

E-Rate Central News for the Week of January 13, 2020

Please see the attached newsletter for articles on:

- Funding Status – FY 2019 and FY 2020
- Visualizing a Category 2 Strategy for FY 2020
- E-Rate Updates and Reminders
 - Upcoming E-Rate Dates
- USAC News Brief Dated January 10 – More Form 470 Reminders

Funding Status – FY 2019 and FY 2020

FY 2019:

USAC released Wave 41 for FY 2019 on Thursday, January 9th. Funding totaled \$19.9 million, none for Nevada. Cumulative commitments through January 9th are \$2.10 billion including \$7.3 million for Nevada.

FY 2020:

USAC released a [Special Edition News Brief on January 9th](#) announcing that the Form 471 application window for FY 2020 will open at noon EST on Wednesday, January 15th, and will close at 11:59 p.m. EDT on Wednesday, March 25th.

The News Brief also highlighted the following steps that applicants could take in preparation for successful application filings:

- Update EPC profiles before the FY 2020 administrative window closes on January 13th at 11:59 p.m. EST. Once closed, EPC entity profiles will be locked for the duration of the FY 2020 application window.
- Install browser updates if necessary. Note: Google Chrome is the recommended browser for EPC use.
- Establish and/or update EPC account and user rights.
- Proceed with competitive bidding.

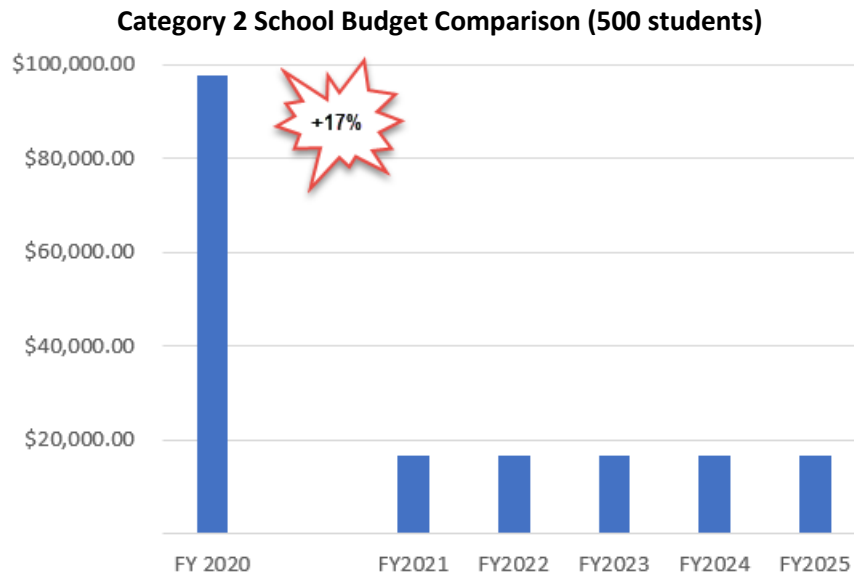
Visualizing a Category 2 Strategy for FY 2020

E-rate applicants, who have used little or no Category 2 funding over the last five years, have a one-time opportunity in FY 2020. Under the new Category 2 rules ([FCC 19-117](#)), the FCC has effectively extended the previous 5-year budgets by a sixth year and added 20% for FY 2020. As of FY 2021, all budgets will be reset. FY 2020, therefore, is a “use-it-or-lose-it” year. Most

strikingly, many applicants will have a larger Category 2 budget in FY 2020 than they will have available to them over the subsequent five years.

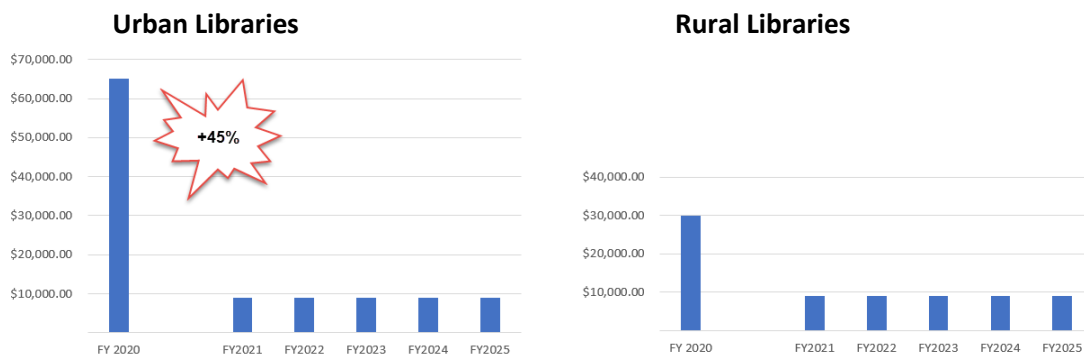
Although we have written about this unique opportunity in the past (e.g., our [newsletter of December 9th](#)), we recognize that visualization may help. Graphical examples are provided below.

- Schools, which have not yet used any Category 2 funding, have FY 2020 prediscount budgets of \$195.63 per student. This one-year only budget is 17% higher than the 5-year budget for FY 2021-2025. For a school with 500 students, the budget comparison (spreading the 5-year budget equally over the next five years) is:



- The budget comparisons for libraries depend upon where the libraries are located. Urban libraries (with IMLS Locale Codes 11, 12, and 21) have FY 2020 prediscount budgets of \$6.52 per square-foot. Rural libraries (with all other Locale Codes) have FY 2020 prediscount budgets of \$3.00 per square-foot. For FY 2021-2025, all libraries will have 5-year budgets of \$4.50 per square-foot — an increase for rural libraries but a decrease for urban libraries. For 10,000 sq.ft. libraries, the budget comparisons (spreading the 5-year budget equally over the next five years) are:

Category 2 Library Budget Comparisons (10,000 sq.ft.)



- The declining budget factor for urban libraries makes FY 2020 an even more important year. The one-year urban library budget is 45% higher than their 5-year budget for FY 2021-2025.
- The increasing budget factor for rural libraries makes FY 2020 less important, but it still represents a significant funding opportunity that is not to be missed and that will not be carried-over into FY 2021.

With all Category 2 budgets being reset in FY 2021, we encourage all applicants to review their internal networking requirements for the next fiscal year in light of their remaining — and expiring — FY 2020 E-rate budgets. This advice applies doubly to applicants who have yet to use any Category 2 funding and who may otherwise miss a major E-rate funding opportunity.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

- | | | | | | |
|-------------|---|---------|------------|---------|------------|
| January 13 | The FY 2020 administrative window closes at 11:59 p.m. EST. Once closed, EPC entity profiles will be locked for the duration of the FY 2020 application window. | | | | |
| January 15 | Form 471 application window for FY 2020 opens at noon EST. | | | | |
| January 17 | Form 486 deadline for FY 2019 funding committed in Wave 25. More generally, the Form 486 deadline is 120 days from the FCDL date, or the service start date (typically July 1 st), whichever is later. Other upcoming Form 486 deadlines are: <table border="0" style="margin-left: 40px;"> <tbody> <tr> <td>Wave 26</td> <td>01/24/2020</td> </tr> <tr> <td>Wave 27</td> <td>01/31/2020</td> </tr> </tbody> </table> | Wave 26 | 01/24/2020 | Wave 27 | 01/31/2020 |
| Wave 26 | 01/24/2020 | | | | |
| Wave 27 | 01/31/2020 | | | | |
| January 21 | USAC webinar on Category 2 Budgets . | | | | |
| January 28 | Invoice deadline — or deadline for requesting a 120-day extension — for FY 2018 non-recurring services. | | | | |
| February 3 | Due date for submitting comments to the FCC’s Notice of Proposed Rulemaking (“NPRM”) regarding national security threats (FCC 19-121). Reply comments are due March 3 rd . | | | | |
| February 25 | Extended invoice deadline for FY 2018 recurring services. | | | | |

- | | |
|-------------|---|
| February 26 | Last day to file a Form 470 to meet the minimum 28-day posting requirement prior to the close of the FY 2020 Form 471 application window. |
| March 25 | Close of the Form 471 application window for FY 2020 at 11:59 p.m. EDT. |

USAC News Brief Dated January 10 – More Form 470 Reminders

[USAC's Schools and Libraries News Brief of January 10, 2020](#), continues the previous week's Form 470 reminders by posing and answering the following four questions:

- Do I have to file an FCC Form 470 each year?
- Do I have to file a Form 470 if I have only one service provider in my area?
- How do I calculate the 28-day waiting period?
- As a service provider, how do I submit a bid?

The answer to the 28-day waiting period question includes a dubious interpretation. It reads:

If you make a cardinal change to the scope of your project and/or the services you are requesting by adding one or more RFP documents to your existing form, you must restart your 28-day clock.

This is a safe but overly conservative position. While it is true that a cardinal change requires a 28-day extension of the Allowable Contract Date, it does not necessarily follow that the addition of one or more RFP documents to a Form 470 automatically constitutes a cardinal change. We would have been happier if USAC had more carefully defined “cardinal change” and/or had simply “recommended” a 28-day extension, to be safe, when any additional documents are uploaded.

Newsletter information and disclaimer: This newsletter may contain unofficial information on prospective E-rate developments and/or may reflect E-Rate Central's own interpretations of E-rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by the SLD, FCC, or OSIT.

For further information on E-rate, follow us on Twitter, Facebook, and LinkedIn.   

If you have received this newsletter from a colleague and you would like to receive your own copy of the Nevada E-Rate Weekly News, send an email to nevada@e-ratecentral.com Please include your name, organization, telephone, and e-mail address. This email address can also be used to unsubscribe.

E-Rate Central is a nationally recognized E-rate consulting firm providing complete E-rate application and processing services for applicants and is official E-rate partner with the State of Nevada.

