- Funding Status

- Broadband Deficiencies Correction Program (BDCP) Outreach

    o BDCP Mini-Quote System
    o BDCP Process Flow for Category 2 Services
    o New Mexico E-Rate Exchange
- Update on BDCP State Master Contracts

    o Access to the BDCP State Master Contracts
    o Conducting a Mini-quote or Bid Evaluation

- Updates on USAC's E-Rate Productivity Center
    o Library vs. Library System
    o Contract Profile Review, Upload, and Submission
    o Large Applicant Connectivity Profile Option

- E-Rate Updates and Reminders
    o FY 2016 Application Window is Open
    o File Along with Me Updates
    o Middletown CPN Waiver Comments
    o FBI-Led E-Rate Investigation in New York
    o Form 486 Deadlines for March
- Schools and Libraries News Brief Dated March 18 – Common EPC Questions, Part 5

Funding Status

Wave 42 for FY 2015 will be released on Thursday, March 24th. Funding for FY 2015 is available for both Category 1 and Category 2 services at all discount levels. Cumulative funding for FY 2015 is $3.14 billion.

Broadband Deficiencies Correction Program (BDCP) Update

Outreach:

BDCP Mini-Quote System
Testing continues on the BDCP Mini-quote System with the hopes of it being up and running this week or early next week. The State will soon be sending instructions to vendors and applicants on how to gain access to the system.   If you are interested in receiving access to this system, please email Anna Drury at adrury@e-ratecentral.com and we will follow up with you to ensure you receive access. Please include your name, organization, and contact information in an email with a subject of "BDCP Mini-quote System Access."

BDCP Process Flow for Category 2 Services
Attached to this newsletter is a copy of the process flow for Applying for Category 2 Services through BDCP. We hope this will provide a high-level understanding of how the process will

work. There are several sub-processes, denoted by a square inside a rectangle, included in the flow chart that will continue to be fleshed out in the next several weeks.

New Mexico E-Rate Exchange

We will be using the New Mexico E-Rate Exchange (NewMEEX) to communicate important information about BDCP (and E-rate in general). E-Rate Central is working to expand the readership of NewMEEX. by:

- E-Rate Central will be sending emails to anyone who was a contact or authorized signor on an FY 2015 Form 471 so they can opt into receiving NewMEEX.
- If you receive NewMEEX and believe someone in your organization would benefit from receiving it, please ask them to follow the process below.

The process to opt in to NewMEEX is simple, just an email to webmaster@e-ratecentral.com that includes your organization name, name, email, and state and "Sign me up to NewMEEX" in the subject line.

Update on BDCP State Master Contracts

Access to the BDCP State Master Contracts

PSFA has awarded contracts to vendors selected as part of **RFP No: PSFA # BDCP E-rate-11-2015.** These contracts are multiple award schedules that provide not to exceed pricing purchasing vehicles for New Mexico E-rate applicants. Documents are posted on PSFA's Pricing Agreements Information page. They are:

- Service Contract BDCP Information provides summary information regarding the BDCP contracts.
- Sample BDCP School Connectivity Agreement is a sample agreement that can be used to purchase services through the contracts. It is strongly suggested that schools and libraries use this agreement to purchase BDCP contract services because it provides more protection for your organization than using contracts from most vendors. Of course, you should review the contract with your business office or procurement agent to verify that it meets your local procurement requirements.
- RFP No: PSFA # BDCP E-rate-11-2015 includes a link to the original RFP that was issued. We suggest you read the RFP to more fully understand the services procured under the RFP.
- Broadband Services- ACTIVE CONTRACT LIST is a list of vendors approved to provide services in the seven service groups. Attached to this newsletter is a table that shows the vendors approved for each service group. If a vendor is approved for a particular group there will be a "**Yes**" and if they are not approved there will be a "No."

Conducting a Mini-quote or Bid Evaluation

As explained in the March 14, 2016 NewMEEX newsletter the process for using State Master Contracts depends on whether the applicant filed their own Form 470 or relied on the State's Form 470. Regardless of which Form 470 is used, applicants are required to conduct a bid evaluation with the price of E-rate eligible good and services as the primary factor in the evaluation. Please refer to USAC's web page for documents discussing State Master Contracts and conducting a bid evaluation.

It is important to note that the evaluation must also comply with State and local procurement regulations, but the contract MUST be awarded to the vendor with the most points based on the applicant's bid evaluation matrix. In New Mexico you may be required to include factors such as "New Mexico Preference –Resident Vendor" or "New Mexico Preference – Resident Veterans." It is important you contact or business manager or procurement officer to ensure your evaluation matrix is compliant with State and local rules.

When evaluating various bids it is important to make an "apples-to-apples" comparison. The more specificity you can provide when seeking bids from vendors the easier the comparison becomes. For example, if you only tell a vendor you need a switch, you could receive bids for switches that do not meet your needs and are incompatible with your current system. Examples of specificity such as: do you need a 24 or 48 port switch; does the switch need to support power over Ethernet, are important factors to include when asking for a bid. If you know a specific SKU you desire, it may be helpful to inform vendors so they can provide a bid on that SKU or a product that is functionally equivalent.

Attached to this newsletter is an example evaluation matrix that may help you in conducting your evaluation. In the evaluation matrix we consider the following factors:

Selection Criteria	Weight
Cost of Eligible Goods and Services	35%
Overall Quality of proposal	10%
Prior Experience with District	20%
IT Staff Ability to Support Solution	15%
Personnel Qualifications	5%
New Mexico Resident Veteran	5%
Resident Vendor	5%
Cost of ineligible Goods and Services	5%

Overall Ranking	100%

When evaluating the cost components, we suggest an arithmetic review using the following equation:

$$\frac{\text{Lowest Responsive Offer Bid}}{\text{This Offeror's Bid}} \times \text{Available Award Points}$$

When evaluating prior experience with the district, there are two trains of thought when considering vendors with which you have never worked. Do you provide them zero points because you have no frame of reference? Do you perhaps give them a neutral score (perhaps 5 out 10) because they may or may not be a good partner? We believe a neutral score may be more appropriate because it is unfair to treat a vendor you have never worked with the same as a vendor where you have had a negative experience.

As explained in last week's newsletter, the [Queen of Peace Decision (DA 11-1991)](#) states you cannot limit your evaluation to a particular vendor and you MUST consider bids for equivalent equipment from a different manufacturer. You can ask for equipment from a particular manufacturer, but you must consider equivalent products. This is a frustrating requirement for many applicants. If you are concerned that your IT staff may not be able to support equipment from a different manufacturer this should be a highly weighted factor in your evaluation.

The most important thing to remember in doing an evaluation is to be fair. You want to avoid a bid protest or perhaps worse yet a whistle blower call to USAC that could freeze your funding. The goal of the process is to ensure you receive the most cost effective solution that is compliant with state, local, and E-rate rules.

Updates on USAC's E-Rate Productivity Center

Library vs. Library System:

There appears to be considerable confusion within the library community with respect to applicant type and application structure required by EPC. The confusion can be traced to several factors, including:

1. EPC enforces strict parent-child (and consortium) relationships that were not well defined or enforced within the Form 471 application process in previous years.
2. USAC's current use of the terms "library system" and "library" often varies widely from the library community's use of "library system," "library," "library branch," or even "library outlet."
3. The official status of special library entities, such as bookmobiles, varies by state.

Perhaps the easiest way to consider library types for E-rate purposes is to consider the analogous school types. A "library system" is like a school district. Just like a district, a library system acts as the "parent" organization for its various "children" — perhaps a main library and several smaller branches. Typically, in this case, the library system is administered out of the main library. The system would have a Billed Entity Number ("BEN"), and the main library and the

other branches would have their own Site Entity Numbers ("SENs," sometime just referred to as "entity numbers").

A standalone, single-site library would operate like an independent school. Essentially, it would be its own "parent" and would have its own BEN.

More confusing is that an organization, typically called a "library system" (or "library cooperative") by librarians, is not defined as a system by USAC. Such an organization is often not a library in the traditional sense, but it does provide a variety of regional support services for a number of separate member libraries (with or without branches). The school equivalent, based on the types of services offered, is a regional Educational Service Agency ("ESA").

Bear with us on this. For E-rate purposes, there are two types of ESAs. An ESA with schools of its own is considered a school district. An ESA without its own schools is — drumroll please! — a new type of E-rate entity, just now being introduced by USAC, called (perhaps not surprisingly) an "ESA without schools." This newly designated type of ESA is eligible to receive discounted Category 1 services. Its discount is based on the eligibility of the total number of students in its member districts.

There is currently no library equivalent to an ESA without schools. As stated above, library system or cooperative, as a provider of library services, but without its own libraries, is not a library "system" according to USAC. That leaves two E-rate options. The system could be:

1. A library, eligible for discounts on its own services, if so considered by its state — a strong possibility if it is eligible for LSTA funding; and/or
2. A library consortia filing for discounts on behalf of its member libraries (or library systems).

One more potential source of confusion, new to E-rate this year, is an "annex." In the school world, an annex is an instructional site, which is not defined as a "school" within its state, and which is not located on the same campus of its main school. For both Category 2 budget and discount rate purposes, a school annex is considered part of its associated school.

In the library world, a library annex would be a site which is providing lending and/or research facilities to the public, but which is not itself considered a separate "library" by its state. As with a school annex, it too would share the Category 2 budget of its associated library.

A bookmobile is yet another interesting special case. Depending upon how they are defined by the state library agency (or state statute), for E-rate purposes a bookmobile can be considered either an annex or a separate library outlet.

EPC may require libraries to review what they have done in the past regarding application type, and to make any necessary changes to accommodate USAC's new EPC definitions. Libraries with questions on their status may want to contact their state library agency for more information. Contact information for State Library E-rate Coordinators can be found on our State Information pages or from the American Library Association's ("ALA") E-rate site.

Contract Profile Review, Upload, and Submission:

Information on any contracts cited in a Form 471 must be pre-populated in the contract profile section of each applicant's EPC account. To add contract information — and, optionally, to upload copies of contracts — click on "Related Actions" in the left-hand activities column, then select:

Manage Contracts
Create, edit, and remove contracts for your organization
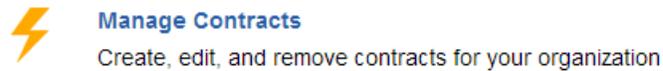
The "Manage Contract" function has two pull-down menu options,

Contract Type	Submitted Contracts ▾
Contract Type	My Contract Drafts ▾

Under either option, a user will see a list of contracts in that mode, and will be given an option to "Add a New Contract." The distinction between a draft contract and one that has been submitted, however, is critical. In draft mode, information on a specific contract can be added, modified, or deleted. Once contract information is "Submitted," it is there to stay.

We recommend entering contract data and keeping it in draft mode until needed as a reference in the FRN portion of a Form 471. At that point, check the draft contract, click the "Edit" button, and step through the ten pages using the "Save & Continue" button until reaching the final summary page. To submit, click the green "Complete" button.

The second page of contract information — available only in the draft mode — provides the user with the option of uploading a copy of the contract into EPC. Although not required, the advantages to uploading contracts are that (a) it may save time during the PIA review process, and (b) it provides an online backup for document retention purposes.

Hopefully, EPC will ultimately permit applicants to update contract information and/or upload actual contracts post submission. For now, however, it's best to keep contracts in draft mode until needed which, given the impending Form 471 deadline, is not much longer.

Large Applicant Connectivity Profile Option:

EPC requires every non-consortium applicant to manually complete a connectivity profile for each school or library before filing a Form 471. Each connectivity profile has 7 data or pulldown fields. For smaller applicants, this is not much of a burden. For large applicants, the process is time-consuming. At best, using the keyboarding tip discussed in our newsletter of March 7th, each entity profile requires two mouse clicks and 13 key strokes before moving to the next entity. There is no upload template.

Last week, apparently after fielding complaints from large applicants, USAC issued a Special Edition News Brief offering to do the data entry for large applicants (those with 50 or more

entities). As USAC's announcement indicates, this is an "extraordinary measure." We would agree.

To utilize this option, larger applicants must complete a [Connectivity Questions Worksheet](#), and email it to USAC by April 4th. "USAC will ensure the data is entered into the system on your behalf and notify you when the process is complete" — presumably in time to meet the application deadline. For those interested and qualifying for this option, we would recommend not being last in line.

E-Rate Updates and Reminders

FY 2016 Application Window is Open:

The Form 471 application window for FY 2016 opened on February 3rd. The window is scheduled to close at 11:59 p.m. EDT on Friday, April 29, 2016. The entire application process for FY 2016 is being handled through USAC's new EPC portal with its own learning curve. Please do not wait until later in the window to file Form 470s, update pre-471 EPC applicant profile information (entity, student, connectivity, and contract data), and begin the Form 471.

The last possible day to file a valid Form 470 for FY 2016 is April 1st. As we pointed out last week, this deadline is on April Fool's Day. Don't be one! If you wait until then, you will have to pick your vendors, sign contracts, and complete and submit your Form 471 application on the last day of the window. With this year's EPC filing complexities, this is a recipe for disaster.

File Along with Me Updates:

A USAC blog, "File Along with Me," initiated in early February, provides additional information on the application process. Links to last week's postings are provided below. You can subscribe to the blog by entering your e-mail address on the blog's [home page](#) (under the USAC logo), and confirming the resulting email.

Post No.	Title
20.	[Calculate Your E-Rate Discount: School District or School](#)
21.	[Calculate Your E-Rate Discount: Library or Library System](#)

Middletown CPN Waiver Comments:

As discussed in our two previous newsletters, the Enlarged City School District of Middletown (NY) has filed a [petition for a limited waiver](#) of the FCC's rules, which prohibit terminating carriers from passing the calling party number (CPN) to the called party where a privacy indicator has been triggered by the caller. Strictly enforced, CPN rules prevent schools and law enforcement agencies from identifying the source of threatening calls in a timely manner.

Public comments on Middletown's petition ([DA 16-234](#)), due last week, were sparse. The waiver was supported by several Middletown parents and by [Senator Charles Schumer](#) (D-NY). Comments filed by [E-Rate Central](#), not only supported Middletown's specific waiver, but

encouraged the FCC to amend its CPN privacy rules to provide similar flexible responses for all primary and secondary schools. Reply comments are due this week by March 23rd.

FBI-Led E-Rate Investigation in New York:

Various press accounts last week (see example) describe an extensive E-rate investigation effort by the FBI and local law enforcement agencies — reportedly upwards of 300 agents with 22 search warrants — involving selected parochial schools and/or their service providers in the downstate New York area. Although the FBI would not comment, it appears that this investigation has been underway for several years. With respect to one supplier and several schools rumored to be part of the investigation, for example, we note that applications have not been funded, or invoices have not been paid for, on or after FY 2012. As more details become available, the full extent of the investigation should become clearer.

Form 486 Deadlines for March:

The Form 486 deadline for certifying the start of service (and CIPA compliance, if applicable) is 120 days from the later of the FCDL approval date or the start of service date. The remaining March deadlines (adjusted for weekends and holidays) for approved FY 2015 applications are:

Wave 26	03/21/2016
Wave 27	03/29/2016

Schools and Libraries News Brief Dated March 18 – Common EPC Questions, Part 3

The S&L News Brief of March 18, 2016, continues a series of EPC Q&As begun last month. The new questions are:

1. I want to apply for Category One services on my FCC Form 470, and I'm not sure which Function to choose from the dropdown list. Can you help? Short answer: See the service explanations included in the News Brief table.

   Note: One important distinction to be made is between cellular data plans and cellular voice service. Most cellular users subscribe to bundled voice and data services, but, for E-rate purposes, only the voice portion (typically about 50% of the cost) is eligible. In this case, choose "Cellular Voice" as the function. Picking "Cellular Data Plan/Air Card Service" implies that the applicant is seeking E-rate support for the use of cellular data within its buildings as an alternative to a traditional WiFi system. This will require making a difficult argument that cellular is more cost-effective than WiFi.

2. Please provide some examples of situations where schools or libraries would make the above choices. Short explanation: the News Brief provides separate, but virtually identical, explanations for schools and libraries.

3. I have already filed my FCC Form 470. Based on the information above, I believe that I chose the wrong dropdown. What should I do? Short answer: The News Brief focuses primarily on correcting or clarifying information on an RFP-version of a Form 470. The safest bet for dealing with a misleading non-RFP Form 470 is to file a new one — and there is little time left.

4. I updated my list of related entities before I filed my FCC Form 470, but the final version of the form shows an entity count of zero. What can I do? Short answer: This is an EPC system bug and is being corrected.

5. I can't find my entity number in the BEN Search Tool. How can I locate it? Short answer: USAC's traditional [Billed Entity Search Tool](#) has not been updated to include newly assigned entity numbers (eight digits beginning with "17"). Instead, use the EPC entity search function found under the "Records" tab.