

Are You Prepared for an E-Rate Audit?

What to expect and how to prepare

Joe Polasek (MDE) with Merri Lynn Colligan (MiSEN)
Office of Systems, Evaluation, and Technology
Michigan Department of Education



Introducing...



Joe Polasek
State E-rate Coordinator, MDE



Merri Lynn Colligan
Director, MiSEN



Making Connections

- **State Reported Data**
 - Validates E-rate Data
- **E-rate Profile Info**
 - Generates E-rate Funding

What happens when they don't match?





Session Topics

- E-rate Introduction
- Crosswalk Time!
- Validation
- Are you Audit Ready?
- Unintended Consequences
- MiSEN- A Case Study

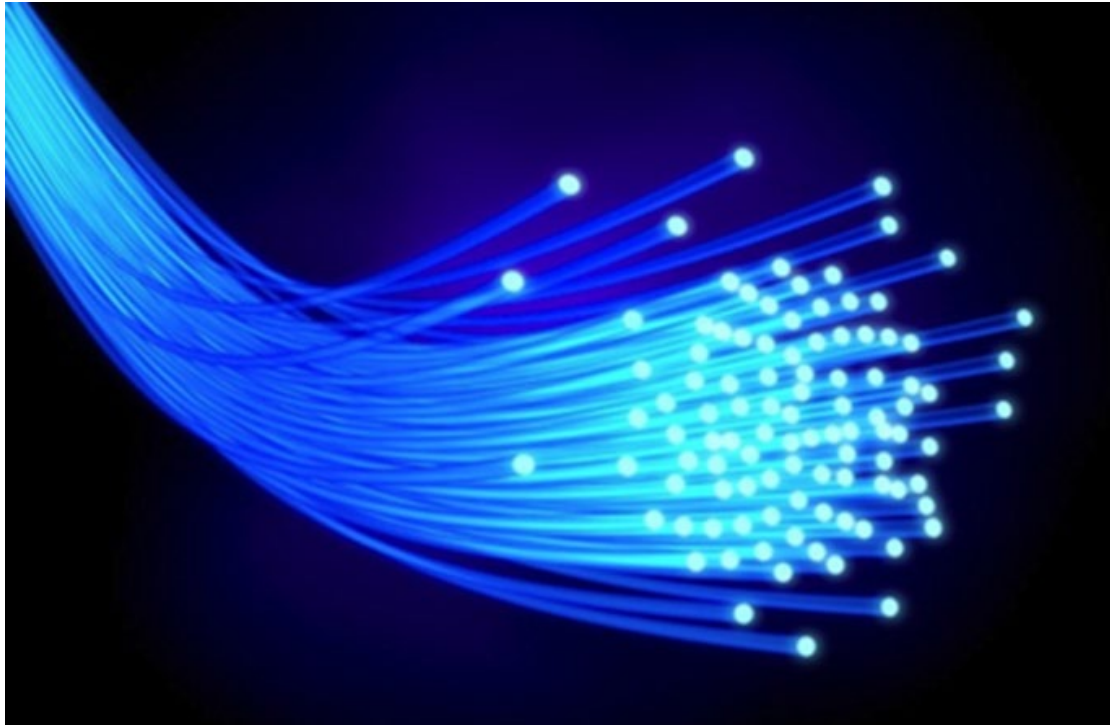


What's Next?

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So...what is E-rate?



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It's EPC!

The E-rate Productivity Center



Universal Service Administrative Co.

Dashboard

i In accordance with the Supply Chain orders, new certifications have been added to the following forms: RHC - FCC Form 463 and the Telecom invoice, E-rate - FCC Form 473, and High Cost & Lifeline - FCC Form 481. Service providers are required to submit these annual certifications. For additional information, visit the [USAC Supply Chain](#) page.

Upcoming Dates

08/27
2024 [Open Data Webinar](#)

08/29
2024 [E-Rate Open Data Webinar Course 2 – Creating Reports and Visualizations](#)

Schools and Libraries

E-Rate Productivity Center (EPC) - EPC is the online system for E-Rate program participants to submit applications, manage program processes, and communicate with USAC. Applicants and service providers use EPC to prepare, submit, and certify E-Rate invoicing forms for Funding Years 2016 and later, including FCC Form 472 BEAR, FCC Form 473 SPAC, and FCC 474 SPI. For more information, please visit the applicant or service provider invoicing page at <https://www.usac.org/e-rate/> or contact the E-Rate Customer Service Center at (888) 203-8100.

Emergency Connectivity Fund (ECF) - Emergency Connectivity Fund participants use the ECF Portal to submit applications and review notifications regarding their program activities. Using this link, schools and libraries can also access the FCC Form 472 (BEAR) and service providers can access the FCC Form 474 (SPI) to request ECF reimbursement.

Help?

[Send us a message](#)
[Click here](#)

Call us
(888) 641-8722

EEM to EPC Crosswalk

EPC Fields

EEM Fields

- Official Name ← → • Entity Name
- Physical Address ← → • Physical Address
- District Code ← → • State LEA Code
- Entity Code ← → • State School Code
- NCES Code ← → • NCES Code (12 Digits)
 - Public State Code (2 digits)
 - Public District Code (5 digits)
 - Public School Code (5 digits)

Want to be a Hero?



Add your State of MI School Codes here!

State School Code	<input type="text"/>
State LEA Code	<input type="text"/>
NCES Public State Code	<input type="text"/>
NCES Public District Code	<input type="text"/>
NCES Public Building Code	<input type="text"/>

Category Two (C2) Budget Information

We calculate your Category Two budget and your discount rate separately, and so we collect separate numbers for each. You are allowed to re-use your Category Two student count from year to year within a Category Two budget cycle, so this number needs to be updated less frequently than the student count for your discount rate.

Total Students for C2 Budget*



FCC Registration Number ?

CANCEL

SUBMIT

E-rate Validation

Educational Entity Master



- Is the entity considered a school?
- Is the entity open/active?
- What is the validated enrollment?
- What is the Economically Disadvantaged count?
- What is the district's discount level?

Unintended Consequences



For an application in process:

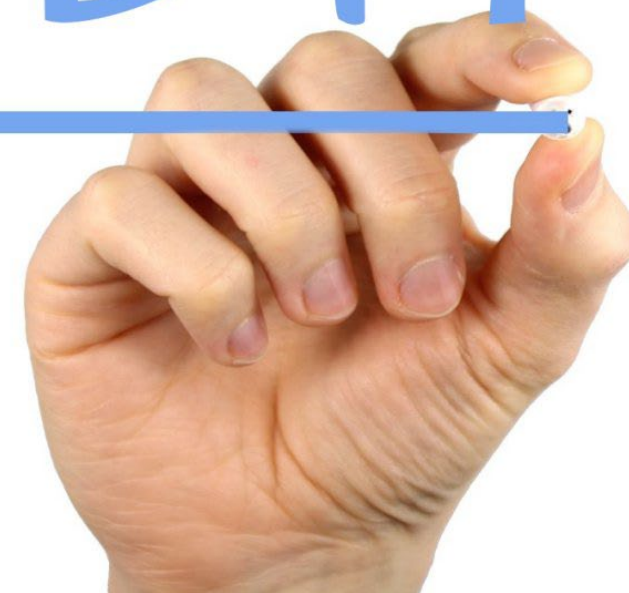
- Reduction of Funding

For an approved application:

- Recapture of Funds

Filing on behalf of a consortium?

AUDIT



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Audit Responsibilities (cont.)

#	Documentation	Importance
1	Pre-bidding Process	Applicants must retain all pre-bidding documents. For example, if consultants are involved, applicants must retain signed copies of all written agreements with such consultants. Proof of E-Rate eligibility must be retained for some entity types (e.g., non-instructional facilities, school residential facilities, Head Start, pre-kindergarten, adult education, and juvenile justice programs).
2	Bidding Process	All documents used during the competitive bidding process such as Request(s) for Proposals (RFP) or equivalent, including any amendments and addendums to the RFP; documents describing the bid evaluation criteria, weighting, and evaluation worksheets; all written correspondence between the beneficiary and prospective bidders, and all bids submitted (both winning and losing); and documents related to the selection of service provider(s) must be retained. Service providers participating in the bidding process that do not win the bid need not retain any documents.
3	Contracts	Both applicants and service providers must retain executed contracts, signed and dated by both parties. All amendments and addendums to the contracts must be retained.

Audit Responsibilities (cont.)

#	Documentation	Importance
4	Application Process	Applicants must retain all documents used to submit the FCC Form 471, including National School Lunch Program eligibility; and documents to support the necessary resources certification including budgets.
5	Purchase and Delivery of Services	Applicants and service providers must retain all documents related to the purchase and delivery of E-Rate eligible services and equipment. Applicants and service providers must retain documentation sufficient to show delivery of the approved eligible equipment and services. The delivered equipment and services should match the equipment and services that were invoiced to the applicant and reimbursed through the E-Rate program.
6	Invoicing	Both applicants and service providers must retain all invoices including records proving payment of the invoice, such as accounts payable records, service provider statements, beneficiary checks, bank statement or ACH transaction record, as applicable.

Audit Responsibilities (cont.)

#	Documentation	Importance
7	Asset and Service Inventories	Schools, libraries, and consortia must maintain asset and service inventory records of equipment purchased as components of supported Category Two services (internal connections, managed internal broadband services, and basic maintenance of internal connections) for a period of 10 years after purchase. Applicants must also retain detailed records documenting any transfer of equipment.
8	Acceptable Use Policies	Children's Internet Protection Act (CIPA). Applicants must maintain documentation to demonstrate CIPA compliance, including documentation supporting that reasonable public notice was given for the public hearing, filtering documentation (purchase, installation, use), a copy of its Internet safety policy or acceptable use policy (AUP), documentation of the adoption of such policies, or that it is undertaking actions to comply with CIPA (e.g., reasonable public notice, public meeting or hearing minutes).
9	Forms and Rule Compliance	All program forms, attachments, and documents submitted to USAC and all other documentation that demonstrates compliance with the Commission's rules must be retained by applicants and service providers.



The Cost of Inaccurate Data



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- School District discount rates are used for Libraries
- School District discount rates set consortium discount rates

Pull one card...

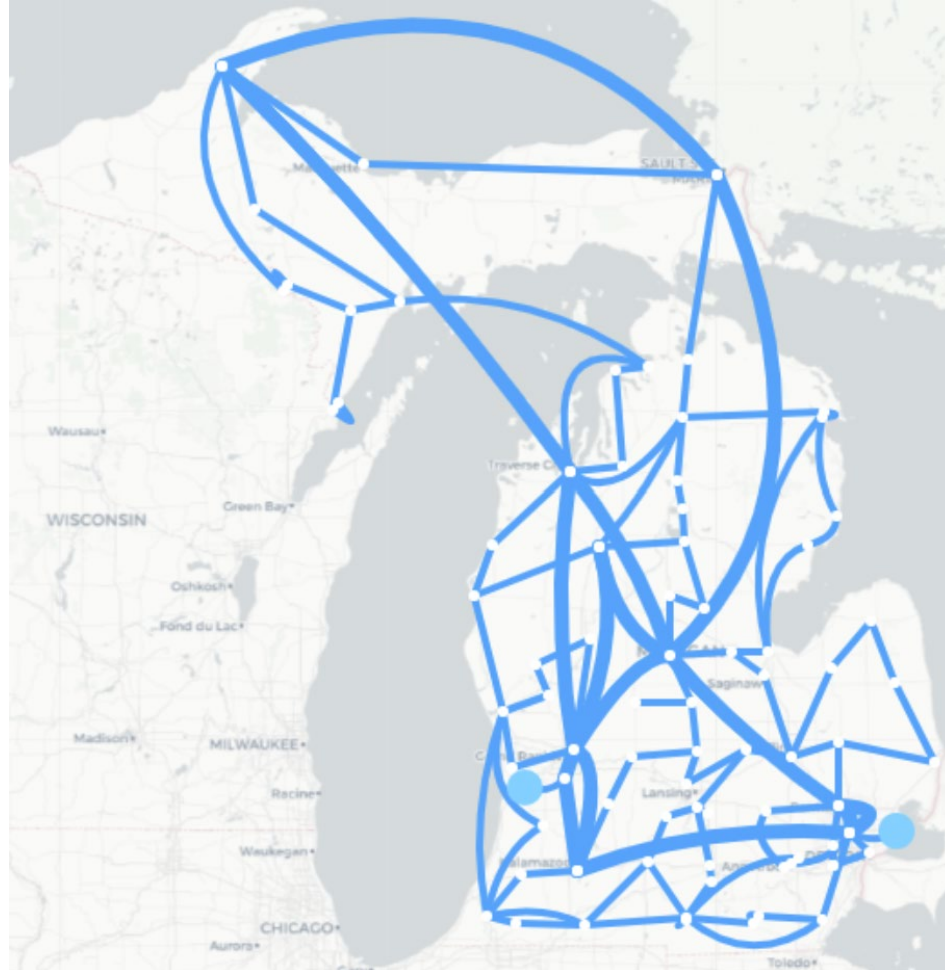
MiSEN and the MEMS Database

Master Entities

Search ISD MAISA Region Number Type Annual Services

<input type="checkbox"/>	MiSEN ID	Entity Name	EEM Entity #	EPC Entity #	Physical City	Actions
<input type="checkbox"/>	1.03.03.03000	Allegan Area Educational Service Age	03000	131287	ALLEGAN	
<input type="checkbox"/>	1.02.04.04000	Alpena-Montmorency-Alcona ESD	04000	16027193	ALPENNA	
<input type="checkbox"/>	1.03.08.08000	Barry ISD	08000	131339	HASTINGS	
<input type="checkbox"/>	1.04.09.09000	Bay-Arenac ISD	09000	131135	BAY CITY	
<input type="checkbox"/>	1.07.11.11000	Berrien RESA	11000	131392	BERRIEN SPRING	
<input type="checkbox"/>	1.07.12.12000	Branch County ISD	12000	131316	COLDWATER	
<input type="checkbox"/>	1.02.72.72000	C.O.O.R. ISD	72000	131125	ROSCOMMON	
<input type="checkbox"/>	1.07.13.13000	Calhoun Intermediate School District	13000	131348	MARSHALL	
<input type="checkbox"/>	1.02.15.15000	Charlevoix-Emmet ISD	15000	131663	CHARLEVOIX	
<input type="checkbox"/>	1.02.16.16000	Cheb-Otsego-Presque Isle ESD	16000	131680	INDIAN RIVER	
<input type="checkbox"/>	1.04.18.18000	Clare-Gladwin Regional Education Ser	18000	131099	CLARE	
<input type="checkbox"/>	1.06.19.19000	Clinton County RESA	19000	223917	SAINT JOHNS	
<input type="checkbox"/>	1.01.31.31000	Copper Country ISD	31000	131775	HANCOCK	
<input type="checkbox"/>	1.01.21.21000	Delta-Schoolcraft ISD	21000	131724	ESCANABA	

The Michigan Statewide Educational Network- MISEN



MiSEN

Michigan Statewide Educational Network

Questions?



Thank you for your participation!

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MiSEN

Michigan Statewide Educational Network