Fall FY2026 E-Rate Beginners Workshop for Schools

Lorrie Germann, State E-Rate Coordinator

Thanks for joining us, we'll get started at 9:00

For a copy of today's handout, go to
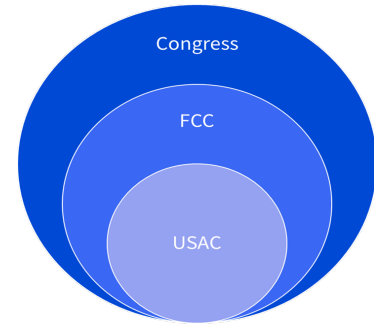**https://www.ohio-k12.help/e-rate-support/resource-library/**

Lorrie Germann, State E-Rate Coordinator

Agenda for Today

- **E-Rate Overview** – Slide 4

- **Eligible Services and Equipment** – Slide 12

- **Program Updates (What's New For FY2026)** – Slide 30

- **Category 2 Budgets** – Slide 33

- **Application Process** – Slide 40

- **E-Rate Productivity Center (EPC)** – Slide 68

What is E-Rate?

- FY2025 Program Cap was $5.06B
  - Funding does not come from the federal budget but is part of the Universal Service Fund (USF), which exists to ensure that all people in the United States have access to quality, affordable connectivity service.
- Provides 20-90% discounts on eligible services and equipment
- Program principles:
  - All equipment and services (**with a couple of exceptions**) must be competitively bid using the E-Rate portal for at least 28 days
  - Applicants MUST pay their non-discounted share (cannot be waived)
    - For example, if your discount is 80%, you must pay 20%
- FCC sets all rules and policies
  - USAC (Universal Service Administrative Co.), an independent, not-for-profit organization designated by the FCC to manage the program/ application process
  - We typically start applying 6-12 months before the funding year begins
 - The program is highly deadline-driven

Funding Year

A Funding Year (FY) starts on July 1 and ends the following June 30.

- **Our current funding year, FY2025, started on July 1, 2025, and ends on June 30, 2026.**
- **We are preparing to file for FY2026, which starts on July 1, 2026, and ends on June 30, 2027.**

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) before the July 1st 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.

What Entities are Eligible?
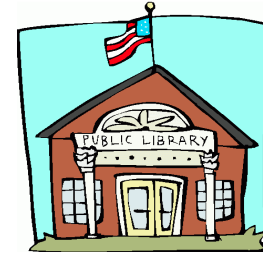
- Public libraries eligible for LSTA funding
  - Includes bookmobiles
- Public and non-public, <u>non-profit</u> K-12 schools
  - "Special Needs" Pre-K is eligible (ages 3+) in Ohio
- Non-Instructional Facilities (NIFs)
  - Admin buildings, bus barns, data centers, etc.
  - Only eligible for broadband/internet services (not equipment)
- Every "parent" organization (i.e., school district, library system) has a Billed Entity Number (BEN)
- Every "child" (school or NIF) building must have an Entity Number
  - If a school has a secondary site (separate gym, vo/ag, etc.) that will receive E-Rate services, it is designated as an "Annex". No separate entity number is needed.
  - Call USAC to obtain Entity Numbers for new buildings (school or NIF)

EPC – E-Rate Productivity Center

- The E-Rate application management portal
- All E-Rate forms, letters, and interactions are located in EPC
- This is also where...
  - **We update student enrollment/NLSP counts**
  - **Create users/assign rights**
- Every "Billed Entity" has a BEN portal account
- Every BEN Account has "Users"
  - Each BEN can have only **one** Account Administrator (AA)
  - o Only the **AA** can create/edit user permissions
  - You may have or add additional users and assign specific rights

School Discount Calculations

- **Discount level for schools based on 2 factors:**
  1. % of students – **district wide** - who are eligible for the National School Lunch Program (NSLP)
     - Doesn't matter if school serves lunch or participates in NSLP
     - CEP schools' 1.6 multiplier calculated automatically
     - Alternatives to using NSLP data available (such as surveys)
  2. Whether a <u>majority</u> of school buildings are considered urban or rural
     - Designations already in EPC
     - This is based on 2020 US Census rural/urban designations
- Using this data, the 'Discount Matrix' is then used to determine your district-wide discount percentage

CEP = Community Eligibility Program

Discount Matrix

Income % of students in the school that qualify for the NSLP…	Category 1 Urban Discount	Category 1 Rural Discount	Category 2 Urban Discount	Category 2 Rural Discount
Less than 1%	20%	25%	20%	25%
1% to 19%	40%	50%	40%	50%
20% to 34%	50%	60%	50%	60%
35% to 49%	60%	70%	60%	70%
50% to 74%	80%	80%	80%	80%
75% to 100%	90%	90%	85%	85%

% NSLP = 43% *and* **a majority of schools are Urban**

What Enrollment & NSLP Data To Use

- Most use the student/NSLP counts reported to ODE's Office of Child Nutrition for October, published in the annual MR-81 report.

- For FY2026, we will use the **October 2025** version (or you may use your most current data if you choose).

- The MR-81 is typically released early/mid-February. We update our counts in the E-Rate portal from mid-October – early-January, so ask your cafeteria director what was reported to ODE for October!

- This summer, ODE sent me an updated MR-81 listing the schools approved for CEP in April 2025. The document also includes the "Base Year" information.
  - Note: The minimum Direct Cert percentage required to qualify for CEP is 25% participation of students in households that qualify for programs like SNAP,TANF, RDPIR, or **Medicaid**, so more schools are participating.

- You may use counts from a Monthly Site Claim Form, CN-7 report, survey, etc., *but data obtained before filing the Form 471 application*.

- If your counts are different from the counts listed in the MR-81, you will be asked how you determined the information. **Be sure to document how you arrived at your total numbers.**

MR-81 Information – Which Numbers to Use

Non-CEP schools/districts use Enrollment and Free/Reduced counts:

Site IRN	Site Name	NSLP Provision	Enrollment	Total NSLP (Free/Reduced) Price Lunch Applications
00033936	North Adams Elementary School	Traditional	651	368
00033944	North Adams High School	Traditional	458	213
00070425	Ohio Valley Career & Technical Center	Traditional	338	190

CEP schools/districts use Enrollment, CEP Identified %, and update Base Year, if needed:

Site Name	Base Year	Enrolled Students	CEP Eligible Student Count (Direct Certified)	CEP Identified % (Number to use in EPC if school participates in CEP. The 1.6 factor will be applied to calculate the NLSP %)
A+ Arts Academy Maybury Campus	2024	169	91	53.85
A+ Arts Academy Middle	2024	303	204	67.33
A+ Arts Academy Napoleon Campus	2024	122	58	47.54

Note: If two or more schools share a cafeteria, counts are combined and listed under the name of one of the schools. You will need to split the counts out to report in EPC.

E-Rate Eligible Services

Categories of Service

- **Category 1** – Services that go <u>TO</u> the school or library
  - Subcategories:
    - Data Transmission Services (fiber, coaxial cable, etc.)
    - Internet Access
  - Maximum discount is 90%
  - No E-Rate funding caps
  - Services must be received July 1 – June 30
  - All buildings are eligible for Cat 1 funding

- **Category 2** – Services/equipment that go <u>INSIDE</u> the school or library
  - Subcategories:
    - Internal Connections
    - Basic Maintenance of Internal Connections
    - Managed Internal Broadband Services (MIBS)
  - Maximum discount is 85%
  - Subject to 5-year "C2 Budget" (funding cap)
  - Equipment can be received April 1 – Sept 30 (18 months)
  - **NIFs are NOT eligible for Cat 2!**

What's Eligible Under Category 1

C1: Data Transmission Services

Most Common:

- Leased Lit Fiber
- Cable Modem/DSL/FIOS
- Bundled Internet Access (with transport)

Other Eligible Fiber:

- Leased Dark Fiber * (Someone else owns it, but you're responsible for lighting it)
- Self-Provisioned Fiber (Build/Own Your Own Network) *
- Special Construction Charges
  - Costs for vendor to build out network
- Installation Charges
  - One-time charge to "turn on" service

* Additional bidding requirements apply

Also Eligible (less common):

- Microwave Service
- Broadband over Power Lines
- T-1, T-3, Fractional T-1
- DS-1, DS-2, DS-3
- OC-1, OC-3, OC-12, OC-n
- Frame Relay
- ISDN
- Satellite Services
- Stand-Alone Internet (no transport cost if you own the fiber to your buildings, or a different vendor provides the circuits)
- Wireless <u>data</u> plans * (**typically used for bookmobiles or kiosks**), where plans are the most cost-effective option

Not Eligible:

- <u>Voice services</u>
- <u>Duplicative (redundant) services</u>
- <u>Filtering</u>

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CABIO Internet Bidding Exemption

Commercially Available Bundled Internet Option (CABIO)

- Schools and libraries seeking "Commercially-Available Business Class Internet Services" are not required to file a Form 470
- Typically, only Cable-Modem, DSL, or FIOS Internet Service
- Commercially Available means that it is publicly available to non-residential customers (such as enterprise, small business, or other government customers) in the same form and at the same rates that it is offered to schools or libraries
  - Basically, this is an internet service that is available on a vendor's website for its business customers
- Minimum speeds must be 100 Mbps downstream and 10 Mbps upstream
- Cost must be $3,600 or less annually (pre-discount)
  - Cost must be per-building and cannot be averaged across multiple buildings
  - $3,600 includes any installation costs, equipment rental, taxes and fees

The CABIO option is geared (but not limited) to small libraries and small non-public schools or NIFs using cable modem-type services

What's Eligible Under Category 2

Three Sub-Categories for C2

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

Internal Connections

- Wireless Access Points/Controllers
- Network Routers & Switches
- In-Building Structured Cabling
- Caching Servers
  - Only eligible servers
- Firewall Appliances
- Racks and UPSs
  - That support eligible equipment only
- Equipment licenses
  - Pre-paid, multi-year licenses can be requested in first year
- Cloud-based functionality of eligible equipment

- Operating system software to support eligible equipment
- Installation and configuration
  - If wanted, be sure to specify this in your 470/RFP
- Taxes and fees
- Basic training on use of equipment

- Not eligible:
  - **Cybersecurity!!!!!!**
  - Storage Devices
  - Voice/Video Components
  - End User Devices
  - Security cameras
  - Advanced firewall functions, like anti-spam, anti-virus, etc.

Library Small C2 Bidding Exemption

- Libraries are now exempt from bidding for Category 2 equipment or services if:
  - Total, pre-discount amount is **$3,600** or less
  - Total cost is per library and cannot be averaged over multiple libraries
  - Cost-effective rules still apply
  - Contracts still must be signed prior to filing the Form 471

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 manufacturers' 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

  - **Or call USAC at 888-203-8100, who should be able to tell you if the SKU is fully eligible**

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%)	

Internal Connections Purchase Timeline

- Equipment can be purchased <u>as early as</u> April 1, prior to the funding year start
  - For example, applicants can purchase equipment on April 1, 2026, for FY 2026, even though the funding year doesn't begin until July 1, 2026
  - However… vendors/applicants cannot be reimbursed from USAC until July 1
  - Applicants that purchase equipment prior to receiving funding commitment letter are risking paying full price

- Equipment can be purchased <u>as late as</u> September 30, following the end of funding year

- Allows applicants two full summers to install equipment

FY2026 - Non-Recurring Services/Equipment Purchases - April 1, 2026 - Sept 30, 2027																	
			FY2025 - Recurring Service - July 1, 2026 - June 30, 2027														
Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
2026	2026	2026	2026	2026	2026	2026	2026	2026	2027	2027	2027	2027	2027	2027	2027	2027	2027

Current Basic Maintenance (BMIC) Definition

- Basic Maintenance of Internal Connections is the **repair and upkeep of eligible internal connections**.

- The two types of Basic Maintenance Internal Connections are:
  - **In-Person Services**, which include on-site repairs (Time and Material Contracts)
  - **Remote Services**, which include Maintenance Support Services (such as basic technical support, configuration changes, bug fixes, patches, software upgrades, support service subscription licenses, technical support licenses)

- The equipment being maintained must be eligible in order for the maintenance to be eligible for E-Rate support.
  - If repair or replacement work is performed under a maintenance contract, USAC only reimburses for the **actual work performed**.

- Can only be for services/work performed during 12-month funding year (7/1/2026 – 6/30/2027)
  - Does <u>not</u> follow the 4/1/2026 – 9/30/2027 schedule

Current Examples of BMIC

In-Person Services/Time and Materials

- Repair and upkeep of eligible hardware
- Wire and cable maintenance

Remote Services/Maintenance Support Services

- Configuration changes
- Basic technical support, including online and telephone-based technical support
- Software upgrades and patches, including bug fixes and security patches

Currently, any license that provides **maintenance functionality** should be requested under **BMIC** on the FCC Form 470/471 (not client access or right-to-use licenses).

BMIC Services Exclusions

- Actual equipment being maintained (e.g., cabling, access points, switches)

  - These are eligible under **Internal Connections.**

- Unbundled warranties (Not Eligible for E-Rate Funding)

- Network management services, including 24-hour network monitoring (Eligible under **Managed Internal Broadband Services** (MIBS))

- The management, operation, and monitoring of eligible broadband internal connections (Eligible under **Managed Internal Broadband Services** (MIBS))

- Maintenance on ineligible equipment (Not Eligible for E-Rate Funding)

- Internal connections software (including Right to Use and Client Access Licenses to make equipment functional): software allowing the equipment to function and distribute high-speed broadband. They do **not** provide support or maintenance and are therefore ineligible as BMIC. Such software is eligible as **Internal Connections**.

Draft FY2026 Eligible Services List (ESL)

Each year, the FCC releases a draft version of the ESL, outlining possible changes being considered. Stakeholders have a specified period to comment on the proposed changes. The final approved version shows what was accepted, along with an explanation for any rejections.

The FCC has released the draft version of the FY2026 ESL and is seeking comments on proposed modifications, such as **how eligible software and other remote configuration services are categorized in the ESL.**

- Under current rules, items that include support, such as most equipment **license renewals**, which include both **right-to-use license** and **support**, allowing for remote-based services such as software upgrades and patches, bug fixes, security patches, and online and telephone-based technical assistance. **The item must be funded under BMIC.**

- For multi-year subscription renewals, which are treated as a multi-year contract, a pro-rata allocation of the cost is required. This means a funding request must be submitted for each funding year on the Form 471 for the annual amount, even when the full multi-year cost is paid to the service provider upfront. **Example: A 5-year renewal for a total cost of $10,000; you can only ask for $2,000 each year.**

Draft FY2026 ESL…Continued

In previous funding years, USAC has recommended that you seek bids under both **IC and BMIC** when filing the Form 470 for license renewals**,** since you may not be sure where the licenses fit at that point. **This has caused tremendous confusion.**

- To alleviate this confusion, the FCC proposes to include software-based services, including bug fixes, security patches, software-based technical assistance, and configuration changes under **Internal Connections!!**

  - If approved, this would mean no more listing license renewals under both IC and BMIC on the Form 470, **but most importantly**, when paying for a multi-year subscription upfront, you can receive reimbursement in year one!

- **Fixed maintenance contracts** (on-site configuration changes, and time and materials) will continue to be eligible for funding under BMIC, but only for the work that is actually performed under the contract.

Managed Internal Broadband Services

- Managed Internal Broadband Services (MIBS)
- Covers the operation, management, or monitoring of a LAN
- 2 Options:
  - Paying an outside vendor to own/manage the equipment
  - Paying an outside vendor to manage school-owned equipment
- Subject to the C2 budget caps
- Traditionally used by small schools/districts and libraries that don't have their own IT staff

Equipment Transfer/Disposal Rules

- **Receiving equipment**: Be sure to label each piece and record it in your asset inventory

  -- *Make/model/serial number/building/room/FRN/date installed*

- **Transfers**: E-Rate funded equipment may be transferred between eligible schools or libraries within the BEN
  - If equipment is transferred between buildings within 5 years from date of purchase, applicants must record reason and date of transfer and update asset inventory
    - No notice to USAC is required
  - Asset inventory must be retained for 10 years from date of purchase

- **Disposal**: Equipment may be disposed of, sold, moved to a NIF, etc. after 5 years from the date of installation
    - No notice to USAC is required but asset inventory must be updated

NIFs Not Eligible for C2 Funding

- – Non-instructional facilities (NIFs) are not eligible for C2 funding/equipment that is specific to their building

- – Shared equipment may be housed at a NIF

- – For example:
  - A Wireless Controller may be housed within a NIF
  - Wireless Access Points in a NIF may not be purchased with E-Rate funds
    - – These would be building-specific and not equipment that is shared with other schools

Updates & What's New For FY2026?

Off-Premises Wi-Fi Hotspots and Bus Wi-Fi Are No Longer E-Rate Eligible for FY2025

- On Sept. 30, 2025, the FCC overturned the previously adopted Report and Order (FCC 24-76), which made **Wi-Fi hotspots and mobile wireless Internet services for off-premises use** eligible for E-Rate program support.
- The Commission clarified that providing Wi-Fi or similar technologies outside of traditional school and library premises does not fall within the scope of the E-Rate program.
- Based on this decision, the FCC has released an amended FY2025 Eligible Services List, removing Wi-Fi services for school buses and hotspots as eligible services. **This also applies to FY2026 forward.**
- **This does not apply to hotspots used for a library's bookmobiles or kiosks!**

Off-Premises Wi-Fi Hotspots and Bus Wi-Fi Cont.

- Any existing funding requests in the E-Rate system will be denied automatically by USAC in the near future.

- The timing of and manner of those denials are TBD, but you should prepare for them now.

- You should re-read your contracts to see how the vendor addressed termination or alteration of the E-Rate program in their terms.

- You should reach out to your vendor now if you need to change the quantities of devices or service lines, based on the elimination of E-Rate funding.

- If you're a library whose contract is based on the OPLIN Form 470 RFP, vendors were supposed to "Provide details for optional continuation or termination of the contract, in the event that the FCC Off-premises Wi-Fi Hotspot Program is either terminated or significantly altered before June 30, 2028."

Category 2 Budget

New 5-Year Category Two (C2) Budget Cycle

FY 2026 will be the first year of the FY 2026-2030 funding cycle.

- Unused funds from the FY 2021 – 2025 Category Two (C2) budget will not roll over to the FY 2026 – 2030 funding cycle.

- The E-Rate C2 Budget Tool FY2021+ provides data on the FY 2021-2025 C2 budget cycle.

  - The tool will be updated to show C2 budget forecast data for the FY 2026-2030 C2 budget cycle.

- Applicants will be required to validate their student counts or library square footage in the first year they apply for C2 support during the FY2026-2030 cycle.

- The C2 budget is calculated at the library system level based on the combined square footage.

- **To qualify for Category 2 funding, you must be CIPA-compliant**

FY2026-2030 C2 Budget Cycle Updates

FY2021-2025 C2 Budget Cycle	FY 2026-2030 C2 Budget Cycle

Libraries
 	
• $4.50/square foot
 	
• $25,000 funding floor
 	
• Tribal libraries were eligible for up to $55,000
 	
Schools
 	
• $167/student
 	
• $25,000 funding floor
	Libraries
	
	• **$5.43/square foot**
	
	• $30,175 funding floor
	  • This means a library **with less than 5,558 square feet** ($5.43/square foot * 5,557 square feet = $30,174.51) receives the funding floor of $30,175.
	
	Schools
	
	• $201.57/student
	
	• $30,175.00 funding floor
	  • This means a school with fewer than 150 students ($201.57/student * 149 students = $30,033.93) receives the funding floor of $30,175.

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.

School	Student Count	Budget Calculation ($201.57/student	Budget Received (Use minimum budget if calculation is less)
ABC High School	567	$114,290.19	$114,290.19
ABC Middle School	532	$107,235.24	$107,235.24
ABC Elementary School	212	$42,732.84	$42,732.84
West Elementary School	125	$25,196.25	$30,175.00
East Elementary School	131	$26,405.67	$30,175.00
Totals	1567	$315,860.19	$324,608.27

Based on enrollment count

Based on the budget floor

Establishing Your C2 Budget for this Cycle

- Update your entity profile in EPC during the Administrative Window

- **Forecast Budget**: Beginning in the FY2026- 2030 budget cycle, all entities will have a Forecast budget status based on the information in their EPC profile. This means that any updates you make to the entity profile will automatically reflect in an updated budget amount, without the need to request a replacement budget.

- **Preliminary Budget:** The entity has **certified** a Form 471 application within the FY2026-2030 C2 budget cycle. This means that the entity has certified the accuracy of the budget data currently in the entity profile.

- **Confirmed Budget:** Once Program Integrity Assurance (PIA) review of FY2026-2030 C2 Form 471 application is **complete**. The C2 budget in the entity profile is now **fixed**. It can only be changed via an Appeal for the current FY. Beginning in FY2027, the entity can request a replacement C2 budget if the student count has increased for the next year.

Category 2 Pre-Discount Budget Example

5-Year C2 Budget Cap*	E-Rate Discount	E-Rate Will Pay:	District's Share %	District Must Pay:
$204,475	60%	$122,685	40%	$81,790

* The C2 Budget Cap is the pre-discount price. E-Rate discounts will then apply on top of the budget cap. In this example, the applicant would still owe its 40% non-discounted share

Data Used for Category 2 Budgets

- Enrollment data is entered in separate location in EPC (different from discount calculations)
- Why? Enrollments are set at first year you apply for C2 during that Category 2 Budget Cycle
- Not required to update annually
- CAN update if it will increase your C2 budget
  - Must then ask for C2 Budget Recalculation from USAC

Where to update C2 enrollment data?

>>> EPC Landing Page > District Name > Manage Organization > Scroll to bottom of page

E-Rate Application Process

Application Process Overview

E-Rate Step	Suggested Timeline
1) Assess Needs/Create Your Plan	August - December
2) Update EPC Profiles - Admin Window	Oct 15, 2025- early January
3) Bid All New Services/Equipment – Form 470	Now - January
4) Bid Evaluation	January/February
5) Board Approval/Sign Contracts	January/February
6) Request E-Rate Funding – Form 471	Mid Jan. – March 25? (deadline TBA)
7) Application Review – PIA	March - August
8) Funding Commitment – FCDL	April - August
9) Turn-On Funding/CIPA Compliance – Form 486	FCDL receipt – October 29
10) Receive Services	July 1, 2026 – June 30, 2027
11) Pay Vendor	July 1, 2026 – June 30, 2027
12) Submit Invoice to USAC (one of two options) – Form 472 BEAR if paid vendor bill in full **or** – Vendor submits Form 474 SPI to USAC if you received discounted bills	October 28, 2027 (deadline)

FY 2026 Application Cycle

- Funding years are named for the year in which they begin
  - FY 2025 = July 1, 2025 – June 30, 2026
  - FY 2026 = July 1, 2026 – June 30, 2027
- The application process begins 6-9 months ahead of start of next funding year
- May be dealing with 3 funding years at one time (**Don't panic!!!! It's doable**):
  - **FY2024 BEAR - Oct 28, 2025, deadline for recurring service**
  - **FY2025 Form 486 if FCDL received before July 1st for recurring service**
  - **FY2026 Form 470 if new service/equipment is needed**

Form	Description	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	June 2027	July 2027	Aug 2027	Sept 2027	Oct 2027	Nov 2027	Dec 2027	Jan 2028
									FY2026 - Non-Recurring Services/Equipment Purchases - April 1, 2026 - Sept 30, 2027																				
											FY2026 - Recurring Service - July 1, 2026 - June 30, 2027																			
470	Competitive Bidding Window (min. 29 days)		July 1, 2025 – Mid February 2026																										
AW	Administrative Window (EPC Profile Update)		Early Oct. 2025 – Mid Jan. 2026																										
	Newly Signed Vendor Contracts Uploaded in EPC		Prior to starting the Form 471																										
471	Funding Request Application Window					Mid Jan – Late March 2026																							
PIA/FCDL	PIA Review/Funding Decision Letters (FCDL) Issued								April 2026 – Sept 1, 2027																				
486	CIPA Certification/Turning on Funding (deadline is 120 days from the start of service, or date of FCDL)								For most recurring service requests, deadline is by Oct. 29, 2026 if FCDL is received prior to July 1st.																				
472	BEAR Deadline - Recurring Service (120 days from the last day to receive service)																							Oct. 28					
	BEAR Deadline – Non-Recurring Service (120 days from the last day to receive service)																												Jan. 28

Steps 1 - 12

1
Assess/
Plan
Sept - Oct

→

2
Update
Entities'
Profiles
Oct - Dec

→

3
Bid (470)
Aug - Jan

→

4
Bid
Evaluation
Sept - Feb

→

5
Sign
Contract
Jan - Feb

↓

6
Create Contract
Record/Apply
to USAC (471)
Jan - Mar

↓

12
Request Reimbursement
from USAC (472 BEAR)
*if discounts not on vendor
invoice*

11
Pay Vendor

Can purchase equipment as early as April 1 and pay in full {risk}

10
Purchase
Services/
Equipment

←

9
Turn-On
Funding
(486)
Apr ---

←

8
Funding
Commitment
(FCDL)
Apr - Aug

←

7
Application
Review
(PIA)
Apr - Aug
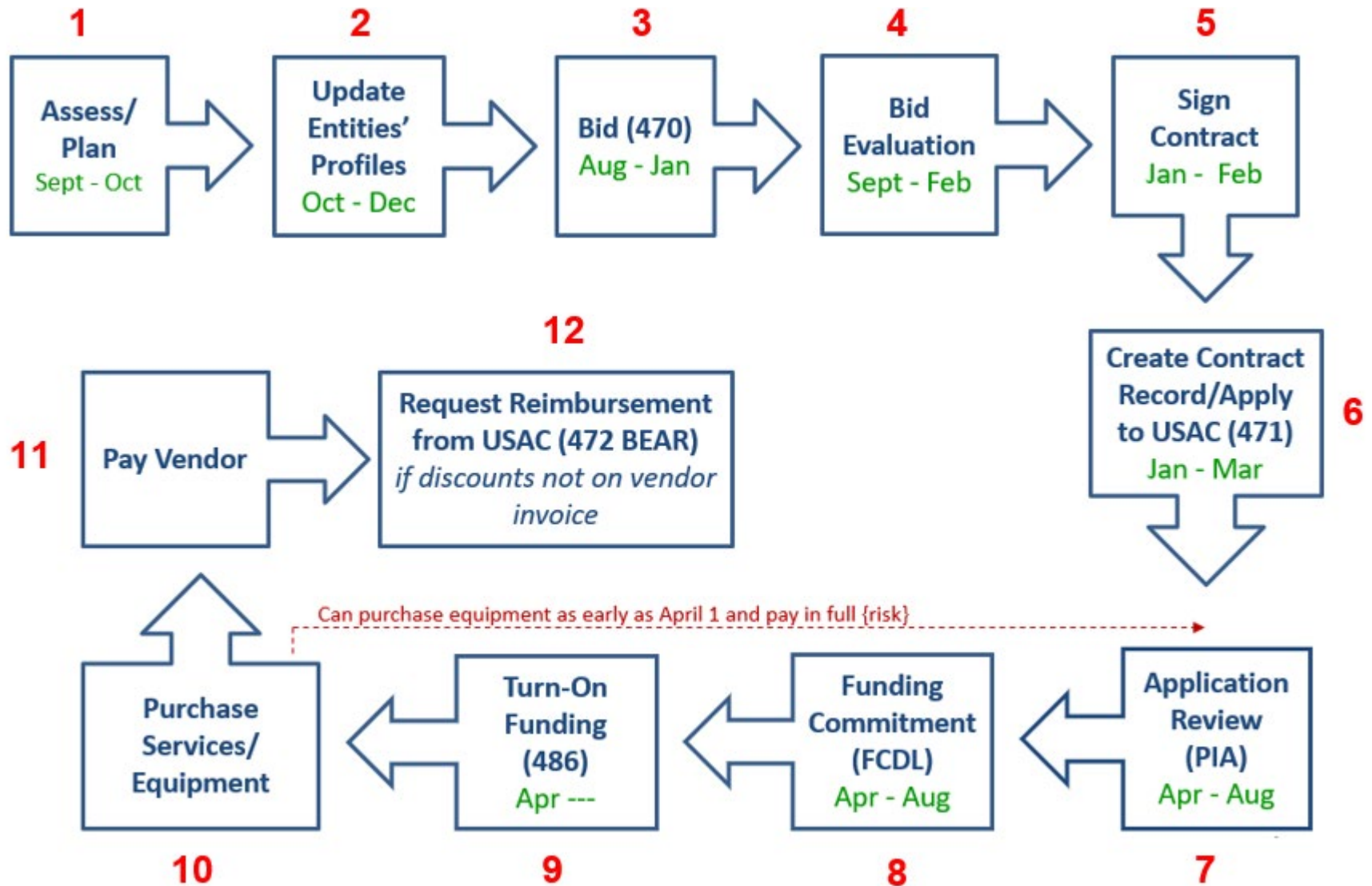
Step 1: Assess Need & Plan

- **When?** August - December
- **Category 1:** Review existing contracts to determine when they expire
  - Extend, if options are available
    - Must have documentation to vendor of request to extend
  - If contract expiring, decide if upgraded services are needed
- **Category 2:** Determine what equipment/wiring is needed for each school over the next 12 months
  - Research options, prepare bid-list

Step 2… Update Entities' Profiles

- **Update Entities' Profiles during the Administrative Window each fall**
  - Approx. 3-month period when schools must update enrollment/NSLP data for each school
    - And update Category 2 Enrollment if it has increased
  - Data cannot be changed once Admin Window closes (but you can provide updated info on the Form 471)

- Confirm all entities, including NIFs, are in EPC portal
  - Contact CSB at 888-203-8100 to make entity adjustments
- Libraries do not enter enrollment/NSLP data
  - EPC links libraries with the school district in which the library (or main library in a system) is located
  - Libraries should update square footage/address changes, if any

Step 3: Posting the Form 470

Form 470 Competitive Bidding Form

- Notifies vendors of services and equipment for which you are seeking proposals
    - All equipment/services for which you will seek funding on the Form 471 must have been posted on a Form 470
- Vendors are invited to submit bids/price quotes for 28 days from the date of certifying your Form 470

    - List **bid due date** in the narrative text box, along with **any disqualifying factors**
- You are NOT obligated to purchase any service/equipment listed on Form 470
- Category 1 and Category 2 can be filed on the same 470

When Must a Form 470 be Posted?

1. **Month-to-Month Services**
    – No contract exists – these are mostly cable modem-type services
    – File annually unless using CABIO
2. **New Contracts (new service or current contract will expire 6/30/2026)**
    – File before signing any new contract
    – If you posted a Form 470 in a previous year, and then signed a multi-year contract that expires on or after June 30, 2026, you are **<u>not</u>** required to file a Form 470 for FY 2026
3. **Bandwidth Upgrades**
    – If you're upgrading service mid-contract and the upgrades and associated prices are not included in the original contract

Contract Extensions:

- Permitted but must have been in original contract and must have a definitive end date
    – For example, a 3-year contract, with two 1-year renewals. Will not require new 470 until the end of 5 years
    – **However,** *a 3-year contract that automatically renews doesn't count.*
    – *This requires a new 470 at the end of 3 years*
- Must notify the vendor before filing Form 471 if you want to exercise one of your contract extensions
    – Can be as simple as an e-mail; some vendors want contract amendment
    – USAC will ask for this during your application review

When to File the Form 470

Deadline: Form 470 must be posted online <u>at least</u> 29 days before the close of the Form 471 window

For example:

- If Form 471 deadline is March 25, 2026; then…
- February 25, 2026 = 470 Deadline
  - <u>DO NOT wait this long!</u>
  - Gives you 1 day to evaluate bids, negotiate contracts, seek board approval, sign contracts, and then file the Form 471 by the 471 deadline

- **If you need to file a Form 470, plan on attending Form 470 training!!!!**

- You will also be able to find helpful Form 470 Guides at:
  https://www.ohio-k12.help/erate/e-rate-resources/

  - Form 470 Disqualification Suggestions
  - C1 & C2 Form 470 Filing Guide – Schools/District
  - C1 & C2 Form 470 Filing Guide –Libraries
  - Sample C1 & C2 Bid Matrix/Acceptance Letter

Requests for Proposals (RFPs)

- USAC considers any bidding document provided to vendors an RFP
- RFPs not required, except for:
  - All applicants seeking dark fiber or self-provisioned fiber projects
  - Libraries asking for hot spots/cellular data plan for bookmobile
- If issuing an RFP, all documents that constitute that RFP must be uploaded with Form 470 at the time of filing
  - Cannot cite a website bidding advertisement
  - **Important**: Any addenda or other documents given to vendors after the Form 470 is filed must be uploaded to existing 470
    - Must restart 28-day clock if any changes are made to the original RFP
- Vendors cannot provide RFP language or bid lists

During the Bidding Period…

- After the Form 470 has been posted online, vendors submit proposals directly to the school or library
- Proposals must be accepted for a minimum of 28 **calendar** days
  - **Applicants should specify a bid deadline in the Form 470/RFP**
  - Can be longer than 28 days
- Vendors will contact you if they need additional information
- When contacted by a vendor, you <u>must</u> indicate your willingness to receive a proposal for services listed on Form 470
  - Do NOT say you are just going to stay with your current vendor
- May conduct pre-bid meeting with vendors

Step 4: Evaluating Bids

- After the bid due date (which must be at least 29 days after 470 is posted), the applicant must review all qualified bids received for all services or equipment
- Must create and retain bid evaluation matrix
- **Price of eligible services/equipment MUST be the most heavily weighted factor during bid evaluation, but you're not required to go with the cheapest bid**
  - Brief list of evaluation criteria examples:
    - Quality of proposed solution
    - Cost of ineligible items
    - References
    - Experience with the vendor
    - Ability to meet installation deadline
- Retain all winning and losing bids and all correspondence between the applicant and all vendors (winning and losing)

Disqualifying a Bid

- In order to DQ a bid, the bid disqualification reason must have been stated in the Form 470 or in the RFP
- **DQ reasons <u>must</u> be yes/no** (either they complied or they did not)
- *Examples*:
  - Vendor must submit a proposal by the deadline stated in the 470/RFP
  - Vendor must bid on all services requested in the 470/RFP
  - Vendor must be authorized to do business in OH
  - Equipment must be compatible with school's existing XXX equipment
    - Be sure to then list the existing equipment in the school or library
  - Equipment cannot be refurbished or "gray market"
  - Vendor must be willing to provide discounted bills
  - Vendor must attend pre-bid walk-through
- When disqualifying a bid, make a note of the exact reason for DQ reason and show where it was stated in the 470 or RFP

TIP!

Received No Bids?

- Document via an email or file memo that no bids were received

- Existing Services: can continue to receive services from existing service provider

- New Services/Procurement: Solicit bid from willing vendor (who is not your brother-in-law or other family member)

  - Make sure the price is cost-effective

  - Check marketplace options from other vendors in your area or nearby areas

  - Save research and information to justify buying service from this vendor

Step 5: Signing Contracts

- Contracts (which include hardware quotes) must be signed/dated by the **_applicant_** <u>before</u> you submit Form 471

  - Unless receiving services on a month-to-month basis
  - Vendor can sign after the Form 471 deadline
  - Obtain board approval, if required, before signing a vendor contract
  - **Or** write a letter of acceptance if board approval is not possible prior to the Form 471 deadline
  - **Upload signed document in EPC prior to filing the Form 471**
    (step-by-step instructions will be covered during Form 471 training)

Know Your Role

Applicants	Service Providers
• Determine services needed, file FCC Form 470 and RFP. • Run competitive bidding process. • Select winning bidder, with price of eligible product and services as primary factor. • Respond to PIA. • File other applicant forms (FCC Forms 471, 486, 472, 500, etc.) • Document their compliance with FCC rules on an ongoing basis.	• Respond to FCC Form 470 and RFPs. • May assist with responding to PIA on technical services questions (but not competitive bidding). • File other service provider forms (FCC Forms 473, 474, etc. • Document their compliance with FCC rules on an ongoing basis.

Applicants **cannot** have a relationship with service providers that would unfairly influence the outcome of the competition.

Step 6: Contract Records/ Filing the Form 471

Purpose of the Form 471

- Filed **annually** by the entity that pays the bills (the Billed Entity)
- Formally requests E-Rate funding commitments from USAC
- Asks detailed questions about services or equipment
- Shows which entities are receiving service
- Shows discount calculations (from EPC)
- Links to a Contract Record(s) to show which Form 470 was used to bid services, contract signing dates, contract amounts, etc.

Funding Requests

- Each separate funding request is assigned a number called a Funding Request Number (FRN)
- Each FRN is "built" by adding FRN Line Items

When and How Many to File

- **471 Application Window: early January – mid March**

    Do **NOT** miss this deadline!

- Must be filed in EPC

- Category 1 and Category 2 **must** be filed on separate applications
    - Multiple applications are ok within the same category of funding

Please plan on attending the Form 471 workshop in January/ February

**Form 471
Window**

Step 7: PIA Application Review

Program Integrity Assurance (PIA) Review

- USAC team that reviews all applications submitted within the "Form 471 Window" and makes determination on funding approval/reductions/denials
- Checks for rule compliance
  - Eligible services
  - Eligible entities
  - Appropriate discount level
  - Competitive bidding violations
  - Category 2 budget levels
- The 471 main contact will receive an email notification that PIA questions are pending in EPC about their application
- Applicants have 15 days to respond
  - Can seek a single, 1-week extension
- PIA will notify if they intend to deny or reduce request

Step 8: USAC Issues Funding Decisions

FCDL = Funding Commitment Decision Letter

- Funding "waves" are released weekly
  - Goal is to have all "workable" applications funded by Sept 1
- FCDLs emailed to Form 471 contact and EPC AA
- Gives approval decisions for each funding request (FRN) on Form 471
- Can appeal within 60 days if you don't agree with their decision
  - Appeal to USAC first
  - Can then appeal to the FCC if USAC denies

Step 9: Filing the Form 486

Form 486 Receipt of Services Form

- Informs USAC that services have (or will) **start**, and
- Informs USAC that your school or library is **CIPA** compliant

- Can only be filed after the FCDL has been issued
- No applicant or vendor reimbursement forms can be paid until the Form 486 has been submitted and approved
- Form 486 is **very** simple! Almost all data fields pre-populated

Deadline: 120 days after FCDL date or October 29, whichever is later
- Can be filed immediately after FCDL received, **even before July 1**
- USAC will deduct 1-month's funding for each month the form is late

Step 10: Receiving Service/Equipment

- Category 1 services must be delivered between July 1 – June 30
  - Installation may occur as early as January 1 or the contract signing date, whichever is later
  - Services may not BEGIN until July 1
- C2 equipment has an 18-month window to purchase/install equipment
  - May be purchased/installed anytime after April 1 (3 months before funding year begins)
  - Equipment must be purchased and installed by September 30 (3 months after funding year is complete)

FY2026 - Non-Recurring Services/Equipment Purchases - April 1, 2026 - Sept 30, 2027																	
			FY2025 - Recurring Service - July 1, 2026 - June 30, 2027														
Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
2026	2026	2026	2026	2026	2026	2026	2026	2026	2027	2027	2027	2027	2027	2027	2027	2027	2027

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.

- For example, for recurring internet access service for FY2026, both the applicant and the service provider must retain all records until at least June 30, 2037.

- Retain receipt and delivery records relating to pre-bidding, bidding, contracts, application process, invoices, provision of services, and other matters relating to your applications.

Step 11: Paying for Equipment/Services

- Applicant's choice – one of two options
  - **Discounts** on bills (vendor invoices USAC)

    or

  - **Reimbursement** process (applicant pays bills in full, then invoices USAC)
- Must select one or the other for entire year for each FRN
- If you want discounted bills, notify your vendor after contract signing, as soon as you are funded
  - Vendors often have additional form to complete so they know exactly which option is selected, and which account # to discount
- Applicants always must pay their non-discounted share
- Rules require it will be paid within 90 days of receiving service/equipment

Step 12: Requesting Reimbursement

- If applicant pays the vendor invoice in full, applicant submits Form 472 – BEAR Form to USAC for reimbursement
- Must have 'full-rights' permission to file BEAR in EPC
- Calculated based on <u>eligible</u> charges on <u>actual bills</u>

Deadline:
- October 28 (following close of funding year) for recurring services;
- January 28 for non-recurring services/equipment
- Can request 1 extension <u>if the request is submitted by the original invoice deadline</u>

Reimbursement Method - BEAR

- USAC reviews/approves BEAR and sends payment to the applicant's bank account via EFT

- School/Library bank account info would have been submitted on Form 498

  – Only submitted once (update, if needed)

- To determine if you have an approved Form 498:

  – Log into EPC > Records > Form 498s > Click on 498 if one is showing
  – If no 498 is showing, then there isn't one on file with USAC

Discounted Bills Method - SPI

- Vendor applies E-Rate discounts to invoice(s)
- Vendor submits Form 474 SPI to USAC to seek reimbursement

- Applicants' responsibilities?
  - Notify the vendor you want discounted bills
  - Review invoices to ensure discounts are properly applied
  - File timely Form 486 so the vendor can invoice USAC

Quick Way to Your Funding Information

Go to: www.E-Ratecentral.com

E-rate State Funding ▶

Funding History Search

Enter BEN or SPIN ▶
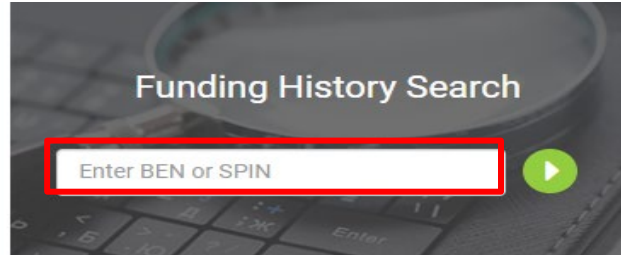
E-Rate Utilization Summary Chart

FY: 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | All

FY	Requested FRNs	Funded FRNs	486 on File	Requested Amount	Committed Category 1	Committed Category 2	Total Committed	Total Disbursed	Remaining Balance
2025	5	4	4	$199,064.60	$39,840.34	$79,034.26	$118,874.60	$79,034.26	$39,840.34
2024	5	5	5	$40,938.39	$38,585.16	$1,373.18	$39,958.34	$36,365.83	$3,592.51
2023	4	4	4	$38,649.75	$38,649.75	$0.00	$38,649.75	$38,649.75	$0.00

471	FRN	SPIN	Service Provider	Service*	Original Request	Current Commitment
251016864	2599019925					
251016864	2599019927					
251024256	2599031855					

471 Information

471#:	251016864
SPIN:	143001654 The Chillicothe Telephone Company
Service Type:	Data Transmission and/or Internet Access
Status:	Funded **Wave:** 1 **FCDL Date:** 4/26/2025
Status Memo:	• MR1:Approved as submitted.
Service Start Date (471):	7/1/2025 **Service Start Date (486):** 7/1/2025
Current Commitment:	$25,423.20 **Payment Mode:** NOT SET
Disbursed Amount:*	**Undisbursed:** 25423.20
Last Date of Service:	**Last Date to Invoice:** 10/28/2026

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

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 ECF.

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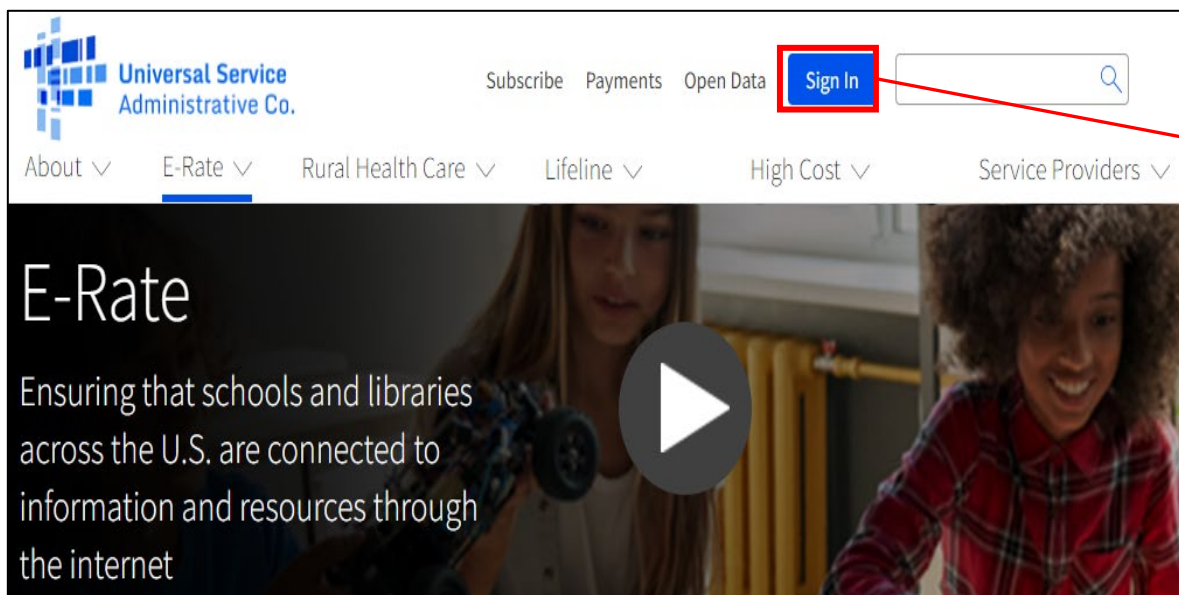
USAC's One Portal

After entering the one-time verification code, you'll see both EPC and ECF.

EPC Entity Profile – Account Administrator

If logging in as the Account Administrator (AA), you will see the option to **Manage Users,** as the AA is the one user who can add, remove, or change a user's rights. **If it's missing, you do not have admin rights.**

Clicking on the district's (Billed Entity) name will take you to the district's "Organization Detail" summary page.

Category 2 Budget Tool

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, you will see how your Cat 2 budget is calculated, one number for the district, or a number for each school. If you have 10 schools or less, and any have fewer than 150 students, use this option.

Category 2 Budget Tool

Click on "Category 2 Budget" and then "Get Category 2 Budget Information".

The new budget "forecast" is listed based on the total square footage reported. Clicking on "View Details" will show the funding breakdown by funding year.

School Detail Page

Click on the name of each school, and then "Manage Organization", to edit information pertaining to this building, such as Student or NSLP Counts.

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

My Landing Page

Training
Universal Service
Administrative Co.

Welcome, School District 18!

Funding Request Report | FCC Form 470 | F
Change | Service Substitution | Manage Us
Help

Notifications

Notification Type	Please select a value	▼
Funding Year	-- Select a Funding Year --	▼

Status ❓ ⦿ All
◯ Generated
◯ Not Generated

Notification	Description	Issued Date	Generated By
		No items available	

My Entities

Entity	Entity Number	City
School District 18	170	Springfield
School District 18 NIF	171	Springfield
School District 18 School A	172	Springfield

Records / Applicant Entities
#6913 - School 1 In District 10997

[MANAGE ORGANIZATION] [MANAGE ANNEXES]

| Summary | Modifications | Additional Information | Category Two Budget | Contracts | FCC Forms | News | Related Actions |

Organization Details

Name School 1 In District 10997	**Applicant Type** School
Entity Number 6913	**Status** Active
FCC Registration Number 0123456789	

Contact Information

Physical Address 1 Main Street	**Phone Number** 012-345-6789
Rockville, MD 20850	**Email** school_1_dist_10997@testmail.usac.org
Montgomery County	

Modify An Organization

Name *
School 2 In District 10997

Organization Type
Applicant

Physical Address

Address Line 1 *
1 Main Street

Zip Code *
20850

Address Line 2

Zip Code Extension

Click the button below to get standard USPS address

City *
Rockville

County *
Montgomery County ▾

State *
OH ▾

Please ensure that the address, city, state, and zip code are correct

VERIFY MY ADDRESS

Latitude / Longitude

User-entered Latitude ❓

Latitude ❓

User-entered Longitude ❓

Longitude ❓

LOOKUP URBAN/RURAL STATUS

Urban/Rural

User Entered Urban/Rural Status *
● Rural
○ Urban

Urban/Rural Status ❓
○ Rural
○ Urban

Unable to determine your status. Please enter Urban/Rural manually in User-Entered field.

View after clicking on "Manage Organization." Here, you can correct the building address if needed. You will also update enrollment and NSLP counts per school.

Just keep scrolling down; it's a really long screen!

76

School Information

School Sub-Type *
- ● Public School
- ○ Private School

Is this school part of a school district?
Yes

Check All That Apply Show Help

- ☐ Pre-K
- ☐ Head Start
- ☐ Adult Education
- ☐ Juvenile Justice
- ☐ Dormitory
- ☐ Charter School
- ☐ Tribal School

- ☐ New Construction School
- ☐ Swing Space
- ☐ Detention Center
- ☐ General-Use School
- ☐ ESA School
- ☐ BIE

Number of Full Time Students *

374

Total Number of Students Eligible for National School Lunch Program (NSLP) ⍰ *

278

Community Eligibility Program (CEP)? *
- ○ Yes
- ● No

Alternative Discount Method *

None ▾

Indicate if an alternative discount mechanism was used to calculate the number of students eligible for NSLP

Does this organization have an endowment? *
- ○ Yes
- ● No

State School Code

State LEA Code

NCES Public State Code

NCES Public District Code

NCES Public Building Code

- Check boxes to further indicate the type of school if needed.
- Update/correct **Student** and **NSLP** counts.
- **If you are a school with only part-time students, count them as if they were full-time**
- In this example, the school is not participating in CEP, so "No' is indicated.

- If participating in CEP, do not enter the NSLP count, the portal will calculate that for you.

- Select "Yes" for CEP and enter the "CEP Percentage", which will replace the "Alternative Discount Method" field. The percentage can be found in the MR-81 or CN-7 report.
  - If you used CEP last year, that information will be shown. Update if you needed.

- **We must provide the CEP Base Year**. If this has changed, be sure to update.

Category Two (C2) Budget Information

We calculate your Category Two budget and your discount rate separately, and so we collect separate numbers for each. You are allowed to re-use your Category Two student count from year to year within a Category Two budget cycle, so this number needs to be updated less frequently than the student count for your discount rate.

Total Students for C2 Budget *

374

FCC Registration Number ❓

0123456789

CANCEL   SUBMIT

- The Cat 2 budget and the discount rate are calculated separately. Enter the new enrollment to start the new 5-year budget cycle. You can keep the Cat 2 count from year to year, but if your enrollment increases later in the cycle, you can update it. **If this is "New Construction" or "Swing Space", the count will be "zero"**
- Click on "Submit" and provide a nickname for the changes made (such as "ABC School FY2026 counts").

What's Next? Get Started Now!

- Administrative Window Updates (starting 10/15)
  - Schools - Update enrollment/NSLP in EPC
  - Schools - Update C2 enrollment, if increase
  - Libraries – Update square footage if needed
- Review Category 1 contract
  - Need more bandwidth? Will your current contract allow for an increase? Check with the provider if you're not sure!
  - Contract expiring June 2026?
  - If needed, file FY2026 Form 470s by the end of December
- Determine what equipment will be needed in upcoming year for schools or libraries
  - File FY 2026 C2 Form 470s by end of December

Make and follow your FY 2026 E-Rate Plan!

QUESTIONS

Where to Go for E-Rate Help

- **USAC's Client Service Bureau (CSB)**
  - E-Rate "Help Desk" where applicant & service providers can get answers to questions
  - Call **888-203-8100**
  - Submit a 'Customer Service Case' in EPC

- **OH E-Rate Coordinator**
  - E-mail Lorrie Germann at lorrie.germann@education.ohio.gov
  - Call: 740-253-1153
  - Attend webinars!
  - Subscribe/read listserve messages!
  - https://www.ohio-k12.help/e-rate-support
  - Helpful Documents: https://www.ohio-k12.help/e-rate-support/resource-library/
  - Training: https://www.ohio-k12.help/e-rate-support/e-rate-events/

Ohio Department of Education & Workforce