E-RATE
FOR
EVERYONE

LAUREN ABNER

NOVEMBER 10, 2021

Presentation Contents

Disclaimers

- This presentation is my unofficial interpretation of the FCC's E-rate rules and regulations. Official guidance can come only from the FCC and USAC.

- USAC may update the application portal or the procedures after today's presentation. What I present is correct to the best of my knowledge at the time of the presentation.

WHAT IS E-RATE?

The key players and basic concepts

Agencies to Know

The Rulemakers

The Administrators

Universal Service
Administrative Co.

E-rate Basics

- E-rate = Education rate for Schools & Libraries

- 20-90% discounts on eligible products and services to make telecommunications more affordable

- One of four FCC 'universal service' programs designed to provide comparable levels of connectivity to eligible groups, regardless of where they are located.

- Core principles: competitive bidding and cost-effectiveness

E-rate is funded by fees applied to telecommunications invoices, not federal tax dollars.

E-rate Funding Years

Download latest chart from KDLA E-rate page:
https://kdla.ky.gov/librarians/programs/e-rate/Pages/Funding-Years.aspx

E-rate Funding Years – Dates to Remember

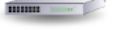| KDLA E-rate support: Lauren Abner lauren.abner @ky.gov or 502-564-1728	Application Process			Recurring Services		Non-Recurring Services	
	Form 470 – Competitive Bidding	Form 471 – Application to Request Discounts	Form 486 – Service Start Date + CIPA Certification	Service Dates for Category One or Two	Invoicing Deadline (BEAR/472)	Service Dates for Category Two Purchase/ Installation	Invoicing Deadline (BEAR/472)
Funding Year 2020 (FY 2020-21)	Closed	Closed	120 days from: FCDL *or* Service Start Date (whichever is later)	July 1, 2020 to June 30, 2021	October 28, 2021	April 1, 2020 to Sept. 30, 2021	January 28, 2022
Funding Year 2021 (FY 2021-22)	Closed	Closed	120 days from: FCDL *or* Service Start Date (whichever is later)	July 1, 2021 to June 30, 2022	October 28, 2022	April 1, 2021 to Sept. 30, 2022	January 28, 2023
Funding Year 2022 (FY 2022-23)	July 1, 2021 to late Feb. 2022 deadline TBD	Mid-January to late March 2022 dates TBD	120 days from: FCDL *or* Service Start Date (whichever is later)	July 1, 2022 to June 30, 2023	October 28, 2023	April 1, 2022 to Sept. 30, 2023	January 28, 2024
Notes	Most libraries open competitive bidding each year and must wait at least 28 calendar days to select vendor(s).	All libraries must file the Form 471 every year to receive a funding commitment.	All libraries must file the Form 486 to release funding for invoicing; FCDL = Funding Commitment Decision Letter	Both Category One and Two services may be recurring (ex: monthly internet)	May request one 120-day extension by the deadline	Non-recurring = one-time purchases such as networking equipment	May request one 120-day extension by the deadline

LIBRARY ELIGIBILITY

LSTA/E-RATE ELIGIBILITY

Who Is Eligible for E-rate?

- Libraries must qualify for support from the Library Services and Technology Act (LSTA) as defined by the state library agency and must have funding as an independent entity.

    - *Most school libraries and academic libraries aren't eligible for E-rate because their budgets aren't independent from the school/university*

- For Kentucky public libraries, the eligibility definitions are set by KDLA: https://kdla.ky.gov/librarians/funding/Documents/eligible%20library%20II%20-%202015.pdf

Kentucky Libraries & E-rate

- Each year, approximately 100 Kentucky libraries apply for E-rate discounts.

- Average funding committed per library in Funding Year 2021: over $19,200

- Since 1998, Kentucky libraries have received disbursements from the E-rate program totaling more than $22 million.

- Most Kentucky libraries receive 80-90% discounts
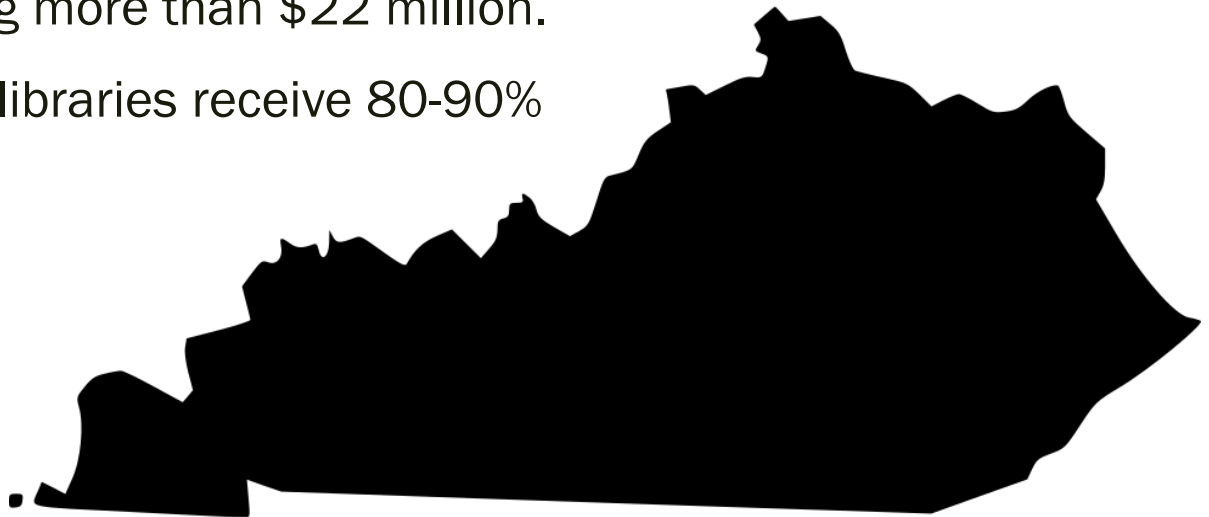
When CIPA Is Required

- Federal law requires recipients of E-rate funding to filter their internet access in compliance with the Children's Internet Protection Act (CIPA) when receiving support for:

  - Internet Access

  - Any Category Two funding

- Exception: If the E-rate funds are solely for telecommunications (transport only), then CIPA compliance is not required.

3 Steps to CIPA Compliance

Internet Safety Policy

Notice & Public Meeting

Technology Protection Measure

For more information on CIPA, see: https://www.usac.org/e-rate/applicant-process/starting-services/cipa/
Watch KDLA's CIPA webinar: https://kdla.ky.gov/librarians/staffdevelopment/kdlaarchivedwebinars/Pages/E-rate.aspx

Billed Entity Numbers (BENs)

- A Billed Entity Number (BEN) is assigned to each independent library or library system as a unique identifier with the E-rate program.

- Within a multi-branch library system, individual entity numbers are assigned to each eligible branch building. Some library systems have an entity number for the bookmobile, as well.

- Example:
  - 128781 – Estill County Public Library (system BEN)
    - 17005414 – Main Branch
    - 17005416 – Bookmobile

- Contact the KDLA Technology Consultant if you have questions about entity numbers.

E-RATE ELIGIBLE SERVICES

An overview of the Eligible Services List

The Eligible Services List

- The full E-rate Eligible Services List can be downloaded from the USAC website: https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/

- Eligible services are separated into two broad categories:

  - Category One: Connectivity to the Building

  - Category Two: Connectivity to the Device

Funding Year 2022 draft Eligible Services List, August 27, 2021: https://ecfsapi.fcc.gov/file/08271793205666/DA-21-1062A1.pdf

Category One

- Data Transmission Services & Internet Access
  - Monthly Internet service for branch buildings, including installation – lines/circuits can be fiber or non-fiber (cable, DSL, satellite, etc.)
    - Fees for static IP addresses are eligible as part of your library's internet access
    - Fees for "basic termination equipment, such as a cable modem, CSU/DSU, network interface device, or copper-to-fiber converter" may be eligible as part of your library's internet access.
  - Leased data lines (T1, lit fiber, dark fiber, etc.)
  - Cellular data (hotspot service) for bookmobile only
  - Self-provisioned broadband networks (owned/operated by applicant)
  - Network Equipment required to make data transmission and/or internet access functional (ex: modulating electronics)

Recurring service dates for Funding Year 2022: July 1, 2022 to June 30, 2023

No budget limit on Category One requests

Category Two - IC

- **Internal Connections**

  - **Cabling** (bulk cabling, drops, patch cables, cabling installation/removal)

  - **Switches** (hardware, licenses, transceivers, other modules)

  - **Routers**† (hardware**, licenses**, transceivers, other modules)

  - **Wireless Access points** (hardware, licenses)

  - **Wireless controller systems**

  - **Firewalls** (hardware, licenses**)

  - **UPS** (Uninterruptible Power Supply/battery backup)**

  - **Racks****

  - **Caching services or equipment**

  - **Antennas, connectors, & related components**

  - **Software supporting components on the list used to distribute broadband through the library**

**FY 2022 Early Installation: April 1, 2022
FY 2022 Late Installation: September 30, 2023.**

These eligible functions can be virtualized in the cloud or combined in equipment (like routing and switching).

**Some restrictions apply depending on usage, ineligible security components, etc.
† For a router leased from the internet service provider, your library may need to bid for Category Two Internal Connections for Function: Router. See 'Q9 of FAQs: Eligible Fiber Services

Category Two – BMIC & MIBS

Basic Maintenance of Internal Connections (BMIC)

- Repair and upkeep of eligible hardware (even if not purchased through E-rate)

- Wire and cable maintenance

- Configuration changes

- Basic technical support including online and telephone based technical support

- Software upgrades and patches including bug fixes and security patches

Managed Internal Broadband Services (MIBS)

- 3rd party operation, management, and monitoring of eligible broadband internal connections (ex: managed Wi-Fi)

Funds for Learning has a good explanation of [Basic Maintenance of Internal Connections (BMIC).](#)

MISCELLANEOUS

May fall under Category One or Two:

- Some taxes, surcharges, and other similar, reasonable charges
  - Federal Access Recovery Charge on internet invoices – permissible charge for use of a local carriers network; not all ISPs charge this
  - USF fees on internet invoices - "customer charges for universal service fees, but do not include additional charges for universal service administration"
- Rental or lease fees for eligible components
- Shipping
- Training – only for new equipment purchased with Cat2 funds
- Installation and configuration
  - May be performed by a 3rd party rather than the vendor who sold the equipment

DISCOUNT RATES

What amount of refund can my library expect?

What's My Discount Rate?

- E-rate discounts are based on two criteria:
  - Percentage of students eligible for the National School Lunch Program in the local school district of your main library branch.
    - School districts submit this data, and your library system's profile links to this automatically—easy!
  - Rural or urban classification of the area served by the library system
    - USAC has an Urban/Rural Lookup Tool on its website: https://sltools.universalservice.org/portal-external/urbanRuralLookup/
- Look at Discount Matrix (next slide) for discount rate

Discount Matrix

Discounts are similar for Category One and Category Two eligible services, but the top discount for Category Two is capped at 85%.

INCOME Measured by % of students eligible for the National School Lunch Program (NSLP)	CATEGORY ONE (C1)		CATEGORY TWO (C2)	
	URBAN Discount	RURAL Discount	URBAN Discount	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%

View Your Discount Rate
in the E-rate Productivity Center

Records / Applicant Entities

#208 - Pioneer County Public Library System

Summary   Customer Service   Modifications   Additional Information   **Discount Rate**   Category Two Budget   Contracts   FCC Forms   FRN Appeals

News   Related Actions

Requested Discount Rate - Pioneer County Public Library System (BEN: 208) - FY2021

More than 50 percent of your library outlets/branches must be rural for the library system to be considered rural.

This discount rate has not been approved for the current year

Associated School District Full-time Enrollment	Associated School District NSLP Count	Associated School District NSLP Percentage	Library System Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate
796	626	79%	Rural	90%	85%

SHOW ADDITIONAL INFORMATION

To view your current discount rate in the E-rate Productivity Center: Go to My Applicant Landing Page, click on the name of your library system, then click on Discount Rate.

# CATEGORY TWO BUDGETS

C2 budgets for FY 2022

- **Category Two Budgets**
  - Budgets are calculated for a fixed 5-year period. The current budget period runs from FY 2021-25.
  - Budget multiplier for all libraries: $4.50/sq. ft.
  - The funding floor is $25,000 pre-discount
  - Budgets are calculated at the system level rather than the branch level.
    - Public service locations, including bookmobiles, contribute to the Category Two budget. Administrative-only branches can receive only Category One support.
  - Inflation adjustments will be made once at the start of the 5-year budget period rather than annually.

E-rate C2 Budget Tool FY2021+
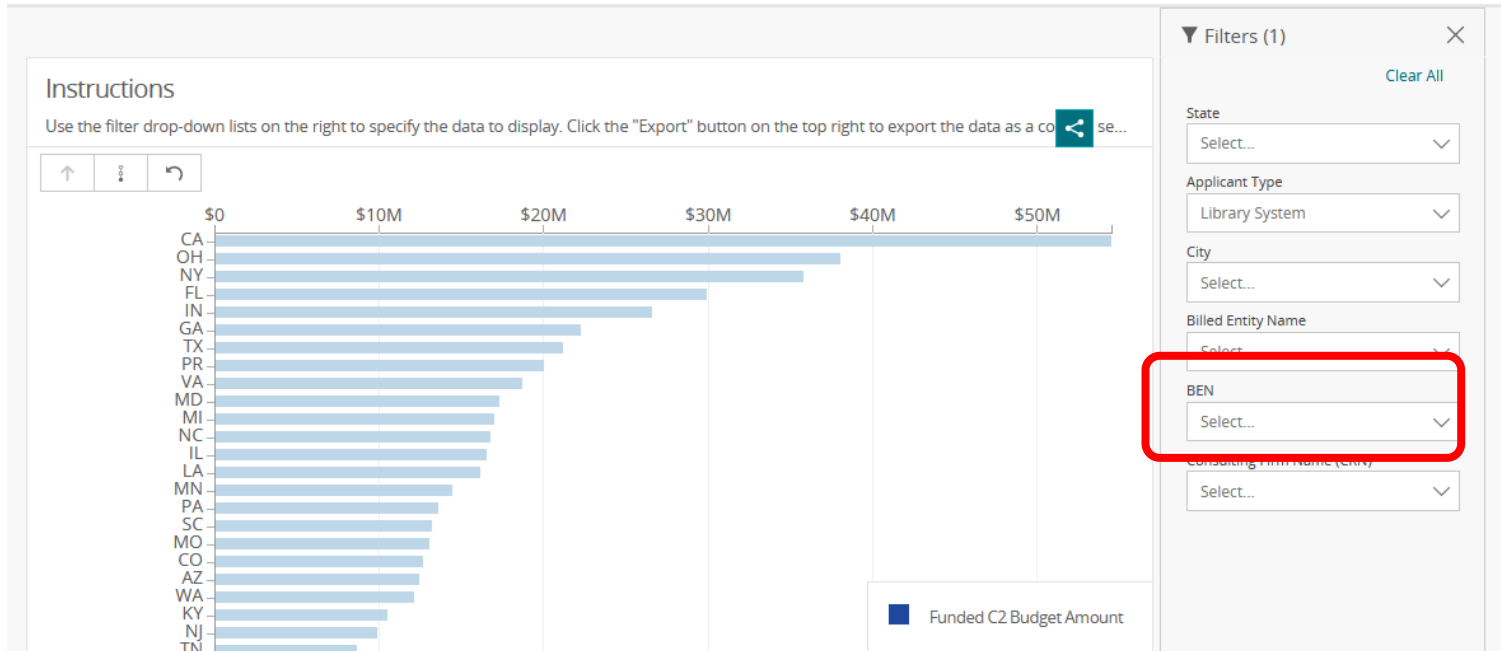
The new E-rate C2 Budget Tool FY 2021+ is available from the USAC Tools page: https://www.usac.org/e-rate/resources/tools/. Use the BEN filter to see and export the results specific to your library system. The tool automatically uses the C2 budget algorithm that results in the most funding for your organization. See the 8/14/20 SL News Brief for a description of the tool and how budgets are calculated: https://apps.usac.org/sl/tools/news-briefs/preview.aspx?id=965.

Updating Profiles

- The Funding Year 2022 administrative window for updating entity profiles will remain open until shortly before the Form 471 filing window.

  - Update addresses

  - Add annex locations associated with a branch

  - Request new branch entities

- All budgeted entities for Category Two should have certain profile information in order for USAC to calculate discounts:

  - Libraries: square footage, including for eligible bookmobiles and kiosks

Construction? Get more Cat2!

- **Cat2 budget increases** when the library gains finished, interior square footage during the funding year. Get documentation ready <u>before</u> applying.
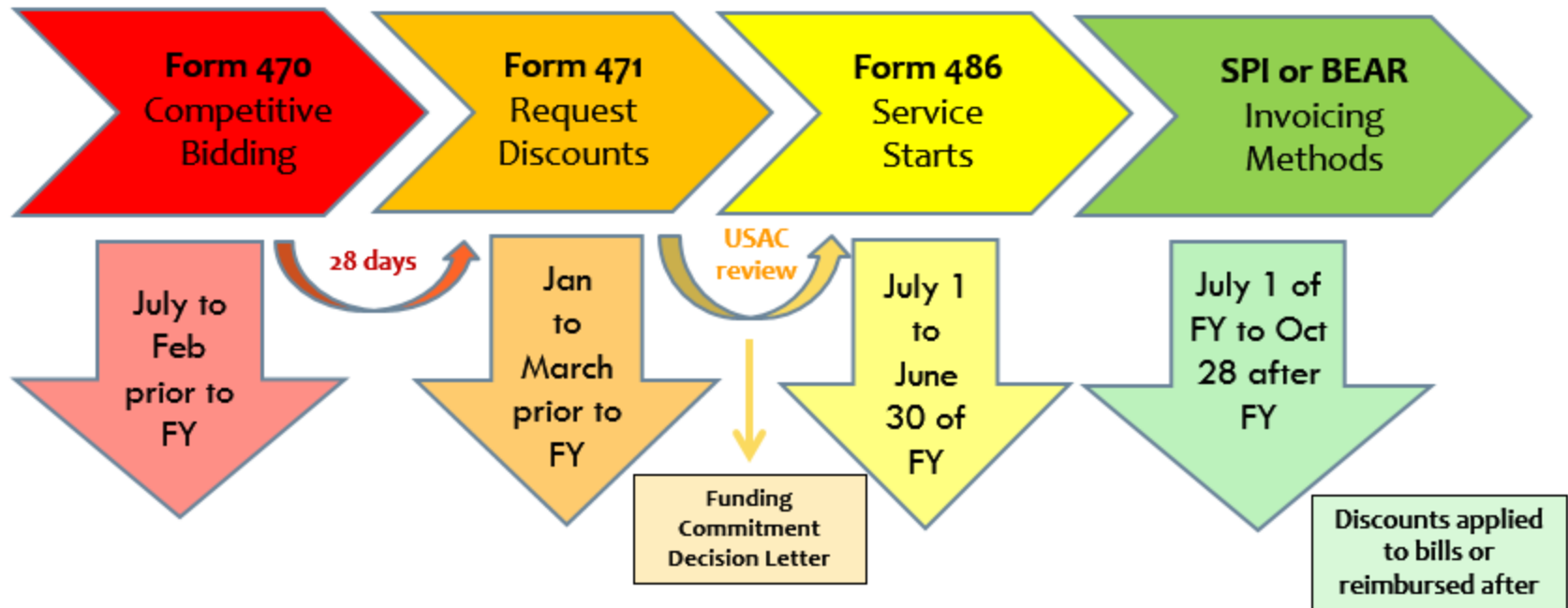
APPLICATION CYCLE

A rundown of the forms to file

E-rate Cycle

Form 470 Competitive Bidding	Form 471 Request Discounts	Form 486 Service Starts	SPI or BEAR Invoicing Methods
July to Feb prior to FY	Jan to March prior to FY	July 1 to June 30 of FY	July 1 of FY to Oct 28 after FY

28 days

USAC review

Funding Commitment Decision Letter

Discounts applied to bills or reimbursed after

- The deadline to start competitive bidding (Form 470) for FY 2022 will likely be in late February 2022.
- The deadline for filing FY 2021 applications (Form 471) will likely be in late March 2022.

Form 470 – Competitive Bidding

- On the Form 470, applicants describe the E-rate eligible services they need. Potential service providers have *at least* **28 calendar days** to respond with bids.
    - All vendors must be treated equally – **fair & open bidding**
    - Cost must be the primary factor in choosing vendor
        - Create a bid evaluation form if you receive multiple bids
    - Keep records of the bid review process, decisions and actions taken
- Filing a Form 470 does <u>not</u> obligate an applicant to sign contracts or accept E-rate funding.

Competitive Bidding & Existing Contracts

Question: My library already has a contract for internet access (or another eligible service), and this contract was not previously approved for E-rate. Can my library still get discounts for this service?

Answer: Yes. Your library must go through competitive bidding and consider the current contract along with other bids received for the same service. **If your contract honestly wins the bid evaluation with price as the primary factor, you can get an E-rate discount for those services.** You'll memorialize the contract paperwork with the date the contract won the E-rate bid evaluation. This isn't a best practice for E-rate, so try to avoid this scenario when possible!

Business-Class Internet Bidding Exemption

- A Form 470 for Internet service is <u>not</u> necessary if ALL these conditions are met:
  - Bandwidth is at least 100 Mbps downstream and 10 Mbps upstream
  - Pre-discount cost is less than $3600 annually ($300/month) for each branch, including installation or other eligible fees
  - Service and price are commercially available to other business or government customers in your area

Form 471 – Request Discounts

- The Form 471 = the E-rate application filed EVERY YEAR

- On the Form 471, report which products and services you have chosen through competitive bidding –

  - If contracts or legally binding agreements are required, they must be signed <u>before</u> filing a Form 471

  - Include information about the service provider and costs

  - Include discount calculation and request for a specific amount of funds

  - In the <u>E-rate Productivity Center</u>, you can upload copies of contracts to speed up the review process.

Application Review

- USAC reviewers may ask applicants for additional documentation to verify eligibility of services.
  - Will help you make allowable corrections to your Form 471

- Funding commitments are released in waves as applications are reviewed.
  - Funding Commitment Decision Letters for each Form 471 indicate which funding requests were approved and the amount of funding committed.
  - Applicants receive FCDLs by email or can download them from the [E-rate Productivity Center](#).

Form 486 – Service Starts

- Indicates the earliest date in the funding year when services started (or will start).

- Includes certifications regarding compliance with the Children's Internet Protection Act.

- <u>Must</u> file a Form 486 for funding to be released for invoicing

SPI or BEAR – Invoicing Methods

Service Provider Invoicing (SPI)

- Your service provider automatically applies your discount rate to each bill

- Less paperwork for you, but not all service providers will offer this

Billed Entity Applicant Reimbursement (BEAR)

- Submit the eligible amount you were charged through the legacy BEAR Online. File periodically or submit full amount after FY ends

- Reimbursement via direct deposit

- More work on your part, but more control over timing of reimbursement

E-RATE PRODUCTIVITY CENTER

Basics of the application portal

E-rate Productivity Center

- Application portal for filing almost all E-rate forms
    - Retains funding information from FY 2016 and forward
- E-P-C or 'epic' for short.
- Link: https://forms.universalservice.org/portal/login
    - On the Dashboard, select the paragraph of text for the 'E-rate Productivity Center (EPC)'
- Each library can have several users with various permission levels. The account admin for the library creates accounts for additional library staff.
- Update your library's profile – contact info, square footage, etc.

EPC Account Admin

- Pick a library staff member to act as Administrator for the account – usually person with primary responsibility for preparing E-rate forms. The account admin can create/deactivate other users, if needed

- Information you'll need:
    - Administrator's First and Last Name
    - Administrator's Title
    - Administrator's email address (this will become login ID for the account)
    - Library's <u>physical</u> address (can add mailing address, too)
    - Library's Billed Entity Number

- Contact USAC Client Service Bureau
    - Call 1-888-203-8100 for assistance

Create a New User (1/3)

My Applicant Landing Page

Training

Universal Service Administrative Co.

Welcome, Pioneer County Public Library System!

Pending Inq

Funding Request Report | **FCC Form 470** | **FCC Form 471** | **FCC Form 486** | **Appeal** | **IDD Extension** | **FCC Form 500** | **SPIN Change** | **Service Substitution** | **Manage Users** | **Manage Organizations** | **USAC Website** | **Contact Us** | **Help**

Ty

Funding Ye

st ID or Nickname

CLEAR FILTERS

From My Applicant Landing Page, the library's account admin can click on Manage Users to access options for adding & removing users or changing their user permissions.

Create a New User (2/3)

Manage Users

Existing Organizations

	Organization ID	City	State
☑	Pioneer County Public Library System	Boonesburg	KY

Cancel   Create a New User   Add and Remove Existing Users   Manage User Permissions

Select your library

Click to Create a New User

Create a New User (3/3)

Create A User for Pioneer County Public Library System

User Details

User Type
Applicant

First Name*
Marian

Last Name*
The-Librarian

Middle Initial

Job Title*
IT Manager

Phone Number*
555-555-5555

Phone Extension
5555

Enter Contact Info

Email

Email*
marian.thelibrarian@mailinator.com

Confirm Email*
marian.thelibrarian@mailinator.com

marian.thelibrarian@mailinator.com will be used as the username for the new account

Address

Address Line 1*
100 Main Street

Address Line 2

City*
Boonesburg

State*
KY

County

Zip Code*
40069

Zip Code Extension

Library's Address Will Autofill

After you click on the green Continue button, you'll review the information before submitting the request. The new user will receive an email invitation.

User Permissions

In the table below, you can designate the permissions that you wish to give to each of your users for the various tasks you can complete in the portal. This table will continue to grow as more functionality comes online.

- Full rights users can start, complete, submit and certify forms.
- Partial rights users can start and enter data in the form, but cannot submit and certify them.
- View Only users can only see forms created by other people in your organization but cannot create forms themselves.
- Form 498 School or Library Officials can start, complete, submit, certify, modify, and deactivate Forms 498.
- Form 498 General Financial Contacts can start, complete, and submit Forms 498, but cannot certify new or updated Forms 498 or deactivate existing Forms 498.
- Post-Commitment Full and Partial rights user can start, complete, and submit Spin Change and Service Substitution requests. Post-Commitment View Only rights can view the submitted Spin Change and Service Substitution requests.

Assign Permission Levels for forms

Apply All	470 Permission	471 Permission	498 Permission	Post-Commitment Permission	486 Permission	Appeals Permission
Full	Full	Full	School or Library Official	Full	Full	Full

Cancel

Continue

Logging in for the 1ˢᵗ Time

- The email invitation will direct you to the E-rate Productivity Center: https://forms.universalservice.org/portal/login

- Click on Continue

- Choose the 'Forgot password?' link and enter your email address as the username. The password reset link will expire after 15 minutes!

- 1ˢᵗ task after successful login – complete Terms of Service Agreement from EPC Tasks list

- Problems? Call Client Service Bureau at 1-888-203-8100

My Applicant Landing Page (1/2)

Continue in-process forms

Access user profile; log out of portal

News   **Tasks (3)**   **Records**   **Reports**   **Actions**

Appian

My Applicant Landing Page

Training

Universal Service
Administrative Co.

Funding Request Report | FCC Form 470 | FCC Form 471 | FCC Form 486 | Appeal | IDD Extension | FCC Form 500 | SPIN Change | Service Substitution | Manage Users | Manage Organizations | USAC Website | Contact Us | Help

Welcome, Pioneer County Public Library System!

Pending Inquiries

Start new forms; use 'Contact Us' to open a customer service case.

| **Type** | -- Select a Type -- | Nickname |
| **Funding Year** | -- Select a Funding Year -- | |

APPLY FILTERS   CLEAR FILTERS

Universal Service
Administrative Co.

From other pages, USAC logo returns you to My Applicant Landing Page

My Applicant Landing Page (2/2)

My Entities

Entity	Entity Number	City	State
Pioneer County Public Library System	208	Boonesburg	KY
Loganville Branch Library	209	Loganville	KY
Pioneer County Public Library Main Branch	210	Boonesburg	KY
Pioneer County Bookmobile	211	Boonesburg	KY

Make updates to profiles for library system and branches.

˅ Customer Service Cases

Case ID	↓	Topic	Nickname	Status	Date
74		Eligible Services	Eligibility of a Service	Pending	12/1/2015 8:54 PM EST

View in-process customer service cases

˅ FCC Forms and Post-Commitment Requests

○ FCC Forms
○ Post-Commitment Requests

Form Type FCC Form 470 ▼

Funding Year -- Select a Funding Year -- ▼

Status ● All
○ Incomplete
○ Certified

Look up your library's forms already filed.

Nickname	Application Number	Funding Year	Status

CHECKLIST

Gearing up to file for Funding Year 2022

FY 2022 Checklist (1/4)

E-rate Productivity Center information

- Update USAC's data relating to your library/library system

  - Are there new branches since the last year you applied?

  - Have the mailing or physical addresses changed?

- [E-rate Productivity Center](#) accounts

  - Account administrator has been set

  - Other users added with various permission levels

  - Contact information in your individual EPC user profile is correct

FY 2022 Checklist (2/4)

Eligible Services – what does your library need?

- Category One

  - Data Transmission and/or Internet Access

- Category Two

  - Internal Connections

  - Basic Maintenance of Internal Connections

  - Managed Internal Broadband Services

Contracts for existing services

- Do the contracts cover the entire funding year?

- Were those contracts approved during a previous application cycle?

FY 2022 Checklist (3/4)

Category Two Budget

- What is the square footage of each building? Has it changed since last year?

- Will construction or renovation change the square footage or create new branches by the purchase/installation deadline for FY 2022 Category Two—September 30, 2023?

FY 2022 Checklist (4/4)

Children's Internet Protection Act (CIPA) Compliance

- Will the library request E-rate support for Internet Access or any Category Two equipment or services?

    - If yes, has your library:

        - Implemented a filter that blocks visual images that are obscene, child pornography, or (sexual material) 'harmful to minors'?

        - Created an Internet Safety Policy that addresses children's online safety when using the library's internet?

        - Held a public meeting prior to adopting the policy? Do you still have documentation that notice was given before the meeting?

Help from KDLA

- Will I ask the Technology Consultant to review my Forms 470 and 471 before certifying? (Correct answer: Yes!!!)

WRAP-UP

Why to apply for E-rate + Resources

Why Apply for E-rate?

Image from Grow with Google event at Erlanger Branch of Kenton County Public Library: Northern Kentucky Tribune, July 18, 2019

Resources

- **KDLA's E-rate page**
  - https://kdla.ky.gov/librarians/programs/e-rate/Pages/default.aspx

- **USAC Schools & Libraries Division**
  - https://www.usac.org/e-rate/
  - Client Service Bureau – 1-888-203-8100 or create a case in the E-rate Productivity Center

- **E-rate Central state page for Kentucky**
  - https://tools.e-ratecentral.com/us/stateInformation.asp?state=KY
  - Research your library's E-rate funding history:

Funding Quick Search

◉ Billed Entity Number ◯ SPIN

[ ]

Search

Sign up for KYTECH LISTSERV®

- **For Library Technology Support Staff:**

  - KYTECH is a monitored discussion list devoted to those who work with technology for their library. By using this LISTSERV®, individuals from around the state will have the chance to ask questions, share ideas, voice concerns, and make valuable contacts all through their e-mail.

  - TO SUBSCRIBE: Send a blank message to: join-kytech@listserv.ky.gov

- **E-rate updates and reminders are posted to KYTECH**

KDLA Archived Webinars

For E-rate questions or for assistance with filing forms, please contact KDLA.

Lauren Abner
Technology Consultant
lauren.abner@ky.gov
(502) 564-1728

Please complete KDLA's survey:
https://www.surveymonkey.com/r/FFY21WebinarSurvey

KDLA's E-rate support is funded in part by the IMLS Grants to States program.

Return to Presentation Contents