

Fall FY 2027 E-Rate Veteran's Workshop for Schools

Lorrie Germann, State E-Rate Coordinator

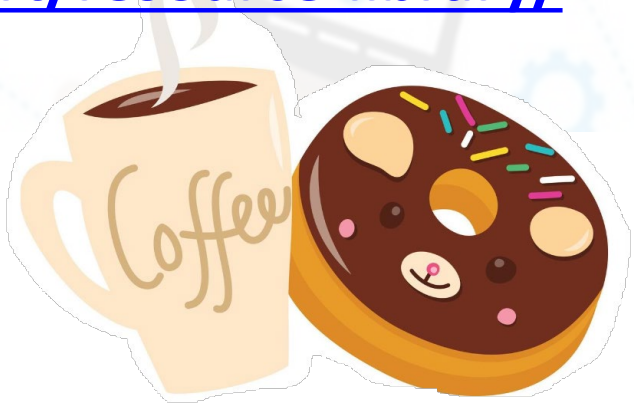
Fall FY 2027 E-Rate Veteran's Workshop



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

- **Completing FY 2025** – Slide 4
- **Where Are You At For FY 2026** – Slide 11
- **Preparing For FY 2027** – Slide 19
- **What's New!?** – Slide 30



- **Category 2 Budget Cycle**– Slide 40
- **Application Process Reminders** – Slide 47

Completing FY 2025

(July 1, 2025 – June 30, 2026)

BEAR Reimbursement Deadlines

- BEAR Form 472 – Form that must be submitted within 120 days of last date to receive service or equipment
- **For FY 2025 *recurring* services**
  - October 28, 2026 is the invoicing deadline
    - Last date to receive service was June 30, 2026
- **For FY 2025 *non-recurring* purchases**
  - September 30, 2026 was last date to receive/install equipment
  - Jan 28, 2027 is BEAR deadline



Requesting an Invoice Deadline Extension

- If you cannot make the BEAR deadline, OR if your BEAR was submitted but has not yet been paid, file for an Invoice Deadline Extension (IDER)
- IDERs must be requested **within 15 days after the invoice deadline**
- Extension will be approved automatically for a single, 120-day extension
  - Cannot request a second extension in EPC
  - Approvals are shown on the screen and will also be emailed
- Invoice Deadline Extension Request Filing Guide at:
  - https://www.ohio-k12.help/E-Rate-support/resource-library/



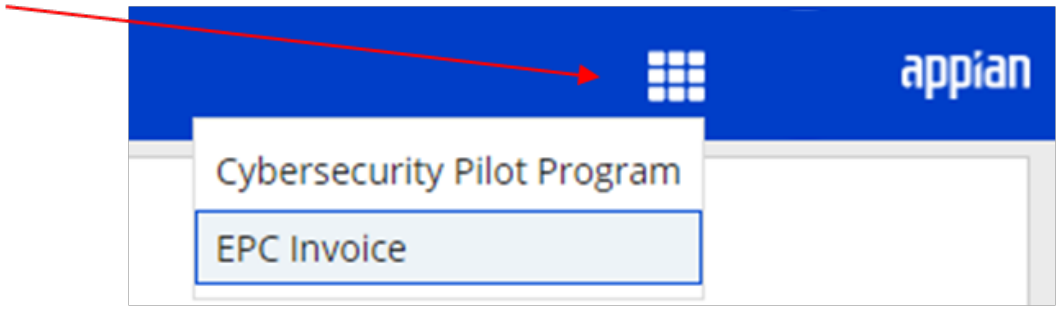
UEI Numbers & Form 498

- USAC reviews/approves BEAR and sends payment to the applicant's bank account via EFT
- School/Library must have an approved Form 498 in EPC to be reimbursed with the SAM.gov UEI number added
  - Form 498 is submitted once (update, if needed)
  - **UEI number must be renewed annually at SAM.gov!**
  - **If you file a BEAR without the UEI added, USAC will hold payments until this is done!**
- 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



BEAR – EPC Invoicing

- Log into EPC, and click on the grid (waffle) symbol in the upper right corner of the Landing Page, which will take you to the new E-Rate BEAR Portal





- For a BEAR Filing Guide, visit: https://www.ohio-k12.help/E-Rate-support/resource-library/
- Must have BEAR access under User Permissions to submit BEAR
  - Only EPC AA can grant this access
- When creating BEAR, you are not required to upload invoices. Wait for USAC to request them.

BEAR Portal Reminders

- Error checks (entering a higher pre-discount amount than what was approved
- Can enter multiple FRNs and multiple SPINs on the same BEAR
- Tabs for Submitted Forms, Pending Tasks, Pending Inquiries
- Real-time status reports by FRN Line Item in EPC:
  - Incomplete, Certified, Processed, Cancelled
- Ability to see the date BEAR was paid
- Better invoicing decision explanations
- Biggest pitfall is selecting the right funding year, so you see the correct FRNs
- FRNs will not display where SPI was selected as the Invoice Mode on the FY 2026 Form 471, a SPI has already been filed, or the provider hasn't filed their SPAC for the funding year



Invoice Disbursements Data Lookup Tool

- Shows details for all *disbursements* authorized since July 2016
  - Does not show pending invoices

https://opendata.usac.org/E-Rate/E-Rate-Invoice-Disbursements-Data-Lookup-Tool/t3vg-gfse

Invoice Review: Service Certification

Whether you filed a BEAR or your Service Provider discounted your bills and filed a SPI, USAC may conduct manual reviews that require additional documentation to demonstrate:

- The applicant paid their **non-discounted** costs.
- The invoiced equipment or services were **delivered** and/or **installed.**
- USAC validates the documents to ensure the requested amount is for eligible equipment and or services.

USAC reviewers may send questions to the applicant or service provider with a response due by the "response requirement date."

Applicant and service provider should be **timely in responding to outreach,** as failure to respond may result in the invoice being **denied**.

Only an applicant with full user rights to the BEAR Form can complete the certification and return it directly to USAC.

SPI Service Certification – Example Form

Verbiage sent in the EPC outreach window regarding the request:

"Please see the attached service certification that I am requesting in order to complete an invoice request from your service provider. Please ensure an authorized party review and signs, returning the signed document timely for review. if you have any questions. please contact me.
Thank you for you cooperation and continued support of the Universal Service Program."

Again… **Only an applicant with full user rights to the BEAR Form can complete the SPI certification and return it directly to USAC**

Applicant Service Certification for E-Rate Invoices

1	*Invoice Number*	«SLD_Invoice_No»
2	*Invoice Line Number*	«Line_ID»
3	*Service Provider Name / Service Provider SPIN*	«Service_Provider_Name» «SPIN»
4	*Service Provider Invoice #*	«SP_App_Invoice_No»
5	*Undiscounted Invoice Amount*	«Undiscounted_Amt»
6	*Discounted Invoice Amount*	«Discounted_Amt»
7	*Applicant Name*	
8	*Applicant Authorized Representative / Contact Name & Title*	
9	*Applicant Authorized Representative / Contact Phone*	
10	*Billed Entity Number (BEN)*	«BEN»
11	*471 Number*	«FORM_471»
12	*FRN*	«FRN»
13	*Date Goods/Services Delivered*	
14	*Date Goods/Services Installed*	
15	*Date Applicant Portion Paid and Check No. or Date will be paid*	

By signing below, you, the Applicant certify that:

A. **I am authorized to represent the above-named Applicant.**

B. **The equipment/services described on the attached vendor invoice(s) have been delivered as indicated on row 13 above.**

C. **For FRNs which include installation, of the equipment/services described on the attached vendor invoice(s), provide the installation date. This is required only for non-recurring services (products that need installation) and paid for with E-Rate funds have as indicated on row 14 above**

D. **The equipment and services described on the attached Service Provider invoice meets the following criteria: (*Copy of detailed vendor invoice must be attached*)**

- **Equipment and services requested are approved on the FCC Form 471**
- **Unit cost and quantity per location do not exceed the amounts approved on the FCC Form 471**
- **All equipment has been delivered/ installed at ROS locations approved on the FCC Form 471 listed on the date provided above**

Applicant Authorized Representative Name _____

Applicant Authorized Representative Signature_____

Date _____

E-Rate / Revised 10/16/2023

FY 2026

(July 1, 2026 – June 30, 2027)

Updates & Where Are You At In The Process

Status of Ohio FY 2026 FCDLs

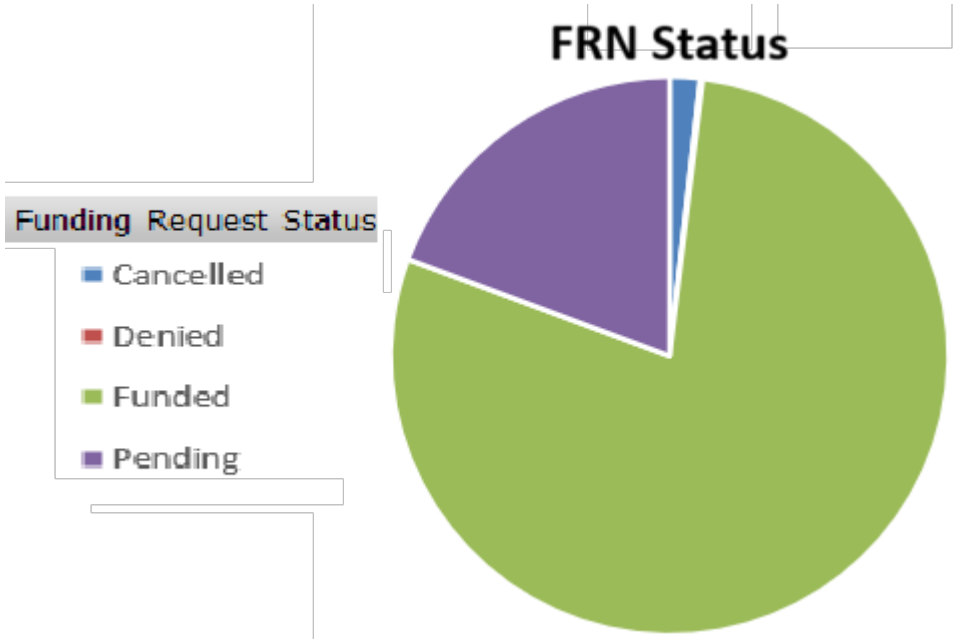
Applicant Type	Total Funding Requested
Consortium	$3,998,778.90
Library	$45,435.46
Library System	$3,692,526.43
School	$12,087,707.23
School District	$75,765,169.07
Grand Total	**$95,589,617.09**

Service Type	Funding Requested	No. of FRNs
Basic Maintenance of Internal Connections	$597,220.82	57
Data Transmission and/or Internet Access	$45,915,582.09	1,839
Internal Connections	$40,411,980.34	805
Managed Internal Broadband Services	$8,664,833.84	561
Grand Total	**$95,589,617.09**	**3,262**

Status of Ohio FY 2026 FCDLs

- Of the 3262 FRNs submitted:

Status	No. of FRNs
Cancelled	57
Denied	5
Funded	2568
Pending	632
Grand Total	**3262**



- $66.8 million committed thus far
  - Of the funded 2568 FRNs, **292 still need a Form 486 filed!**

If you've had a post-commitment change request (SPIN changes, service substitutions, appeals) or a BEAR form pending for more than 60 days, use the "Contact Us" feature in EPC to request that it be escalated.



Status of Ohio Pending FY 2026 FCDLs

- FRNs still pending by Service Type:

Pending Funding Status By Service Type	No. of FRNs	Funding Amount
	632	**$28,802,323.04**
Basic Maintenance of Internal Connections	24	$254,532.59
Data Transmission and/or Internet Access	293	$11,672,944.98
Internal Connections	170	$12,133,031.56
Managed Internal Broadband Services	145	$4,741,813.91

- 632 FRNs still "pending" for 238 entities totaling $28.8 million
- Last time this year, we had 252 pending FRNs!
- We believe the slowness is due to:
  - A new contractor handling PIA (started Jan. 2, 2026)
  - The need for PIA to verify Cat 2 enrollment to calculate the new 5-year budget for all Cat 2 funding requests

FY 2026 FCDLs – Has Everything Been Funded?

- If your Form 471 applications have not been funded
  - What is the current PIA status? Very important to verify that!
  - USAC has assured us that they are still actively reviewing applications!



- If you've received the FCDL, were there unexpected denials?
  - Remember, you have 60 days from the date of the FCDL to file an appeal!

FY 2026 Form 486s

- If you have been funded for FY 2026, file your Form 486 to "turn on funding" and certify CIPA compliance
  - For internal connections, file 486 now (don't wait)
- You must wait until you receive an FCDL to file the 486
- Deadline is 120 days after FCDL date or October 29, whichever is later
  - Normally Oct 29
- VERY easy form to file in EPC (no data entry)
  - Guide at: https://www.ohio-k12.help/E-Rate-support/resource-library/
  - Be careful when clicking on CIPA certifications



How to Modify Your FY 2026 Invoicing Method

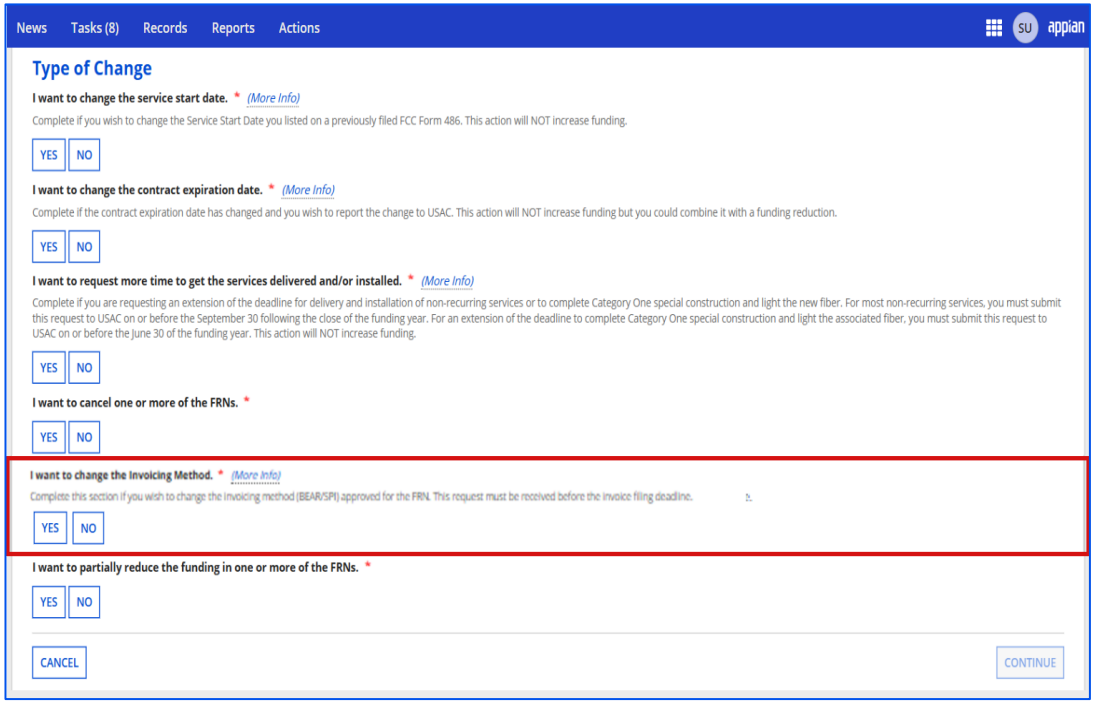
On the FY 2026 Form 471, we were required to indicate the Invoice Mode per funding request: BEAR or SPI. Here are the steps to change the mode, if needed.

Before receiving a Funding Commitment Decision Letter (FCDL):

- Submit a RAL Modification Request during the review of your FCC Form 471 application.

After receiving an FCDL:

- Submit an FCC Form 500 using the new "Invoicing Method" change request **after filing the Form 486**.
- This change request must be submitted before any invoice is submitted for the FRN.



FCC FY 2026 ESL BMIC Update

The FCC's Wireline Competition Bureau (WCB) released the FY 2026 eligible services list (ESL) Order (DA 25-1069) on December 17, 2025, to include the following:

- Treat all currently eligible software- or remote-based services, including bug fixes, security patches, software-based technical assistance, and configuration changes the same and have applicants request all software- and remote-based services with the internal connections equipment that they support.
- The Order permits applicants that had sought funding for software-based BMIC services on a prorated basis in prior funding years to request discounts on the remainder of the contract in FY 2026 or continue requesting pro-rated support.
- **It also clarifies that applicants that seek support for software- or remote-based services as internal connections in FY 2026 that were competitively bid as BMIC services are not violating the competitive bidding rules.**

FCC FY 2026 ESL BMIC Update Cont.

- **Amending the entries for "Eligible Broadband Internal Connections"** to include software-or remote-based services, including bug fixes, security patches, software-based technical assistance, and configuration changes.
- **Amending the bullets listed under "Basic Maintenance of Eligible Broadband Internal Connections"** to limit configuration changes to those performed in person and deletes "Basic technical support including online and telephone-based technical support" and "Software upgrades and patches including bug fixes and security patches."
- **Amending the language in "eligibility limitations for basic maintenance"** to delete language related to bug fixes, security patches, and technical support.
- Applicants would request all software-based and remote-based services with the **internal connections equipment that they support**.

Preparing For FY 2027

(July 1, 2027 – June 30, 2028)

FY 2027 "Admin Window"

- Admin Window is 2-3 months *before* the Form 471 window when schools and libraries update their school or library profiles in EPC portal
  - It opens on October 21st. It usually closes two days before the Form 471 filing window opens in January (we don't have the dates yet!).This data is then ported over into the Form 471

Mainly used to update:

- **E-Rate Discounts**: Must update school profiles with current enrollment/NSLP data to calculate E-rate discounts for upcoming year
- Confirm all entities, including NIFs, are in EPC portal
- **Category 2 Budgets**: Update enrollment (schools) and square footage changes (libraries) – if you did not last year or if it will increase the Category 2 budget
  - Category 2 enrollment data can be different from annual discount-rate enrollment data
    - Doesn't have to be updated each year
  - C2 enrollment data entered in separate location in EPC



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 FY 2027, we will use the October 2026 version (or you may use your most current data if you choose).**
- **DEW (f.k.a. ODE)** does not release the full MR-81 until early/mid-February (after the close of the Admin window), so ask your cafeteria director what was reported to ODE for October if you're not participating in CEP!



- **DEW sent me an updated MR-81 with all schools that are approved for CEP, including sites that applied in April 2026. 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 **For a copy, go to https://www.ohio-k12.help/e-rate-support/resource-library/**
- You may also 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 %)
Chillicothe High School	2022	1,225	512	41.80%
Chillicothe Intermediate School	2022	678	396	58.41%
Chillicothe Primary School	2022	485	324	66.80%

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. If using CEP, split the enrollment by building, but use the same CEP % of each.

Eligible C1 Service

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 :

- Commercially available Internet access
- Satellite Services
- Stand-Alone Internet (no transport cost if you own the fiber to your buildings, or a different vendor provides the circuits)
- Wireless data plans * (**typically used for bookmobiles or kiosks**), where plans are the most cost-effective option

Not Eligible:

- Voice services
- Duplicative (redundant) services
- Filtering
- Off-Campus Internet service

Eligible Internal Connections Items

- 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
- Right-to-Use licenses to support eligible equipment
  - **Includes license renewal subscription**
- **Remote support** (bug fixes, patches, software-based/online tech assistance, configuration changes)
- Cloud-based functionality of 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.

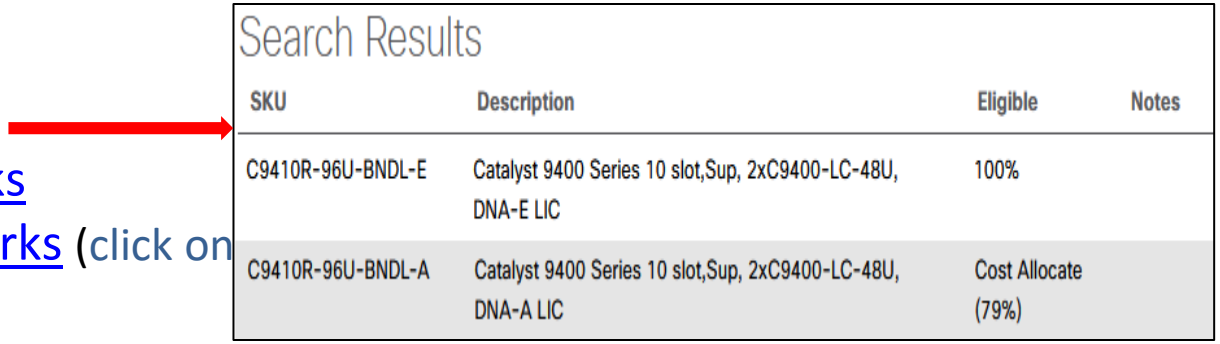
Basic Maintenance (BMIC) Definition

- Basic Maintenance of Internal Connections is the **on-site repair and upkeep of eligible internal connections (time & materials)**.
- 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**.
  - You must keep a maintenance log documenting work performed.
- Can only be for services/work performed during the 12-month funding year (7/1/2027 – 6/30/2028)
  - Does not follow the 4/1/2027 – 9/30/2028 schedule

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 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 as early as April 1, prior to the funding year start
  - For example, applicants can purchase equipment on April 1, 2027, for FY 2027, even though the funding year doesn't begin until July 1, 2027
  - However… vendors/applicants cannot be reimbursed by USAC until July 1
  - Applicants who purchase equipment prior to receiving a funding commitment letter are risking paying full price
- Equipment can be purchased as late as September 30, following the end of the funding year
- Allows applicants two full summers to install equipment

FY2027 - Non-Recurring Services/Equipment Purchases - April 1, 2027 - Sept 30, 2028																
			FY2027 - Recurring Service - July 1, 2027 - June 30, 2028													
Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
2027	2027	2027	2027	2027	2027	2027	2027	2027	2028	2028	2028	2028	2028	2028	2028	2028	2028

E-Rate Simplification – Covered Last Year, But Bears Repeating!

- **10% Internet Access Hold Harmless**
  - Up to 10% can be used for ineligible purposes
  - Important for schools with ineligible Pre-K students and CTCs that provide adult ed classes
  - Other usage during the school day
  - Applicants may seek E-Rate funding for only the amount of bandwidth needed for eligible use
- **Library Bidding Exemption**
  - Libraries (**only**) are exempt from bidding **Category 2** equipment or services if:
    - The 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

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 New
(or things we don't
know yet!!)

Number One Rule of the Day!



PLEASE DO NOT

SHOOT

THE MESSENGER

We have more questions than answers right now!!!

FCC Order 26-30

On April 30 2026, the FCC released Order 26-30 establishing:

- Additional invoice deadline flexibility.
- Changes to cost allocation.
- **FY 2028** will see the implementation of:
  - Competitive Bidding Portal
  - FCC Form 486 CIPA confirmation moving to FCC Form 471

Invoicing Changes

Applicants and service providers can now:

- Request a single 120-day extension of the original invoice filing deadline if the request is made **within 15 days of the original invoice filing deadline**.
  - Recurring service BEAR deadline of 10/28/2026 + 15 days = 11/12/2026
  - Non-Recurring service BEAR deadline of 01/28/2027 + 15 days = 2/12/2027
  - Instructions to request an extension can be found here.
- Have a one-time, 60-day grace period to resubmit corrected versions of invoices that were timely filed before the invoice filing deadline but rejected by USAC after the invoicing deadline.
  - **The 60-day period to resubmit a corrected invoice starts the day after you get a USAC decision denying or reducing your payment.**
- For cost allocations, the FCC clarified that the ancillary use presumption explained in FCC 23-56 applies to all Category One (C1) services including data transmission services, wide area network services, ethernet, etc.

Competitive Bidding Portal

Beginning in funding year **FY 2028**, USAC will manage a Competitive Bidding Portal where:

- Applicants will upload bid evaluations and vendor selection documentation, including contract(s), after selecting service providers.
- The portal will be used for competitive bidding communications, with exceptions based on local/state law requirements.
- The portal will serve as a document repository for applicants and service providers, which will reduce recordkeeping burdens.
- Stakeholders will have the opportunity to provide feedback during the testing phase.
- **During D.C. training, USAC stated that funding requests based on a multi-year contract awarded prior to FY 2028 will require uploading bidding documents into the bidding portal. It is unclear if previously provided documentation will be auto-uploaded.**
- USAC will update users via our News Brief as we are informed of changes.

Sunsetting FCC Form 486

- Funding Year 2028 will phase out the standalone filing requirement for FCC Form 486.
- Required CIPA compliance certifications will be integrated upstream into the FCC Form 471 application process.
- **Applicants must continue to meet standard Form 486 deadlines (120 days from the service start date or the Funding Commitment Decision Letter date, whichever is later) until the phase-out is complete (i.e., FY 2026 and FY 2027 funding requests!!)**

Transition of Services Changes

- E-Rate will create a process for applicants who are transitioning services to file a post-commitment request for changes.
  - Service start date
  - Service end date
- The applicant must meet certain criteria.
- This process will require form changes and will go into effect in a future funding year after approval from the Office of Management and Budget (OMB).

Transition of Services Changes: Increasing Post-Commitment Funding

E-Rate may approve a post-commitment increase if the applicant:

- Filed partial funding year requests for funding from both service providers
  - (or service offerings, in the case of a transition to a different service from the same service provider)
- Indicated the following on the FCC Form 471
  - best estimates of the transition dates indicated
  - the requests were for a transition of service
  - if there are available funds below the E-Rate program funding cap

Will MIBS Continue to Be Eligible?

- We are currently waiting for the FY 2027 Eligible Service List (ESL) to be approved.
- Per the draft ESL NPRM, the FCC is considering whether MIBS should continue to be eligible.
- The decision will be stated in the released/approved ESL.
- **MORE INFORMATION TO COME!!**

The Future of E-Rate

- The FCC released two E-Rate Notices of Proposed Rulemaking (NPRMs), taking a top-to-bottom look that could significantly impact the program and the administration of the Universal Service Fund (USF)
- Initial comments were due on or before **Oct. 13, 2026**, and reply comments are due on or before **Nov. 12, 2026**
- The two NPRMs, "**Ensuring Children's Safe Use of Screens and E-Rate-Funded Services"** and "**Promoting Fair and Open Competitive Bidding in the E-Rate Program**" **(FCC-26-41)**, are premised on limiting student screen time in schools as a requirement to receive E-Rate funding.
- The NPRM goes far beyond just screen time to include:
  - Should the E-Rate program be limited or sunset to reflect today's extensive connectivity rates?
  - At what point should policymakers conclude that the program's core objective has been achieved?
  - Should CIPA compliance include [student] screen-time limits or monitoring?
  - Should the program be limited to rural areas or areas served by a single provider?
  - Should E-Rate funding be phased out for schools and libraries in areas with the lowest NSLP participation rates
  - Did Congress intend for the [FCC's] decisions about the E-Rate program to be based on educational outcomes? If so, how should the Commission measure educational outcomes?
- **AGAIN….MORE INFORMATION TO COME!!**

Category 2 Budgets

5-Year Category Two (C2) Budget Cycle

FY 2026 started the first year of the 5-year FY 2026-2030 funding cycle.

- The E-Rate C2 Budget Tool FY2021+ provides data on the FY 2026-2030 C2 budget cycle.
- Applicants are required to validate their student counts or library square footage in the first year they apply for C2 support during the FY 2026-2030 cycle.
- The C2 budget is calculated at the **school district** and **library system** level based on the combined enrollment (schools)/square footage (libraries).
- **To qualify for Category 2 funding, you must be CIPA-compliant**

FY 2026-2030 C2 Budget Cycle

FY 2026-2030 C2 Budget Cycle

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 FY 2026- 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 FY 2026-2030 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 FY 2026-2030 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 FY 2027, 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 a separate location in EPC (different from discount calculations)
- Why? Enrollments are set in the 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
- If using CEP enrollment for discount rate, compare to actual/ current enrollment. Use the higher of the two to calculate C2 budget.

Application Process Reminder/ Updating EPC

FY 2027 Application Timeline

E-Rate Step	Suggested Timeline
1) Assess Needs/Create Your Plan	August - December
2) Update EPC Profiles - Admin Window	Oct 21st - early January
3) Bid All New Services/Equipment – Form 470	Now - December
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, 2025 – June 30, 2026
11) Pay Vendor	July 1, 2025 – June 30, 2026
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, 2026 (deadline)

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 (falls under IC) 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 the funding year is complete)

FY2027 - Non-Recurring Services/Equipment Purchases - April 1, 2027 - Sept 30, 2028																
			FY2027 - Recurring Service - July 1, 2027 - June 30, 2028													
Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
2027	2027	2027	2027	2027	2027	2027	2027	2027	2028	2028	2028	2028	2028	2028	2028	2028	2028

When Must a Form 470 be Posted?

1. **Month-to-Month Services**
   - No contract exists – these are mostly cable modem-type services, or hotspots for a library's bookmobile
   - File annually unless using CABIO

2. **New Contracts (new service or current contract will expire 6/30/2027)**
   - 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, 2028, you are **not** required to file a Form 470 for FY 2027

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 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
- 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 at least 29 days before the close of the Form 471 window

For example:

- If Form 471 deadline is March 25, 2027; then…
- February 25, 2027 = 470 Deadline
  - DO NOT wait this long!
  - 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/e-rate-support/resource-library/
  - 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

28-Day Waiting Period Review and Reminders

Frequently Asked Questions (FAQs) on the 28-day waiting period:

- **When does the waiting period start?** *The calendar day you certify your FCC Form 470, the day you certify, is day one. For example, if you certify on 1/1/2027, the waiting period starts on 1/1/2027, and your Allowable Contract Date is 1/29/2027. If you add a Request for Proposals after certifying the FCC Form 470, you may be required to restart the 28- day waiting period.*
- **Do weekends count as part of the 28 days?** *Yes, the 28-day period is based on calendar days.*
- **When can you select a vendor?** *After the 28-day waiting period (unless your FCC Form 470 lists a later bid deadline.)*
- **When's the last day you can select a vendor?** *You must select the most cost-effective service offering before you submit the FCC Form 471.*
- **When can you stop receiving bids?** *You may set a bid deadline and include it to your narrative or RFP. This deadline must be at least 28 days after verifying your FCC Form 470 or longer. If you* ***do not add a deadline to your narrative or RFP, you must accept bids up until you evaluate bids and make a vendor selection.***

These deadlines should be memorialized in your records.

Allowable Contract Date

Sample Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 Date of RFP Upload Day 1	2 Day 2	3 Day 3	4 Day 4
5 Day 5	6 Day 6	7 Day 7	8 Day 8	9 Day 9	10 Day 10	11 Day 11
12 Day 12	13 Day 13	14 Day 14	15 Day 15	16 Day 16	17 Day 17	18 Day 18
19 Day 19	20 Day 20	21 Day 21	22 Day 22	23 Day 23	24 Day 24	25 Day 25
26 Day 26	27 Day 27	28 Day 28	29 Allowable Contract Date Day 29	30	1	2

- **This is the earliest you can select a vendor.[1]**
- **You can wait up until you certify FCC Form 471 to select a vendor.[2]**

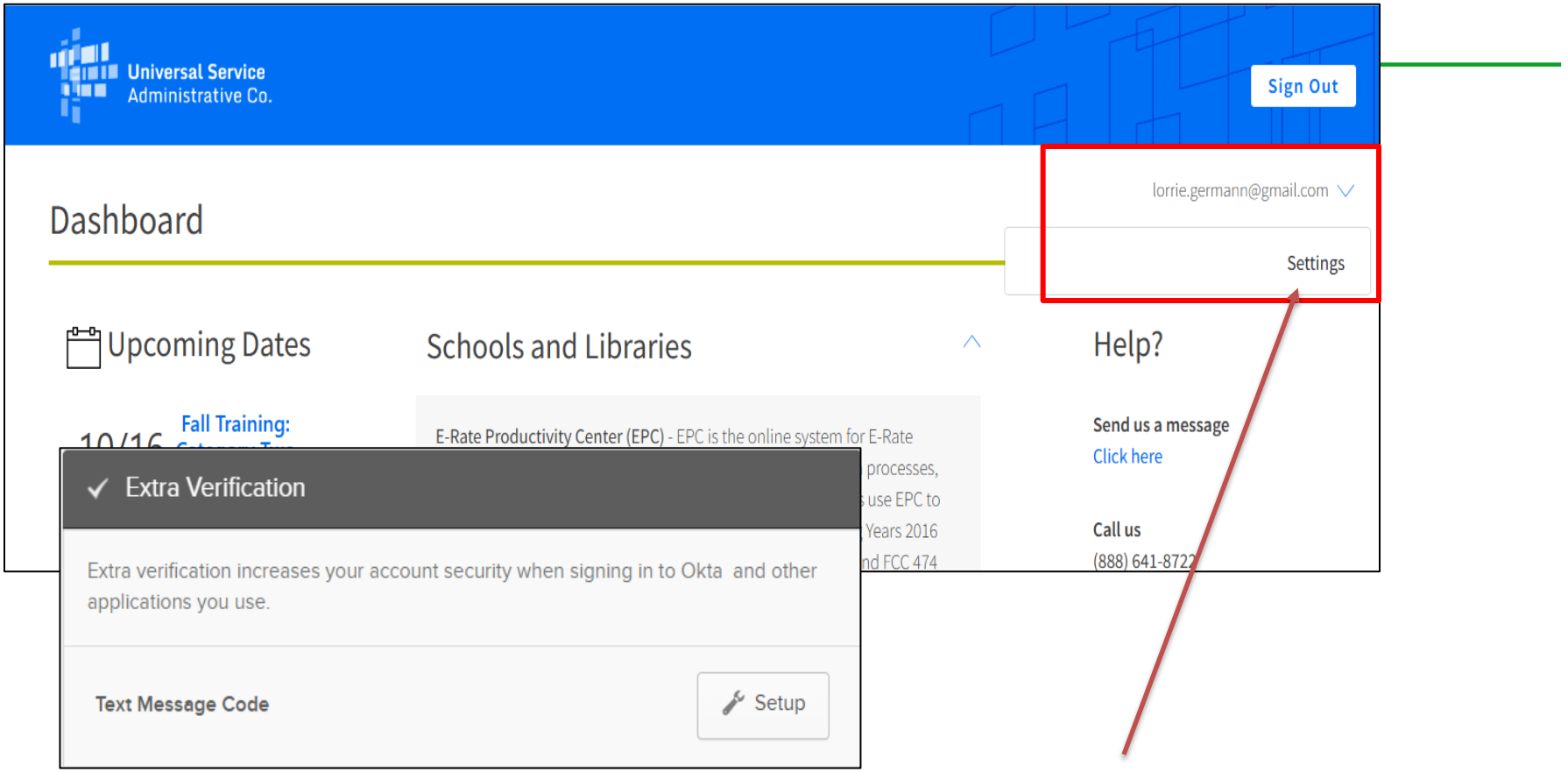
Remember

If the 470 narrative or RFP does not include a bid submission deadline

then applicants are **required** to accept all bids up until they conduct their bid evaluation.

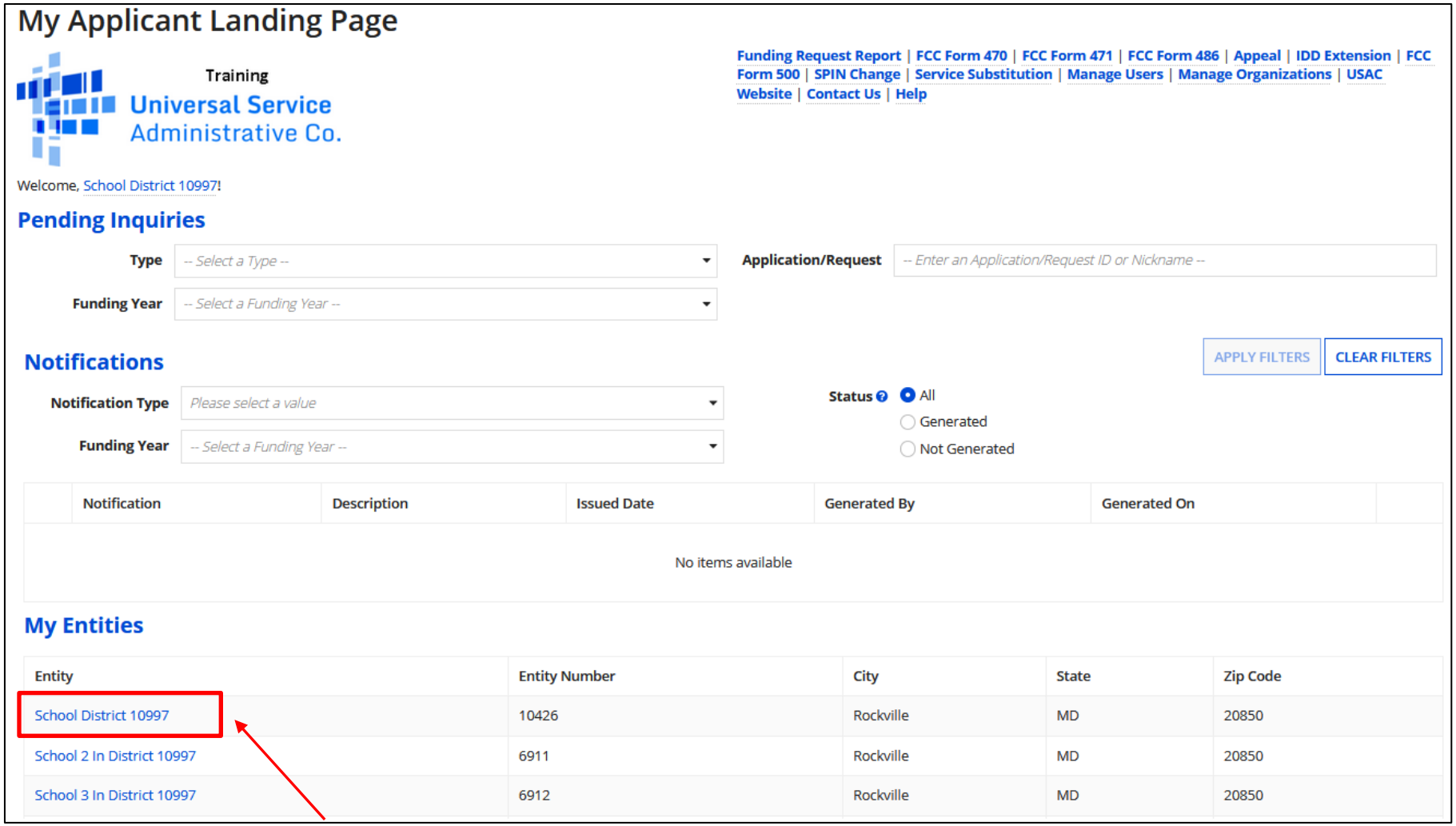
[1] This may vary based on state and local procurement rules.
[2] You must select a vendor before the filing window closes.

Portal Access – Add Text MFA Option



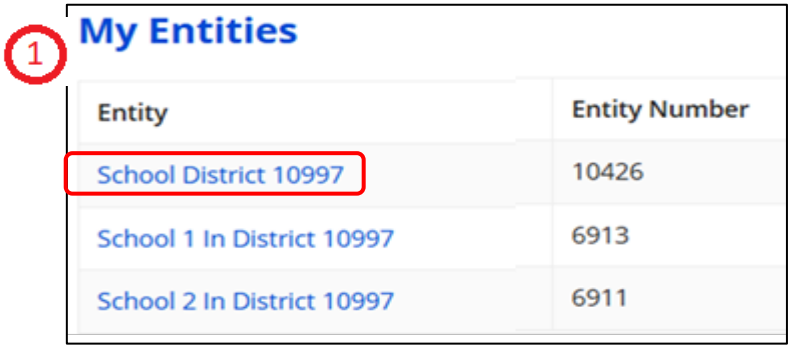
After initially logging in, but before clicking on “EPC”, click on the pull-down to the right of your username to see “Settings”. Scroll down to see “Extra Verification” and click on “Setup”. Provide your phone number and enter the code you’ll receive on your phone, then “Verify”, and “Done”.

Landing Page View

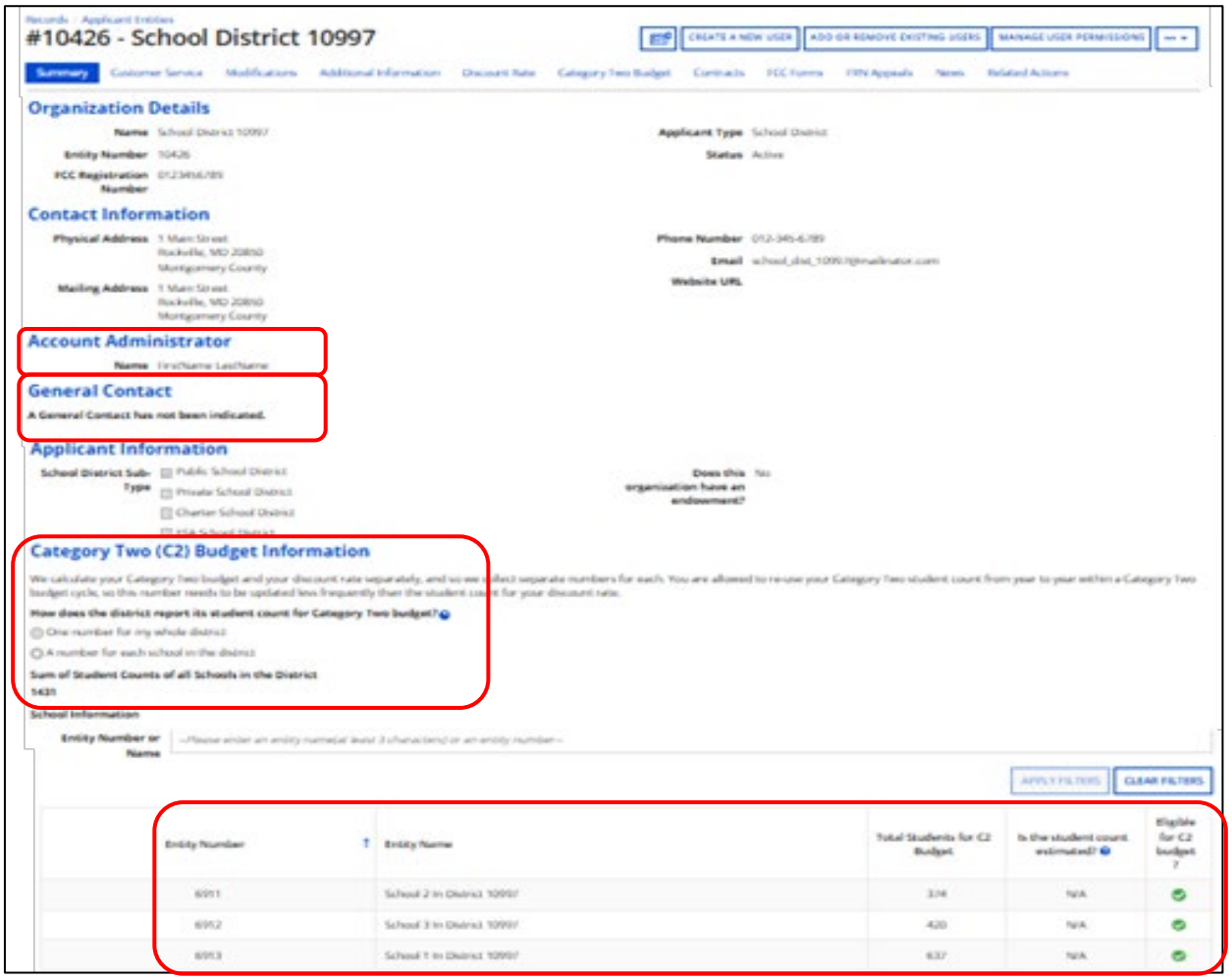


Clicking on the district's (Billed Entity) name will take you to the district's "Organization Detail" summary page.

Category 2 Budget Tool

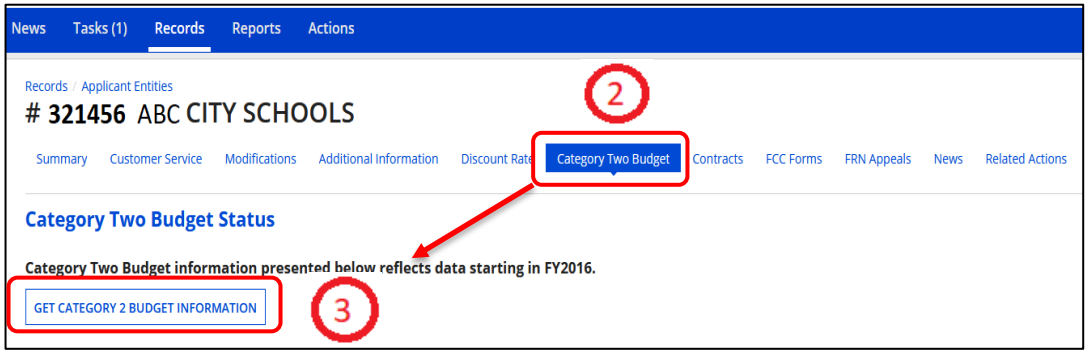


Click on the name of the Billed Entity (first in list) to see a summary of information, such as the name of the Account Admin and General Contact.

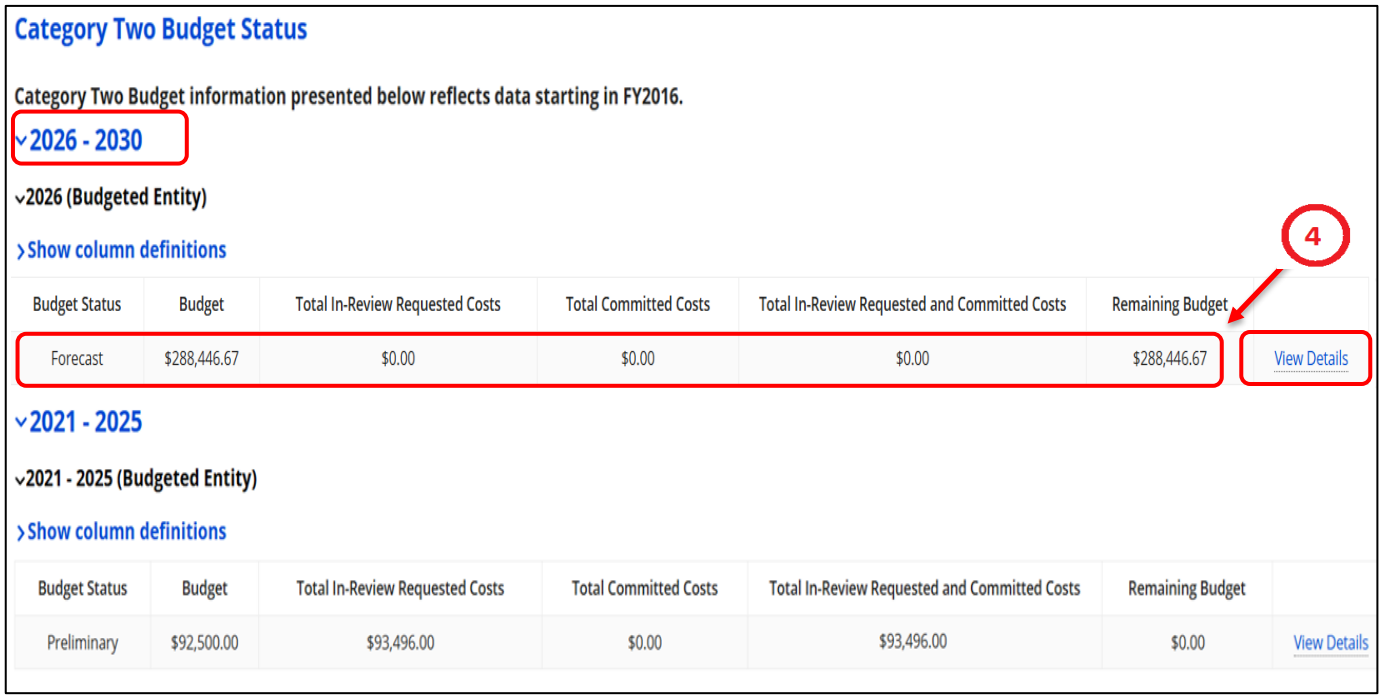


At the bottom of the page, you will see how your Cat 2 budget is calculated, one number for the district, or a number for each school. If you have 10 schools or less, and any have fewer than 150 students, use this option.

Category 2 Budget Tool

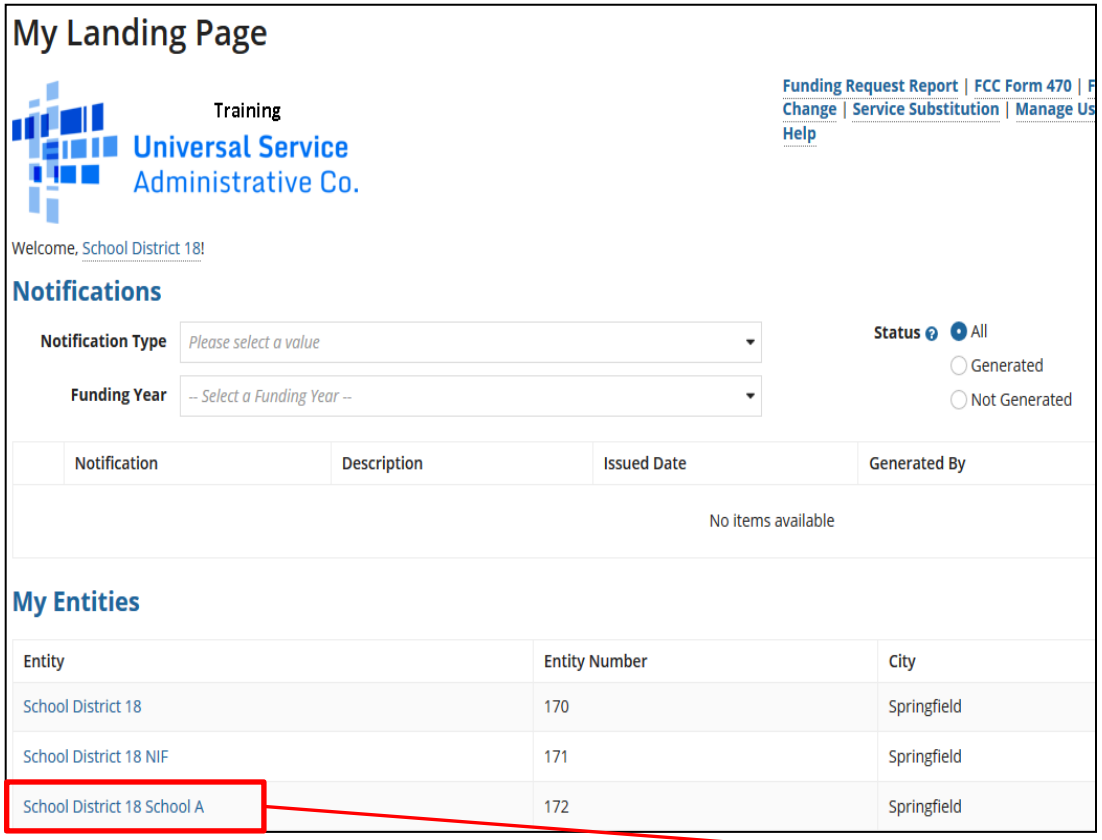


Click on "Category 2 Budget" and then "Get Category 2 Budget Information".



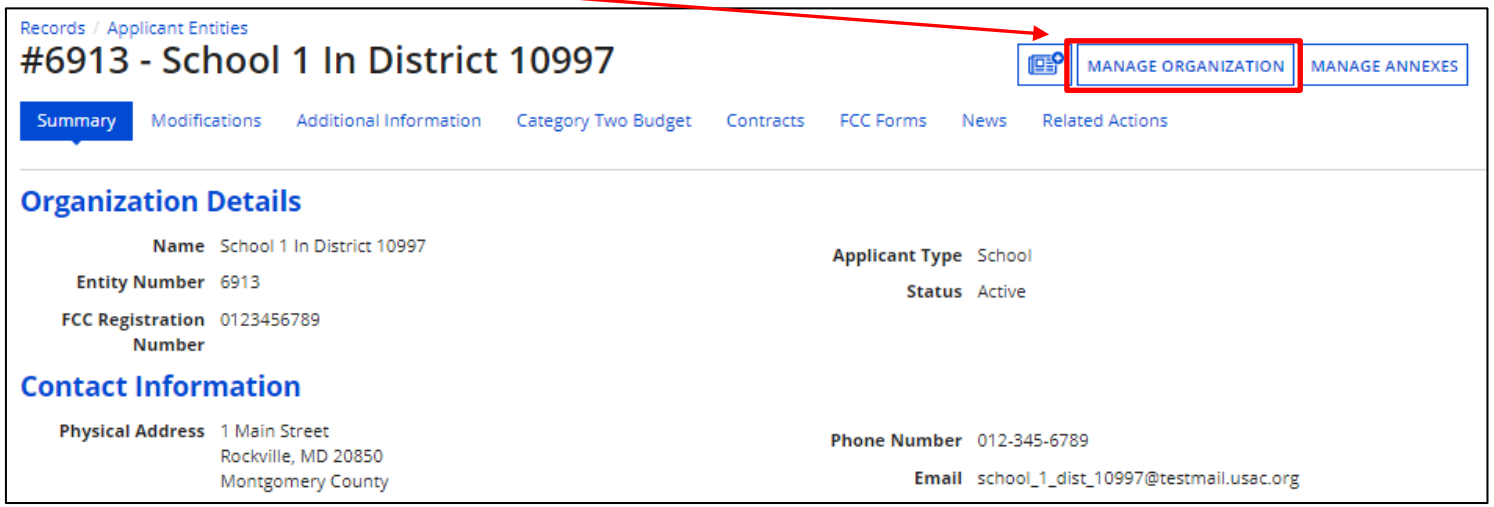
The new budget "forecast" is listed based on the total square footage reported. Clicking on "View Details" will show the funding breakdown by funding year.

School Detail Page

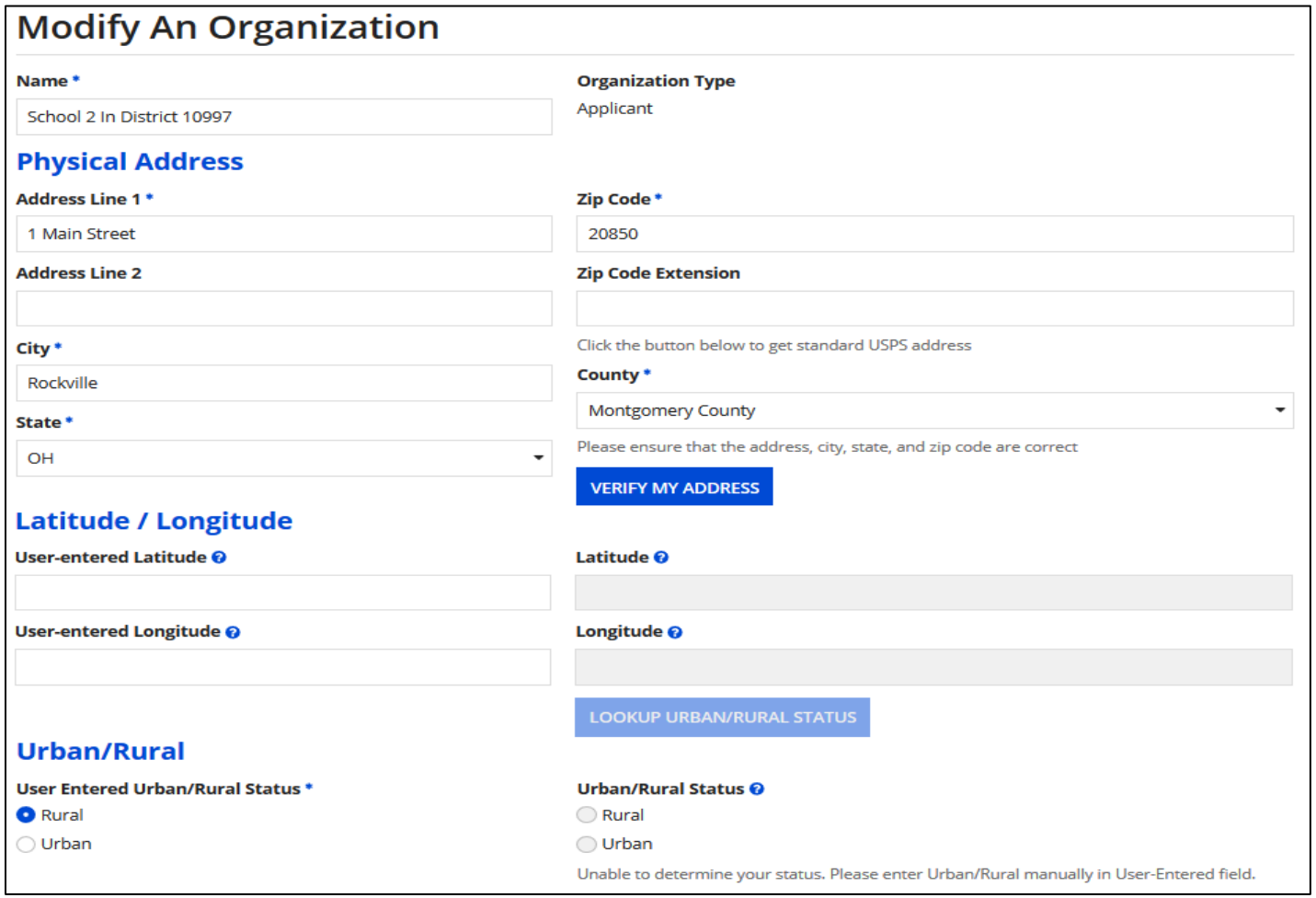


Click on the name of each school, and then “Manage Organization”, to edit information pertaining to this building, such as Student or NSLP Counts.

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



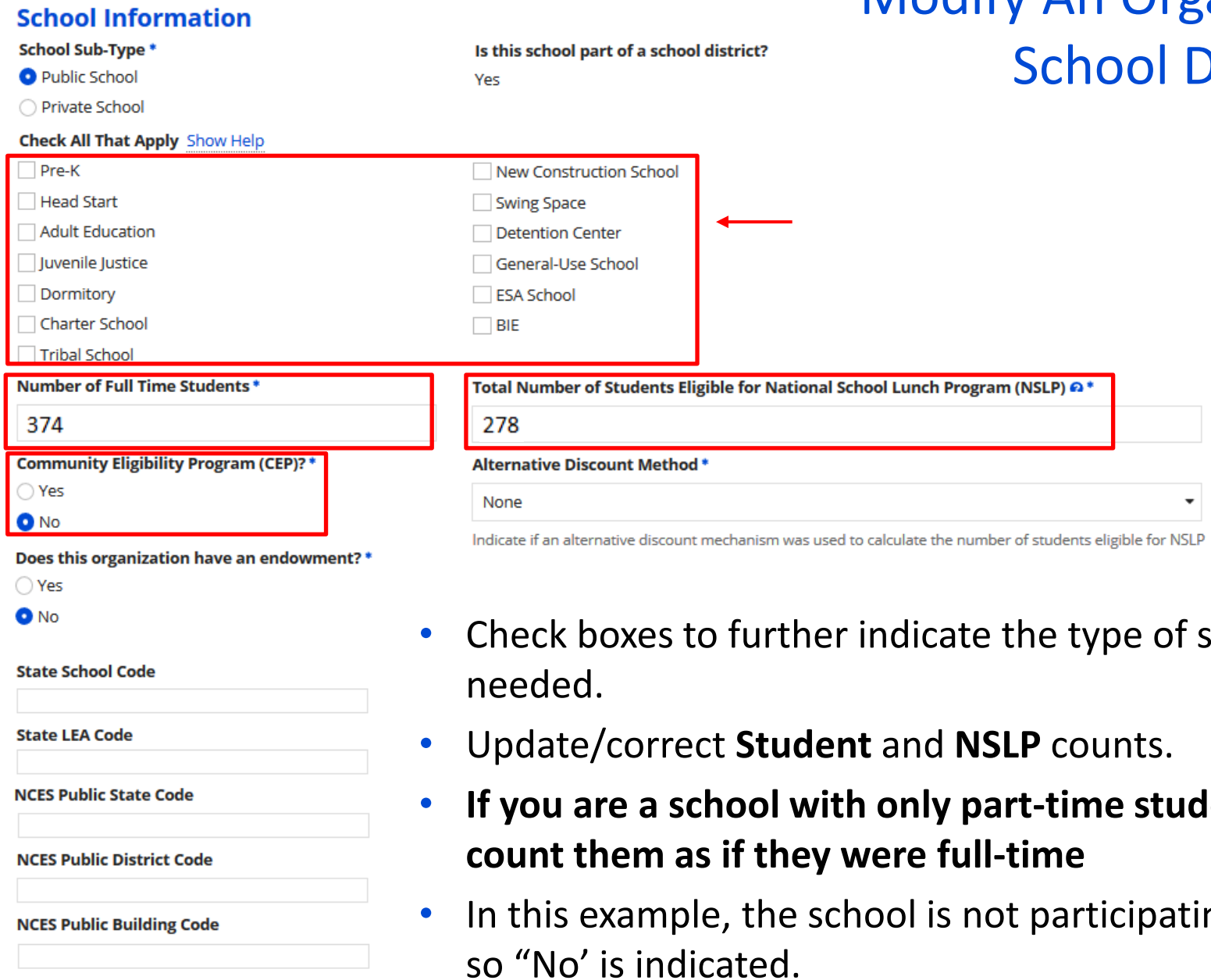
Modify An Organization - School Detail View



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.

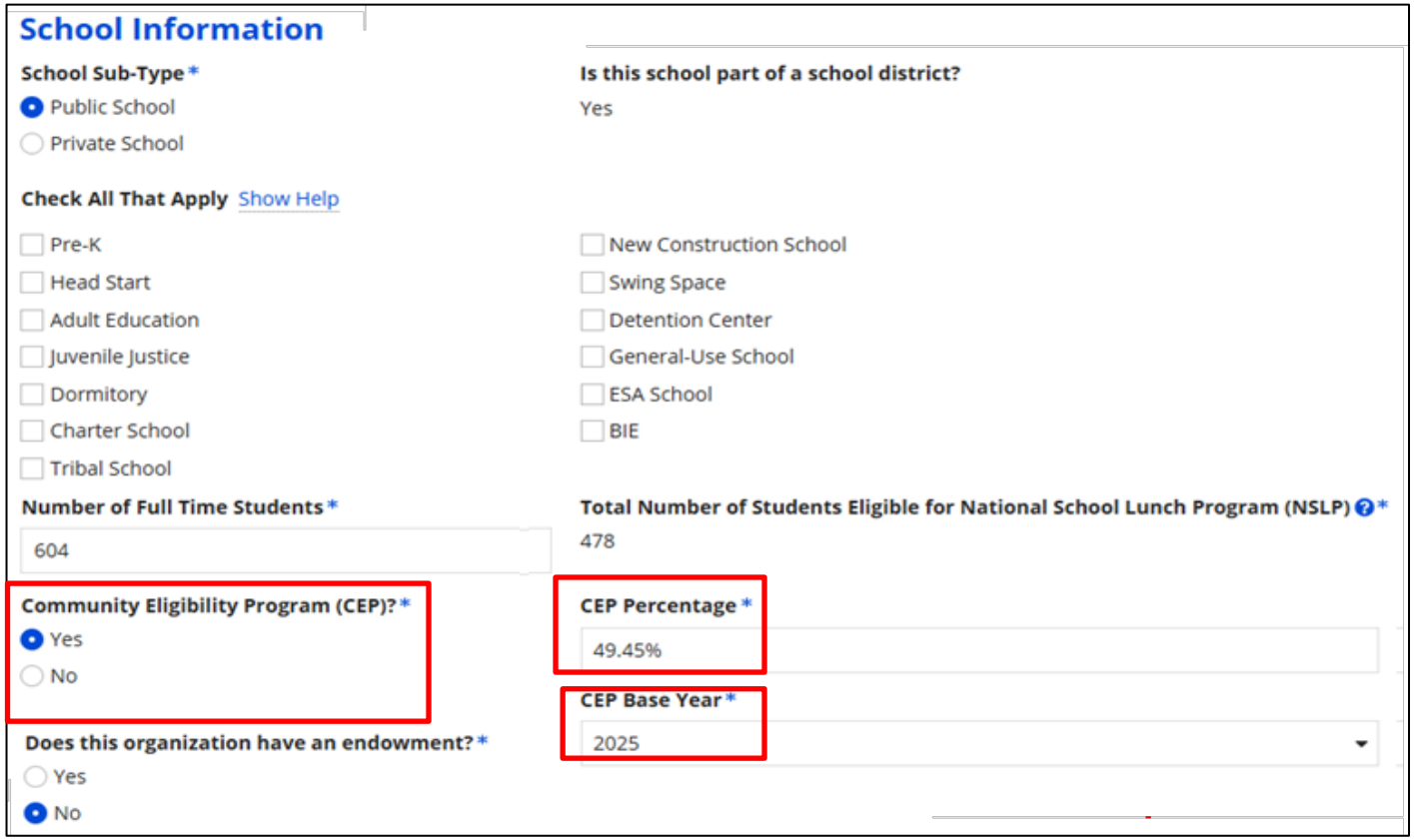
Just keep scrolling down; it’s a really long screen!

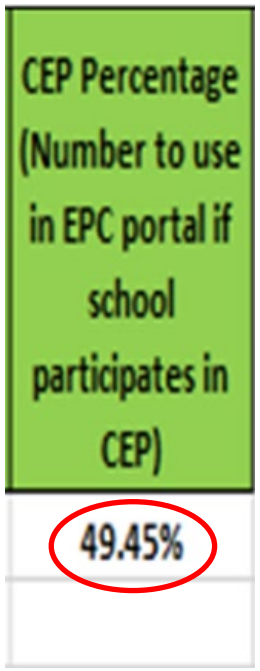
Modify An Organization - School Detail View



- 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.

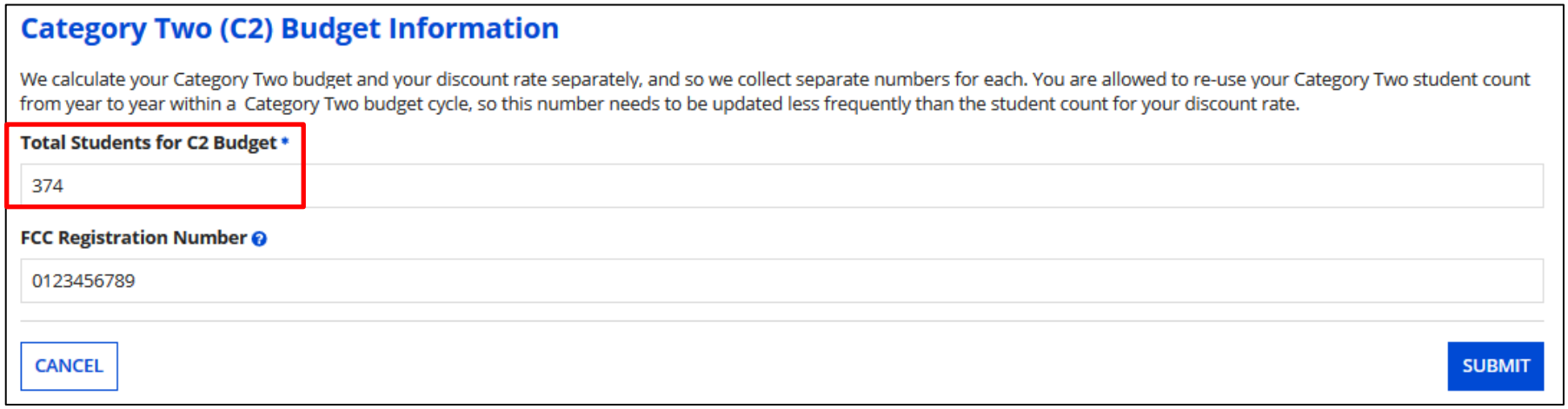
Modify An Organization - School Detail View w. CEP





- 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.

Modify An Organization - School Cat 2 Enrollment



- 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 year to year, but you can update it if enrollment increases later in the cycle.
- **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 FY 2027 counts").

What's Next? Get Started Now!

- Review recurring service contracts
  - Need more bandwidth? Will your current contract allow for an increase? Check with the provider if you're not sure!
  - Contract expiring June 30, 2027?
  - If needed, file FY 2027 Form 470s by the end of December if possible
- Determine what equipment (IC) will be needed in the upcoming year
  - File FY 2027 C2 Form 470s by the end of December if possible

Make and follow your FY 2027 E-Rate Plan!


QUESTIONS

Where to Go for E-Rate Help

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

- Ohio Department of Education & Workforce **E-Rate Coordinator**
  - E-mail Lorrie Germann at lorrie.germann@education.ohio.gov
  - Call: 740-253-1153
  - Attend webinars!
  - https://www.ohio-k12.help/e-rate-support **(Note new URL!!)**
  - Subscribe/read listserve messages! **(If you've had issues receiving my emails, please subscribe again!!)**
  - Helpful Documents: https://www.ohio-k12.help/e-rate-support/resource-library/
  - Training: https://www.ohio-k12.help/e-rate-support/e-rate-events/