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MEMORANDUM

DATE: May 24, 2017
TO: TechMIS Subscribers
FROM: Charles Blaschke and Dr. Suzanne Thouvenelle
SUBJ: E-Rate Refund Alert

Earlier this month, we received and analyzed the most recent USAC/SLC quarterly report on Funding Commitment Letters (FCL) that were sent to district applicants. The actual E-Rate refunds will be sent directly to the district, not providers, if requested by the district. The Funding Commitment Letters (FCL's) received most recently by districts were from applications submitted in 2009-15 for \$50,000 or more and included appeals that were found to be "meritorious," as the district had paid the full pre-discount price when the item was initially purchased, and then "turned down" by the Schools and Libraries Division (SLD). Also included are FCL's for \$200,000 or more for early 2016 applications which paid the full price and requested the "refund" directly as described in the report.

The refunds following the Funding Commitment Letters can be used by the district in accordance with its own desires and procurement policies as described in the February 21, 2017, report, which also suggests several "cautions" on how to approach the district official who is interested in purchasing a firm's product so that he/she can contact the district E-Rate office to see if any refunds are available to purchase the firm's products.

The districts listed in Exhibit A (FCLs 2009—15) are not likely to have decided how the refund will be spent. Districts listed in Exhibit B are likely to know how the refunds will be used, and in some cases will not have decided from whom they want to purchase products and/or services.