Fall FY2022 E-Rate Workshop – Program Basics & Updates

For a copy of today's presentation, go to
https://www.ohio-k12.help/erate/e-rate-resources/

Lorrie Germann, State E-Rate Coordinator

TRAINING AGENDA

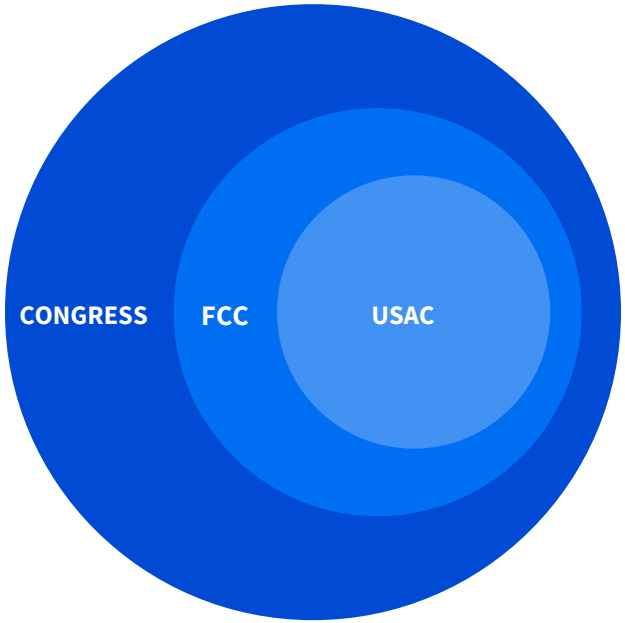
- E-Rate Basics
- Category 2
- Application Process
  - Break (10:30 or so)
- Eligible Services
- Portal Fundamentals

E-Rate Basics

What E-Rate Does

- The E-Rate program helps U.S. schools and libraries obtain affordable **high-speed internet access** and telecommunications services
- E-Rate is one of four programs administered by the Universal Service Administrative Company (USAC) under the guidance of the Federal Communications Commission.

WHO MAKES THE RULES?



- Congress wrote the Telecommunications Act of 1996, which directed the Federal Communications Commission (FCC) to establish the E-Rate Program as part of the Universal Service Fund.
- The FCC issues orders that set rules and policies for the program and gives direction to the Universal Service Administrative Company (USAC) through orders.
- USAC is responsible for the day-to-day administration of the E-Rate Program.

Funding Year

- A Funding Year (FY) starts on July 1 and ends the following June 30.
  - **Our current funding year, FY2022, started on July 1, 2022 and ends on June 30, 2023.**
  - **We are preparing to file for FY2023 which starts on July 1, 2023 and ends on June 30, 2024.**
- **Delivery and installation of services**
  - **Recurring services** (e.g., monthly internet access) must be delivered during the funding year.
  - **Non-recurring services** (e.g., equipment installations) can generally be installed **as early as April 1 (90 days) prior to the July 1 start of the funding year** through September 30 following the close of the funding year.
    - The September 30 deadline can sometimes be extended, either automatically or by request.

Eligible Libraries

- Budget must be completely separate from any school (including any elementary and secondary schools, colleges, and universities).
- Cannot operate as a for-profit business.
- Must be eligible for assistance from State Library administrative agency under the Library Services Technology Act (LSTA), as amended by the Museum and Library Services Act of 2018.

- **Note**: only activities related to providing library services to individuals that occur **on library property** **are eligible for E-Rate funding.**

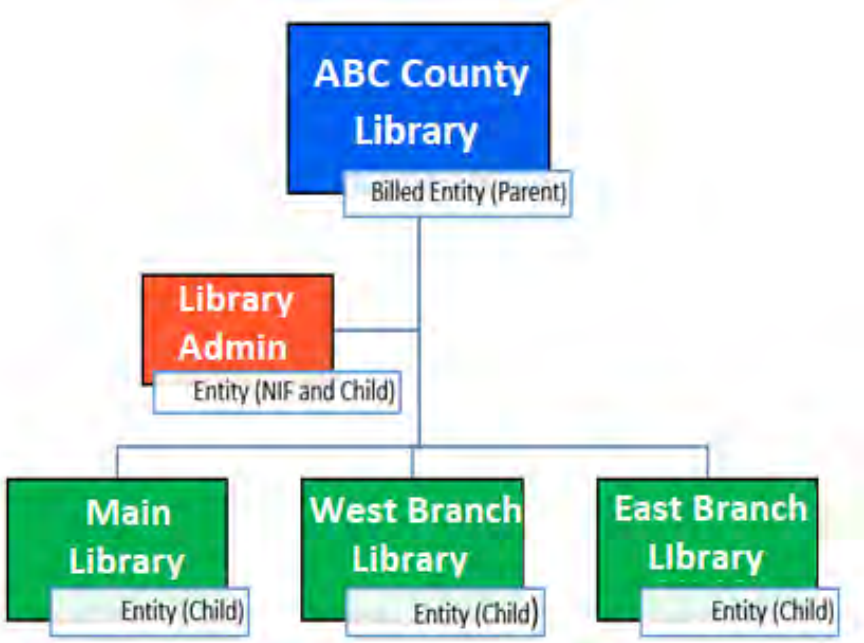
Eligible Non-Instructional Facilities (NIF)

- A Non-Instructional Facility (NIF) is a school building without classrooms or a library building without public areas. Non-instructional facilities on school and library property are eligible to receive discounts on data transmission services and internet access services (Category One services).
  - Examples of NIFs on library property include, but are not limited to:
    - Bookmobile garages;
    - Interlibrary loan facilities; and
    - Library technology centers.
  - Examples of NIFs on school property include, but are not limited to:
    - Administrative buildings;
    - School bus barns and garages; and
    - Facilities associated with athletic activities.
- More information is available on the Non-Instructional Facility page.

IDENTIFYING NUMBERS - BENs

Each applicant entity is assigned an “entity number” in the system.

- Each entity that receives and pays the bills is assigned a **Billed Entity Number (BEN).**
  - In library system, the BEN is the “parent” organization
  - Each library, or NIF location under the “BEN” is assigned an entity number.



IDENTIFYING NUMBERS - SPINs

A **Service Provider Identification Number (SPIN)** is assigned to providers participating in E-Rate.

- Service providers may have more than one SPIN due to:
  - Different business units or service areas.
  - Mergers and acquisitions.

- It's important to ask any new provider/vendor if they have a SPIN when offering E-Rate eligible products/services.

E-Rate Productivity Center (EPC)

- **E-Rate Productivity Center (EPC)** is the account and application management portal for the E- Rate program.
- Applicants use this tool to:
  - Manage and complete E-Rate program processes (filing applications),
  - Receive notifications,
  - Open customer service cases, and
  - Contact customer service.
- Instructional Step-by-Step Videos are available on the Videos page.
- **Note:** Setting up new user and entity profiles in the EPC can take several days to complete depending on a number of factors, including the number of entities joining a consortium and the availability of designated users to activate their accounts.

ADMIN WINDOW: UPDATING ENTITY INFORMATION

- The Admin Window is the period of time we update entity information in EPC – the online E-Rate portal, including:
  - Adding new buildings
  - Correcting addresses
  - Correcting student/NSLP data
  - Adding Category 2 budget counts
- Admin Window opening date is Oct. 25th, 2022 – and will close several days prior to the opening of the Form 471 window.
  - After the Admin window closes, applicant profiles will be locked

WHAT PRODUCTS AND SERVICES ARE ELIGIBLE?

E-Rate has two categories of funding:

*Category One (C1)

*Provides connectivity **to** the building

Data Transmission Services (bandwidth) and Internet Access

*Category Two (C2)

*Provides connectivity **within** the building

Broken down by 3 Service Types:

- Internal Connections
- Managed Internal Broadband Services (MIBS)
- Basic Maintenance of Internal Connections (BMIC)

ELIGIBILITY - Services

Category One (C1) services are not limited in cost as long as they are cost-effective.

- All buildings within the district or library system qualify for service

Category Two (C2) services are limited by a pre-discount budget.

- Budget period is five years.
- Budget is calculated based on the total number of students district-wide, or total square footage for libraries, system-wide.
- Only schools and libraries qualify, not support facilities (bus garage, maintenance, or admin buildings)

YOUR E-RATE DISCOUNT

- Discounts range from 20% to 90% for Category 1 services and from 20 to 85% for Category 2 services.
- Discounts are calculated using three pieces of information:
  - Poverty level
  - Urban or rural status
  - Service type

DISCOUNTS – Overview

Schools:

Discounts depend on :

- The level of poverty (the percentage of NSLP* eligibility) in the school district.
- The urban or rural status of the school district based on census data.
- Discounts are calculated for the school district or the library system (not for individual schools or library branch).

*NSLP = National School Lunch Program

Libraries:

- Determine the main branch of the library.
- Determine the school district in which the main branch of the library is located.
- Use the NSLP percentage calculation for that school district.
- Discounts are calculated for the library system (not for individual library branches).

Discount Matrix

Income Measured by percentage of students eligible for NSLP	Urban Status Discount Rate	Rural Status Discount Rate
Less than 1%	20%	25%
1% to 19%	40%	50%
20% to 34%	50%	60%
35% to 49%	60%	70%
50% to 74 %	80%	80%
75% to 100%	90% for C1, 85% for C2	90% for C1, 85% for C2

- National School Lunch Program (NSLP)
- Category One (C1) Services
- Category Two (C2) Services

Category 2 Budgets
FY2021 – FY2025

Category 2 Basics

- **In order to qualify for Category 2 funding, you must be CIPA compliant**
- **All C2** budgets reset in FY2021
- We have a set 5-year cycle (FY2021-FY2025), (FY2026-FY2030), etc.
- **C2 budget is calculated at the library system level**
- Multiplier is set for the full 5-year cycle and will not be adjusted for inflation each year
  - **FY2021-FY2025 = $4.50 sq. ft. for ALL libraries**
  - **FY2021-FY2025 Budget Floor/Minimum = $25,000.00**
    - *Budget floor applies to libraries with less than **5556 sq. ft.***
- **Equipment transfer restrictions were eliminated as of 7/1/2021**, but:
  - applicants must record reason and date of transfer and update asset inventory.
  - no notice to USAC is required.
- You can verify your available budget within the EPC portal.

Calculating Your Budget – OPTIONS

- The Category 2 Order provides an exception for small school districts and library systems.
  - Specifically, it allows school districts and library systems with 10 or fewer sites the option to calculate their budgets on a per-site basis by **adding together** the budgets of each eligible site within the district.

- For Libraries with 10 or less branches – 3 options
  - OPTION 1: Calculate by total number of **Square Feet**
  - OPTION 2: Calculate by total number of **Branches** ($25,000 per branch)
  - OPTION 3: Calculate BY Branch using either per sq. ft. or $25,000 per branch or a **COMBINATION OF BOTH** methods
- **Use the HIGHEST aggregate total**

!! If applying for Category 2 funding, provide square footage for all library locations, even Bookmobiles & Kiosks!!

Sample Calculation for 10 or Less Libraries

ABC Library System has 5 locations:

Library	Sq. Ft.	Budget Calculation ($4.50/sq. ft.)	Budget Received (Use minimum budget is calculation is less)
Central Main Branch	14,500	$65,250.00	$65,250.00
East Branch	8,000	$36,000.00	$36,000.00
North Branch	9,873	$44,428.50	$44,428.50
West Branch	5000	$22,500.00	$25,000.00
ABC Bookmobile	256	$1,152.00	$25,000.00
Totals	**37,629**	$169,330.50	**$195,678.50**

Based on sq. ft. count

Based on budget floor

- Remember, libraries with LESS THAN ***5556 sq. ft.*** are eligible for the budget floor - $25,000.00
- **Use the HIGHEST aggregate total**

Calculating Your Budget – OPTIONS

Footnote #103 of the C2 Order states:

[103] …a school district with 10,000 students would normally have an aggregate budget of $1,670,000. If those students were spread across 100 schools, then its budget would instead be $2,500,000 (the aggregate funding floor). Accordingly, the funding floor only comes into play if the aggregate budget for the system would fall under the aggregate funding floor for the system.

For Library Systems with 11 or more branches – 2 options

OPTION 1: Calculate by total number of square feet

or

OPTION 2: Calculate by total number of branches (@$25,000 per branch)

Use the higher of the two totals

Applicant Forms and Important FY2023 Dates

There's an E-Rate form for everything!

⚡ = Required annually!

Competitive Bidding

FCC Form 470

What is competitive bidding?

- Competitive bidding is a formal process to choose the service providers who will provide your products and services
  - Describe your desired services and requirements (sufficient detail) using the FCC Form 470 and a Request for Proposal (RFP) if applicable.
  - Service providers review your documents and bid on your services.
  - Select the most cost-effective bid using the price of the eligible products and services as the primary factor.

Requests for Proposal (RFPs)

- A Requests for Proposal (RFP) may be created to describe specific needs and circumstances in more detail.
  - USAC uses the terms “RFP” and “RFP document” generically to refer to any supplemental document that helps to describe the requested services or provides more information that is not in the FCC Form 470, such as a Word doc or simple spreadsheet.

County Library FY2021 Bandwidth Needs

Each point-to-point circuit requested below will connect the library branch location to our Main Library located at 120 S PATTERSON BLVD ANY TOWN, OH 45000.

- WEST BRANCH LIBRARY - NEW - 715 W MAIN ST, ANY TOWN, OH 45000
  Minimum **500MB** circuit 36 – Month Term or greater
- EAST BRANCH LIBRARY-NEW - 120 BLUE PRIDE DR, ANY TOWN, OH 45000
  Minimum **100MB** circuit 36 – Month Term or greater
- SOUTH BRANCH LIBRARY – 200 HIGH ST, ANY TOWN, OH 45000
  Minimum **100MB** circuit 36 – Month Term or greater

  - For most types of funding requests, you are not required to issue an RFP unless your state or local procurement rules or regulations require it – however, some service requests do require RFPs.
  - If you issue an RFP and/or an RFP document, these documents must be attached to the FCC Form 470 you submit in EPC.

Competitive Bidding Requirements

- The competitive bidding process must be open and fair.
  - "Open" means that information shared with one bidder must be shared with all.
  - "Fair" means that bidders must be evaluated fairly and equally.
- **28-Day Waiting Period**
  - FCC Form 470 and any RFPs (if applicable) must be posted on the USAC website for a minimum of 28 days.
  - The end of the 28-day period is when you are allowed to review bids and select vendors — your allowable contract date (ACD).

Fair and Open Competition: Applicant Actions

Applicants and Service Providers **can**:

- Have pre-bidding discussions
- Discuss new product offerings.
- Teach applicants about new technologies.
- Note, however, that all parties must be privy to the same information during the competitive bidding process.

Competitive Bidding: Guiding Principles

- In your FCC Form 470 and if attaching an RFP, you must describe the desired products and services you need with sufficient specificity for service providers to be able to submit responsive bids.
  - **Services requested on the FCC Form 470 and RFP MUST match**.
  - No generic descriptions (e.g., all Digital Transmission Services).
  - No laundry lists of products and services.
- All potential bidders must have access to your FCC Form 470, and RFP documents. The process must be open and fair.
- You must be prepared to accept bids and answer questions.

Competitive Bidding: Imposing Restrictions

- Cannot list specific make and model of services sought without also considering equivalent products and/or services.
  - "XYZ manufacturer's router model 345J **or equivalent**"
  - FCC Form 470 will ensure compliance but double-check your RFP to make sure you've included the "**or equivalent** " language.
- Applicants may set some eligible service requirements.
  - Applicants may require service providers to provide services that are compatible with one kind of system over another (e.g. Brand X compatible).
- **Disqualification criteria must be spelled out in FCC Form 470 and/or RFP and be available to all potential bidders.**

Sample Disqualifying Factors

- All hardware quoted must be compatible with existing infrastructure.
- Hardware quoted must be new with manufacturer's warranty. Quotes for used equipment will not be considered.
- Vendor must have a SPIN at the time of awarding contract.
- Cabling vendors must be bonded/insured.
- Vendor must give assurances that all quoted prices will be honored at time of purchase.
- All vendors must conduct a walk-through of each location if bidding on the cabling project and all quotes must include all cabling material, necessary components, and installation costs to complete the project.
- Vendor must demonstrate they are a valid reseller of products quoted.
- In-state (or local) vendors preferred.
- Previous experience with vendor preferred .
- Vendor must put in writing their willing to give discounted bills.
- Must demonstrate ability to meet installation timeline.
- **Deadline for vendor proposals is 9:00 am Eastern, 29 days from the date this Form 470 is posted. We reserve the right to reject late-submitted proposals.**

A Word doc listing Disqualifying Factors can be found on my "Resource Library" page at https://www.ohio-k12.help/erate/e-rate-resources/.

FCC Form 470 Exemptions

- **You are not required to file a Form 470** if services are part of a multi-year contract that is still in effect:
  - Multi-year contract was signed in prior year and the original contract term has not completed;
  - Multi-year contract with contract extensions was signed in prior year, and the contract extensions have not yet expired.
  - In both cases, the contract terms and services are supported by the original FCC Form 470.

- **NOTE: You still need to file a new FCC Form 471 requesting E-Rate support each funding year.**

FCC Form 470 Exemptions

- **You are not required to file a Form 470** when services qualify for low cost, high speed internet access:
  - The services are not being provided under a multi-year contract.
  - The services qualify for low-cost, high speed internet access.
  - It is commercially available, business class internet access.
  - It offers minimum speeds of 100 Mbps download / 10 Mbps upload.
  - The pre-discount price — including any one-time charges — is $3,600 or less annually per entity (school or library).
  - It provides basic conduit access to the internet at those required minimum speeds.

What to do when you get no bids

- Reach out to additional potential bidders and ask them to bid.
- If you receive only one bid, *and it is cost-effective*, you may accept it.
  - Document your decision with a memo or email for your records.
- If you did not receive any bids, you can solicit bids.
  - Reach out to vendors in the area.
  - Ask your current service provider to submit a bid or to send you an email that they are willing to continue to provide service at your current level and cost.

Evaluating Bids

- To evaluate incoming bids, create a bid evaluation matrix.
- Develop evaluation criteria or factors to assess the bids.
- Assign each evaluation factor a point value or percentage.
  - The price of the **eligible** products and services must be the most heavily weighted factor — the "primary factor" — in your evaluation.
- The vendor who receives the most overall points or the highest percentage is the winner.
- **Again, disqualification of bid(s) must be tied to the requirements clearly listed on the FCC Form 470 and/or RFP.**

Bid Evaluation Sample

Factor	Points Available	Vendor 1	Vendor 2	Vendor 3
Price of the ELIGIBLE products and services	50	20	50	40
Prior experience w/vendor	20	20	0	20
Product compatible with existing infrastructure	15	10	5	15
Flexible Invoicing: FCC Forms 472 or 474	10	0	10	10
Local or in-state vendor	5	5	0	5
TOTAL	**100**	**55**	**65**	**90**

Based on the above bid matrix criteria, we have chosen **Vendor 3** as the service provider for our **bandwidth and Internet Access.**

Name: _____

Signature: _____

Date: _____

- Evaluate your bids using a matrix with your bid factors and assign points.
- Price must have the highest number of points
- Bidder 3 wins because they received the most points.

For a copy of a Category 1 and Category 2 bid matrix and acceptance letter, go to https://www.ohio-k12.help/erate/e-rate-resources/

Contracts and Legally Binding Agreement

- Applicants must have a signed contract or ***other legally binding agreement*** in place prior to submitting their FCC Forms 471 to USAC.
- Applicant must not sign a contract before the **Allowable Contract Award Date (ACD)**.
- Signed contracts constitute the best evidence that a legally binding agreement exists.
- Voluntary contract extensions are allowable only when the option is stated in the original provisions of the contract.
- Applicant must rebid the services (i.e., file a new FCC Form 470) if contract extensions are not stated in the contract or RFP.
- Applicants must create a contract record in their EPC profile for each contract and can upload a copy of the contract.

Duplicative Services

- Duplicative services are services that provide the same functionality for the same population in the same location during the same period of time.
- Backup services – services sought to reduce reliance on any single service provider's network during an outage – are considered duplicative.
- Services that provide necessary bandwidth requirements, such as multiple circuits (lines) when appropriate for the population served and the services to be received, may not be considered duplicative. However, the applicant must still evaluate and choose the most cost-effective option from the bids received.
- USAC cannot fund duplicative services.

Requesting Funding (FCC Form 471)

Requesting Funding: FCC Form 471 Application Window

- You can file the Form 471 after you have completed your competitive bidding process, chosen your vendors, and signed contracts (if appropriate).
  - You also must wait for the filing window to open.
- The filing window Form 471 generally opens in mid-January and closes in mid-March.

Requesting Funding: FCC Form 471

Your FCC Form 471 application is broken into the following parts:

- Basic information – information about the applicant and contact information.
- Discount information – student counts, urban/rural status of your schools or libraries.
- Funding Request Numbers (FRNs) – for each funding request, you provide:
  - The service provider name and the Service Provider Identification Number (SPIN).
  - Information about the contracts or month-to-month/tariff agreements.
  - The eligible schools/libraries that will receive the services.
  - Your chosen services and their costs.
- Certifications to indicate your compliance with program rules.

Program Integrity Assurance (PIA)

- After submitting FCC Form 471, USAC reviews your application.
- Program Integrity Assurance (PIA) is the group at USAC that reviews your application and makes decisions on funding.
- Your PIA reviewer may contact you to:
  - Verify eligibility of one or more of your schools or libraries or your student counts.
  - Verify eligibility of the requested services.
  - Ask for additional documentation on a variety of topics related to your funding requests.

Funding Commitment

- When PIA's review is complete, you and your service provider receive a notification called the Funding Commitment Decision Letter (FCDL).
- Your FCDL will include USAC's decisions on your funding requests — commitments, modifications, and/or denials – and next steps.
- FCDLs will be emailed to the contact person on the FCC Form 471 and will also be available in the Notifications section of your EPC landing page.
- If you disagree with one or more of USAC's decisions, you or your service provider can file an appeal.
  - The deadline to appeal is 60 days from the date the FCDL is issued.
  - Appeal with USAC first, unless you're requested a waiver of rules.
  - If the appeal is denied by USAC, you may then appeal with the FCC

Document Retention

- You must keep all documentation for 10 years from the last date to receive service.
  - For multi-year contracts this means 10 years from the contract expiration date.
- Retain receipt and delivery records relating to pre-bidding, bidding, contracts, application process, invoices, provision of services, and other matters relating to your applications.
- For example, for recurring internet access service for FY2022, both the applicant and the service provider must retain all records until at least June 30, 2033.

FCC Form 486

FCC Form 486

Applicants file the FCC Form 486 after receiving a funding letter to:

- Notify USAC that **services have started** for the Funding Request Numbers (FRNs) listed on the FCC Form 471.

Also, when applying for Internet Access or any service under Category 2, you must be CIPA compliant.

Filing the FCC Form 486:

- Reports the status of compliance of the entities on those FRNs with the **Children's Internet Protection Act (CIPA).**

A step-by-step guide explaining how to file the Form 486 can be found on my "Resource Library" page at https://www.ohio-k12.help/erate/e-rate-resources/.

Children's Internet Protection Act (CIPA)

- Applicants must certify compliance with the Children's Internet Protection Act (CIPA) to be eligible for E-Rate program discounts on Category One internet access and all Category Two services – internal connections, managed internal broadband services, and basic maintenance of internal connections.
- **CIPA requirements** include the following three items:
  - Internet Safety Policy;
  - Technology Protection Measure; and
  - Public Notice and Hearing or Meeting.
- In general, **school and library authorities must certify that**:
  - They have complied with the requirements of CIPA; **or**
  - They are undertaking actions, including any necessary procurement procedures, to comply with the requirements of CIPA; **or**
  - CIPA does not apply because they are receiving discounts for telecommunications services only.

FCC Form 486
Service Start Date

- What is my Service Start Date (SSD)?
  - The first day of the funding year if services start on or before July 1.
  - Any day after July 1, but before June 30 of the funding year that services were actually started.
    - For example:
      - For installations that started on May 25 before the funding year, the SSD is July 1 of the funding year.
      - For services starting August 7 of the funding year, the SSD is August 7 of the funding year.

When do I file the FCC Form 486?

- After USAC issues the Funding Commitment Decision Letter (FCDL) with a positive funding commitment.

- The FCC Form 486 MUST be certified no later than 120 days after the **Service Start Date reported on the FCC Form 486** or 120 days after the date of the **FCDL**, whichever is later.

What if I file the FCC Form 486 late?

If you miss this deadline, USAC will adjust your service start date to a date 120 days before the date you certified your form, and your funding commitment may be reduced to reflect the reduction in service time.

Invoicing: Form 472 (BEAR)

or Form 474 (SPI)

Preparing for Invoicing

Reimbursement may take place providing:

- The applicant and service provider **receive an FCDL** with a positive commitment.
- The applicant **certifies an FCC Form 486** and establishes the actual service start date for FRN(s).
- USAC reviews and approves the FCC Form 486.
- The service provider **certifies an FCC Form 473** (Service Provider Annual Certification or SPAC Form) for each SPIN that will be featured on an invoice for that funding year.

Invoicing Methods

There are two methods to invoice USAC:

1. Filed by Applicant **when invoices are paid in full**
   - **FCC Form 472**
     - a.k.a. Billed Entity Applicant Reimbursement (**BEAR**) Form
   - Filed online within ECP

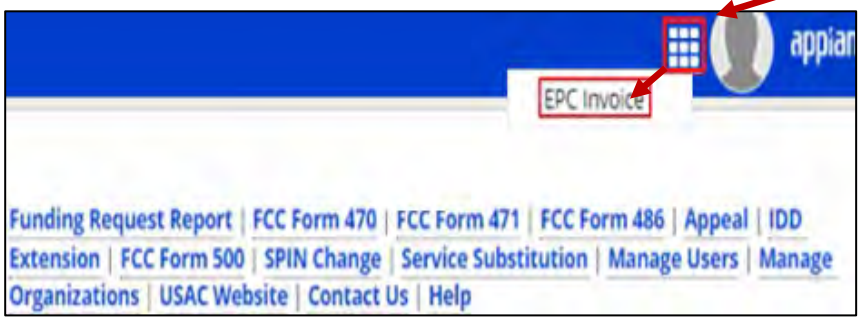
   …this is new for FY2023!!

2. Filed by Service Provider **when invoiced for non-discount portion only**
   - **FCC Form 474**
     - a.k.a. Service Provider Invoice (**SPI**) Form
   - Filed online within ECP

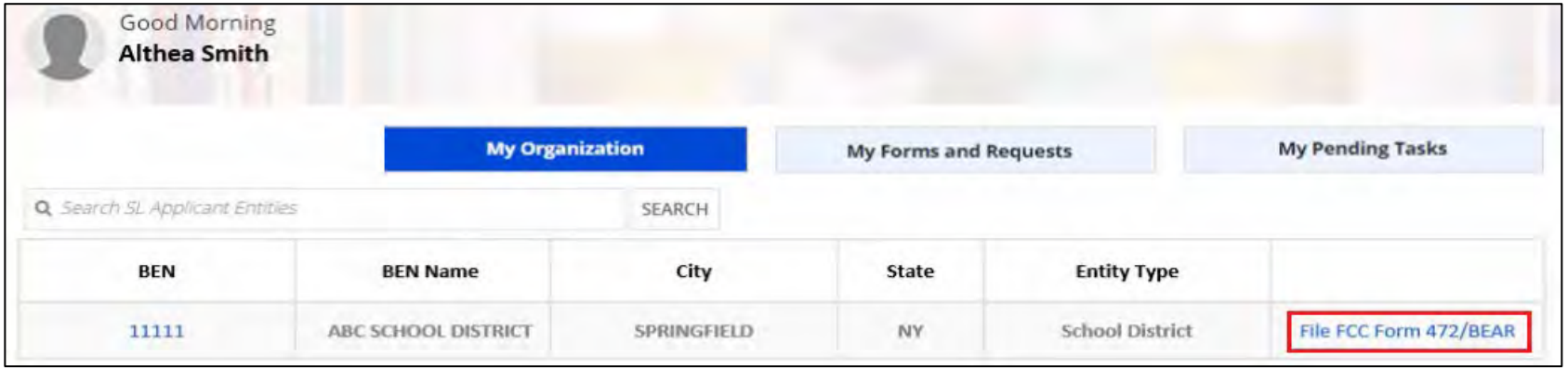
   …this is new for FY2023!!

Effective December 2022

Invoicing will be done within EPC and will be very similar to the ECF process.



- Click on the new Tile on the blue menu.
- Click on EPC Invoice.
- If you have access to the BEAR, your BEN will show in the table.
- USAC will be adding the form under user permissions.
- When we look at the EPC portal, we'll discuss where to give rights.



Invoicing Methods

The invoicing method (BEAR or SPI) is the **applicant's choice.**

- Service providers and applicants should have this discussion as early as possible – ideally before the applicant certifies the FCC Form 471.
- Unlike the Emergency Connectivity Fund (ECF) application process, we do not indicate on any of the E-Rate forms our invoice method choice.
- Once the invoice method is set for a Funding Request Number (FRN), it cannot be changed for the funding year.
  - The invoicing method is FRN-specific.

Applicant FCC Form 498

Overview

- Currently, applicants that choose to file an FCC Form 472 (BEAR) must have an **FCC Form 498** on file in EPC before they can receive payments, as this form collects banking information.
- **If you have a previously approved Form 498, you do not need to refile one.**
- However, **if the banking information changes later, you will need to modify your existing 498, do not file a new one!**
- After submitting the modified 498, you must upload a copy of a voided check for account verification at: https://efile.universalservice.org/ServiceProviderManagement/V1/BankValidation .
- USAC's 498 Team must review and approve both the form and the banking documentation before the form can be approved.
- Applicants who **only** use the SPI method do not have to file the FCC Form 498.

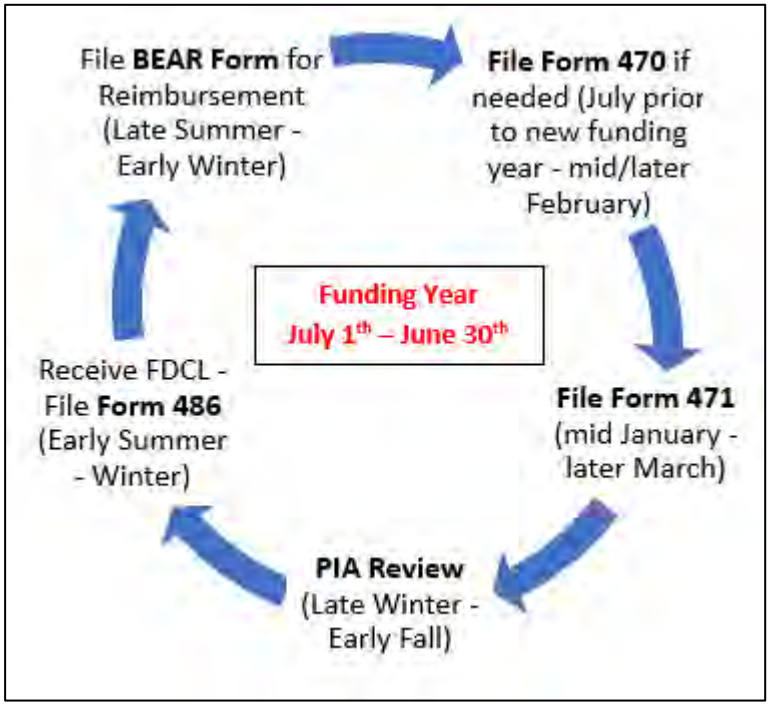
When to File the BEAR or SPI

- The invoice deadline is:
  - 120 days after the last date to receive service or 120 days after the date of the FCC Form 486 Notification Letter, whichever is later.
  - The invoice deadline for FY2023 **recurring services** is October 28, 2024.
  - The deadline for FY2023 **non-recurring** services is January 28, 2025.
- File after services are delivered and paid.
- You can choose the frequency to file (annually, semi-annually, quarterly, etc.).
- Invoice Deadline Extensions
  - You can request and receive one 120-day extension of the invoice deadline.
  - The request must be submitted on or before the original invoice deadline.

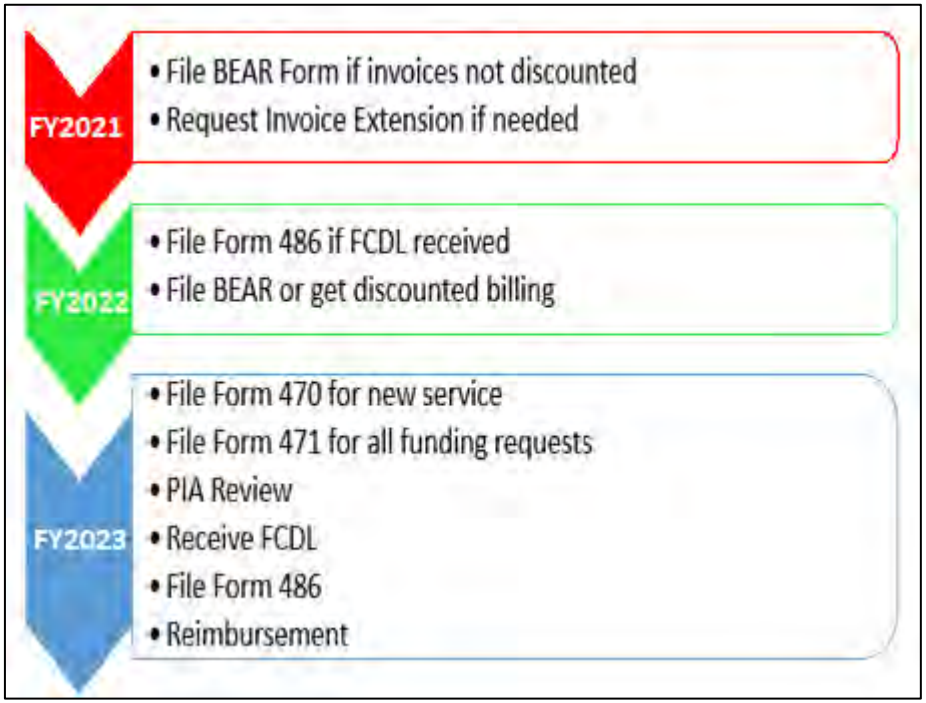
Funding Cycle

With E-Rate, it's typical to be dealing with up to 3 funding years at any given time

Annual Funding Cycle



To Do List by Funding Year



Timeline Checklist

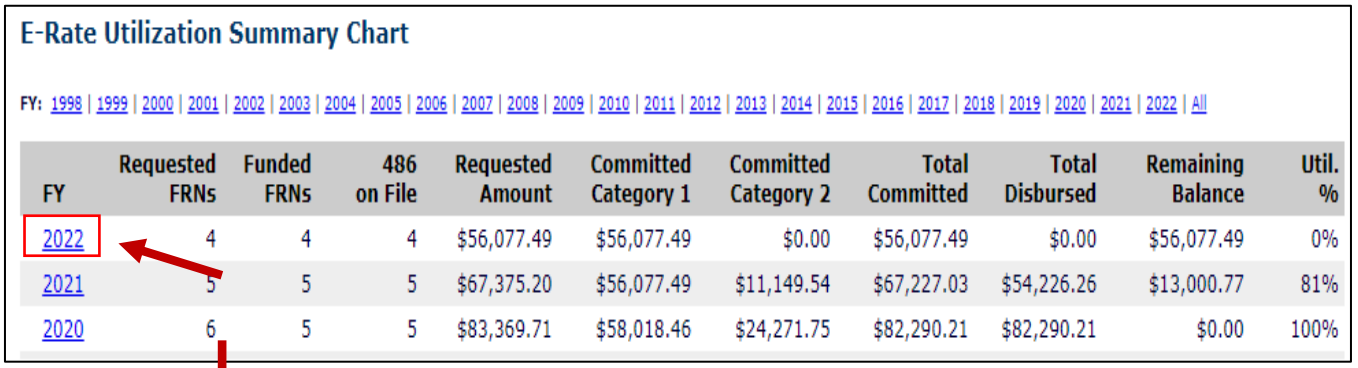
E-Rate FY2023-24 Timeline Checklist

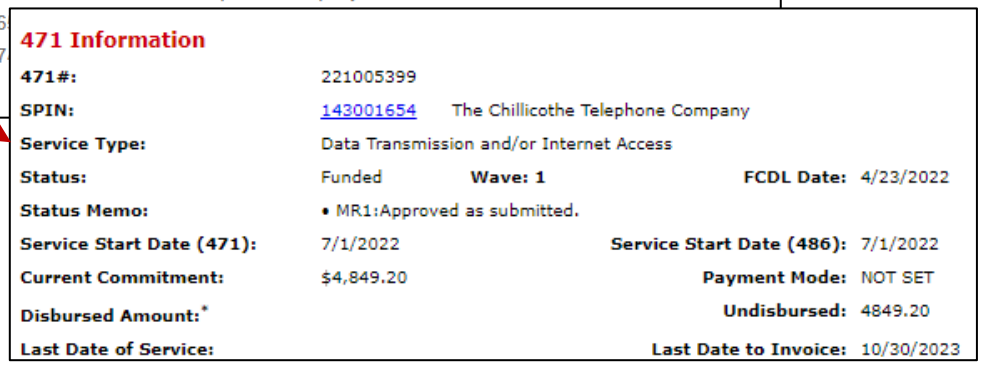
Application Steps *(Initial box when item completed)*	***Completed/ Filed*** **(applicant responsibility)**	***Notification Received*** **(Posted in EPC Portal)**
Form 470 (wait minimum **28** days after filing before awarding contracts or filing the Form 471!!) ***Allowable Contract Date**_____		
Last Day to file a Form 470 –		
Admin Window Deadline –		
Form 471 **Window opens:** **Window closes:**		
Form 471 Receipt Acknowledgement Letter (RAL) located in EPC portal – Check app for errors!		
Funding Commitment Decision Letter (FCDL) located in EPC portal - Read carefully		
*Appeal all denials (60 days from FCDL)		
Form 486 (120 days from start of service or receipt of FCDL, whichever is later)		
Discounts on Bills (Inform service provider)		
Form 498 – Allows direct payment to the applicant - Must be filed and processed in order to file BEAR form – ***Note**: this is a single submission. You do not file annually, as with other forms. **If corrections are needed, modify existing form in EPC.**		
Form 472 BEAR (reimbursement – must be filed **120** days after end of service if bills were not discounted) **File in legacy system**		
BEAR Reimbursement Payment Received		

For a copy of the Timeline Checklist, go to my website at https://www.ohio-k12.help/erate/e-rate-resources/

Quick Way to Get the Information Needed

Go to: www.E-Ratecentral.com





1. Enter your Billed Entity Number.
2. Click on Funding Year
3. See your 471, FRN, and SPIN information.
4. Click on the FRN number to see full detail

Eligible Services

Eligible Services List (ESL)

- Each year, the FCC issues a list of services and equipment that are eligible for the upcoming funding year.
- FY2022 Eligible Services List (PDF)

E-Rate Service Categories

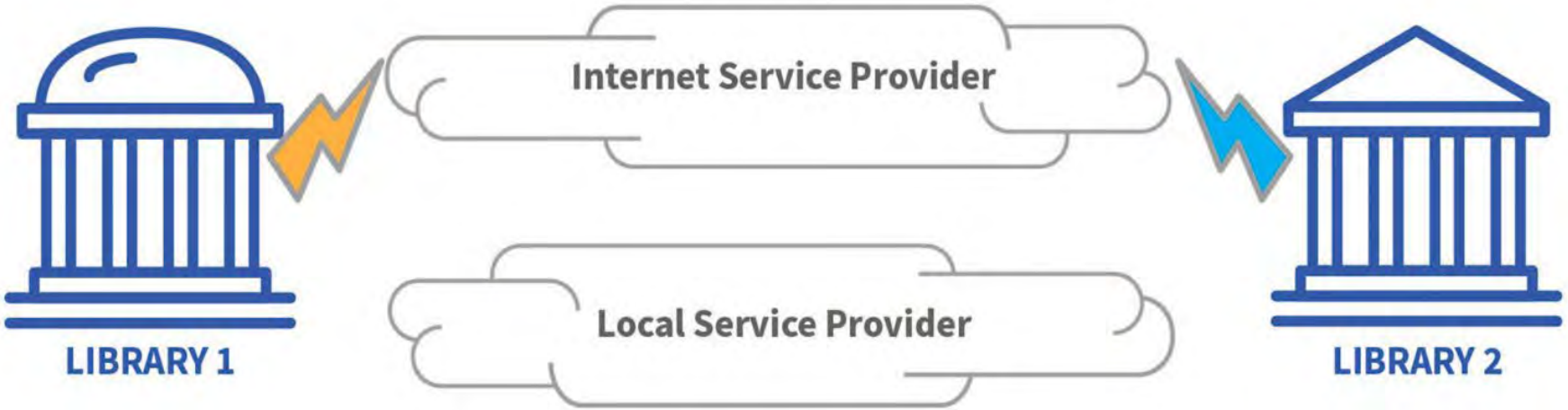
- **Category One (C1)** (Service **to the building**'s demarcation point)
  - Data Transmission and/or Internet Access
  - No budget (limit) on funding requested.
- **Category Two (C2)** (Portions of service **inside the building** that are covered)
    - Internal Connections,
    - Managed Internal Broadband Services, and
    - Basic Maintenance of Internal Connections
  - Applicant has a budget or limit on how much funding can be requested.
  - Budget covers a five-year period.

Category One (C1) Services

- Services that bring broadband services to eligible schools and/or libraries.
  - Eligible services are classified as:
    - Data Transmission and/or
    - Internet Access services
- Examples of **Category One (C1)** services include:
  - Leased lit fiber
  - Internet access provided over fiber or copper
  - Commercially available internet access
    - Cable provider internet
    - Satellite internet

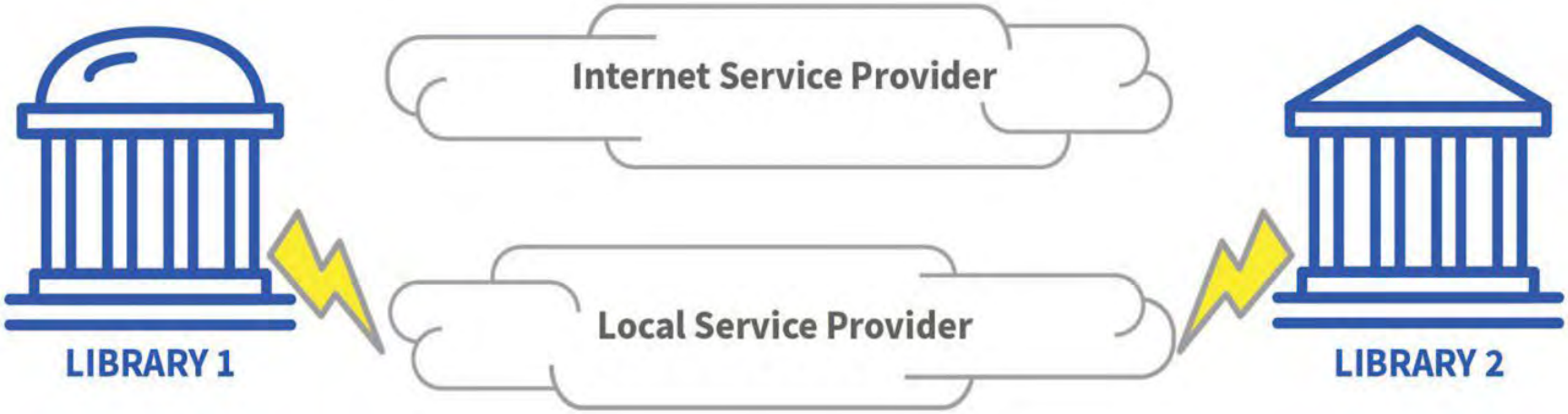
Category One (C1): Internet Access

- **Internet Access** services are connections to an eligible location from an **internet service provider**. These connections would allow the location **access to the publicly available internet**.
  - Example – Library 1 and Library 2 need individual internet services.



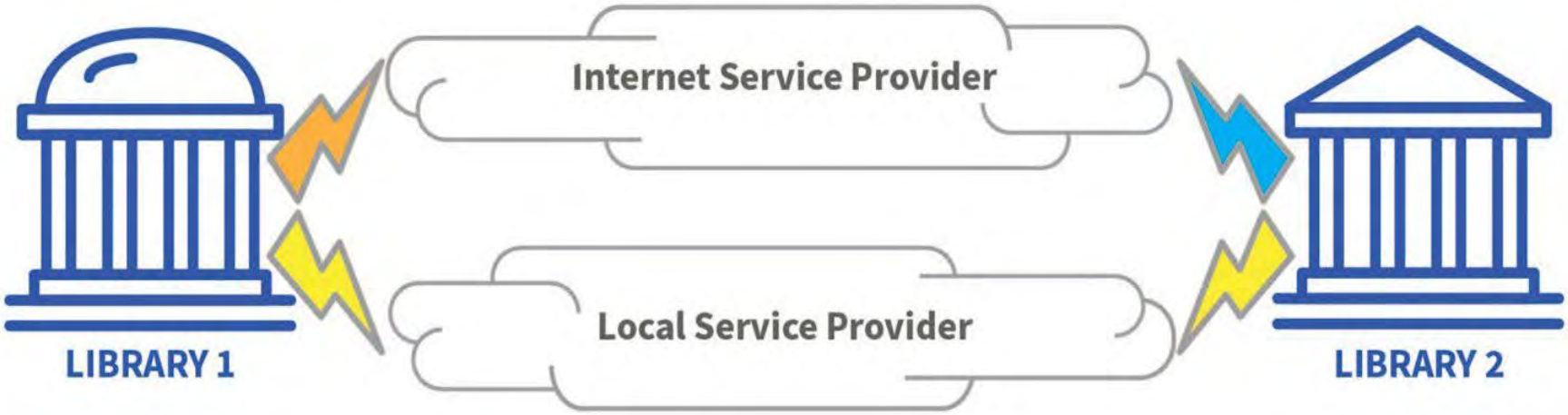
Category One (C1): Data Transmission

- **Data Transmission** services are secure connections **between eligible locations**. These connections would not include public internet access.
  - Example – Library 1 needs a secure connection to Library 2 to **transmit library records**.



Data Transmission + Internet Access

- Both types of service will be needed if a **secure connection** between two eligible locations is needed **along with internet services** at both locations.
  - Example – Library 1 and 2 each need individual Internet Access services. If the two libraries also transmit confidential library records between each other, they will also need a secured data transmission service as well.



Introduction to Fiber: Types of Eligible Fiber

- Data Transmission and Internet Access services can be transmitted over various types of physical methods.
  - Four examples of physical methods:
    - Fiber
    - Copper
    - Microwave
    - Satellite
- The next couple of slides will provide additional information on the various types of Category One (C1) Fiber services.

Introduction to Fiber: Types of Eligible Fiber

- **Leased lit fiber**
  Data Transmission or internet access services where the **applicant pays a monthly fee** to the service provider who **provides the service via fiber**. This is a **totally inclusive service** consisting of all the components needed to provide and maintain the service.
- **Leased dark fiber**
  Service providers may have fiber that they are not currently utilizing that could be used to provide services. Applicants can lease portions of this unused fiber network that is owned by a service provider.
  - This lease would **only be to use the fiber**.
  - The applicant needs to **account for**
    - **any network equipment needed to use the fiber**, and
    - **associated maintenance and operations of the fiber**.
  - The applicant will also need obtain **separately any needed data transport and/or internet access** service over that fiber.

Introduction to Fiber: Types of Eligible Fiber

- **Self-provisioned networks**
  - Applicant can also seek requests to build and own their own **high-speed broadband network**.
    - The applicant will need to show that building its own network is more cost-effective than leasing or using an existing network for the same period of time. This is also known as being the most-cost effective option.
    - If building the network is determined to be the most cost-effective option, the applicant hires a vendor to construct the network, or a portion of the network that the applicant will use. The applicant can completely or partially own and maintain the network or a portion of the network.
    - A self-provisioned network can be shared with an ineligible third-party entity so long as the ineligible third-party entity pays its fair share of the costs of the undiscounted costs of the network. The applicant will have to show that the fair share paid by the ineligible third-party was reasonable.
  - The **applicant must**
    - Pay for the network equipment,
    - Pay to maintain and operate the network, and
    - Pay for any data transport and/or internet access services that are used on the network separately.

Eligible Services: Category Two (C2)

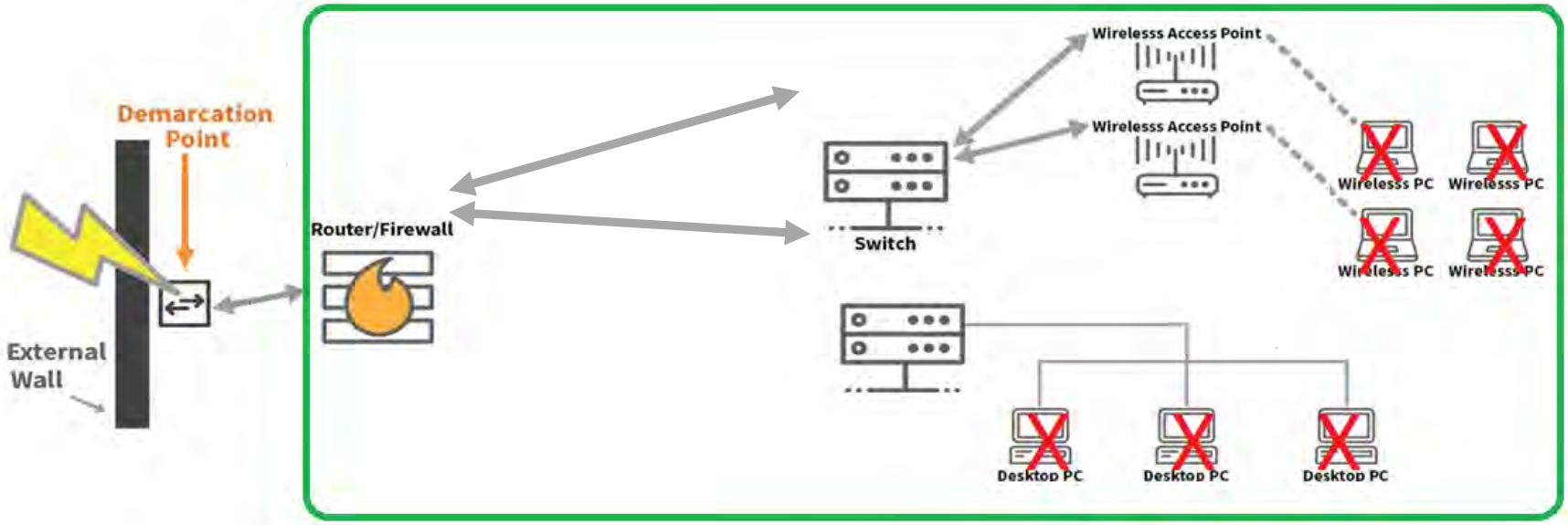
- **Category Two (C2)** includes services or equipment necessary to transport information **within the building** to classrooms or publicly accessible areas of a library.
- **There are three service types:**
  - **Internal Connections (IC) –** Equipment needed to utilize a broadband connection within a school or library.
  - **Basic Maintenance of Eligible Broadband Internal Connections (BMIC)** – Covers the repair and up-keep of the eligible equipment needed to use a broadband connection within a school or library.
  - **Managed Internal Broadband Services (MIBS)** – Services **provided by a vendor** related to the operation, management, and monitoring of eligible internal connections (owned or leased equipment) necessary for broadband connectivity within schools and libraries.
- End User equipment, such as laptops, computers, headsets, and speakers, are **not** eligible for E-Rate funding.

Eligible Services: Category Two (C2)

- Examples of Category Two (C2) services include:
  - **Internal Connections**
    - Cabling, routers, switches, modems, and wireless access points
    - If a device needs software or a license to make it work, this is also eligible (**Right-to-Use and Client Access Licenses**)
  - **Basic Maintenance of Internal Connections (BMIC)**
    - The repair and upkeep of eligible internal connections (services to deploy bugs, fixes, patches)
    - Multi-year maintenance service subscriptions (updates to existing software)
    - Only maintenance services provided for the current funding year are eligible. (i.e., a three-year subscription should be requested annually for one-third of the price over three years)
  - **Managed internal broadband services (MIBS)**
    - Managed Wi-Fi Agreement

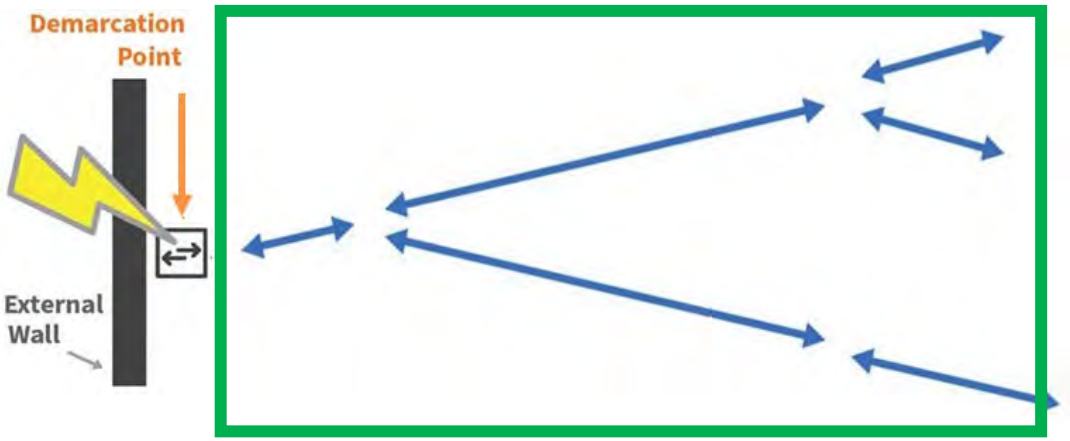
C2 Example: Common Eligible Internal Connections

- Some **common eligible Internal Connections** that may be utilized are displayed here.
- In this **scenario**, a library is receiving internet service which has been delivered by the service provider to the library's technical room to a terminating point. They are looking for internal connections to cost effectively connect laptops and desktops to utilize the internet service.
- **Note:** End user equipment, such as laptops, computers, headsets, speakers, are not eligible for E-Rate support.



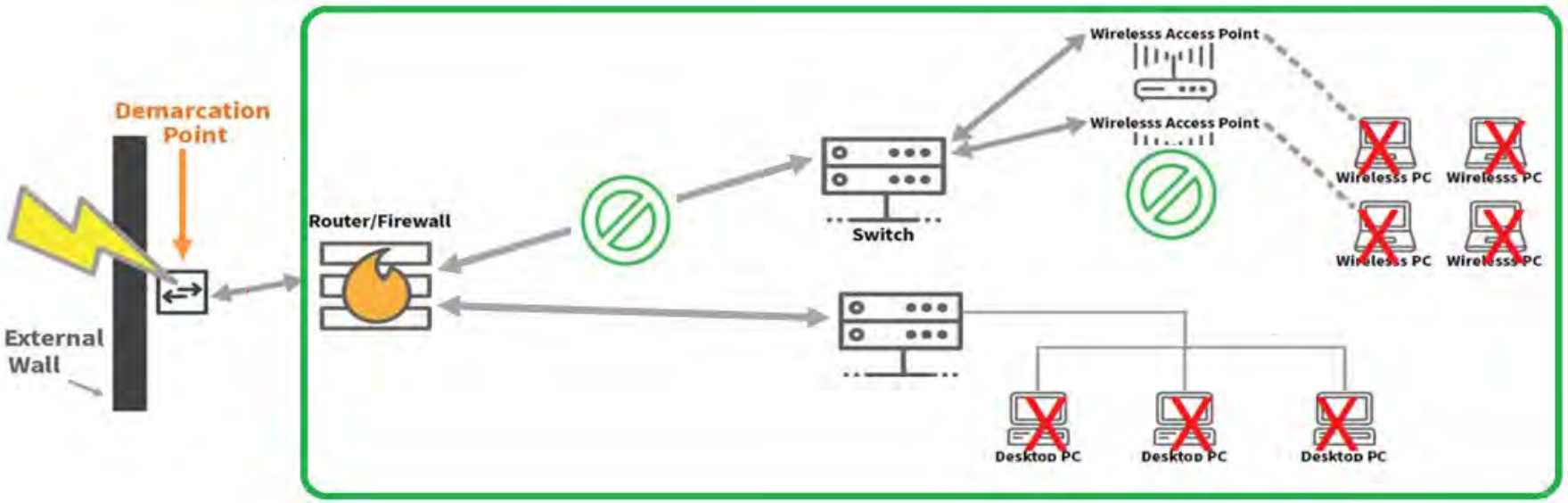
Eligible Internal Connections

- Applicants may use different types of eligible internal connections **C2 equipment/services** to accomplish internet connection to their end-user devices. **Cabling** is utilized to provide connection to the various devices and transport information.
- Eligible internal connections:
  - Cabling
  - Router
  - Firewall
  - Switch
  - Wireless Access Point
  - Racks
  - UPS for eligible equipment
  - Caching Server
  - Right to Use Licenses



Basic Maintenance of Internal Connections (BMIC)

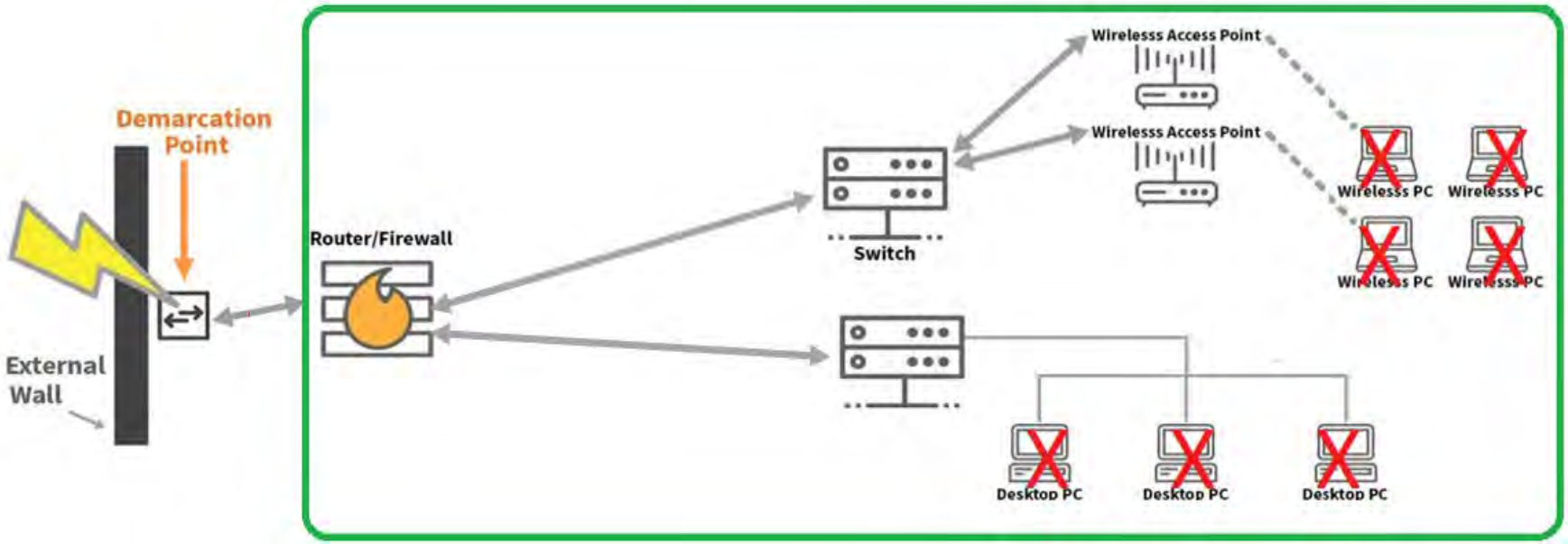
- **Basic Maintenance** is eligible for equipment that is **E-Rate eligible**.
- In this **example**, a cable and a Wireless Access Point are not functioning properly. The green circles below indicate malfunctioning equipment but **are eligible** for the **basic maintenance and repair** of these items **is also eligible**.
- **End user equipment and devices are not E-Rate eligible. The repair of the desktop/tablet (the red X) is not eligible for basic maintenance.**



Managed Internal Broadband Services (MIBS)

- If you need help in the daily operation of your internal network, this service provided by a vendor is eligible as **Managed Internal Broadband Services (MIBS)**. They can support equipment that an applicant already owns, or they can install equipment that they lease to the applicant. They can perform actions on the eligible equipment to ensure that the internal network operates at an optimal level. Remember, this does not include end-user devices!!

- **MIBS** does not include maintenance and repair.



Category 2 Cost Allocations

Depending on the functionality of some equipment or software, the product may not be fully eligible for E-Rate funding, requiring a percentage of the cost to be deducted.

- Below are links to manufacturer's websites or documents they have provided, publishing their cost allocations.

  - Cisco/Meraki
  - Fortinet
  - HP Aruba
  - Juniper Networks
  - Palo Alto Networks (click on "Palo Alto Network Product Eligibility Guide" to download PDF)
  - Sophos

Search Results

SKU	Description	Eligible	Notes
C9410R-96U-BNDL-E	Catalyst 9400 Series 10 slot,Sup, 2xC9400-LC-48U, DNA-E LIC	100%	
C9410R-96U-BNDL-A	Catalyst 9400 Series 10 slot,Sup, 2xC9400-LC-48U, DNA-A LIC	Cost Allocate (79%)	

USAC's One Portal

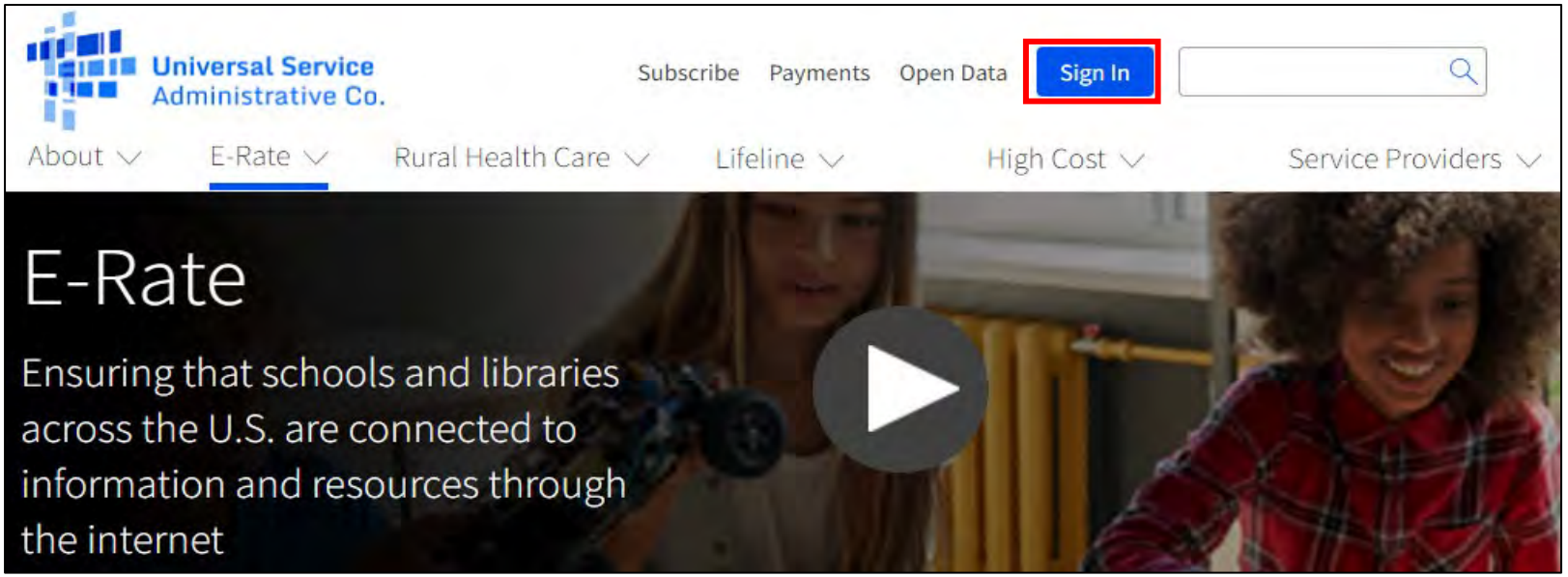
USAC's One Portal

USAC uses multifactor authentication (MFA) to increase security.

We must log into One Portal to access the E-Rate Productivity Center (EPC) and currently, the FCC Form 472 (BEAR).

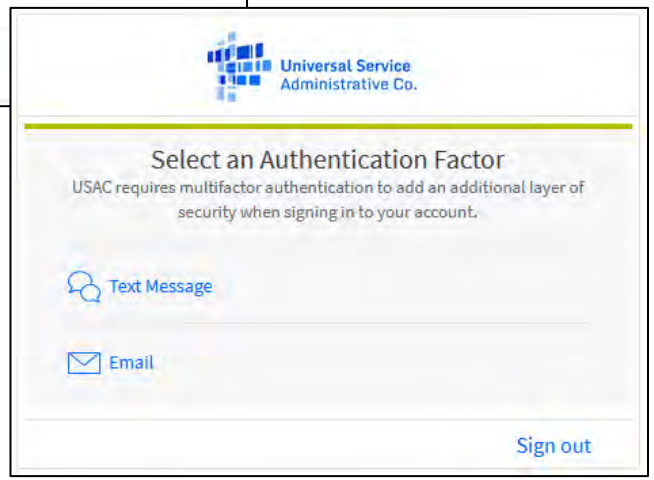
- You will see both options if you have BEAR access, along with ECF.

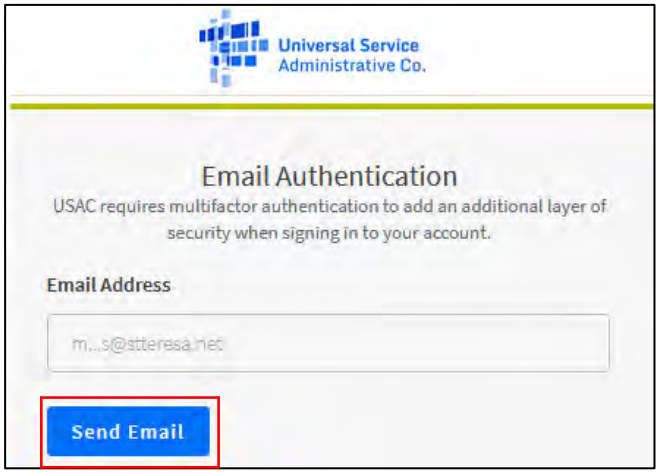
To access, go to https://www.usac.org/e-rate/ and click on "Sign In" and then "Continue".



Logging Into One Portal

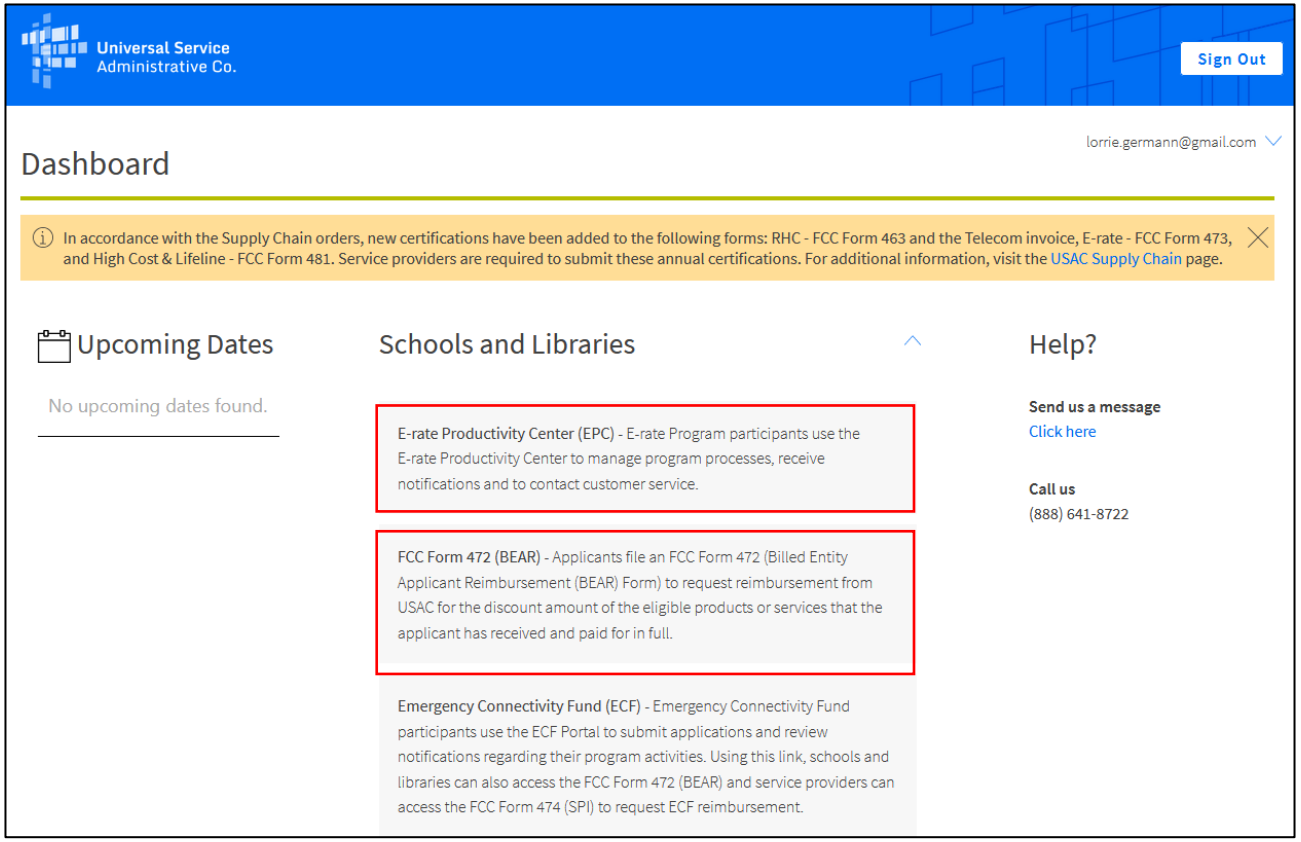
- Enter your email address as username and password. Click on "Forgot Password" if you need to reset.
- Initially you request the MFA code by email. After logging in for the first time, you may add "Text Message" as an option. Don't forget to click on "**Send Email**" or "**Send Passcode**" ☺.
- You will receive email from noreply@usac.org. The code is active for 10 minutes



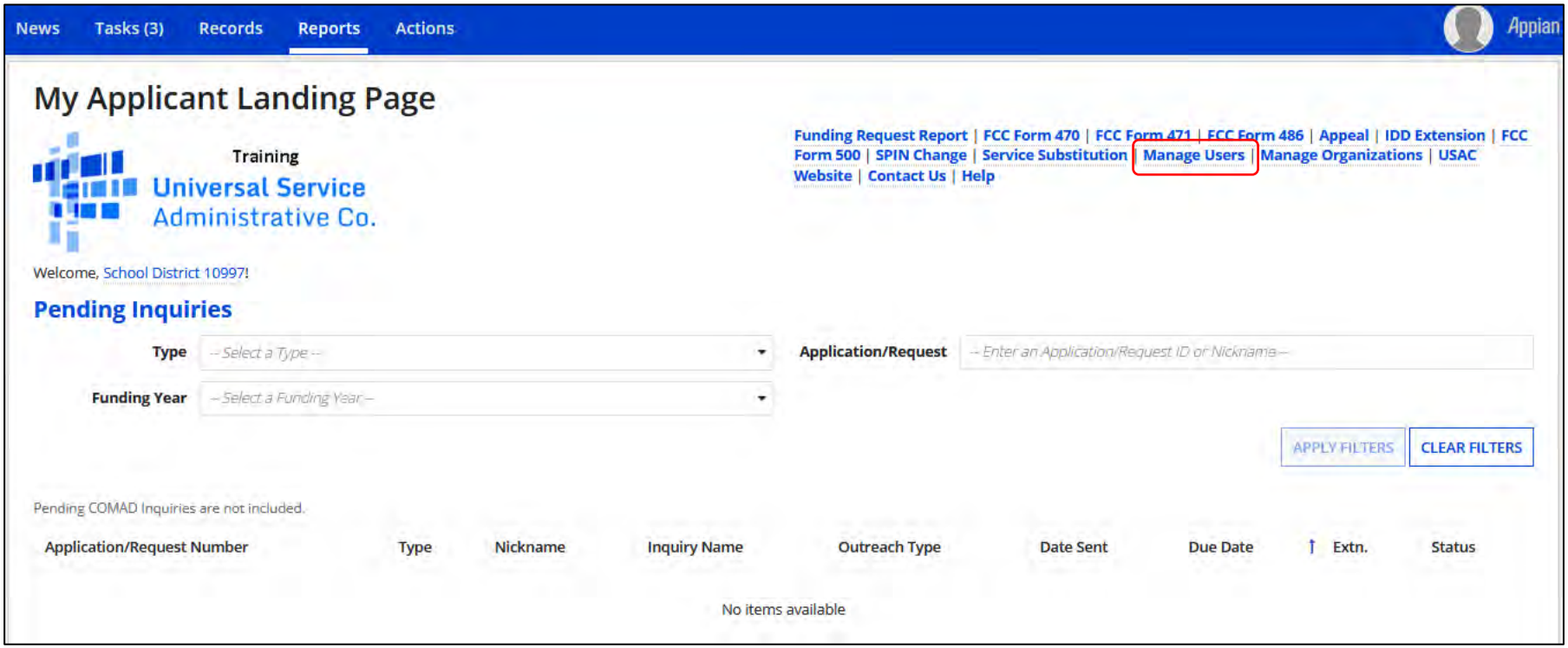


USAC's One Portal

- After entering the one-time verification code, you may see both EPC and BEAR options, as well as ECF.
- **Note:** after the BEAR is moved into EPC, the option will be removed from the One Portal page.

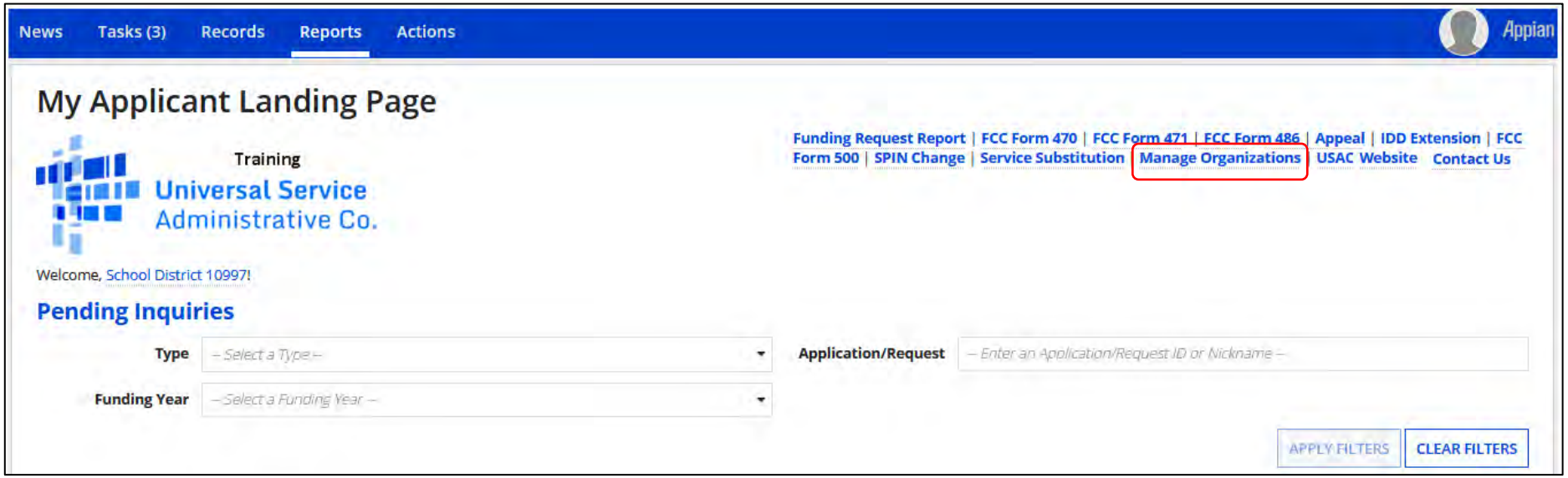


EPC Entity Profile – Account Administrator



If logging in as the Account Administrator, you will see the options to **Manage Users. If it's missing, you do not have admin rights.**

EPC Entity Profile – Full Rights User View



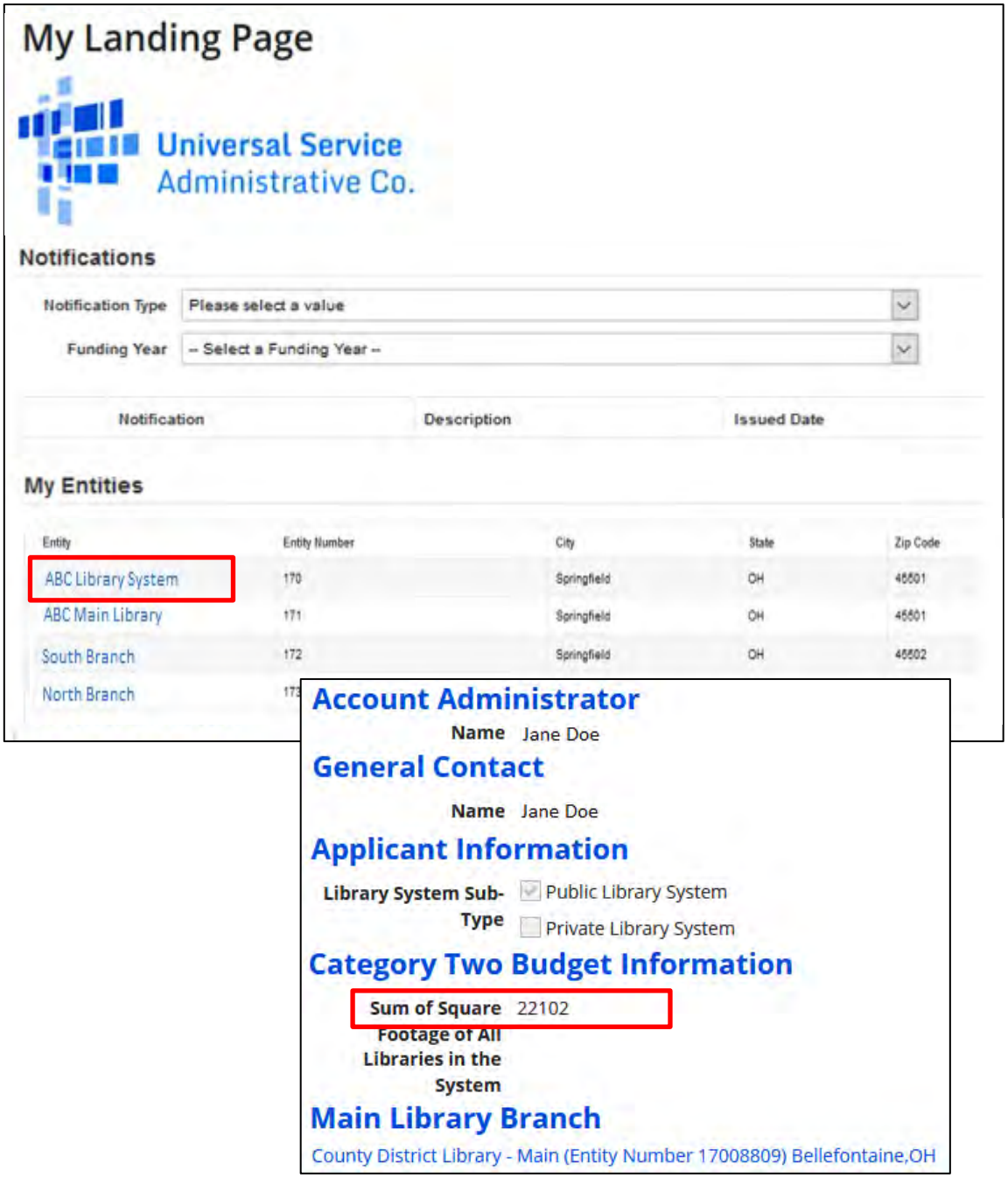
If logging in as a Full Rights user, you will see the options to **Manage Organization.**

Notes on filing program forms

- FCC Forms 470, 471, 486 can be filed from the quick links below the menu bar –

- A **new** FCC Form 498 can be filed from the Billed Entity's "Organization Detail" summary page by clicking "Related Actions."
  - Only the school or library official or general financial contact will be able to see the FCC Form 498 link.
- To update an **existing** Form 498, click on "Records" on the menu bar, select "FCC Form 498", and then the application record. From there, click on "Modify FCC Form 498"

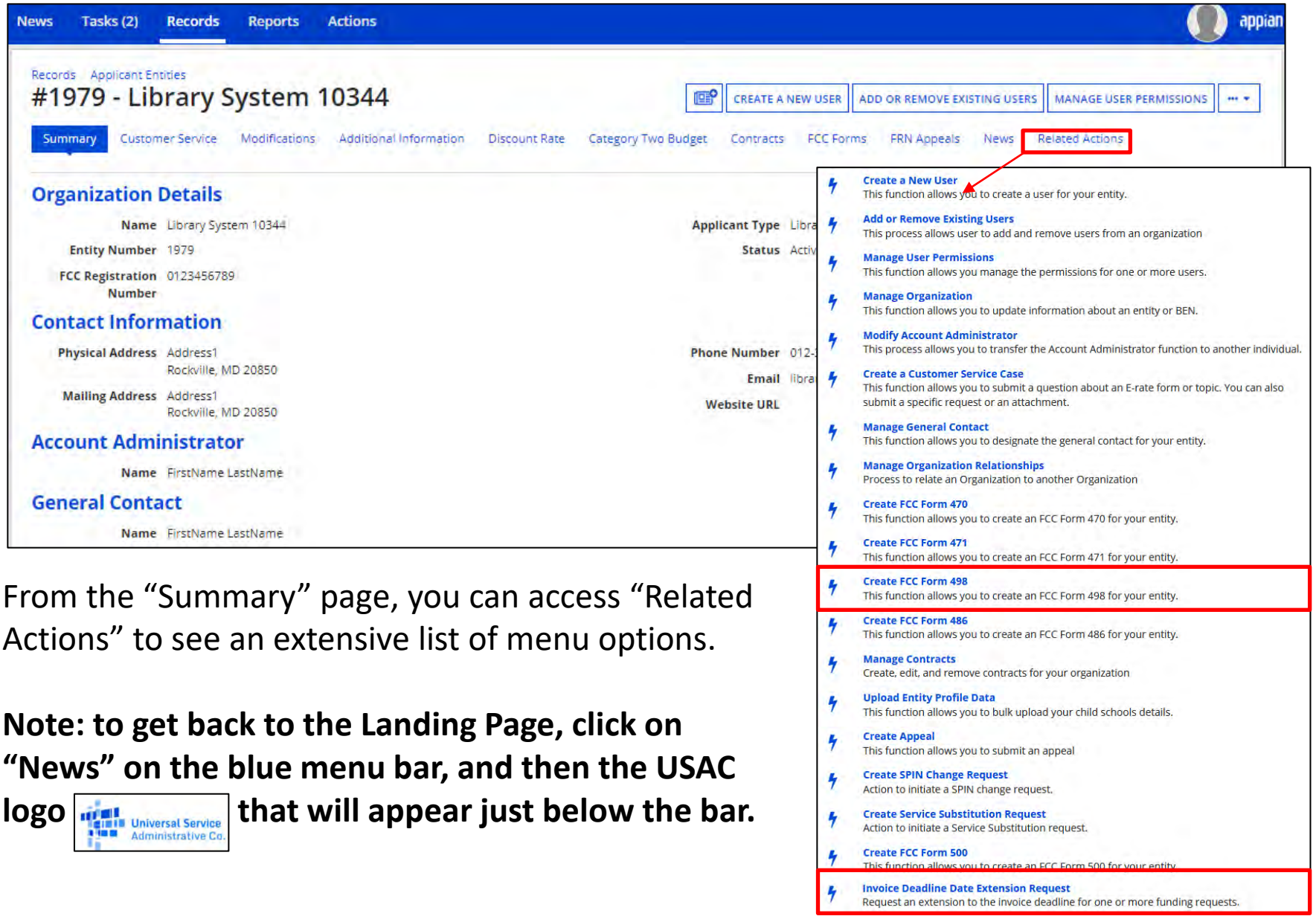
Billed Entity Detail Page



Click on the name of the Billed Entity (first in list) to see a summary of information, such as the name of the Account Admin and General Contact.

At the bottom of the page, the combined square footage of all branches is shown and used to calculate your Cat 2 budget.

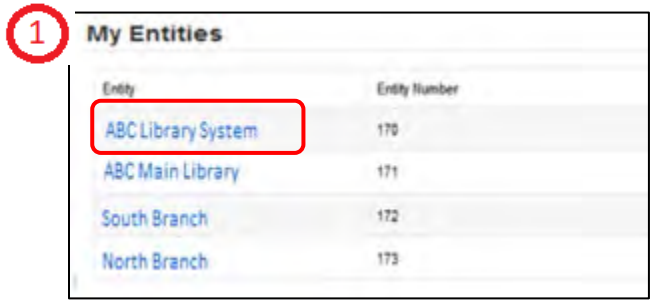
“Related Actions” Menu



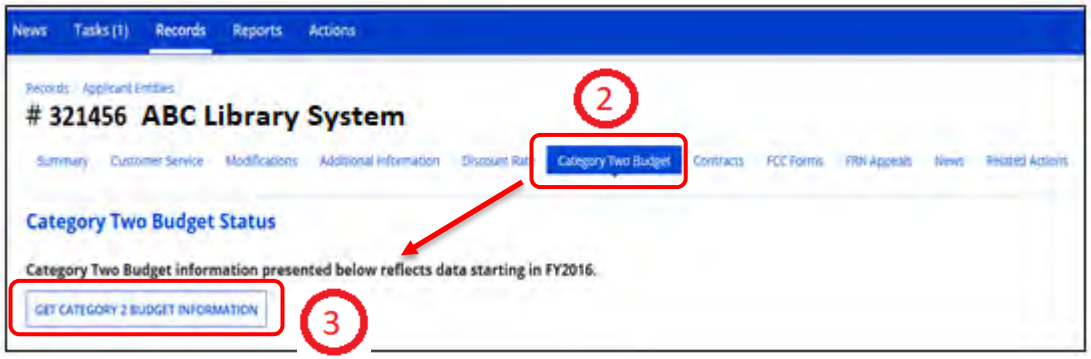
From the “Summary” page, you can access “Related Actions” to see an extensive list of menu options.

Note: to get back to the Landing Page, click on “News” on the blue menu bar, and then the USAC logo Universal Service Administrative Co. **that will appear just below the bar.**

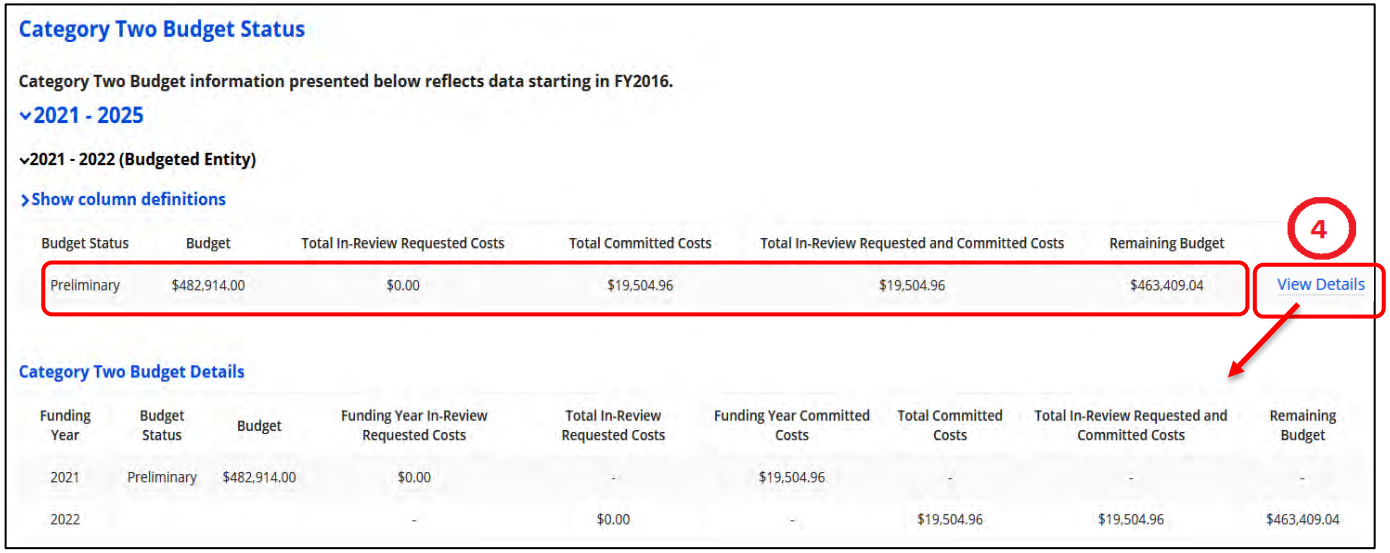
Category 2 Budget Tool



- Start my clicking on the Billed Entity under "My Entities".

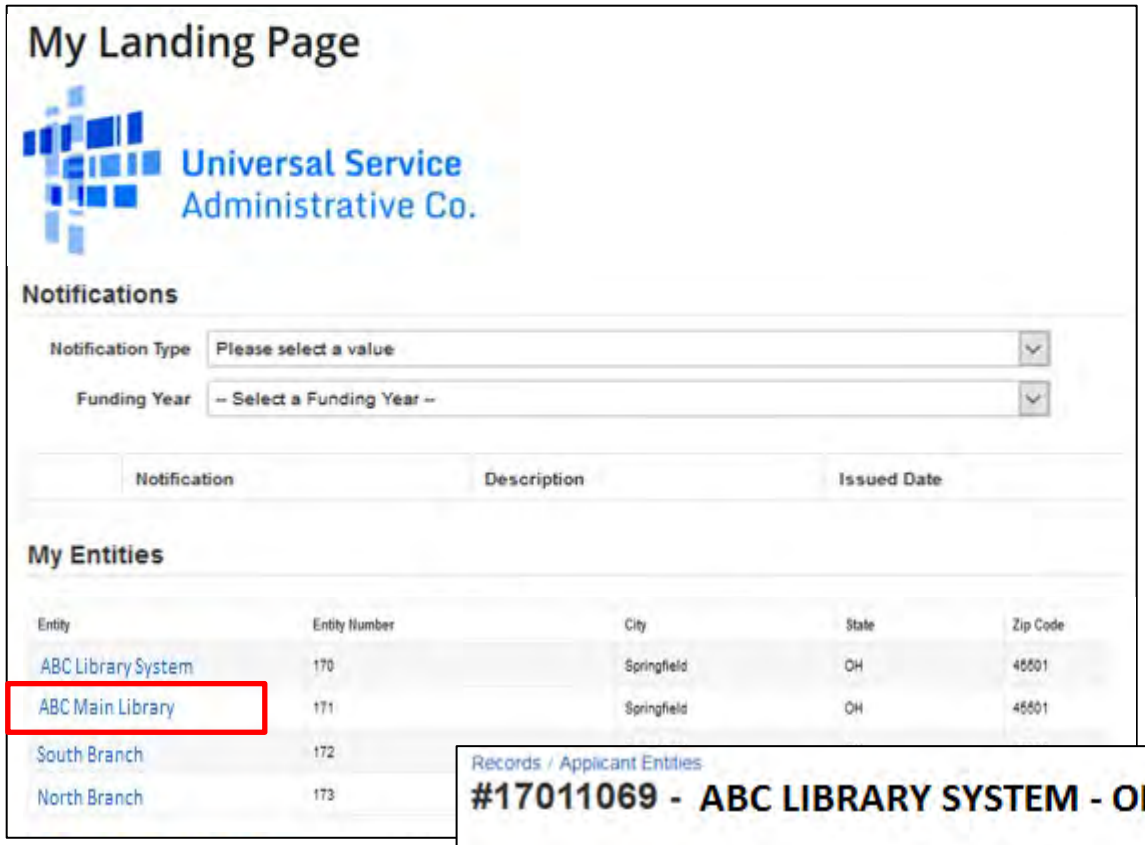


- Click on "Category 2 Budget" and then "Get Category 2 Budget Information". You will see any requests since FY2021 and the Remaining Budget.



- Click on "View Details" to see the breakdown by funding year.

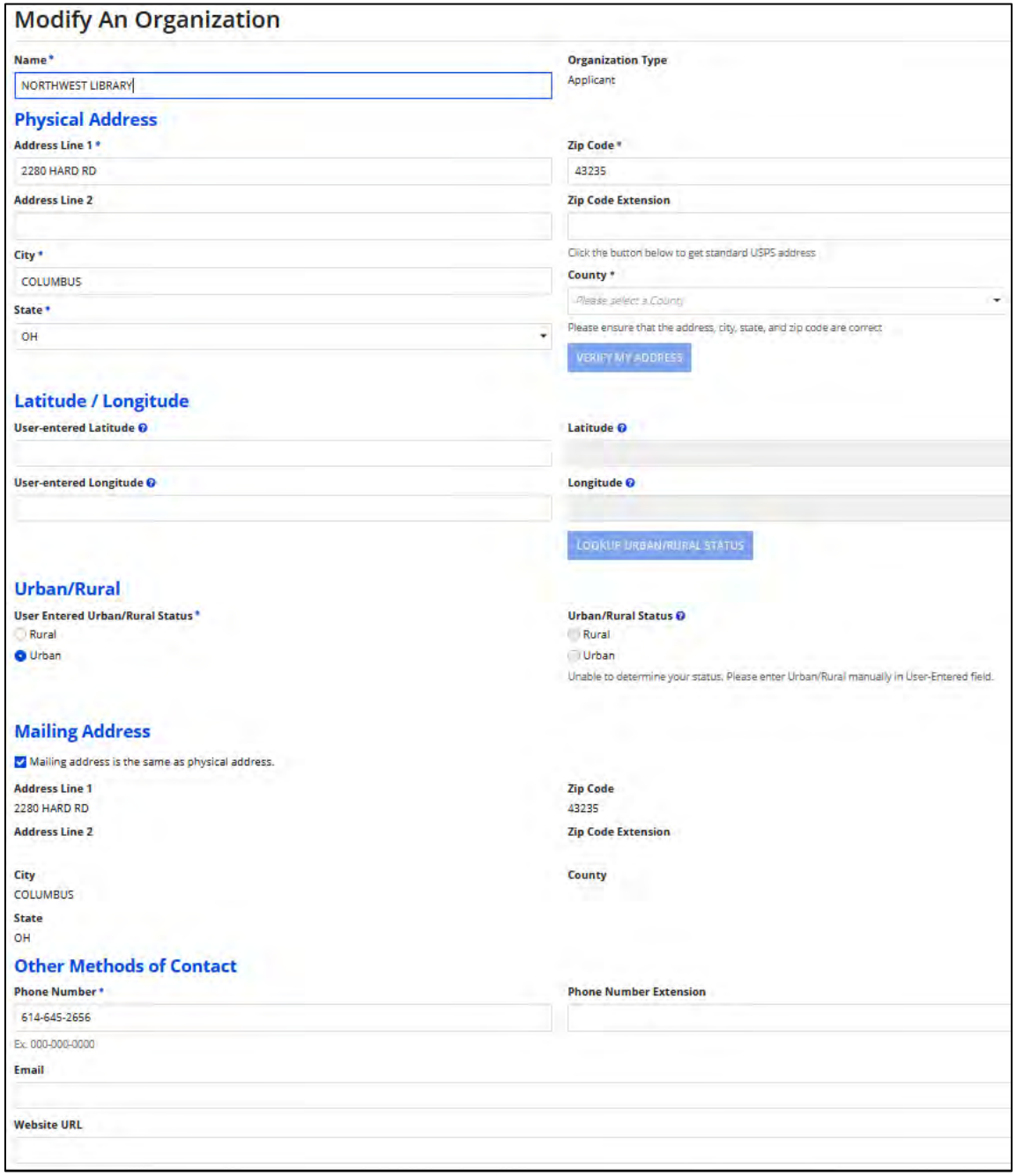
Library Detail Page



Click on the name of each library, and then “Manage Organization”, to edit information pertaining to this building, such as square footage.

Note: You also have the option to provide information if there is an annex associated with this library.

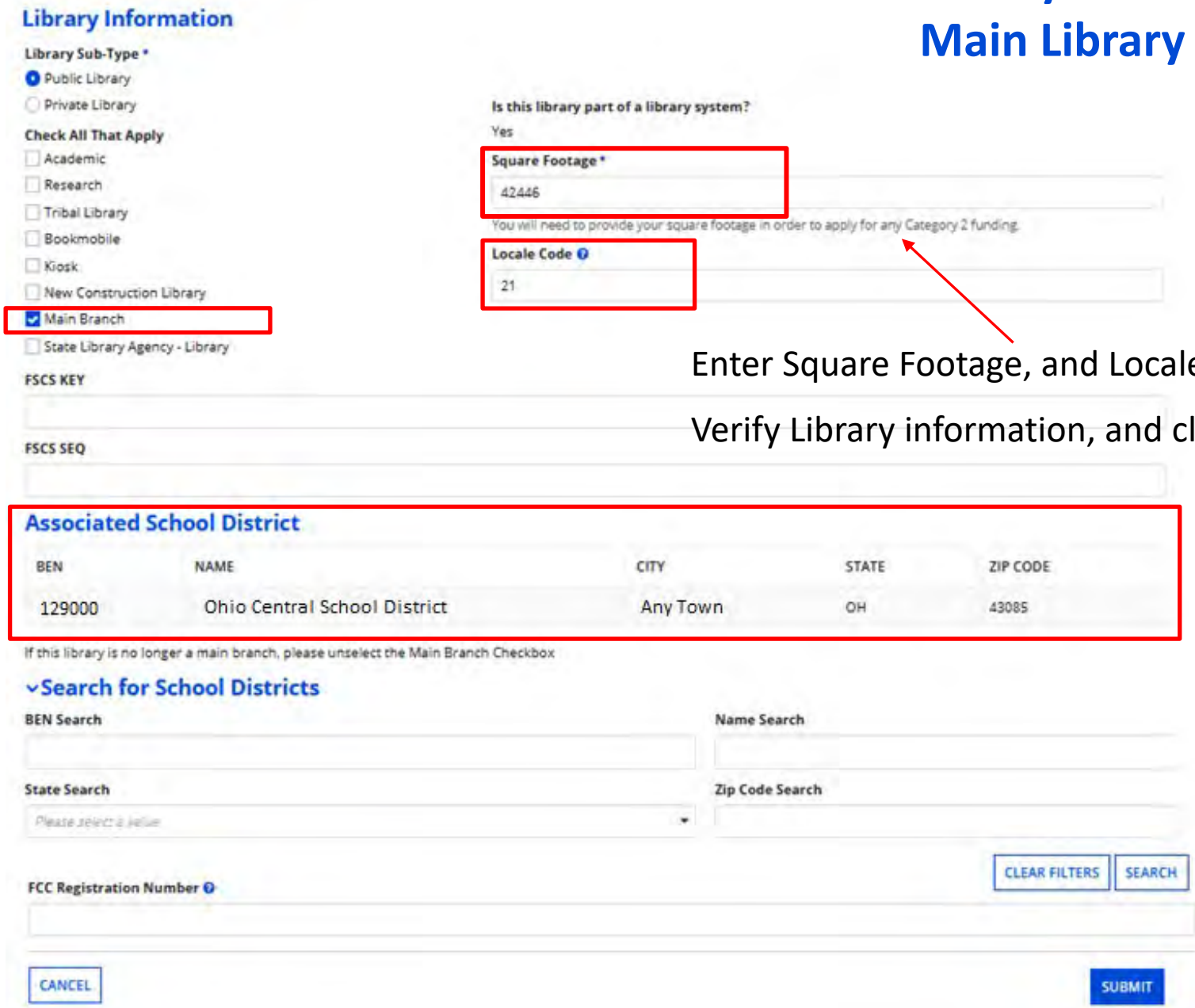
Modify An Organization - Library Detail View



View after clicking on “Manage Organization”

From here, you can correct building addresses.

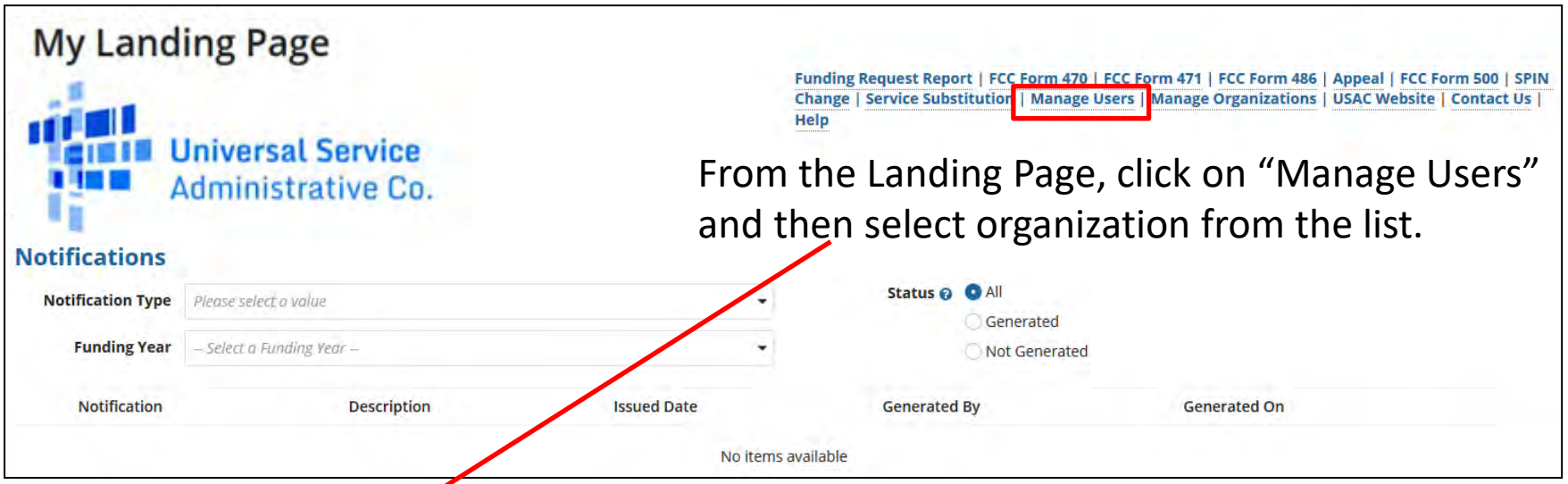
Modify An Organization - Main Library Detail View



Enter Square Footage, and Locale Code if blank.

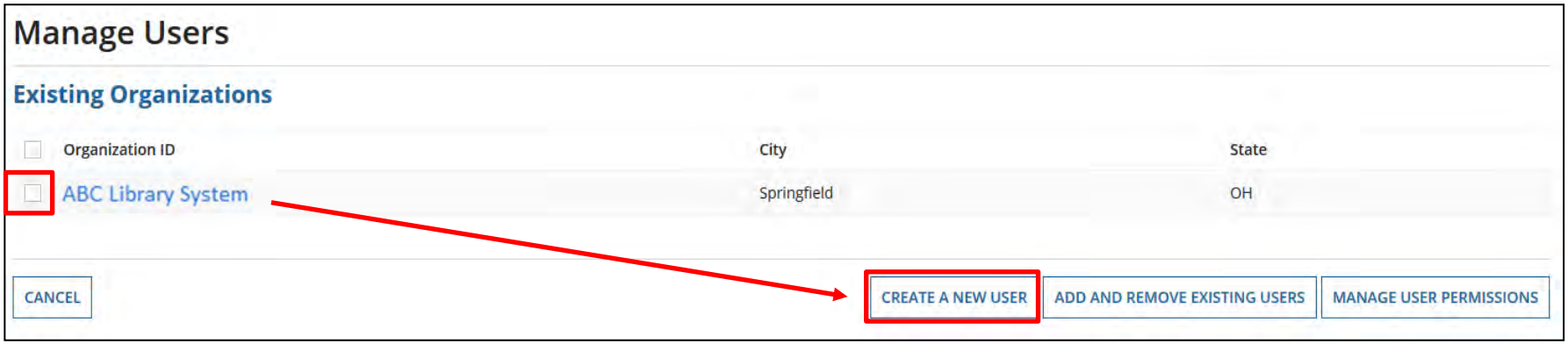
Verify Library information, and click on “Submit”

Creating New Users

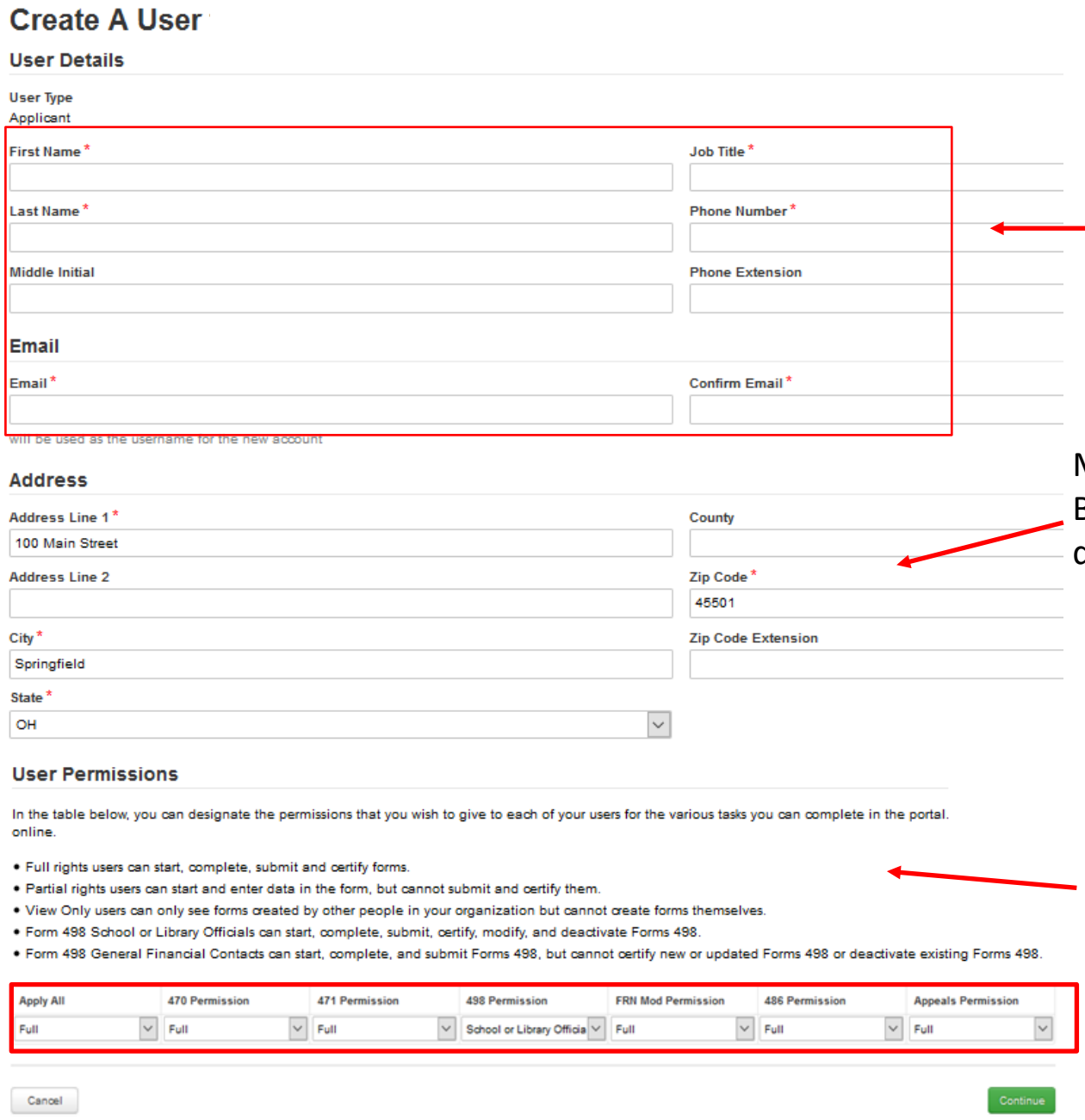


From the Landing Page, click on “Manage Users” and then select organization from the list.

Click on “Create New User”



Creating New User



Enter User Details

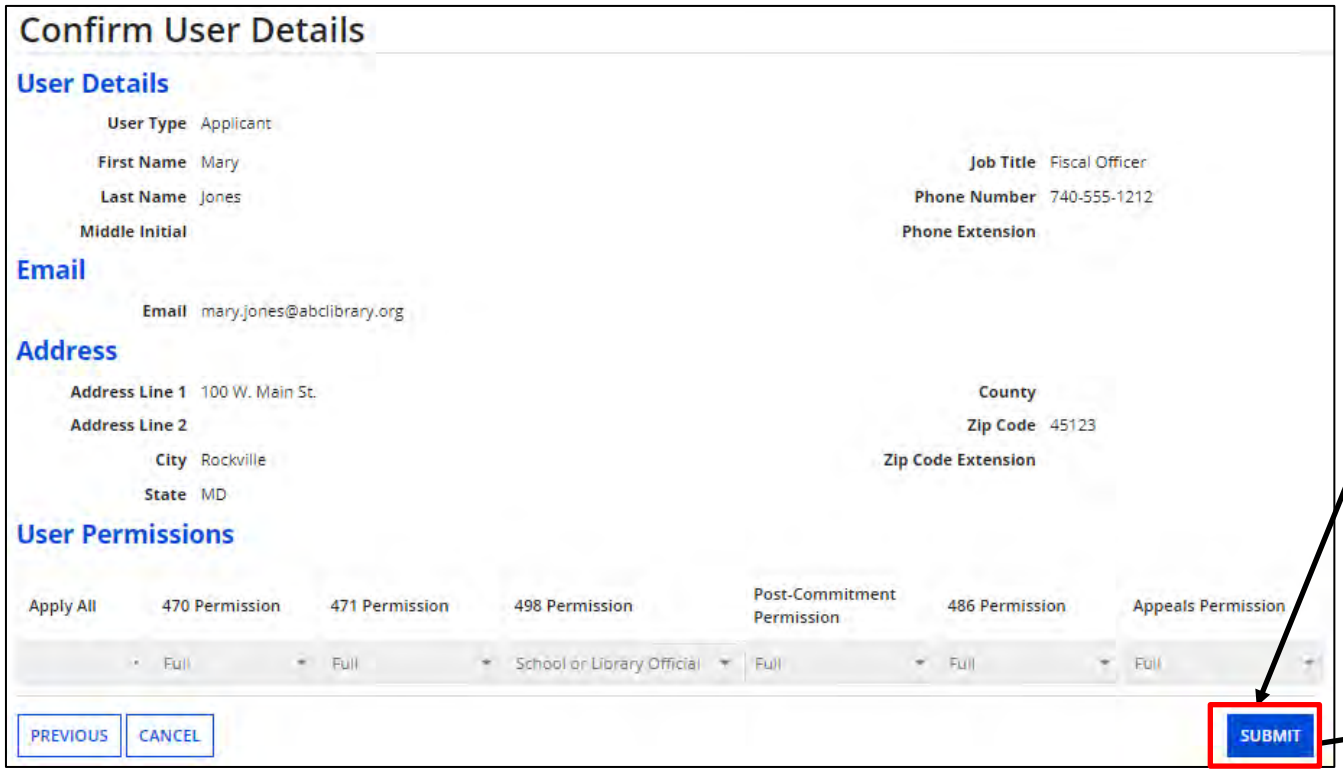
Modify address if necessary. The Billed Entity's address is listed by default.

Select permissions for the new user, which are defined on the site.

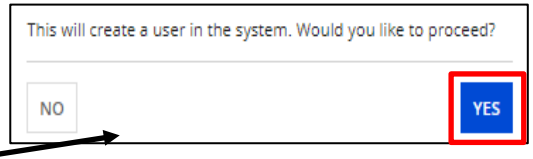
You can assign rights per form, or choose "Apply All". For the Form 498, choose "School or Library Official" or "Financial Contact".

When done, click on "Continue"

Confirm New User



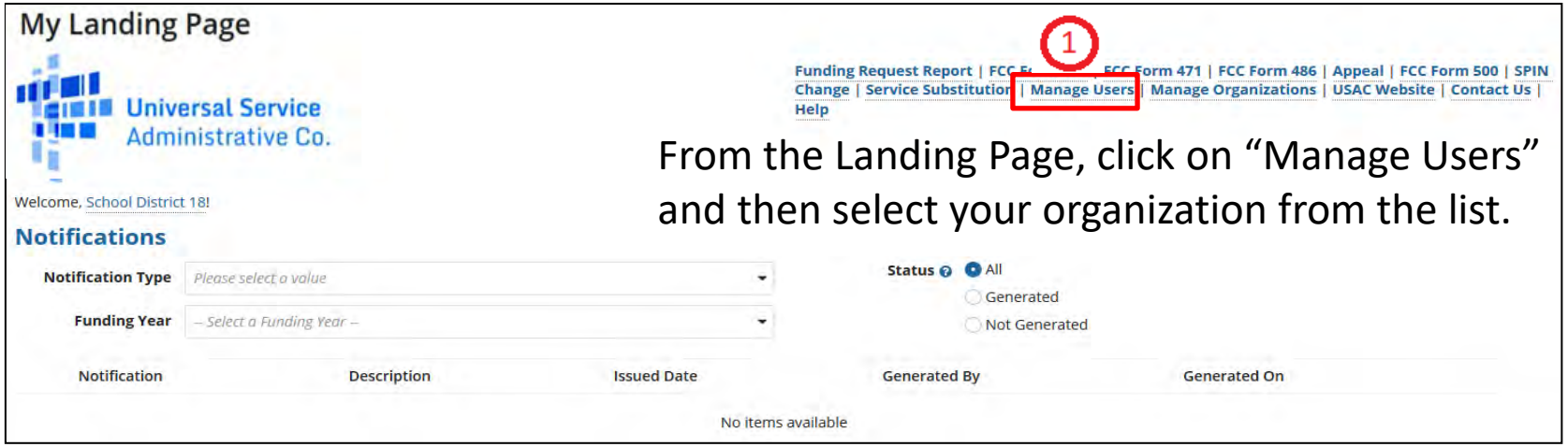
Confirm information and click on “Submit” and then “Yes” in the pop-up to proceed.



The new user will receive several emails prompting them to sign in to EPC, create a password, and accept the terms and conditions.

Note: The user must accept the terms and conditions before you can modify their role.

Manager User Permissions

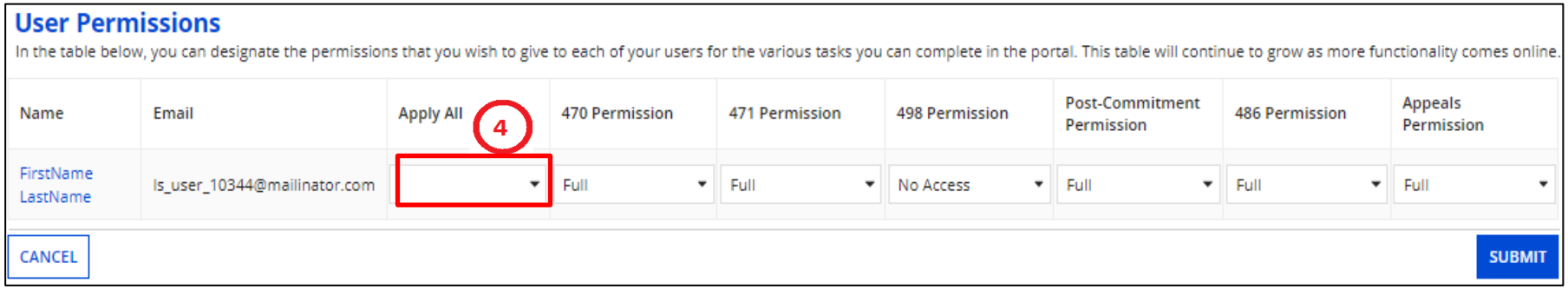


From the Landing Page, click on “Manage Users” and then select your organization from the list.

Check the box to choose BEN and then “Manage User Permissions”.

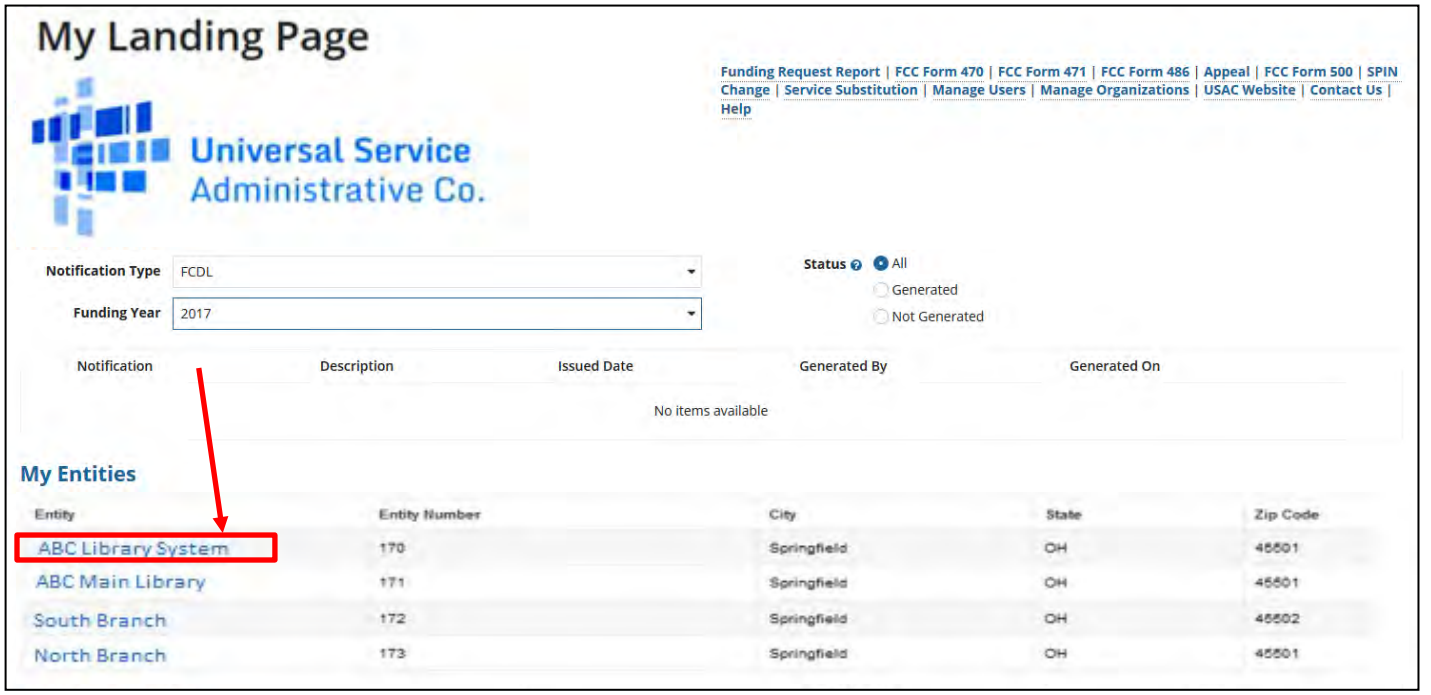
Click on the pull-down for each task to assign permissions or “Apply All”. Click on “Submit”.

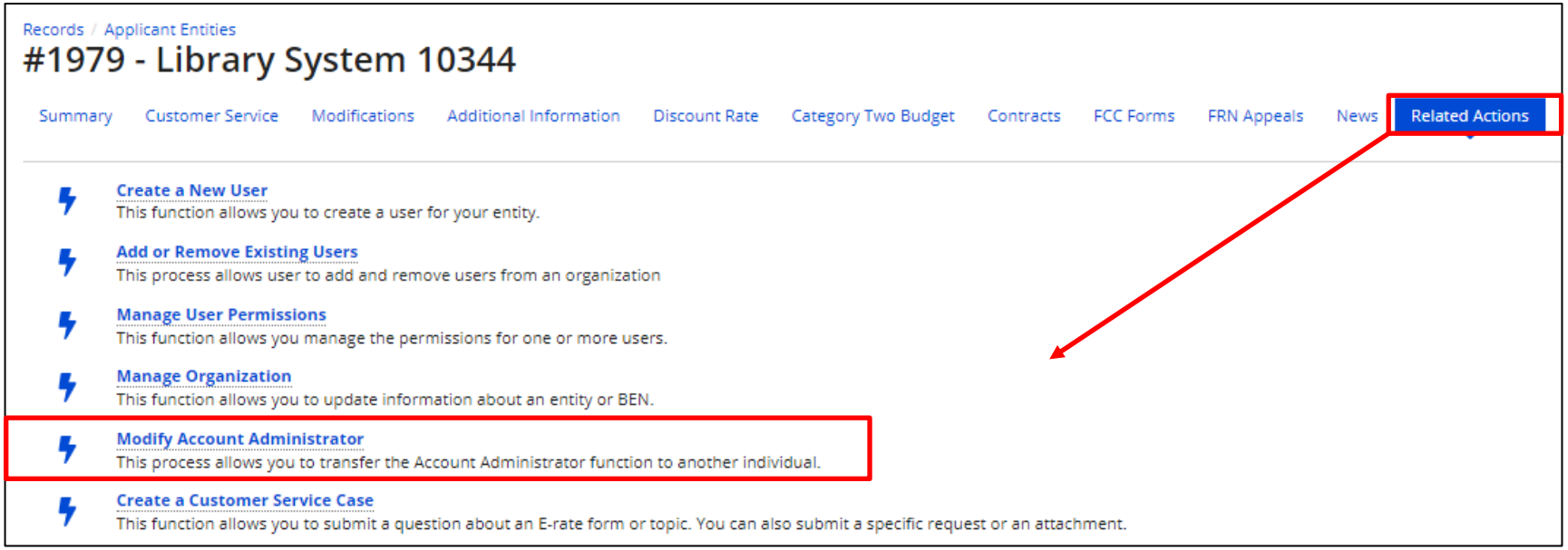
Note: this will be where the new BEAR access will be assigned.



Modify Account Administrator

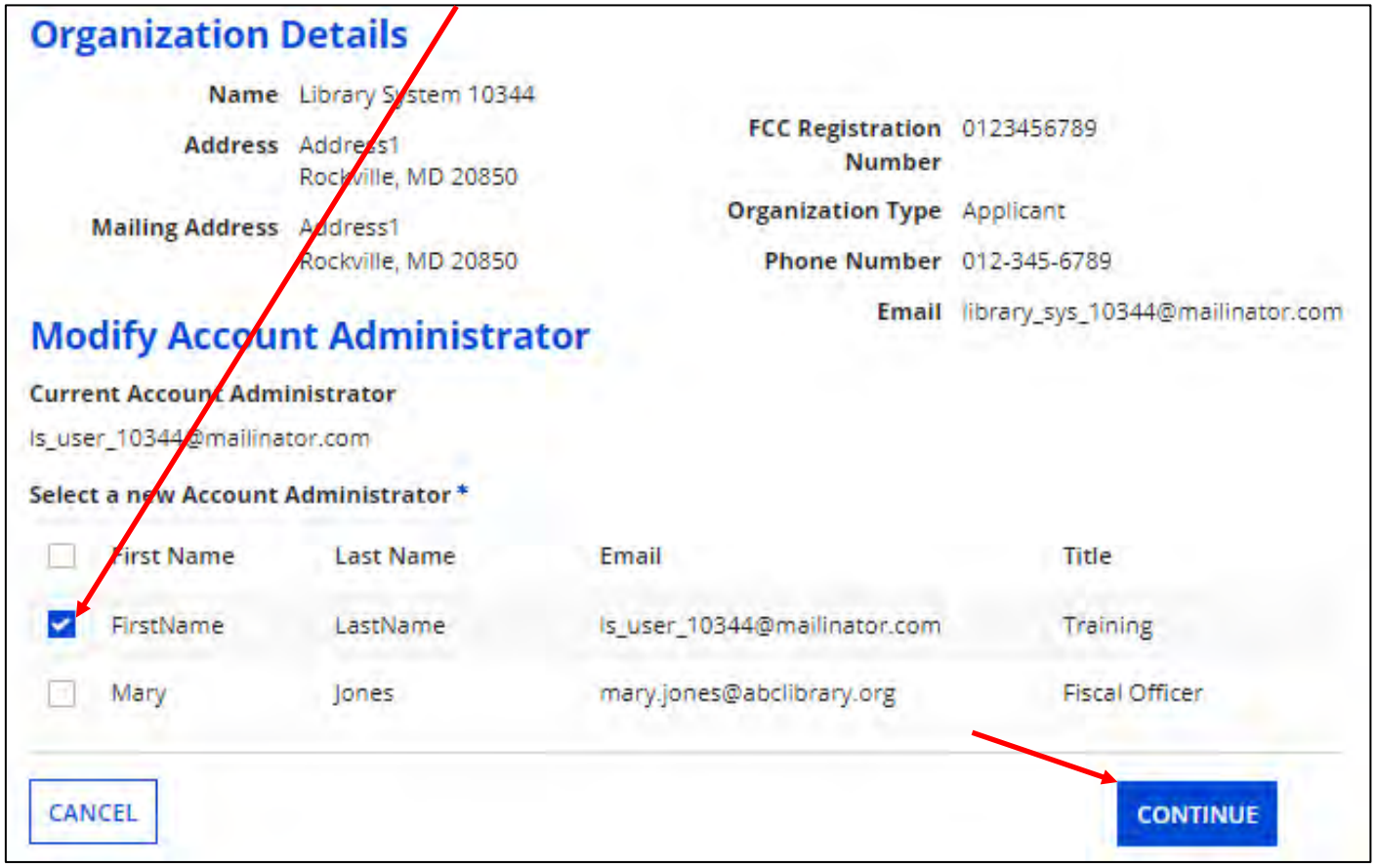
From your Landing Page, choose your Billed Entity organization, click on "Related Actions" and then Modify Account Administrator.





Modify Account Administrator

Uncheck the box to the left of the current user's name and select the new administrator. Click on "Continue", confirm information, and then select "Submit".



The Form 500 and Post Commitment Options To Be Aware Of

Form 500

a.k.a - **Funding Commitment Adjustment Request Form**

We can file the FCC Form 500 to accomplish one or more of the following:

- To adjust the service start date reported on a previously filed FCC Form 486
- To adjust the contract expiration date listed on the FCC Form 471
- To cancel a Funding Request Number (FRN) or reduce the amount of an FRN
  - This is important if you request Category 2 funding but don't use all the funds requested. This will put the unused funds back into you budget.
- To request a service delivery extension for non-recurring services.
  - If the delay is outside of the applicant/service provider's control, you may request more time, up to a full year.

SPIN Changes

Corrective SPIN Change

- A corrective SPIN change is a notification to USAC that the SPIN associated with a Funding Request Number (FRN) is not correct.
- Corrective SPIN changes include the following:
  - Data entry errors were made when the FCC Form 471 was submitted such as entering the wrong SPIN (making a typo) or entering the wrong SPIN because your provider has multiple SPINs, and you chose the wrong one.
  - A merger or acquisition. The original service provider has merged with, or has been acquired by, another company and the SPIN indicated on the FRN has changed.

SPIN Changes

Operational SPIN Change (These are harder to get approved!)

- Applicants may request an operational SPIN change to replace the provider associated with a specific Funding Request Number (FRN).
- An operational SPIN change is permitted when:
  - It is allowed under the applicant's state and local procurement rules.
  - It is allowable under the terms of any contract between the applicant and its original service provider.
  - The applicant has notified its original provider of its intent to make the change.
  - There is a legitimate reason to change providers (e.g., breach of contract or the service provider is unable to perform the requested services).
  - The newly selected service provider received the next highest point value in the original bid evaluation. If the applicant did not receive multiple bids, the applicant must submit a statement explaining that it received only one or no bids.

*Changing providers because the services are available at a lower cost from another provider or because you wish to do business with a provider that didn't participate in the bidding process are not considered legitimate reasons for change and will be denied.

Service Substitutions

- A service substitution is a change in the products and/or services specified in the FCC Form 471
  - Substitutions must meet the following conditions :
    - The substituted services or products have the same functionality as the services or products contained in the original proposal.
    - The substitution doesn't violate any contract provisions or any state or local procurement laws.
    - The substitution doesn't result in an increase in the percentage of ineligible services or functions.
    - The requested change is within the scope of the establishing FCC Form 470, including any Requests for Proposal (RFPs), for the original products and/or services.

* If the new product or service costs more than what was originally requests, E-Rate will not cover the overage.

That’s E-Rate in a nutshell!!

Contact Information

E-Rate Support and Information

Lorrie Germann:
lorrie.germann@education.ohio.gov

www.ohio-k12.help/erate

Office: 740-223-2420
Cell: 740-253-1153