

November 3, 2021

VIA ELECTRONIC FILING

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

RE: **Ex Parte Submission**

Modernizing the E-rate Program for Schools and Libraries -- WC Docket No. 13-184

Schools and Libraries Universal Service Support Mechanism -- CC Docket No. 02-6

Establishing Emergency Connectivity Fund to Close the Homework Gap -- WC Docket No. 21-93

Dear Ms. Dortch:

On November 3, 2021, I met via video conference with FCC staff to discuss the results of a national survey of E-rate applicants that was conducted in June 2021. I met with the following individuals from the Wireline Competition Bureau (WCB): Sue McNeil, Associate Bureau Chief, Johnnay Schrieber, Telecommunications Access Policy Division (TAPD) Deputy Division Chief, James Bachtell, TAPD Assistant Division Chief, Gabrielle Gross, TAPD Special Counsel, and Allison Baker, WCB Attorney Advisor.

Reviewing with them the attached presentation, I explained how the survey is an accurate snapshot of E-rate applicants' perspective and experience. With an estimated 53.99 million K-12 students, and millions of additional library patrons, all benefiting from the E-rate program, it is important to hear feedback directly from program participants¹. This year's survey had 2,164 respondents, representing 10.1% of all applicants. The overall profile of survey respondents closely matches the attributes of the actual population of E-rate users.

I described how applicants, in their survey responses, consistently expressed a need for reliable connections. Applicants requested that network firewalls, cybersecurity, and dual internet connections be fully funded to provide their constituents with dependable internet access. This perspective was repeated throughout the survey results, including dozens of the nearly 600 "write-in" comments volunteered by respondents.

I gave details about how the E-rate program currently is helping 130,418 school and library sites receive sufficient Internet access; and that support for Wi-Fi and other on-campus networking equipment had been

¹ The full 2021 E-rate Trends Report has been submitted to the Office of each FCC Commissioner, the Office of the Managing Director, and the Wireline Competition Bureau. See <https://ecfsapi.fcc.gov/file/11031633917330/2021-11-03-E-rateTrendsReport-ExParte.pdf>

requested for 60,015 locations in 2021. When asked about the overall success and significance of the E-rate program, I described how survey respondents showed broad agreement in the following areas:

- More students and library patrons are connected to the Internet because of the E-rate. [97%]
- E-rate funding is vital to achieving internet connectivity goals. [95%]
- Applicants can depend on E-rate funding every year. [89%]
- School and library facilities have faster internet because of the E-rate. [88%]
- The E-rate competitive bidding process lowers pricing. [68%]

BROADBAND CONNECTIONS

For broadband connections, referred to as Category One, the total funding requests in 2021 were lower because of newly bid contracts with reduced prices. Survey respondents provided the following insights:

- 88% expect to increase their broadband connection speeds within three years.
- 84% believe dual internet connections should qualify for support.
- 68% endorse telephone service as eligible for discounts.
- 64% request funding for school bus Wi-Fi.

When asked about off-campus internet connections for students and library patrons, 89% would allow community access to their network at no cost to the E-rate program if program regulations allowed it. Furthermore, 86% agreed that insufficient home internet access is a significant issue in their community.

ON-CAMPUS CONNECTIONS

For on-campus connections, referred to as Category Two, the total funding requests in 2021 increased; in many cases, funding has been requested to provide more Wi-Fi signal capacity because of additional laptop and tablet computers being used on-campus. 73% of applicants indicate they may request more Category Two funding in 2022. Survey respondents shared the following:

- 99% describe Wi-Fi as extremely or very important to their organization's mission.
- 21% will need to upgrade their Wi-Fi within a year.
- 97% request that cybersecurity be allowed to receive support.
- 82% advocate for VoIP infrastructure being returned to the eligible services list.

ADMINISTRATION

I described how survey respondents were asked to provide their thoughts and opinions regarding USAC, the E-rate administrator, and EPC, the online portal for E-rate forms and communication. I explained that their responses were more positive than several years ago, although opportunities remain for improvement:

- 45% are very satisfied with USAC.
- 50% believe USAC cares a lot about their individual situation.
- 46% state that the EPC portal meets their needs very well.

CONSULTANTS

I concluded the presentation by discussing the significant role of consultants in the E-rate application process and that the percentage of applicants utilizing consultants continues to increase. In 2021, 73% of funding requests were prepared with third-party assistance. The largest portion (40%) of requests was prepared with assistance by consulting agencies affiliated with the E-rate Management Professionals Association (E-MPA®). Members of E-MPA follow a uniform code of ethics, and qualified individuals can sit for the E-MPA Certified E-rate Management Professionals (CEMP) exam.

According to the survey, the top two reasons applicants use consultants is to keep up with federal regulations (67%) and to save time (58%).

Respectfully submitted,

/s/ John D. Harrington

John D. Harrington

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cc: Sue McNeil
Ryan Palmer
Johnnay Schrieber

2021 E-rate Trends Report

November 3, 2021

Prepared by 2,164 E-rate Applicants
(and compiled by Funds For Learning®)



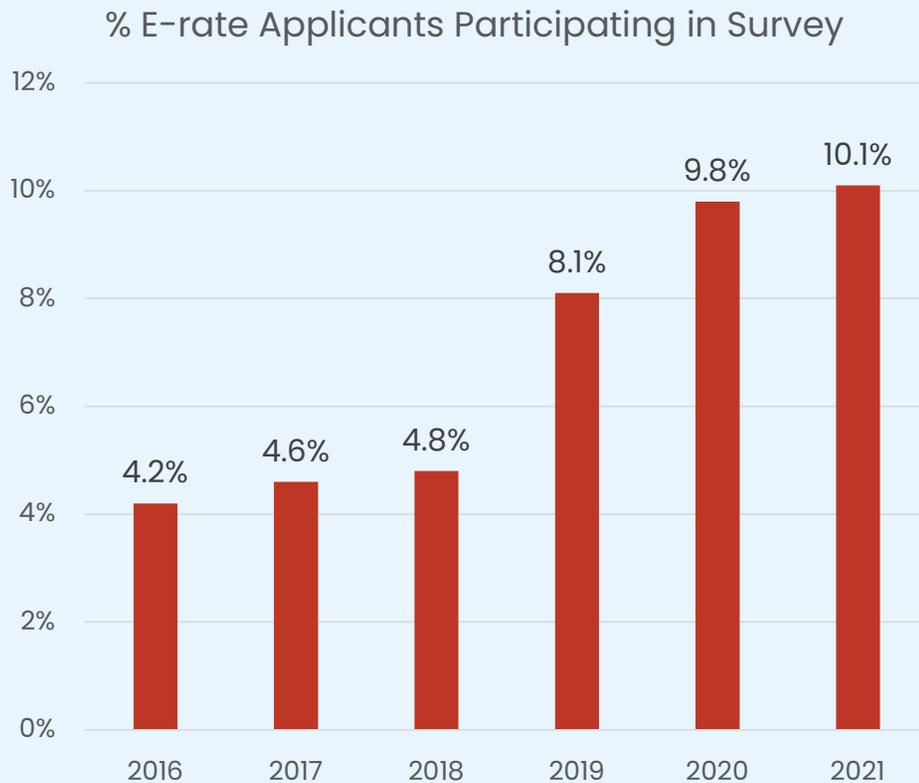
E-rate Trends Summary

- E-rate providing faster, more affordable access
- E-rate supporting record numbers of users
- Connections are mission critical
- Demand for connections increasing
- Eligible services needs overhaul for reliable internet
 - Dual lines (“high availability”)
 - Cybersecurity
- EPC system works better but USAC gets mixed grade

Annual Survey of E-rate Applicants



Most Precise Survey in 11 Years



- Record response rate (10.1%)
- 11th annual survey
- 2,164 responses in 2021
- Support from SECA and E-mpa[®]

Major Indicators of Success



E-rate by the Numbers

Funding Year 2021 Statistics

130,418 School and library sites connected

53,990,412 K-12 students served

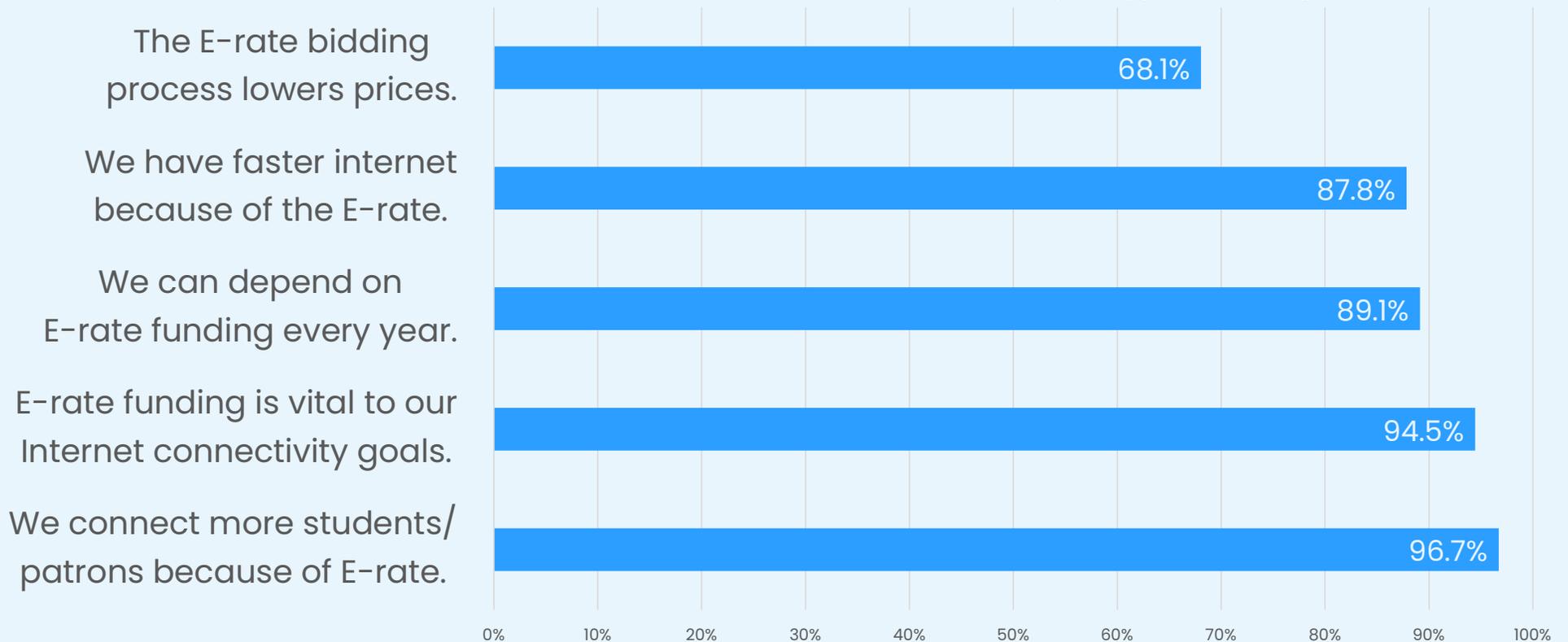
\$1,291,229,888 Wi-Fi and networking equipment

\$1,711,908,751 Internet and broadband connections

E-rate: Vital. Reliable. Faster. Less Expensive.

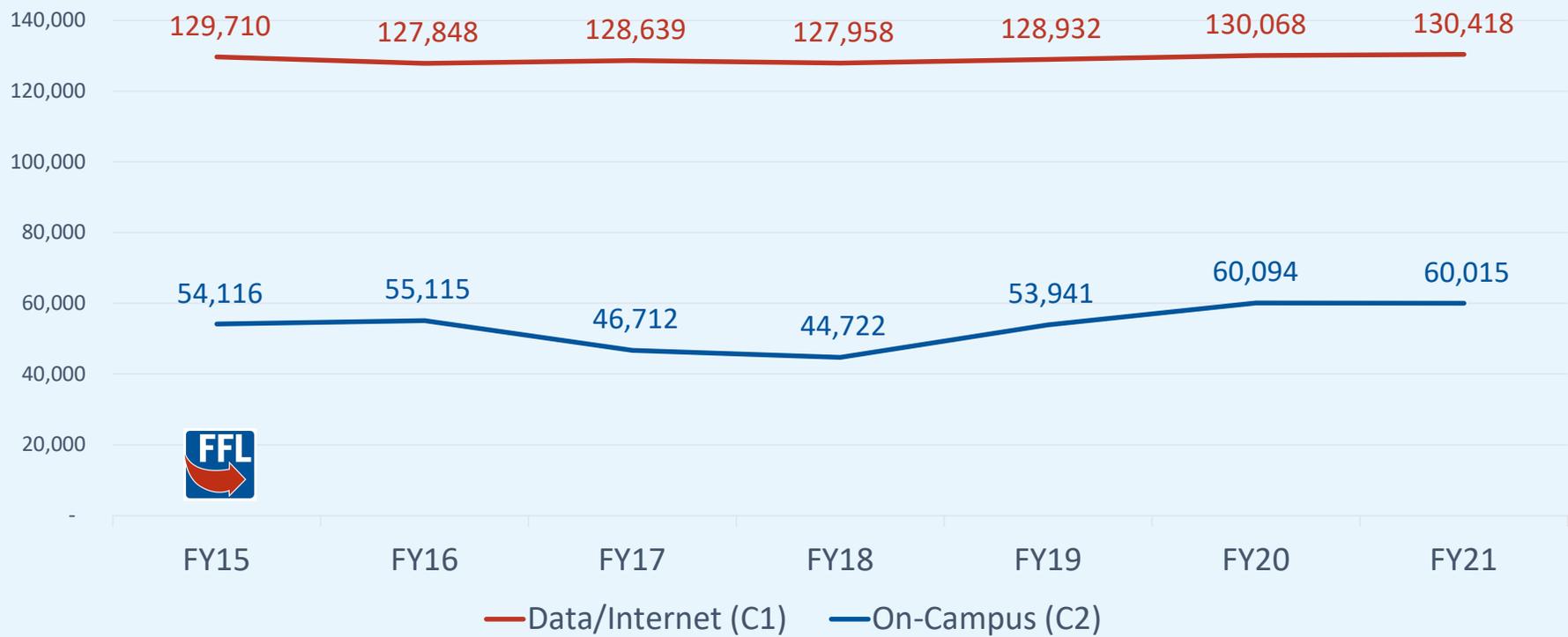
97% agree: More students/patrons connected because of E-rate support.

Percentage of applicants who agree with the statement



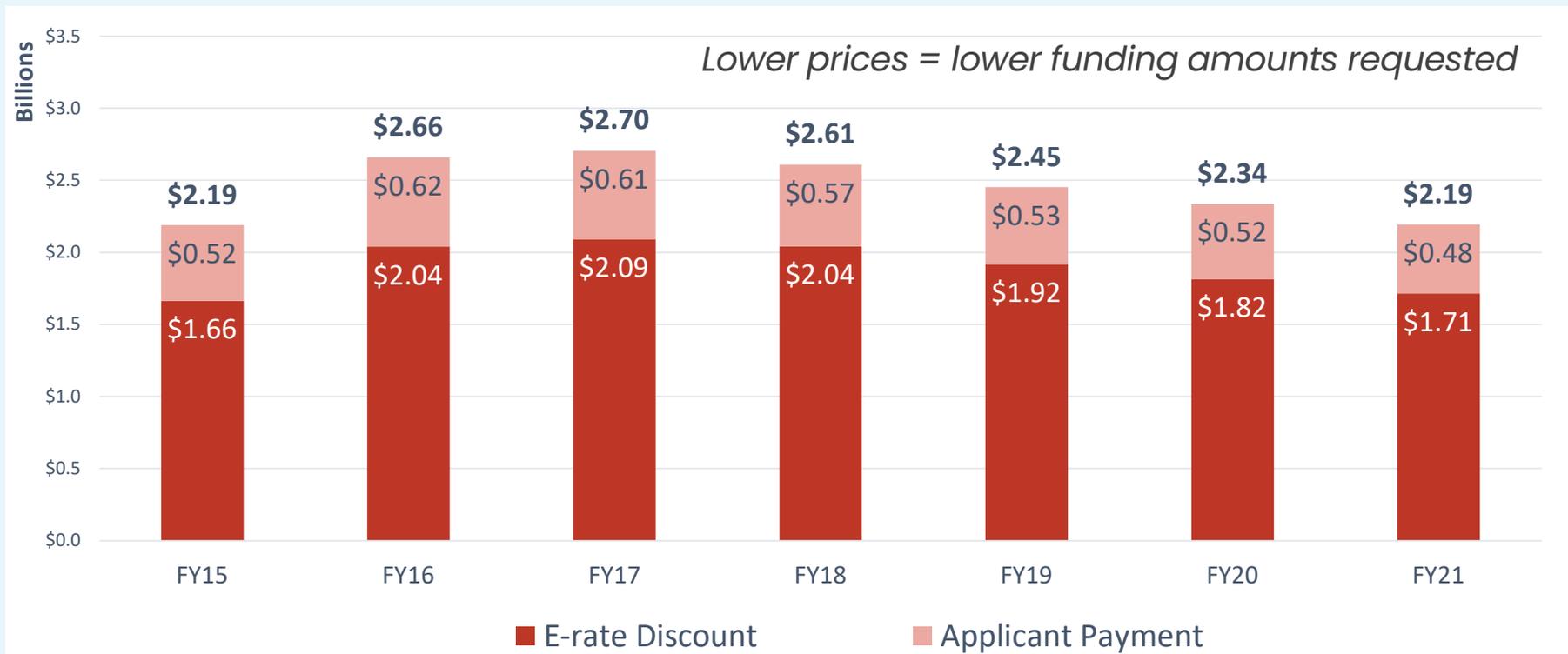
Sites Receiving E-rate Support

Count of Sites Listed on Applications for C1 and C2 Services



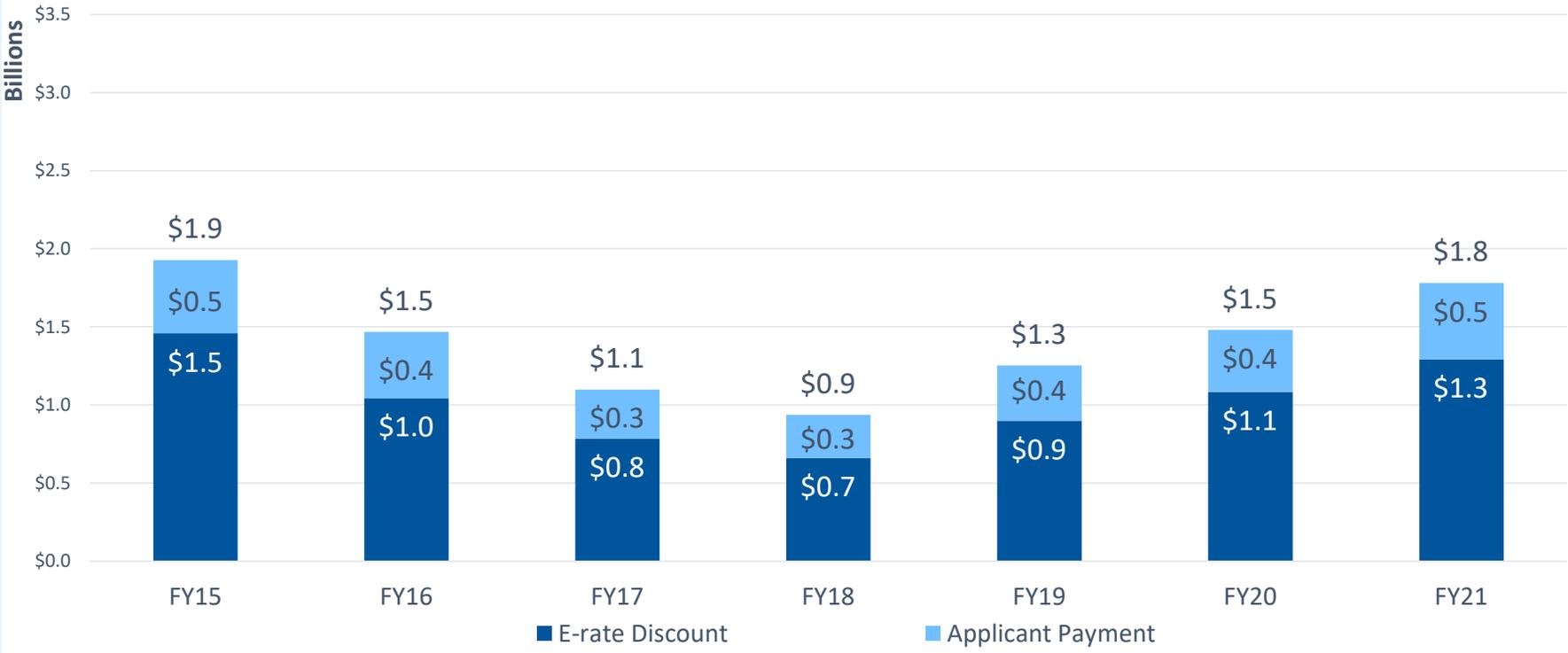
E-rate Internet and Data Services (“C1”)

More sites connected with faster connections



E-rate On-Campus Wi-fi and LAN ("C2")

New C2 Budgets Just in Time for Increased Laptop Usage

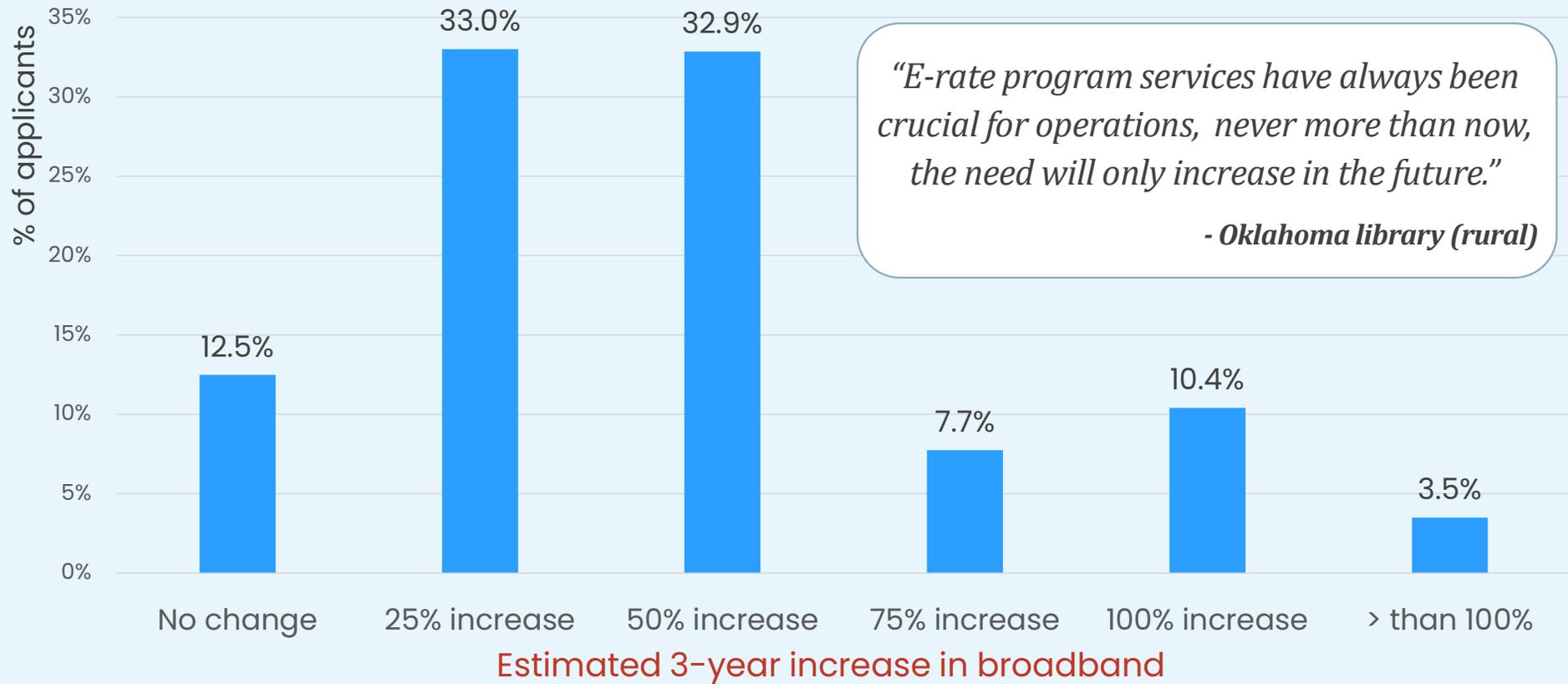


Broadband Services

Category One (C1)

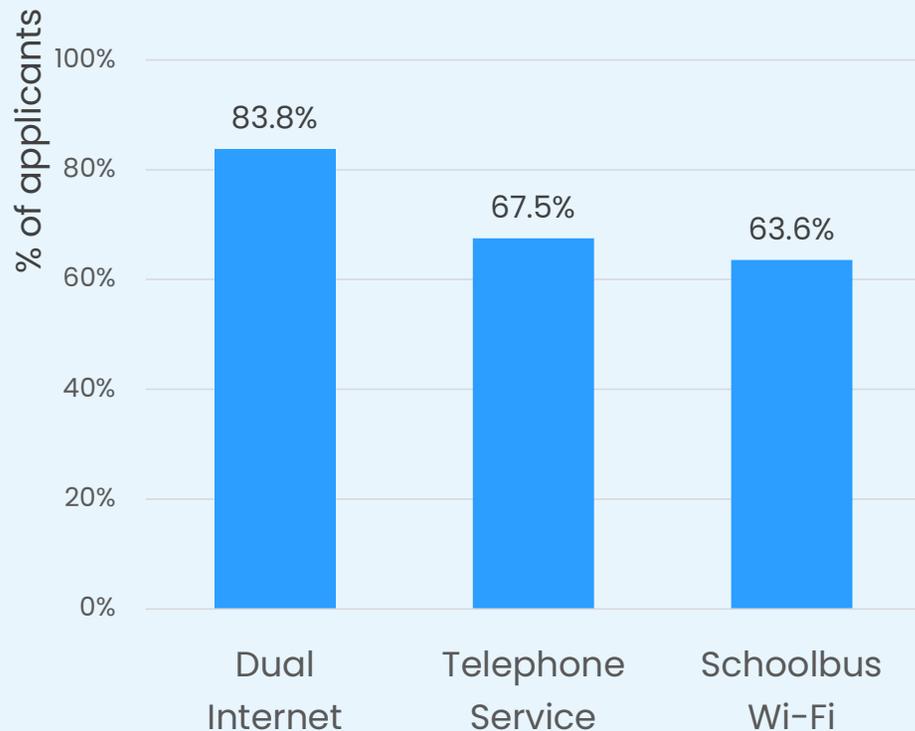


88% Need More Broadband within 3 Years



What Other C1 Services Should Qualify?

84% Support High Availability Internet



"... when we lose the internet and don't have a backup (dual lines), school is closed, period. No learning at all. "

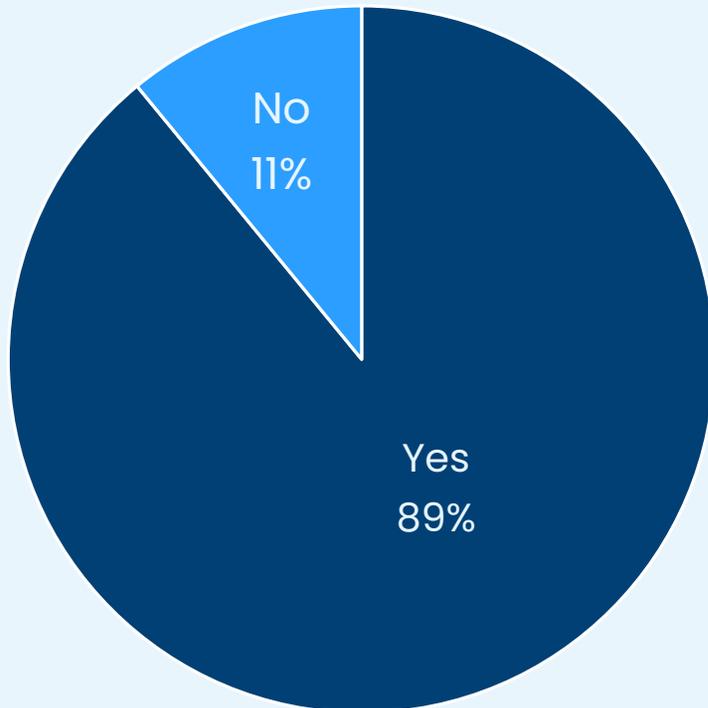
- Nebraska school district

"Critical services, such as multiple firewalls, content filters, and dual internet connections, should also be eligible because maintaining expected uptime requires designing a system without a single point of failure, ...The goal is to provide a robust and reliable connection to the internet. "

- Florida school district (urban)

89%: Yes, Share E-rate Connections Off-Campus

Applicants want to share their Internet at no cost to the E-rate

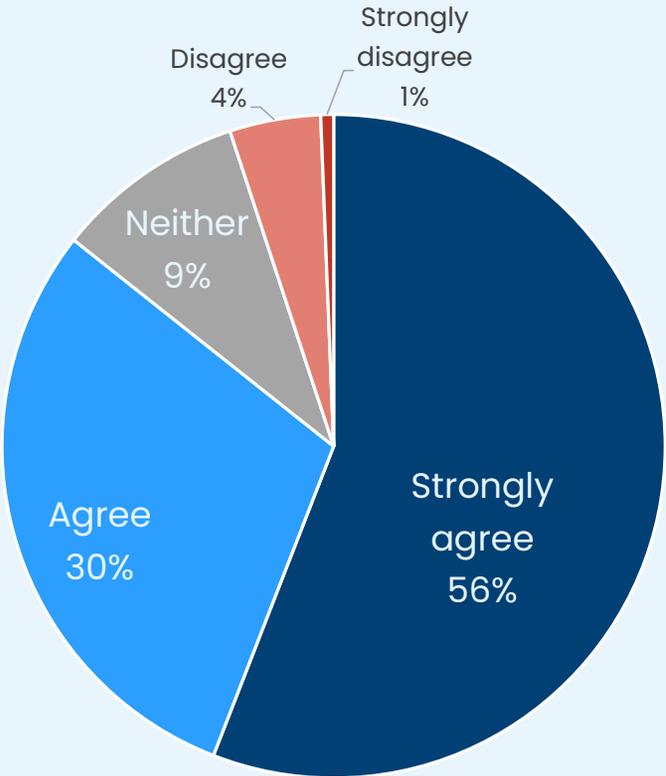


“Allowing existing eRate eligible circuits (Internet and transport) to be used to provide services off-campus is an absolute must for meeting the needs of students and families in the future. We have a number of ways to meet student needs in our community (wifi, cbrs, etc) but eRate doesn't let us use the infrastructure we already have to make it work. LEARNING THROUGH TECHNOLOGY IS NO LONGER CONFINED TO THE SCHOOL GROUNDS.”

- Pennsylvania school district (urban)

“If the FCC permitted your organization to share Internet access off-campus, in your community, at no additional cost to the E-rate program, would you take advantage of this opportunity?”

Insufficient Home Internet is Significant Issue



“Insufficient Internet access to the home of students or library patrons is a significant issue in our community.”

“Students are in great need of having internet access at home. Over 50% of our school districts residents have poor to no internet connect at home. We need connectivity within our students’ homes.”

- Washington school district (rural)

“...many of our patrons still cannot afford home internet. Most of those may have a cell phone with some data but it is usually insufficient for many needs. Filling in job applications and accessing websites, including many social service sites, is still not easy to do on a cell phone.”

- Oklahoma library (rural)

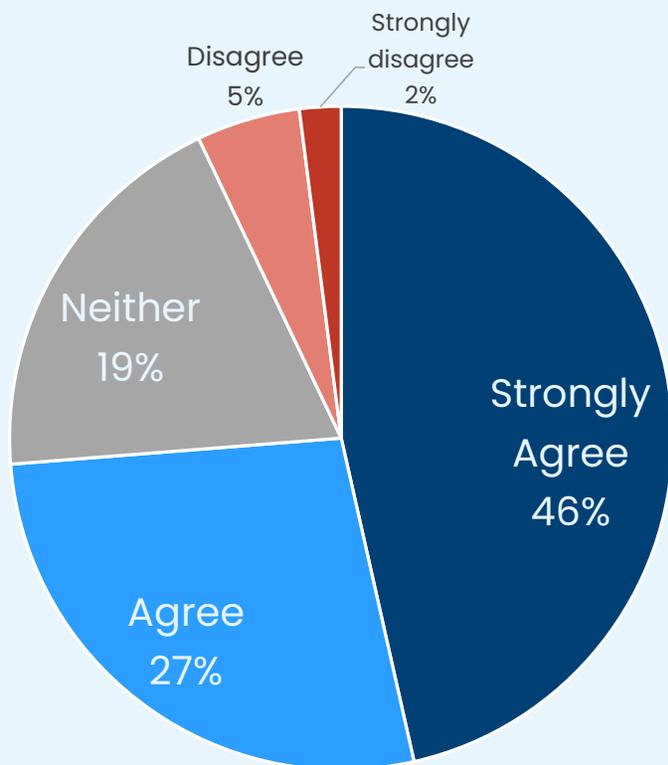
On-campus Connectivity

Category Two (C2)



Most Applicants Plan C2 Requests in 2022

“My organization intends to apply for Category Two discounts” in funding year 2022.



“I love the current method for funding Category 2 funds, it allows EVERYONE the opportunity to apply and should remain as the method for dispersing those funds.”

- Missouri school district (rural)

% of Applicants Requesting Category Two (FY2015 to FY2021)



Importance of Wi-Fi Drives Demand

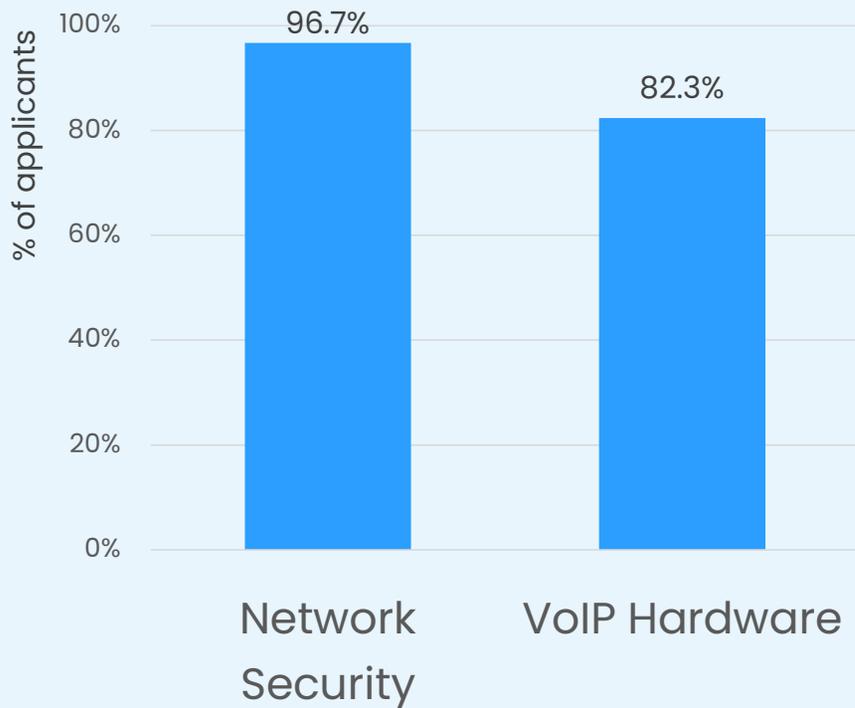


- Ubiquitous need for Wi-Fi (99%)
- 1-in-5 need upgrade w/in year

“Due to E-rate, our Wi-Fi in schools works really well.”
-Wisconsin school district (rural)

What Else Should Qualify for C2?

97% Request Cybersecurity



“Increased eligibility for ‘next generation’ firewall type devices and software would be very helpful.”

- Arkansas school district

“Cyber security should be e-rate eligible.”

- Iowa school district (rural)

“...current firewall eligibility rules are archaic and need be revised.”

- Pennsylvania school district

“Loss of telephone service continues to negatively impact budgets of many schools and libraries in remote, low-income areas. It would be great if VOIP would be encouraged or funding for telephone service restored.”

- Arizona library (rural)

Must Provide Reliable and Secure Networks

“The internet is just one part of the solution/problems in school. Security is the other part of it that is part of the internet....When a school gets hit with ransomware or something like that, schools close”

- Nebraska school district

“Network security is a must and unfortunately extremely expensive. It may just be the #1 threat to providing a digital learning experience/education.”

- Minnesota school district (rural)

“Please consider cyber security as an E-Rate eligible service. This is absolutely critical to maintaining the safety of our students and their information.”

- Tennessee school district (rural)

“Network monitoring and security really needs to be eligible, especially with so many devices going home and then reconnecting to the network. The possibility of phishing and ransomware has increased 200% and small schools do not have the staff ...to keep networks safe.”

- Wisconsin school district (rural)

“You have got to begin supporting cybersecurity needs...”

- Georgia school district (urban)

“With the push for cybersecurity updates in school districts, I believe firewalls, security devices, and security software should fall into the realm of e-rate. I also believe it should be allowed to have dual Internet, due to online testing and most curriculum is based online.”

- Texas school district (urban)

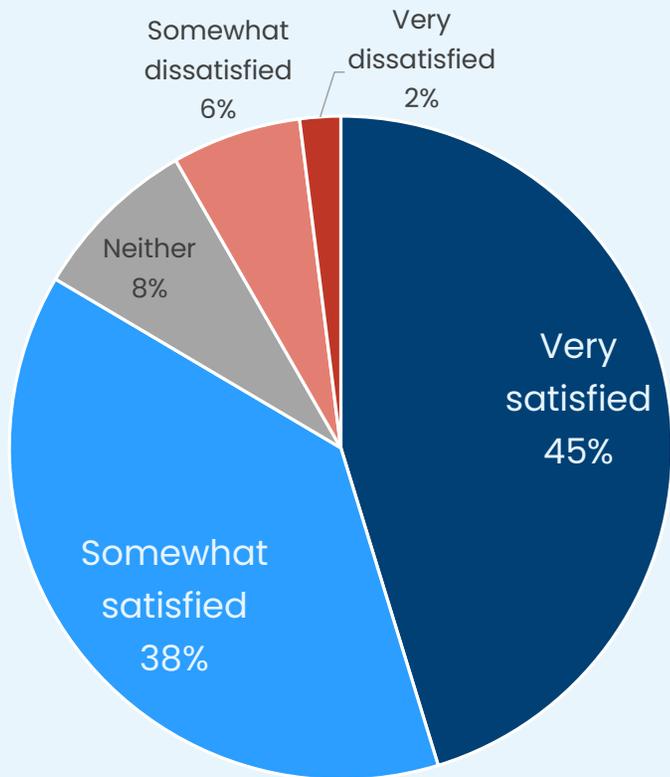
USAC and the EPC Portal

Support for Applicants



General Satisfaction with USAC

“Overall, how satisfied or dissatisfied are you with USAC?”

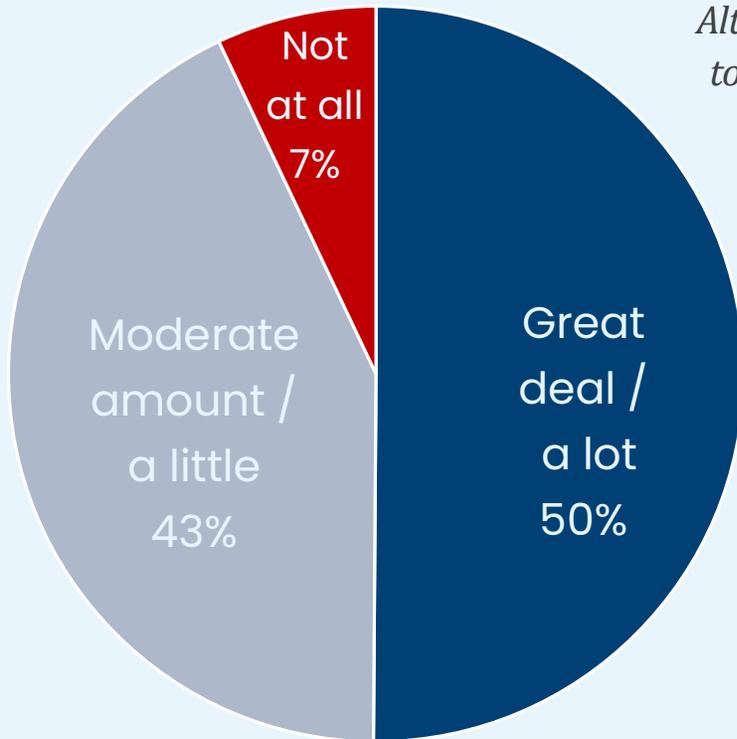


“I genuinely appreciate how user-friendly the entire program is. From working with our representative, USAC, and FCC. Client services are always helpful and kind. The portal [is] easy to work through, and the process of the application, notice, and reimbursement is very simple. This past year, it was much easier for me to understand the process and work through it.”

- California school district (urban)

Applicants Split on Whether USAC Cares

“To what extent does USAC care about your individual situation?”



Although I sometimes find navigating the website challenging, USAC is great to work with - questions are easily submitted and quickly resolved through the website "ticket" system and by telephone.

- Pennsylvania library (rural)

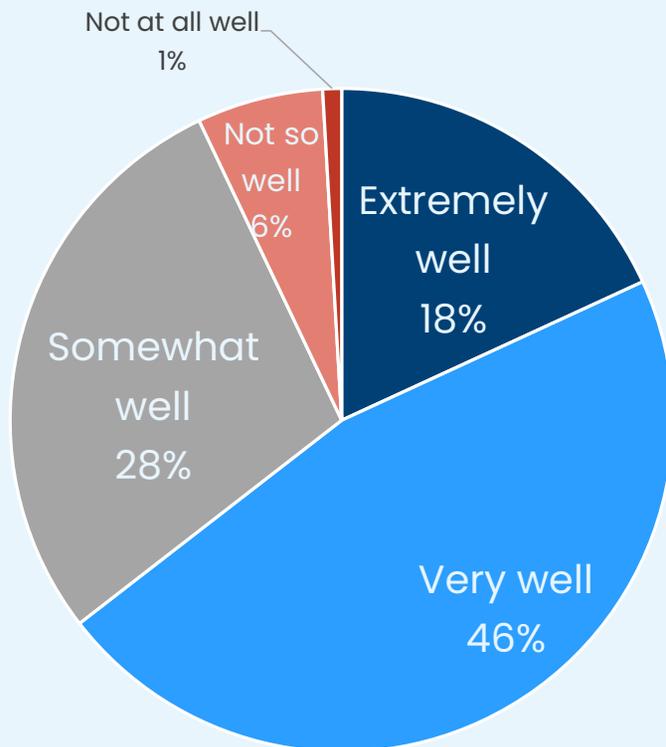
Quality Assurances and the 15 day response window to obvious questions, and unnecessary and brutal inquiries have been exhausting and USAC unhelpful.

- New Hampshire school district (rural)

“The review process seems to look for reasons to deny instead of helping schools. It is important to weed out misuse but to openly trying to deny is not the mission of USAC. Needs to really be looked into. There is no accountability for the review group and it is really ruining it for schools”

- Iowa school district (rural)

EPC Portal Serves Most Applicants Well



“Overall, how well does the EPC portal meet your needs?”

“The erate program and USAC portal remain frustratingly difficult for non-specialists to use and understand.”

- North Carolina library (rural)

“EPC makes the application processes much easier. We appreciate the benefits of the E-rate program for our public library patrons' use of the Internet.”

- Iowa library (rural)

“EPC can be a very cumbersome tool and is really not intuitive. For people that only use it once or twice a year, it is very difficult to navigate.”

- Michigan school district (rural)

Consulting Support for Applicants



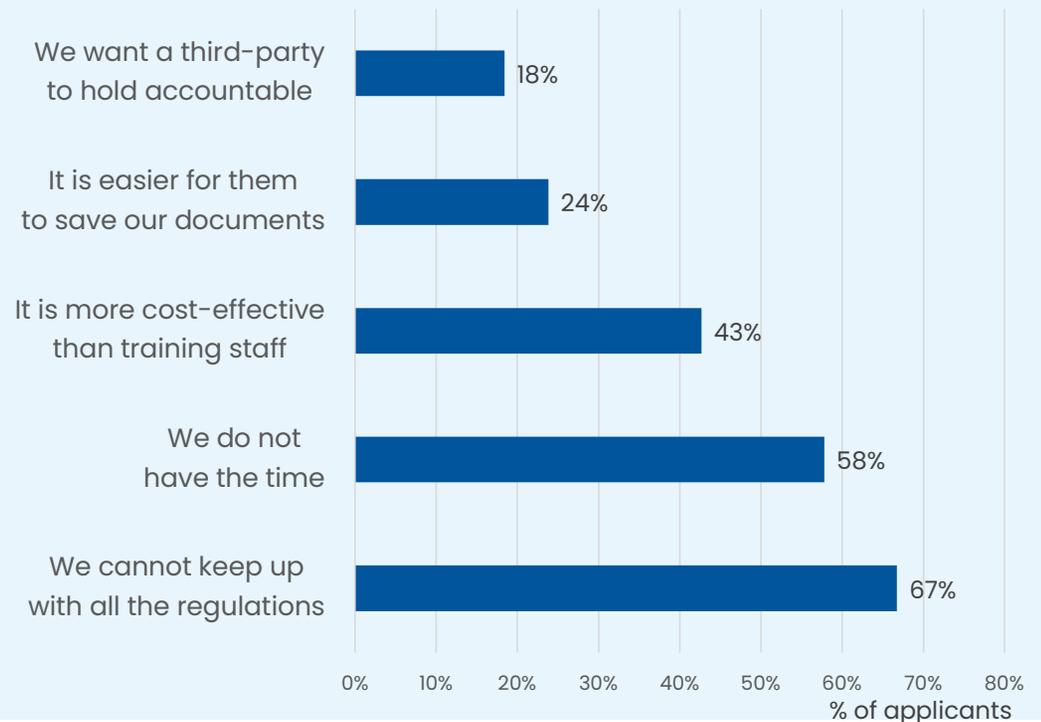
73% of Applicants Use Consultant

Top reasons: staying on top of regulations and saving time

Distribution of 2021 Funding Requests Based on Consultant Type



Reasons that Applicants Use a Consultant



E-mpa® = E-rate Management Professionals Association