

**Universal Service Funding
Schools & Libraries Program (E-rate)**

2014 SURVEY OF E-RATE APPLICANTS

Conducted

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Table of Contents

Executive Summary	1
About the Survey	2
Comparing Respondents to Overall E-rate Population	2
Organization of Report	5
The Impact of E-rate Funding	6
Ease of Applying for E-rate Discounts	10
Current Technology Use and Plans for the Future	12
Evaluating E-rate Reform.....	15

Table of Appendices

Appendix A: Detailed Response Data.....	A1
Question 1	A2
Question 2	A2
Question 3	A3
Question 4	A3
Question 5	A4
Question 6	A4
Question 7	A5
Question 8	A6
Question 9	A7
Demographic Queries	A8
Appendix B: Survey Comments.....	B1
Appendix C: Applicant Survey Response Form	C1

About the E-rate Discount Program

Universal Service Funding for Schools and Libraries, commonly referred to as the E-rate program, provides discounts to eligible entities in the United States towards the purchase of goods and services necessary to connect students and library patrons to the Internet.

About Funds For Learning, LLC

Funds For Learning, LLC, (FFL) is an advocate for the use of educational technologies and student Internet access. Formed in 1997, FFL is a professional services firm that focuses on E-rate funding management and compliance support. Each year, FFL's work directly supports millions of students throughout America.

Professional Standards of Conduct

Funds For Learning, LLC, (FFL) has established and implemented several self-imposed professional consulting standards for our firm and its employees. Although no formal regulation exists governing E-rate consultants, FFL voluntarily complies with the following Code of Conduct, Code of Ethics, and Code of Client Confidentiality.

CODE OF CONDUCT

FFL understands that conflicts of interest or the appearance of impropriety can negatively impact customer trust and/or E-rate application success. Therefore, FFL has a comprehensive Code of Conduct to which its staff complies. Below are several key elements of this code:

- FFL does not sell or offer any E-rate eligible services
- FFL does not have a SPIN (Service Provider Identification Number)
- FFL does not prepare technology plans.
- FFL does not advise clients on what technology to procure or from whom to purchase it.
- FFL does not receive payment from service providers based on their sales to applicants.

FFL first developed a formal, internal code of conduct in 2002; and, in 2004, FFL became the first E-rate consultancy to publish a code of conduct and to submit itself to public accountability in this manner.

CODE OF ETHICS

FFL is a founding member of the E-rate Management Professionals Association (E-mpa®). This association has developed a comprehensive Code of Ethics for E-rate consulting firms. This Code of Ethics is based on similar codes established for Certified Public Accountants. As a member of E-mpa®, FFL agrees to comply with the E-mpa® Code of Ethics.

CODE OF CLIENT CONFIDENTIALITY

FFL places a high-value on client confidentiality. FFL employees frequently receive confidential information from client customers. FFL does not share that information with other parties. Furthermore, as a condition for employment, each FFL staff member agrees to and signs a strict client confidentiality agreement.

EXECUTIVE SUMMARY

In the spring of 2014, Funds For Learning conducted an online survey of schools and libraries who receive funding via the federal E-rate discount program. Approximately 3% of E-rate applicants responded to the survey. This group represented a cross-section of school sizes, locations and E-rate discount levels that closely reflects the distribution of the overall population of E-rate applicants.

- Among the survey respondents, there is a consensus that schools are dependent on E-rate funding for Internet access and telecommunications. 92% of survey respondents agree that the E-rate program is critical to their success, and a large majority (74%) expressed concern over the lack of adequate funding for the program.
- Most applicants currently require (or soon will) updated communications infrastructure to meet the growing demands for connectivity placed on their networks. This demand is driven in large measure by an increased need for wireless access and telephony services.
- Less than 12% of applicants believe that their Internet access and communications infrastructure is adequate to meet educational needs in the near future.
- On-campus wireless connectivity is a priority. 87% of applicants expect e-textbooks and “bring your own device” (BYOD) initiatives to increase network demands, and 54% intend to allow after hours community use of technology resources.
- Applicants ranked E-rate form preparation (31%) and the competitive bidding process (25%) as the most difficult parts of the E-rate program, in regards to time, complexity and compliance with the program rules.
- Accordingly when asked to rank possible E-rate program improvements, a new “EZ” type of application and allowing multi-year funding commitments ranked the highest among improvements to the E-rate process.
- Survey respondents overwhelmingly would like the FCC to focus on increasing the amount of available E-rate funding. In addition to that, respondents expressed a strong desire for the FCC to set a permanent filing window date and clarify program rules.

As in the comments from previous surveys conducted by Funds For Learning, applicants expressed gratitude for the E-rate program, and, overall, indicated a desire for a simplified, more predictable program that can assist them in providing increasing levels of student Internet connectivity.

ABOUT THE SURVEY

With our 2014 survey, we asked respondents nine questions regarding their opinions about technology priorities in light of the rising demand for E-rate funds, reactions to potential E-rate reform suggested by the FCC, and difficulties within the process of applying for E-rate funds.

A total of 626 applicants responded to the survey. Along with their survey responses, 421 respondents (67% of the whole) identified the entity that they represented, allowing for additional statistical comparisons of their response with E-rate funding request data.

COMPARING RESPONDENTS TO OVERALL E-RATE POPULATION

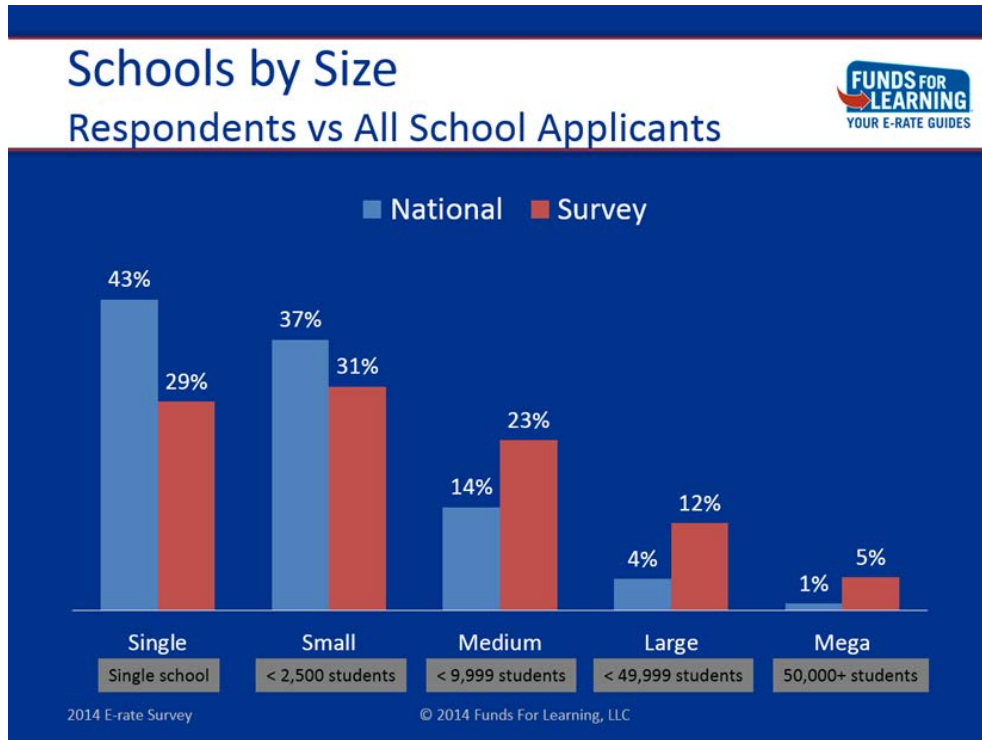
Highlights from the statistical analysis include:

- Based on Funding Year 2014 E-rate funding request data, the 421 applicant entities included in the statistical analysis served a total of 3.14 million students (based on school/district enrollment).
- School respondents ranged in size from 54 students to more than 300,000 students.
- The student enrollment of respondents closely follows the distribution of the overall E-rate population. For example, 31% of the respondents have a student enrollment of less than 2,500 students. By comparison, 37% of all FY2014 E-rate school applicants have similar enrollments.
- On average, 46% of the respondents had received some Priority Two funding during the FY2010-FY2012 time period, double the national average of 23%.

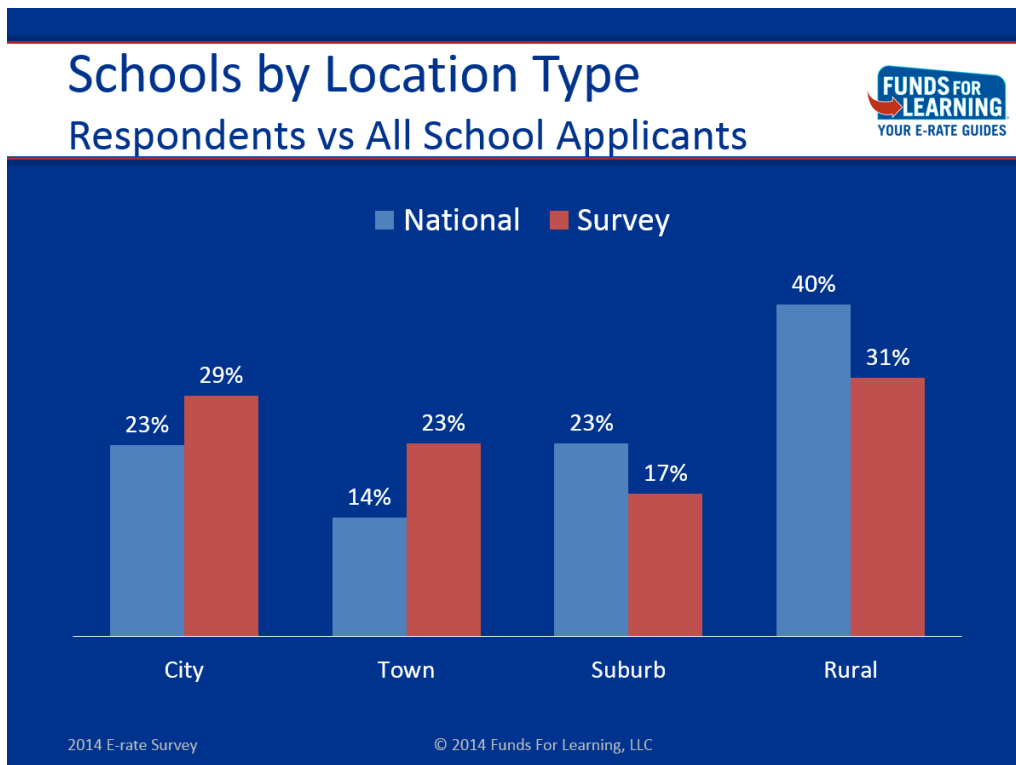
The table and charts below compare several of the key statistics between the survey respondents and the overall pool of E-rate applicants in FY2014.

FY2014 Funding Data	Average Survey Respondent	Average E-rate Applicant
Median Count of Students	1,420	591
Discount Rate	75%	69%
Submitted only P1 Requests	65%	81%
Use a Consultant	62%	52%

As you can see, the student enrollment of the respondents roughly mirrors the distribution of all schools that participate in the program, while leaning somewhat more toward higher student populations.



Similarly, the survey respondents geographically have a slight trend toward cities and towns.



While lacking the rigor of a truly scientific survey, the general distribution of the enrollment sizes and participation rate of respondents versus the general E-rate population demonstrates that the survey results may serve as a good indicator for the thoughts and opinions of the overall E-rate community.

NOTE: The national data analysis of all school applicants is based on FY2014 school and school district applications. The information was compiled based on data available from E-rate Manager® and is current as of June 17, 2014.

ORGANIZATION OF REPORT

The remainder of this report provides the specific results from each question. The questions have been grouped into five sections:

- 1) The impact of E-rate funding (Q3 and Q8)
- 2) Ease of applying for E-rate discounts (Q4)
- 3) Current technology use and plans for the future (Q1, Q2 and Q7)
- 4) Evaluating E-rate reform (Q5, Q6 and Q9)

Each section includes a question(s) summary, numerical results, and analysis.

APPENDICES

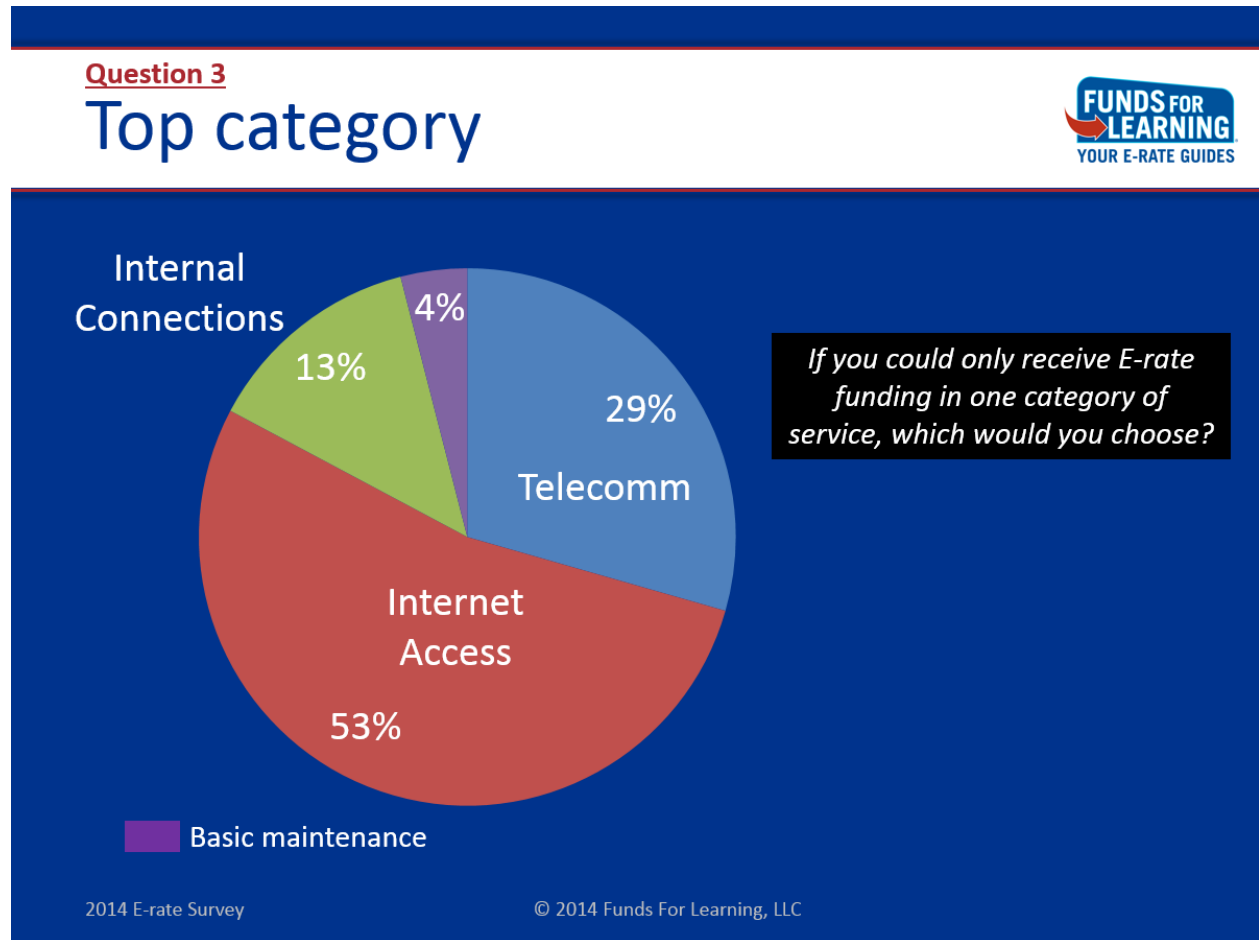
More detailed numerical results are included in **Appendix A: Detailed Response Data**. Survey respondents were given the opportunity to provide freeform written comments and responses. These are provided in **Appendix B: Survey Comments**, and the entire online survey is provided in **Appendix C: 2014 Applicant Survey**.

THE IMPACT OF E-RATE FUNDING

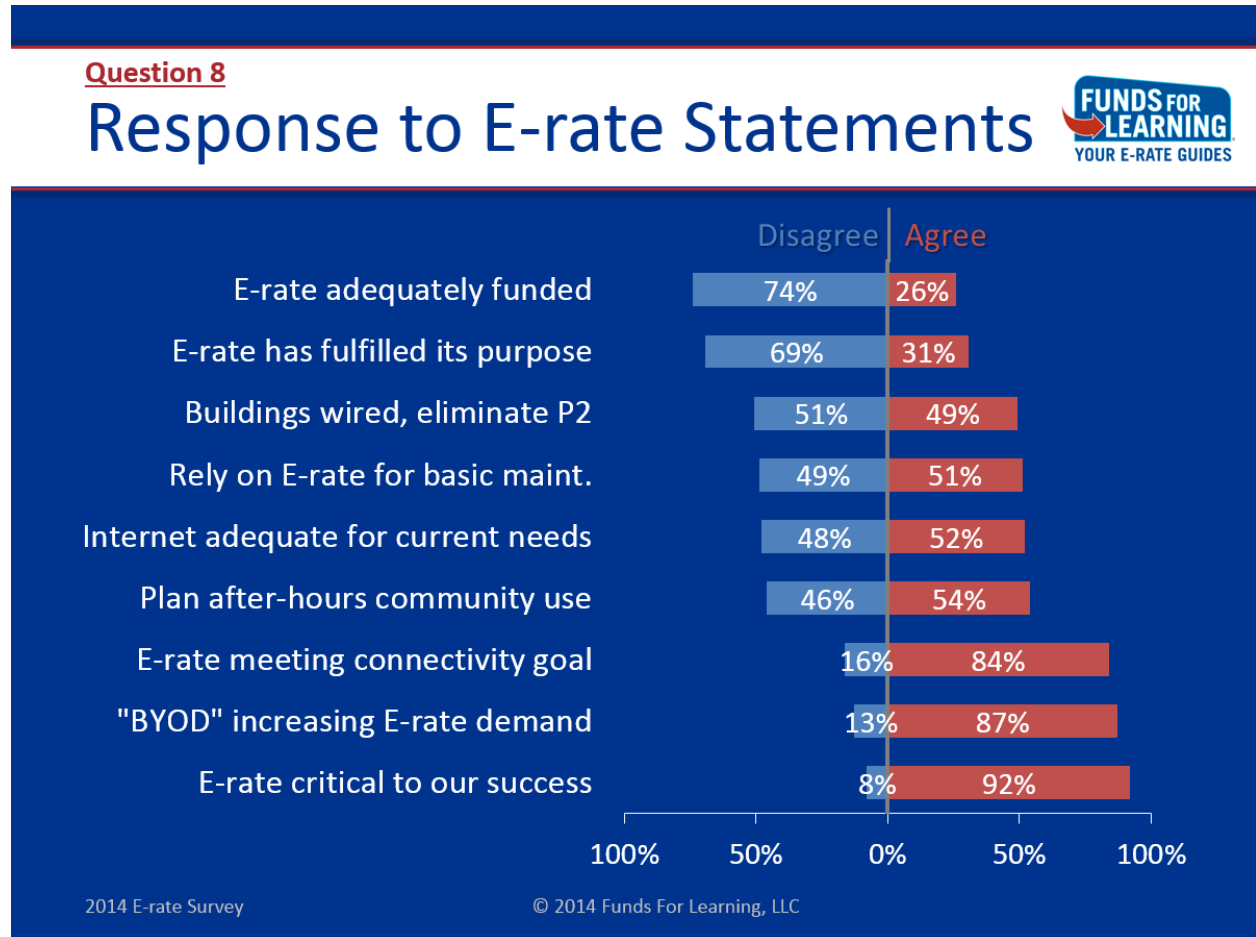
Survey questions three and eight asked applicants which E-rate funding categories are most important to their organization, as well as requesting a response to a series of statements regarding the impact of the E-rate program.

QUESTIONS AND RESPONSES

Question three asked applicants which category they would pick (telecommunications, Internet, internal connections, or basic maintenance), if the program was limited to only one service category.



Survey question eight asked applicants to respond to a series of nine statements regarding the importance, historical success, and future growth of the E-rate program.



Each of the questions above is designed to provide insight into a specific aspect of the E-rate program. Each question is provided below, along with an explanation of how that question relates to the E-rate program.

1. **The E-rate program is adequately funded.**

74% of respondents believe that the annual amount of funds available for distribution via the E-rate program is inadequate. In Funding Year 2014, the [annual funding cap](#) was set at \$2.41 billion, less than half of the total requested.

2. **Job done. The E-rate has fulfilled its purpose.**

While some applicants agree that the E-rate program is fulfilling its originally stated purpose, 69% of those who responded to the question indicated that they believe the job is *not* done.

3. **Our buildings are wired. Eliminate Priority Two (Internal Connections and Basic Maintenance) and focus on Priority One (Telecom and Internet Access).**

Opinion was split on the question of eliminating the Priority Two funding categories (equipment purchases and maintenance) in favor of funding connectivity services exclusively. Just under half of those who responded to the question supported the elimination of Priority Two funding.

4. **We rely on E-rate funding for basic maintenance support of our technology infrastructure.**

The E-rate program currently provides discounts on the basic repair, upkeep, and support of eligible voice, video, and data distribution infrastructure. 51% of the respondents indicated that they currently receive E-rate discounts on infrastructure maintenance services.

5. **Our Internet connectivity is adequate for our current needs.**

The E-rate program provides applicants with discounts on the purchase of Internet bandwidth. 48% of those who responded to the question indicated that their current level of Internet connectivity is not adequate for their needs and demand.

6. **We currently allow, or plan to allow, after-hours community use of our technology resources.**

The FCC's [Sixth Report and Order](#) gave applicants the authority to allow members of the community (who would otherwise be classified as ineligible users) to make use of E-rate discounted connectivity and infrastructure services at school locations during non-operating hours (evenings, weekends, and holidays.) 54% of the applicants who responded to this question indicated that they allow after-hours community use.

7. **The E-rate program is meeting its goal of connecting schools and libraries to the Internet**

84% of the survey respondents indicated that the E-rate program is meeting the overarching goal of supporting school and library Internet connectivity.

8. **E-textbooks and "BYOD" will increase our demand for E-rate funded goods and services.**

Almost 9 out of 10 of those who responded to this question indicated that they expect that their need for connectivity and infrastructure services will increase as they adopt digital textbook and bring-your-own-device (BYOD) initiatives.

9. **The E-rate program is critical to our success.**

This question highlights the importance of E-rate program funding to applicants. 92% of respondents indicated that E-rate funds were critical for the success of their school or library.

ANALYSIS

It is clear from the survey results that applicants place a high value on funding availability for Internet access services, with approximately 53% of respondents indicating that they would prioritize Internet access over other types of services.

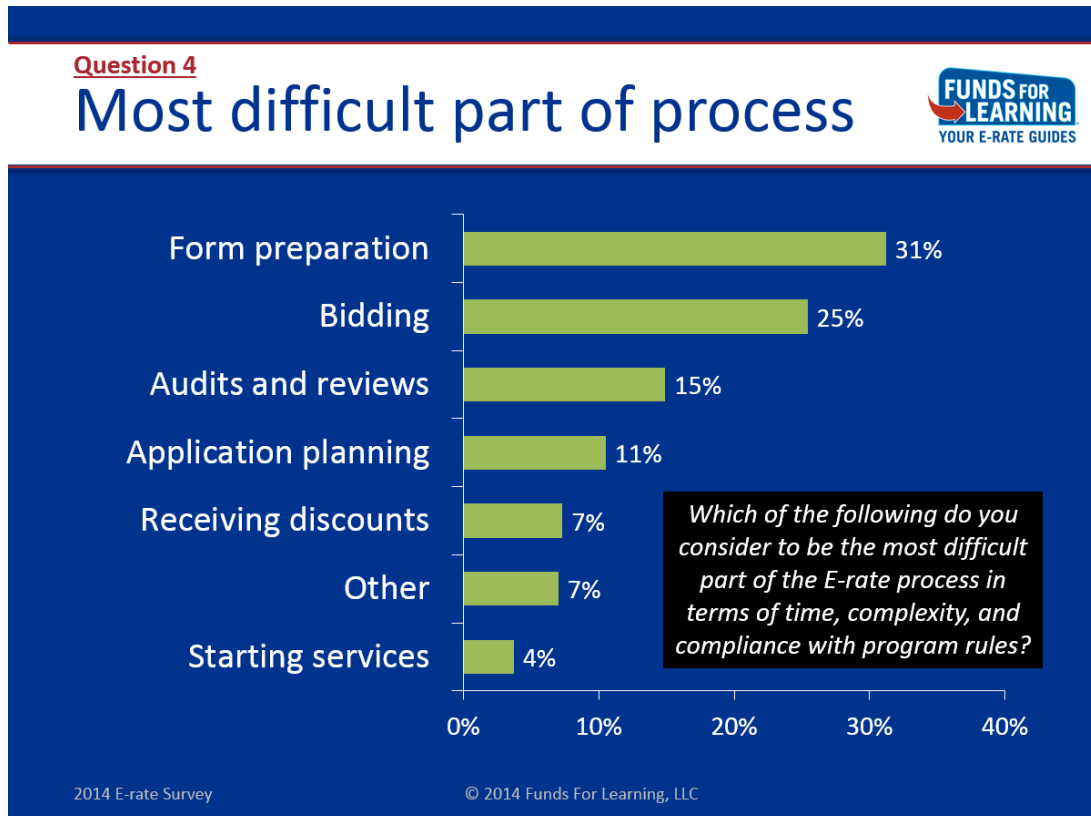
Overall, there is consensus that schools depend on E-rate funding for telecommunications and Internet access in their classrooms - and that more E-rate funding is needed. There is almost complete agreement (90%+) that the E-rate program is critical to schools and nearly all respondents believe that e-textbooks and “bring your own device” technology will increase future demand for E-rate funding.

EASE OF APPLYING FOR E-RATE DISCOUNTS

Survey question four asked applicants to rank the difficulty of various aspects of the E-rate funding process, in terms of time spent, complexity and regulatory compliance:

- **Application planning** – planning out the steps and stages of an E-rate application, before local bidding processes begin (what eligible services will be included, which sites will be open and receive goods, etc.)
- **Competitive bidding** – complying with the mandatory 28 day bidding process and bid evaluations to procure E-rate goods and services
- **Form preparation** – the actual process of creating the forms necessary to apply for and receive E-rate discounts
- **Starting or implementing services/goods** – beginning to receive new services, transition between providers or roll out installations
- **Receiving discounts or reimbursements** – determining eligible charges, requesting service provider E-rate discounts or submitting the E-rate paperwork to receive reimbursement
- **Audits and reviews** – both the review of E-rate applications *before* a funding commitment is issued, and the various audits and reviews which can occur *after* the applicant receives a funding commitment
- **Other** – we allowed respondents to include freeform descriptions of difficult E-rate situations

QUESTIONS AND RESPONSES



ANALYSIS

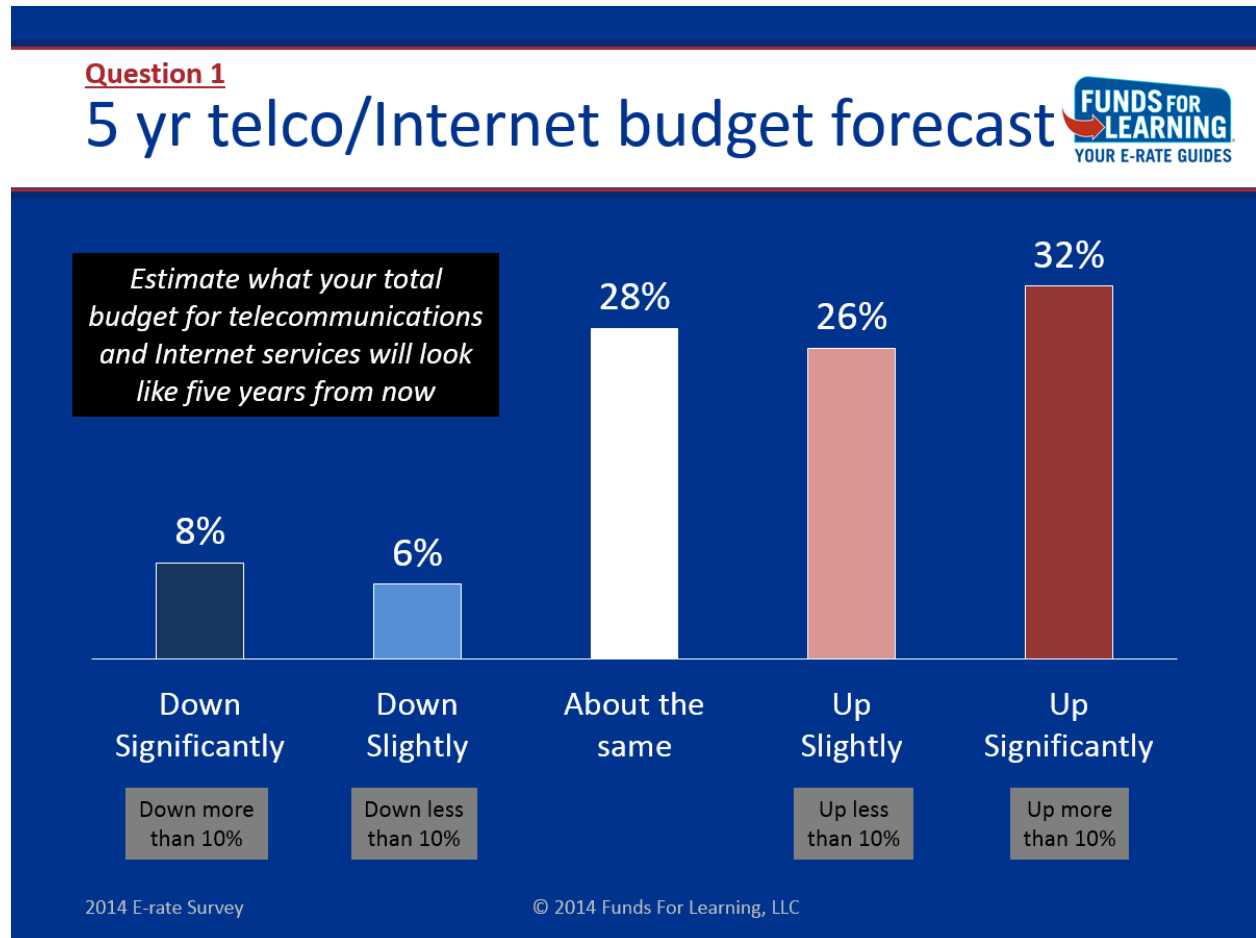
Nearly a third of the respondent found the mundane and detailed task of preparing the actual E-rate forms is the most difficult part of the E-rate process as a whole. Online or paper forms are a part of nearly every step of the E-rate process, and are typically accompanied by an administrative or regulatory deadline. Coupled with the complexity of the paperwork and slight margin for error, form preparation is readily identified by E-rate applicants as the most difficult part of the program.

CURRENT TECHNOLOGY USE AND PLANS FOR THE FUTURE

Survey questions one, two, and seven asked for applicant responses regarding what changes they anticipate for their budgets for Priority 1 services five years from now, the readiness of their existing infrastructure, and reacting to possible changes for legacy voice service eligibility.

QUESTIONS AND RESPONSES

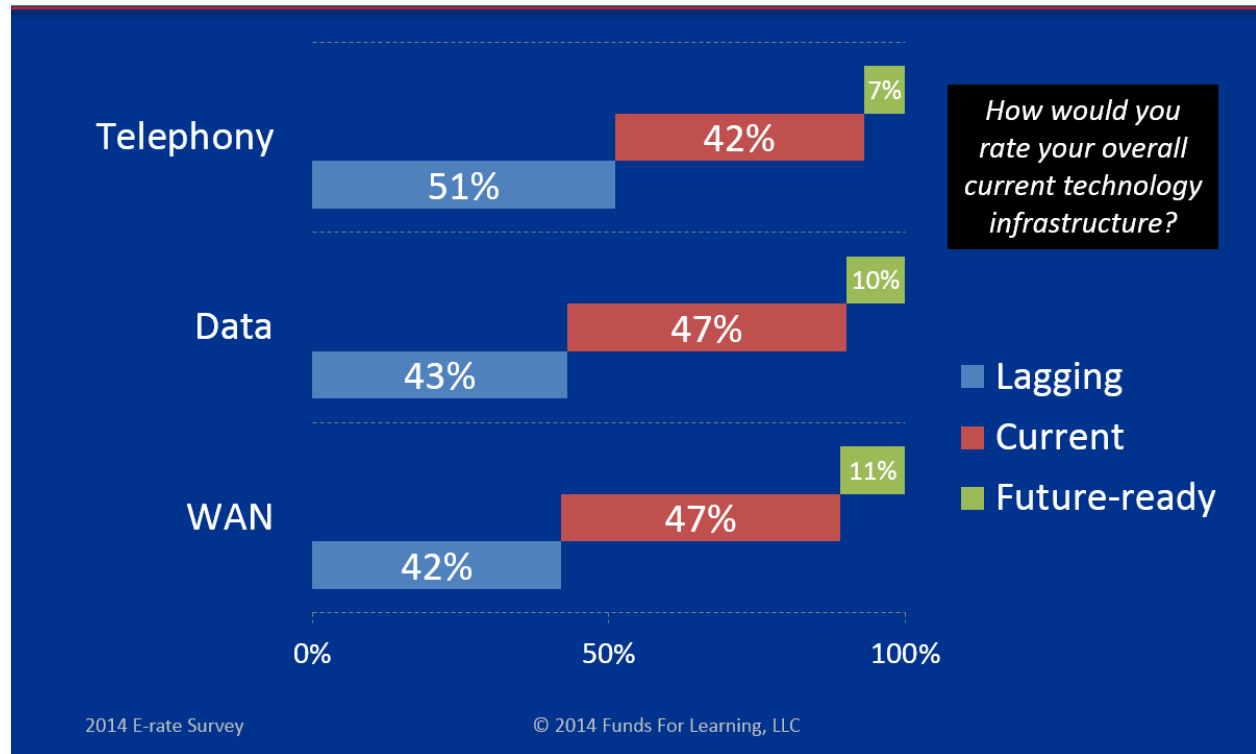
Question one asked applicants to estimate changes to their telecommunications and Internet budget over the next five years.



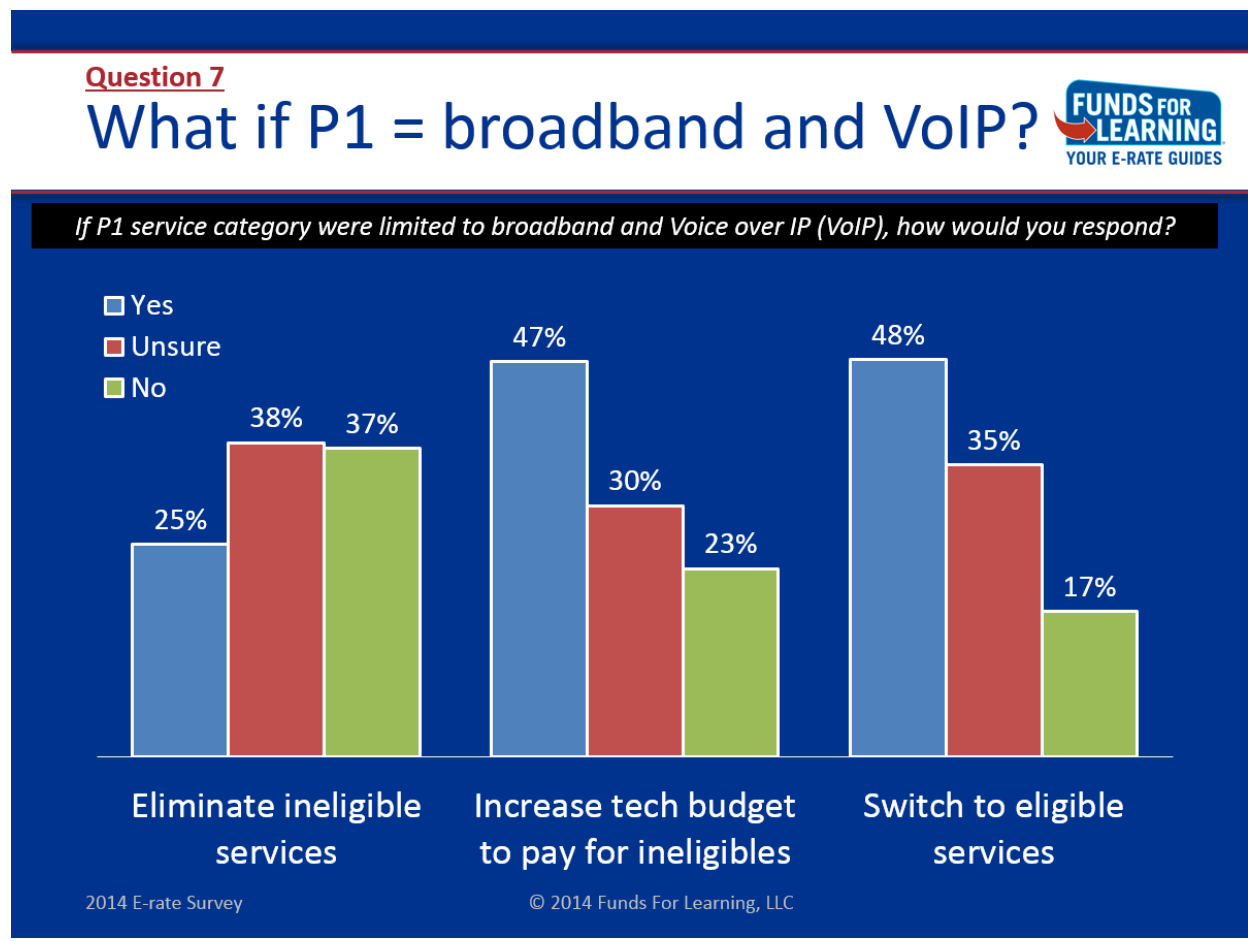
Question two asked applicants to describe their telephony, data, and wide area network infrastructure as “ready for tomorrow”, “current”, or “lagging”.

Question 2

Tech infrastructure readiness



Question seven asked applicants how they would respond if traditionally eligible voice services could no longer receive E-rate discounts, and only broadband Internet and Voice over IP (VoIP) were eligible for Priority One services.



ANALYSIS

E-rate funding requests for Priority 1 services (telecommunications and Internet access) have risen steadily over the past seven years, from \$1.8 billion in Funding Year 2008 to \$2.7 billion in Funding Year 2014. Responses to question four would suggest that applicants believe this trend will continue, with only 14% of respondents estimating that their budgets for Priority 1 services will be lower than their current level five years from now.

Approximately two-fifths of respondents indicated that their data and WAN infrastructures were lagging, with half reporting that their telephony infrastructure is not up to current standards. While a small percentage of applicants report that their infrastructures are ready for the future, it is clear that continued support of applicant telephony, data, and WAN infrastructure will be critical for applicants’ future success.

Less clear is the approach that applicants will take if faced with continuing to receive services after they are no longer eligible for E-rate discounts. The most constant trend in the applicant responses is that 30-40% of the respondents do not yet know what strategy will be most beneficial for their schools or libraries if legacy voice services are no longer a part of the E-rate discount program.

EVALUATING E-RATE REFORM

Survey questions five, six, and nine asked applicants to share their opinions about recent efforts to reform the E-rate program.

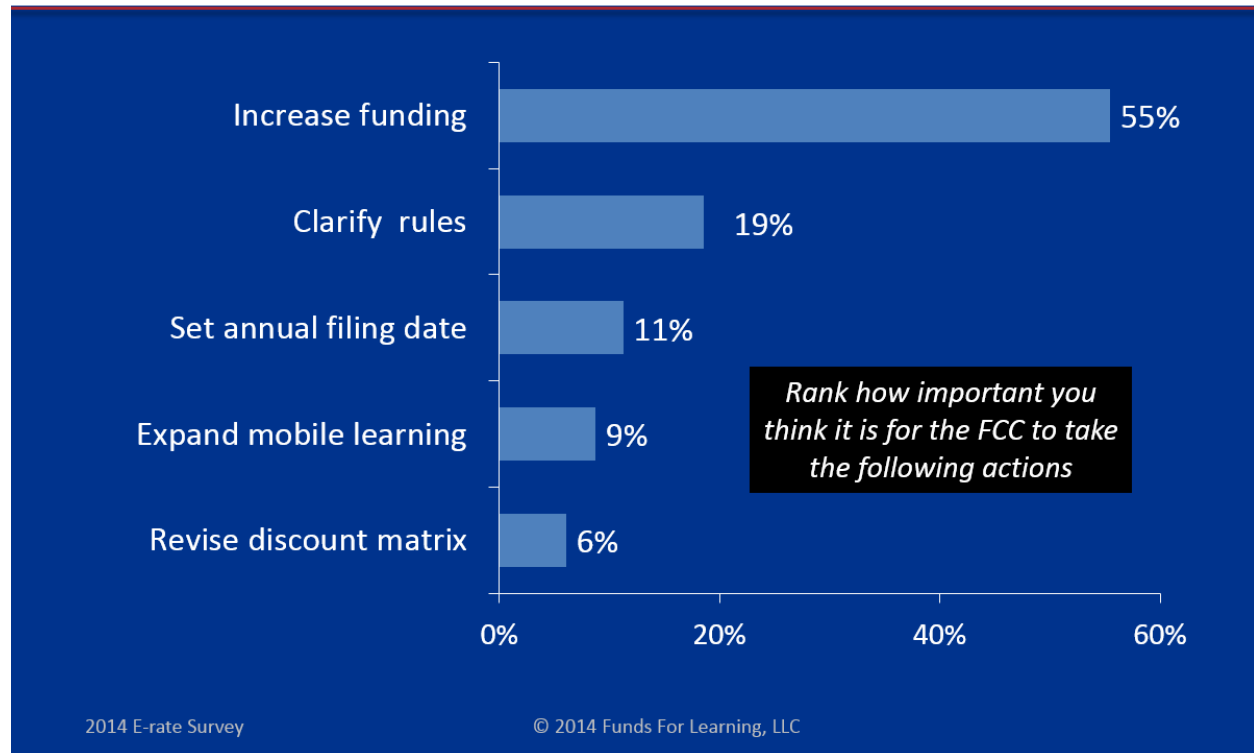
QUESTIONS AND RESPONSES

Question five asked applicants to rank the importance of five potential FCC actions.

- Clarify program rules
- Expand mobile learning projects
- Reallocate USF funds to increase funding for the Schools and Libraries (E-rate) USF program
- Set an annual date for the Form 471 filing window deadline (similar to April 15 tax deadline)
- Revise E-rate discount matrix

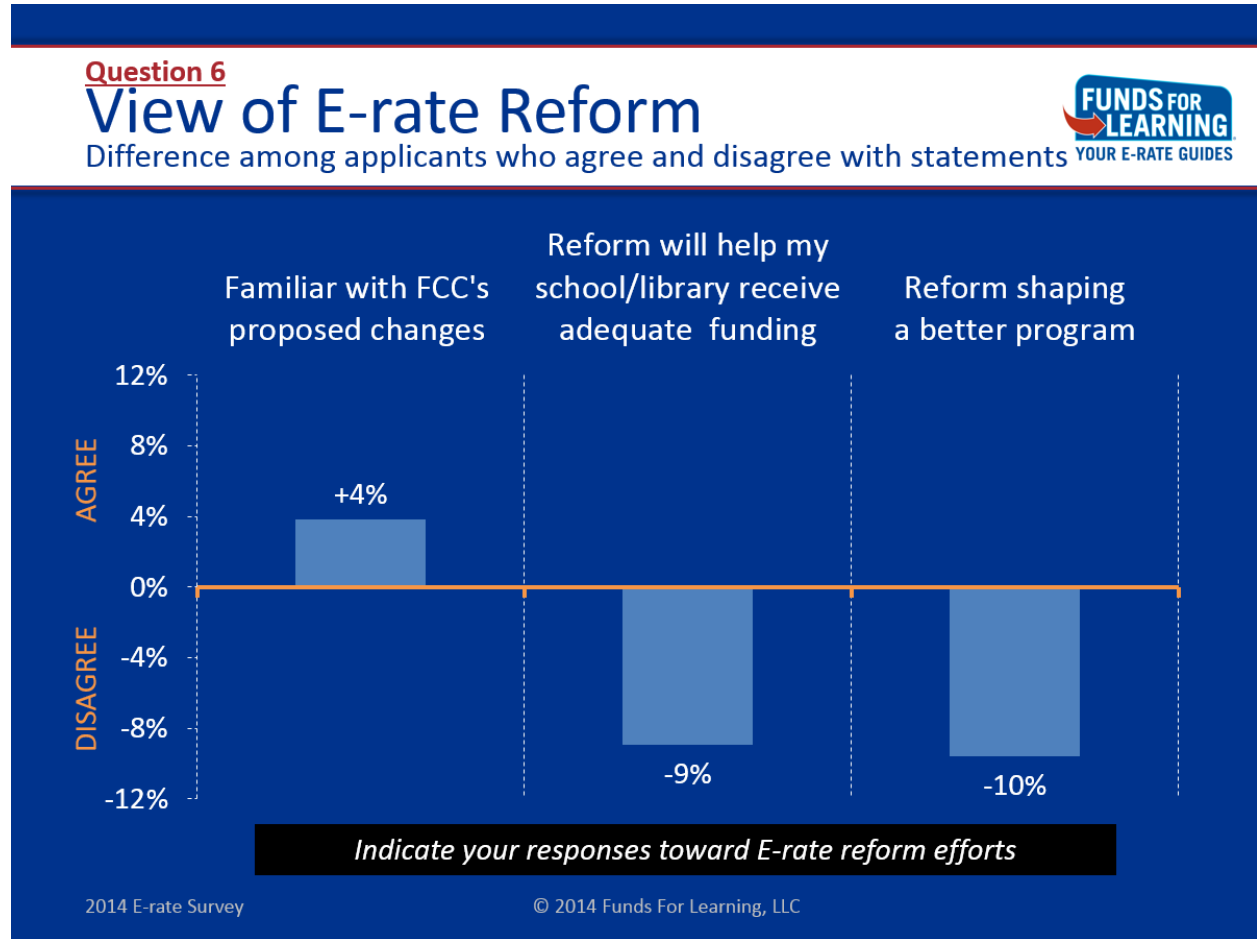
Question 5

Rank 5 changes / top choice



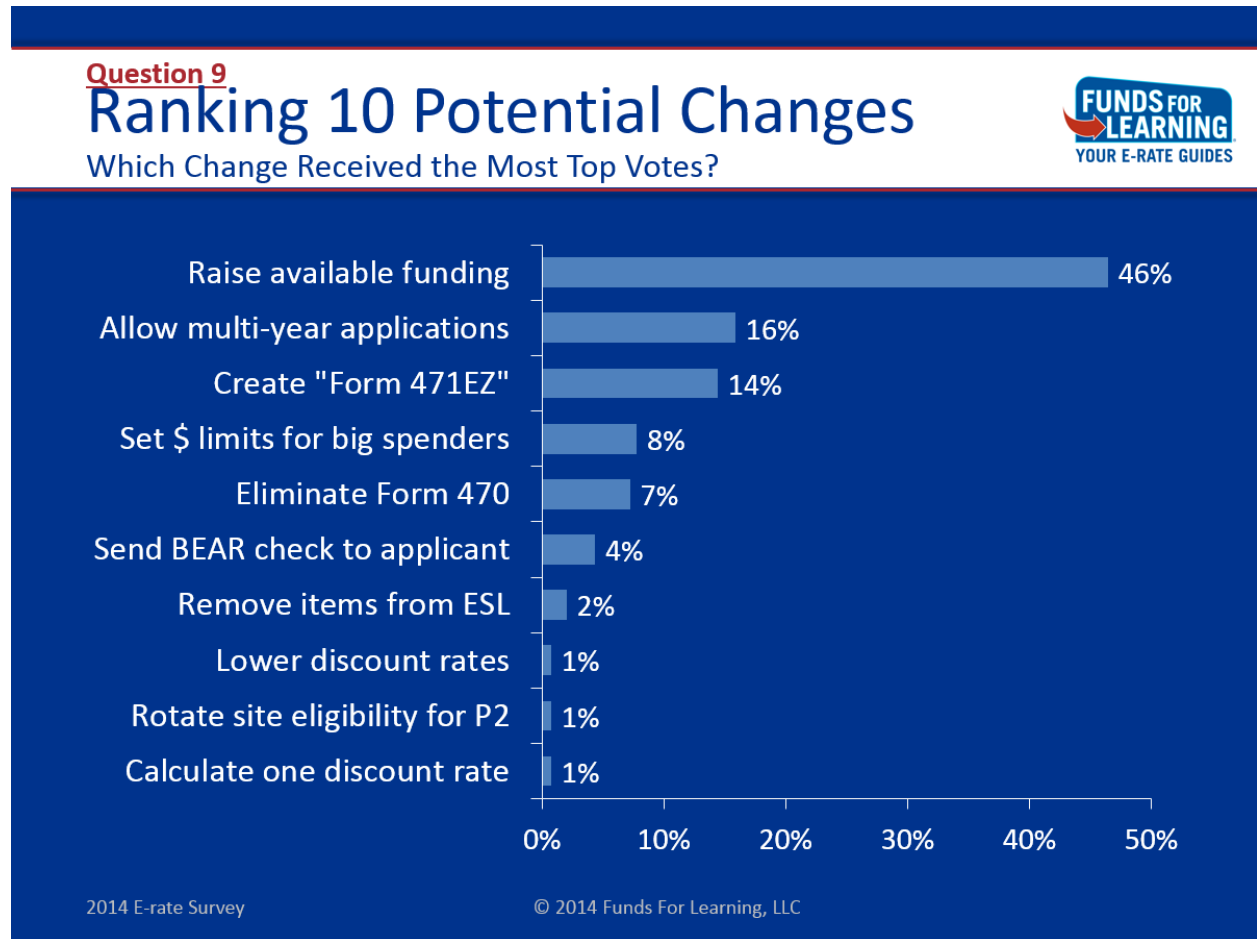
Question six asked applicants to indicate whether they agree or disagree with three statements regarding the effort to reform the E-rate program:

- I am familiar with the FCC’s proposed changes to the E-rate program
- I feel that E-rate reform efforts will help my school/district/library to receive adequate E-rate funding
- The E-rate reform efforts present a clear direction to shaping a better program



Question nine asked applicants to rank ten potential changes to the E-rate program:

- Create a “Form 471 EZ” for simple applications
- Allow single, 3-year Form 471 application for multi-year contracts (i.e., one Form 471 required for a 3-year contract; services will receive funding in years two and three only if funding is available)
- Remove the Form 470 requirement (i.e., only follow your local procurement process)
- Send Billed Entity Applicant Reimbursement (BEAR) directly to the applicant (not passed through the service provider before they reach the applicant)
- Calculate one single discount rate per applicant
- Remove some services/goods from the eligible services list (e.g. paging, web hosting, etc.)
- Rotate site eligibility for Internal Connections (2-in-5, 1-in-5 rule, etc.)
- Lower E-rate discount rates
- Set funding limits against excessive applications
- Raise the amount of available funding



ANALYSIS

Over half of the respondents were familiar with the potential changes to the E-rate program which have been laid out by the FCC, while applicants were generally less ambitious about the positive impact that reform changes could have on the program.

55% of the applicants who responded to the survey stated that the FCC should focus on increasing the amount of funding available in the E-rate program, and 46% believe that this would be the type of reform with the most positive potential impact.

Removing eligible services, single discount rates for applicants, placing limitations on the amount of funding for certain types of projects, or lowering discount rates ranked lowest on applicants lists of favorable reforms.

Survey respondents also indicated that simplification of E-rate forms is one of the most effective ways to positively impact the program. 14% of respondents gave the highest favor to the creation of a simpler “Form 471 EZ” application, and 16% of applicants liked the idea of a Form 471 application that was good for three years.

The responses to these questions, as well as applicant responses to question 1, show that applicants overwhelmingly favor a stable, streamlined, and predictable funding source and application process.

2014 Survey of E-rate Applicants

June 27, 2014

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APPENDIX A: DETAILED RESPONSE DATA

The response data collected from the online survey is presented for each question individually in the following appendix.

QUESTION 1

Please estimate what your total budget for telecommunications and Internet services will look like five years from now

<u>ANSWER OPTIONS</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
Down Significantly	8%	50
Down Slightly	6%	39
About the Same	28%	173
Up Slightly	26%	162
Up Significantly	32%	195

QUESTION 2

How would you rate your overall current technology infrastructure?

<u>ANSWER OPTIONS</u>	<u>DATA</u>		<u>TELEPHONY</u>		<u>WIDE AREA NETWORK</u>	
	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
Lagging	43%	265	51%	309	42%	253
Current	47%	289	42%	254	47%	284
Ready for Tomorrow	10%	60	7%	45	11%	66

QUESTION 3

If you could only receive E-rate funding in one category of service, which would you choose?

<u>ANSWER OPTIONS</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
Telecommunications	29%	182
Internet Access	53%	330
Internal Connections	13%	82
Basic Maintenance	4%	25

QUESTION 4

Which of the following do you consider to be the most difficult part of the E-rate process in terms of time, complexity, and compliance with program rules? (Select one)

<u>ANSWER OPTIONS</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
Application planning	11%	63
Competitive bidding	25%	152
Form preparation	31%	187
Starting or implementing services/goods	4%	22
Receiving discounts or reimbursements	7%	44
Audits and reviews	15%	89
Other	7%	42

QUESTION 5

Please rank how important you think it is for the FCC to take the following actions: (1 is most important, 5 is least important)

<u>RANKING OPTIONS</u>	<u>SELECTED RANKING</u>					<u>AVG. RANK</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
Reallocate USF Funds to increase funding for the E-rate	331	128	84	38	16	1.79
Clarify program rules	111	150	159	125	52	2.76
Set an annual date for the Form 471 filing window deadline	67	109	114	149	158	3.37
Expand mobile learning projects	52	121	108	118	198	3.48
Revise the E-rate discount matrix	36	89	132	167	173	3.59

QUESTION 6

Please indicate your responses toward E-rate reform efforts

<u>ANSWER OPTIONS</u>	<u>STRONGLY AGREE</u>		<u>STRONGLY DISAGREE</u>	
	<u>AGREE</u>	<u>AGREE</u>	<u>DISAGREE</u>	<u>DISAGREE</u>
I am familiar with the FCC’s proposed changes to the E-rate program	8% (46)	44% (253)	37% (211)	11% (66)
I feel that E-rate reform efforts will help my school/district/library receive adequate E-rate funding	5% (27)	40% (217)	43% (228)	12% (64)
The E-rate reform efforts present a clear direction to shaping a better program	4% (22)	41% (218)	45% (241)	9% (50)

QUESTION 7

If the Priority One service category were limited to broadband Internet connectivity and Voice over IP (VoIP) phone service only, how would your school/district/library deal with the elimination of funding for legacy Priority One services (switched voice, cellular, paging, hosted services)?

<u>ANSWER OPTIONS</u>	<u>YES</u>	<u>NO</u>	<u>UNSURE</u>
Eliminate services that are no longer eligible	25% (148)	37% (215)	38% (219)
Request to increase the technology budget to pay for ineligible services	47% (275)	23% (131)	30% (175)
Switch from ineligible voice services to eligible voice services	48% (276)	17% (101)	35% (203)

QUESTION 8

Please respond to each statement

<u>ANSWER OPTIONS</u>	<u>STRONGLY</u> <u>AGREE</u>	<u>AGREE</u>	<u>DISAGREE</u>	<u>STRONGLY</u> <u>DISAGREE</u>
The E-rate Program is meeting the goals of connecting schools and libraries to the Internet.	16% (91)	68% (391)	13% (77)	3% (16)
The E-rate program is critical to our success.	64% (371)	28% (162)	8% (46)	0% (0)
Job done. The E-rate has fulfilled its purpose.	5% (31)	25% (146)	43% (247)	26% (150)
The E-rate program is adequately funded.	4% (20)	22% (128)	46% (261)	28% (162)
Our buildings are wired. Eliminate Priority 2 and focus on Priority 1.	17% (99)	32% (185)	28% (159)	23% (132)
Our Internet connectivity is adequate for our current needs	7% (43)	45% (257)	33% (193)	15% (84)
We currently allow, or plan to allow, after-hours community use of tech resources	8% (46)	44% (253)	37% (211)	11% (66)
E-textbooks & "BYOD" will increase our demand for E-rate funded goods and services	48% (277)	39% (222)	11% (62)	2% (11)
We rely on E-rate funding for basic maintenance support of our technology infrastructure	29% (165)	22% (126)	35% (197)	14% (82)

QUESTION 9

Please rank each of the following potential changes to the E-rate program. (1 is most positive impact, 10 is least positive impact)

<u>RANKING</u> <u>OPTIONS</u>	<u>SELECTED RANKING</u>										<u>AVG.</u> <u>RANK</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	
Allow three year Form 471	88	124	131	87	51	31	16	19	7	2	3.35
Raise the amount of available funding	258	65	30	42	31	23	16	13	15	62	3.44
Create "Form 471EZ"	80	130	123	80	52	22	24	16	14	15	3.58
Eliminate Form 470 requirement	40	69	100	108	83	55	27	29	25	20	4.50
Send Billed Entity Applicant Reimbursement (BEAR) directly to client	24	27	51	97	101	81	69	38	35	33	5.47
Calculate one discount rate per applicant	4	20	25	50	100	154	94	51	38	20	6.03
Set funding limits against excessive applications	43	54	26	34	32	38	36	59	106	128	6.67
Remove some services/goods from the eligible services list (e.g. paging, web hosting, etc.)	11	23	29	26	44	84	126	84	64	65	6.75
Rotate site eligibility for Internal Connections (2-in-5, 1-in-5 rule, etc.)	4	19	18	22	39	50	106	142	90	66	7.24
Lower discount rates	4	25	23	10	23	18	42	105	162	144	7.95

DEMOGRAPHIC QUERIES

Please indicate your familiarity with the E-rate process on the scale below

<u>ANSWER OPTIONS</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
1 (No familiarity)	1%	2
2	3%	15
3	19%	82
4	34%	149
5 (High familiarity)	43%	189

Please select all that describe your position in your organization

<u>ANSWER OPTIONS</u>	<u>RESPONSE PERCENT</u>	<u>RESPONSE COUNT</u>
E-rate Coordinator	68%	291
District/School Administrator	48%	205
Procurement	27%	115
Information Technology/Services	56%	243

Please indicate the information requested here regarding your organization

<u>ANSWER OPTIONS</u>	<u>RESPONSE AVERAGE</u>	<u>RESPONSE TOTAL</u>
Number of staff managing E-rate	1.5	634
Hours staff spends on E-rate per month	39.0	16,507

APPENDIX B: SURVEY COMMENTS

Survey respondents were given the opportunity to share their comments about the E-rate funding program. The following are the comments as they were received. No edits have been made to the comments, other than to remove information that would specifically identify an individual or school.

1. Schools and libraries are not the enemy; we are the intended customer for the USAC program created by Congress. Picky, nonsensical rules enforced by overzealous reviewers with a fraction of the technology responsibilities and knowledge as the applicants with whom they are dealing can DENY small local libraries and effectively thwart the good purpose for which these funds are intended. When USAC reviewers can deny an applicant (with 14 years of application experience) the monthly discount/rebate for a robust, fiber optic internet connection, the installation of which was funded through an NTIA stimulus grant, JUST THE KIND OF IMPROVEMENT SOUGHT BY OUR GOVERNMENT, for two years in a row, something is dreadfully wrong. The library's only recourse is to appeal to the FCC, appeals which are mostly filed by lawyers from large school districts or libraries with significant funding for legal fees. In other words, one branch of government (USAC of the FCC) frustrates the valid, useful public purposes of another branch of the federal government (NTIA)! This is nothing less than stupid. I have written to the U.S. congressman, U.S. senators, and sitting FCC commissioner Ajit Pai to bring attention to this travesty. I fulfilled the library's responsibility in a timely fashion, and, with trouble ticket documentation that USAC reviewers rejected. So your survey is very nice, but the library is frustrated in its efforts to meet the goals of its USAC required Technology Plan precisely because USAC reviewers do not see themselves as facilitators in the process of distributing universal service fees; they see themselves as adversaries to provide oversight for all the apparent money-grubbing public servants trying to do the right thing for their institutions. You can tell I've had a bad experience. Would you please tell the taxpayers of universal fees in my area why

USAC will not return the fees for internet funding needed in our county with the highest unemployment in [state]? I think most USAC employees are decent people trying to do the right thing. But the rules, processes, and apparent lack of ability to help and facilitate positive outcomes is the problem. Thank you for letting me vent my profound frustration. Respectfully, [name]

2. E-Rate process is extremely confusing. To get the most money possible, there needs to be a more streamlined way, or, have more opportunities for webinar help.
3. The best suggestions I saw here were creating a 3 year 471 to match any allowable 3 year contracts, creating a single reimbursement rate for the billed entity, and sending the BEAR reimbursement directly to the client.
4. Please simplify the process - especially PIA and audits. It takes an incredible amount of staff time and feels very nit-picky.
5. For a small library like ours the Erate helps us afford to provide Internet services and with our phone service.
6. There should be consistency in reviews.
7. Simplify the forms or have less forms. it seems as if I just get done doing one form & it's time to do the next one.
8. E-rate is a vital, very needed, and "must have" program to our district. We are a google apps for education environment and are moving to a 1:1 Chromebook initiative with digital textbooks. We must have E-rate to move forward. E-rate is also a difficult, very time consuming and confusing process. My boss died unexpectedly the end of January. He had never taught me eRate and now I know why - there is no way to "teach" E-rate - it is too confusing - no way to have a "backup" person - luckily another district allowed their E-rate person who had done it for several years to come help me get started. He spent 8 hours

with me showing me how to get ONE 470 filed and an RFP up. I spent countless hours pouring through manuals, tutorials, webinars and many many phone calls and emails to our Tennessee E-rate coordinator. Then after getting all the forms for everything else filed I started getting error emails related to validating the discount percentage for one of my sites - I got it validated for one form and then got the same error back for two others. Unbelievable that the same correction was not populated to all forms. A lot of wasted time had to be spent duplicating the same corrected information for the same error. One of the most frustrating areas is the web site for filing the forms. Multiple times I would have the form completed and then items I had entered would just disappear on the preview screen or would show on the preview screen but not when printed. The site also timed out way to quick - or just locked up. For such an important program, the site is not user friendly at all. I'm still not sure what I have left to complete as my web-hosting and cell phone filings are not showing funding from my boss's last years filing or this years. We have to have E-rate to continue internet access and moving forward in our technology - so I will continue to search for answers - just struggling to find enough hours in the day to find them.

9. More services need to be priority one services.
10. I have not received communication about our position on what we will or will not be awarded. The pink slip. How long will it take and are you still considering [district] as a recipient?.
11. we have opted out of Internet support because of CIP. It makes the small telecommunications Erate all the more important in these tight times.
12. Internal connections and basic infrastructure maintenance are critical to my district due to its rural location. School teachers, need reliable services with maintenance windows and upgrades that can be planned by the schools based on teacher's needs. Cloud services do not offer this level of service. Additionally, schools cannot fully transfer their data and risks to another entity. At the end of the day, schools are still data and risk owner regardless of who manage it for them. Internal connection and basic maintenance needs to stay. I would rather loss priority one as getting internet connection is about as important and needed as buying fuel for buses. School will find a way to pay for the internet. However, they will find ways in neglecting internal connections and its infrastructure. It will results in disasters and data leaks.
13. The most difficulty that we have been experiencing all these years is some of our service provider does not reimburse us on time after they received the funding from E-Rate Grant.
14. Far to complex now, We could work with less funding for Internals if it was more consistent so we could plan. Our schools that need it most are lower on free and reduced and don't get the help. Need to improve will not change because things are moving to fast in technology and education.
15. a blessing to our school when money was very tight. we have been blessed with more advalorium but ERATE is very very helpful to our telecommunication budgets.
16. The FCC needs to understand that a growing school district with schools changing sites during their first years of operation does not fit the current P2 rules. e.g. the 2-in-5 rule precludes adding equipment as the school grows 1 grade per year, and having equipment need to be tied to 1 school for 3 years doesn't always make sense.

17. 90% discount should be applied to schools with 65-75% poverty rate.....77% is too high a number. The cost of basic maintenance increases every year
18. E-rate process is too time intensive for us. If there are no changes, we should not have to file every year. It could be streamlined for applicants that don't have changes.
19. E-rate funding is necessary for our public library system.
20. Consultants should NOT be reimbursed by the e-rate program. If an entity wants a consultant they should pay with their own funds. The forms should be straight forward enough that no consultants are needed.
21. The paperwork is insanely complicated, and it is unclear what the Audit Flags may be. Therefore trying to keep in compliance with maintaining paperwork is confusing, because it's really unclear what will trigger an audit or an audit finding.
22. Our current level of internet connectivity is not adequate for most of our libraries' needs and demands. E-rate funding is critical for libraries to provide adequate services for our communities.
23. Eliminating phone services and maintenance are not good ideas. VOIP is well and good, but what happens when the Internet is down? Our organization has no desire to switch to VOIP. We are a small library like many rural libraries in Mississippi, and we have no dedicated IT person to manage our technology. Eliminating funding for this will hurt some of the very libraries you are trying to bring into the 21st century the most.
24. "The road to Hell is paved with e-rate applications" has been my experience. I have been doing them for 17 years and every year something new comes up to confuse me. The 8888-231.8100 has been an extremely helpful but even they can unknowingly mislead.
25. It's a good program, but so difficult and confusing. It shouldn't be so complicated.
26. We would not be able to afford or offer the level of technology services without E-rate funding. We do not have, nor can we afford to have, a professional IT person on staff, therefore, we really need additional funding for basic network maintenance as a Priority 1 eligible service in addition to the current Priority 1 telecommunication services.
27. It is a great program and I am glad we can use it.
28. we need the web hosting and email support for our small to mid sized districts that simply don't have the staff to manage these services outside of the competitive plans vendors have put together around these services. Telco services are also needed at these sites for reliability and security.
29. Thanks for asking! As a Charter School dealing with 18 - 27 yo disadvantaged youth here in Silicon Valley, we have a unique perspective on how the digital divide impacts those most in need. Our students need more skills than most to successfully enter our local job market. Ask us anything.
30. juggling 3 separate project years is confusing. also I do not have any more funds for technology than [state] provides in Hardware and Software aid other than e-rate. There is not district provided funds for technology
31. Being a small rural district, we rely on E-rate heavily to help pay Internet and telecomm expenses. Would be nice if E-rate or something helped with funding of government mandated initiatives (e.g., web filter for CIPA).
32. Schools need this program to continue!
33. Love the program. Has helped immensely to allow us to truly blend learning. However, the timing of application approval/decisions could be a wee bit faster to enable us to implement

- programs relying on e-rate funding in a more timely fashion.
34. I am so thankful to have the e-rate program. We have a small budget and it keeps getting smaller. We would not be able to pay our monthly bills if we didn't have the e-rate credits. Thank you so very much
 35. The phone discount matters to us, but if ending that discount is the way for the E-Rate program to keep up with ever-increasing demand for more bandwidth, then we can accept that as a necessary trade off.
 36. The E-rate program has been a great program for the small libraries with very minimal budgets. I just don't know what we are going to do when it is no longer available to us.
 37. At present we still rely on e-rate for basic telephone service since we have 3 different service providers in our county. It is still important to us.
 38. E-Rate is a program that touches the core of democracy.
 39. The concept that the eRate program provides for internet access is faulty in one respect. While the program does support facilities for internet connectivity it excludes devices student use such as PC's, tablets, etc. In this arena one could envision a district with the latest in backbone and internet access facilities yet no up-to-date student or teacher devices to connect to them or, in the extreme, none at all. That is a fundamental flaw.
 40. I believe that it is a mistake to eliminate telecommunications as an eligible service. In this era of technological advancements, the cell phone has taken on a greater role in facilitating communication that is not tied to a land line or static internet connection. Library directors and other administrators use cell phones to keep in touch with staff and their bricks and mortar facilities when on the road or in the case of some new library consortium arrangements cell phones are a vital part of working in a virtual realm. Also, libraries are still using telephones to connect with patrons for reference and information. Libraries count on that funding to offset basic needs and can use that money in other ways to support their patrons who are job seeking, filling out forms, etc. If the eligible services list changes, it should reflect an appropriate amount of funding to transition to new technologies.
 41. Get PIA reviewers who have a better understanding of e-rate applications. Create a better data base so the information is available to reviewers and the same questions are not asked to applicates, year after year. A reviewer could check prior years applications for answers before sending requests on current year applications. Better coordination with States on updating the school data base, so new school buildings are added and closed school buildings are deleted/inactivated in the SLD database.
 42. I think there needs to be a move to more funding for poorer areas of the country; i.e., if your school lunch discount percentage is 80%, you get 100% erate discount.
 43. Program changes to eliminate basic voice services will greatly impact small locations in a negative manner. VoIP is a poor choice for small schools.
 44. Please continue to fund telephone service along with internet. We sincerely need that financial assistance in small libraries.
 45. I would remove web hosting because once you have a site that you desire to work with you do not want to have to go out to bid and risk having to change. The cost of change could be more than the discount.
 46. I think the large telecommunications companies can afford to give schools and libraries larger discounts. I think the entire process is a bureaucratic mess.

47. We apply only for voice telephone services. It seems silly to have such a complicated process for a very basic service. Because of the size of our library, and given the fact that most your persons who use the library have smartphones and handheld devices to access the internet, effectively our only clients for internet are adults. Only a few of them use our computers; they bring their own laptops.
48. I am aware that in the past there were abuses, but I think the FCC/USAC went too far the other way to eliminate abuses. The system is cumbersome and confusing. That being said, the program itself is a lifesaver for schools in schools (small ones like ours) that do not have the funding to make major internal connection upgrades in old buildings and to pay for the internet/telephone costs.
49. Our District (BOCES) has provided e-rate service for 17 funding years and never had any of the 47 districts we represent receive Priority 2 funding (because didn't qualify with high enough discount rate). Our Districts are located in [region] and are very rural area's but are classified URBAN, this area needs to be improved. The internet connectivity is Available thru BOCES however the district's can't afford the cost of the higher bandwidth due to the economic times, It is the wrong time for FCC to make major changes to the program! As I look at the FCC proposed improvements it is very similar to the State Aid Formula in which [region] uses for the [region] School Districts. The Large Populated in Big cities receive more monies than the rural school districts who do not receive P2 funding to improve their infrastructure and use the P1 monies to improve there mediocre internet connectivity needs but still have a better graduation rate without the P2 funding compared to the LARGE Districts downstate who received P2 funding! WHY fix something that has been Working, certainly better than the suggestions for improvement?
50. 1) We contract out most processes to [email].
2) VERY UNHAPPY with the Priority 2 funding decision but even worse, it took so long. We can't put 'school' on hold while a final decision is made. 3) Keep universal fees collected dedicated to schools and libraries.
51. We represent over 66 small school districts in [state], that simply can not afford to change over their services on an annual basis, or increase their present bandwidth. Unfortunately none of them are poor enough to ever receive priority 2 funding. All of their E-Rate money comes from Priority 1 services. Most can only afford POTS for phone service. The consortia has the capability to increase their bandwidth, but the districts simply can not afford the increased costs. As a BOCES they go through the consortia for as much as possible to maximize their state aid as well as their E-Rate funding. But it's still not enough, we have districts that have more cows than people but yet are still considered urban due to their close proximity to a metropolitan area. Yes, I agree E-Rate needs a fix, but don't hurt the smaller districts in doing so. Remember this was all started by the telecommunications act - districts still need phone service. All schools should be treated fairly - not just inner city schools where all the votes are!
52. Forms need to be more user friendly and informative. Also not have set Internet Bandwidth because of school population size.
53. taxpayer burden to raise funds should be lowered
54. Too complex a process.
55. For P2, set a minimum standard of infrastructure. Grant funding only to schools below the standard (review tech plan to verify) until everyone is caught up. Then fund P2 based on rotating schedule 20% of schools per

- year - thus granting funding to each school once every 5 years. Basic maintenance is necessary to maintain infrastructure that is refreshed only every 5 years.
56. Hot spots for students to use after hours should be eligible.
 57. The E-Rate and USAC staff are incredibly helpful. I really appreciate their responsiveness.
 58. Telephones are still an integral part of our operation. Our FAX machine is used more now than ever! We need this support.
 59. We had to hire two individuals to be able to fill out all the extra paperwork. .
 60. Essential to the continuity of technology in the school
 61. Question #11 does not reflect my position of director of a tiny library...
 62. This may be our last year in the Erate program because of being eliminated for one reason or another. Erate is a very complicated process. Why not rebate schools and libraries after the services have been paid. Work the process in reverse somehow.
 63. higher rebate rates for increased bandwidth. Technology advances will require more investment and [state] tax caps will not allow for budget increases
 64. We only use e-rate funds for Priority One. It is too slow to use it for infrastructure: wiring, switches, etc.
 65. The whole erate process is way too time consuming and demanding for small entities. Simplify please!! The forms have way too many questions and far too many deadlines that must be tracked. When you're a one-man operation, time is of the essence.
 66. Migrating to VoIP would be an \$800,000 capital project and still not provide for telecommunications that are needed for safety reasons. Eliminating voice services is a poor idea.
 67. I think this survey is over-simplistic with regards to E-Rate Funding and program questions. The issues are very complex with interrelated connections that are not as straight forward as this survey leads one to believe. There can be no eliminations or removal of existing funding services until ubiquity of service offerings throughout the whole United States is available, both rural and urban. It is very easy for urban locations to have an array of current access paths, when rural locations, many times, have no choice at all. Until that imbalance is addressed, no significant changes should be considered.
 68. It seems to me the E-rate program was created to expand and improve internet connectivity, not to subsidize telecommunications. As learning becomes more and more digitized and internet-based, this emphasis only increases. As such, Priority 2 and Priority 1 should be reversed in terms of E-rate funding priority.
 69. The whole process is very confusing, and difficult to remember what steps you need to take when. I even have a cheat sheet for when to file forms, and I still go crazy trying to figure it out! Also, it was very frustrating last year not knowing if we were going to receive our funding. We have a very limited income and we count on the discounts to help pay our bills.
 70. Thank you for providing this forum to offer additional information to USAC for consideration in their final decision reforming the Erate program.
 71. We are a small, struggling religious (Catholic) high school with students from working class families. E-Rate is one way we decrease the financial burden on our families.
 72. Please eliminate the need to do paperwork every year!!
 73. Too many steps in application process - the same information is asked for over and over.

74. I wish that E-rate wasn't calculated based on Free and Reduced lunch rates. My district falls in the category of never qualifying for tier 2, yet we don't ever have enough funds to upgrade as we need to. Every school district is expected to keep their infrastructure upgraded and ready to expand education into the digital age, but we never have enough funds to do so. It's very frustrating to see districts who get so much funding and can upgrade through e-rate, when other districts are struggling constantly to upgrade because they can never qualify for more e-rate funding.
75. It would be helpful if discounts were approved by July 1 of the calendar year. Since school systems have to meet so many deadlines, it seems appropriate that the approval process by USAC is completed in a timely manner.
76. P2 is important for school districts to be able to update/buy new switches/routers so that they can upgrade the networks they have to be able to handle higher bandwidth requirements. These are needed to be able to provide wireless service in/around their buildings so they can implement 1:1 or byod programs.
77. MTM services that have previously been approved should not have to go through the vetting process yearly, but should be automatically approved.
78. What good is providing broadband access if priority 2 equipment doesn't get funded. A reliable network infrastructure is needed in order to access the Internet.
79. All service providers need a template to serve as 471 attachment like [service provider name].
80. 1) sl.universalservice.org sorely needs to update its website. It is inexcusable that, in 2014, they should still be using an IE6-compatible site, instead of one that is compliant with modern browsers. It is indicative of how out-of-touch the e-rate program is with the technology it is attempting to support. 2) In our rural community, our monopoly telecom service provider requires us to subscribe to voice services in order to get internet access. a) This will unfairly penalize us and similar communities when voice phase-out occurs. b) the broadband/fibre connections that they provide are less reliable than copper POTS, with frequent and random dropouts and bandwidth fluctuations that make it less than ideal for a VOIP-only setup. 3) Many patrons in the area still rely on telephone-based fax or deal with banks, realtors and agencies which require document transmission by telephone fax. As the operator one of the two publicly-available fax machines in our town, we can say that eliminating funding for voice services would hurt those patrons who rely on us to fill that need. 4) In 12, above, how is 1.5 not a positive number? Did you set to whole integer only input?
81. While we have 2 staff managing E-rate, we had to hire a consulting firm to assist. The firm has several consultants that work with us. E-rate is a long arduous process. Thank you.
82. Over the years during the time of ERATE our school has depend on the ERATE trying to keep up to date on mounting rapidity of Technology. Without ERATE I don't know how to meet the increasing expectation of education for our children. Over 90% of technology is used in all classroom to meet the requirement of successful education for our children. You take ERATE away it will hurt our child good time. Sincerely...
83. Way too complicated for some applications
84. Should eliminate, or set cap for "Dark fiber"eligibility.. It's too costly for program.Or have service providers provide as community service

85. Without the program, we could not afford to pay hundreds of thousands for Internet access, which we would have to do.
86. I am allowed to utilize discounts from voice services to actually pay for broadband and other components and services. Loss of that discount would be catastrophic to our district's technology budget.
87. Number of hours per month spent on E-rate depends on the month. Make all entities eligible for one or two in five years per building for wireless connectivity
88. My wireless devices [vendor] are run with a cloud manager which requires a yearly fee, similar to a smartphone yet my license is considered Priority 2 and not 1. So the wireless network will go down when my funding runs out. I believe that these licenses be considered P1 for internet access.
89. Consider the smaller and poorer schools equitably. It seems that all the money goes to the larger and richer ones and those that need the money never get any.
90. This survey is obviously marketing geared and sugar coated with e-rate reform.
91. It needs to be simplified and allow you to submit an entire contract to E-Rate only once, instead of having to re-apply each year for the same contract.
92. This survey is pretty bizarre. There were places where I wanted to check two boxes but could not. There were places where I wanted to check N/A, but was forced to put a priority to something I disagreed with. Generally, I think that E-rate should fund priority one only with a consistent percentage for all schools that just gets automatically applied to phone and ISP services. That would eliminate huge amounts of paperwork.
93. Process needs to be easier - possibly carry over last years information, just like taxes, because our school already has policies in place to seek the best quotes, so Form 470 is a wasted step.
94. It is just so complicated. I have been doing it for 4 years now, and it never gets easier. I'm constantly terrified that I am going to do something wrong.
95. It would be very helpful to have one PIA Reviewer selected to review one site for all ERATE 471's for that BIN
96. Application Process way too complicated. But we will keep applying because every little bit helps. If it is confidential - why do you need entity number and email? Just wondering.
97. Thank you for all that E-RATE already does for our schools. Please help us to become even better 21st Century Schools
98. It is very complex and complicated with too many steps. Very confusing having three years open at any given time with too many deadlines. Funding needs to be spread out to more than just the high funded schools each year. They must be up to date by now....
99. We currently receive one free Internet line from [service provider] however we may lose it. That will change our needs.
100. Funding based on ADA. One Priority level for everyone
101. As a Consortium, providing ERate, Internet/Technology, and Business services to 19 small rural school districts, the most difficult aspect of the ERate process is verifying NSLP counts. Each of these districts submit Certified NSLP Data to [state], yet there is no public web address available to an SLD PIA Reviewer specifically identifying NSLP enrollment numbers. In [state], there is a public space for Socioeconomically Disadvantaged enrollment, but that is a superset of NSLP enrollment.
102. For a small public library, E-rate reimbursement is crucial to our providing current technology to our users.

103. If Priority 2 funding is cancelled, it's pretty much game over for our district. There is few other programs to pay for network switches and appliances needed to bring our district's infrastructure out of the 1990's.
104. I put 6 hours in the time spent per month because when doing 470 and getting bids and communicating with vendors/telcos more time required. 471 requires getting contracts lined up. I keep monthly Telco/Internet Access spreadsheets I update along with other documentation to place in my files. I averaged the time out over the year to come up with the 6 hrs.
105. The Erate program is fine right now. The current funding helps districts annually save money. If you reform the program it will only benefit schools every 4 or 5 years. Increase districts chances of getting priority 2 funding. Rotate it from one district to another annually. This will help all districts.
106. Small, private schools like ours that serve 90% poverty from the inner city (and we raise 100% of our funds every year) need every dime of our E-rate funding to provide our technology and its support. We need our basic maintenance funding just as much as we need internet and telephone.-- without these funds, we could not do what we do for our students--and we could not find enough private money to cover the expense, if any of it went away from the E-rate program. The fact that we are found out in month nine of this fiscal year, that our priority 2 request will not be funded (after years of having it funded and also being in the middle of an approved 3 year tech plan) is a disgrace. Our organization is not permitted to charge tuition or fees for our program services due to federal rules-- and now the E-rate rules are starting to push us out of the funding we need to close the digital divide for our students. The E-rate

program rules and regs have become "over the top". Yet, we do not hire consultants to do our applications--we learned how to manage it and have operated in good faith. To now have basic mainence and certain types of telephone service taken away from eligibility for reimbursement because the industry wants to change things, is not acceptable. Each program should be able to apply for what it needs without being dictated to per what industry standards should be used (by the applicant), Why would we want to raise and spend more money to change over our phone system when the one we have works just fine? American waste...-in order to have the newest, fastest whatever! The applicant knows what is best and most affordable for their operation and when they can/will be able to afford to make changes and upgrades. Adn if the 90% schools are taking up most of the E-rate funding, then more money needs to be invested int he program to service the rest of the applicants. And stop E-rate should improve the use of theri time and applicant time by not re-doing reviews each year with different reviewers that do hot have the files from previosus years--that is a waste of valuable time and resources. A consistent flow of information on each applicant with the reviewers each year would move the approval process along faster and more efficiently.

107. We rely on landlines. Please do not remove funding for this.
108. My library really needs the funding for Internet access and local telephone service offered by the program. We do not have a budget that would allow shifting more money to technology. I have not really studied the new proposals, so I'm not exactly sure how they would affect my library.

109. Our small library applies for telecommunications only. Our internet needs are provided for free by a local provider. I rely on our state library organization and the e-rate help desk to answer my questions so I do not know a lot about how e-rate works. Our local funding for telephone service is generally flat lined at best, and some years some of its dollars are reallocated to support other parts of our budget. E-rate dollars help us to pay for everything we need. Without these dollars, we would have one more budget strain.
110. We are rural. The FCC does not require telecoms to provide broadband service to us. The limited high-speed service available is much more expensive than in urban areas. We spend \$43 a month for 768K DSL. VOIP is not a viable option - we have barely enough bandwidth for the public and Internet is unstable. If they eliminate our cells and landlines we can't switch to anything else, so we'll need to decrease the amount we spend on other telecom services to pay for the phones. So, we will have less money to spend on broadband and Internet, and our service will decrease. We can run a library with limited broadband but not without phone service.
111. We use e-Rate for Internet connectivity and POTS. We don't use it for anything else, and we probably won't use it for anything else. If POTS is eliminated from e-Rate funding, our area will lose out on this money.
112. The rideover P1 services are bankrupting the e-rate program and prohibit poor and rural schools from receiving the P2 support that we need. Also, because of limited Internet options, rural locations cannot even take advantage of the P1 rideover/hosted services if we wanted to. For wealthy urban schools it is a win-win situation.
113. We hire a consultant to file our e-rate forms.
114. The process has improved over the years but it is still almost impossible to understand and then comply with all the rules.
115. Please simplify the entire process!!!!!! It is too complicated, time consuming and nerve wrecking.
116. Focus on providing broadband internet and cut out rest of program. Simplify entire process.
117. ***I don't know what email the company we use (because the applications were too convoluted for us to have to spend 2 - 3 weeks on them) to create the e-rate applications uses. MY contact email is listed above.*** Rural communities with minimum standard providers will be greatly affected in a negative way by the decisions made about e-rate.
118. Our district is Rural and has NEVER qualified for priority 2. District is 49.75% free and reduced. A rotating Priority 2 over a course of years might help.
119. ERate allows us to provide ever improving technology services for our school. The process is cumbersome and could be further streamlined. Our experience with USAC has overall been positive. They have been very helpful whenever we have contacted them.
120. we rely on it to keep our internet up and going despite budget cuts elsewhere
121. Thank you!
122. Having to fill out so many forms for internet, for telephone, for each library building(s) makes this very hard for library districts (groups with multiple locations) and the reality is by the time you add up the cost of the discount and the time spent on this process it really does not make financial sense. The process is so messy it is likely you won't get your money due to a procedural error and with small institutions like ours not having time to manage this process and run our libraries it needs to be reformed or just

- gotten rid of. The libraries who are getting all the money have the staff to do these grant programs (again, another typical governmental problem) and the ones who don't have the staff do not even do this because it is too hard to do and really is not cost effective. Plus, we DON'T know if we are going to get the money or not (again, due to a processing error on our part of whatever) so we really don't want to become too tied into this subsidy. BY THE WAY, even your survey is wrong- libraries and many other groups with multiple locations in multiple school districts have multiple BEN's- so while you ask for one BEN for your survey my group has 2. That would have been worth noting in your survey-how many library buildings and BEN, FRN, etc a library erate coordinator has to manage. It REALLY adds up when you are trying to do this.
123. The E-rate program is a wonderful opportunity to improve the network and telecommunication infrastructure within a school district by providing funds that may not be available otherwise. The concept of a multiple year plan is interesting as it would allow for a district to plan ungrades or enhancements to current technologies without wondering where the money would come from to complete the plan. I also think that the application process needs to become less complicated. Understanding that there is a need for less affluent districts to receive additional funding, I also think it can be a detriment to those districts that are middle of the road with a lower poverty level but still an increasing need. I understand it can be a difficult challenge to treat everyone equally and this program works hard to make that happen. This is a valuable program and one that should continue to evolve. Hopefully the government entities that control the funds will also see the advantage for our students in providing quality technology infrastructure.
124. Our biggest need from E-rate is Telecom (local and long distance) but we also belong to a consortium for bandwidth. So we benefit from both, but don't directly receive the discount on bandwidth.
125. Too many forms asking for the same information. Process needs to be streamlined.
126. Please work to simplify the system. The funding is greatly appreciated, but the time spent on the process is cumbersome. Many times we are not notified of deadlines for submitting application components and only find out within days of the deadlines by checking the status of our application online.
127. It's a necessary program in order for our country's economy to have any chance at all of rebounding during this time of unemployment. With the constant evolving towards a world based upon internet usage and the paperwork reduction act people who cannot afford internet in their homes need library's and schools to have access to these services and while our country continues to decrease funding to two of the most important services a community needs this is the only way for schools and libraries to be able to continue to offer them.
128. It is a very confusing process & if you can get through to customer service you get a different answer on the same question depending on who you speak with. I've been told items aren't allowed by one person & that they were by another & I only have basic telephone service. It should not be this confusing! The cutoff dates should be clearer. I had trouble filing my 470 (I was told the prior year had to be completed 1st) & had to get customer service involved & when I went to file the 471 before the due date it wouldn't let me because there were 4 days still on the 470.

- I was told I'd have to file out of window & that I could have it considered in window after I received the paperwork from USAC which I am still waiting for. It is very difficult to get someone who can assist you with questions. I only have basic telephone & long distance I don't know how people with more complex services manage to get a straight answer. My funding from June of 2013 wasn't received until late January 2014 .
129. E RATE NEEDS TO BE SIMPLIFIED, TOO MANY FORMS TO DO, IT SHOULD TAKE 1 FORM TO DO.WHEN YOU ARE SHORT OF STAFF, IT IS TIME CONSUMING
130. This process is very time consuming. We do not qualify for enough funding to pay for additional staffing.
131. My main observation of the e-rate program is that it needs simplification in the forms process used to secure reimbursement for eligible expenses. There are four forms involved in getting priority one services reimbursed and three of them take some time to complete. Also I am not in favor of eliminating telecommunications reimbursements as this may be one of the main charges that smaller districts receive back in erate funds. My district has both telecommunications and internet costs and removing the telecommunications would be a significant part of our erate reimbursement.
132. With my job duties I was unable to keep up with Erate and due dates. We finally hired a company to take care of our Erate.
133. Basic Maintenance and Internal Connections need to stay. Give schools their discount rate for their TRUE free and reduced plus rural numbers. Urban areas should have their funding cut significantly, the price they pay for services is much less than rural areas. Rural areas MUST have basic maintenance due to the shortage of IT staff in those areas. Limit the number of cell phones and other connected devices taken off campus.
134. We are a small Head Start program and the amount of time and effort to fill out all the forms is prohibitive. Please simplify forms for small applicants.
135. we are understaffed and over worked. this whole process is laborious and finicky when it doesn't have to be. I never seem to get things right with you people.
136. Item 21 attachments are redundant. They take too much time and are just a repeat of Block 5. Eliminate the attachment and put all the info in block 5.
137. eligibility for mobile devices is a must
138. After over 12 years of do this, it's not really difficult just time consuming. I think the 470 and bidding process is an important part of forcing best pricing and spending practices. More available funds will help create a bigger market for sales to schools and hopefully lower some of the costs to each entity.
139. Without this funding our WAN would not be
140. Maintenacne is essential to all e rate funded programs. Maintenance should be a P-1 service. I have 12 year old infrastructure that need repair and replacement.
141. [District] relies on E-rate funding for our PBX phone system, cellular service, web hosting, and email. The district does not have a sufficient cable infrastructure to support VoIP, and we have been ineligible for priority funding for at least five years. It would cripple the district financially if legacy phone systems and cellular service are no longer funded as priority one. At the same time, ISPs who lack competitors in rural areas are overcharging schools and libraries for internet and WAN connections. There should be guidelines or limits on the funding amounts after the initial investment of installing cabling to the facilities is complete.

142. We are able to get funding thanks to [consultant] otherwise, we wouldn't know what to do or where do start. It was difficult to do ratings because I didn't understand some of the content.
143. Allow us to E-Rate everything that is needed for the students not just pieces. You exclude important components of the invoices.
144. Have had to hire a consultant to keep up on program rules, submit forms and stay compliant.
145. Hosted VoIP should be eliminated as an eligible item. Vendors are milking the system with that one. Web-hosting is another resource that is should not be an eligible item or if it is, then it should be a Priority 2 item, not P1.
146. E-Rate is a big part of my tiny budget. I would not be able to provide other services if this were deleted or decreased.
147. I have long thought that E-Rate could best serve its purposed by cutting telecommunications and Internet Access costs by a set percentage for all eligible entities and stop re-inventing itself to resemble the IRS and other Federal bureaucracies.
148. To my school, the integrity of my IT infrastructure is by far the most important element of E-Rate funding to us. Delaying and/or eliminating P2 funding will put our technology needs in serious risk. I have a company that has assisted me expertly with P2 services (internal connections & basic maintenance). I need their services desperately. I cannot hire for that skill set necessary to maintain my infrastructure - and help me plan for the future. I'm due for a badly needed infrastructure upgrade. Nothing massive, but necessary. The potential elimination of P2 services will do two things: 1) run my vendor out of business and force me to acquire those lost skill set services at full cost; and 2) I will have to have to fundraise for the full cost of a designed infrastructure upgrade (\$360,000). P1 services are great, but they don't necessarily save a bundle of money for the school. we have roughly \$41,000 P1 eligible costs paying only 10% of that cost. That's nothing compared to the infrastructure upgrades our school is in need of. The thought that the program assists under-served schools and libraries in acquiring internet and telecommunication services is a noble one. But abandoning those same schools from leveraging the program to maintain the very networks that carry those services is a dubious decision indeed. It is akin to running an airline company without insurance. The system will crumble.
149. A form just for making changes to application (the 470 form) would eliminate repetitive input of that data. Most of the content on our 470 never changes - I just have to input it again each year.
150. I hear they want to drop support for POTS as they want more money for other technology. This will greatly hurt our organization as we have to have a telephone line to get internet service. We are a very small library and our funding is only a drop in the bucket but it is important to us. The funding will once again go to the bigger organizations and the small ones will have to fend for themselves again. We don't use the fancy technology. We are just happy to be able to supply the internet for our patrons.
151. Make the process easy for schools so that we don't have to hire consultants to manage the complex rules, regulations and processes.
152. Commission's reforms should recognize that digital learning not only requires a broadband connection to each school, but also the

- infrastructure within the school that can deliver the bandwidth and technology that meet each classroom's needs. We believe that, in the near future, the majority of connections to that infrastructure likely will be through Wi-Fi enabled devices. Wi-Fi access points and network cabling are important components of delivering broadband access to classrooms and should be funded through Erate. Currently, these items fall under the "denied" Priority 2 list of eligible goods and services. The FCC must reconsider its decision to deny/eliminate all Priority 2 funding.
153. Too many forms, too many questions. Not familiar with the wording of the survey questions.
154. If you discontinue POTs telecommunications are the only services received. Higher (double pricing) and unavailability of Digital Services would still make it cheaper to stop ERATE participation.
155. The process needs to be streamlined to decrease time spent preparing the forms. Also, with wireless contentions the filtering requirement is no longer needed and currently adds an additional financial burden to libraries, especially small libraries with limited budgets!
156. Our major e-rate request is for POTS and Internet Connection. By eliminating that you are causing small rural schools a hardship as we are at the mercy of our one internet provider to get us faster better internet connection and if they won't do that we won't need e-rate at all without POTS and Basic Internet Service.
157. The bidding process is confusing.
158. This process can be VERY confusing. Dates should be set (like the April 15 tax date), not fluctuating. The recent training webinars we have attended are helping but I still am not confident going through the process-I am changing providers for the first time-sure hope I have service on July 1
159. If you make it easier to complete the filing and increase the funding you will help so many libraries and schools.
160. We are dependent on Erate discounts to offer high speed Internet at our library. I also work with several smaller public libraries that are dependent on both the local and long distance phone discounts as well as Internet. They cannot afford to take advantage of high speed Internet access because it is too cost prohibitive for them.
161. It would be nice if someone at the FCC realized how different things are for rural districts far from population centers. One size does not fit all.
162. I love the idea of a 471EZ form or having to only complete the forms every few years.
163. Encourage USAC Auditors to email requests for information in pdf format instead of faxing. Pdf are easier to read and waste less paper.
164. The FCC's precipitate action ending Priority 2 funding for the current year without warning and in the middle of the year caused serious budget and operational problems for us.
165. The forms and requirements are barely worth the trouble. We gave up trying to apply for anything other than plain telephone service years ago. This was partly due to our being part of our County network, making it hard to separate out the costs for only the library, but also because it was just too time consuming and difficult to do for a small amount of money.
166. [Consultant] provided a tremendous amount of help! We are now able to move forward with technology in the 21st century
167. It has been critical in our efforts to get access for our students.

168. I am so thankful for [consultant] to help me with the applications and keep abreast of my bids. I don't have or can afford office staff to handle this wonderful program which saves my school a lot of money allowing me to use it for other educational needs.
169. We are new to the E-rate process. Please give us a call to fully explain the process.
170. Please keep Priority 2. School boards and districts will budget telecom, they will not budget the services we need the most to keep our schools connected to the internet coming into our buildings. thank you
171. E-Rate is a wonderful program. We use [consultant] and they make the process much easier than if we were doing it on our own. My only concern is the availability of the funds to build infrastructure.
172. A consulting company like [consultant] is essential for a small organization to be able to participate in E-Rate programs.
173. I have submitted applications for two academic years and, for different reasons, have not yet received any funding.
174. I so appreciate the immediate assistance I received from [consultant] FFL. Awesome.
175. I would like the same person to work with the same school.
176. Recently we've focused our district monetary resources on building the infrastructure necessary to support a 1:1 initiative because we don't qualify for P2. Now they're thinking of removing some services we do qualify for, which would further strain our technology (and overall) budget. The option to set your own priorities is a great idea, but will come too late for our district. It seems we would be penalized for ""acting too soon"" and straining our budget to keep up with the necessary infrastructure of schools that get this funded. If that change goes into effect, I would like to see a fair way to allow a short ""look-back period"" (perhaps up to 2-3 years, with reimbursement spread over the same period) to allow schools to recover the eligible amount of the funds spent on recent projects that would otherwise have been covered under the new rules. E-rate should not penalize schools that bought into ConnectED right away and incentivize those who lag behind until the projects become highly subsidized!
177. [Consultant] and everyone who works in that office are THE most helpful and competent people I have ever encountered. Thank you for always being on point !
178. I appreciate the pro-active stance Funds for Learning has taken concerning E-rate reform.
179. I have been doing this for 6 years now and the process does not get any easier
180. I wish we did not have to do so many forms, should be just 1 form to qualify for E RATE, OUR SMALL LIBRARY DEPENDS ON OUR E RATE
181. The E-rate program has been very beneficial for our K-12 district. However, the application process for Priority 1 funds is cumbersome, at best, and applying for Priority 2 funds has never been worth the extreme burden. Going forward, I recommend USAC look closely at funding some switched connections, simply because some VOIP installations, both hosted and on-site, require PRI circuits for full functionality.
182. I think communication concerning deadlines is lacking!!!
183. Our District could use E-rate support for current technology infrastructure projects, e.g. increasing wireless access for one-to-one initiatives, and we will need additional support for increased broadband in the next few years. The lack or complete absence of Priority 2 funding slows implementation of these educationally impactful projects.

Eliminating the Priority system and instituting a system by which we could make local decisions on how best to use E-rate funds would help, but not if program reforms that may be under consideration take away the funding we now use to support current Priority 1. Our technology budget is limited and stretched now. I am in favor of instituting a “per student” formula for determining funding allocations for school districts, including recognition of relative poverty levels, rural vs. urban status, and funding caps. The E-rate procurement process would be easier for our District to navigate if our use of State Master Contracts were not disallowed due to our state’s decision to not comply with the “or equivalent” rule in during its bidding processes. Our state does procure and have SMCs for multiple vendors for competing technology infrastructure equipment and services; however, the bidding processes are conducted separately for each manufacturer so state agencies would have options. In the real world school districts have legacy systems they initially selected competitively, trained staff to use and maintain, and want to upgrade rather than starting over with a new system. It is not always cost effective or time well spent to start the process over from the very beginning. Finally, because it includes most of the considerations described above, I fully support Funds for Learning’s E-rate 2.0 proposal.

184. As a small rural district, about 2,500 kids, we struggle to offer our students and staff the technologies and communications necessary in education. Without E-rate's support, I can't even predict what we would need to do or how we would be able to continue with the lack of support we are receiving from the state of [state]. Some of the changes proposed would be very beneficial, but including

reductions and eliminating telecommunications would severely impact our budget and could eliminate many programs for kids in order to pay higher monthly invoices. Please do not eliminate telecommunications. Thank you.

185. ERate funding has been critical to setting up our infrastructure and bringing necessary internet/wifi/phone to our underserved students. We couldn't have nor can afford to provide without the support and generosity of the ERate program. Thank you.
186. It's time for change!
187. We must alleviate the difficulties with entities who transition from one telco provider to the next based on competitive bidding process related to data/fiber and broadband connections. Language is needed that allows organizations adequate transition time between providers to ensure e rate funding is not compromised during the transition of major infrastructure projects.

APPENDIX C: APPLICANT SURVEY RESPONSE FORM

The following is a copy of the online survey that was completed by the applicants who participated in the 2014 Applicant Survey.

2014 Survey of E-rate Applicants - Introduction

SITUATION

Internet access and advanced telecommunications play an increasing role in our nation's classrooms and libraries. The demand for E-rate funding to support these services is twice the available funding.

RESPONDING TO THE SURVEY

The survey includes nine questions and should only take a few minutes to complete.

PURPOSE OF THE SURVEY

The purpose of this survey is to gather feedback regarding the E-rate funding program and reform efforts from school and library officials with working knowledge of the program. Summary statistics from the survey responses will be shared with the FCC and USAC.

ALL RESPONSES ARE CONFIDENTIAL

Only aggregate data will be used for analysis and no individual responses will be made available. Your Billed Entity Number and e-mail address are required in order to confirm your response and to avoid duplicate entries, but this information will not be provided to a third party.

QUESTIONS

If you have questions about the survey, please e-mail info@fundsforlearning.com or call 405-341-4140.

1. Please estimate what your total budget for telecommunications and Internet services will look like five years from now:

- Down Significantly (10% or more)
- Down Slightly (less than 10%)
- About the same
- Up Slightly (less than 10%)
- Up Significantly (10% or more)

2. How would you rate your overall current technology infrastructure?

	Lagging	Current	Ready for Tomorrow
Data Infrastructure (i.e. network switches, etc.) and cabling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telephony Infrastructure (i.e. PBX or VoIP system, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wide Area Network	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. If you could only receive E-rate funding in one category of service, which would you choose?

- Telecommunications
- Internet Access
- Internal Connections
- Basic Maintenance

4. Which of the following do you consider to be the most difficult part of the E-rate process in terms of time, complexity, and compliance with program rules? (Select one)

- Application planning
- Competitive bidding
- Form preparation
- Starting or implementing services/goods
- Receiving discounts or reimbursements
- Audits and reviews
- Other (please specify)

5. Please rank how important you think it is for the FCC to take the following actions: (1 is most important, 5 is least important)

When ranking items, you can drag and drop to change their sequence, or indicate their rank using the drop-down indicator. The drop-down indicators will always appear in ascending order. When selecting a new rank for an item, the list will automatically re-order.

<input type="text"/>	Clarify program rules
<input type="text"/>	Expand mobile learning projects
<input type="text"/>	Reallocate USF funds to increase funding for the Schools and Libraries (E-rate) USF program
<input type="text"/>	Set an annual date for the Form 471 filing window deadline (similar to April 15 tax deadline)
<input type="text"/>	Revise the E-rate discount matrix

6. Please indicate your responses toward E-rate reform efforts

	Strongly Agree	Agree	Disagree	Strongly Disagree
I am familiar with the FCC's proposed changes to the E-rate program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that E-rate reform efforts will help my school/district/library receive adequate E-rate funding	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The E-rate reform efforts present a clear direction to shaping a better program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. If the Priority One service category were limited to broadband Internet connectivity and Voice Over IP (VoIP) phone service only, how would your school/district/library deal with the elimination of funding for legacy Priority One services (switched voice, cellular paging, hosted services)? Would you:

	Yes	No	Unsure
Eliminate services that are no longer eligible	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Request to increase the technology budget to pay for ineligible services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Switch from ineligible voice services to eligible voice services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. Please respond to each statement

	Strongly Agree	Agree	Disagree	Strongly Disagree
The E-rate program is meeting its goal of connecting schools and libraries to the Internet.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The E-rate program is critical to our success.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Job done. The E-rate has fulfilled its purpose.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The E-rate program is adequately funded.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our buildings are wired. Eliminate Priority Two (Internal Connections and Basic Maintenance) and focus on Priority One (Telecom and Internet Access).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Our Internet connectivity is adequate for our current needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We currently allow, or plan to allow, after-hours community use of tech resources.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
E-textbooks & "BYOD" will increase our demand for E-rate funded goods and services.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We rely on E-rate funding for basic maintenance support of our technology infrastructure.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. Please rank each of the following potential changes to the E-rate program. (1 is most positive impact, 10 is least positive impact)

When ranking items, you can drag and drop to change their sequence, or indicate their rank using the drop-down indicator. The drop-down indicators will always appear in ascending order. When selecting a new rank for an item, the list will automatically re-order.

<input type="text"/>	Create "Form 471EZ"
<input type="text"/>	Allow three year Form 471 applications
<input type="text"/>	Eliminate Form 470 requirement
<input type="text"/>	Send Billed Entity Applicant Reimbursement (BEAR) directly to applicant
<input type="text"/>	Calculate one discount rate per applicant
<input type="text"/>	Remove some services/goods from the eligible services list (e.g. paging, web hosting, etc.)
<input type="text"/>	Rotate site eligibility for Internal Connections (2-in-5, 1-in-5 rule, etc.)
<input type="text"/>	Lower discount rates
<input type="text"/>	Set funding limits against excessive applications
<input type="text"/>	Raise the amount of available funding

Basic Information About You

Please provide basic information about your organization. Your response is confidential. This information will be used only for statistical analysis of aggregated data.

10. Please indicate your familiarity with the E-rate process on the scale below.

- 1 (No Familiarity)
- 2
- 3
- 4
- 5 (High Familiarity)

11. Please select all that describe your position in your organization

- E-rate Coordinator
- District/School Administration
- Procurement
- Information Technology/Services

12. Please indicate the information requested here regarding your organization:

Number of staff managing E-rate

Hours staff spends on E-rate per month

***13. My organization's Billed Entity Number is:**

***14. What is the email address of the contact person listed on your most recent Form 471 application?**

(This is required to authenticate your survey results. The e-mail address will not be used to contact you or your school district.)

15. Please share any other comments or ideas that you have about the E-rate program.

Thank you for taking the time to complete this survey. If you have questions about the survey, please e-mail info@fundsforlearning.com or call 405-341-4140.