

**DETERMINATION AND FINDING
FOR A SOURCE PROCUREMENT**

AGENCY: District of Columbia Public Schools
Office of Information Technology
CAPTION: Consultation Services for SEC USAC Program
PROPOSED CONTRACTOR: Funds for Learning, LLC
CONTRACT NO. RQ964655

FINDINGS

1. AUTHORIZATION:

D.C. Code 2-354.04 and 27 DCMR, Section 1304 and 1702.

2. MINIMUM NEED:

The DCPS Office of Contracts & Acquisitions on behalf of the Office of Chief Operating Officer in the Division of Information Technology has an immediate need to procure and employ the Universal Service Program (also known as E-rate) consultation services from the contractor, Funds for Learning, LLC based on the submitted Form 470/471 in May of 2017 for FY18. The goal of these services is to assist DCPS with seeking and securing the maximum E-rate eligible discounts while maintaining (documenting) DCPS compliance with federal regulations for the period beginning on October 1, 2017 through September 30, 2018.

3. ESTIMATED COST:

The estimated cost is \$129,950.00 for the proposed period of performance (Date of award through September 30, 2018).

4. FACTS WHICH JUSTIFY A SOLE SOURCE PROCUREMENT:

The Division of Information Technology recommends the services of Funds for Learning, LLC for the required services because they provide a proven increase of discounts and funding reimbursements within compliance with federal regulations since 2010 for DCPS.

DCPS seeks consultation services from a vendor that has:

1. Successfully navigate the E-Rate program (<http://www.universalservice.org/sl/>);
2. Provide specific experience with the submission, application process, and supporting documentation for the Form 470/471 (<http://www.universalservice.org/sl/tools/forms/default.aspx>); and
3. Proven results after seeking and securing E-rate eligible discounts which translate into a strategy that equals receiving as much funding as possible and reducing the document administration work.

Utilizing the services of Funds for Learning, will continue the federally approved funding being returned to DCPS for E-Rate eligible services for FY18.

Background and History:

The Division of Information Technology seeks to realize the maximum benefit for its approximately 49,000 students in 111 schools by leveraging the Universal Service Administrative Company (USAC) E-rate program to supplement FY18 funding. The usage of a contractor is necessary to reduce administrative burden and receive guidance by experience professionals who offer a wide range of services to navigate the federal regulations of the E-rate program.

Since at least 2013, District of Columbia Public Schools (DCPS) began requesting discounts for telecommunications, internet access and networking equipment and cabling through the Federal Communications Commission's (FCC) Universal Service Administrative Company (USAC) E-Rate program. Over the last four years, the District has received more than \$16 million in funding commitments. During that time, there have been many minor rule changes made to the program. Traditionally these changes have been manageable as they have not changed the scope of the program significantly.

In 2010, the FCC began a major overhaul of the E-Rate program. The capstone of this work was the adoption of FCC 14-99, entitled "Modernizing the E-Rate Program for Schools and Libraries" in 2014. These changes dramatically changed the direction and landscape of the program. Under the original E-Rate program, changes were issued that provided additional clarification and specificity. The recent changes however have left no facet of the program unchanged. They affect all areas of the program - beginning with the eligible goods and services list, through the application process to the funding formulas and awards and even severely impacting documentation and record keeping requirements.

To ensure that DCPS is fully compliant with the new and evolving program rules and that we avail ourselves of the opportunities made available through the Modernized E-Rate program, the Information Technology Team engages Funding for Learning to consult with our staff and to develop our E-Rate applications processes during the coming year. In addition to the application process, FFL will provide analysis on the districts' existing telecommunications solution and assist with consolidation as the services are transitioned away from the current location.

Market Research

The Division of Information Technology attempted to conduct a market to ensure there were no other viable sources to provide consultation services for DCPS E-Rate eligible services and discovered there are several other school districts which utilize Funds for Learning including Portland Public Schools.

We have reviewed several options including sourcing similarly qualified staff through OCTO. In a light of the Funds for Learning's direct and unique knowledge of the DCPS and USAC's E-Rate program, their reputation in the marketplace, experience with the District, years of experience working in the industry, and expertise with the proprietary software that USAC utilizes, all other options now would have a severe impact of the continuity and availability of services and processes.

Company	Website	Customers	CBE?
E-Rate Provider Services	http://erateproviderservices.com/about-us/	Not apparent	no
E-Rate Central	http://e-ratecentral.com/consulting/erate-consulting.asp	clients in 30 states and regional offices	no
On-Tech Consulting, Inc.	http://www.on-tech.com/index.html	Not apparent	no

None of the companies identified would be able to provide the services to supplement the current FORM 470/471 completed by Funds for Learning, LLC on behalf of DCPS. The amount of time necessary to compete the services between other vendors is not going to provide DCPS with a continuity of services necessary to maximize the funding benefit which it has maintained for the past seven consecutive years. Please see the chart below to see the amount of funding received from USAC because of Funds for Learning management of DCPS E-Rate application submittal:

The Proposed Vendor’s Unique Qualifications:

Funds for Learning, LLC, (FFL) was founded in 1997 and is a national professional services firm that focuses on E-rate management and compliance support. FFL’s only mission is to help E-rate stakeholders. FFL provides various levels of assistance to E-rate applicants and service providers in all 50 states. In 2014, FFL clients submitted funding applications representing 6.1 million students at over 11,000 sites. FFL has over 700 customers. FFL was the first firm in the nation formed solely to provide professional E-rate services, and, with more than 30 employees in three states, we are the nation’s largest dedicated E-rate consultancy.

To maintain our expertise and provide consistent quality service, FFL has built a team of professionals with over 220 years of combined E-rate experience. The FFL group is well skilled with 26 bachelor degrees and six graduate/post-graduate degrees, including three Juris Doctorates, two Certified Public Accountants, numerous graduate degrees in Business, Management and Communications, and multiple professional and technical certifications.

FFL has a long history of guiding clients through the E-rate process. FFL has directly prepared over 12,550 funding requests totaling more than \$1.28 billion; FFL has managed dozens of audits, hundreds of special reviews, and thousands of PIA responses; and fewer than 5% of FFL-prepared funding requests have been denied (excluding discount threshold denials).

FFL has already submitted the USAC Form 470 (for Schools & Libraries) on behalf of DC Public Schools for FY18 in March of 2017 so these services need to continue in order to ensure the maximum refund of fiscal year funding as eligible to receive.

In light of the above findings a sole source award to Funds for Learning, LLC is in the best interest the Division of Information Technology and would be the most time efficient and cost-effective procurement method.

CERTIFICATION BY THE OFFICE OF THE CHIEF OPERATING OFFICER:

I hereby certify that the above findings are correct and the anticipated cost to DCPS is fair and reasonable.

Date

Beulah Daniel, Deputy Chief of Information Technology

CERTIFICATION AND DETERMINATION

Based on the above certified findings in accordance cited authority, I hereby determine that it is not feasible or practical to invoke the competitive bidding process under Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; DC Code 2-354 and 27 DCMR 1304 and 1702.

Date

Candace Butler, Interim Chief Procurement Officer