

Top 34 Form 471 Filing Tips - C1, C2 and General

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Be sure to review the top filing tips for Category 1, Category 2 and General. If you have question about filing your application, I can almost guarantee the answer is below.

#1 Reminder: You must file a Form 471 each year to request E-rate funding, even if you're in a multi-year contract. There is no such thing as a multi-year E-rate funding commitment.

>>> **E-rate Application Process Reminder:** File Form 470 (or PEPPM mini-bid) to bid services or equipment not under contract for FY 2024 --> Conduct Bid Evaluation --> Sign Vendor Contract --> Create Contract Record in EPC --> File Form 471 --> PIA Review --> Funding Commitment Decisions Letter > File Form 486. <<<

CATEGORY 1 FILING TIPS

1. For Category 1 FRNs, Answer the Yes/No Questions This Way:

- Internet Line Item = No/Yes
- WAN Line Item = Yes/No

2. Creating FRN Line Items – Breaking Out Circuit Costs

After you've created your FRN's Key Information, don't forget that you then must create the FRN Line Item(s) to select the services/equipment and specify the amount of funding requested **PER** circuit or component. Simply click on "Manage FRN Line Items" from the main FRN page or at the end of the FRN creation section. You can also click on the blue FRN number and that will take you to the FRN Line Items Page. Continue adding Line Items for that FRN until you've built your FRN. For example, if you're requesting funding a Lit Fiber WAN, and have 1 - 10 GB connection, 6 – 1 GB connections, and taxes, create 1 FRN with 3 FRN Line Items, identifying the unique speed, costs and recipients of each Line Item; and the total taxes for the entire service.

3. Handling Contract Amendments in EPC

Unfortunately, there's no way to modify or add additional documents to your existing Contract Record in EPC. If you amended your contract (perhaps to upgrade bandwidth), PIA may reach out to you to ask why the requested services/amounts are different than what are contained in your original contract, in which case you'll simply send them the contract amendment. Do not create a new contract record simply because a contract was amended. However, if you made a mistake on your Contract Record, simply create a new Contract Record (with a different nickname) and then link to that (corrected) one when you create your FRN. There is no way to delete a submitted Contract Record from EPC.

4. Have Written Documentation if Extending a Contract

If you have a contract that includes voluntary extensions, and you are exercising one of those extensions for FY 2024, be sure to have something in writing to or with the service provider. This can be as simple as an e-mail to the service provider indicating that you intend to exercise one of the extensions in your contract, pursuant to the terms of the original contract. PIA will see that your Contract Expiration Date is a year later than last year and will

require you to submit proof that you extended the contract. Such documentation to or with the service provider must be dated on or before the date you submitted your Form 471. It's also a good idea to mention in the FRN Narrative box that you are extending the contract. There is no way to upload this documentation with your original Contract Record and you should not create a new Contract Record.

5. Have Documentation of Taxes/Surcharges

If your invoices include vendor taxes/surcharges, be sure to include those amounts on a separate FRN Line Item. PIA is asking for proof of those amounts again this year, so be prepared to provide a copy of a vendor invoice or contract that shows these amounts. If you have signed a new contract with a vendor and don't yet know the taxes/fees, require your service provider to provide you with this information, even if it's in the form of an e-mail. For most transport services, vendors charge the 5.25% PA Gross Receipts Tax (at a minimum), and many also charge the Universal Service Fee (currently 34.6%). Most Internet invoices do not include taxes/surcharges.

6. Don't Select Month-to-Month if You Have a Contract

When creating an FRN, the form asks if you're purchasing from a contract, month-to-month (MTM) or tariff. In this case, MTM doesn't mean that you're paying vendors on a monthly basis. It means that you don't have a contract with a vendor. All Category 2 FRNs must have contracts, and most Category 1 FRNs now have contracts (except many cable Internet or DSL services are MTM services with no contracts). Be sure to create your Contract Record in EPC prior to starting the 471, then select Contract when you get to this question on the FRN. The system will then ask you to link to the appropriate Contract Record for the services or equipment in that FRN. Don't forget – always use a descriptive nickname when creating Contract Records (such as 2024 – Internet – Zito).

CATEGORY 2 FILING TIPS

7. **NEW: Repeal of C2 NIF Cost Allocation Requirement for Shared Equipment**

Applicants are no longer required to deduct a portion of the cost of equipment that is shared by a non-instructional facility (NIF). This rule generally applied to a district switch or wireless controller located in an administrative building or data center. Unfortunately, C2 equipment that is solely used by the NIF will continue to be ineligible (for example, WAPs in admin buildings).

8. **NEW: \$3,600 Category 2 Bidding Exemption for Libraries**

Beginning in FY 2024, libraries have a Category 2 Form 470 bidding exemption where the total pre-discount price is \$3,600 or less per library per funding year. The cost cannot be averaged across a number of libraries and signed contracts are still required prior to filing the Form 471. For example, if a library system requests C2 support for 3 libraries, the amount of funding for each library must be \$3,600 or less to be eligible for this exemption from filing the Form 470. Schools are not included in this exemption.

9. Don't Include \$0-Value C2 Items on the Application

Leave those off. In fact, there's no way to include them in the system.

10. How to List Partially Eligible Components

There are two options. 1) Calculate the eligible amount offline and enter only the eligible amount under "One-Time Unit Cost." OR 2) Enter the total cost under "One-Time Unit Cost" and

then enter the ineligible cost under “One-Time Ineligible Unit Cost.” The system will then subtract the ineligible from the total, and populate the eligible amount under “One-Time Eligible Unit Cost.”

11. Category 2 Installation

List Category 2 installation on a separate FRN Line Item. Select > Miscellaneous > Installation from the drop-down options.

12. Category 2 Equipment Licenses

Product licenses are E-rate eligible and should be requested as Internal Connections on the Form 471. The full cost of a multi-year license may be requested upfront in the year it will be purchased. The “Type of Connection” should be selected as “license” and not the type of equipment it’s a license for. In other words, if it’s a wireless controller license, select ‘License’ and not ‘Wireless Data Distribution’. ALSO, licenses are treated much differently in E-rate than support/maintenance SKUs (see next item).

13. Category 2 Basic Maintenance/Support Costs

Be careful not to mistake maintenance (support) services as product licenses. Maintenance/support SKUs must be requested under a separate Basic Maintenance of Internal Connections FRN. Also, don’t forget that multi-year support SKUs must be pro-rated so you’re only applying for 1-year’s worth of support (so if you’re paying upfront for 3 years of support, you must apply for 1/3 of the cost each year). This is different from multi-year licenses which are fully eligible in the first year.

14. Remove These Ineligible Items

Often, equipment is eligible, but some of the components/features are not. Here are a few of the most commonly overlooked ineligible items that you should be sure to remove from your Form 471 funding request, or list as ineligible:

Firewalls: Only the actual appliance and basic software are eligible. Anti-virus, anti-spam, filtering, DDOS features/software, advanced features are not eligible and must be removed or cost-allocated. If it’s a bundled package, your vendor should provide you with the accurate eligibility percentage.

UPSs: Network Cards are not eligible and must be removed from your funding request. Also, don’t forget that only eligible equipment may be connected to the UPSs (and USAC will as you for the make/models of the actual equipment that will be connected to the UPSs).

15. Manufacturer E-rate Eligibility Percentages

Some manufacturers have websites to help applicants determine if the products they’re listed on their Form 471s are 100% E-rate eligible, partially eligible, or 0% eligible. Those websites have been compiled here: <https://secaerate.net/Applicant-Resources>.

16. No Requirement to Identify Equipment by Buildings

Although the Form 471 asks who the Recipients of Service are for each FRN Line Item, this is no longer a requirement. Simply answer “Yes” – all entities are receiving the equipment, and then click Continue. This is only permitted for Category 2 funding requests; you still must identify exact recipients of service for Category 1 requests.

17. Category 2 Budget Tools

There are two ways to determine your remaining C2 budget and applicants should be sure to monitor these amounts to ensure they are not requesting more than remains in their C2 pre-discount budget. First, there is a link to “View Category 2 Budget Information” on top right corner of the Form 471 FRN page. Second, use the [USAC C2 Budget Tool](#) (not in EPC) and filter by your Billed Entity Number.

18. Break Out All Components into Separate FRN Line Items – Including Switches

If your Category 2 request contains multiple components, you must create a separate FRN Line Item for each component (model), and then show the # of units and the cost per unit. For example, a common mistake applicants make is to request just a single FRN Line Item for switches, with a single SKU. Then during USAC invoicing, the invoices are denied because the individual components were not listed/approved on the Form 471.

19. No Requirement to Identify Equipment by Building

It is no longer a requirement to list which equipment will be located in which building, so just check “All Buildings” when you come to that screen (USAC has not yet updated the Form 471 to remove that section).

20. Including Installation on Category 2 FRNs

Create an Internal Connections FRN and the FRN Line Items for the equipment being installed. Then simply add another FRN Line Item and for “Type of Internal Connection,” select > Miscellaneous > Installation from the drop-down options.

21. Have Structured Cabling Contracts be Single Priced

For structured cabling, try to have your vendor contracts be for a single price, by building – not broken down by widget. Then just create 1 FRN Line Item in the Form 471. Vendor invoices, therefore, also should have just a single price, not broken down by widget being installed. On the Form 471, create an Internal Connections FRN. Then create a single FRN Line Item and for “Type of Internal Connection,” select > Miscellaneous > Installation from the drop-down options. Then select the ‘Cabling’ for the Product Type > ‘Other’ for the Make > Type in name of the vendor contracted to do the installation > type “structured cabling installation” for the Model.

22. Use C2 Bulk Upload Tool for Large FRNs

When creating Internal Connections FRNs with multiple FRN Line Items, applicants can use a Bulk Upload feature where a Template is created off-line and then uploaded into the FRN. For more details about the Bulk Upload feature and to view the Guide, see: <http://e-ratepa.org/?p=34073>. For FRNs with 10 or fewer Line Items, it’s easiest just to create the FRN in EPC and not use the Bulk Upload.

23. Service Start Date Must Be 7/1/2024

The Service Start Date cannot be earlier than July 1. Equipment is allowed to be purchased on or after April 1, and vendor invoices also may be dated on or after April 1. But on the Form 471, where it asks for the Service Start Date, leave it populated to be 7/1/2024. **Note:** The Service Start Date is not the same as the Contract Award Date; the Contract Award Date is what you provide in the Contract Record as the date you signed the contract.

24. PIA Reviews for UPSs

During PIA review, applicants requesting UPSs will receive a series of PIA requests asking about what specific equipment will be plugged into each UPS in order to ensure that only E-rate eligible equipment can be attached. In order to be prepared with answers, be sure to have ready the make/model of equipment that will be plugged into the UPSs.

GENERAL FORM 471 FILING TIPS

25. Vendor Taxes/Fees

Most taxes/fees are eligible and you should include them as a separate FRN *Line Item* on your FRN (don't bundle them with your monthly cost). PIA will ask you for proof of these charges, so don't guess. If you already submitted your 471 and didn't include those fees, you can either add a new FRN Line Item to the existing Form 471 using the [RAL Modification Process](#), or submit a new 471 by March 27 (copy the previously-submitted FRN, add the additional FRN Line Item) and then use the RAL Modification to cancel the original FRN.

26. Vendor Contract Signatures Before 471 is Filed

E-rate requires that contracts must be signed by the applicant prior to filing the Form 471. The vendor is not required to sign by the Form 471 filing.

27. Editing an Incomplete Form 471 – Getting Back Into the Form

If you click on something that takes you out of the 471, or if you deliberately leave the 471, it's easy to return where you left off. Simply go to your EPC Landing Page by clicking on the USAC Logo, and then under "**My Tasks**" click on the appropriate "FCC Form 471 - #24xxxxxxx {Nickname You Gave the Form}."

Or if you're on the 'Review PDF' page, click on "Edit Form" in the bottom left corner to get back into the form.

28. Uploading Contract Amendments/Extensions to Existing Contract Records

Unfortunately, you cannot modify or add additional documents to your existing Contract Record in EPC. If you amended your contract (perhaps to upgrade bandwidth), PIA may reach out to you to ask why the requested services/amounts are different than what are contained in your original contract in which case you'll simply send them the contract amendment. Do not create a new contract record simply because a contract was amended. There's also no way to delete or make corrections to an existing Contract Record.

29. Finding Contracts Records to Select After Clicking Search

When you create an FRN in the 471, the system asks if it's based on a contracted service or MTM service. If you choose Contract, the system will ask which contract you want to associate with that FRN. If you forgot to create your Contract Record in the EPC Contract Module prior to starting the 471, no worries - add them now. In a separate tab, go to your Landing Page > Name of your District > Contracts > Manage Contracts > Add a Contract. Then create a Contract Record for each separate contract you have (both C1 and C2). Reminder, you're not required to upload copies of your contracts, but I strongly suggest you do so because PIA will likely ask you for them anyway. If you use the Copy FRN feature, your contract will still be linked from last year and doesn't need linked again.

30. Returning to the Main FRN Page (and stop adding FRN Line Items)

If you're done adding FRN Line Items and wish to return to the Main FRN Page, instead of clicking on the "Add New FRN Line Item," click on the "Save and Continue" button at the bottom right of the page. That will take you back to the Main FRN page where you will find all of the FRNs you've created. To get back into the FRN Line Item(s) for a single FRN, click on the blue FRN number (it's hyperlinked) or check the box and select "Manage FRN Line Items".

31. Clicked on "Save and Share" and Lost My 471

Whenever possible, don't click this button! The draft 471 is then taken from your EPC profile and a message is sent to all other "users" associated with the organization asking if they want to "accept the task." Only ever use the "Save and Share" feature if you truly want to "pass the ball" to another user to finish or certify the application.

32. Changing/Updating Enrollment & NSLP Data

Although it's too late up to update your EPC Profile (the Admin Window closed on January 17), if you find that you forgot to update your data or found inaccuracies, there are two ways you can still make corrections. 1) After the 471 is submitted, submit a RAL Modification in EPC. Simply locate your Form 471 > Related Actions > Submit RAL Modification. 2) If you haven't yet submitted your application, you can use the FRN Narrative Box to explain the EPC profile changes that should be made during PIA review.

33. How to Answer Questions on the Certification Page

Yes/No Questions: On the final Certification Page, there are two questions asking if you received any funds from a service provider or if a service provider has helped you locate funds. The answer to both of these questions should be **NO**. Essentially, they are asking if a service provider has waived any of your non-discounted amounts (your fair share), or given you funds to offset those amounts. Don't be confused by the meaning of these questions or pause in anyway. The answers should always be NO. If a vendor does offer to waive your share or give you funds to cover it, cancel your contract with that vendor and go to the next lowest bid.

Technology Budget Question: The forms asks for "Total budgeted amount allocated to resources not eligible for E-rate support." Here they want you to take your entire technology budget and subtract the amount you're spending on E-rate purchases. In reality, if you enter the estimated amount of your technology budget, that's fine. Just don't list \$0.

34. How to Locate PIA Inquiries After Receiving E-mail from PIA

Finding how to respond in EPC to a PIA inquiry can be a little challenging. The initial PIA reviewer's e-mail will have a subject line that says "23xxxxxxx - E-rate Review Information" which doesn't appear to be requesting information, but that's exactly what it's doing. First, log into EPC. Next, in the body of the message, click on the hyperlinked "[Click here to respond to inquiries](#)" which will take you into the EPC page where the Inquiry can be found. Then in the upper right corner of the page, click on "Respond to Inquiries", and then the 'Outreach Type' will become an active hyperlink. The most common Outreach Types are: Eligibility of Products and Services, Requested Discount, Eligibility of Entities, and Category 2 Budget. Click on the Outreach Type and then proceed to answer the questions, upload the requested invoices, etc. Don't click Submit until the entire Inquiry has been completed. If you need more time to respond, click "Request Extension" located at the top right corner of the page. A helpful PIA Review Guide can be found at: <http://e-ratepa.org/?p=34105>.

Category 1 Filing Guide: <http://e-ratepa.org/?p=35334>

Category 2 Filing Guide: <http://e-ratepa.org/?p=35341>

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