

USAC



Emergency Connectivity Fund Newsletter January 2024

February 1, 2024

ECF Program Guidance

The Federal Communications Commission (FCC) recently updated the <u>Emergency Connectivity Fund FAQs</u> to share more information regarding compliance with program rules.

Q: Can a school keep connected devices and/or hotspots at the school if school is no longer remote?

A: Equipment and services purchased for and used solely at a school or library are ineligible for ECF support. If, however, a school initially distributes the equipment in accordance with the rules (i.e., to satisfy an unmet need and for remote learning) and the equipment is returned during the relevant funding period but before the end of the three-year period after which the item is considered obsolete, the school is permitted to keep the equipment on the school campus without running afoul of program rules. Note, however, that any monthly recurring service cost associated with equipment that has been returned and/or reissued to a student or school staff member without an unmet need and for on-campus use is not eligible for reimbursement through the ECF program. See FAQ 4.6 for more information regarding equipment returned before the end of the relevant funding period and applicable restrictions.

Q: If a school or library's ECF-funded device or hotspot has been provided to a student or school staff member with an unmet need and for remote learning but is later returned during the relevant funding period, is the school or library required to redistribute the device or hotspot to another student, school staff member, or library patron with an unmet need and for remote learning? In what other ways may ECF-funded equipment be utilized after it has been returned by its originally intended user?

A: Schools: If a school initially distributes ECF-funded equipment in accordance with ECF program rules (i.e., to fulfill an unmet need and for remote learning), and the item is later returned during the relevant funding period, the school is not required to redistribute the equipment to satisfy an unmet need and for remote learning purposes. For example, after initially distributing the equipment in accordance with the rules, the school may use the equipment in classrooms, provide the equipment to a student or staff member who does not have an unmet need, or keep the equipment on the school campus while identifying a new unmet need without violating the rules.

Libraries: Unlike schools, if a library purchases and distributes ECF-funded equipment in accordance with ECF program rules (i.e., to fulfill an unmet need and for remote learning), and a library patron returns the item during the relevant funding period and before the end of the three-year period after which the item is considered obsolete, the library must continue to check out or redistribute the equipment to other library patrons for whom it would satisfy an unmet need and for remote learning purposes. After the emergency period ends on June 30, 2024, the library is allowed to use the equipment as it deems appropriate, provided it is used for educational purposes. We note that other relevant program rules continue to apply, including the requirement that the library provide each patron with a copy of an eligible use policy explaining that the equipment is intended for library patrons who do not otherwise have access to equipment sufficient to meet the patron's educational needs, and the requirement that

the patron sign and return a statement that they would otherwise lack access to equipment sufficient to meet their educational needs if not for the use of the equipment being provided by the library.

Additional requirements for both schools and libraries: We caution schools and libraries that even after equipment is returned, any monthly recurring service costs associated with such returned equipment would no longer be supported by program funds unless the equipment is redistributed to satisfy an unmet need and is for remote learning purposes. The ECF program will not reimburse monthly recurring services associated with returned equipment that is no longer being used for remote learning and to satisfy an unmet need. Applicants must work with their service providers to terminate unused monthly recurring services and are not allowed to seek ECF reimbursement for such unused services. In addition, we remind schools and libraries that all other applicable program rules and requirements still apply, including, for example, continuing to comply with the requirement to maintain an asset inventory for each returned item; the requirement that the equipment be provided to a student, school staff member, or library patron; and the requirement that the equipment be used for educational purposes as defined by the rules. Moreover, until the equipment is considered obsolete by program rules, it may not be resold or transferred in consideration of money or any other thing of value, disposed of, donated, or traded.

Q: Will program rules regarding limitations on the use of ECF-funded equipment continue to apply after the conclusion of the program?

A: After the emergency period ends on June 30, 2024, schools and libraries have the discretion to use eligible equipment as they deem appropriate so long as it is used for educational purposes, remains subject to the three-year prohibition on resale set out in section 54.1713(b), and the school or library complies with the asset inventory requirements set out in section 54.1715 of the FCC's rules.

ECF Invoicing Reminder: Non-Usage Certification

ECF participants must take reasonable actions to monitor and track usage of ECF-funded equipment. In addition, applicants and service providers may not knowingly and willfully invoice the ECF program for equipment and services that are not being used. (See 47 CFR § 54.1711(a)(1)(viii), (a)(2)(vi).) Applicants and service providers should work to ensure that unused ECF-funded equipment and/or services are not included in their requests for reimbursement. If such non-usage is determined, USAC and the FCC may seek recovery of program funds from one or both parties.

Please see below for FAQs related to the ECF program's requirements regarding non-usage.

Q: What must applicants or service providers who agree to invoice on behalf of applicants do to be compliant with the non-usage certification?

A: The FCC declined to adopt specific non-usage rules for the ECF program. Instead, applicants and service providers are required to certify on the request for reimbursement that they are not willfully or knowingly requesting reimbursement for services and equipment that are not being used. While the ECF program only funds equipment and services that are in use, there may be certain circumstances (e.g., during a school's summer break) where the services would still be eligible for ECF support. ECF participants should take reasonable actions to monitor and track the usage of equipment and services that are purchased and used through the ECF program. For example, applicants could ask their service providers to provide monthly reports or other information on data use as one way to comply with the certification. ECF participants can take other reasonable steps, such as ensuring a hotspot device is activated. ECF participants should be prepared to explain what actions were taken, if asked how they complied with the non-usage certification during an audit or other post-commitment review.

Q: If a service provider discovers that funded equipment and/or services are not being used, should they automatically allocate those costs from their requests for reimbursement and bill the applicant directly for this non-usage?

A: If a service provider determines that there is non-usage, we strongly encourage them to notify the school or library and provide a reasonable period of time (e.g., 30 days) to allow the school or library to reach out to the student, school staff member, or library patron to determine if the service is no longer needed. The ECF program rules do not require the applicant and/or service provider to immediately remove the equipment/services provided to the student, school staff member, or library patron from their ECF requests for reimbursement, but do require that they take reasonable actions to monitor and track usage, which includes providing the school or library notice and time to first address the non-usage issue.

Q: Once a funding commitment decision letter has been issued, are there any additional steps that service providers using SPI invoicing should take before starting the services and/or submitting requests for reimbursement?

A: Given that only best estimates of unmet needs were required at the application stage, service providers are reminded to work with the applicant once the funds have been committed to ensure that they are only seeking reimbursement for the actual number of students and school staff with unmet needs. While there is no requirement in the ECF program to confirm the start of services before invoicing (like on the FCC Form 486 in the E-Rate program, for example), service providers and applicants should work together to ensure they are not requesting reimbursement for equipment and/or services that are not needed or not being used. We remind applicants and service providers that requesting extra equipment to account for anticipated damage or loss, or for warehousing, is not allowed under ECF program rules. We also remind applicants and service providers of the one connected device and one hotspot device per student, school staff member, or library patron limit. Applicants and service providers will be responsible for returning funds if it is determined that they are not compliant with ECF program rules.

ECF Program Compliance and Other Friendly Reminders

Please continue to check the ECF Portal and your email communications, and ensure your entity information is up-to-date in the portal. It is crucial that your organization not miss any communication that comes from USAC. For example, if you received funds before paying your service provider and have not uploaded the payment verification into the ECF Portal, the ECF program team may contact you after ECF funds have been disbursed to request payment verification. The ECF program team may also contact you for other post-commitment-related reviews. As a reminder, failure to respond to USAC information requests may lead to denial or recovery of ECF support, so it is important to respond to these requests in a timely manner.

If the Account Administrator you listed in the ECF Portal has changed or is no longer with your organization, call the ECF Customer Support Center (CSC) at (800) 234-9781 and request to update your information to reflect the name and email address of the new Account Administrator.

For More Information

Please review the FCC's <u>Emergency Connectivity Fund FAQs</u> to learn more about the program's requirements and find answers to commonly asked questions. The FAQs are consistently updated to reflect any program deadline extensions and provide other important details. Additional information is also available in the FCC's <u>ECF Program Report and Order</u> and in the March 1, 2023, <u>Public Notice on ECF Compliance Obligations</u>.

You can also visit <u>EmergencyConnectivityFund.org</u> and sign up for <u>ECF program emails</u> for more information about the program.

Applicants and service providers may contact the ECF CSC with questions at (800) 234-9781, Monday – Friday, from 8 a.m. to 8 p.m. ET, or submit a customer support request through the ECF Portal.

We appreciate your participation in the ECF program and look forward to your ongoing engagement as we work together to close the Homework Gap!

Need Help? Contact Us!

Please contact the ECF Customer Service Center (CSC) at (800) 234-9781 or create a case in the ECF Portal.