items for which commitment decisions have been made during the five-year C2 budget cycle.

The default has been expanded to show 10 FRN line items rather than five for each form. If there are more than 10 line items, the page number indicator at the top of that form line turns red, and the user can either increase the setting to 20 or 50 FRN line items, or page through one 10-item page at a time.

Remaining C2 budget now shows as zero if the total pre-discount cost for the five-year C2 budget cycle exceeds the C2 budget for that funding year.

The C2 budget is recalculated for each funding year, and it can increase or decrease from the C2 budget for the previous funding year.

- The C2 budget can increase from the previous year due to inflation or an increase in the number of students (schools) or square footage (libraries).
- The C2 budget can decrease from the previous year due to a decrease in the number of students (schools) or square footage (libraries).

It is possible that, even though an entity has not exceeded its C2 budget for the five-year period, the total pre-discount amount for the five-year period could exceed the C2 budget calculated for a specific funding year.

For example:

- A school uses some of its C2 budget in FY2015.
- The school's student population increases in FY2016, and the school uses some of its C2 budget in FY2016.
- The school's student population increases again in FY2017, and this time the school uses its *entire* remaining C2 budget in FY2017.

In the earlier version of the C2 Budget Tool, the search results for FY2015 and FY2016 in this example would have shown the **Remaining Balance** as a negative number, because the **Approved Pre-discount** amount (the total approved pre-discount amount for all three years combined) would have been greater than the **C2 Budget** amount calculated for FY2015 and for FY2016. In this example, the updated C2 Budget Tool would instead show zero dollars ("$0") for the **Remaining Budget** in FY2015 and FY2016.

Display of FY2017 C2 budget information.

The C2 Budget Tool now includes commitment information for FY2017.

- If USAC has made a commitment on an FY2017 FCC Form 471 with a C2 FRN, the C2 budget will be calculated from the approved student counts (schools) or square footage (libraries) on that form.
- But, starting with FY2017, if USAC has not yet made a commitment on an FCC Form 471 that includes a C2 FRN, the C2 budget will be calculated from the information in the entity's current profile. This feature will allow entities to better plan for future usage of their C2 budgets, but the

budgets may change after review of the FCC Forms 471. After USAC makes a commitment on an FCC Form 471 that includes a C2 FRN, the tool will show the C2 budget based on the information in that FCC Form 471 going forward.

Remember that C2 budgets cover a five-year period. Therefore, if the entity's first funding year is FY2015 or FY2016, the pre-discount costs for any FY2017 commitments will be added to the pre-discount costs for those funding years in the **Approved Pre-discount** amount in the search results.

Display of FY2015 and FY2016 C2 budget information.

The C2 Budget Tool will not show a C2 budget for FY2015 or FY2016 unless sufficient information exists in an FCC Form 471 for the funding year to calculate a C2 budget. (This is not a change.) If no FCC Forms 471 with C2 FRNs were certified, the user will now see the message "Budget cannot be calculated for this funding year."

Note that if an FCC Form 471 was certified but no funding was approved, a C2 budget calculation may appear for an entity. However, the fact that a C2 budget appears does not mean that that funding year is the first year in the entity's five-year C2 budget cycle.

For more information on C2 budgets, you can refer to the [Category Two Budget User Guide](#) on the USAC website.

Update on Bulk Upload Templates for FY2018 FCC Forms 471

USAC will again be providing templates that will allow FCC Form 471 filers to upload Category One and Category Two service information in bulk. The templates will be available in EPC and from the [Forms](#) and [FCC Form 471 Filing](#) pages on the USAC website.

NOTE: The Internal Connections template has changed version numbers from last year. Although the content changes are minimal (some new service providers were added to the service provider drop-down menus), you cannot use the earlier template to upload information into an FY2018 FCC Form 471. However, if you have already entered your information in the previous Internal Connections template, you can copy the information from that template and paste it into the new template.

The other templates have not changed and can still be used for FY2018.

The templates for use in FY2018 and their version numbers are:

- Category One - Voice Services (v16.3)
- Category One - Data Transmission and/or Internet Access (v17.0)
- Category Two - Internal Connections (v18.0 on the first tab, v17.0 on the other tabs)
- Category Two - Managed Internal Broadband Services (MIBS) (v16.4)
- Category Two - Basic Maintenance of Internal Connections (v16.4)

We will also be updating the Bulk Upload Line Item and Recipient of Service (ROS) Guide. Please use the updated guide for instructions on how to complete the bulk upload templates. We will announce when the updated guide is posted to the USAC website.

E-rate Productivity Center Web Page

Because of the opening of the FY2018 application filing window, we have replaced the **Apply for E-rate** web page with a new page titled **E-rate Productivity Center (EPC)**.

The EPC page has a link to the FY2018 Filing Window web page, the EPC Maintenance Schedule page (where we provide information on upcoming maintenance dates and times), and the EPC Training Site page. The EPC page will also feature additional resources to help you file your forms, including links to user guides and videos which we will continue to create and post.

Designating Directly Impacted Applicants for Hurricane Relief

In the November 9, 2017 Special Edition SL News Brief, we discussed emergency relief provided by the FCC to schools and libraries impacted by Hurricanes Harvey, Irma, and Maria (Hurricanes). In an order, FCC 17-139, the FCC defined Directly Impacted Applicants as schools and libraries that are located in counties designated by the Federal Emergency Management Agency (FEMA) as eligible for individual disaster assistance (Directly Impacted Areas) and that certify that they have incurred substantial damage to E-rate eligible services as a result of one or more of the Hurricanes.

Under the direction of the FCC, USAC opened a Second FY2017 Application Window, which closed on December 13, 2017. During the review of FCC Forms 471 filed during this window, we were able to identify some Directly Impacted Applicants and update our database with that information. However, we also want applicants to be able to identify other Directly Impacted Applicants who were not identified during the review of these FCC Forms 471.

Applicants in the Directly Impacted Areas will now be able to designate the entities that they believe qualify as Directly Impacted Applicants. USAC will confirm this status during the review of FY2018 (and FY2019) FCC Forms 471 that feature these entities, and during this review the applicant will be required to make the appropriate certifications confirming the eligibility of these entities.

Here is how the designation process works:

1. USAC has added a link in the quick links section at the top of the school and library landing pages in EPC labeled **Hurricane Impact Designation**. Consultants who are full- or partial-rights users for a school or library entity will also have access to this link.
2. Applicants – independent schools, independent libraries, school districts, and library systems – who click the link will access a web page with two grids. Only child entities (individual schools and library branches) located in the Directly Impacted Areas will appear in the grids.
   o The lower grid (click the "**>**" arrow to view it) contains all of the child entities for the applicant that have been through a Program Integrity Assurance (PIA) review process, determined to be eligible for relief under the FCC's Order (FCC 17-139), and received a C2 commitment decision. Currently this list is limited to individual schools and library branches featured on FCC Forms 471 certified during the Second FY2017 Application Window. This information cannot be edited. If you believe it is incorrect, open a customer service case in EPC or call the Client Service Bureau (CSB) at 888-203-8100.
   o The upper grid contains all other child entities in the Directly Impacted Areas for which the applicant is the parent entity.
3. To designate a child entity as eligible for relief, check the box to the left of the entity's name. After you have selected all the child entities you believe to be eligible, you can save the designations by clicking the **Save and Close** button. Until USAC has made a funding commitment, the upper grid can be re-edited by returning to this screen and checking or unchecking the boxes for the appropriate entities.

4. PIA will then confirm the eligibility of each child entity selected in this manner during the review of the FCC Form 471. At that time, you may be asked to provide additional information and must make the appropriate certifications.

Please take the time to review this feature if it applies to you and designate your child entities if you believe them to be eligible for relief. This designation process will allow USAC to review applications featuring these entities more efficiently.