

An Introduction to E-rate



College and Career Ready

That's our goal.

The Department of Public Instruction is the state agency that advances public education and libraries in Wisconsin. Our goal is to ensure **every child** graduates ready for further education and the workplace.

DPI Support Team:

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5:00



WISCONSIN DEPARTMENT OF
PUBLIC INSTRUCTION

Tony Evers, PhD, State Superintendent

What is E-Rate?

- Discount program to help schools and libraries offset costs of connecting to the internet
- Eligible schools and libraries apply individually or as a consortium
 - TEACH Wisconsin and BadgerNet
- Funding is requested under two categories:
 - Category 1: services deliver internet to the building
 - Category 2: services deliver internet within the building to students
- Discounts depend on level of poverty and urban or rural location
- Discounts range from 20-90% of the cost of the eligible service



Program Administration

- Directed by the Federal Communication Commission (FCC)
 - FCC orders provide changes to program rules
- Administered by the Universal Service Administrative Company (USAC)
 - Program Integrity Assurance (PIA) reviews applications
- Applicants use EPC Portal
 - To confirm eligibility each year by entering enrollment and free/reduced information provided by DPI
 - To complete the series of required application forms
 - To answer questions and provide documentation as requested by PIA reviewers



Category 1 and Category 2 Funding

1

Guiding rule:

Anything that brings high speed internet to your building

- Transport (data circuits)
- ISP
- Connection fees
- Maintenance

2

Guiding rule:

Anything that brings high speed internet to students

- Switches
- Wiring
- Access points
- UPS
- Maintenance

[2020 CAT 2 Eligible Services List](#)



Discount Rate

Your E-rate discount rate is based on:

- 1) Is your discount urban or rural?
- 2) How poor are your students, based on % free or reduced?

INCOME Measured by % of students eligible for the National School Lunch Program (NSLP)	CATEGORY ONE (C1)		CATEGORY TWO (C2)	
	URBAN Discount	RURAL Discount	URBAN Discount	RURAL Discount
Less than 1%	20%	25%	20%	25%
1% to 19%	40%	50%	40%	50%
20% to 34%	50%	60%	50%	60%
35% to 49%	60%	70%	60%	70%
50% to 74%	80%	80%	80%	80%
75% to 100%	90%	90%	85%	85%



Category 2 Budget

- Your district or library has a five-year C2 budget, to offset network costs
- The five year budget cycle begins this year (2020-2021)
- The budget amount is \$167/student; \$4.50/library square foot
- Beginning this school year (FY21) budgets are districtwide



Category 2 Budget: Example

- Ebenezer School District has 1,000 students
- Its Category 2 budget = $1,000 \times \$167 = \mathbf{\$167,000}$ for 5 years
- Over this period, it can receive E-rate funding for purchases of up to \$167,000 of eligible equipment and services
- The budget amount covers retail, or pre-discount costs



USAC Category 2 Budget Tracker

- USAC provides a [Budget Tracker](#) to show how much C2 budget your district or library has left
- Currently it shows your full 5-year budget



USAC Category 2 Budget Tracker

- It's a terrific tool, but not totally intuitive to use.

1. Look up your district:

The screenshot shows a web application interface with a 'Filters' panel on the right. The filters include 'State', 'Applicant Type', 'City', and 'Billed Entity Name', each with a 'Select...' dropdown. Below the filters, a search box for 'Billed Entity Name' contains the text 'IS'. Below the search box, a dropdown menu is open, showing a search input field with 'butternut' and a list item 'BUTTERNUT SCHOOL DISTRICT'. A red rounded rectangle highlights the search input and the dropdown list. A blue arrow points from the text '1. Look up your district:' to the search input field.



USAC Category 2 Budget Tracker

2. Scroll down using
outer scrollbar:

3. Click Apply!

Billed Entity Name IS

Search all values

SELECTED VALUES

▼ BUTTERNUT SCHOOL DISTRICT ×

LABEL A - Z

(No value)

100 ACADEMY OF EXCELLENCE

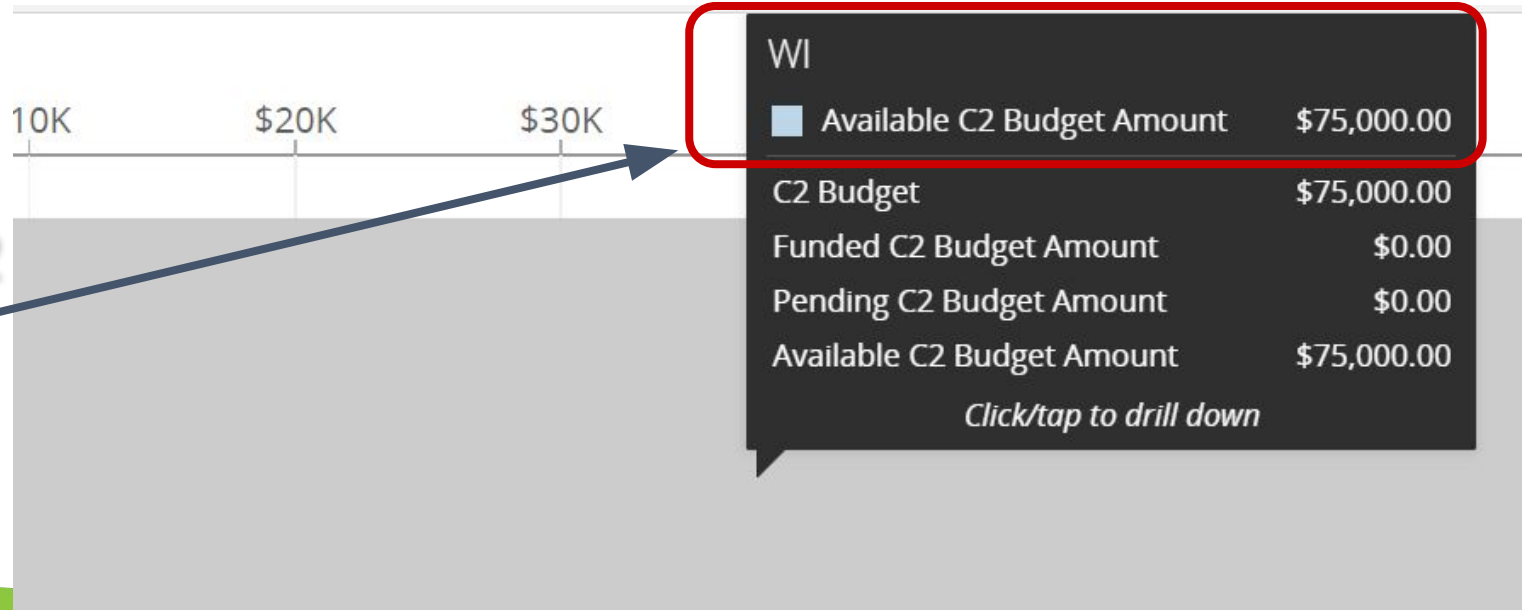
127722 - MIAMI-DADE COUNTY PUBLIC SCHOOLS

21ST CENTURY CYBER CHARTER SCHOOL

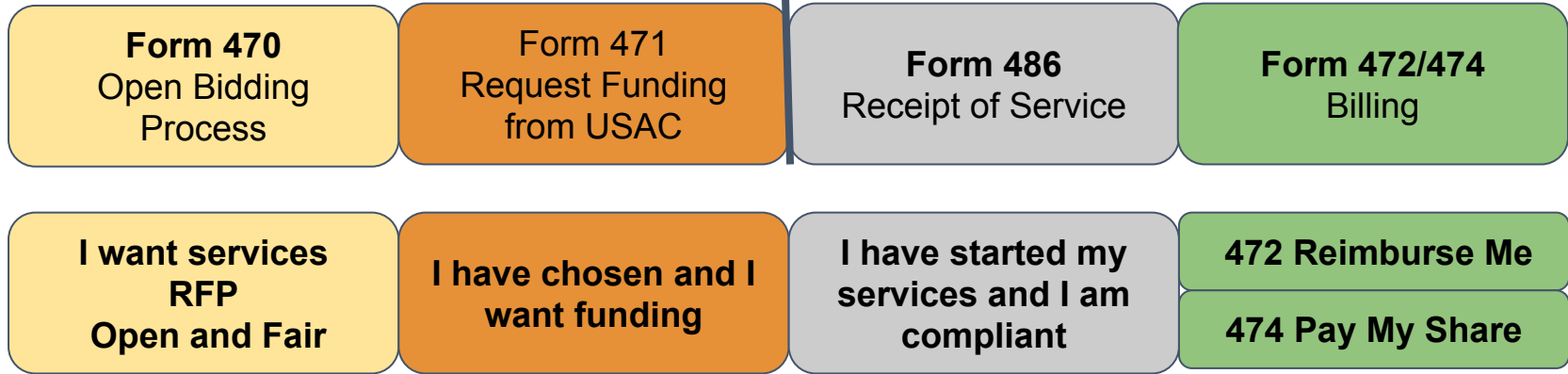
Apply

USAC Category 2 Budget Tracker

Current C2 budget:



What is E-rate - Forms



Application Process - Form 470

- Form 470 - a request for services
 - Describe/list the eligible services you need
 - Issuing an RFP is optional
- Form must be “open” for at least 28 days
- Category 1 and Category 2 Considerations
- Providers review your service request and respond
- You evaluate responses and -- using cost as prime factor -- select a provider
- Then file Form 471 which lists the service, the provider, costs, discount, etc.

Almost all E-rate forms and follow-up processes are done via E-rate's Web portal: E-rate Productivity Center (EPC)



Form 471 Application Review

Program Integrity Assurance (PIA)

- PIA reviews all applications, determines funding
- Verify discount level, eligibility of services
- Closely review your selection evaluation
- Many applicants will be contacted
 - Have opportunity to make some corrections
 - Often asks for additional information and documentation
- If uncertain how to respond to a PIA request ask for additional time and contact DPI
 - **A wrong answer can result in denial of funding**



Application Approval

- USAC issues a Funding Commitment Decision Letter (FCDL)
 - Has details if funding is approved or denied
- Then file Form 486 which tells USAC that services have started
 - File within 120 days after service starts or within 120 days of the FCDL date, whichever is later



Receiving the Funds - Forms (472/474)

Form 472/474
Billing

472 Reimburse Me

474 Pay My Share

- **472** Commonly referred to as the BEAR form Means you pay in full and seek reimbursement from USAC. Requires a form 498 Bank routing form (Billed Entity Applicant Reimbursement)
- **474** Commonly referred to as the SPI form Means the service provider bills you with a discounted customer bill. The service provider gets reimbursed by USAC for the discounted amount.



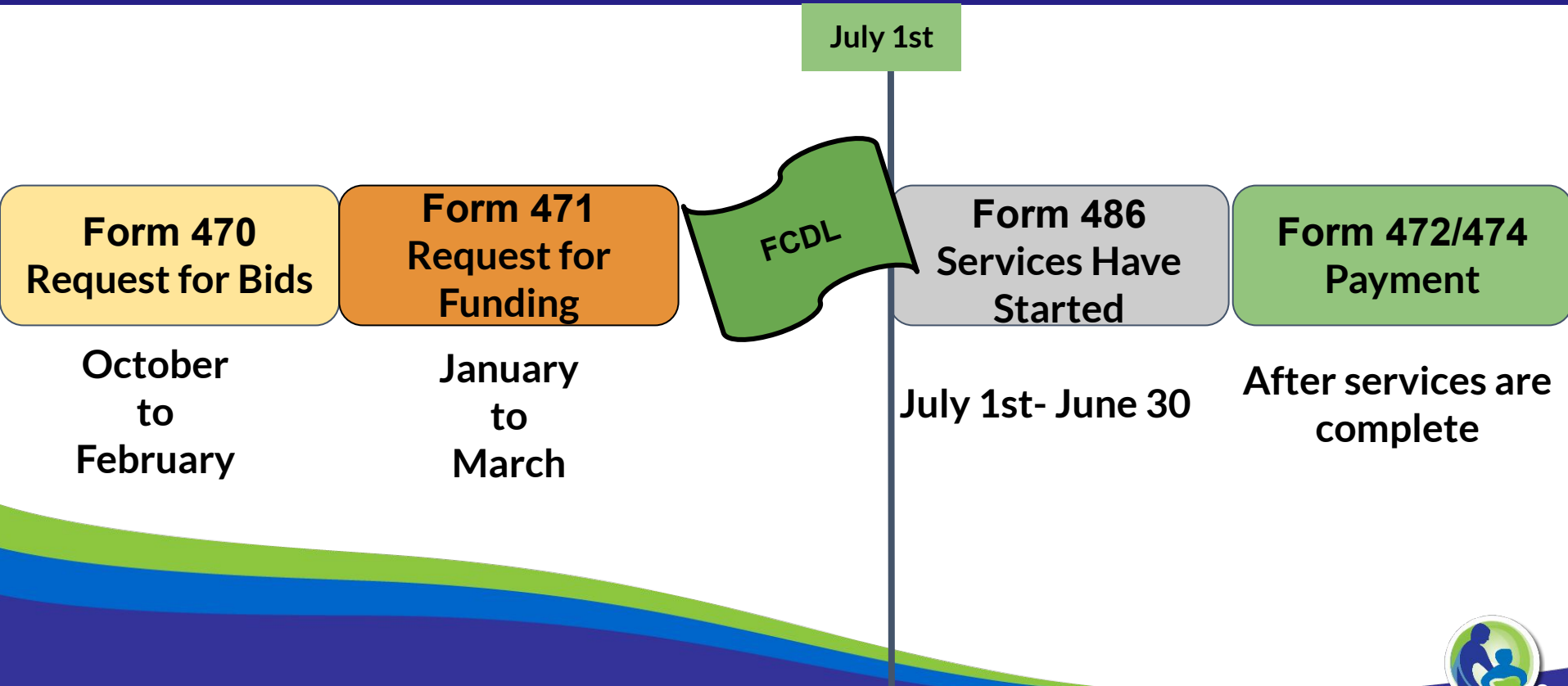
Application Timeline

(*Estimated Dates Based on Last Year's Timeline)

- **Now: Review CAT 1 Needs & File Form 470**
 - Shoot for the end of January
 - Drop dead date is 28 days before Form 471 deadline
- **Now: Lookup CAT 2 Budget, Plan CAT 2 Purchases**
 - Align to local budget planning
- **Now: Update EPC Profile with F/R lunch and enrollment**
 - Use DPI Provided Data, <https://dpi.wi.gov/erate/2021-lunch-data>
 - January 7, 2021: EPC Profile Window Closes
- **Form 471 Filing Window Opens** (January 11, 2021 - March 19, 2021)



Timeline Overview



Where to Get Help

- USAC Client Services Bureau Phone Number & Online Form
 - SLD website: <http://www.usac.org/sl/>
 - Client Service Bureau: 888-203-8100
- <https://dpi.wi.gov/erate/getting-help>
 - DPI Learning Library mini-videos and recorded webinars
 - USAC Video Training Library
 - DPI E-Rate Listserv
- If you get PIA Review Questions, provide requested documentation and communicate with the reviewer in the EPC Portal



Upcoming Webinars

DPI Webinars:

- W 11/4, 1pm - E-rate Bidding Rules & Best Practices
- TH 11/19, 1pm - Form 470 Basics & Category 2 Overview
- W 12/9, 1pm - Preparing to File Form 471

- Additional E-rate Training, [SETDA E-rate Training Series](#)

- USAC [School & Library Division Webinar Series](#)



Thank You

<https://dpi.wi.gov/erate>

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