

ERATE's New Cycle of Internal Connection Funding

Administrators, **please examine this carefully to be able to take advantage of important funds available to all Christian Schools.** *Many Christian Schools around the country are receiving connectivity discounts for internet, WIFI, and other infrastructure improvements at a rate of several hundred dollars a student. Because of the New Rules Released recently there will be a continuation of these funds, and internal connections next year.*

Although the participation in ERATE is based on the percentage of free and reduced students served by your school, these infrastructure/connectivity dollars are available for getting help with planned projects. For anyone not having participated in the last 5 years of Category 2, they are thinking that the full amount that would have been available to you is available in 2020 ONLY.

The FCC released the much-anticipated [Category 2 Order](#), outlining the rules for Funding Year 2020 and beyond. As a whole, there is much to celebrate! FY 2020 will be a "transition" year with basically the same rules as the last 5 years, except the C2 budget multiplier will have a 1-year "additive." The big changes come in FY 2021 when a new, set 5-year C2 cycle will begin, all C2 budgets will be reset, budgets will be calculated district-wide instead of by school, the minimum building amount will be increased significantly, and much more.

Below is a synopsis that summarizes, by topic and funding year, what the previous rules were, and what the new rules will be moving forward.

FY 2020 (only)

- Extended the initial 5-year C2 cycle for a 6th year (FY 2020).
- During this year, C2 budgets will continue to be calculated at a school/library building level.
- Unused C2 budgets from initial 5-year cycle will be available for FY 2020, plus a 20% increase in the C2 budget multipliers which I believe, based on my reading of the Order, will be:
 - Schools: \$195.63/pp/school
 - Minimum/building: \$11,998.43

Formula: C2 multiplier x school building enrollment, minus any committed C2 funding since in FY 2015 (pre-discount amounts) for each school.

- **BOTTOM LINE: FY 2020 is a use-it or lose-it year for C2, with a 1-time bump in available funding, so please use it.**

FY 2021 – FY 2025

- Establishes a set 5-year C2 cycle, FY 2021 – FY 2025, for all applicants.

- All C2 budgets will be reset in FY 2021 (and at the beginning of each new 5-year cycle). No unused C2 budgets from prior 6-year C2 cycle will be carried forward.
- C2 budget will be calculated at district or library system level, instead of at building level.
- Budget multiplier for FY 2021 – 2025 (will not be adjusted annually for inflation):
 - Schools: \$167.00/pp
 - Minimum/building: \$25,000 (increase from \$9,200)
 - Schools with 10 schools or less can take advantage of the higher budgets for each school (enrollment or minimum)
- Enrollment will remain static for entire budget cycle, based on the first year a district applies for C2. Optional: schools may update C2 budget enrollment in subsequent year(s) if enrollment increases.
- No funding available for non-instruction facilities (no change).
- Equipment transfer restrictions will be eliminated beginning in FY 2021 but applicants must record reason and date of transfer and update asset inventory. No notice to USAC is required.