

March 19, 2018

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

Re: State Coordinators Alliance *Ex Parte* Submission in Response to Notification of Ex Parte
Presentation by the Ohio Information Technology Centers dated March 16, 2018

Modernizing the E-rate Program for Schools and Libraries -- WC Docket No. 13-184
Schools and Libraries Universal Service Support Mechanism -- CC Docket No. 02-6

Dear Secretary Dortch:

Funds For Learning, LLC ("FFL") supports the letter filed by the State E-rate Coordinators Alliance ("SECA") in response to the March 16, 2018 notification of *Ex Parte* presentation submitted on behalf of the Ohio Information Technology Centers ("OITCs" or "Technology Centers").

In its presentation before the Federal Communications Commission ("FCC"), the OITCs raised concerns over recent changes to the FCC Form 470 ("Form 470"), the accompanying instructions and filing guidelines, and the categories of service on the form.

The Technology Centers correctly assert that changes to the Form 470 have caused extensive confusion among E-rate applicants about which categories of service to select.

The OITCs also correctly identify the concerns related to requiring applicants to file appeals if denied funding. The appeals process is time consuming and costly for schools and libraries, and applicants are often required to pay for the service while waiting for the resolution of the appeal.

To accommodate applicants facing such confusion, the OITCs ultimately requested, among other things, that the Commission direct the Universal Service Administrative Company ("USAC") to extend the FCC Form 471 filing deadline. While we certainly understand the good intentions of the OITCs, FFL does not agree that extending the filing deadline is the appropriate course of action for the Commission to take.

Regrettably, these are not new complaints; nor should they come as any surprise to the FCC. For more than a year, there have been comments, appeals and waiver requests submitted to the Commission about problems with the E-rate competitive bidding requirements for data and Internet services.

This is an odd phenomenon for what was once considered the most straight forward part of the E-rate program. The specific circumstances vary, but there is a uniform thread running through all these situations: inconsistent Form 470 guidance, confusing EPC application requirements, and punitive actions from the Administrator against applicants seeking broadband Internet access.

Take, for example, the eerily similar comments submitted by SECA on May 24, 2017:

SECA joins FFL in requesting that the Commission direct USAC to discontinue its enforcement of the “guidance” for Funding Years 2016 and 2017, and issue public guidance clarifying its position regarding the Form 470 requirement for E-rate stakeholders for Funding Year 2018 and beyond.¹

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We agree with SECA that a blanket extension of the FY2018 filing deadline at this point will further perpetuate the problem, create a host of new complexities for applicants who have already entered into service agreements, and undoubtedly delay the issuance of funding commitments.

There were 13,551 applicants who submitted funding year 2018 FCC Form 470s for Internet and data services. As of March 18, 2018:

- 7,535 applicants have submitted funding requests referencing a FY2018 Form 470.
- At least 12,249 service agreements and contracts for data and Internet have been awarded.
- \$254 million already has been requested for Internet services tied to FY2018 Form 470s.

Many more thousands of applications are being finalized at this moment. Attempting to stop and reset this process now at the end of the filing window would be nothing short of disastrous for the many thousands of schools and libraries who rely on E-rate funding and who have already completed their vendor selections.

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As the OITCs have pointed out, applicants are confused. Schools and libraries need – and deserve – better guidance and support than they are currently receiving. Unfortunately, the best time to address the systemic issues related to applicant Form 470s would have been a year ago, not three days before the close of the filing window.

To accommodate affected applicants, the Commission should adopt SECA’s proposal that funding denials not be issued when applicants have made good faith attempts to comply with the Form 470

¹ <https://ecfsapi.fcc.gov/file/1052463187475/SECA%20Comments%20%20-%20FFL%20Fiber%20Waiver%20Request.pdf> (page 3)

posting requirements for Internet and data services. Following SECA's suggested course of action would address many of the concerns raised by the Ohio ITCs (and others) while avoiding the delays and chaos that would result from new guidance and a new filing deadline.

Finally, we thank Ohio Information Technology Centers for keeping this issue at the forefront. We sincerely hope that the FCC will address this in a timely manner, not only for the FY2018 applications, but also, in a systemic manner going forward into funding year 2019 and beyond.

Respectfully submitted,

/s/ John D. Harrington

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