E-Rate News Brief

E-RATE SYSTEMS CONSOLIDATION:

• **Systems Consolidation Cutover to occur October 30 – November 7, 2023**. USAC announced its cutover for Legacy SL systems into the E-Rate Productivity Center (EPC) on September 13. **Key dates to remember** for this transition include:

- Legacy System Shutdown: **October 30 at 11:59 p.m. ET**

- EPC Unavailable for all users: **October 30 at 11:59 p.m. ET to November 7, 2023**

- EPC available for all Funding Year (FY) 2016 and later processing: **November 7, 2023**

- First EPC Invoicing Disbursement: **November 9, 2023**

• The E-Rate Systems Consolidation transition period (i.e., when EPC is unavailable) **affects all form and program process deadlines** (e.g., FCC Form 486 deadline, appeals deadline, FCC Form 472, etc.). If you **have a deadline for a FY2016 and later FRN between October 30 and November 7, 2023, please submit your form or appeal before October 30**. You may also submit an appeal for any funding year [via email](#) to the Customer Service Center during this period.

• For **Program Integrity Assurance (PIA) FCC Form 471 reviews**, if your reply deadline for a PIA inquiry falls during the transition period, **you may still reply via email to your PIA reviewer or you can ask for a one-week extension** to reply in EPC before October 30. Applicants will not be penalized for missing an inquiry deadline during this period.

• Go to the [E-Rate System Consolidation](#) page or view the [September 14, 2023 System Consolidation News Brief](#) to **learn more about submitting invoices, training opportunities, and eLearning Modules available** to help you through the transition.

E-RATE TIPS:

• For applicants **who have received an extension of the FY2022 September 30, 2023 deadline for delivery and installation of nonrecurring services**, you should work with your service providers to extend your contracts to cover the additional time if necessary. You can then report the new contract expiration date to USAC by filing an [FCC Form 500](#).

• USAC held an **FCC Form 470 and Competitive Bidding webinar on July 27** to discuss filing the

FCC Form 470 and the E-Rate competitive bidding process, which has started for Funding Year (FY) 2024. View the [recording](#), [webinar slides](#), and [infographic](#).

- USAC held a **Service Provider Webinar on September 12** to give service providers who are new to the E-Rate program an understanding of their role in the process of delivering E-Rate supported equipment and services to applicants. View the [recording](#) or [webinar slides](#).

- USAC held an **E-Rate Open Data Overview webinar on September 14** to provide an overview of what Open Data is and how you can make it work for you. Due to challenges with the audio during this webinar, USAC will be hosting a make-up session September 28 from 1 p.m. to 2 p.m. [Register here](#).

- The new **E-Rate FCC Form 470 Download Tool will go live tomorrow, September 22.** It has easy-to-use filters, application and service request level data, and includes links to certified FCC Forms 470 plus all associated RFP documents. Go to the [E-Rate Data Tools](#) page to explore the tool.

Contents

Commitments for Funding Year (FY) 2023 and FY2022

FY2023. USAC released FY2023 Wave 21 Funding Commitment Decision Letters (FCDLs) on September 14. As of September 20, FY2023 commitments total over $2.17 billion.

FY2022. USAC released FY2022 Wave 60 Funding Commitment Decision Letters (FCDLs) on September 6. As of September 20, FY2022 commitments total over $2.81 billion.

On the date that FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in EPC.

USAC Announces E-Rate 2023 Fall Training Schedule

USAC confirmed the E-Rate Fall 2023 Training dates for applicants and service providers that wish to learn more about the program and how to participate. These training sessions will be virtual, and registration for each session is now available through the links below. The sessions are for E-Rate program participants of all levels of experience and will include opportunities to ask questions. Recordings of these trainings will be available after the trainings.

- [E-Rate Program Overview](#): **October 3, 2 p.m. - 3 p.m. ET**

  o   USAC will provide a high-level overview of the E-Rate application process from beginning to end and explain basic program concepts for applicants and service providers. After the presentation, we will conduct a Q&A session.

- [E-Rate Pre-Commitment Process](#): **October 5, 2 p.m. - 3 p.m. ET**

    - USAC will discuss the E-Rate Pre-Commitment process. This includes how to get started, competitive bidding, applying for discounts, and Program Integrity Assurance (PIA) review. After the presentation, we will conduct a Q&A session.
- [Eligible Services 101](#): **October 12, 2 p.m. to 3 p.m. ET**

    - USAC will provide an overview of E-Rate eligible services followed by a Q&A session.
- [Category Two Budgets](#): **October 17, 2 p.m. - 3 p.m. ET**

    - USAC will discuss Category Two (C2) budgets. We will provide an overview of C2 budgets and C2 budget guidance for FY2024. After the presentation, we will conduct a Q&A session.
- [EPC Administrative Window](#): **October 19, 2 p.m. - 3 p.m. ET**

    - USAC will discuss the EPC Administrative Window, the period during which applicants can make updates to their profile information in the E-Rate Productivity Center (EPC), to prepare for the upcoming FCC Form 471 application filing window. After the presentation, we will conduct a Q&A session.

- [E-Rate Post-Commitment Process](#): **November 7, 2 p.m. - 3 p.m. ET**

    - USAC will discuss the E-Rate Post-Commitment Process and other post-commitment activities. Topics include starting services, the Children's Internet Protection Act (CIPA), service substitutions, appeals, and more. After the presentation, we will conduct a Q&A session.

- [Invoicing](#): **November 9, 2 p.m. - 3 p.m. ET**

    - This webinar is designed to help E-Rate program participants (applicants and service providers) understand the invoicing process. We will discuss the FCC Form 472 (BEAR Form) and the FCC Form 474 (SPI Form), invoice deadlines, invoicing reviews, and more. This session will not cover the new Invoicing functionality in EPC.

USAC is holding an in-person training session at the Federal Communications Commission (FCC) DC headquarters on October 13, 2023, from 9 a.m. to 4 p.m. ET covering program processes and updates for FY2024. Registration is full but you can sign up on the waitlist [here](#). USAC will notify those who may attend if space becomes available.

FY2022 Invoicing Deadline Reminders

Monday, October 30, 2023 is the deadline to file an invoice or to request an invoice deadline extension (IDE) **for most Funding Year (FY) 2022 recurring service** Funding Request Numbers (FRNs). This invoice deadline applies to both applicant and service provider invoices – the FCC Form 472 (Billed Entity Applicant Reimbursement (BEAR Form)) and the FCC Form 474 (Service Provider Invoice (SPI) and (eSPI)), respectively. **Access to the SL legacy invoicing system will close on October 30, 2023 at 11:59 p.m. ET to prepare for the E-Rate systems consolidation** and the transition to invoicing through the EPC system.

We encourage all E-Rate entities to submit their invoices as far in advance as possible and before the system close or follow the process below to request an extension.

Applicants **who intend to file BEAR Forms for FY 2022 recurring services** but do not have BEAR Form access through One Portal **should request a one-time 120-day [Invoice Deadline Extension](#)**. You **must also have an approved [FCC Form 498](#)** to submit BEAR forms.

- For information about BEAR Form access, go to the [BEAR Form Access](#) page.
- For assistance in filing and certifying the applicant version of the FCC Form 498, you can call the Customer Service Center (CSC) at (888) 203-8100. Note that you cannot invoice USAC via a BEAR Form until you have provided proof of your banking information to USAC, which you can [upload](#) after you have certified the form. USAC must approve your FCC Form 498 before you can submit a BEAR Form.

How to Request an Invoice Deadline Extension for FRNs from FY2016 and Forward
Both applicants and service providers can request an invoice deadline extension in the E-Rate Productivity Center (EPC) by following the steps below. Remember that there is no penalty for requesting an invoice deadline extension and not using it.

- **Applicants:**
  - On your landing page, click the link to the billed entity record (the name in the "Welcome!" link near the top of the page or the first entry under the **My Entities** section).
  - Select the **Related Actions** menu and choose **Invoice Deadline Date Extension Request**.
  - Enter the FRN(s) you would like to extend, separated by commas.
  - Click the **Check Eligibility** button. All the FRNs from your list that are eligible for an extension will appear on a grid.
  - Click **Submit**.
  - Review the resulting **News** post for the results.

- **Service providers:**
  - From the **Records** tab at the top of any EPC page, click the **Service Providers** option.
  - Use the **Search** function to locate your service provider record.
  - Select the **Related Actions** menu and choose **Invoice Deadline Date Extension Request**.
  - Enter the FRN(s) you would like to extend, separated by commas.
  - Click the **Check Eligibility** button. All the FRNs from your list that are eligible for an extension will appear on a grid.
  - Click **Submit**.
  - Review the resulting **News** post for the results.

You can use the [E-Rate Data Tools](#) page to confirm these deadlines. This data can be located in the [FRN Status](#) dataset.

- From the dataset landing page, click the **View Data** button in the menu next to the name of the dataset. You can search the dataset by Billed Entity Number (BEN), and Funding Request Number (FRN) to locate data specific to your entity to help you calculate your deadlines such as service start date (SSD), and last date to invoice (i.e., the IDD).
- You can find the IDD using the field "Last Date to Invoice." The SDD field is called "Service Delivery Deadline."
- To begin your search, go to the **Find in this Dataset** search box located directly above the data on the right-hand side of the screen. Then, type your BEN or FRN in the search box and press "enter" on your keyboard. This will filter the data by only displaying the rows that have the data entered in the search box in any of the available columns.
- For more information about setting filters to locate specific applications, BENs, or FRNs, watch the [Open Data video tutorial](#).
- Download the [dataset glossary](#) (PDF) to find out more about this dataset.

FY2023 FCC Form 486 Deadline Reminder

October 30, 2023 is the deadline to file an FY2023 FCC Form 486 if your FCDL is dated on or before July 1, 2023 and your service start date is July 1, 2023. If these conditions apply to you, please submit and certify your [FCC Form 486](#) on or before this deadline.

If your FCC Form 486 appears to be late, we will send you an FCC Form 486 Urgent Reminder Letter to remind you of the upcoming deadline. Note that we use the service start date you reported on your FCC Form 471 to determine when to send the letter, so if your service start date has changed, your deadline may have changed as well.

This reminder letter is posted to your **News** feed in EPC and emailed to the contact person on the FCC Form 471. **These letters will start going out after October 31, 2023 for FY2023 commitments**.

You have 15 days after the date of this letter to certify your FCC Form 486 without penalty. Again, if your service start date has changed, the service start date you enter on your certified FCC Form 486 will determine whether your filing is considered late.

Applicants whose services started after July 1, 2023, or whose FCDLs are dated after July 1, 2023 (including any that have not yet been issued), will have an FCC Form 486 deadline later than October 31. However, we encourage you to submit and certify your FCC Form 486 as soon as possible after services start for FY2023 and if you can accurately make all the certifications on the form.

FY2024 E-Rate Program Updates

We want to make you aware of recent program updates that will be applied to FY2024 so you can start preparing for the FY2024 E-Rate filing window that will open in January. On July 20, 2023, the Federal Communications Commission (FCC) adopted an order ([FCC 23-56](#)) to increase Tribal applicants' participation in the program through program simplifications applicable to them and steps to simplify E-Rate processes for other E-Rate applicants. The FCC also extended the [Tribal Library Pilot Program](#) to continue to provide support for Tribal libraries who want to participate in the E-Rate program in FY2024.

Tribal Library Applicants
The FCC increased the maximum Category Two (C2) discount rate to 90% and increased the C2 funding floor to $55,000 for Tribal libraries over the five-year C2 budget cycle. The FCC also adopted a definition of Tribal to better identify Tribal applicants seeking E-Rate funding and added Tribal College and University (TCU) libraries that also serve as public libraries in their communities as eligible entities for E-Rate as described below.

Tribal College and University (TCU) Libraries Serving as Public Libraries in Their Communities
The FCC will consider a TCU library eligible to apply for E-Rate support if it serves as a public library by having dedicated library staff, regular hours, and a collection available for public use in its community. TCU libraries cannot request funding for equipment and services beyond the needs of the library, and any C2 equipment must be installed within the eligible library only.

USAC will create a new entity subtype for TCU libraries and will apply the new 90% discount rate and C2 budget floor to Tribal and TCU libraries in FY2024. Tribal libraries will need to ensure their EPC profiles are up to date during the FY2024 administrative window. USAC will validate all Tribal library entities for eligibility in FY2024.

Library Applicants
The FCC streamlined the application process for all library applicants by creating a competitive bidding exemption for libraries making small purchases for C2 equipment or services. All library applicants

seeking E-Rate support for eligible C2 equipment and services totaling a pre-discounted amount of $3,600 or less in a single funding year do not need to file an FCC Form 470 to solicit bids or wait the required 28 days before entering into a contract.

Library applicants may only request E-Rate support based on the actual cost of the equipment or service requested. A C2 funding request will be eligible for this exemption only if the total cost per library is $3,600 or less and the cost cannot be averaged across a number of libraries. The FCC will still require cost-effective purchases under this exemption and USAC will review the costs of eligible equipment and services and deny funding for purchases that are determined not to be cost effective or are not for E-Rate eligible equipment and/or services.

All Applicants
Cost Allocations
The FCC provided guidance on a number of cost-allocation calculation issues that applicants find challenging such as allocations to exclude costs associated with minimal ineligible use or service components. For **all schools and libraries**:

- If at least 90% of an applicant's requested Internet service is being used for eligible purposes, the remaining ineligible use (e.g., occasional office use) of the Internet service will be presumed to be ancillary and cost allocation is not required.
- Expenses associated with cabling ("drops" or "jacks") that is primarily being used to provide broadband connectivity within schools and libraries does not require cost allocation, provided it is the most cost-effective means of receiving the eligible service. The eligibility determination should be based on the purposes of the network as a whole if the network is primarily serving an eligible purpose (i.e., distributing broadband throughout a school or library building).
- For non-instructional facilities (NIFs), including library administrative buildings, that share equipment (e.g., a district switch) with a school or library, the applicant does not need to cost allocate for the NIF's use if it is choosing the most cost-effective offering for the shared equipment.

Urban/Rural Designation Update
The Urban or Rural Status of an entity (school or library) in the E-Rate program is guided by the U.S. Census Bureau's delineation. FCC rules require USAC to use the Census Bureau's most recent rural-urban classification. For FY2023, this was based on 2010 Census data. USAC is in the process of updating the urban-rural classifications for FY2024 based on 2020 Census data. After USAC updates the rural-urban classifications using the 2020 Census data, a small percentage of applicants may notice that their urban/rural designation has changed. We will provide more information in the next issue of the News Brief.

EPC Administrative Window Opens October 24, 2023

The EPC administrative window is the period during which applicants can make **updates to their profile information** including student counts, National School Lunch Program (NSLP) participation rates, library square footage, and the entities and individuals associated with your entity including consulting firms, in EPC to prepare for the upcoming FY2024 FCC Form 471 application filing window.

Each year, USAC updates applicant profiles in EPC using the reviewed and approved profile information from their current year FCC Forms 471. We do this so that applicants can start the application process for the upcoming funding year with information in their profiles that is accurate as of the date of their funding commitment decision letter (FCDL).

USAC has completed this process for applicants whose profile information was updated during the Program Integrity Assurance (PIA) review of their FY2023 applications. Applicants can now review their

profiles and make any additional updates. Please note that **EPC will be unavailable between October 30 and November 7**, as noted above.

The administrative window **will open Tuesday, October 24, 2023** and will close **shortly before the FY2024 application filing window opens in early 2024**. After this time, applicant profiles will be locked and you will not be able to make changes to your profile information.

For detailed information on updating entity profiles, you can refer to the [EPC Administrative Window](#) page. Here are a few reminders for those of you who are ready to start updating your profiles:

- School districts report their student counts separately for two different purposes – to calculate their discount and to calculate their Category Two (C2) budget. For the C2 budget calculation, you can request a [replacement C2 budget](#) if student count (or square footage for libraries) information has changed but you are not required to do so. School districts can update their individual school profiles or report a total number in the school district profile.
- If you have new child entities (individual schools for school districts or library branches for libraries), the Customer Service Center (CSC) can create them for you. Open a customer service case in EPC or call CSC at (888) 203-8100 for assistance.

For changes affecting your FY2023 application, submit an FY2023 [Receipt Acknowledgment Letter (RAL) modification request](#) or FY2023 appeal before you add new entities or new entity subtypes to your organization's profile information. This will allow us to process your FY2023 RAL modification or appeal more quickly.

Tribal Schools and Libraries
The FCC's recent Tribal Order (see above) adopted a definition of Tribal for the E-Rate program to better identify Tribal applicants seeking E-Rate funding and added Tribal College and University (TCU) libraries that also serve as public libraries in their community as eligible entities for E-Rate.

During the administrative window, Tribal entities can confirm their Tribal designations or add additional entities such as newly eligible TCU libraries (provided they also serve as a public library in their community).

For Tribal libraries, USAC will update the C2 discount rate from 85% to 90% per the FCC's Tribal order. In addition, the Tribal library C2 budget floor for the five-year C2 budget cycle (FY2021 through FY2025) will be increased to $55,000 for the five-year period. If a Tribal library has already been committed C2 funding in FY2021-FY2023, that amount will be subtracted from the $55,000 funding floor. For example, if a Tribal library had already been committed discounts for $25,000 in C2 equipment in FY2023, the amount remaining for FY2024 and FY2025 would be $30,000 ($55,000 - $25,000 = $30,000).

The October 27, 2022 [EPC Window Training](#) slides provide instructions on how to add/update users, update entity profiles, request a replacement C2 budget if you choose to do so, and more tips.

The October 19, 2023 [EPC Administrative Window](#) training webinar will provide updated instructions for FY2024 resulting from recent program updates including the FCC's Tribal order.

FCC Provides Relief for Program Participants Located in Disaster Areas Affected by Hawaii Wildfires and Hurricane Idalia

The FCC waived several E-Rate rules and deadlines, on a temporary basis, to assist participants and providers located in the areas affected by the Hawaii Wildfires, which started in Maui County on August 8, 2023 (see [DA 23-723](#)). The FCC also waived several E-Rate rules and deadlines, on a temporary

basis, to assist participants and providers located in the areas affected by Hurricane Idalia, which struck Florida's Gulf Coast on August 30, 2023 (see DA 23-805). For applicants located in affected disaster areas, the FCC provided up to 150 calendar days from the release date of the Order (i.e., January 15, 2024 for areas affected by the Hawaii Wildfires; January 29, 2024 for areas affected by Hurricane Idalia) to submit the following:

- Requests for review or waiver of decisions by USAC, directed to USAC or the Commission.
- Filing FCC Form 486 (Receipt of Service Confirmation and Children's Internet Protection Act (CIPA) Certification Form).
- Filing FCC Form 472 (Billed Entity Applicant Reimbursement (BEAR) Form) and FCC Form 474 (Service Provider Invoice Form).

The FCC also waived the following:

- **Service Implementation Deadline for Non-recurring Services** – The FCC extended the service implementation deadline for FY2022 non-recurring service funding requests to September 30, 2024 and likewise extended the deadline for all other applicants that have nonrecurring service funding requests with a September 30, 2023 deadline in the Affected Disaster Areas.
- **Service and Equipment Substitutions** – FCC rules allow applicants to substitute a service or product if certain conditions are met (e.g., the service or product has the same functionality, the substitution does not violate any contract provision, does not result in an increase in the percentage of ineligible services or functions, and is within the scope of the controlling FCC Form 470). For applicants in the Affected Disaster Areas, the FCC waived the requirement that the substituted service or product(s) must have the same functionality as the service or product being replaced to allow them more flexibility based on their local needs without being constrained by categories of service or service types. Applicants must request approval of service and/or equipment substitutions by submitting a Service Substitution request to USAC.
- **Document Retention Requirements** – The FCC waived the E-Rate document retention requirements for destroyed records. Applicants and service providers will not be penalized for failure to retain or produce records destroyed by the wildfires or hurricane. Applicants and service providers that rely on this waiver as a basis for not retaining or producing records, upon request from USAC or the Commission, will be required to certify that the records, and any copies of such records, were destroyed by the wildfires or hurricane.

FCC Requests Comments on Draft ESL for FY2024

On September 12, the FCC released a Public Notice (DA 23-819) establishing the comment period for the E-Rate FY2024 Eligible Services List (ESL).

Comments on the draft ESL, which is attached to the Public Notice, are due to the FCC on or before October 12, 2023. Reply comments are due to the FCC on or before October 26, 2023. For information on filing comments with the FCC, please refer to the Public Notice.