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E-rate Program
FY 2014 Eligible Services

The presentations below for the May 2014 service provider training sessions are about the current E-rate Program and are relevant to FY2014. The Federal Communications Commission is considering a major modernization to the program which could affect the program rules, procedures, process, and forms.

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FY 2014 Eligible Services

Overview

- Determining what services are eligible
  - FY 2014 eligible P1 and P2 services
- Cost allocation of ineligible services/equipment
- Top five outreach issues

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FY 2014 Eligible Services

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FY 2014 Eligible Services

Priority One

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Priority One

FY 2014 Priority One Services

- Telecommunications services

- Telecommunications

- Internet access services

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Priority One

FY 2014 Eligible Voice and Data Services

Basic telephone services:
  – Local service
  – Long distance
  – Cellular service
  – Interconnected VoIP
  – Centrex

Digital transmission services:
  – Primary Rate Interface (PRI)
  – T-1, T-3
  – Satellite service
  – OC-1, OC-3, OC-12
  – Lit fiber or leased dark fiber

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FY 2014 Eligible Internet Access (IA) and IA Services

- Conduits to the Internet and Internet access charges.
- Web hosting charges:
  - Subject to cost allocation for ineligibles such as grading software, attendance tracking, content management systems.
- Email service - Applicants will only be funded for a single e-mail service
- Wireless Internet access.

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FY 2014 Eligible Services

Priority Two

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FY 2014 Priority Two

- Internal connections
- Basic maintenance of internal connections (BMIC)

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FY 2014 Internal Connections

Support for equipment and cabling onsite that transport info to classrooms or public rooms of a library.

- Includes but is not limited to routers, switches, hubs, firewalls, access points, DHCP/DNS servers, email or web servers.
- List of ineligible components includes but is not limited to include application or archive servers, video cameras, power strips, public address systems or end-user equipment such as laptops and computers.

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FY 2014 Basic Maintenance of Internal Connections (BMIC)

- Support for basic maintenance of eligible internal connections such as:
  - Repair and upkeep of hardware
  - Wire and cable maintenance
  - Basic tech support
  - Configuration changes
- Support for BMIC is limited to actual work performed under the contract.

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FY 2014 Eligible Services

Cost Allocation

Cost Allocation

Cost Allocation Requirements

- Must be based on tangible criteria that reach a realistic result.
- Cost allocations may be performed a variety of ways:
  - cost
  - usage
  - straight-line

FY 2014 Eligible Services

On-Premise
Priority One Equipment

On-Premise Priority One Equipment

FY 2014 P1 Eligibility Requirements for Equipment

- In limited circumstances, equipment may be considered eligible as part of a P1 solution.
  - Ex. Routers, switches, hubs
- Must be essential for the receipt of the telecom or IA service and provided by the same service provider of the telecom or IA service.
- Maintenance rests with you, not the applicant.
- No lease to own or ownership options for the applicant.

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On-Premise Priority One Equipment

FY 2014 P1 Eligibility Requirements for Equipment

- On-site components cannot be used for any other purpose.
- The applicant's local area network (LAN) is not dependent on the leased equipment.
- Must allow for the sharing of facilities.
- Must have a single point of demarcation.

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Putting Together the Bid

Top 5 Services Related Issues

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Top 5 Reasons for Outreach

Details, Details, Details

1. Missing details. For example:
   - "Cloud service"
   - Set-up fees
   - Bundled Internet access w/no description of the bundle
   - Installation charge
   - Fees
2. Customer premise equipment with no make and model description provided.

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Top 5 Reasons for Outreach

Details, Details, Details (cont.)

3. Equipment mentioned in a contract that does not describe where the equipment is being housed.

4. Not providing cost allocation information and not providing rationale as to how the cost allocation was derived.

5. Providing customer premise equipment that includes multiple pieces of equipment or a switch without providing a network diagram.

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Questions?

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Thank you!