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**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

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In the Matter of:	)	
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Draft Eligible Services List for the	)	
Schools and Libraries Universal Service Program	)	WC Docket No. 13-184
	)	

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**Reply Comments On The FY 2016 Draft Eligible Services List  
For The Schools And Libraries Universal Service Program  
by the North Carolina Department of Public Instruction  
(DA 15-615)**

The North Carolina Department of Public Instruction (NCDPI) submits these Reply Comments in response to the FCC’s Public Notice released May 21, 2105 (designated DA 15-615) seeking comment on the proposed Eligible Services List (“ESL”) for Funding Year 2016.

***Category 2 issues***

NCDPI appreciates the continuance of the physically shorter Eligible Services List (ESL) and focus on the core eligible items for the Category 1 and Category 2 funding sources. Although districts are certainly suffering financially from the blow of losing support for “legacy” services, we are grateful for the opportunity to upgrade our wireless networks and Wi Fi installations in school buildings. However, there are still some serious issues with the Category 2 definitions, interpretations and usage.

## *Warranty, Support, Maintenance and Management*

Under the E-rate modernization Order, the eligibility of Wi-Fi system maintenance and managed Wi-Fi services were a happy addition to an applicant's choice of service – especially those small, or not-so-small school districts or libraries who simply do not have the capacity to manage and maintain a wireless deployment.

Unfortunately, nearly a dozen districts have applications being held in Program Integrity Assurance (PIA) review over “support,” vs “warranty,” and we now have less than six weeks to complete our RttT initiative.

We believe the issue here is two-fold; inability through lack of training and understanding on the part of the vendor on how to structure their offering, and lack of training and understanding on the part of the applicant on how to apply appropriately. We have several appeals in the works (should we need them) to attempt to correct, we believe, the incorrect interpretation of these applications.<sup>1</sup> We agree in total with Funds For Learning comment on page 2 of their initial comments to the ESL:

...we observe a significant amount of confusion among equipment manufacturers, service providers, applicants and consultants when it comes to the eligibility of eligible firewalls, software, and network management and monitoring functions. In these cases, we believe that much of the confusion stems from inconsistencies in the *marketplace* definition and understanding of the functionality provide by these services are compared to the Commission's (and/or USAC's) apparent definition. As a result, stakeholders acting in good faith may claim that a product or service is eligible based on their own interpretation of functionality (driven primarily by current marketplace standards) only to be surprised by funding denial or request for cost-allocation later in the E-rate's Program Integrity Assurance (or worse yet, invoicing) process. This creates a perceived inconsistency in funding decisions, which is frustrating at best (and perceived as anti-competitive at worst.)<sup>2</sup>

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<sup>1</sup> See applications 1044252, 1042420, 1005205, 1090290, 1035673, 1040520, 1039002, 1026938, 1048864, 1042611, 1007648

<sup>2</sup> See Comments of FFL, <http://apps.fcc.gov/ecfs/comment/view?id=60001073371>

North Carolina made a bold effort to take the Modernization Order by storm, and in conjunction with left over Race To The Top (RttT) funds, filed for \$43M in category two applications to meet our goals of one AP per classroom, facilitating our journey into 21<sup>st</sup> Century Digital Teaching and Learning. Currently, in our 2015 PIA reviews, 11 schools/school districts are drowning by the fluid definitions of MIBS, warranty, support, maintenance and management. With another federal deadline looming - the end of RttT on August 15 - we are eager to resolve these issues. We respectfully request that a lifeline be cast and that the 2015 applications be funded, and that going forward the 2016 ESL clearly define each of these services/components, in plain English, so that applicants and service providers have a better understanding of the start and end points of products and services for Wi-Fi installations.

Respectfully submitted,

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