

April 8, 2016

Ms. Lisa Hone
Associate Bureau Chief
Wireline Competition Bureau
Federal Communications Commission
445 12 Street S.W.
Washington, D.C. 20554

RE: Request Extension of the 2016 E-rate Application Window

Dear Ms. Hone:

RE: REQUEST FOR EXTENSION OF THE 2016-17 E-RATE FILING WINDOW

Kellogg & Sovereign® Consulting, LLC (“KSLLC”) is a national consulting firm providing professional management services for the Universal Service Programs including the Schools and Libraries Discount Mechanism (“E-Rate). KSLLC has been managing the E-Rate process for schools and libraries since the inception of the program in 1998 at the request of applicants. Our professional staff works with the E-Rate program on a daily basis managing E-Rate filings for over 350 applicants with annual filing of approximately 650 applications. Accordingly, we have an in-depth knowledge of the program and are well versed in all areas of the E-Rate program. Our focus on E-rate enables us to assist the applicant community to receive needed E-rate funding support while assuring compliance with the E-Rate program rules.

E-rate Modernization has sparked great and much needed change in the E-rate program. The implementation of a new online filing system and portal is a formidable task which was boldly undertaken by the FCC and USAC.

Kellogg & Sovereign Consulting, LLC is respectfully requesting an extension of the 2016-17 E-rate filing window.

Kellogg & Sovereign Consulting, LLC fully supports the FCC and USAC’s efforts to better the applicant and service provider experience in the E-rate program. Filing for funding year 2016, however, is proving to be a year riddled with challenges above and beyond any previous filing year. The advent of the new E-rate Productivity Center, (EPC), has caused a burden greater than has ever been experienced.

The First E-rate Modernization Order requires the modernization of USAC’s E-rate Information Technology Systems, as well as the adoption of other measures in an effort to ease the burden upon applicants:

253. We adopt a number of additional measures to ease the burden upon applicants, expedite commitments, and ensure that all applicants receive complete and timely information to help inform their decisions regarding E-rate purchases.

256. We also direct USAC and OMD to continue to work on modernizing USAC's E-rate IT systems. Numerous commenters express frustration with USAC's E-rate IT systems, and recommend that USAC create an online portal with pre-populated information for returning applicants and service providers to reduce administrative burden and errors, and to provide applicants and service providers with easy access to historic information [emphasis added] as well as information about the status of their funding and invoice requests.⁶²⁵

The following EPC issues have caused undue burden and stress on applicants and threaten the integrity of all Forms 471 being filed for FY2016:

- Initial access to EPC. The initial process of getting set up as an administrator in the online portal can take an applicant up to 4 weeks to not only gain access but to also set up users and assign rights. The initial access delayed applicants getting started to file their Forms 470. This problem has recently been magnified with the consortium applicants who have to not only get their own entities moved into the portal and set up access, they also had to work with the consortium members to also gain access and set up entities. At this time, we are working with 3 entities who do not file E-rate individually but need to enter their enrollment data for the consortium filing and these entities have not successfully accessed the portal and have been trying to get access for the past two weeks. The consortium can't even start their Form 471 online until these three entities gain access, set up users, assign rights, complete their entity information, enter enrollment, and manage connectivity data. With only three weeks until the deadline, it will be impossible to complete the consortium filing.
- Program changes on entity information. As noted above, we started working on entity information in EPC as soon as our client applicants granted us access to their portal. The information on the portal, however, was updated during the past six months. In fact, during the week of March 28th, the fields for NCES data finally become available on the site. It is impossible at this point to complete the NCES data for all of the applicants we work with. This data will be incomplete when the 471s are submitted.
- EPC went "live" with pre-filled entity information and applicants were able to post a Form 470 while programmers continued to build functionality. The pre-filled entity information was missing every non-instructional facility. During this time, Client Service Bureau (CSB) had limited ability to assist with entity changes. Cases took 1-3 weeks to be resolved and, more often than not, they required additional action on the applicant and consultant's part due to incorrect handling by CSB. We have one case where the main entity was incorrectly carried into EPC as a NIF and CSB took four months to correct the entity so they could post a Form 470. Delayed and incorrectly handled entity changes significantly slowed our firm's ability to post 471's when the window opened.
- Unexpected EPC user permission changes caused undue burden on applicants and the consultants working online on their behalf when a permission was changed from a full-rights to partial-rights user with no reason or warning. Just this week we were working with an account

administrator on the FCC Form 498. The Form 498 option did not show up on their portal. After some investigating, we discovered that even though they were originally set up as an administrator, they did not have rights to access the Form 498. Since this person was the administrator they were able to change their own rights to gain access to the Form 498 and then the option appeared on the screen.

- Entity guidance was slow to emerge from USAC regarding Annexes, Libraries and Library Systems causing additional entity changes on our part. The News Brief dated March 23, 2016 provided information on how to enter data in the portal regarding schools that serve part-time students. This information provided clarification on this issue and the applicant data in many cases needs to be updated to reflect this new guidance.
- Entities randomly disappear from a Form 470, although they are correctly entered in the applicant's list of entities.
- Form 471 limitations for the first 4 weeks of the filing window did not allow for Internet FRNs to be designated as Ethernet over Fiber, causing great concern with service providers who did not want their service incorrectly classified. During the monthly service provider call, USAC specifically asked applicants not to submit 471's until this had been corrected.
- Guidance has been slow to emerge regarding Internet access and how to allocate a single connection which supports all entities. This issue is still outstanding.
- Consortia and Library applicants cannot complete their Forms 471 online until the discount information has been completed by the associated school. In a recent filing we were working on, the school district had two sites that had been incorrectly transferred into the EPC system as schools instead of NIFs. In order for the school district to make the change, we had to contact the library who had to delete their two online 471s. We then contacted CSB who was able to make the change. We then contacted the library and they rekeyed their 471s.
- The Save & Share option on the form creates "lost" forms, often causing the form to be re-keyed from scratch. Access to the form is automatically transferred to another user or lost altogether.
- The pdf generated by the system does not accurately reflect the information keyed online, creating confusion and extra time spent "double checking" the online form.
- During the weekend of March 31, 2016 less than 4 weeks to the current deadline, the program could not print .pdfs. The problem was corrected by Monday, April 4th but resulted in lost productivity over the weekend.
- Contract information is required to be keyed, which in many cases can take as long as keying an FRN. Once submitted, contracts may not be displayed online, printed or edited. The "hidden contract" is only identified by the original file name. This makes it extremely difficult to ensure the correct information and correct document are properly associated with each funding request.
- Bulk Templates for use in uploading details regarding funding requests (previously called Item 21 attachments) were taken down for over two weeks and were just posted to the web site on April 5, only 24 days prior to the funding window close. Additionally the "new" templates are cumbersome and in many cases useless. The internal connections template, for example, requires a reference line on the second tab of the worksheet to line items on the first tab of the worksheet. The second tab reference lines are not necessarily in the same order as the lines on the first tab. Therefore the user has to "hunt and Peck" to find the associated reference numbers which defeats any ability to copy and paste from vendor-provider templates. Data

cannot be copied and pasted into the worksheet so all data has to be re-entered individually which is just as time consuming and laborious as hand keying directly into the online system. This one issue alone will delay our filings by 4-6 weeks.

It is understood that USAC relies on an accurate application filing and documentation in order to report to the FCC and other program stakeholders. The above listed issues with EPC have created an environment in which we are concerned about all applications and the associated information.

We want to be clear that the concept of the online system is much appreciated, but the program was not ready for production when it was released and, even today, there are still problems in the system that are creating significant delays which are beyond the control of the applicant.

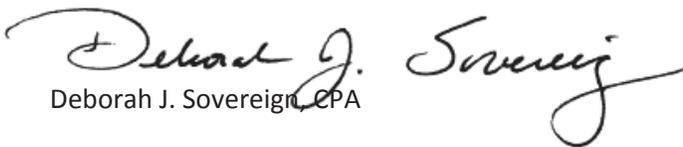
We respectfully request an extension of the due date for the filing window to allow applicants to properly complete their online applications and to provide the necessary time needed by consortiums and libraries to properly complete their applications from the time they actually have access to do so.

We wholeheartedly agree with American Library Association in their letter to the FCC dated April 4, 2016, that stated, *"we think that no application should be denied for problems or issues in EPC over which the applicant has little or no control."*

For the integrity of the program, it is essential that the applicants have the ability to properly enter entities, contracts and funding requests. The additional time will allow the applicants to accurately complete their applications online along with the requested online data which will result in smoother review of the applications, shorter turn-around time for funding commitment decisions and fewer appeals.

Respectfully submitted,

KELLOGG & SOVEREIGN CONSULTING, LLC

A handwritten signature in cursive script that reads "Deborah J. Sovereign". The signature is written in black ink and is positioned to the right of the printed name.

Deborah J. Sovereign, CPA

Vice President/ CFO

Cc: Aaron Garza
Chris Henderson
Mel Blackwell