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## Funding Status for E-Rate and ECF

### *E-Rate for FY 2022:*

Wave 3 for FY 2022 was issued on Thursday, May 5, 2022, for \$94.3 million including \$940 thousand for ten North Carolina applicants. Cumulative commitments after three waves are \$1.34 billion including \$31.8 million for North Carolina. Nationwide, USAC has funded 73.0% of the FY 2022 applications representing 42.4% of the requested funding.

A special extended application window for new Tribal libraries closes on May 26<sup>th</sup> (see [DA 22-231](#) and our [newsletter of March 14<sup>th</sup>](#)).

### *E-Rate for FY 2021:*

Wave 54 for FY 2021 was released on Friday, May 6, 2022, for \$3.70 million, none for North Carolina. Cumulative commitments stand at \$2.63 billion including \$84.3 million for North Carolina. Nationwide, USAC has funded 98.7% of the FY 2021 applications representing 95.3% of the requested funding.

### *ECF for 2021-2023:*

USAC issued [Wave 14](#) on May 5<sup>th</sup> for \$38.8 million including 42 thousand for two North Carolina applicants. Total ECF commitments are \$4.83 billion including \$150 million for North Carolina. Nationwide, USAC has funded 93.9% of filed applications. Authorized disbursements as of last Friday totaled \$995 million.

**The third ECF application window will close at 11:59 p.m. EDT this Friday, May 13<sup>th</sup>.** The FCC indicates that a minimum of \$1 billion will be available to fund the same type of eligible equipment and services as in the original two windows but for delivery within the 18 month span from July 1, 2022, through December 31, 2023 (albeit capped at 12 months of service for recurring

services). For details, see [DA 22-309](#), our [newsletter of March 28<sup>th</sup>](#), and the FAQs in USAC’s most recent ECF newsletter referenced below.

### **ECF-3 Consortium Applications**

E-rate consortium applicants will often choose to file separate applications for groups of members with the same discount rate rather than filing consolidated applications at average discount rates. Doing so greatly simplifies the process of apportioning E-rate discounts to the individual consortium members.

Consortium member discount rates were not an issue in the first and second ECF windows (ECF-1 and ECF-2)<sup>1</sup> because there were sufficient funds, with 100% reimbursements, to meet all valid requests and funding.

ECF-3, as my father was fond of saying, is a “different kettle of fish.” Demand in the third application window is expected to exceed the remaining ECF funding. In this situation, funding, although still at the 100% reimbursement level, will be available only to applicants in the higher discount rate bands based on the following matrix (see our [newsletter of March 28<sup>th</sup>](#)).

	Emergency Connectivity Fund Prioritization Matrix	
	Discount Level	
	Urban	Rural
% of students eligible for National School Lunch Program		
< 1.....	20	30
1-19.....	40	55
20-34.....	50	65
35-49.....	60	75
50-74.....	80	85
75-100.....	90	95

Funding availability for individual applicants will depend upon their individual discount rates as adjusted for urban and rural status. Funding for consortium members, particularly those at different discount rates, will depend upon how USAC calculates and prioritizes consortium discounts.

To understand the problem, consider the example of a small, three-member, urban consortium with two members at 90% and one member at 50%. Traditionally, that consortium would have an average discount of 77%. The ECF-3 question is where would that consortium fall within the FCC’s funding prioritization scheme?

At present, the answer is uncertain. There are several possibilities, namely:

- At 77%, the consortium would rank above the 75% rural applicants but below the 80% urban applicants. This could mean that a 50% discount urban consortium member would be funded when 75% or 65% rural applicants would not.

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<sup>1</sup> To put this in perspective, just over one hundred consortia filed ECF applications in the first two windows with requests totaling \$103 million.

- The FCC’s unstated rule might be that only priority matrix discount rates apply. As such, the “77%” consortium would not qualify as 80% and thus must be considered as 60%, the next lowest urban discount band, for prioritization purposes.
- The FCC might instruct USAC ignore the consortium average and instead look within the consortium and prioritize each member based on their own individual discount (assuming funding requests can be allocated accordingly).

Pending further guidance — probably unlikely at this stage in the application window — we encourage consortium applicants to avoid mixed-discount applications either by filing separate applications at different discount rates or, at a minimum, filing separate FRNs for different discount rates. As illustrated below, this can be done within consortium applications that include fields for recipients of service. We also recommend making full use of the Narrative fields.

**Funding Request for FRN #ECF21900**

Funding Request Nickname: [Redacted]

Service Type: Equipment

Agreement (Contract) Type: Non-Contracted

Service Provider: [Redacted]

What is the service start date? July 01, 2021

When will the services end? June 30, 2022

Invoicing Method: Applicant - FCC Form 472 (BEAR Form)

Narrative: [Redacted] Chromebooks for students who would otherwise lack access to a sufficient device.

**FRN Calculation**

Total Recurring Charges	\$0.00
Total One-Time Charges	+ \$13,186.76
Total Charges	= \$13,186.76

**Recipients of Services**

BEN	Name	Entity Type
[Redacted]	[Redacted] SCHOOL DIST	School District

## Updates and Reminders

### Upcoming Dates:

- May 10 Third of USAC’s three ECF information sessions at 3:00 p.m. EDT – [Register](#).
- May 13 Form 486 deadline for FY 2021 covering funding committed in Wave 40. More generally, the Form 486 deadline is 120 days from the FCDL date or from the service start date (typically July 1<sup>st</sup>), whichever is later. Upcoming Form 486 deadlines are:
- |         |            |
|---------|------------|
| Wave 41 | 05/20/2022 |
| Wave 42 | 05/27/2022 |
| Wave 43 | 06/03/2022 |
| Wave 44 | 06/10/2022 |

- May 13            The third ECF application window (see [DA 22-309](#)) will close at 11:59 p.m. EDT.
- May 16            Comments due on the FCC’s Notice of Inquiry regarding the prevention and elimination of digital discrimination ([FCC 22-21](#)). Reply comments are due June 30<sup>th</sup>.
- May 26            Extended FY 2022 application window deadline for new Tribal libraries (see [DA 22-231](#)).
- May 27            Reply comments due on the FCC’s proposal to create an E-rate competitive bidding portal ([FCC 21-124](#)).

### **USAC ECF Newsletter Dated May 3 — Incomplete Form 471 Edits**

[USAC’s Emergency Connectivity Fund Program Newsletter of May 3, 2022](#), repeats much of the same information as in last week’s newsletter including an important series of FAQs specifying suggested language in Form 471 Narrative blocks.

One new FAQ — useful because the answer is not immediately intuitive — reads:

#### **How do I edit an incomplete ECF FCC Form 471 in the ECF Portal?**

Under the “My Pending Tasks” tab of your ECF Portal dashboard, there will be a task to edit or resume the creation of your ECF FCC Form 471 application. Please note, if you select the application in “My Forms and Requests” you can view what you have done but you cannot edit or continue your application.

The newsletter also includes the following Key Reminder on Duplicate Funding:

ECF rules do not permit applicants to receive duplicative support for the portion of the services and/or equipment that have already been reimbursed through other federal or state programs. Applicants must certify on the ECF Form 471 that they have not received funding through another federal or state program for the services and/or equipment for which they are applying for ECF support. Please ensure that you are able to certify to the accuracy of this statement prior to submitting the ECF Form 471.

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*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 USAC, the FCC, or NCDPI.*

*Additional North Carolina specific E-rate information is available through our Web site — <http://www.e-ratecentral.com/us/stateInformation.asp?state=NC>. Note that this site provides easy access to formatted North Carolina applicant E-rate histories via the Billed Entity Number ("BEN") search mechanism in the upper left-hand corner. Detailed information can be obtained by "drilling down" using the links for specific funding years and individual FRNs.*

*If you have received this newsletter from a colleague and you would like to receive your own copy of the North Carolina E-Rate Forum, send an email to [join-ncerate@lists.dpi.state.nc.us](mailto:join-ncerate@lists.dpi.state.nc.us). Please include your name, organization, telephone, and e-mail address.*

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