

E-rate Program Overview

2020 Applicant and Service Provider Training
November 4, 2020



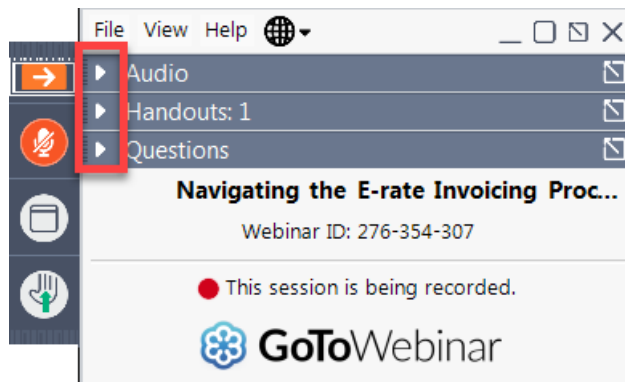
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HOUSEKEEPING – WEBINAR PANEL

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- Open the panel by clicking the orange arrow.

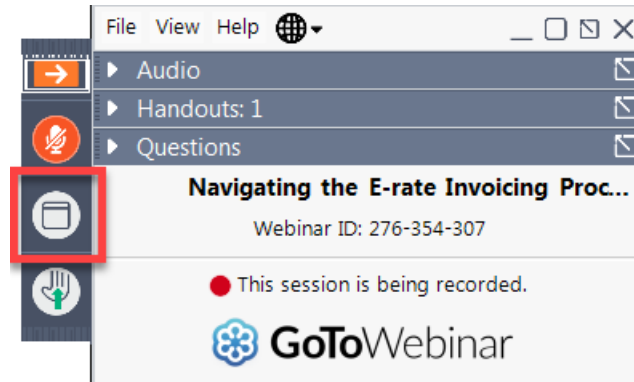


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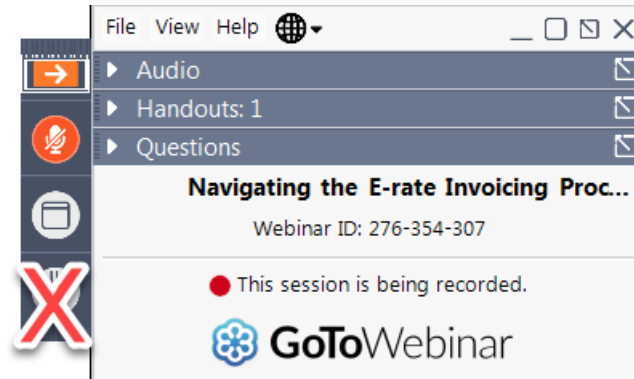


HOUSEKEEPING – WEBINAR PANEL

- You can use the panel to view the presentation in full screen or window mode.

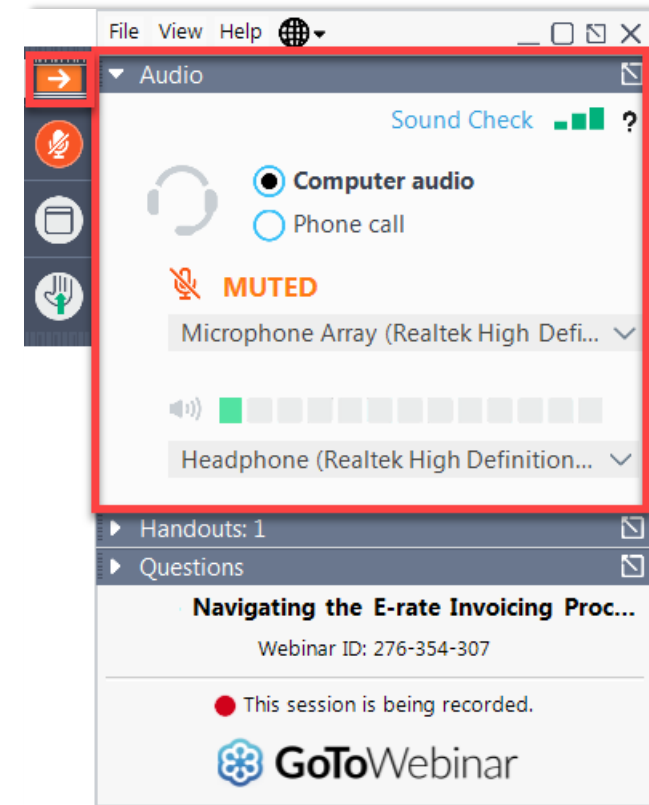


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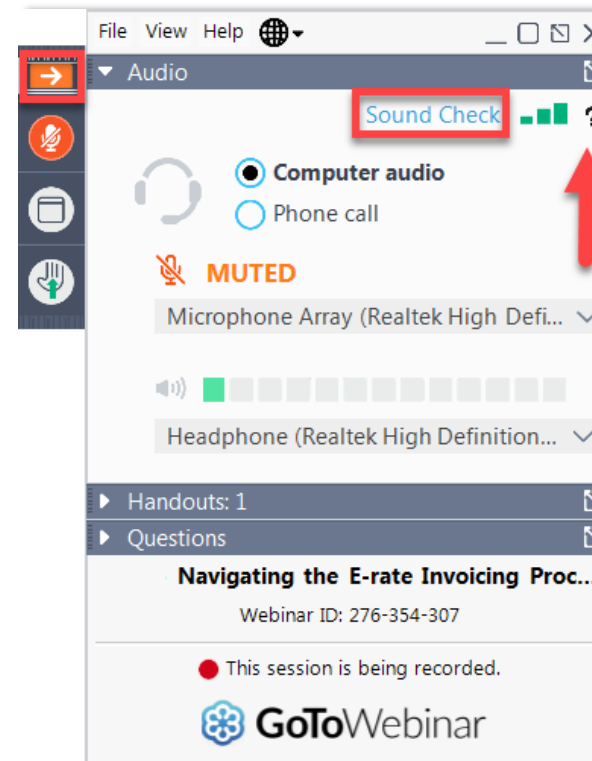
HOUSEKEEPING – AUDIO

- Use the “Audio” section of your control panel to select an audio source.
- Choose one of the audio options:
 - Your computer's audio
 - Call in using an access code and audio PIN.
- The audience will remain on mute.

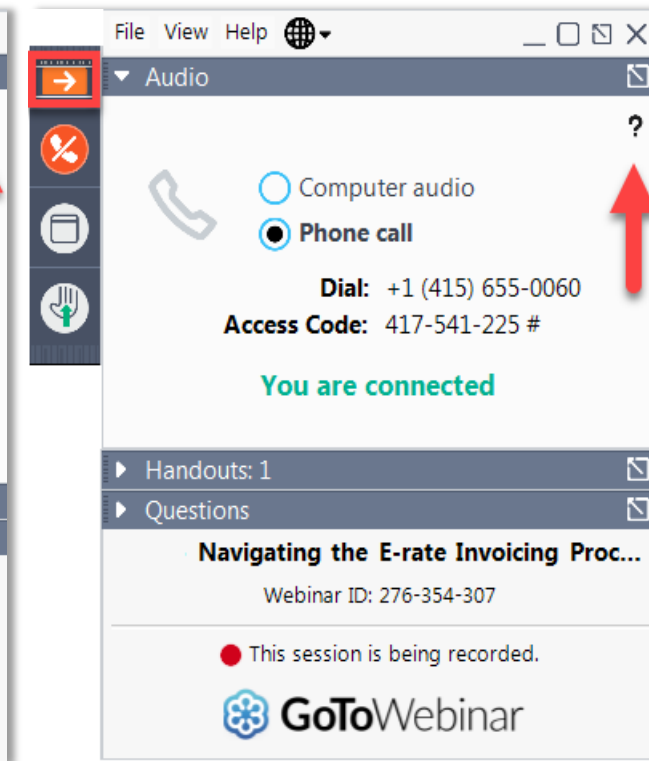


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- Use the “Sound Check” link and click question mark icon for audio help.
- Exit webinar and click the [check system requirements](#) link in the event confirmation email to determine whether your computer meets the requirements to see and hear the webinar.
- If issues persist, call 833-851-8340 to [troubleshoot with GoToWebinar](#).



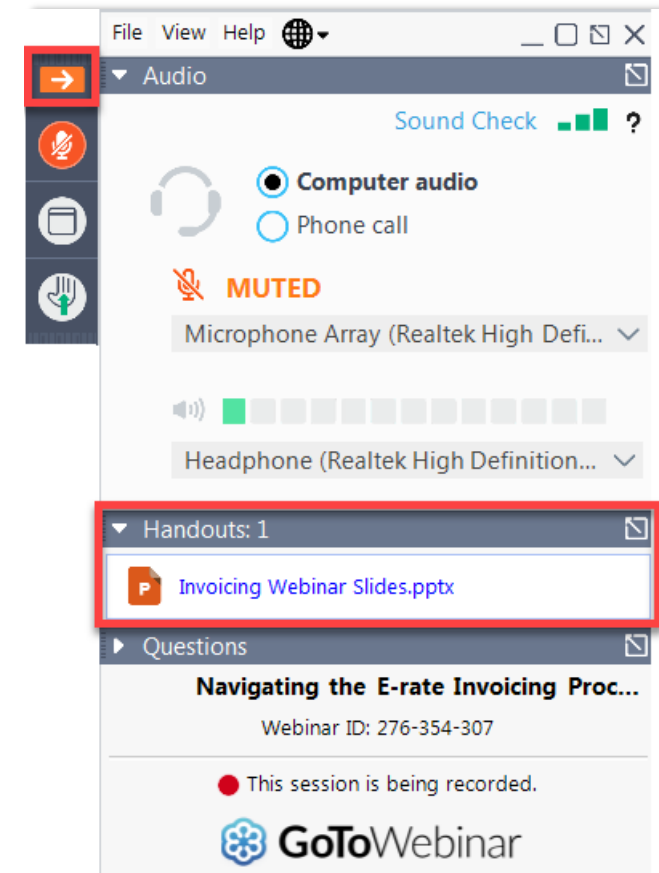
Computer Audio



Phone Call

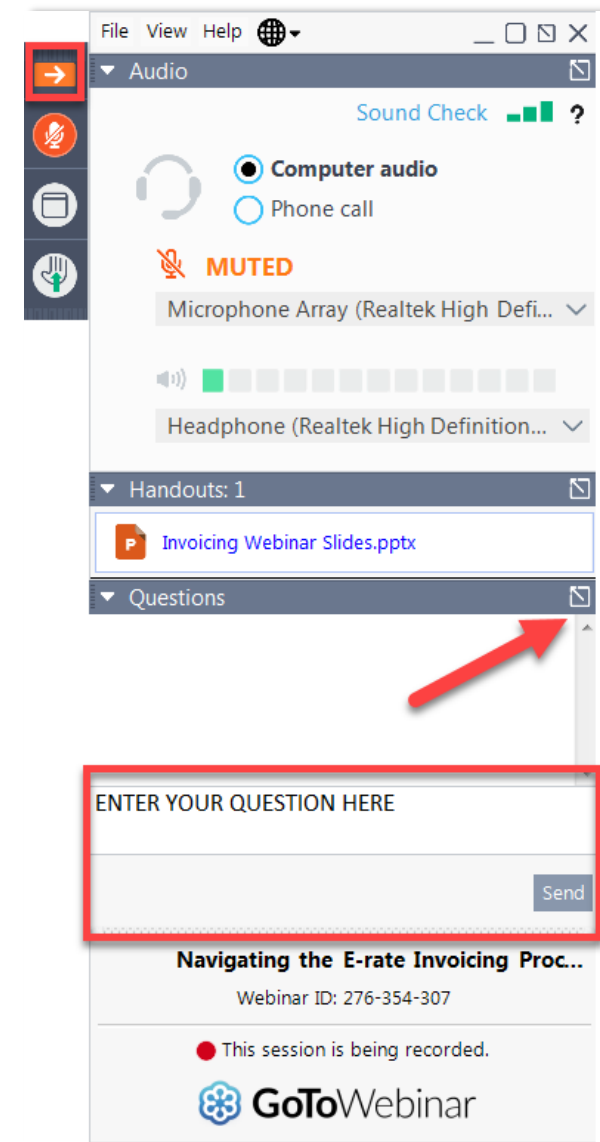
HOUSEKEEPING – RESOURCES

- The **slide deck** is available when you click the arrow to expand the “**Handouts**” tab.
- A recording of this webinar will be available after the event via the registration link.



HOUSEKEEPING – Q&A

- **There will be a live Q&A session focused on today's topics.**
- Tips for submitting questions:
 - Use the “Questions” box in your webinar control panel anytime during the presentation.
 - Click the box with the arrow above the questions box to expand it and see all written answers.
 - Write in full sentences.
 - Ask one question at a time.
 - Ask questions related to webinar content.



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Create a customer service case in the E-rate Productivity Center (EPC):

1. Log in to EPC.
2. Select the **Contact Us** link from the upper right menu on your landing page.



MEET OUR TEAM



John Noran
Senior Manager

E-rate Program



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Content Writer

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AGENDA

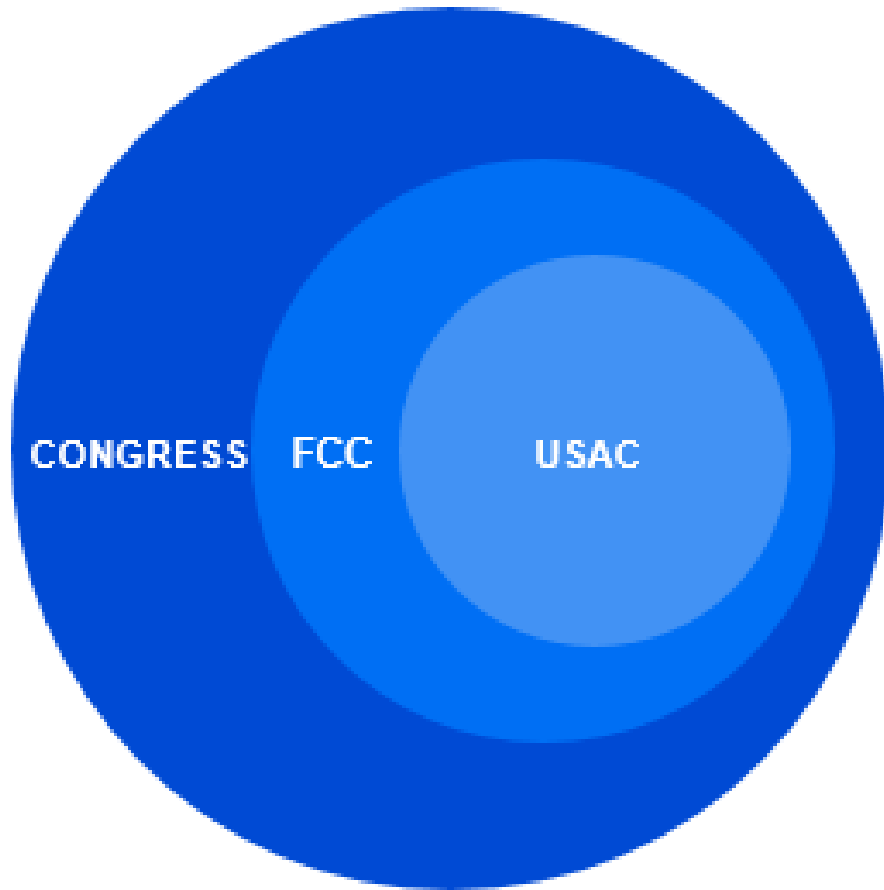
1. USAC Mission Statement and Overview
2. Application Process-Applicant Steps
3. Application Process-Service Provider Steps
4. Basic Concepts
5. Q&A

Mission Statement

Help ensure that schools and libraries can obtain high-speed internet access and telecommunications at affordable rates, and keep students and library patrons connected to broadband by providing a discount on eligible services.

Overview

WHO MAKES THE RULES?

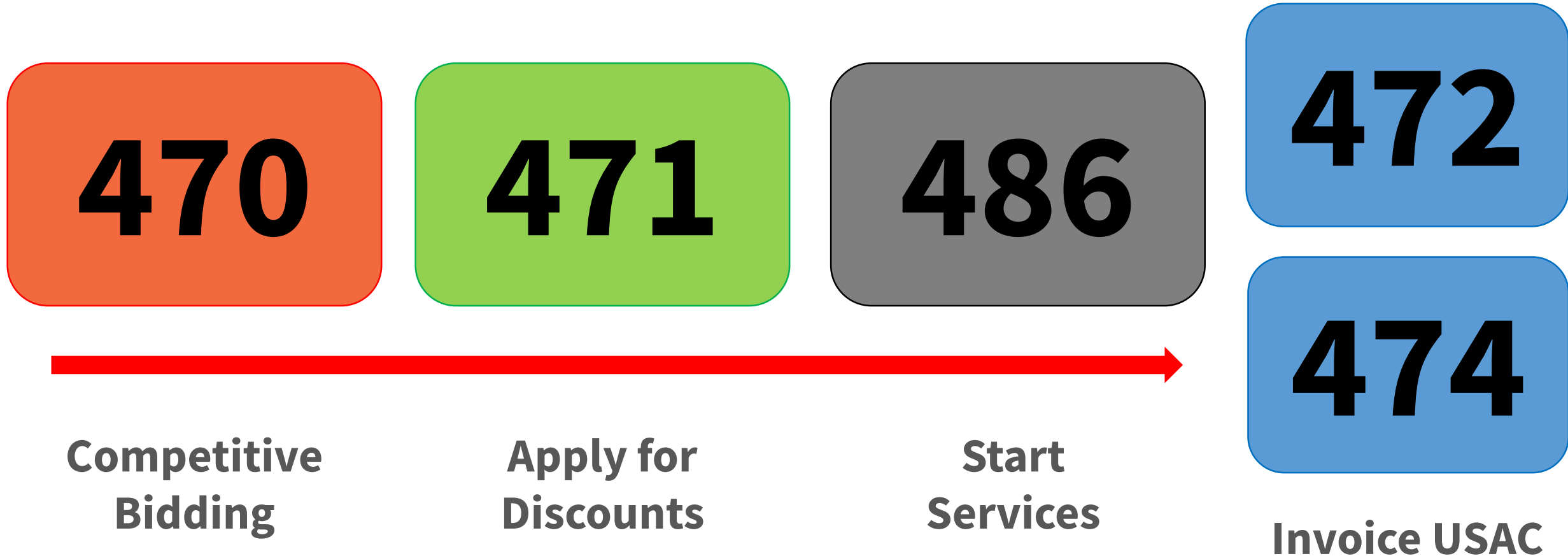


- Congress wrote the Telecommunications Act of 1996, which directed the Federal Communications Commission (FCC) to establish the E-rate Program and other programs.
- The FCC issues orders that set rules and policies for the program and gives direction to the Universal Service Administrative Company (USAC) through orders.
- USAC is responsible for the day-to-day administration of the E-rate Program.

Application Process Applicant Steps

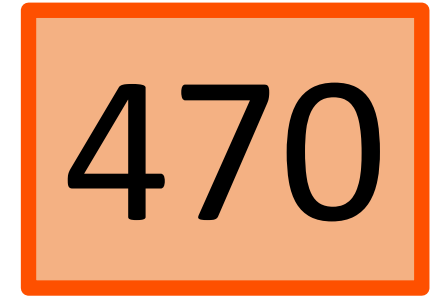


What is the Applicant Process?

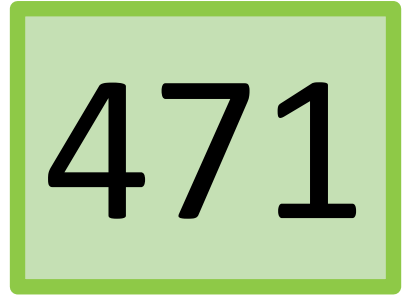


Competitive Bidding

- Run an open and fair competitive bidding process.
- Wait 28 days before choosing a service provider.
- Evaluate bids using the price of the eligible services as the primary factor.



Apply for Discounts




- Provide information about your requests (discount level, costs of services, service providers).
- Answer USAC review questions.
- Receive your funding commitment decision.

Start Services

486

- Tell USAC your services have started.
- Verify your CIPA* compliance.
 - * CIPA = Children's Internet Protection Act
- Answer USAC review questions.

Invoice USAC (BEAR Form)

A blue square containing the number 472 in a large, black, sans-serif font.

- Certify FCC Form 498 to provide your banking information – and backup documents – to USAC for review.
- Pay your customer bill (the bill from your service provider) in full.
- Answer any USAC review questions.

Invoice USAC (SPI Form)

474

- Pay your discounted customer bill (the bill from your service provider).
- Your service provider will invoice USAC for the discount amount.
- Answer any USAC review questions.

Application Process Service Provider Steps



What is the Service Provider Process?

498

Get a SPIN

473

**Certify
Compliance**

474

Invoice USAC

470

471

486

472

Get A SPIN

498

- Register with USAC and provide information on contacts and the services you provide.
- Information from your FCC Form 498 is used to populate information in your portal (E-rate Productivity Center or EPC).
- Keep this information current.

Applicant Competitive Bidding



- Review posted FCC Forms 470, Requests for Proposal (RFPs), and RFP documents on the USAC website and respond to requests for services.
- Ask the applicant questions if you need clarification.
- Competitive bidding process must be open and fair.

Applicants Apply for Discounts

471

- Review the Receipt Acknowledgment Letter for accuracy.
- Assist applicants with review questions as needed (network diagrams, technical information).
- Review USAC's funding commitment decision.

Certify Compliance with Rules

473

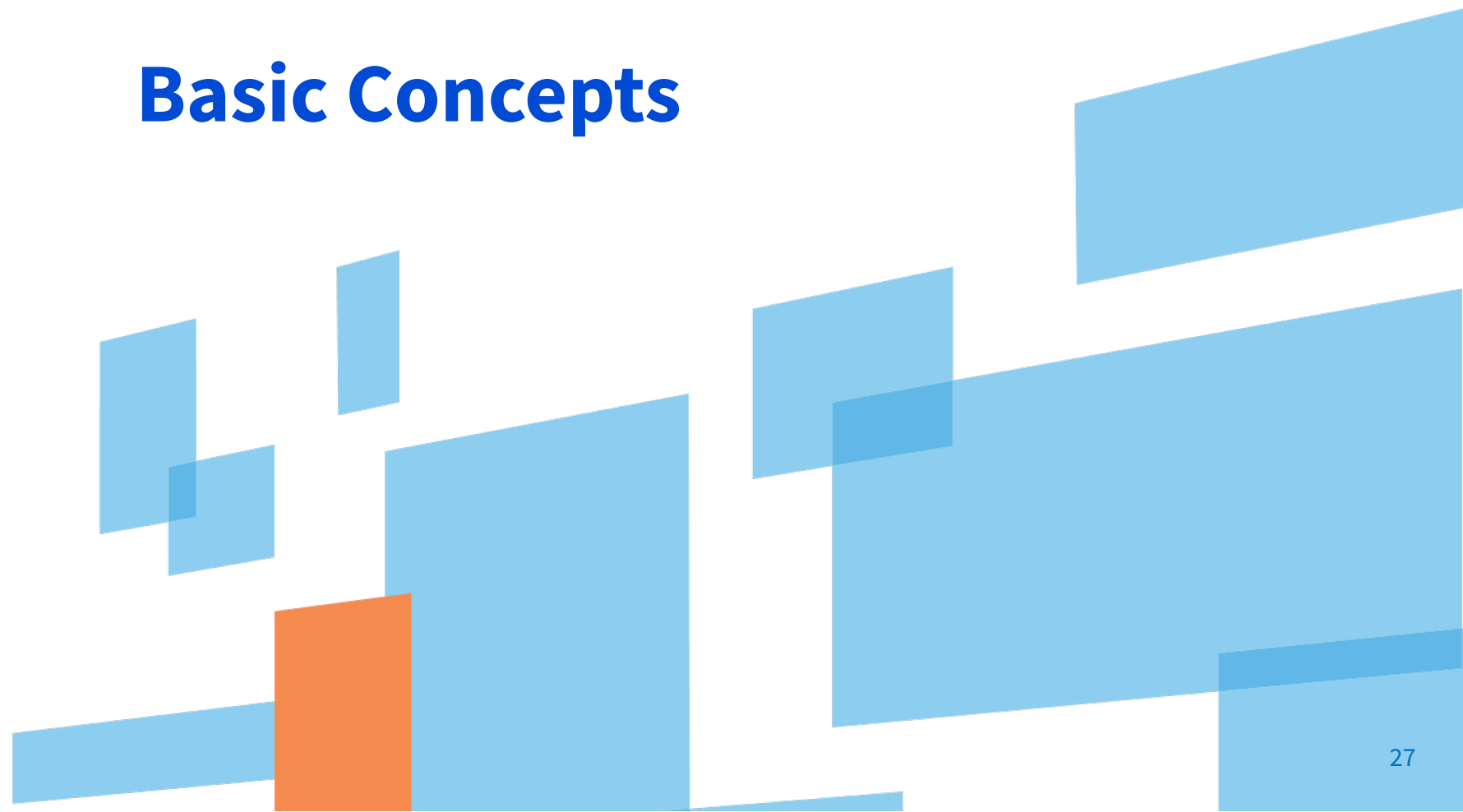
- File your FCC Form 473 (SPAC Form) to certify that you will follow program rules.
- Start the delivery and installation of funded services.
- Verify that your customers have filed FCC Form 486.

Invoice USAC (SPI Form)

474

- Bill your customers for their share of the cost of approved services.
- Check the commitment information (services, discount level, costs) before filing a SPI Form.
- Answer any USAC review questions.

Basic Concepts



BASIC CONCEPTS

- Eligibility – Entities, Services, Locations
- Funding Year
- Filing Window
- Identifying Numbers (BEN, SPIN, CRN)
- Discounts
- Funding Request Numbers (FRNs)

Eligibility - Applicant Entities



ELIGIBILITY - School

- Must provide elementary and/or secondary education, as determined under state law
- Cannot have an endowment exceeding \$50 million
- Cannot operate as a for-profit business



ELIGIBILITY – Libraries

- Must be eligible for assistance from their state library agency under LSTA*
- Budget must be separate from any schools.
- Cannot operate as a for-profit business

*LSTA = Library Services Technology Act

ELIGIBILITY – Non-instructional Facilities (NIFs)

- Non-instructional facilities (NIFs) are eligible for discounts on some services.
- NIFs are:
 - School buildings that don't have classrooms.
 - Library buildings that don't have public areas.



ELIGIBILITY - Consortia

- Schools and libraries can join together to form consortia.
- Consortia are not themselves eligible for discounts, but they can run competitive bid processes and/or apply for discounts on behalf of their members.



Eligibility - Services



ELIGIBILITY- Eligible Services List (ESL)

- Each year, the FCC issues a list of services that are eligible for the upcoming funding year.



ELIGIBILITY - Services

Category One includes services from the service provider to the schools and/or libraries (demarcation point).

- One service type –
 - Data Transmission and/or Internet Access

ELIGIBILITY - Services

Examples of **Category One (C1)** services:

- Leased lit or dark fiber
- Wireless services (e.g. microwave)
- Satellite service
- T-1, T-3, etc.
- DSL

ELIGIBILITY - Services

Category Two includes services and equipment needed for broadband connectivity within schools and libraries.

- Three service types –
 - Internal Connections
 - Basic Maintenance of Internal Connections
 - Managed Internal Broadband Services

ELIGIBILITY - Services

Examples of **Category Two (C2)** services:

- Routers & switches
- Cabling, wireless access points
- Basic maintenance of eligible internal connections managed internal broadband services (managed Wi-Fi)

ELIGIBILITY - Services

Category One (C1) services are not limited in cost as long as they are cost-effective.

Category Two (C2) services are limited by a pre-discount budget

- Budget period is five years.
- Budget is calculated based on number of students (schools) or square footage (libraries).
- Beginning in FY2021, budget is calculated at the school district or library system level.

ELIGIBILITY – Eligible Purposes

- Activities related to education that occur on school property.
- Activities related to providing library services to individuals that occur on library property.

*Activities that are not on school or library property are generally not considered eligible for discounts.



Funding Year



FUNDING YEAR

A Funding Year (FY) starts on July 1 and ends the following June 30.

- For example, FY2021 starts on July 1, 2021, and ends on June 30, 2022.



FUNDING YEAR

Timing of program activities:

- Competitive bidding and applying for discounts happen before the funding year starts.



FUNDING YEAR

Timing of program activities:

- Services generally start at the beginning of the funding year.



FUNDING YEAR

Timing of program activities:

- Invoicing can occur during the funding year and is generally completed after the funding year ends.



FUNDING YEAR – Delivery and installation of services

- **Recurring services** (e.g., monthly internet access) must be delivered during the funding year.
- **Non-recurring services** (e.g., equipment installations) can generally be installed through September 30 following the close of the funding year.
 - The September 30 deadline can sometimes be extended, either automatically or by request.
 - Delivery and installation can sometimes start before the funding year.

Filing Window

An abstract graphic consisting of several overlapping rectangles in various shades of blue and one orange rectangle. The rectangles are arranged in a way that creates a sense of depth and movement, with some appearing to be in front of others. The colors are a mix of light blue, medium blue, and a single bright orange rectangle.

FILING WINDOW

All FCC Forms 471 are filed during a specific period of time – the FCC Form 471 application filing window.

- The filing window generally opens in mid-January and closes in mid-March in advance of the start of the funding year.

*Applications (FCC Forms 471) filed outside of the filing window are not considered for funding.

Identifying Numbers

An abstract graphic design featuring several overlapping rectangles in various shades of blue and one orange rectangle. The rectangles are arranged in a way that creates a sense of depth and movement, with some appearing to be in the foreground and others in the background. The overall composition is modern and minimalist.

IDENTIFYING NUMBERS - BENs

Each applicant entity is assigned an “entity number” in the system.

- Each entity that receives and pays bills is assigned a **Billed Entity Number (BEN)**.
 - For example: independent schools, school districts, independent libraries, library systems, consortia, educational service agencies.
- Schools in a school district, libraries in a library system, and NIFs also have entity numbers.

IDENTIFYING NUMBERS - SPINs

A **Service Provider Identification Number (SPIN)** is assigned to providers participating in E-rate.

- Service providers may have more than one SPIN due to:
 - Different business units or service areas.
 - Mergers and acquisitions.



IDENTIFYING NUMBERS - CRNs

Each consulting firm is assigned a **Consultant Registration Number (CRN)** in the system.

- A consultant may be a single individual or a consulting firm with multiple employees.



Discounts



DISCOUNTS – Overview

Discounts depend on two pieces of information:

- The level of poverty as defined by the percentage students who qualify for the National School Lunch Program (NSLP) in the school district.
- The urban or rural status of the school district or library system.

DISCOUNTS –Calculations

- School districts use:
 - The percentage of students eligible for NSLP and
 - Urban/rural status.
- Library systems use:
 - The percentage of students eligible for NSLP in the school district where the main branch of the library is located and
 - Urban/rural status.
- Consortia use a simple average of their members' discounts.

DISCOUNT MATRIX

INCOME Measured by percentage of students eligible for NSLP	DISCOUNT	
	URBAN	RURAL
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 for C1, 85 for C2	90 for C1, 85 for C2

Funding Request Number (FRN)

An abstract graphic design featuring several overlapping rectangles in various shades of blue and one prominent orange rectangle. The rectangles are arranged in a dynamic, layered fashion, creating a sense of depth and movement. The colors are vibrant and the shapes are clean, contributing to a modern and professional aesthetic.

FUNDING REQUEST NUMBER (FRN)

Applying for discounts

- Applicants list the services and identify the costs for those services on the FCC Form 471.
- Each of these funding requests is assigned a number – an FRN.
- There can be one or many FRNs on an FCC Form 471.

FUNDING REQUEST NUMBER (FRN)

FRNs are specific to:

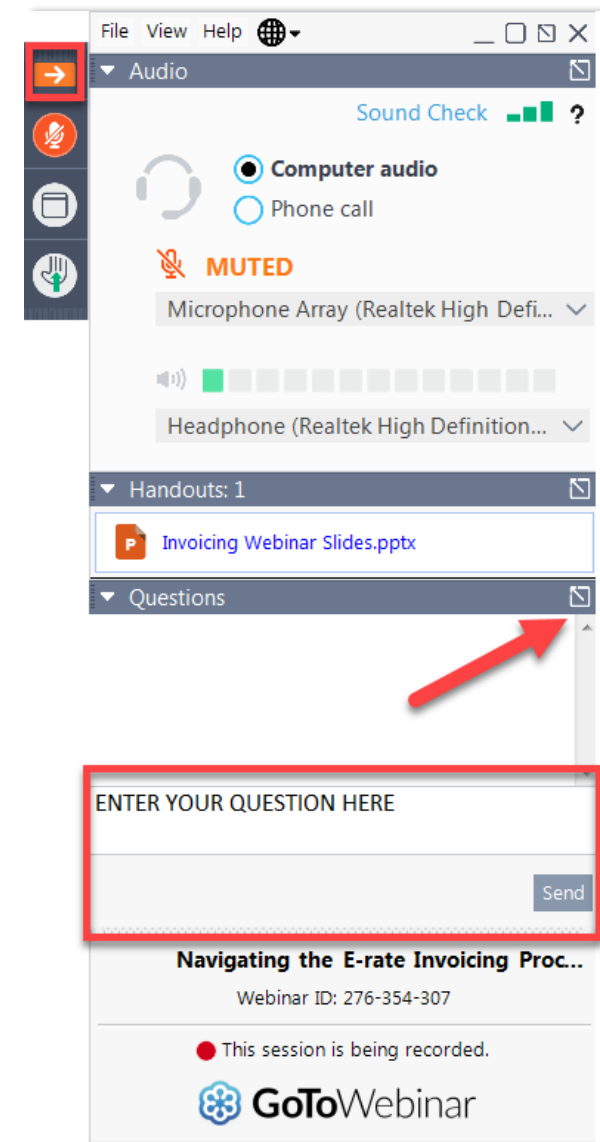
- A category of service
- A service type
- An FCC Form 470
- A service provider (SPIN)
- A contract, if you have one



An FRN can have one or many services, as long as the services have all the above in common.

HOUSEKEEPING – Q&A

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Q&A SESSION

SUBMIT YOUR QUESTIONS DURING THE LIVE WEBINAR

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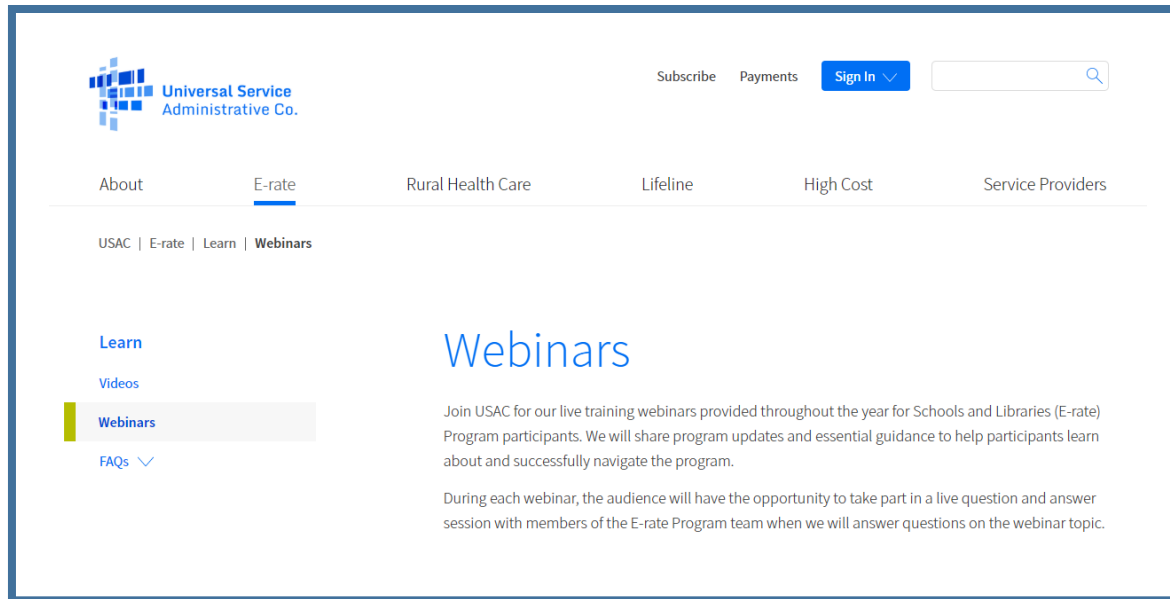
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UPCOMING WEBINARS

Go to the E-rate [Webinars](#) page for additional information.



Our next webinar is:
November 4 at 3:00 p.m. EST

EPC Demo

Recommended for: Applicants and service providers
E-rate Experience Level: Beginner

WEBINAR SURVEY

We would like your feedback on today's webinar.

Please fill out the pop-up survey after the webinar ends or use the link emailed to you after the event.

Webinar Survey

1. Are you an applicant, a service provider, or a consultant?
 - ☐ Applicant
 - ☐ Service provider
 - ☐ Consultant
 - ☐ Other
2. Please rate your overall webinar experience.
 - ☐ Excellent
 - ☐ Good
 - ☐ Fair
 - ☐ Poor
3. The content of the webinar was (select all that apply):
 - ☐ What I expected when I signed up
 - ☐ Relevant and useful to my work
 - ☐ New information for me
 - ☐ Easy to understand
 - ☐ Other

Thank You!



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