



**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Modernizing the E-rate Program for Schools and) WC Docket No. 13-184
Libraries)
)

**COMMENTS OF STATE E-RATE COORDINATORS’ ALLIANCE IN SUPPORT OF
PETITION FOR RECONSIDERATION AND/OR CLARIFICATION OF
REPORT AND ORDER RELEASED DECEMBER 3, 2019 (FCC 19-117)
CONCERNING EXCLUSION OF PART-TIME STUDENTS IN CATEGORY 2 BUDGETS**

The State E-rate Coordinators’ Alliance (“SECA”) shares the concern described in the petition for reconsideration and/or clarification submitted by Infinity Communications and Consulting, Inc. (“Infinity”) regarding the exclusion of part-time students in the calculation of Category 2 budgets beginning in FY 2021.¹

In the December 3, 2019 Category 2 Order,² the FCC adopted district-wide and library system-wide calculation of Category 2 budgets beginning with FY 2021. This action was uniformly supported as a streamlining measure that would reduce complexity and increase efficiency without compromising any protections to guard against waste, fraud or abuse. SECA wholeheartedly agrees.

Part of the FCC’s Order included the decision to no longer allow for any part-time students to be counted in the calculation of the total number of students for the district-wide budgets. This too was cited by the FCC as a

¹ The comment cycle was established pursuant to legal notice published in 85 F.R. 16605 (March 24, 2020).
² Modernizing the E-rate Program for Schools and Libraries, *Report and Order*, WC Docket No. 13-184, FCC 19-117 (released December 3, 2019)(“Category 2 Order”).

measure to improve efficiency and reduce complexity and was believed to be no longer necessary. The Order stated in paragraph 26:

Full-Time Enrollment. In another effort to streamline both the application filing and review process, going forward we will base student counts on full-time enrollment only and eliminate the need for schools or school districts to count part-time students in their enrollment numbers.⁷⁸ Commenters support this change as a simplification that stems from district-wide budgets.⁷⁹ More specifically, because the district-wide budgets will allow school districts greater flexibility in allocating category two support, it is no longer necessary for schools with lower full-time enrollment, but high part-time enrollment to take the often difficult and time-consuming steps to count and verify their part-time enrollment numbers in order to obtain category two funding. Using district-wide budgets, we believe that all schools in a district will have adequate support to ensure appropriate deployment of local area networks.

⁷⁸ In limited circumstances, basing student counts on full-time enrollment only could slightly reduce the category two budget for some applicants. *See 2014 Second E-Rate Order*, 29 FCC Rcd at 15566, para. 87. We believe, however, that the administrative benefits of basing student counts on full-time enrollment only that are discussed above outweigh the slight reductions in funding these applicants will experience.

⁷⁹ *See, e.g.*, E-Rate & Educational Services Comments at 2 (stating that district-wide budgets eliminate the need to count part-time students); NEDOE Reply at 4 (noting that district-wide budgets could simplify the application process by eliminating part-time student counts).

In Footnote 78 the FCC recognized that the exclusion of part-time students in the count of students could reduce Category 2 budgets for some applicants but believed that this reduction was outweighed by the administrative benefits. The FCC also thought that the impact would be incidental or “slight.” This assessment, however, failed to consider the various scenarios for which part-time students are included and their exclusion from the Category 2 student count would create a substantial hardship to affected applicants. SECA therefore requests the FCC to consider these overlooked circumstances and reconsider its original determination, for the following reasons.

First, the Category 2 Order does not explicitly address the situations where an independent school that is not part of a district (or same administrative authority) has a student population made up entirely (or mostly entirely) of part-time students. Often these schools are vocational schools that educate secondary school students for part of the school day. The students are enrolled in a school district that is a separate administrative entity from the vocational school. A technical reading of the Category 2 Order could conclude that these schools no longer would qualify for a Category 2 budget since all their students are part-time.

SECA members do not believe this was the FCC's intent and believe that clarification of the Order would be helpful to eliminate this ambiguity. Rather, the SLD's News Brief issued on March 23, 2016 which describes this situation as Scenario 2 should continue to govern. A copy of the News Brief is attached. The News Brief advises that all the students that attend the independent school are counted as full-time students, notwithstanding the fact that some or all of them attend the school part-time. There are many schools across the country that fit this description. This approach resolves the ambiguity and clarifies that the Category 2 Order does not apply to an independent school with part-time students. A copy of the News Brief is attached hereto. SECA requests the FCC clarify its Order, consistent with the March 2016 News Brief.

Second, the Category 2 Order seems to assume, as noted in Footnote 78, that not counting part-time students will result in a *slight* reduction to the number of students that a school district will be able to count for its district-wide Category 2 budget. This may be the case when a student is enrolled in one school and attends that school for the majority of the day, but also attends another school for some classes, and the other school has its own full-time enrollment. For example, a middle school student may attend most classes in the middle school but may also attend a class in the high school building. The middle school student should be counted only once in the number of students for the district's Category 2 budget. The exclusion of the incremental number of students who attend the second school that has its own full-time enrollment may indeed result in a modest or slight decrease to the district's Category 2 budget.

But consider the very real situation affecting numerous districts across states such as Michigan and West Virginia, for example, where there is a vocational school that is part of a school district; the vocational school is not its own independent administrative authority; and, the vocational school consists of part-time students from both the home district that the vocational school is a part of, and/or other students that are enrolled in nearby districts who attend the vocational school for part of the day. Either all or nearly all of the students are part-time students. In this situation, under the new Category 2 budget rules, all of these part-time students enrolled in the vocational school are excluded and prohibited from being counted in the district's Category 2 enrollment numbers. Consequently, the true total enrollment for that school district will be undercounted and thus the district will have a reduced Category 2 budget that is insufficient to cover the internal connections needs of all the schools

in the district, including the vocational school. The remedy for this predicament is to allow the part-time students enrolled in the vocational school to be included in the district-wide count of students.

SECA proposes that the Commission reconsider and clarify its directive regarding the counting of part-time students for Category 2 budgets to ensure that the impact of this decision truly will be slight. SECA believes that it is appropriate to strike a balance between counting every part-time student where such students truly are incidental to the full-time enrollment of a school, and to ensure that such students are properly counted when they comprise the majority of the student enrollment in a school. It is therefore recommended that a district should be permitted to add part-time students to their district-wide enrollment whenever a school in a district has an enrollment comprised of 51% or more part-time students. The 51% threshold is intended to capture all situations where the majority of enrolled students in a particular school are considered part-time. This clarification will address those situations where most of the student enrollment is part-time in a school and will allow that school (and its associated district) to receive a fair and adequate Category 2 budget.

Conclusion

SECA respectfully requests that the Commission reconsider its Category 2 Order consistent with the recommendations set forth in these Comments.

Respectfully submitted,



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SCHOOLS AND LIBRARIES PROGRAM

NEWS BRIEF

**SPECIAL
EDITION**

March 23, 2016

Schools with Only Part-time Students

Over the past weeks, we have received a number of inquiries about how to enter the student counts in the E-rate Productivity Center (EPC) when a school only has part-time students and no full-time students. In this brief, we share three scenarios that address different versions of this question. We also explain the discount and Category Two (C2) budget implications for each.

Scenario 1: Schools within a school district that serve only part-time students (for example, a vocational school within a school district).

In this scenario, all of the students attend this school part-time and are reported as full-time students at another school within the same school district.

Discount: Because the students are already included in the number of full-time students and the number of students eligible for the National School Lunch Program (NSLP) at their home school, enter zero for both the full-time students and NSLP-eligible students at this school. EPC sums the total number of full-time students and the total number of students eligible for NSLP across all of the schools in your district in order to calculate your district's discount rate. As a result, listing the students again for this school would result in double-counting students, which is not allowed. All schools within the school district receive the same, district-wide discount rate, so schools in this scenario will still benefit from the district discount rate.

C2 Budget: For the C2 Budget, you will enter student counts. Enter the part-time and peak part-time student counts based on the students that attend this school. The part-time student count is the total number of students that attend the school on a part-time basis. The peak part-time student count is the highest number of students that attend this school on a part-time basis at any point during the school day. For example, if a school has 60 part-time students in the morning and 40 part-time students in the afternoon, the total part-time student count is 100, and the peak-part time student count is 60, because this is the largest number of part-time students that attend at the same time. The C2 budget for all schools is based on the number of total full-time students plus the peak part-time students. In this scenario, this calculation would be zero full-time + 60 peak part-time students, for a total of 60 students.

Scenario 2: Independent schools that serve only part-time students (for example, a regional vocational school shared by multiple school districts).

In this scenario, students attend their home school for part of the day, and then attend the regional vocational school for the rest of the day. In contrast to the previous scenario, the vocational school does not belong to a school district or Educational Service Agency (ESA), and draws students from a number of different school districts.

Discount: List the total number of students that attend this school as the school's full-time student count, along with the number of those students that are eligible for NSLP. Do not enter anything in part-time or peak part-time student counts. Because this school is not part of a school district, the discount rate is based on the students that attend this school, along with the school's urban/rural status.

C2 Budget: Because all students are counted as full-time students, enter zero for both peak part-time and part-time students. The C2 budget for all schools is based on the number of full-time students plus the peak part-time students. Entering the students again as part-time or peak part-time students would result in overcalculating the C2 budget for the school.

Scenario 3: Pre-K schools where all students attend half-days.

In this scenario, the students attend school for part of the day but do not attend any other school for the rest of the day. These students' half-days are their full school day. For example, students may be enrolled in either morning or afternoon classes.

Discount: List the total number of students that attend this school as the school's full-time enrollment, along with the number of those students that are eligible for NSLP.

C2 Budget: Because all students are counted as full-time students, enter zero for both peak part-time and part-time students. The C2 budget for all schools is based on the number of full-time students plus the peak part-time students. Entering the students again as part-time or peak part-time students would result in overcalculating the C2 budget for the school.

If you have questions about this information or for help with your specific scenario, please contact USAC's Client Service Bureau at (888) 203-8100, and we would be glad to help you.

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