

Schools and Libraries Program News Brief

December 13, 2019

TIP OF THE WEEK: If you missed the December 11 webinar on preparing for FY2020, a recording of the webinar has been posted to the USAC website. Click here to provide registration information and view the recording.

Commitments for Funding Years 2019 and 2018

Funding Year 2019. USAC released FY2019 Wave 37 Funding Commitment Decision Letters (FCDLs) on December 12. As of December 13, FY2019 commitments total over \$2.06 billion.

Funding Year 2018. USAC released FY2018 Wave 73 FCDLs on December 9. As of December 13, FY2018 commitments total over \$2.25 billion.

On the date that FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in the E-rate Productivity Center (EPC).

FCC Releases FY2020 Eligible Services List

The FCC has released the Eligible Services List (ESL) for Funding Year (FY) 2020 (<u>DA 19-1249</u>, released December 9, 2019). Appendix A contains the ESL. In the order adopting the ESL, the FCC authorizes USAC to open the FY2020 application filing window within 45 days after release of the order. We will announce the exact opening and closing dates of the FY2020 filing window as soon as they have been determined.

Category Two Budgets for FY2020

Last week, the FCC issued Report and Order FCC 19-117 to permanently extend the Category Two (C2) budget approach with some modifications.

In this issue we will discuss how C2 budgets will work for FY2020. Next week we will provide additional information regarding the C2 budget changes for FY2021.

Here are some important things to keep in mind while planning your competitive bidding process and application for FY2020.

FY2020 is a transition year

FY2020 will act as a transition year (effectively a sixth year) between the original C2 budget test period and the permanent changes that will take effect starting in FY2021. Other than the prorated amount of C2 funding available to all applicants, there are no changes to the C2 budgets for FY2020.

All applicants will have a prorated portion of C2 funding available for FY2020.

The multipliers and the funding floor for FY2020 C2 budgets will be calculated by increasing the FY2019 multipliers and funding floor by 20%, adjusting for inflation, and rounding to the nearest cent. They will be released by the FCC Wireline Competition Bureau.

In addition, please keep in mind the following for FY2020:

- C2 budgets will continue to be calculated on an individual school or individual library basis.
 - The C2 budget for an individual school will be the sum of the number of full-time and part-time students multiplied by the specific per-student number (multiplier).
 - The C2 budget for an individual library will be the total square footage of the library multiplied by a multiplier. There will be two different multipliers: one for libraries with an IMLS locale code of 11, 12, or 21 and another for libraries with other IMLS locale codes.
- For new school construction, schools can estimate the number of students that will attend the school. If you overestimate your student count and you spend all of your C2 budget based on that estimate, you will have to return the discount share of the difference between your estimated total C2 budget and your actual C2 budget.
- To determine an applicant's remaining C2 budget, calculate the total budget and then subtract the pre-discount costs of approved C2 commitments from FY2015 through FY2019. Applicants will be able to use any unused funding from the C2 budget test period, with the Report and Order extended to six years.
- For C2 equipment located in non-instructional facilities (NIFs), applicants must allocate the cost of the equipment among the entities using the equipment. If the NIF is also using the equipment, the NIF's share of the cost of the equipment must be deducted from the funding request.
- Managed internal broadband services, caching, and basic maintenance of internal connections continue to be eligible as C2 services. You can refer to the FY2020 ESL for information on the eligibility of products and services for the upcoming funding year.

Applicants will not be able to carry over remaining FY2020 C2 budget amounts to FY2021.

C2 budgets for all applicants will be reset in FY2021, so be sure to plan accordingly when submitting your funding requests for FY2020.

Updating Account Administrators in EPC

Some applicants who intend to update their profiles in EPC during the current administrative window have realized that they do not have an active account administrator and cannot perform their updates. If you are in this situation, you can follow the guidance below.

Applicants with a current account administrator who must assign this role to someone else

If your account administrator is leaving or changing responsibilities and another employee will take over their duties, the current account administrator can assign those duties to the employee by using the **Modify Account Administrator** function in EPC. To see a demonstration, go the <u>Videos</u> page on the USAC website and play the "Modify Your Account Administrator" video located under the **E-rate Productivity Center (EPC)** header.

If your account administrator is no longer available, call the Client Service Bureau (CSB) at 888-203-8100 for assistance. Note that you must be an employee of the applicant to assume the account administrator role.

- If you are already a user on your entity's EPC account, CSB can assign the account administrator role to you.
- If you are not a user on your entity's EPC account, CSB must first create you as a user on the account. After you have established your username and password and accepted the Terms and Conditions for using EPC, CSB can then assign the account administrator role to you. To see a demonstration of how to log in to EPC for the first time, go the <u>Videos</u> page on the USAC website and play the "Logging in for the First Time" video located under the **E-rate Productivity Center (EPC)** header.

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