



Date: 9/30/2010

**Request For Placement on Board Agenda:**

**AGENDA TOPIC: E-Rate Consultant Proposal**

**PRESENTER: Bob Lillie, Director of Technology Services**

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**Background Information:**

The E-rate program provides our district with discounts (usually seen as credits on bills after the fact) on telecommunications services and equipment. This program is overseen by the FCC and is administrated by the Schools and Libraries Division (SLD) of an organization called USAC (Universal Service Administrative Company) which administrates the Universal Service fund, which is one of the fees that appear on the bottom of everyone's phone bills. The discount that Willows Unified receives is primarily based on our Free/Reduced Lunch count.

The administration of the e-rate process has become increasingly more complex as the years have progressed. What started as a couple of simple forms to be filed each year has grown into a year-round process containing multiple steps. The filing of the E-rate discount is a task that is shared between the Technology and Business departments.

The E-Rate discount is an important part of the overall funding of the district's technology. It is our belief that the district staff can better leverage other limited resources by outsourcing the day to day administration of paperwork to an e-rate consultant. Additionally as the E-rate program continues to change year after year, it is important that we stay apprised to changes and improvements made to the program to make wise decisions. An e-rate consultant would allow us to do that in a more effective manner because E-rate is their focus. In fact, on Sept 23<sup>rd</sup> of this year, the FCC and USAC started to discuss the major changes that are being implemented for the 11-12 school year. This major overhaul signals that the E-rate program is not going to go away anytime soon as some have predicted in the past.

We believe that by utilizing an e-rate consultant, Willows Unified will reap the same benefits other LEAs in our area have seen. The service will pay for itself in that we will increase the amount of our discount (this is money coming back into the district) by identifying either new or previously underutilized resources eligible for discount and at the same time bring a greater speed in forms processing. This will bring the discounts to the district sooner thus improving

cash flow. Lastly the E-rate consultant will analyze the bills on a continual basis to ensure the discounts (credits) expected are applied.

A team consisting of Dr. Geivett, Betty Skala and Bob Lillie reviewed the need, and reviewed proposals submitted from multiple vendors. We questioned other local districts and followed up with the references of other districts using our recommended vendor. We believe that CSM Consulting provides the best match for our district at this time.

**Recommendation:**

The Board approves the request to select CSM Consulting, Inc. as our e-rate consultant.

## *What CSM Will Do For You*

### *Telecommunications and Internet Access*

- Calculate Undiscounted Costs – The CSM way
- Assist in determining eligibility of products and services
- Assure District is applying for ALL eligible costs and services
- California Teleconnect Fund Compliance
- California Teleconnect Adjustment Reconciliation
- Assist in negotiating Telecommunication Contract Rates and Renewals

### *Internal Connections*

- Assist District with infrastructure project planning at eligible sites
- Coordinate bundling sites for maximum return
- Assist District in planning and preparing RFP/RFI/RFQ in compliance with E-Rate and local procurement guidelines
- Assist District in leveraging other funds and stretching their dollar
- Assist District in determining eligibility of products and services
- Establish vendor selection process in compliance with E-Rate and local procurement guidelines

### *Other E-Rate Services*

- Assist District in maximizing free and reduced lunch eligibility
- File E-Rate Forms
  - 470
  - 471
  - 486
  - 500 (if needed)
  - BEAR
  - Local Carrier Forms
- Meet Deadlines
- Ensure RECEIPT of approved funds
- Technology Plan Status
- Line item audit of telecommunications bills

### *Other Services (available at an additional cost)*

- Funds recovery from prior years' applications
- Technology plan assistance
- Prior year application and audit assistance

## *Read What Districts Have to Say about CSM*

... participation as a volunteer trainer is a great service to California's E-Rate applicants. I applaud your work and hope this collaboration will continue in the future.

*Jack O'Connell, State Superintendent of Public Instruction*

CSM is not only effective but efficient when it comes to E-Rate

*West Contra Costa Unified School District*

... so glad we contracted with you. ...our application is up \$46,000 this year ... all because of CSM!

*Silver Valley Unified School District*

...I can't do this without them. CSM is almost **INDISPENSABLE!**

*Riverside County Office of Education*

"Thank you for providing such professional service to us for the last 2 years of erate filing. . . when we needed an expert in interpreting bills, request for proposals, bidding, and negotiations with data and phone companies, you have been there for us."

324 E 11<sup>th</sup> Street, Ste E-3 Tracy, CA 95376  
Ph: 209-834-0556 Fax: 209-834-0087  
Ontario•Tracy•El Dorado Hills•Pismo Beach  
[www.csmcentral.com](http://www.csmcentral.com)



Below are some data points of interest from a few of our clients:

**Anderson Union High School District**

Averaged a discount percentage of 53% for telecommunications and internet access services for the three years prior to working with CSM. After working with CSM the average is now 71%. Return on investment was immediately seen for Anderson UHSD in this area alone. To add to the benefits recognized by this District, they have recently taken advantage of Priority 2 funding. Priority 2 funding is reserved for the most needy of Districts/Schools and is for specific hardware/wiring needs. By raising the District's discount percentage they were able to qualify for these additional savings.

**St. Hope Public Schools**

Began working with CSM in 2008 and immediately saw an increase in cash flow. In the years prior to working with CSM the E-Rate applications submitted were over \$100,000 each year. But less than half of that was actually received by the District. After working with CSM, St. Hope Public School is now averaging over \$80,000 in actual receipt of funds.

**Junction City School District**

A one school district that experienced only frustration with E-Rate. They applied, were approved, but never received a dime – until we stepped in. We were able to recover their funds from the prior year and guarantee a steady flow of credits and refunds ever since.

Let me know if you need any additional information.

Thank you,

**Rachel White**

**CSM Central**

Manager, E-Rate Services

324 E. 11th Street Suite E-3

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[www.csmcentral.com](http://www.csmcentral.com)



## **CONTRACT FOR SERVICES RELATING TO E-RATE**

This agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and between the **Willows Unified School District**, a school district under the laws of the State of California ("District") and CSM Consulting, Inc., a California Corporation ("Consultant").

### **RECITALS**

- A. District desires to have a Consultant to prepare documentation, forms and applications regarding the Federal Communications Commission ("FCC") E-Rate program.
- B. District has the authority to enter into an Agreement with a Consultant for purposes of complying with the FCC E-Rate program.
- C. Consultant is duly qualified to provide the services called for in this Agreement in consideration for the fee stipulated in this Agreement.

### **I. CONSULTANT'S RESPONSIBILITIES**

- 1. Shall provide to District, completed forms and processes related to all Priority One and Priority Two applications of the Federal Communications Commission E-Rate filings with the schools and library division ("SLD") for filing year 2011-2012 also known as Year Fourteen (14).
- 2. Assess and process for District all issues with all prior E-Rate applications, SPIN changes, and other applicable processes.
- 3. Meet with District to assess technology and telecommunications needs as they relate to the upcoming application period.
- 4. File all required FCC forms for services District has requested including but not limited to Form 470, 471, and 486.
- 5. Act as District's main point of contact with the SLD.
- 6. File any service changes or SPIN changes for the District.
- 7. Advise District on any SLD appeals.
- 8. Assist in the preparation and presentation of applicable audit documentation as required including (but not limited to) monthly bill reconciliation, copies of warrants, copies of related policies and other items as needed.

### **II. DISTRICT RESPONSIBILITIES**

- 1. Provide all required information and data for filing all forms with the SLD for Year 14 in a timely Manner.
- 2. Take such official action, such as review of Consultants drafts and promptly sign and return all forms required for filing with a third party in a timely manner so that Consultant can perform its obligations under this Agreement.

3. Promptly pay Consultant its fee for services rendered. All payments are due and payable within 30 days after delivery to the District of the invoice.
4. Sign, date and certify all forms filed by Consultant on District's behalf.

**III. MISCELLANEOUS**

1. **Term.** Until all issues with Year 14 E-Rate are resolved.
2. **Modifications.** This Agreement may be modified only by a written amendment to this Agreement, executed by both parties.
3. **Independent Contractor.** While engaged in carrying out and complying with the terms and conditions of the Agreement, Consultant is an independent contractor and not an officer, employee, or agent of the District.
4. **Other Services.**
  - A. At the written request of the District, the Consultant will provide technology services based upon the following hourly rates. Such service costs are not included in the cost of services amount in the contract for E-Rate Services in Appendix A of this agreement.

Officer	\$175 per hour
Information Technology Consultant	\$150 per hour
Support Staff	\$ 90 per hour

- B. The District will have Consultant assess the District Technology Plan's alignment with upcoming E-Rate applications. The Consultant will evaluate the Technology Plan Budget to ensure conformity to State and Federal requirements and make recommendations for adjustments to the plan in light of findings, and provide the District with alternate language as appropriate for filing a revision with CTAP (or approving agency). *(Please note this is for updates to current plans only.)* The service will be provided at a fixed cost of **\$1,500 per year**. The cost of this service is not included in the cost of services amount for Services relating to E-Rate in Appendix A of this agreement.

**Please check the appropriate box for designation of service**  **Yes**  **No**

5. **Conflict of Interest.** No business or personal relationship exists between any school employee and the service provider.
6. **Attorney's Fees and Costs.** In any litigation, arbitration or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, each party shall bear its own attorney fees, together with any costs and expenses to resolve the dispute and to enforce the final judgment.
7. **Severability.** If any term of this Agreement is held by a court of competent jurisdiction to be void or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall not be affected.
8. **Notices.** All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope postage prepaid and deposited with a United States Post Office for delivery by first class and certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

**Willows Unified School District  
823 West Laurel St.  
Willows, CA 95988**

CSM Consulting, Inc.  
P.O. Box 4408  
El Dorado Hills, CA 95762-0018

9. **Limitation of Liability.** The aggregate liability in connection with any claim arising out of or relating to this agreement whether in contract, tort or otherwise, shall be limited to an amount equivalent to the fee(s) paid by the District to Consultant for services performed pursuant to this Agreement. Consultant shall not in any circumstances be liable to District, whether in contract, tort or otherwise, for any special, indirect, incidental, or consequential damages of any kind whatsoever whether Consultant is made aware in any way due to, resulting from, or arising in connection with the services performed by Consultant pursuant to this Agreement. District's right to monetary damages listed above in that amount shall be in lieu of all other remedies that District may have.
10. **Governing Law.** The validity of this Agreement and each of its terms and provisions, as well as the rights and duties of the parties under this Agreement, shall be construed pursuant to and in accordance with the law of the State of California.



11. **Authority.** The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to execute and contractually bind their respective legal entities.

12. **Entire Agreement.** This Agreement, which includes the "Proposal for Agreement for Services" set forth as Appendix A supersedes any and all other agreements, whether oral or in writing, between the parties with respect to the subject of this Agreement. This Agreement contains all of the covenants and agreements between the parties with respect to the subject of this Agreement, and each party acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except the covenants and agreements embodied in this Agreement. No agreement, statement, or promise not contained in this Agreement shall be valid or binding on the parties with respect to the subject of this Agreement.

**Executed at** \_\_\_\_\_, California, on the day and year set forth above.

\_\_\_\_\_, **President**  
**Gary T. Cichella**

\_\_\_\_\_, Title \_\_\_\_\_

\_\_\_\_\_ Print Name

**Willows Unified School District**

## APPENDIX A

### PROPOSAL FOR CONTRACT FOR SERVICES

This proposal for the **Willows Unified School District** is to provide the services set forth under Section I of the Agreement for Services Relating to E-Rate.

The cost for services rendered regarding the E-Rate application process as referred to in Section I of this agreement (Consultant's Responsibilities) shall amount to **\$5,000.00** for Funding Year 14. The cost for services to recover funds from Funding Years prior to Year 14 is 12% of the funds recovered through the program. Invoice for services to recover funds will be provided when notification of funds approved by the SLD is documented.

**September 14, 2010**

\_\_\_\_\_, **President, E-Rate Services**  
**Gary T. Cichella**

**CSM Consulting, Inc.**  
**3130-C Inland Empire Blvd.**  
**Ontario, CA 91764**

## AUTHORITY TO COMMUNICATE – Letter of Agency (LOA)

This ATC/LOA (Agreement) entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2010 by and between CSM Consulting, Inc., a California Corporation ("Consultant") and **Willows Unified School District**, a school district under the laws of the State of California ("District"). Consultant's authority to communicate shall remain in effect during the term of the "E-Rate Services" consulting contract.

Consultant and District determines it is necessary to prepare documentation, forms and applications regarding the Federal Communications Commission ("FCC") E-Rate program. District grants to Consultant the authority to investigate and communicate, in any form, with any telecommunication company, service provider or the Schools and Libraries Division with regard to the E-Rate Program on District's behalf. Consultant acknowledges that nothing contained herein shall constitute a principal and agent relationship or be construed to evidence the intention of the District to constitute such. Each party to the agreement represents and warrants that the officer executing this Agreement has been duly authorized.

The term of this assignment is from the date of final execution (above) until all issues with E-Rate Years 2003, 2004, 2005, 2006, 2007, 2008 2009 2010 2011 and 2012 are resolved or June 30, 2014. When executed, this agreement is authorization for all employees of Consultant to communicate on behalf of the District in performance of the duties outlined herein. The following is a list of CSM Consulting, Inc. employees who are authorized to speak on behalf of the aforementioned client:

Kimberly Friends  
Shawn Farley  
Michelle Harken  
Rosy Campos  
Drulyne Vang  
Sarah Achacoso

Linda Smith  
Lehna Markarian  
Rachel Allen  
Kathy Carroll  
Sarah Pimentel  
Monica White

Scott Harken  
Jennifer Jimenez  
Cathy Benham  
Joan Przybyla  
Mary Head  
Ann Wells

### **CSM Consulting, Inc.**

Name:

Print Name: Gary T. Cichella

Title: President, E-Rate Services

### **Willows Unified School District**

Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_