

# E-rate Training for Schools

## Beginners –

### Funding Year 2024



Presented by Julie Tritt Schell  
PA E-rate Coordinator  
for the Pennsylvania Department of Education  
Fall 2023

# Agenda for Today

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- Overview
- Eligible entities
- E-rate Productivity Center (EPC)
- Discount Calculations
- Eligible Services and Equipment
- Category 2 Budgets
- Application Process, step-by-step
- Copy of presentation available at: [http://e-ratepa.org/?page\\_id=745](http://e-ratepa.org/?page_id=745)

# What is E-rate?

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- Annual \$3.9 billion federal program
  - Funding does not come from federal budget
- Provides 20-90% discounts on eligible services and equipment
- Bedrock principles:
  - All equipment and services must be competitively bid on USAC website for at least 28 days
  - Applicants **MUST** pay their non-discounted share (cannot be waived)
    - For example, if your discount is 60%, you must pay 40%
- FCC sets all rules and policy
  - USAC (SLD) manages the program/application process
- Program is highly deadline restrictive
- Application process begins 6-12 months before funding year begins

# How to Be E-rate Successful

- Read (and distribute) listserve messages
  - Are you on the PA E-rate listserve? (e-mail Julie, if not)
  - Are you subscribed to the USAC E-rate Newsbrief?  
<https://fe391570756406797d1477.pub.s10.sfmtc-content.com/3n2usens2cz>
- Document and retain everything
  - Stay organized!
- Use PA E-rate website: [www.e-ratepa.org](http://www.e-ratepa.org)
  - Helpful Documents/Guides
- Have patience



# What Entities are Eligible in PA?

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- Public libraries eligible for LSTA funding
  - Includes bookmobiles
- Public and non-public, non-profit K-12 schools
  - Pre-k eligible (ages 3+)
  - Head Start (if operated by a public-school entity)
- Consortia comprised of eligible entities
- Non-Instructional Facilities (NIFs)
  - Admin buildings, bus barns, data centers, etc.
  - Only eligible for broadband/internet services (not equipment)
- Every “organization” has an E-rate Billed Entity Number (BEN)
- Every “building” must have an Entity Number
  - Call USAC to obtain Entity Numbers for new buildings



# E-rate Classifications for Various Libraries

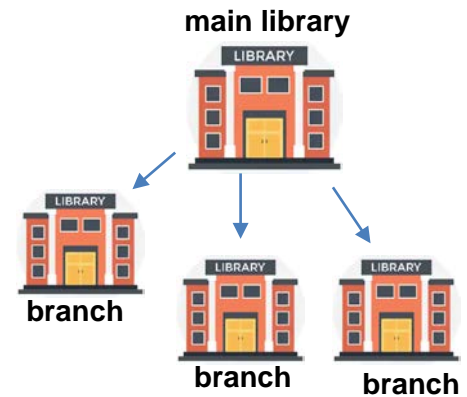
## 1. Independent Library

- Stand-alone library, not a branch



## 2. Library System

- Defined as library that has branches



## 3. Consortium

- Can be made up of one or more independent libraries
  - Consortia “lead” may or may not be an actual library
- Regional (Federated) library systems that procure services on behalf of independent libraries would be considered a “consortium” under E-rate rules
  - Not a “library system” as they’re known in PA



# EPC – E-rate Productivity Center

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- Account and application management portal
  - Launched in FY 2016
- All E-rate forms, letters and interactions are based in EPC
- Within EPC Portal is...
  - **E-rate Main**
  - **E-rate Form 472** BEAR Reimbursement System – now also in EPC
  - **ECF** = Emergency Connectivity Fund (appropriated program)
- Every “Billed Entity” has a BEN EPC Account
- Every BEN Account has “Users”
  - One of the Users is the EPC Account Administrator (AA)
  - ‘Related Actions’ is where most account management tasks are found
- Call USAC at 888-203-8100 for EPC assistance

# Discount Calculations





# School Discount Calculations

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- **Discount level for schools based on 2 factors:**
  - % of students – district wide - who are eligible for National School Lunch Program (**NSLP**)
    - Doesn't matter if school serves lunch or participates in NSLP
    - CTCs use their own students' data, not sending schools' data
    - CEP schools' 1.6 multiplier calculated automatically
      - PDE data will contain raw CEP data to use
    - Alternatives to using NSLP data available
  - Whether a **majority** of schools buildings are considered **rural**
    - Designations already in EPC
    - Being updated next week for 2020 US Census rural/urban designations
- Using this data, 'Discount Matrix' is then used to determine discounts

# Discount Matrix

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## Category 1

## Category 2

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

Category 2 Urban Discount	Category 2 Rural Discount
20%	25%
40%	50%
50%	60%
60%	70%
80%	80%
85%	85%

# Calculating Consortia Discounts

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- Based on the **simple average** of all consortia members' discounts

Consortia Members	Member Calculated Discount
District A	50%
District B	60%
District C	80%
<b>Consortia Discount</b>	<b>63%</b>
	$(50+60+80)/3$

- Consortia are only entities that will have non-matrix discount
- Most common consortia are IU RWANs and Federated Library Systems' RWANs

# How Does USAC Obtain Enrollment & NSLP Data?

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- Short answer: Each school is required to update their EPC profiles annually during an “Admin Window”
  - System automatically calculates discounts
    - Discount Data is then be ported into E-rate application from EPC
  - Update C2 enrollment during Admin Window, if increases
  - For Funding Year 2024, Admin Window is open October 24 – early Jan
  - Julie will send PDE enrollment/NSLP data to listserve in mid December
  - Wait and update profiles after PDE data release
- Libraries do not enter enrollment/NSLP data
  - EPC linked to school district in which the library (or main library in a system) is located
  - Libraries only update changes to square footage for each building, if any
    - Square footage is used to determine Category 2 budgets



# E-rate Eligible Services and Equipment

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E-rate Eligible Services List and FAQs:

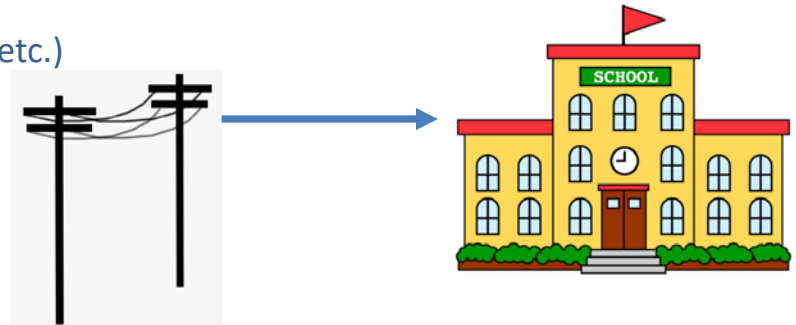
<https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/>



# Categories of Service

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- **Category 1** – Services that go TO 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



- **Category 2** – Services/equipment that go INSIDE 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)



# Category 1 Eligible:

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## Most Common:

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

## Other Eligible Fiber:

- Leased Dark Fiber \*
- 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

## 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)
- Wireless data plans \*
  - If no Wi-Fi access, must prove that data plans are most cost-effective option

## Not Eligible:

- Voice services
- Duplicative (redundant) services
- Filtering

\* Additional bidding requirements apply

# CABIO Internet Bidding Exemption

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## Commercially Available Bundled Internet Option

- Schools and libraries seeking “Commercially-Available Business Class Internet Services” are not required to file a Form 470
- 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
  - In layman’s terms, this means an internet service that is available on a vendor’s website for its business customers.
  - Typically only Cable-Modem, DSL, or FIOS Internet Service
- 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 to small libraries and small non-public schools using cable modem-type services



# Beginning in FY 2024

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- School bus Wi-Fi
  - Eligible for FY 2024
  - No details yet but likely all Category 1
- Hotspot lending
  - Unsure of timing
  - Similar to ECF but more restrictive

# What's Eligible for Category 2 Funding?



## 3 Sub-Categories for C2

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

# Internal Connections Eligible

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- Wireless Access Points/Controllers
- Network Routers & Switches
- In-Building Structured Cabling
- Caching Servers
  - Only eligible servers
- Firewalls
  - No advanced functions are eligible, like anti-spam, anti-virus, etc.
- Racks and UPSs
  - That support eligible equipment only
  - Network cards aren't eligible
- Equipment licenses
  - Multi-year licenses can be requested in first year
- Cloud-based functionality of this 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:**
  - **Storage Devices**
  - **Voice/Video Components**
  - **End User Devices**



# Basic Maintenance (BMIC)

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- Special eligibility conditions:
  - 100% eligible = basic tech support, configuration changes
    - Costs common when purchasing new equipment
  - Conditionally eligible = repair of equipment, cable maintenance
    - E-rate will commit based on amount of contract
    - BUT.... Will only reimburse for time/parts used
- Multi-year, pre-paid contracts must be amortized
- Can only be for services/work performed from during 12-month funding year (7/1/2024 – 6/30/2025)
  - Does not follow the 4/1/2024 – 9/30/2025 schedule

**For these reasons, I do not recommend applicants use their C2 budgets for BMIC.**

**Rather, use C2 budgets for eligible equipment/installation.**



# Managed Internal Broadband Svcs

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

# When Must You Bid a Service/Equipment?

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## A Form 470 must be filed to bid...

- 1) If a service is covered on a Month-to-Month basis (meaning no contract exists – these are mostly cable modem-type services);
- 2) At the beginning of 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, 2024, you are not required to file a Form 470 for FY 2023
- 3) If you're upgrading service mid-contract and the upgrades and associated prices are not included in the original contract
- 4) All Category 2 equipment and services

## \*\* Form 470 NOT required when using **CABIO**

### Contract extensions:

- Contract extensions are permitted to be included in the original contract
- Must have a definite end
  - **OK:** For example, a 3-year contract, with two 1-year renewals. Will not require new 470 until the end of 5 years
  - **NOT OK:** 3-year contract that automatically renews. Will require new 470 at the end of 3 years

# NIFs Not Eligible for C2 Funding

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- 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 at data center
  - Wireless Access Points in a data center may not be purchased with E-rate funds
    - These would be building-specific and equipment that is shared with other schools



# Category 2 Budget Calculations



# Category 2, 5-Year Funding Caps

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- Current C2 budget cycle – Funding Years 2021 – 2025
  - All C2 budgets will reset in FY 2026 and no funding will be carried over
  - C2 budgets are *pre-discount*
    - Applicants' E-rate discounts then apply

## C2 Budget Multipliers:

### Single Schools:

\$167 x total enrollment OR \$25,000, whichever total budget is greater

### School Districts:

\$167 x total district enrollment, OR

\$25,000 x total number of schools in the district

– Whichever total budget is greater

### Independent Libraries:

\$4.50 x total square footage OR \$25,000, whichever total budget is greater

### Library Systems:

\$4.50 x total square feet of all library branches OR \$25,000, whichever total budget is greater

# 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, district would still owe their 40% non-discounted share

- Future funding years: To determine what “**remains**” in a C2 budget for future years in the C2 “cycle”, take the 5-Year Budget Cap and subtract the pre-discount amounts of what has been “committed” in the previous year(s) of the C2 cycle

**What is YOUR Remaining Category 2 Pre-Discount Budget for Current 2 Budget Cycle?**

# Calculating Remaining C2 Budgets

What is your remaining Category 2 Budget for this C2 cycle?

- 1) Go to: <https://opendata.usac.org/E-rate/E-rate-C2-Budget-Tool-FY2021-/8z69-hkn7>
- 2) Enter BEN to filter just your entity's data
- 3) Summary Table will appear

<http://e-ratepa.org/wp-content/uploads/2014/03/Remaining-C2-Budgets-as-of-10-23-23.xlsx>

Filters (2) ✕

Clear All

State  
PA ▼

Applicant Type  
Select... ▼

City  
Select... ▼

Billed Entity Name  
Select... ▼

BEN  
125300 ▼

Consulting Firm Name (CRN)  
Select... ▼

**Review these columns:**

C2 enrollment currently in EPC

5-Year Pre-Discount C2 Budget

Amount of any "still pending FRNs" in FY 2021, 2022, 2023

Amount "committed" in FY 2021-FY 2023

Remaining available C2 Budget

Full Ti...	Library...	School...	Library...	C2 Bud...	C2 Bud...	Funded...	Pendin...	Availab...
1,605		\$167.00		\$268,035.00	Confirmed	\$207,881.00	\$0.00	\$60,154.00

# Data Used for Category 2 Budgets

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- Enrollment data 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



# The Application Process



# Application Process Overview

E-rate Step	Suggested Timeline
1) Assess Needs/Create Your Plan	August - November
2) Update EPC Profiles - Admin Window	Oct - early January
3) Bid All New Services/Equipment – Form 470	Now – early December
4) Bid Evaluation	January/February
5) Board Approval/Sign Contracts	January/February
6) Request E-rate Funding – Form 471	February – March 25? (deadline TBA)
7) Application Review – PIA	April - August
8) Funding Commitment – FCDL	April - August
9) Turn-On Funding/CIPA Compliance – Form 486	FCDL receipt – October 28
10) Receive Services	July 1, 2024 – June 30, 2025
11) Pay Vendor	July 1, 2024 – June 30, 2025
12) Submit Invoice to USAC – Form 472 BEAR if paid vendor bill in full (vendor submits Form 474 SPI to USAC if you received discounted bills)	October 28, 2025 (deadline)

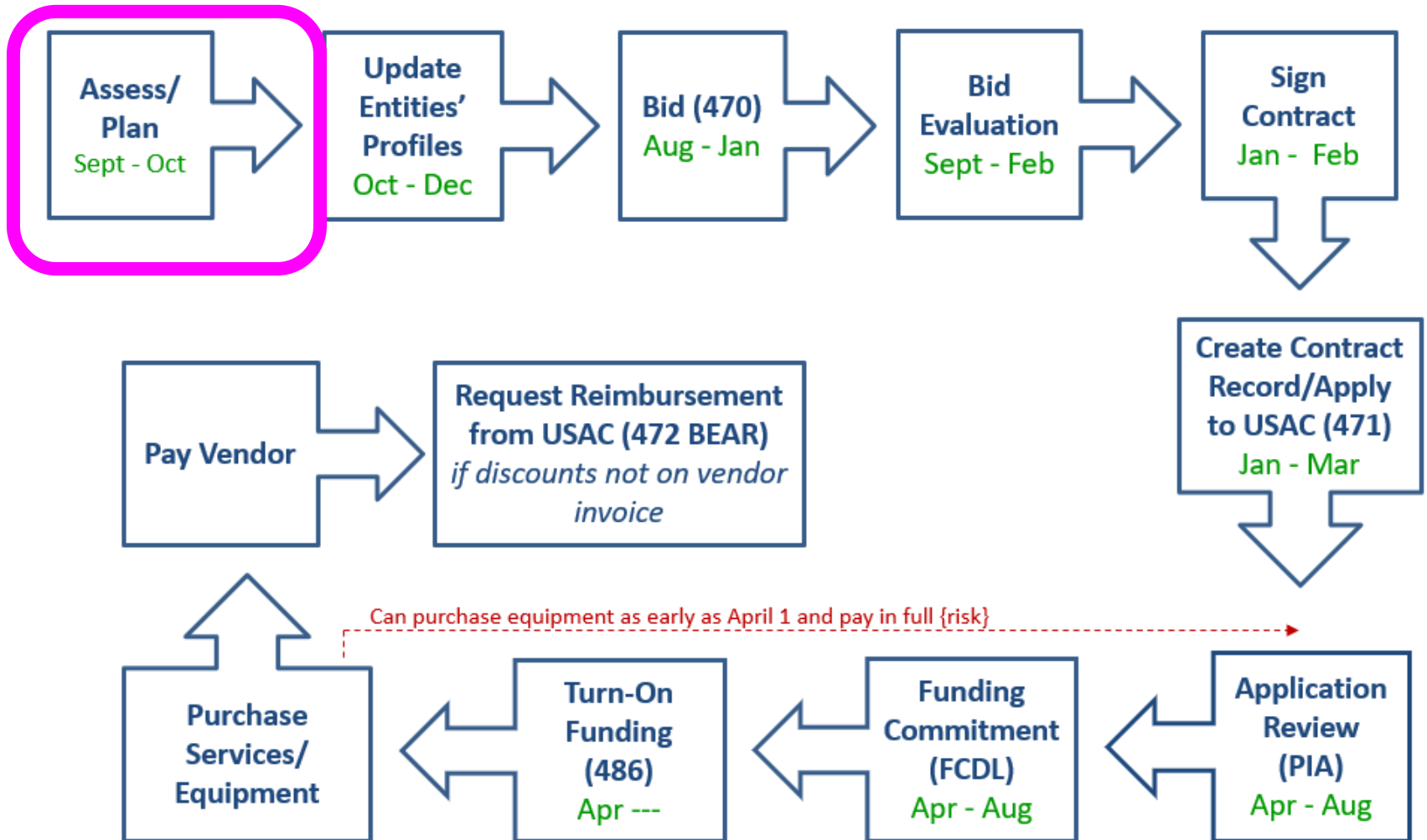
# FY 2024 Application Cycle

- Funding years named for the year in which they begin
  - FY 2023 = July 1, 2023 – June 30, 2024
  - FY 2024 = July 1, 2024 – June 30, 2025
  - Application process begins 6-10 months ahead of start of next funding year

Form	Description	FY 2024 - Non-Recurring Services/Equipment Purchases - April 1, 2024 - Sept 30, 2025																											
		FY 2024 - Recurring Services - July 1, 2024 - June 30, 2025																											
		Sept 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025
470	Competitive Bidding Window (min. 29 days)	July 1, 2023 - Mid February 2024																											
AW	Administrative Window (EPC Profile Updates)	Early Oct - Mid Jan. 2024																											
	Newly Signed Vendor Contracts Uploaded to EPC																												
471	Funding Request Application Window						Mid Jan - Late Mar. 2024																						
PIA/ FCDL	PIA Review/Funding Decision Letters (FCDL) Issued								April 2024 - Sept 1, 2024																				
486	CIPA Certification/Turn on Funding																												
472	BEAR Deadline - Recurring Services																										Oct 28		
	BEAR Deadline - Non-Recurring Services																										Jan 28		



# Step 1... Assess Needs and Plan



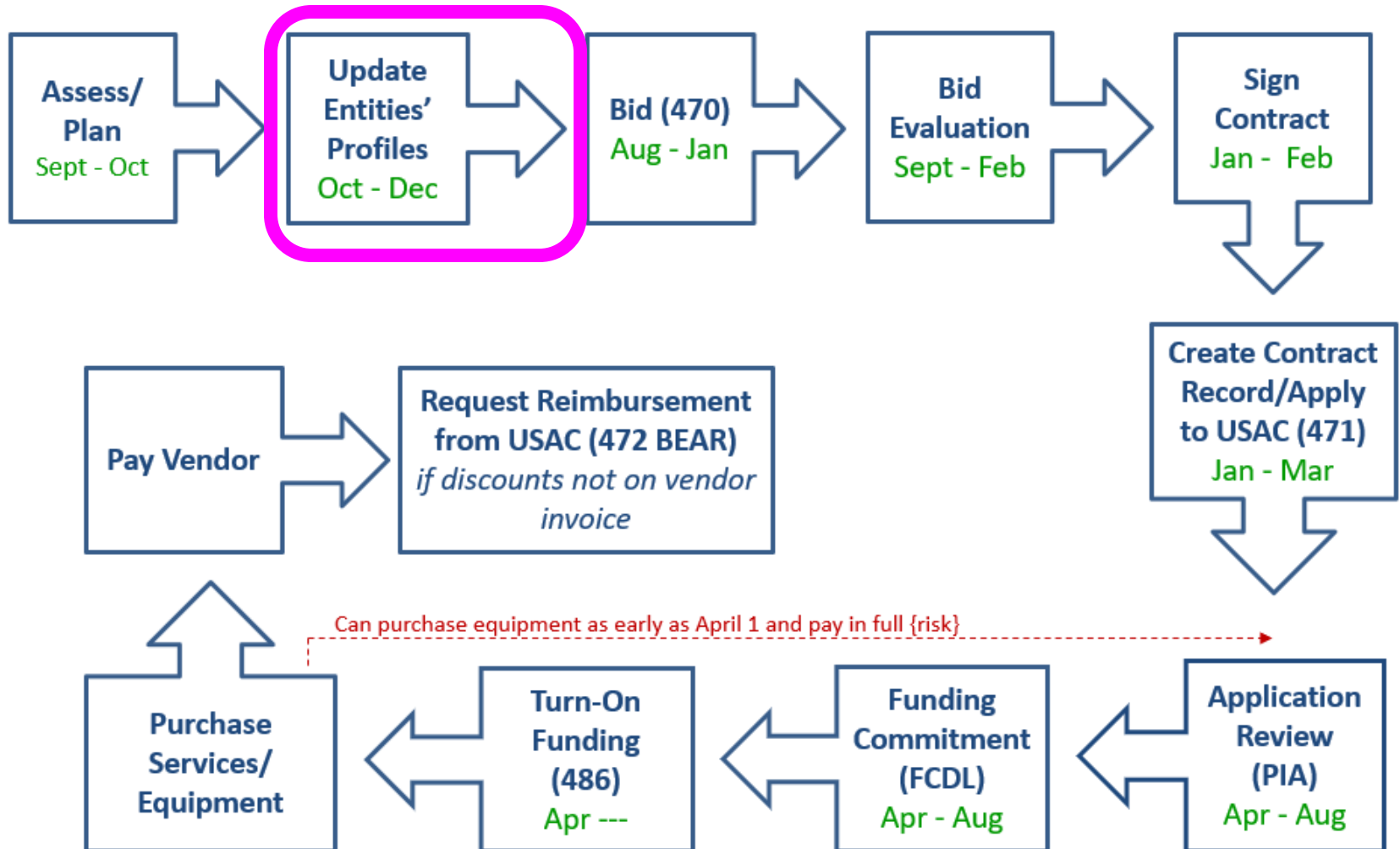
# Step 1: Assess Need & Plan

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- **When?** September/October/November
- **Category 1:** Review existing contracts to determine when they expire
  - List of C1 Contract Expiration Dates: <http://e-ratepa.org/wcontent/uploads/2014/03/FY-2024-C1-Rebid-Status.xlsx>
  - Extend, if options 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 building for next funding year
  - Research options, prepare bid-list



# Step 2... Update Entities' Profiles

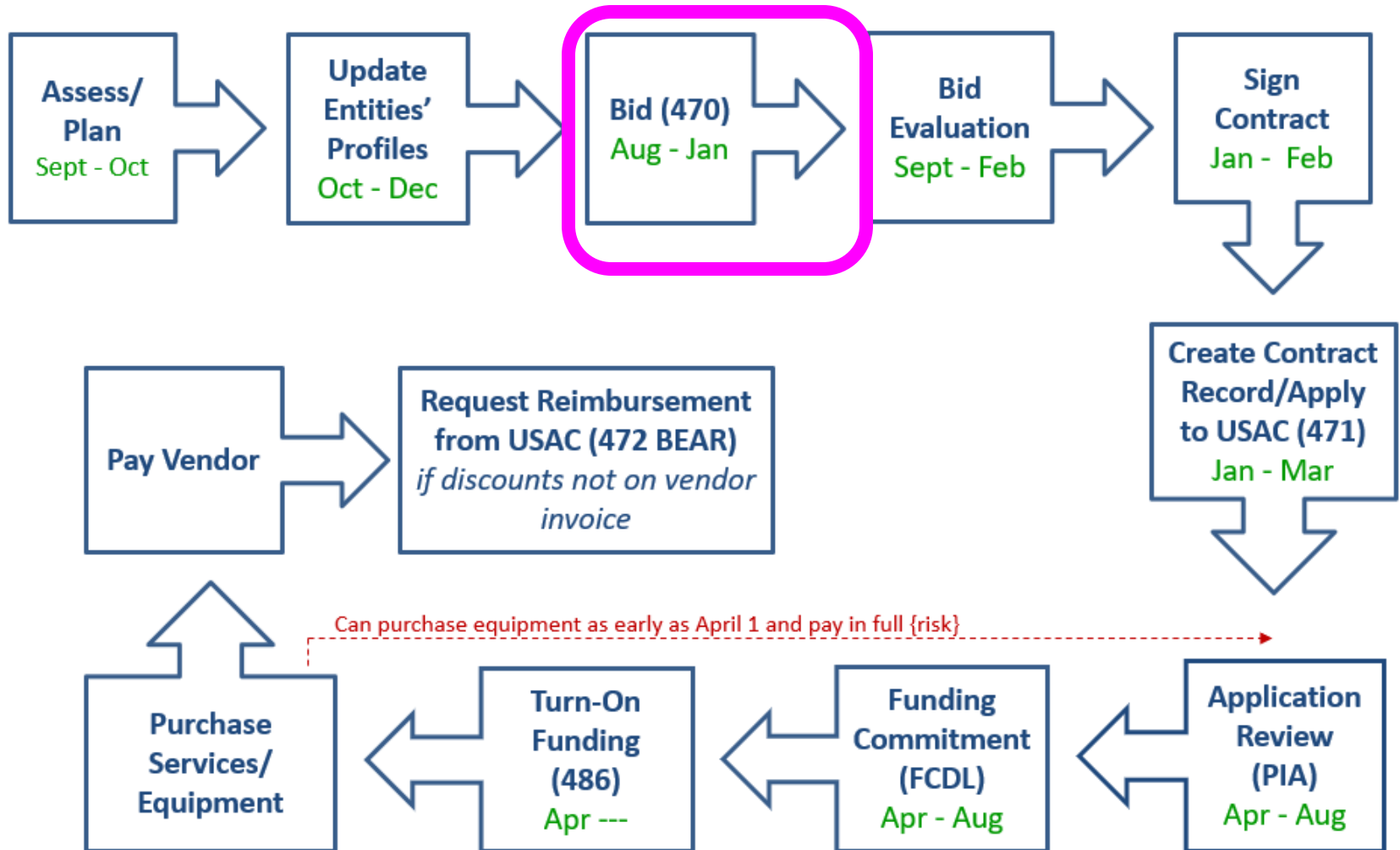


# Step 2... Update Entities' Profiles

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- **Update Entities' Profiles during Administrative Window each fall**
  - 3-months when schools must update enrollment/NSLP data for each school
    - And update Category 2 Enrollment if it has increased
  - Libraries update square footage data if it increased
  - Data cannot be changed when Admin Window closes
  - PDE NSLP draft data should be available mid-December
- **Confirm all entities, including NIFs, are in EPC portal**
  - Contact CSB at 888-203-8100 to make entity adjustments



# Step 3... Post Form 470s



# Step 3: Posting the Form 470

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## 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 text box 
  - Build in an extra 2 weeks for vendor question deadline 
- You are NOT obligated to purchase any service/equipment listed on Form 470

# When Must a Form 470 be Posted?

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## 1. Month-to-Month Services

- No contract exists – these are mostly cable modem-type services
- File annually unless using CABIO

## 2. New Contracts

- 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, 2025, you are not required to file a Form 470 for FY 2024

## 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

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- Permitted but must have been in original contract and must have definitive end
  - **OK:** For example, a 3-year contract, with two 1-year renewals. Will not require new 470 until the end of 5 years
- Must notify 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



# Requests for Proposals (RFPs)

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- USAC considers any bidding document provided to vendors an RFP
- RFPs not required for libraries, except for:
  - When seeking dark fiber or self-provisioned fiber projects
- If issuing an RFP, all documents that constitute that RFP must be uploaded with Form 470 at time of filing
  - Cannot cite to 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

# When to File the Form 470

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**Deadline:** Form 470 must be posted online at least 29 days before the Form 471 window close

For example:

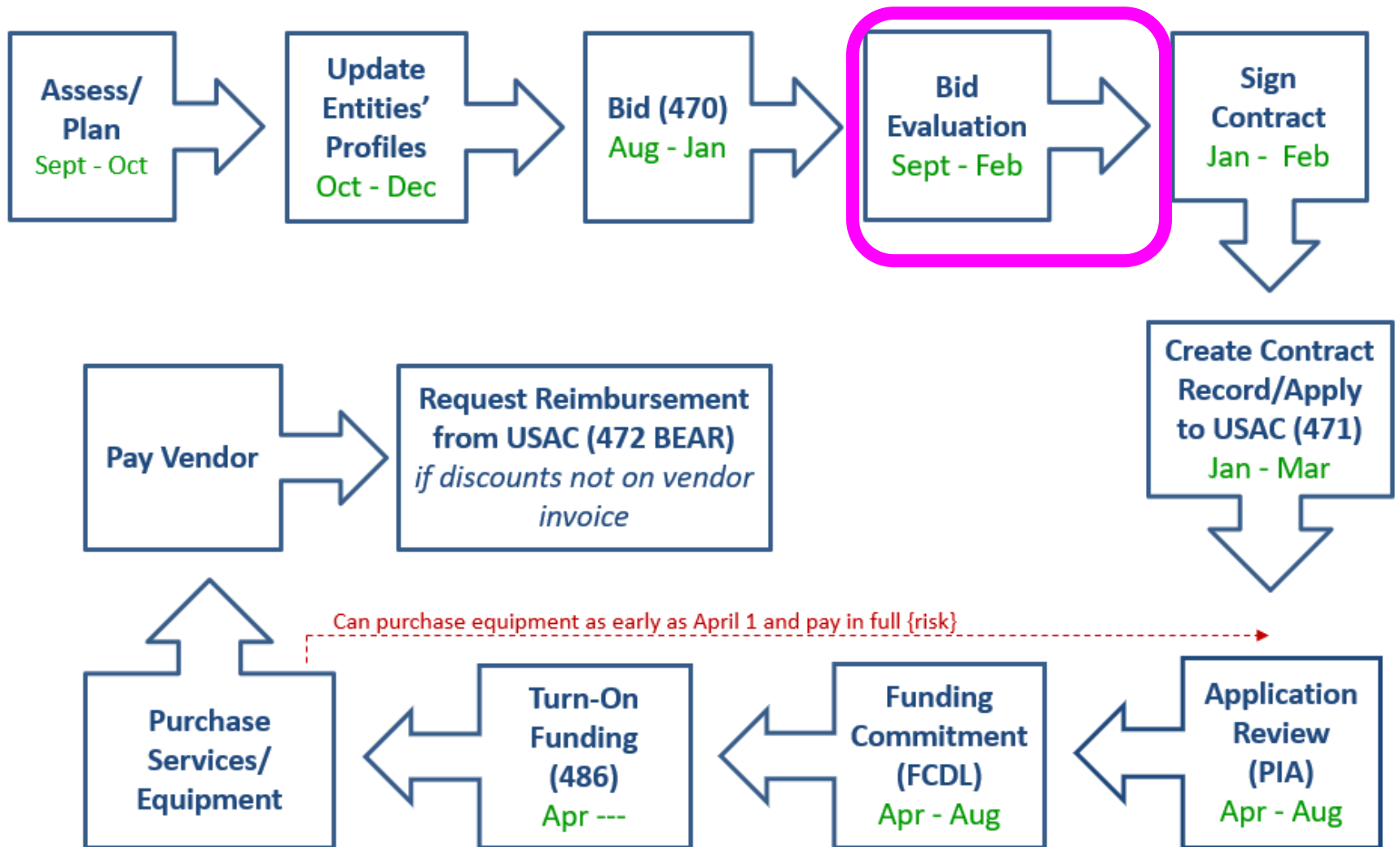
- If Form 471 deadline is March 25, 2024; therefore...
- February 25, 2024 = 470 Deadline
  - DO NOT wait this long! Gives you 1 day to evaluate bids, negotiate contracts, sign contracts, and then file the Form 471 by the 471 deadline
  - File 470 before December 1, if possible
- Helpful Form 470 Guides: [http://e-ratepa.org/?page\\_id=754](http://e-ratepa.org/?page_id=754)
  - Helpful Form 470 and RFP Narrative Guide
  - C1 Form 470 Filing Guide
  - C2 Form 470 Filing Guide – Public Schools
  - C2 Form 470 Filing Guide – Non-Public Schools/Libraries

# During the Bidding Period...

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- After the Form 470 has been posted online, vendors submit proposals directly to the school
- 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 must 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



# Step 4: Evaluating Bids

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- After the bid due date (which must be at least 29 days after 470 is posted), applicant must review all qualified bids received for all services or equipment
- Must create and retain bid evaluation matrix

**Services: Price of eligible services/equipment MUST be the most heavily weighted factor during bid evaluation**

- Brief list of evaluation criteria examples:
  - Quality of proposed solution
  - References
  - Experience with the vendor
  - Ability to meet installation deadline
- Retain all winning and losing bids and all correspondence between applicant and all vendors (winning and losing)
- Helpful Guide: <http://e-ratepa.org/?p=33972>

# Disqualifying a Bid

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- In order to DQ a bid, the bid disqualification reason must have been stated in the Form 470 or in the RFP
- **DQ reasons must 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 PA
  - Equipment must be compatible with school's existing XXX equipment
    - Be sure to then list the existing equipment in the 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



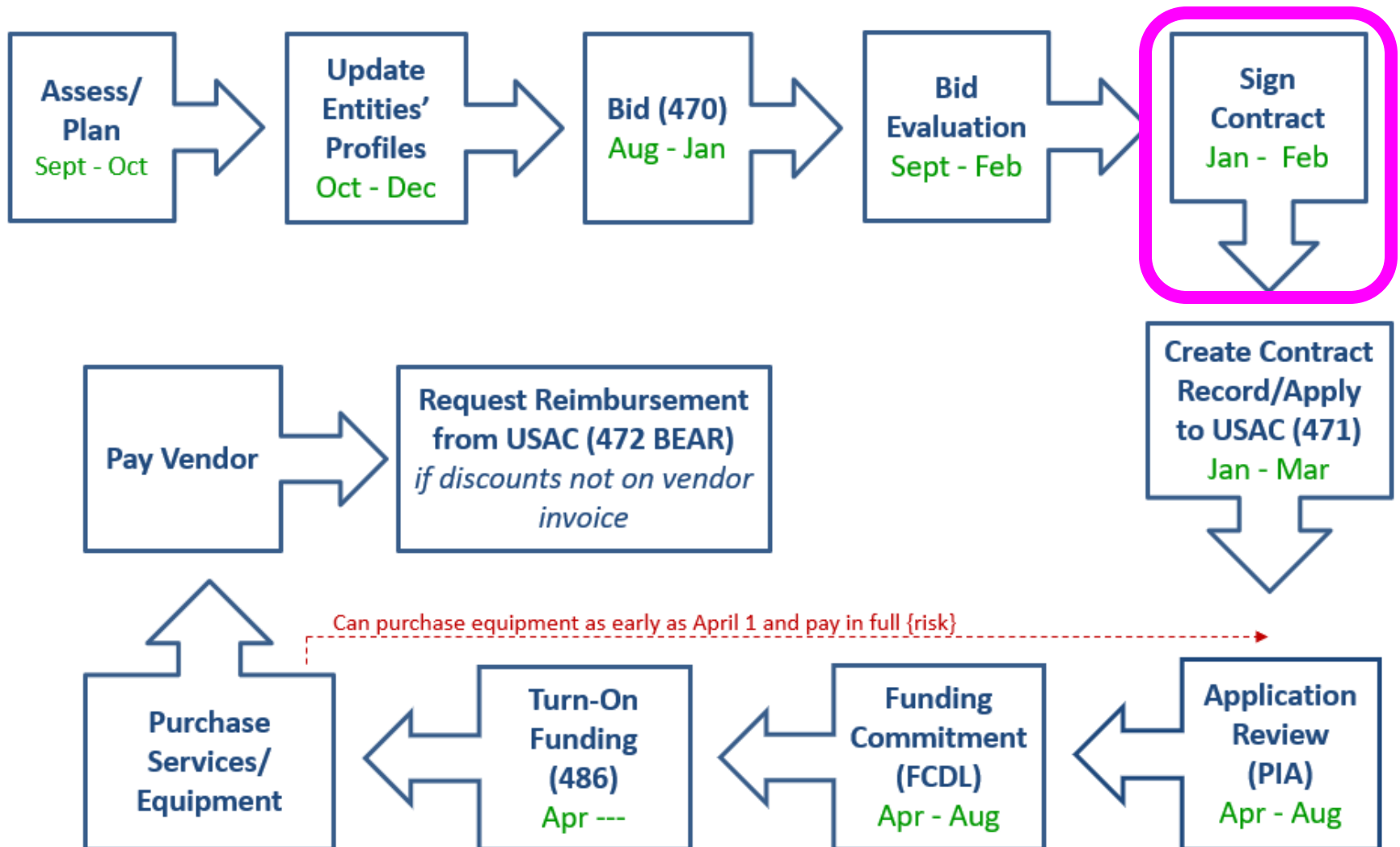
TIP!

# Received No Bids?

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- 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) 
  - Make sure 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





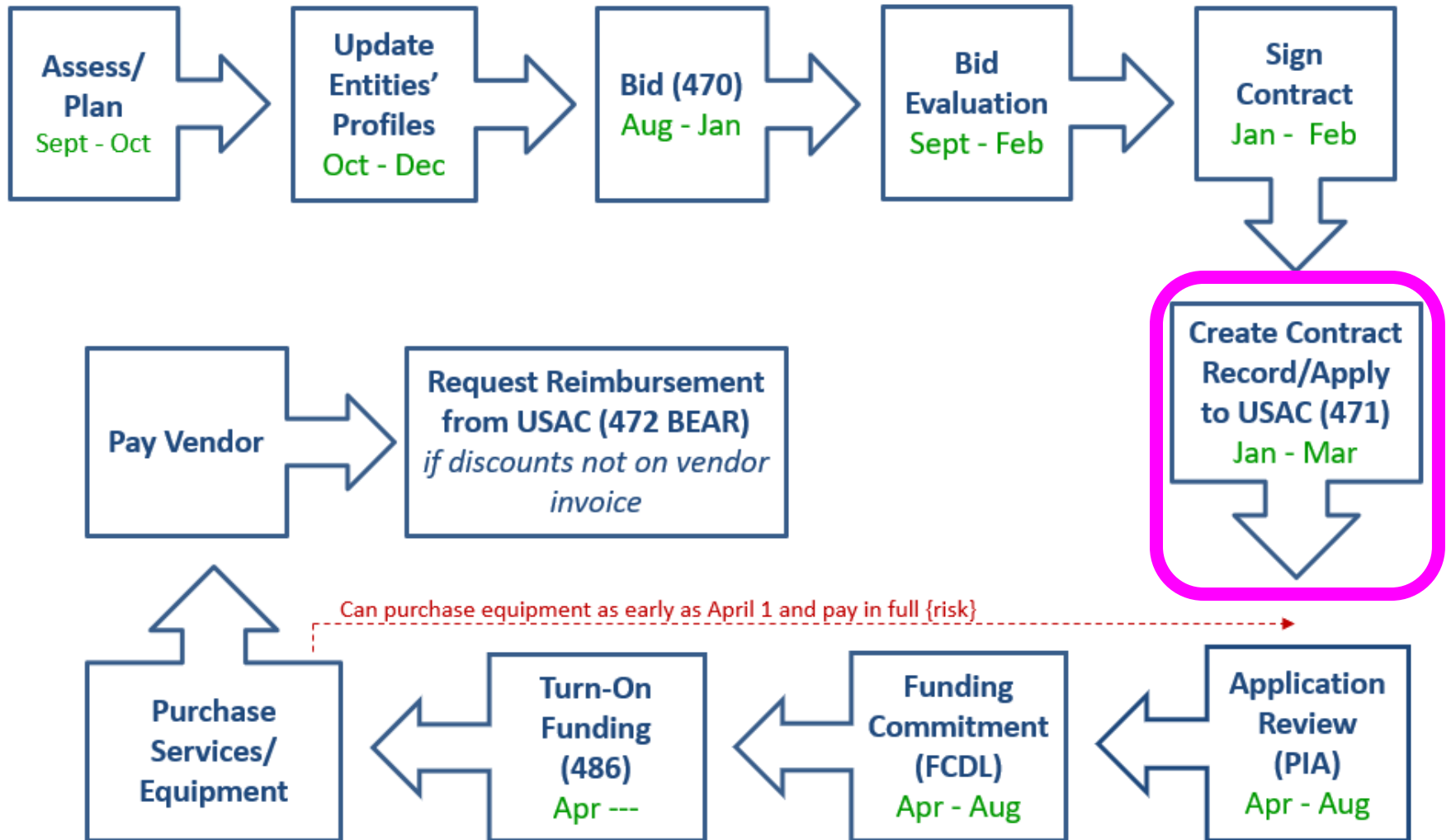
# Vendor Contracts

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- Contracts must be signed/dated by the *applicant* before you submit Form 471
  - Unless receiving services on month-to-month basis
  - Vendor can sign after the Form 471 deadline
  - Obtain board approval, if required, prior to signing vendor contract
- Contract guidance available at: <http://e-ratepa.org/?p=33992>



# Step 6: Contract Records/Applying for Funding (Form 471)



# Step 6a: Upload New Contracts into EPC

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- All NEW contracts must be uploaded into the 'EPC Contract Module' before starting the Form 471  
-- > EPC Landing Page > Library Name > Contracts from top toolbar

Records / Applicant Entities  
**#125300 - MCGUFFEY SCHOOL DISTRICT**

Summary Customer Service Modifications Additional Information Discount Rate **Contracts** FCC Forms FRN Appeals News Related Actions

MANAGE ORGANIZATION CREATE A CUSTOMER SERVICE CA...



 **MANAGE CONTRACTS**



**ADD A NEW CONTRACT** EDIT

# Purpose of Contracts Module

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- When completing a Form 471 Funding Request on the 471, you must indicate how you will be purchasing the requested services – either via a Contract, Tariff or Month-to-Month (MTM) basis:

**FRN Contract**

How are the services for this FRN being purchased?

Contract information is stored in your Profile; you can add a new Contract at any time. Details about your Tariff and Month-to-Month services will be entered in your FRN.

Contract    Tariff    Month-to-Month

- If you select ‘Contract,’ you will then be asked to select from the list of your Contract Records from the Contract Module
- The Contract Record selected will then be “linked” to the Form 471 Funding Request

# Step 6b: Filing the Form 471

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## Purpose of the Form 471

- Filed annually by entity that actually 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

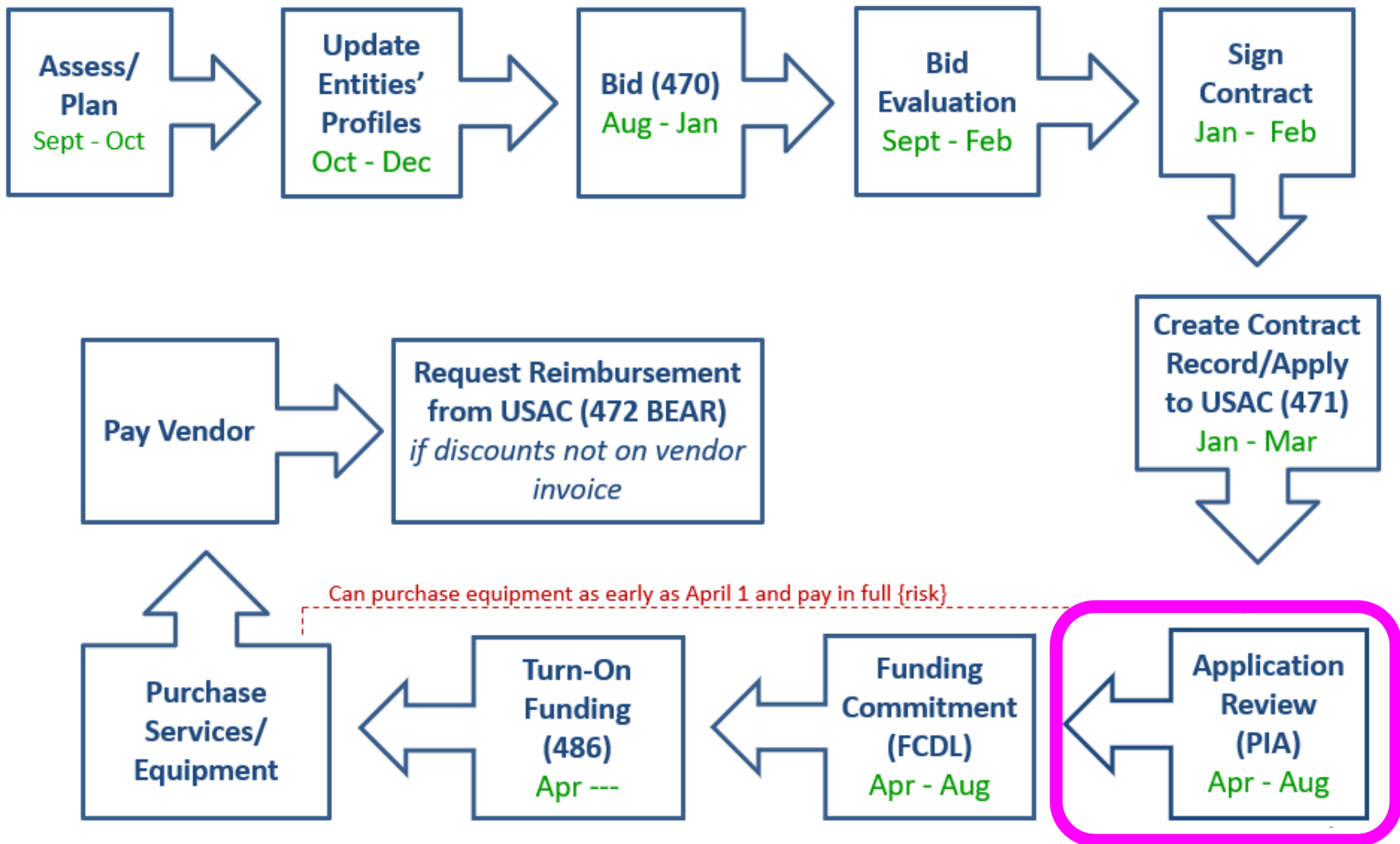
# When and How Many to File

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- **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
- Read the listserve messages for important filing tips



# Step 7: PIA Application Review



# Step 7: PIA Review

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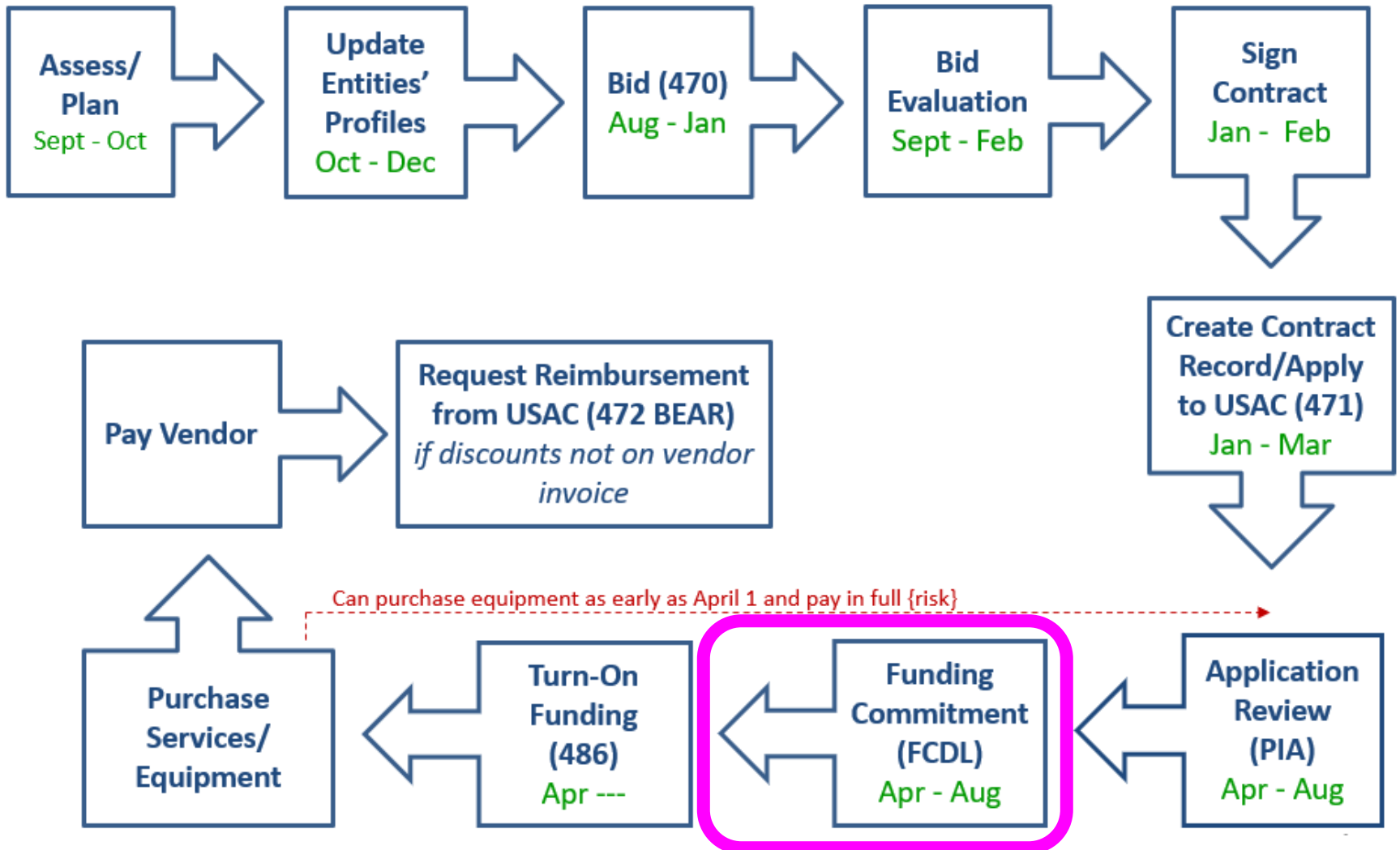
## Program Integrity Assurance (PIA) Review

- 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: Funding Commitment Decisions



# Step 8: USAC Issues FCDL

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## FCDL = Funding Commitment Decision Letter

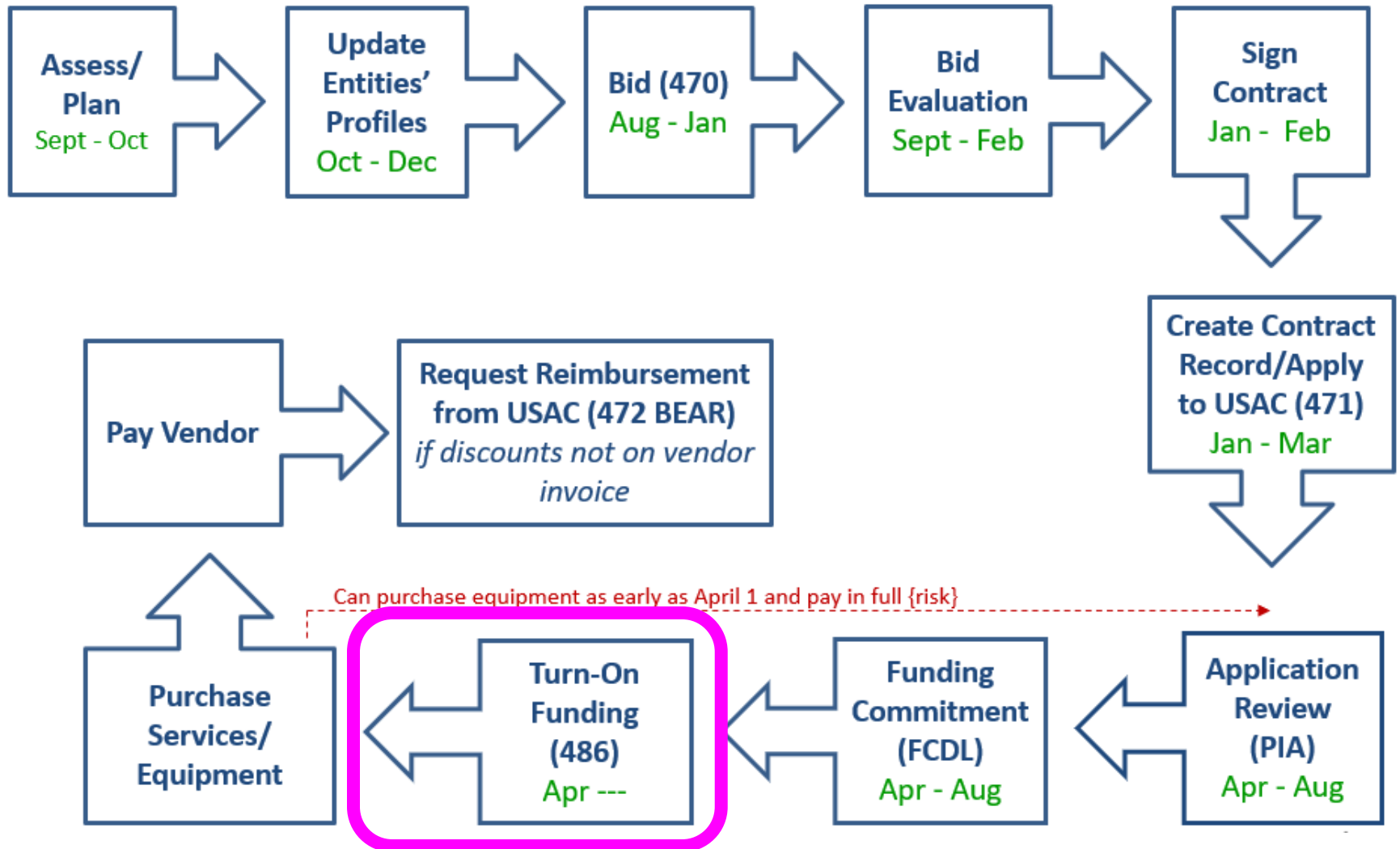
- Funding “waves” are released weekly
  - Goal is to have all “workable” applications funded by Sept 1
- FCDLs e-mailed to Form 471 contact and EPC AA
- Gives approval decisions of each funding requests (FRNs) on Form 471
- Can appeal within 60 days if you don’t agree with their decision
  - Appeal to USAC first
  - Can then appeal to the FCC if USAC denies



Watch PA E-rate listserve for weekly wave notices!



# Step 9: Filing the Form 486



# Step 9: Form 486

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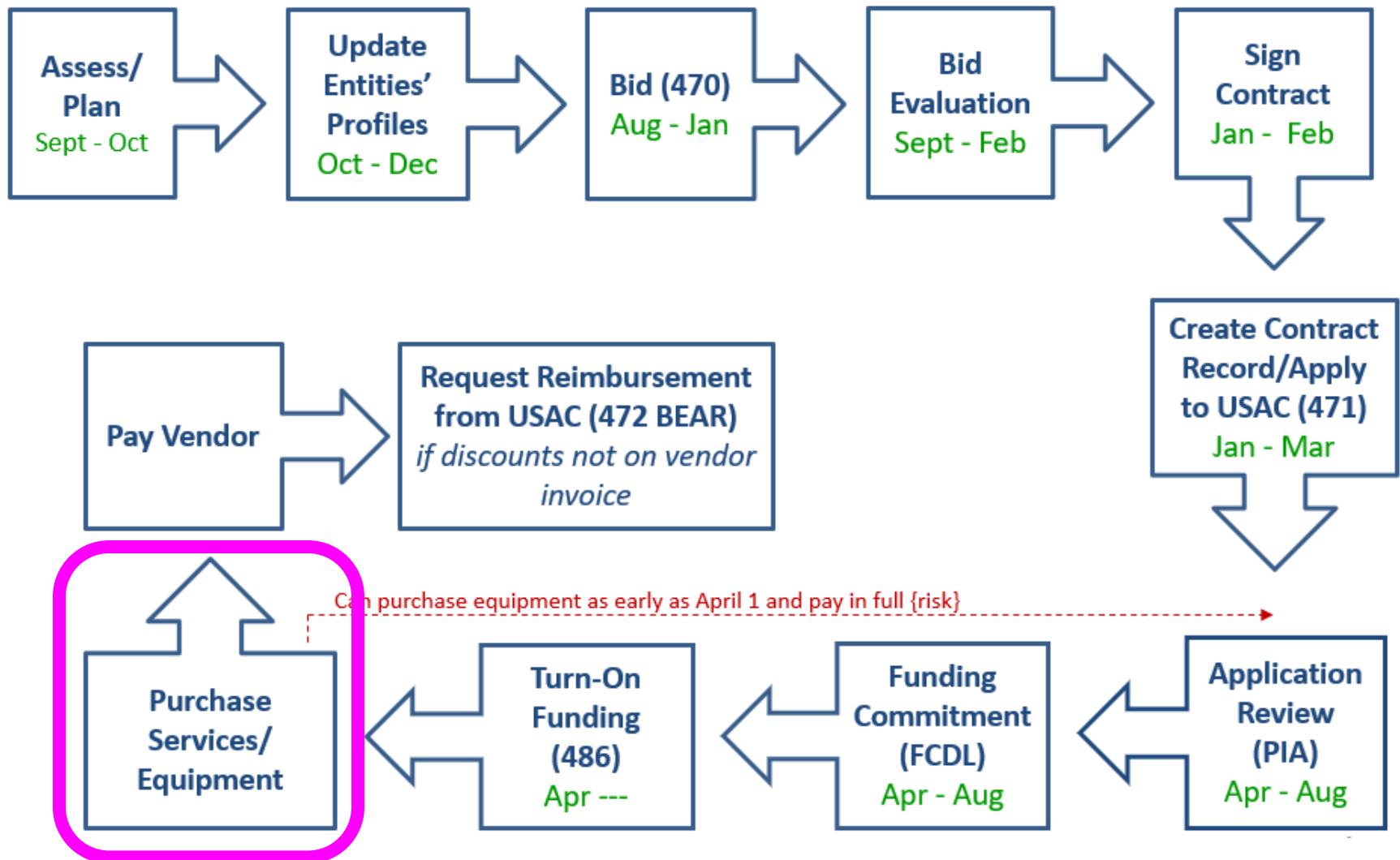
## Form 486 Receipt of Services Form

- Informs the SLD that services have (or will) **start**, and
- Informs the SLD 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 28, whichever is later

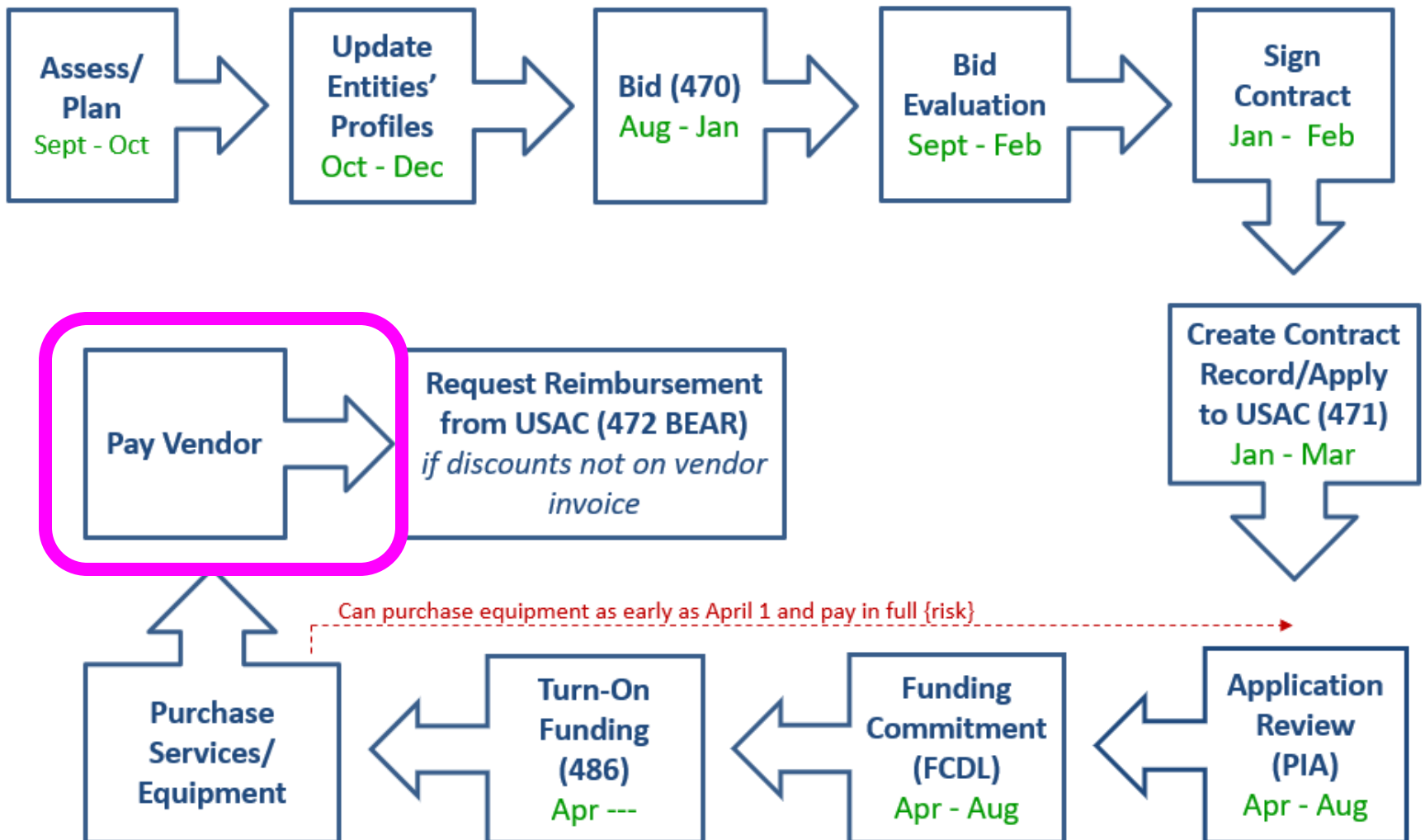
- Can be filed immediately after FCDL received, even before July 1
- USAC will deduct 1-month's funding for each month the form is late

# Step 10: Receiving Services/Equipment





# Step 11: Paying for Services/Equipment



# Paying for Equipment/Services

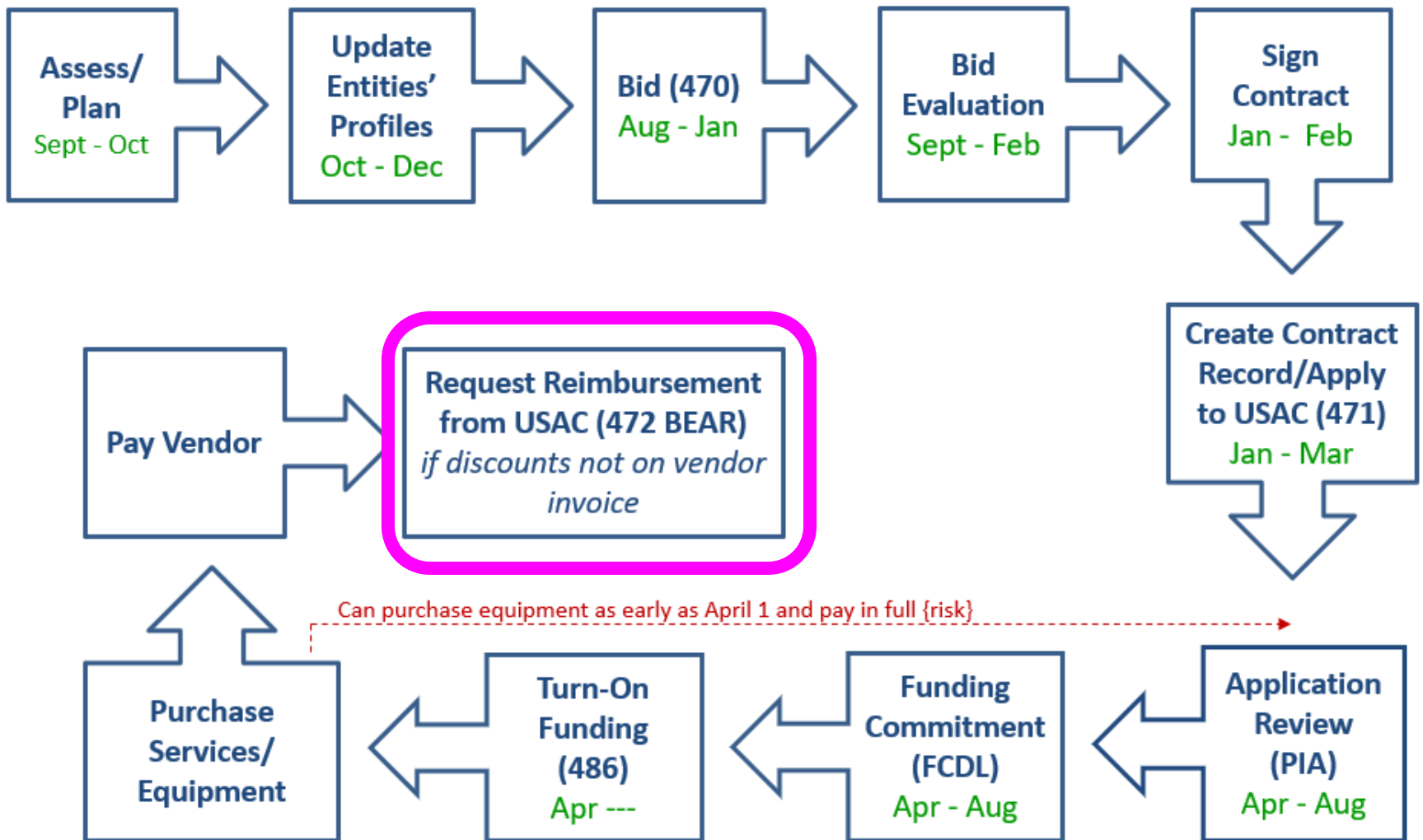
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- Applicant's choice
  - **Discounts** on bills (vendor invoices USAC)  
*or*
  - **Reimbursement** process (applicant pays bills in full, then invoices USAC)
- Must select one or the other for entire year for each FRN
- If you want discounted bills, 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 Reimbursements



# Reimbursement Method - BEAR

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- 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 eligible charges on actual bills

## **Deadline:**

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

# Reimbursement Method - BEAR

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- USAC reviews/approves BEAR and sends payment to 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
- Eventually, all BEAR payments will go through sam.gov
  - Begin this process now as it takes several weeks/months to complete



# Discounted Bills Method - SPI

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- Vendor provides E-rate discounts to invoice(s)
- Vendor submits Form 474 SPI to USAC to seek reimbursement
- Applicants' responsibilities?
  - Notify vendor you want discounted bills
  - Review invoice to ensure discounts are properly applied
  - File timely Form 486 so vendor can invoice USAC



# What's Next? Get Started Now!

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- Administrative Window Updates (after 10/24)
  - Schools - Update enrollment/NSLP in EPC
  - Schools - Update C2 enrollment, if increase
- Review Category 1 contract
  - Need more bandwidth?
  - Contract expiring June 2024?
  - File FY 2024 Form 470s by early December
- Determine what equipment will be needed in upcoming year for schools or libraries
  - File FY 2024 C2 Form 470s by Thanksgiving
    - PEPPM Option for Public Schools

**Make and follow your FY 2024 E-rate Plan!**

# Where to Go for E-rate Help

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- **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
- **PA E-rate Coordinator**
  - E-mail [jtschell@comcast.net](mailto:jtschell@comcast.net)
  - Attend webinars!
  - Read listserve messages!
  - [www.e-ratepa.org](http://www.e-ratepa.org)
    - **Helpful Documents:** [http://e-ratepa.org/?page\\_id=754](http://e-ratepa.org/?page_id=754)
    - **Training:** [http://e-ratepa.org/?page\\_id=745](http://e-ratepa.org/?page_id=745)



# QUESTIONS

