

Executive Numbered Memo 014-2005-06 - Change in E-rate Discount Rules

December 28, 2005

TO: District Superintendents, ESD Superintendents

RE: Change in E-rate Discount Rules

Summary:

Potential denial of E-rate discounts for FY 2005 (July 1, 2005 - June 30, 2006). Districts and ESDs purchasing off State Master Contract will be required to file application for E-rate discounts independently for FY 2006 (July 1, 2006 - June 30, 2007) This new requirement applies to those districts and ESDs referenced in [the attached file](#).

Due to a new interpretation of E-rate rules by the Schools and Library Division (SLD), nearly \$1 million of Oregon E-rate funds may be denied for FY 2005. If your district was a consortium member with the Department of Administrative Services (DAS), purchased off of the State Master Contract, and had DAS apply for the discounts on your behalf as part of a consortia your funds are at risk. Oregon is not the only state to experience this surprise interpretation as the states of Utah, Arkansas, and Illinois have already had millions of E-rate dollars denied for FY 2005 for similar rule interpretations that were seemingly not applied in past applications for funds.

As such, the Department of Administrative Services, Information Resources Management Division ("DAS IRMD") informed the Oregon Department of Education on Thursday, December 22, 2005 that it will no longer be submitting a statewide application for e-rate discounts on frame relay telecommunications services purchased off the State Master Contract.

In the past DAS IRMD submitted an application for e-rate discounts on the frame relay circuits purchased by educational service districts, school districts, schools and libraries throughout Oregon. This year, such purchasers of these services will be encouraged to submit their own applications. DAS IRMD and ODE personnel will be available to help those districts that plan to file for e-rate discounts.

A list of educational service districts, school districts, schools and libraries/library systems impacted by this decision is at the end of this memo. If your entity is on this list and you plan to apply for the e-rate discounts on your frame relay circuits, please be aware of two critical dates.

Action required by affected districts:

Step 1: Share this memo with your Technology Director, Business Manager, and/or E-rate coordinator.

Step 2: Not later than January 19, 2006, file the Form 470 application on behalf of your organization. If you are an Educational Service District, you will need to obtain letters of agency the schools districts listed in your e-rate application.

Step 3: Wait 28 days.

Step 4: After the 28-day waiting period but on or before February 16, 2006, file Form 471 e-rate application.

A video conference is scheduled for January 5, 2006 @ 10:30 a.m. in which complete instructions will be given to those districts seeking to file for the e-rate discounts on their frame relay services. For further instructions to sign up for the video conference, please contact Barbara.Beckner@state.or.us no later than noon January 4, 2006.

Questions about this memo can be directed to:

[Patricia Middelburg](#)

State E-rate Coordinator

DAS IRMD

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Director of Technology and Info Services

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