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Webinar at a Glance

- Introductions
- OUSF New Rules
- OUSF Process
- How to Get OUSF Funding
- Funded Services & Bandwidth Standards
- Eligible Services



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Introductions



The KSLLC Team

E-Rate

Debi Sovereign*
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Shannon Tice



OUSF

Shannon Tice
Shar Dodoo
Shelby O'Dell
Alex Ballard



**Certified E-rate Management Professional*



OUSF New Rules

Presented by: Shannon Tice



New Statute & New Rules

HB 2616 (Effective May 9, 2016)

- **Modified** 17 O.S. § 139.101 et seq. (Oklahoma Telecommunications Act of 1997)
- **Repealed** 17 O.S. § 139.109 (Creation of Oklahoma E911 Emergency Service Fund - Oklahoma Telecommunications Technology Training Fund)
- **Added** 17 O.S. § 139.109.1 (Special Universal Services - Competitive Bidding Exemption - Authority of Administrator - Authority of Corporation Commission)

OCC Rules O.A.C 165:59

- Emergency rules expires September 2017
- Rulemaking process to create permanent rules began February 2017
- Commissioners adopted proposed permanent rules at En Banc Hearing March 8, 2017
- Governor approved the permanent rules June 13, 2017 (Effective September 11, 2017)

No Ch. 59 Rule Makings this Year!



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OUSF Key Changes

- Changed from litigation – based process to administrative process.
- Specified bandwidths to be funded without proof of need.
- Specified funded services (C 1 Eligible Services List).
- Added competitive bidding requirements.
- Added maximum times for processing.
- Added Preapproval
- Funding allowance will be no more than 25% above lowest cost reasonable qualifying bid.
- State match for special construction.



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OUSF Process

Presented by: Shannon Tice



Competitive Bidding / RFP

The following are requirements for request for bids / RFP's per Commission rules:

- The bidder must be an eligible provider as defined in statute
- Bidding should not be structured in a manner to exclude carriers eligible to receive OUSF funding where the OUSF Beneficiary is located.
 - The bid request must require ineligible services be priced separately from OUSF eligible services.
 - The bid request shall not require that the Internet and WAN be provided by the same eligible provider.
 - The bid request shall clearly identify the bandwidth range requested by the OUSF Beneficiary
 - The bid request must be technology neutral



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Competitive Bidding / RFP

The following are requirements for request for bids / RFP's per Commission rules:

- Bids must contain all costs to provide the Special Universal Service. Any bid containing estimated costs, other than fees and taxes to be paid to a third party, will be disregarded as not meeting bid requirements.
- Bids that do not conform to requirements for public entities may be disregarded.



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RFP Tips

- Specify the following:
 - Symmetric Bandwidth (same upload / download speed)
 - Dedicated Internet Access
 - Preferred contract lengths
 - Preferred contract terms
 - Service start date



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Special Construction / State Match

- Prior to posting your RFP and any bid evaluation criteria, it must go through a review by the OUSF Administrator (this does not guarantee approval of funding).
- Submit Preapproval Affidavit for Special Construction
 - Preapproval Funding Letter has to be submitted along with the Form 471 to show the Beneficiary has secured state matching funds.
- Cost effectiveness evaluation for projects with special construction cost may extend up to 5 years.
- If special construction is funded, special construction will not be available again to the location(s) specified for the period used in the analysis – even if different provider is selected in future year.



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Lowest Cost Reasonable Qualifying Bid (LCRQB)

- Represents the lowest total cost proposal including monthly recurring and nonrecurring charges for eligible services.
- Is reasonable to meet the needs of the OUSF Beneficiary as listed in the request for bids.
- Is submitted during the same competitive bidding period as the awarded bid.
- Is for a bandwidth within the range requested for bid and selected by the OUSF Beneficiary.
- Is for the same contract term as the bid that was selected by the OUSF Beneficiary.
- Meets the requirements specified in the request for bid by the OUSF Beneficiary
- Was the result of a fair and open competitive bidding process as defined in statute.



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Funding Determination of LCRQB

Maximum funding is 125% of the LCRQB of the non-discount amount, less OUSF ineligible taxes and fees.

The Beneficiary can provide a compelling explanation for not choosing the LCRQB to the Administrator to consider funding that is more than 125% of the LCRQB.



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Funding Determination of LCRQB Example 1

Beneficiary receives bids of \$1,000, \$1,200, \$1,400 and no ineligible taxes or fees.

- » OUSF Administrator determines \$1,000 to be LCRQB
 - Maximum OUSF credit amount \$1,250 ($\$1,000 + 25\% = \$1,250$).
- » If Beneficiary chooses \$1,200: No out-of-pocket expense.
- » If Beneficiary chooses \$1,400: Beneficiary pays non-discount portion of the difference between \$1,400 and \$1,250.



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Funding Determination of LCRQB Example 2

Beneficiary receives bids of \$1,000, \$1,200, \$1,400 and no ineligible taxes or fees.

- » Beneficiary provides compelling explanation of why they did not choose the \$1,000 (LCRQB) bid or a bid within 25% of the LCRQB (determined by Administrator)
- » PUD Analyst determines \$1,200 to be LCRQB
 - Maximum OUSF credit amount \$1,562.50 ($\$1,200 + 25\% = \$1,562.50$).
- » If Beneficiary chooses \$1,400: No out-of-pocket expense



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How to Get OUSF Funding

Presented by: Shannon Tice



How to Get OUSF Funding Affidavits

- Preapproval
- Request for Funding
- Request for Change in Funding



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How to Get OUSF Funding OUSF Beneficiary – Preapproval

- Preapproval is a new process available to OUSF Beneficiaries who desire to have certainty regarding the amount that will be paid from the OUSF.
- The OUSF Beneficiary may submit an OUSF preapproval request at any time. It is optional, but required if requesting special construction.
- The OUSF Administrator will review the documentation submitted with the request and issue a preapproval funding letter to the OUSF Beneficiary and eligible provider within 90 days of a properly completed preapproval request.
- An OUSF preapproval funding letter will be issued without a Commission order.



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Benefits of Preapproval

Provides added certainty to OUSF funding amounts prior to the fund year beginning.

Obligates the provider to file for OUSF funding within 60 days of starting service.

PUD has 60 days to issue a Determination of Funding



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How to Get OUSF Funding

Requesting Funding (Provider initiated)

- An eligible provider may seek and obtain funds from the OUSF by filing a "Request for OUSF Funding" with the Commission Court Clerk's Office.
- The OUSF Administrator will review and determine the accuracy of the complete request and issue a Determination of funding within 60 days if a preapproval funding letter was issued or within 90 days if no preapproval funding letter was issued.
- **Any affected party may file a request for reconsideration of the determined funding within 15 days of the Determination being filed.**
- A Determination of funding will be issued without a Commission order.



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How to Get OUSF Funding

Requesting for Change in Funding

- You do not have to file annually for continued funding.
- Funding continues at the approved amount until something changes. (ie. Upgrade bandwidth, price increase or decrease with existing approved provider, or through disconnect with existing approved provider)
- Changes to approved funding amounts with existing approved provider requires a Request for Change in Funding Affidavit to be submitted to your provider to submit to the Monthly Payment team at the Commission.
- Changing service providers will require a new Request for Funding to be filed.



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Panel Discussion

Q & A



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Funded Services

Schools & Libraries

Services included on the E-rate Eligible Services List for Category One services (Except voice services).

Schools - Provision of bandwidth sufficient for providing educational services not to exceed the standards established by the State Educational Technology Directors (SETDA).

Libraries - provision of bandwidth is per FCC standard


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Funded Services

Healthcare

The provision of bandwidth per standards as recommended by the FCC sufficient for providing telemedicine services including the telemedicine line, reasonable installation, and network termination equipment owned and operated by the eligible provider that is necessary to provide the eligible telemedicine service.

Bandwidth may be rounded up to the next available standard service increment to avoid increased costs to the fund.



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SETDA Internet Recommendations

INTERNET SERVICE PROVIDER RECOMMENDATIONS		
School Year	2017-18 Targets	2020-21 Targets
Small School District (fewer than 1,000 students)	At least 1.5 Mbps per user (Minimum 100 Mbps for district)	At least 4.3 Mbps per user (Minimum 300 Mbps for district)
Medium School District Size (3,000 students)	At least 1.0 Gbps per 1,000 users [^]	At least 3.0 Gbps per 1,000 users
Large School District (more than 10,000 students)	At least 0.7 Gbps per 1,000 users	At least 2.0 Gbps per 1,000 users
[^] Published by SETDA 2012; Adopted by the FCC in 2014 https://www.fcc.gov/general/summary-e-rate-modernization-order [*] User: students, teachers, administrators, staff, and guests Methodology Appendix A		



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SETDA WAN Recommendations

WAN RECOMMENDATIONS		
School Year	2017-18 Targets	2020-21 Targets
Connections to each school to link to the internet via a district aggregation point and for in-house administrative functions	At least 10 Gbps per 1,000 users	At least 10 Gbps per 1,000 users
*User: students, teachers, administrators, staff, and guests		



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Bandwidth Examples

» <https://onenet.net/k-12-bandwidth-targets/>



www.kelloggllc.com 580.332.1444

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FCC Recommendations for Libraries

At least 100 Mbps for libraries that serve fewer than 50,000 people.

At least 1 Gbps for libraries that serve 50,000 people or more.



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Healthcare Bandwidth Standards

- » Standards are set at maximum levels that OUSF will pay based on the type of facility. Health Care Providers may have higher bandwidth levels and pay any difference in cost above OUSF levels unless they request and document additional bandwidth funding based on specific circumstances.



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Healthcare Bandwidth Standards

- » Department of Corrections
 - Up to 100 Mbps
- » Federally Qualified Health Centers
 - Urban – up to 500 Mbps
 - Rural – up to 100 Mbps
- » County Health Department & City-County Health Department
 - Urban – up to 500 Mbps
 - Rural – up to 100 Mbps



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Healthcare Bandwidth Standards

- » Not for Profit Mental Health and Substance Abuse Facilities
(certified facilities pursuant to OAC 450, Chapters 17 and 24)
that are not staffed 24-hours each day
 - Up to 100 Mbps



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Healthcare Bandwidth Standards

- » Eligible healthcare entities that are staffed 24-hours each day, including those which are academic facilities, large medical centers, hospitals, and mental health and substance abuse facilities (certified facilities pursuant to OAC 450 Chapter 23) based on licensed or certified beds
 - 1 – 50 beds – up to 500 Mbps
 - 51 – 100 beds – up to 1 Gbps
 - 101 to 200 beds – up to 3 Gbps
 - 201 or greater beds – up to 10 Gbps
- » Bassinets are now included in licensed or certified bed counts.



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Healthcare Bandwidth Standards

- » Eligible healthcare entities that support other eligible healthcare entity as a central location or host, may request additional bandwidth per supported location of up to 25% of the supported eligible healthcare entity's eligible bandwidth.



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Healthcare Bandwidth Standards

- » If an eligible healthcare entity's bandwidth exceeds the recommended bandwidth standards, the OUSF Administrator may consider, but not be limited to considering the following factor:
- Number of healthcare providers and staff
 - Number of beds
 - The telemedicine services provided
 - Support for other telemedicine facilities that require broadband access with consideration for any payments received by the supporting facility
 - Prior bandwidth usage, not including public network usage



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Eligible Charges

Presented by: Shar Dodoo



Charges Covered

The OUSF will fund reasonable installation and special construction charges.

Special construction charges MAY qualify for state matching (schools and libraries only)

Funding for eligible services, including federal funding, shall not exceed actual eligible expenses.



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Charges Not Covered

- Redundant Services
- The OUSF will not fund more than one provider for the same service at the same location for the same time period, except during a transition period not to exceed 30 days.
- The OUSF will not reimburse an Internet subscriber fee or charges incurred as a result of services accessed via the Internet.
- Voice services that use separate lines or have allocated bandwidth.
 Surcharges and fees



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FINAL QUESTIONS & WRAP UP



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OUSF Resources

- http://www.kelloggllc.com/ousf_links.aspx
- <http://www.kelloggllc.com/ousf.aspx>
- Email OUSF related questions and request to ousf@kelloggllc.com



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CONTACT

Your OUSF Professionals,
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