Marlene H. Dortch, Secretary

Federal Communications Commission

445 12th St. SW, Washington, DC 20554

Re: RM-11841;

CC Docket No. 02-6;

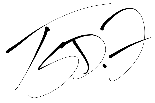
WC Docket No. 13-184

Dear Ms. Dortch:

I would like to submit comments on the Notice of Proposed Rulemaking in regards to continuing with the category two budget approach or returning to the two-in-five rules upon the expiration of the current rules. I would also like to suggest changes that could be made to this approach to make is more equitable and to reduce the complexity of the application process.

I thank you for your time and consideration of these comments.

Respectfully,



Tim Jones

E-rate Specialist

Linn Benton Lincoln ESD

# Introduction

I would like to start by saying that the Category Two Budget Approach has been a boon for School Districts. Since 2015 schools have been able to receive funding for the products and services they were in desperate need of, and while this approach has enabled applicants to obtain these products and services, it has also put a lot of strain on district staff with a burdensome process and unclear rules. I am glad to see that the FCC is asking for comments on this approach and would like to offer some feedback for your consideration.

## District Wide Category Two Budgets

The single biggest improvement that could be made to the category two budget approach would be to change from a building level budget to a district level budget. There are two main reasons I can see to pursue a district level budget approach rather than the current building level approach. The first would be that the distribution of funds can be more equitable for schools when set at a district level and the second would be to simplify the application process.

Equitability

The needs of schools can vary greatly within a district and there are multiple factors that come into play for this discrepancy. Often the biggest discrepancy between the needs of schools has to do with the age of a building. In most cases newer buildings have updated wiring and newer equipment while older schools infrastructure is ageing and if it has not already reached the end of its life it is close. Under the current approach for category two budgets funds for the newer buildings may not be needed and are underutilized while many older buildings could benefit from these additional funds. Using a district wide approach, the buildings with outdated wiring and equipment could get what they need to bring them up to the level of the newer schools and provide equitable internet access to these often times underserved schools.

Simplification

The second reason to seek a district level approach is that the current category two budget approach is burdensome and confusing for the applicants. I have spoken with many districts who feel it is not worth the effort of filing for category two. Many applicants have to manage and track funds for multiple locations over a 5 years period, recalculating each locations budget each year, and submitting form 500s when needed to make sure all of their funding is available. Applicants also have to allocate this funding per location on the Form 471, not by quantity but by cost, which often times requires the applicants to do additional work when filing. Reducing this complexity by moving to a district level approach could greatly help districts.

Each year the applicants import their student data into EPC and it is totaled to figure out their discount rate. The total number of students used for the discount rate could also be used to determine the district wide Category Two Budget for a given year.

## Inclusion of Non-Instructional Facilities

The E-rate rules allow for non-instructional facilities to receive category one funding, but not category two. If the program thinks it is important to bring internet access to these buildings, why does it not think it is equally important to distribute this access throughout these buildings? Non-instructional facilities are essential for schools to properly serve their students. If a district wide category two budget approach was adopted then non-instructional facilities could be seamlessly included.

## Increase of Category Two Budgets

Many schools and districts I have worked with have stated that they could they could upgrade their wiring or buy equipment using their category two budgets, but not both. I think increasing the per student cost from $150 dollars to $250 could help schools to upgrade both their wiring and equipment. This increase in funds could also accounting for including non-instructional facilities in the category two budgets.

## Standardized 5-Year Cycles

Budgets for districts often go on cycles where the districts can have high budgets for a few years followed by low budgets for a few years. For districts who have a few years of low budgets and have to wait to utilize their category two budgets until a year when the budget increases, this can put them far behind other districts as they may miss the couple of years of a higher budget waiting for the cycle to reset after 5-years. A set cycle of 2015-2019, 2020-2024, etc. would allow districts to better plan how they will spend their budgets and utilize funds while they have them. This could also simplify the process as applicants will not have to figure out what year of a cycle they are in, especially if there is turnover within the district.

## Rolling Budget Approach

I think that the rolling budget approach over the 5-years of a cycle has worked well. I have found however, that there are many applicants that have exhausted their budgets in the first few years that could benefit from additional funds. I would like to suggest that the rollover funds from the previous funding year be added into applicant’s category two budgets. The total number of funds rolling over from the previous year could be distributed equally among all of the eligible entities registered in the E-rate Productivity Center (EPC) and added to their budget. This would keep a steady flow of funds available for applicants as the amount of rollover funds should directly tie to the amount that category two funding requested in a given year. This would be a sustainable model and allow applicants to reach the connectivity goals set by the FCC in the E-rate Modernization Order.

## Equipment and Services to Make Eligible

Equipment and Services Allocations

One part of the application process that is complicated and burdensome is allocating out ineligible components. Managing a network is complicated and so in an attempt to make it easier many manufacturers and services providers bundle functionality and services together in order to make managing networks easier. Applicants should not be penalized for getting the equipment and services they need in order to properly manage and secure their network. I would like to see all equipment and software that is needed for network transport, management and security to be made eligible. As districts increase the size and complexity of their networks using E-rate funds they also increase the likelihood of experiencing security issues. We need to make sure applicants can secure and manage the networks that E-rate is helping them to build.

I would also like to see applicants not have to allocate out any network traffic, such as VoIP traffic. VoIP traffic is ineligible in the instance that the districts use QoS (Quality of Service). Districts should not be penalized for optimizing their networks. Server traffic is not ineligible under E-rate even though servers are, so why is their a distinction for voice?

Redundant Internet

I would like to see redundant Internet Service Provider (ISP) connections made eligible. As more and more of the work students and district staff do requires an internet connection, it is important that they do not lose access. A redundant connection can make sure that students can always access the internet while they are in the classroom.

Content Filtering

Content filtering is required to participate in the E-rate Program yet it is ineligible for discounts. I think this service should be eligible as it not only helps students to stay safe using the services that E-rate funds, it also helps take the burden off of applicants who have to pay for this service.

## Conclusion

I would like to state again that the current category two budget approach has been a big win for many school districts. The changes made as part of the E-rate Modernization Order have made a big difference in our schools and I commend the FCC for seeking to improve upon this process. As I have outlined above, there are many ways that the category two budget approach could be made more equitable, decrease the burden placed on applicants, and insure that there is a steady source of funds available for applicants to utilize. I thank you for taking my comments into consideration and for continuing to help our districts and students obtain the connectivity that is vital for their success.