



E-rate Modernization Order Highlights

- Letters of Agency Must be Collected Prior to Posting Form 470 (Competitive Bidding)***
 - New Letter of Agency includes both 2015-2016 and 2016-2017 Funding Years

- Discount Calculation
 - District-Wide versus Individual School Building
 - Urban/Rural status based on most recent US Census data

- Document Retention
 - Increases From FIVE to TEN Years: 2015-2016 services ã retain through 06/30/2026

- Technology Plans are no longer required for E-rate (but will be for the Smart Schools Bond Act)

- Priority One ã Category One
 - Changes to Eligible Services (Eliminates support for Web Hosting and Paging)
 - § Phase Down Support for Voice Services (Eliminates data and text messaging)
 - Discount rate for Voice Services reduced 20% beginning 2015-2016 and additional 20% each subsequent year in order to allocate funds toward broadband capacity
 - Where applicable, BOCES aid for “aid-able” service will offset, but not eliminate, loss of E-rate support
 - § Includes all costs for the provision of telephone services (VoIP, Wireless, POTS, Centrex, PRI’s, etc.)
 - § Cellular Data/Air Cards eligible only when most cost-effective option for providing internal broadband access
 - § Must demonstrate WLAN not physically possible to install or provide cost comparison for data plan v. WLAN solution

§ Cost comparison established WLAN and data plan bids

- Priority Two à Category Two
 - Closing the Wi-Fi Gap
 - § \$1 billion funding target next two years for Category Two
 - § If demand exceeds available funds, prioritize based on discount rate
 - § If insufficient funds in a discount rate, prioritize based on free/reduced lunch eligibility
 - Changes to Eligible Services/Equipment
 - § Eligible: Broadband distribution services and equipment needed to deliver broadband to students, e.g., routers, switches, WAP's, internal cabling
 - § Ineligible: Components that do not support broadband distribution, e.g., servers, voice/VoIP components, circuit cards, video components
 - Category Two PRE-DISCOUNT FIVE YEAR BUDGET for Each Individual School
 - § \$150 per student x (full time + part time students) per School Building
 - § Includes Non-Instructional Facilities if essential to effective transport of information to/within schools
 - § Maximum Discount 85% (no longer 90%)
 - § Maximum Five Year Funding/Reimbursement = Category Two Five Year Budget (Based on Annual Enrollment) x Application Year's E-rate Discount (Based on Free/Reduced Lunch Eligibility)
- Maximizing Cost-Effectiveness
 - Category Two Preferred Master Contracts (PMC)
 - § Master contracts designated by the FCC as Preferred Master Contracts to offer nationwide opportunities to obtain excellent pricing for Category Two equipment
 - § No PMC's designated at this time
 - § Purchasing from PMC exempts Form 470 (Competitive Bidding) filing

For more information, please visit the CNYRIC Website for E-rate Documents and Resources at <http://www.cnyric.org/teacherpage.cfm?teacher=1032>