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## Funding Status for E-Rate and ECF

### *E-Rate for FY 2023:*

USAC issued Wave 7 for FY 2023 on Thursday, June 8<sup>th</sup>, for \$45.0 million including \$2.94 million for thirteen North Carolina applicants. Total funding is now \$1.37 billion including \$41.7 million for North Carolina. At this point, USAC has already funded 77.8% of the originally submitted applications representing 45.6% of the dollars requested.

### *ECF for 2021-2023:*

Total commitments for all three ECF windows are \$6.68 billion including \$162 million for Michigan. USAC has funded 88.5% of the ECF applications representing 68.2% of the requested funding. Window 3 applications are now being funded down to the 60% urban band.

## Updates and Reminders

### *Upcoming Dates:*

June 16                    The Form 486 deadline for FY 2022 Wave 44. 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 45	06/23/2023
Wave 46	06/30/2023

Form 486s for FY 2023, for services to start in July 2023, can be filed now by checking the early filing certification (the first of the Form 486 certifications). The first Form 486 deadline for FY 2023, for FCDLs issued on or before July 1<sup>st</sup>, normally October 29<sup>th</sup> (which is a Sunday this year), will be Monday, October 30, 2023.

June 30                    The last day to light fiber (or request a service delivery deadline extension) for special construction projects from FY 2022. This is also the last day to receive all recurring services for FY 2022 (including BMIC maintenance services, even if filed as one-time charges).

*Prison Term for E-Rate Fraud:*

Early last year, the U.S. Department of Justice (“DOJ”) [announced](#) guilty pleas by two Kentucky businessmen in what it described as a decade-long scheme to defraud the E-rate program (see our [newsletter of February 14, 2022](#)). For ten years, the company’s owner and an employee (operating under two company names) had been paying kickbacks to school officials and a consultant while had fabricating documents regarding copays and the competitive bidding process. The loss to the E-rate program was estimated at \$6.9 million.

Last week, as [announced](#) by the DOJ, the company’s owner was sentenced to 18 months of imprisonment, plus three years of supervised release, and ordered to pay \$3.5 million in restitution. The company employee was sentenced to one year of probation.

Neither of the DOJ’s announcements referenced above indicated any actions taken against either the schools or the consultant. Based on our analysis of E-rate funding data, the problems involved a handful of schools or districts in Missouri and Tennessee and an E-rate consultant last active in FY 2014.

As we reminded our readers in last year’s newsletter, most E-rate forms include a certification acknowledging that false statements “*can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. § 502, 503 (b), or fine and imprisonment under Title 16 of the United States Code, 18 U.S.C. § 1001.*” Such punishments are not empty threats.

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*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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