



# The Schools and Libraries Cybersecurity Pilot Program

WC Docket No. 23-234

JULY 23, 2024

# Cybersecurity Pilot Program – Agenda

- **Welcome** – Allison Baker, Associate Bureau Chief, Wireline Competition Bureau (WCB)
- **Pilot Program Overview** – Kristin Berkland, Attorney Advisor, Telecommunications Access Policy Division, WCB
- **Questions & Answers** – Sue McNeil, Special Counsel & Saswat Misra, Attorney Advisor, Telecommunications Access Policy Division, WCB
- **Department of Education Cybersecurity Initiatives** – Mike Klein, Senior Advisor for Cybersecurity, Office of the Deputy Secretary, U.S. Department of Education

# Schools & Libraries Cybersecurity Pilot Program

- **Overview**

- On June 6, 2024, the FCC adopted a Report and Order ([FCC 24-63](#)) establishing a **three-year Pilot Program** to provide up to **\$200 million in Universal Service Fund support** to participating eligible schools, libraries, and consortia of schools and libraries, to defray the costs of eligible cybersecurity services and equipment.
- The Pilot Program will evaluate the effectiveness of using USF funding to support cybersecurity services and equipment to protect school and library broadband networks and data and determine whether to fund them on a permanent basis.

# Pilot Program – Participant Eligibility

- **Who is eligible to apply to participate?**
  - Eligible schools or libraries include schools, libraries, and consortia of schools and libraries, that are eligible for support under the E-Rate Program.
  - Prior or current E-Rate participation is not a requirement to be eligible to apply for the Pilot Program.

# Pilot Program – Budgets/Schools and Libraries

- **How are individual three-year budgets calculated?**

Note – all dollar figures in this slide are for the full three-year term of the Pilot Program

- Schools and School Districts (S&SDs) – the eligible expenses for S&SDs are capped as follows:
  - \$45,000 pre-discount, for S&SDs with up to 1,100 students
  - \$40.80 pre-discount *per student*, for S&SDs with between 1,101 and 110,294 students (\$13.60 pre-discount *per student* annually)
  - \$4.5 million pre-discount, for S&SDs with more than 110,294 students (maximum three-year funding cap)
- Libraries and Library Systems – the eligible expenses for libraries and library systems are capped as follows:
  - \$45,000 pre-discount for an individual library/site, not part of a library system
  - \$45,000 pre-discount per library/site, for library systems with fewer than 12 libraries/sites
  - \$525,000 pre-discount, for library systems with 12 or more libraries/sites (maximum three-year funding cap)

# Pilot Program – Budget/Consortia

- **How are individual budgets calculated?**

Note – all dollar figures in this slide are for the full three-year term of the Pilot Program

- Consortia

- **Comprised of Schools Only** – the budget is based on the number of students represented by the consortia, as specified in the prior S&SDs slide.
- **Comprised of Libraries Only** – the budget is based on the number of libraries and sites represented by the consortia, as specified in the Libraries and Library Systems section of the prior slide.
- **Comprised of Schools and Libraries** - School-based budget + library-based budget, with total three-year budget capped at \$4.5 million

“school-based budget” – is based on the total number of students represented by the consortia, as specified in the S&SDs section of the prior slide.

“library-based budget” – is based on the number of libraries and sites represented by the consortia, as specified in the Libraries and Library Systems section of the prior slide.

# Pilot Program – Spending Pilot Funding

- **Pilot Program expenses can be reimbursed as Pilot expenses are incurred**

- Participants may seek reimbursement for Pilot Program expenses as they are incurred, as long as the total amount of funding disbursed to a participant over the three-year term does not exceed three times its annual funding budget.

For example, participants may:

- **Spend their entire three-year commitment funding amount in the first year:**

Example: A school or school district with a \$15,000 pre-discount annual budget (\$45,000 pre-discount three-year budget) spends \$45,000 of its pre-discount funding in the first year of the Pilot.

- **Spend more (but not all) of their budget in the first year of the Pilot:**

Example: A school or school district with a \$15,000 pre-discount annual budget (\$45,000 pre-discount three-year budget) spends \$30,000 of its pre-discount funding in the first year of the Pilot and the remaining \$15,000 in other years of the Pilot.

- **Spend their budget evenly, each year of the Pilot:**

Example: A school or school district with a \$15,000 pre-discount annual budget (\$45,000 pre-discount three-year budget) spends \$15,000 of its pre-discount funding in each year of the Pilot.

\*\* Note – participants must wait until after the receipt or delivery of Pilot-eligible services and equipment to invoice USAC.

# Pilot Program – Eligible Services & Equipment

- **What services and equipment will be eligible?**
  - Pilot Program participants will be eligible to seek reimbursement for a wide variety of cybersecurity services and equipment that best suit their needs, subject to per-student/per-library budgets with a minimum funding floor and an overall funding cap.
  - There are four general categories of eligible services and equipment:
    1. Advanced/next generation firewalls;
    2. Endpoint protection;
    3. Identity protection and authentication; and
    4. Monitoring, detection and response.
  - The Pilot Eligible Services List ([P-ESL](#)) contains a non-exhaustive list of the types of eligible services and equipment that fit into each category.



# Pilot Program – Application Process

- **What is the process for applying to participate?**
  - The **FCC Form 484 application** will be a two-part process:



- A listing of the types of general and detailed information applicants and participants must submit is provided in the Report and Order.
- The FCC expects to open a Pilot Program application window this Fall.

# Pilot Program – Application, Part 1 Information

- **Part 1 of the FCC Form 484 Pilot Program application collects a general level of cybersecurity information, including:**
  - Information about the applicant's goals and objectives, and an estimate of the total costs for the proposed Pilot project.
    - The FCC needs this information to select a diverse pool of Pilot projects and target Pilot funding to a combination of large and small and urban and rural schools, libraries, and consortia.
  - Applicants should not start the competitive bidding process before completing Part 1 of the application.
  - However, applicants should think about their general cybersecurity goals and plans for using Pilot funding and should submit thoughtful Pilot project proposals that are tailored to their unique circumstances.

# Pilot Program – Selection Process

- **How will Pilot Program participants be selected?**
  - Applications will be evaluated by the FCC and the Universal Service Administrative Company (USAC), the administrator of the Pilot Program.
  - To facilitate the inclusion of a diverse set of Pilot projects and to target Pilot funds to the populations most in need of cybersecurity support, the FCC will award support to a combination of large and small and urban and rural schools, libraries, and consortia, with an emphasis on funding proposed Pilot projects that include low-income and Tribal applicants.

# Pilot Program – What to expect after applying

- The Pilot Program will leverage many of the existing forms, rules, and processes from the E-Rate, ECF, and Connected Care Pilot programs, including seeking competitive bids, requesting eligible services and equipment, and submitting requests for reimbursement.
- Once selected, participants must complete the competitive bidding process to solicit bids and procure the requested cybersecurity services and equipment, unless subject to a competitive bidding exemption.
- After completing a competitive bidding process, participants will submit requests for services and equipment and will receive a Funding Commitment Decision Letter (FCDL) approving or denying their funding requests.
- Once an FCDL is issued and the delivery of services/equipment has started, participants and service providers may submit requests for reimbursement from the Pilot Program.

# Pilot Program –Competitive Bidding

- The Pilot Program includes a requirement that Pilot participants carefully consider all bids submitted and select the most cost-effective service offering with price as the *primary (i.e., most heavily-weighted)* factor.
- Competitive bidding is essential to obtaining the most cost-effective eligible services and equipment and protecting program integrity, so Pilot participants are not permitted to:
  - Request Pilot Program funding for costs from existing cybersecurity contracts;
  - Request Pilot Program funding for costs they are currently cost-allocating out of E-Rate funding requests for advanced firewall services; and
  - Conduct their competitive bidding processes prior to submitting their FCC Form 484 applications and work alongside their selected service providers to develop their proposed Pilot projects.
- Participants may require the services and equipment to be purchased to be interoperable/compatible with their existing services/equipment but may not use a specific manufacturer name, brand, or product/service in their FCC Form 470 or RFP unless they also use “or equivalent” in their description.

# Pilot Program – How to Prepare

- It's not too early to begin planning before the FCC Form 484 application filing window opens!
- Here are some steps that interested parties can take to get ready:
  - **Stay informed** by reviewing the Pilot Program Order, checking out the Pilot Program webpages, and signing up for USAC updates about the Pilot Program.
  - **Ensure your registrations are up to date.** Make sure you have an [FCC registration number](#), a [Billed Entity Number](#), and a user profile in [E-Rate Productivity Center \(EPC\)](#); verify that you are not in [red light status](#) or on the U.S. Treasury's [do not pay list](#); and register with [SAM.gov](#).
  - **Evaluate your cybersecurity needs.** Start planning now to determine what you want to achieve through your participation in the Pilot Program and what services and equipment you may want to purchase. Among other things, applicants will be required to provide information regarding the risks that the project will prevent or address; the goals and objectives to be achieved; their cybersecurity experience and expertise; their designated cybersecurity officer or senior staff member; and the services and equipment to be purchased.

Thank you!

# Pilot Program – Resources

- For more information regarding the Cybersecurity Pilot Program:
  - Visit the FCC’s [Cybersecurity Pilot Website](#).
  - Review the [Pilot Eligible Services List \(P-ESL\)](#) for the cybersecurity services and equipment that are eligible for support.
  - Visit USAC’s [Cybersecurity Pilot Website](#).
  - Sign up for USAC’s [Cybersecurity Pilot Program Email List](#) to stay informed about the latest program updates.
  - Review CISA’s [Cybersecurity Best Practices](#).