

E-Rate News for the Week of 12/9/02 – 12/13/02

- Wave 18 Funding for FY 2002
- Calculating Library Discount Rates for FY 2003
- SLD Provides Entity Number Search Utility

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- Wave 18 Funding for FY 2002

Wave 18 of Funding Year 2002 will be released on Tuesday, December 17. Total funding in this Wave is approximately \$15.5 million for 70 applications. The cumulative total for FY 2002 is now \$1.57 billion for over 27,900 applications.

Internal Connection funding is being provided only for applicants at the 90% discount rate. No Internal Connection funding is available below 80%. The availability of Internal Connection funding for discounts in the 80-89% range cannot yet be projected, but requests for funding in this range are currently being reviewed by the SLD.

- Calculating Library Discount Rates for FY 2003

A headline on the SLD Web site reminds libraries that a new method to calculate discount rates must be used this year. Rates calculated under the old method will be revised – upward or downward – by the SLD to reflect the new method.

In previous years, a library was required to use the aggregate discount rate of the school district in which the library was located. A school district's aggregate discount rate is based on a weighted average of the rates for each of the district's component schools.

Beginning this year, a library must calculate its own discount rate. The calculation uses student data from the associate school district, but does not necessarily match the district's own aggregate rate. The library's calculated may be slightly lower, equal to, or slightly higher than the district's aggregate discount rate. As indicated in the Form 471 instructions (pp. 16-17), a library must:

- (1) Determine the overall percentage of students that are eligible for free or reduced priced lunches based on the total number of students in the associated school district (see below).

- (2) Determine whether the school district and library are in an urban or rural area. A list of the rural areas can be found in the SLD Web site Reference Area at <http://www.sl.universalservice.org/reference/msa/RuralUrbanClassYr4.asp>.
- (3) Find the library's discount rate in the Discount Matrix, also found in the SLD's Reference Area at <http://www.sl.universalservice.org/reference/dmatrix.asp>.

The best way for a library to determine the eligible student percentage is to contact the local school district and ask for student eligibility data and supporting documentation. Note that it is important to ask the district for a count of total students and total eligible students, not for the school district's aggregate discount rate.

If information is not available from the district, school lunch program data can often be obtained from a state Web site (a list of state E-rate sites is available on the E-Rate Central Web site in the "States' Sites" area).

- SLD Provides Entity Number Search Utility

A new utility function has been added to the SLD Web site to allow users to search for applicant or individual site Entity Numbers. The utility is available in the Apply Online section of the SLD Web site.

Schools and libraries can obtain Entity Numbers for new sites by calling the SLD's Client Service Bureau at 888-203-8100

Disclaimer: This newsletter may contain unofficial information on prospective E-rate developments and/or may reflect E-Rate Central's own interpretations of E-rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by either the SLD or the FCC.