

OUSF Schools and Libraries Workshop



OKLAHOMA
Corporation
Commission

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Public Utility Division
Oklahoma Corporation Commission
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OUSF

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Disclaimers

- ◆ The information in this presentation is intended for informational purposes only and is subject to changes.
- ◆ This presentation does not cover the entire statutory Act or Commission rule.
- ◆ Federal E-Rate funding has additional requirements.
- ◆ OUSF Funding commitments depend on the facts presented during requests for Preapproval or OUSF Funding.
- ◆ Examples showing funding assume all other OUSF program requirements were followed.



Please note that the OCC website is in the process of being changed. We will continue updating this presentation and the links herein as the changes occur.



What is the Oklahoma Universal Service Fund (“OUSF”)?

- ◆ The OUSF is a fund that: supports Special Universal Services to public schools, public libraries, and eligible telemedicine facilities; and supports the provision of Primary Universal Service to eligible telecommunication carriers.
- ◆ Service Providers pay into the OUSF and may pass this cost on to end-users.
 - This may appear as a fee on your monthly phone bill.
- ◆ E-Rate may cover a portion of the cost of eligible Special Universal Services.
 - Oklahoma statute allows the OUSF to fund up to the remaining cost of eligible services.



OUSF Funding Requests - Roles

Beneficiary

Completes the **Affidavit** and submits it to service provider along with the required attachments.

Service Provider

Completes the **SUSF** form and School/Library worksheet attachment, and files a Request for OUSF Funding with the OCC.

Beneficiary and Service Provider

Should answer all **Data Requests** from PUD Analyst promptly.



Is your library or school eligible for OUSF funding?

Public Libraries¹

- ◆ Libraries must be open to all persons under identical conditions and supported by public funds.
- ◆ Does not include libraries operated by:
 - Universities, colleges, or schools
 - Museums
 - Oklahoma Historical Society
 - County Law Libraries

Public Schools²

- ◆ PreK-12 free schools funded by public taxation.
- ◆ Career Technology Centers that serve HS Students.
- ◆ Does not include:
 - Private schools
 - Virtual schools
 - Home schools

¹ See 17 O.S. § 139.102(36)

² See 17 O.S. § 139.102(37)



What services and
bandwidth does the OUSF
typically fund?



OUSF Eligible Services for schools and libraries

- ◆ Category One Non-Voice Services on the USAC Eligible Services List.³
 - Including, but not limited to, Internet, WAN, and eligible Routers.
- ◆ Taxes and fees are not eligible.



³ See 17 O.S. § 139.109.1(A)(2)-(3)



Eligible Bandwidth - Libraries

- ◆ FCC Recommendations⁴
 - 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.

⁴ See Modernizing the E-Rate Program for Schools and Libraries, WC Docket No. 13-184, 29 FCC Rcd. 8886, para. 27 (2014) (E-Rate Modernization Order or E-Rate Modernization FNPRM)



SETDA Recommendation

The SETDA recommendation in Broadband Imperative III provides a recommendation based on studies of bandwidth use in schools related to changes in technology and expanding use of state and regional networks as well as growth charts with projections for fund year 2023/24.

The 2023-24 targets using these studies are at least 2.8 Mbps per user for small school districts (Minimum 300 Mbps for district), at least 2.0 Mbps per user for medium school districts, and at 1.4 Mbps per user for large school districts.

Since Oklahoma does not utilize either state or regional networks, we will refer to the growth charts found in the Broadband Imperative III, Appendix A, starting on page 27 to comply with the Oklahoma statutes starting with fund year 2021/22.

From: State Educational Technology Director's Association's ("SETDA") [The Broadband Imperative III: Driving Connectivity, Access and Student Success](#), Appendix A, updated November, 2019



Eligible Internet Bandwidth – Oklahoma Schools

INTERNET BANDWIDTH RECOMMENDATIONS	
School District Size	2023-24 Targets
Small School District (fewer than 1,000 students)	At least 4.3 Mbps per user (Minimum 300 Mbps for district)
Medium School District Size (3,000 students)	At least 3.0 Gbps per 1000 users
Large School District (more than 10,000 students)	At least 2.0 Gbps per 1000 users

User = students, teachers, administrators, staff, and guests

From: State Educational Technology Director's Association's ("SETDA") [The Broadband Imperative III: Driving Connectivity, Access and Student Success](#), Appendix A, updated November, 2019



Eligible WAN Service – Oklahoma Schools

WAN RECOMMENDATIONS	
School Districts	2023-24 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
User = students, teachers, administrators, staff, and guests. District-wide based on WAN site with largest number of users.	

From: State Educational Technology Director's Association's ("SETDA") [The Broadband Imperative III: Driving Connectivity, Access and Student Success](#), Appendix A, updated November, 2019



Bandwidth Range

- ◆ Select a bandwidth range from the drop-down option on the FCC Form 470, using the SETDA eligible bandwidth as the maximum bandwidth.

Function *	
Internet Access and Transport Bundled (Non-Fiber)	
Quantity *	Number of entities served? *
4	11
Unit	Are you also seeking Installation, Activation and Initial Configuration for this service? *
Circuits	<input checked="" type="radio"/> Yes
Minimum Capacity *	<input type="radio"/> No
100 Gbps	Please select the RFP(s) that apply to this service request.
Maximum Capacity *	<input checked="" type="checkbox"/> RFP_SD_Network Equipment
100 Gbps	<input type="checkbox"/> RFP_SD_100_3partynetwork

- ◆ If the beneficiary is not able to utilize the maximum bandwidth, include the preferred bandwidth on the 470 with a reason for this preference (i.e. equipment limitations).
- ◆ Include documentation in support of this preference with Request for OUSF Funding.



Competitive Bids and Eligible Providers



Soliciting Competitive Bids⁵

- ◆ Request bids in a manner that:
 - Is fair and open to all carriers authorized to receive OUSF funding.
 - Requests all costs, including construction (if applicable).
 - Requires ineligible services to be priced separately from eligible services (**taxes and fees are not eligible**).

- ◆ Bid requests should not:
 - Limit bidders based on technology.
 - Be structured to exclude any OUSF-eligible service providers.
 - Require the same service provider for Internet and WAN services.
 - Require service provider to be from a specific geographic area.
 - Require walk-throughs with limited timeframes or preferred access for local carriers. Must allow reasonable scheduling.

⁵ See 17 O.S. § 139.109.1(B)(5) (c) and see OAC 165:59-7-19(b) et seq., effective July 25, 2019



Soliciting Competitive Bids⁶

- ◆ The FCC Form 470 and RFP (if utilized) must identify the bandwidth range.
- ◆ To ensure bid requests are technology neutral, select the following on FCC Form 470 and RFP (if utilized):
 - For Internet service – select *Internet & Transport Bundled and Leased Lit Fiber*.
 - For WAN service, select *Transport Only and Leased Lit Fiber*, with the same minimum and maximum bandwidth for both.
- ◆ Beneficiaries are not obligated to contact a provider to ask for missing costs on a bid.
 - E.g., if a bid does not include pricing or construction costs (states prices are to be determined), it can be classified as incomplete.

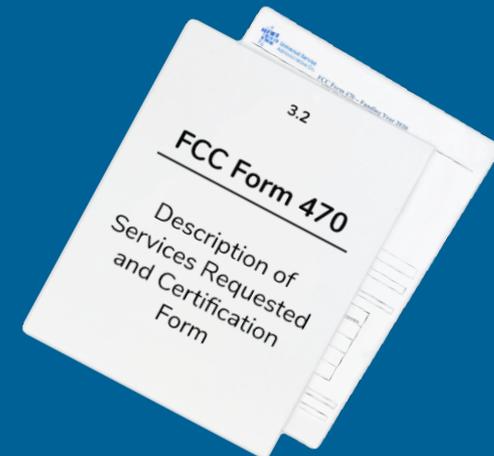
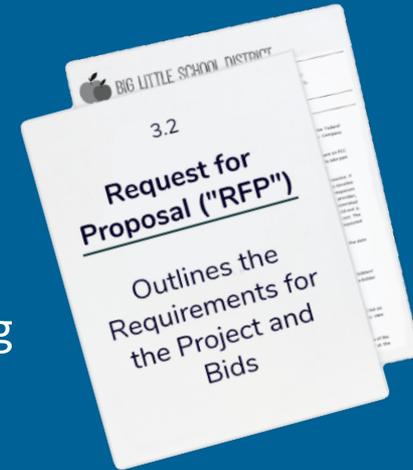
⁶ See 17 O.S. § 139.109.1(B)(5) (c) and see OAC 165:59-7-19(b) et seq., effective July 25, 2019



Soliciting Competitive Bids

- ◆ Possible statements for bid request:
 - All technologies will be considered.
 - Intent is to conform with OUSF bidding requirements.

- ◆ Include anticipated changes:
 - Change in bandwidth.
 - Addition of sites.





Competitive Bidding – Eligible Providers

- ◆ To receive OUSF funding, the selected bidder must be an eligible provider, as defined in 17 O.S. § 139.102.
 - Eligible providers meet one of the following criteria:

Hold a Certificate of Convenience and Necessity (“CCN”)

- Includes Incumbent Local Exchange Carriers (“ILEC”) that hold a CCN or equivalent authority.

or

OneNet[®]
Advancing Technology Across Oklahoma





Eligible Service Providers Search

- ◆ You can search for eligible providers on the OCC Website at <https://oklahoma.gov/occ/divisions/public-utility/telephone.html>.

Oklahoma Corporation Commission

Search

About News Complaints Divisions Dockets

Oklahoma Corporation Commission > Divisions > Public Utility > Telephone

Divisions

- Administrative, Judicial & Legislative Services
- Oil and Gas Conservation
- Petroleum Storage Tank
- Public Utility
- Auditing Fuel Costs
- Brochures
- Comment on an Active Utility Cause
- Consumer Services
- Cotton Gin
- Deposits and Interest
- Electric Utility
- Energy Efficiency
- Forms
- Gas Utility
- Notice of Inquiry PUD 20-083
- Oklahoma Universal Service Fund

Regulated Telecommunications

The Corporation Commission has limited regulatory oversight of telephone companies in Oklahoma. The Public Utility Division oversees the Oklahoma Universal Service Fund which assists in the provision of special services to Oklahoma's schools and medical facilities. The division also reviews applications for new carriers that wish to offer certain services within the state.

Telecommunications - Notice of Inquiry - PUD 201800066

- [Filed Third Set of Questions and Proposed Changes](#) (PDF)
- [Third Set of Questions](#) (MS Word)
- [Proposed Changes to 139.102](#) (MS Word)
- [Proposed Changes to 139.103](#) (MS Word)
- [Proposed Changes to 139.105](#) (MS Word)
- [Proposed Changes to 139.106](#) (MS Word)
- [Proposed Changes to 139.107](#) (MS Word)
- [Proposed Changes to 139.110](#) (MS Word)

Annual Report of Operations and PUD Fee Assessment

[Telecommunications Annual Report of Operations and PUD Fee Assessment due April 1, 2020](#)

Information Related to Telecommunication Companies

- [Regulated Telephone Companies](#) (Excel)
- [Eligible Telecommunications Carriers \(ETCs\)](#)
- [Find Lifeline Service Providers Near You](#)

Select the **Regulated Telephone Companies** link.

This will open an Excel document.



Eligible Service Providers Search

- ◆ The Excel document has several tabs of eligible service providers.

Use the "Find" function (ctrl + F) to search for a service provider's name. Select "Find" then "Options" on the initial box to get the advanced search box below.

Choose the search criteria

Select Workbook to search all tabs

Company	d/b/a	Address
AT&T Oklahoma	(Also listed under Southwestern B AT&T Oklahoma)	405 North Broadway, Re 119 West Main Street, E
Atlas Telephone Company		
Beggs Telephone Company		
Bixby Telephone Company		
Canadian Valley Telephone Company	d/b/a Canadian Valley Broadband	PO Box 321 25 S. Colorado, PO Box
Carnegie Telephone Company, Inc.		PO Box 789, 223 Broad 1401 W. Capitol Ave. S
Central Oklahoma Telephone Co., LLC		PO Box 445
CenturyTel of Northwest Arkansas, LLC		PO Box 460, 124 West
Cherokee Telephone Company		101 Cimarron
Chickasaw Telephone Company		
Cimarron Telephone Company, LLC		
Consolidated Communications of Oklahoma Company	d/b/a Consolidated Communications	PO Box 199
Craw-Kan Telephone Cooperative, Inc.		PO Box 100
Cross Telephone Company, LLC		101 Cimarron
Dobson Telephone Company		14101 Wireless Way, S
Dobson Telephone Company, Inc.	d/b/a McLoud Telephone Company	CFO 14101 Wireless Way, S
Elkhart Telephone Company		Regulatory Contact 610 S Cosmos, PO Box
Grand Telephone Company, Inc.		General Manager PO Box 308
KanOkla Shidler, LLC		Regulatory Contact 100 KanOkla Ave. PO B

ILEC 4-1-2020 CLEC 4-1-2020 IXC 4-1-2020 Reseller 4-1-2020 OSP 4-1-2020 PSP 4-1-2020 CAP 4-1-2020



What is a Lowest Cost Reasonable Qualifying Bid?



Lowest Cost Reasonable Qualifying Bid (“LCRQB”)

- ◆ The LCRQB meets all of the following requirements⁸:
 - 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 Beneficiary;
 - Meets the requirements specified in the request for bid by the Beneficiary;
 - Was the result of a fair and open competitive bidding process as defined in this act; and
 - Represents the lowest total cost, including non-recurring and monthly recurring.
- ◆ Bids for both the selected bandwidth and higher bandwidths are reviewed to determine LCRQB.
- ◆ The OUSF will fund up to 25% over the determined LCRQB.

⁸ See 17 O.S. § 139.109.1(B)(7)



LCRQB Example:

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

Example 1:

\$1,000

OUSF Administrator determines \$1,000 to be LCRQB.

\$1,200

Beneficiary chooses \$1,200:
No out-of-pocket since selected bid is no more than 25% over the determined LCRQB.

\$1,400

IF Beneficiary chooses \$1,400: Beneficiary pays the difference between \$1,250 and \$1,400.

Example 2:

\$1,000

Beneficiary provides compelling reason on Affidavit to **not** use \$1,000 for LCRQB.

\$1,200

Administrator determines \$1,200 to be LCRQB.

\$1,400

Beneficiary chooses \$1,400:
no out of pocket since selected bid is no more than 25% over the determined LCRQB.



Possible Disqualification Factors For Received Bids

- ◆ All disqualifications factors must be included in the FCC Form 470 and/or RFP.
- ◆ May disqualify bidders for previous alleged service issues or billing issues IF issues are documented and recent.
- ◆ The contract response does not meet specifics as requested in FCC Form 470 and/or RFP (if beneficiary selects bid that does not meet specifics, other like bids cannot be disqualified).



Contract Considerations



Possible Contract Considerations

- ◆ Avoiding early termination and non-renewal charges.
- ◆ After first year, including 30- or 60-day cancellation notice with no early termination charges.
- ◆ Including service level agreement and minimum guaranteed bandwidth (not best effort).
- ◆ Contracts may be contingent on approval of federal and state funding (for eligible services).
- ◆ Requiring service provider to file for OUSF within 60 or 90 days of starting service.
 - If the service provider does not file for OUSF, the beneficiary will be responsible for payment of services received.
 - If OUSF Funding is denied, the beneficiary is responsible for payment of services received.



Long Term Contracts

- ◆ Eligible contracts are limited to a five (5) year maximum term.
 - I.e., a one-year initial term with up to four one-year options for renewal.
- ◆ Long-term contracts should include⁹:
 - Anticipated changes in bandwidth during the contract term.
 - Anticipated additional sites during the contract term.

⁹ See 17 O.S. § 139.109.1(B)(8)



Decoding the OUSF Determination



Determination Summary –Example 1

- ◆ Look for the Summary in the Determination. If the Determination Summary has no adjustments as shown below, the request was fully funded.

	Amount Requested by Provider	Amount Determined by the Administrator
Lump Sum:	\$4,242.50	
Dates of Service August 31, 2018 through May 31, 2019		\$4,242.50
Monthly Recurring:	\$275.90	
Determined monthly recurring for service beginning June 1, 2019		\$275.90
Service Provided:	1 Gbps Internet access line	



Determination Summary – Example 2

- ◆ If the Determination summary has any adjustments¹⁰, as shown below, the request was **NOT** fully funded.

	Amount Requested by Provider	Amount of Adjustment by the Administrator	Amount Determined by the Administrator
Lump Sum	\$2,160.00		
Determined lump sum			\$1,929.33
Disallowance: 18-month rule		(\$230.67)	
Monthly Recurring	\$240.00		
Determined monthly recurring for date of service beginning April 1, 2019			\$214.37

¹⁰ See OAC 165:59-3-68(m)



After the Determination

- ◆ If the Beneficiary and Service Provider **do agree** with the OUSF Funding Determination, a Notice of Disbursement will be filed by the PUD Analyst on the 16th day after the Determination filed date.
 - Service Providers will receive OUSF Funding within 45 days of the Notice of Disbursement date.

- ◆ If a Beneficiary or Service Provider **does not agree**, there is an option to file a Request for Reconsideration within 15 days of the Determination filed date.



How is OUSF funding
applied to my school or
library?



OUSF Funding – Monthly

- ◆ The Service Provider will submit a Monthly Payment Request for funding per instructions included on the [OUSF homepage](#).
- ◆ The beneficiary can verify its service provider is receiving ongoing OUSF funding via our website:

<https://oklahoma.gov/occ/divisions/public-utility/ousf/ousf-historicaldocuments.html>.

- ◆ Any questions regarding OUSF Funding may be directed to OUSF@occ.ok.gov.





Change Requests

- ◆ A Service Provider may submit a change request (instead of filing a Request for OUSF Funding) if there is a change in bandwidth and/or price.
- ◆ Only for changes to service when staying with current provider at the same location(s).
- ◆ The beneficiary must solicit bids and must select a bid that is either the LCRQB or is within 25% over the LCRQB.
 - The beneficiary must complete an Affidavit for all change requests.
- ◆ If a change request is denied, the Service Provider may file a Request for OUSF Funding to continue to receive funding.





Can my school or library
forecast the amount of OUSF
Funding to be received?



Preapproval¹¹

- ◆ Preapproval is an ***optional*** request ***submitted by the beneficiary.***

- ◆ Provides certainty of knowing the amount of funding that will be received from the OUSF for the upcoming funding year.
 - If special construction is involved, eligible schools and libraries may receive additional E-Rate funding.
 - If special construction is involved, PUD is required to review the bid evaluation criteria prior to posting for bids (FCC Form 470).

¹¹ See 17 O.S. § 139.109.1(F)(2) and see OAC 165:59-3-61



Preapproval Process

Beneficiary submits an Affidavit to the OUSF Administrator at OUSF@occ.ok.gov.

OUSF Administrator provides Preapproval Funding Letter (“PFL”) within 90 days, which should be **attached to the FCC 471** if special construction is requested.

- ◆ Requires **service provider** to request funding within 60 days of starting service by filing a *Request for OUSF Funding and Notice of Request for OUSF Funding* using the same cause number as in the PFL.
- ◆ Can be requested multiple times.
- ◆ The Request for Preapproval and the PFL are only good for the upcoming funding year.
- ◆ The service requested in the *Request for OUSF Funding and Notice of Request for OUSF Funding* must also match the service and price as approved in the PFL



Forms – OUSF Affidavit and SUSF



OUSF Affidavit

- ◆ Required for:



- ◆ Must be completed by a legally responsible representative of the Beneficiary (who can sign on its behalf).



Affidavit Example:

Oklahoma Universal Service Fund Affidavit for Schools/Districts		
Use for funding year beginning July 1, 2020 See Tab 1 for Instructions and Defined Terms and Acronyms		
SECTION 1: SCHOOL INFORMATION AND CONTACTS		
1.1	Purpose of this Affidavit (see Instructions): Applicable Purpose:	Preapproval, Request for Funding, Change in Funding <input type="text"/>
1.2	School name:	<input type="text"/>
1.3	Internet Demarcation or WAN End Point address(es):	<input type="text"/>
1.4	Contact Name and Person's Title for questions:	<input type="text"/>
1.5	Phone and Email	<input type="text"/>
1.6	Does the School meet the definition in 17 O.S. § 139.102(37)? Yes or No	<input type="text"/>
1.7	If the School uses a consultant for OUSF funding requests, provide the consultant(s) information if they are authorized to work with the OUSF Administrator on your behalf. <input type="text"/>	
SECTION 2: BIDS, RFP, SELECTION OF SERVICES		
2.1	Funding Year(s) requested:	<input type="text"/>
2.2	Eligible Student count + Staff as most recently reported to Department of Education:	<input type="text"/>
	Internet Access:	
2.3	Bandwidth range requested on Form 470 and/or RFP:	<input type="text"/>
2.4	Bandwidth(s) selected:	<input type="text"/>
2.5	Provider Selected if Applicable:	<input type="text"/>
2.6	Was the LCRQB selected?	<input type="text"/>
2.7	If no, was it within 125% of the LCRQB?	<input type="text"/>
2.8	Service Start Up Date:	<input type="text"/>
	WAN:	<input type="text"/>
Instructions Affidavit		

Training slides for the [School Affidavit](#) and [Library Affidavit](#) are available on our website. Just click on the links above!

- ◆ Download forms here:
<https://oklahoma.gov/content/dam/ok/en/occ/documents/pu/ousf/ousfrequestforms/school-affidavitfinal.xlsx>
<https://oklahoma.gov/content/dam/ok/en/occ/documents/pu/ousf/ousfrequestforms/library-affidavitfinal.xlsx>



E-Rate and OUSF Process

After the School/Library has assessed its broadband needs, it files the FCC Form 470 to request bids for service.



After a 28-day interval the School/Library reviews the bids, makes a selection, and files the FCC Form 471 to request funding from USAC for the selected services.



After service has been installed and invoiced, the School/Library completes the OUSF Affidavit and attachments and sends it to the Service Provider.



Service Provider files a Request for OUSF Funding with the OCC Court Clerk and submits supporting documentation, along with the affidavit, to PUD at OUSF@occ.ok.gov.



PUD OUSF Analyst reviews the request and files a funding determination within 90 days of the filing date.



Emergency Bandwidth Increase due to COVID-19

- ◆ In response to COVID-19, a temporary bandwidth increase is available to schools, libraries, and healthcare entities currently receiving OUSF funding
- ◆ Funding for Emergency Bandwidth Increases will continue until **June 30, 2021, unless extended by the OUSF Administrator**
- ◆ To inquire about a temporary Emergency Bandwidth Increase
- ◆ Beneficiary should contact its Service Provider
- ◆ Provider should immediately submit the Emergency Change Request Form and Emergency Change Request Worksheet per instructions found at the link below

Training slides and the necessary forms are also found through the link below, and questions can be directed to OUSF@occ.ok.gov

<https://oklahoma.gov/occ/divisions/public-utility/ousf/ousf-covid19.html>



Questions & Answers

Thank you!



OKLAHOMA
Corporation
Commission

Public Utility Division
oklahoma.gov/occ
ousf@occ.ok.gov