

Acronym/Term	Description
1st Demand Letter	The 1st Demand Letter is the initial letter sent by USAC to recover funds from applicants or service providers who have committed program rule violations.
2nd Demand Letter	The 2nd Demand Letter is a follow-up letter to a 1st Demand Letter sent by USAC in an attempt to recover funds from applicants or service providers who have committed program rule violations.
ACD	The Allowable Vendor Selection/Contract Date is commonly referred to as Allowable Contract Date, or ACD. The ACD is the earliest date that an applicant can sign a contract for contracted services or enter into an arrangement for tariffed (T) or month-to-month (MTM) services with a service provider. This date is always 28 days from the posting of the FCC Form 470 and/or the public availability of the RFP (if one is issued), whichever is later.
Alternative Discount Mechanisms	Schools that choose not to use the National School Lunch Program (NSLP) participation numbers to calculate their E-rate discounts may use certain federally approved alternative mechanisms instead. These alternative discount mechanisms are not less stringent than the same measure of poverty established for the NSLP.
Appeal	An appeal is a request to reconsider a USAC decision. Appeals can be made to either USAC or the FCC. Appeals must be filed within 60 days of the original USAC decision. Requests for waivers of rules must be filed directly with the FCC.
Applicant (AP)	An applicant (AP) is a school, library, consortium or other entity that files one or more program forms.
Audit	An audit is a review of documentation and resources that verify the state of compliance with program rules.
Basic Terminating Component	A basic terminating component, which is normally located on a customer's premises, is necessary to receive an end-to-end service because it provides translation of the digital transmission using the appropriate protocols. Equipment such as channel service unit/data service units (CSU/DSUs), network interface devices, cable modems, and gateways are considered basic terminating components.
BEAR – FCC Form 472	See FCC Form 472.
BEAR Notification Letter	A BEAR (FCC Form 472) Notification Letter is sent to the service provider and the applicant after a BEAR Form has been processed by USAC.
BEN	A Billed Entity Number (BEN) is the unique number assigned by USAC to each Billed Entity – the entity (school, library, or consortium) that pays for services. See also "Entity Number."
Bid	A bid is a response from a service provider (bidder) to an FCC Form 470 and/or RFP.
Block 4 Worksheet	The FCC Form 471 is divided into six blocks. In a Block 4 worksheet, the applicant lists the entities receiving services and establishes the appropriate discount level.

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Block 5 (funding request)	The FCC Form 471 is divided into six blocks. In a Block 5 funding request, the applicant provides details about services requested, including service provider, category of service, and cost.
BMIC	Basic Maintenance of Internal Connections (BMIC) is one of the four categories of service. Basic maintenance ensures the necessary and continued operation of eligible internal connections at eligible locations.
CAD	A Contract Award Date (CAD) is the date a contract is awarded.
CAL	A Commitment Adjustment Letter (CAL) notifies both the applicant and the service provider of a COMAD. It contains a Funding Commitment Report which lists the Funding Request Numbers (FRNs) affected by the COMAD.
CED	A Contract Expiration Date (CED) is the date the contract between the applicant and service provider ends.
CIPA	The Children’s Internet Protection Act (CIPA) is a law that mandates certain Internet Safety policy and filtering requirements for recipients of E-rate discounts for services other than Telecommunications Services.
COMAD	Commitment Adjustment (COMAD) is the process by which a funding commitment is reduced because of program rule violations.
Common Carrier	A common carrier can be either an organization recognized by a regulatory authority (such as a state public utility commission) to provide telecommunications services to all requesting parties, or an organization that holds itself out to provide such services generally to the public for a fee.
Competitive Bidding Process	A competitive bidding process is a formal process to identify and request the products and services needed so that potential service providers can review requests and submit bids for them.
Consortium	A consortium (plural <i>consortia</i> ) is a group of entities that band together for administrative efficiency and/or to obtain bulk pricing when applying for E-rate funding.
Consultant	A consultant is defined as any non-employee of the entity applying for funding that assists in filling out the application materials for a fee. Consultants may be organizations with one or more employees or they may be individuals.
Corrective SPIN Change	A change to the SPIN featured on one or more FRNs that corrects a data entry error, reflects a merger or acquisition, or fixes some other type of error. It is not the result of a change to the actual service provider.
CSB	The Client Service Bureau (CSB) is a helpline available to assist applicants and service providers. You can reach the helpline using “Submit a Question” from usac.org, toll-free via fax at (888)276-8736, or toll-free via phone at (888)203-8100.
Demarcation or Demarc	A demarcation refers to the point where a service provider’s network ends and where an applicant’s local area network (LAN) begins.

Acronym/Term	Description
Discount	The discount on E-rate eligible services for an entity or group of entities ranges from a low of 20 percent to a high of 90 percent.
DRT	The Data Retrieval Tool (DRT) is a web-based USAC tool used to access information related to applications, funding commitments, and disbursements.
Eligible Entity	A school that meets the definition of elementary and/or secondary school found in the No Child Left Behind Act of 2001, 20 U.S.C. § 7801(18) and (38), or A library that meets the definition of library or library consortium found in the Library Services and Technology Act, 20 U.S.C. § 9121 et seq., (1996) (LSTA) and is eligible for assistance from a state library administrative agency under that Act.
Eligible Services	Products and services that are eligible for E-rate support. Eligible Services are divided into two priorities: Priority 1 includes Telecommunications Services, Internet Access and Telecommunications; Priority 2 includes Internal Connections and Basic Maintenance of Internal Connections.
End-User Equipment	Equipment located on school or library premises which staff members would use to access phone and/or internet services: e.g., telephone handsets, cell phones, computers, fax machines. End-user equipment is not eligible for E-rate discounts.
Entity Number	An entity number is the unique number assigned by USAC to an entity that participates in the E-rate Program.
E-rate	“E-rate” is a common term used in place of the “Schools and Libraries Program.”
ESA	An Educational Service Agency (ESA) is a regional public multi-service agency authorized by state statute to develop, manage, and provide services or programs to its component school districts. In some states, ESAs are called Educational Service Units (ESUs), Local Educational Agencies (LEAs), Board of Cooperative Educational Services (BOCES), or other similar designations.
ESL	The Eligible Services List (ESL) is a list of the products and services approved for funding by the FCC under the Schools and Libraries Program for a particular funding year.
FCC	The Federal Communications Commission (FCC) is a U.S. government agency that regulates interstate and international communications and oversees the universal service fund (USF).
FCC Form 470	The Description of Services Requested and Certification Form (FCC Form 470) is filed by applicants to open the competitive bidding process for eligible services.
FCC Form 471	The Services Ordered and Certification Form (FCC Form 471) is filed by applicants to report services ordered and discounts requested for those services.

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FCC Form 471 Filing Window	The period – generally between mid-November and mid-February – prior to the start of the funding year when forms filed are treated as having been received on the same day and are considered for funding before any forms filed after the window closes.
FCC Form 472 or BEAR	The Billed Entity Applicant Reimbursement (BEAR) Form (FCC Form 472) is filed by the applicant after paying for services in full to request reimbursement for the discount on those services.
FCC Form 473 or SPAC	The Service Provider Annual Certification (SPAC) Form (FCC Form 473) is filed annually by the service provider to certify that the service provider will follow program rules and guidelines. This form must be filed before USAC will pay invoices.
FCC Form 474 or SPI	The Service Provider Invoice (SPI) Form (FCC Form 474) is filed by the service provider to request reimbursement for discounts already provided to billed entities on customer bills.
FCC Form 486	The Receipt of Service Confirmation Form (FCC Form 486) is filed by the applicant to inform USAC that services have begun and provide the status of the applicant’s technology plan approval and of CIPA compliance.
FCC Form 486 Notification Letter	This letter is issued to both the applicant and service provider to indicate that an FCC Form 486 has been successfully processed.
FCC Form 498	The Service Provider Information Form (FCC Form 498) is completed by service providers to obtain a SPIN (see SPIN below) and to provide and update contact information.
FCC Form 499-A	The Annual Telecommunications Reporting Worksheet (FCC Form 499-A) is filed by contributors to the universal service fund to report annual revenues.
FCC Form 499-Q	The Quarterly Telecommunications Reporting Worksheet is filed by contributors to the universal service fund to report quarterly revenues.
FCC Form 500	The Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form is filed by applicants to notify USAC of reductions to or cancellations of approved FRNs and/or changes to reported Service Start Dates or Contract Expiration Dates.
FCC RN	An FCC Registration Number (FCC RN) is a 10-digit number that the FCC assigns to a business or individual that does business with the FCC. It is associated with an entity’s Taxpayer Identification Number (TIN).
FCDL	A Funding Commitment Decision Letter (FCDL) contains USAC’s funding decisions on an applicant’s funding requests.
FRN	The Funding Request Number (FRN) is a number assigned by USAC to each FCC Form 471 Block 5 Discount Funding Request.
Funding Year	The funding year begins July 1 and ends June 30 of the following calendar year. For example, Funding Year (FY) 2010 began July 1, 2010 and ended June 30, 2011.

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HATS	Helping Applicants to Succeed (HATS) is an outreach program established by USAC to help applicants and service providers by providing targeted, customized training and outreach.
Head Start	Head Start is a comprehensive child development program that serves children from ages 3-5 and their families. Head Start students and/or facilities in some states are eligible for E-rate funding.
Item 21 Attachment	The Item 21 Attachment to FCC Form 471 provides details on the products or services requested in FRNs that appear on the form.
LAN	A Local Area Network (LAN) is a voice, data, and/or video network that provide connections generally within an eligible school or library to other locations within the school or library.
LOA	A Letter of Agency (LOA) authorizes (1) a consortium leader to apply for E-rate discounts on behalf of each consortium member or (2) a consultant to conduct specified activities on behalf of an applicant or service provider.
LSTA	This is the acronym for the Library Services and Technology Act (LSTA), 20 U.S.C. § 9121 et seq., (1996)
Mini-Bid	An evaluation process used by applicants when a state or regional entity files an FCC Form 470 and signs contracts with more than one service provider as a result. The applicant uses a mini-bid process to evaluate all contracts and demonstrate why the service provider it chooses is the most cost-effective solution.
Ministerial and Clerical Errors	Ministerial and clerical errors are defined as data entry errors or mistakes applicants made on an FCC Form 470 or FCC Form 471.
News Brief	The News Brief is a weekly newsletter that provides up-to-date program information, including important dates, tips regarding the application process, and other breaking news.
NIF	A non-instructional facility (NIF) is a school building without classrooms or a library building without public areas. Examples of school NIFs include administrative buildings, bus barns, and cafeteria facilities. Examples of library NIFs include administrative buildings, bookmobile garages, and interlibrary loan facilities.
No Child Left Behind	The No Child Left Behind Act, 20 U.S.C. § 7801 et seq.
Non-Discount Portion	The non-discount portion (also “non-discount share”) is the applicant’s share of the cost of the eligible E-rate products and services, i.e., the cost to be paid by the applicant after the E-rate discount is applied.
NPRM	A Notice of Proposed Rulemaking (NPRM) is issued by the FCC to detail proposed changes to FCC rules and policies and seek public comment on the changes.
NSLP	The National School Lunch Program (NSLP) provides school lunches to eligible students at a free or reduced rate.
OIG	The Office of Inspector General (OIG) is a division of the FCC that provides independent and objective audits and investigations relating to agency programs and operations.

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OMB	The Office of Management and Budget (OMB) is a part of the Executive Office of the President of the United States. It reviews and approves FCC forms and other means of data collection.
Online BEAR	The online version of FCC Form 472.
On-Premise Priority 1 Equipment	On-premise Priority 1 Equipment is equipment owned by a service provider but located at an applicant site. This equipment can be funded as Priority 1 if it meets the conditions of the “Tennessee Test” (see below).
Operational SPIN change	A change to the SPIN featured on an FRN made as a result of a change to the actual service provider.
(P1) Priority 1	Telecommunications Services, Internet Access and Telecommunications are known collectively as “Priority 1” since they are considered primary and funded first.
(P2) Priority 2	Internal Connections and Basic Maintenance of Internal Connections are collectively known as “Priority 2” since they are funded after Priority 1 services, beginning with the applicants at the highest discount levels.
PIA	Program Integrity Assurance (PIA) is USAC’s compliance review process to determine funding decisions.
PIN	A Personal Identification Number (PIN) is an alphanumeric code assigned by USAC to a specific authorized person associated with a specific Billed Entity to allow that authorized person to certify forms online for that Billed Entity.
PN	A Public Notice (PN) is issued by the FCC to notify the public of an action taken, a change made, or an upcoming event.
QDR	A Quarterly Disbursement Report (QDR) is a report issued by USAC to the applicant detailing all invoicing activity (BEARs and SPIs) for all funding years that occurred during the previous quarter.
RAL	A Receipt Acknowledgment Letter (RAL) is issued by USAC to both the applicant and service provider to indicate that a timely filed FCC Form 471 has been received and certified.
Red Light Rule	A requirement that the FCC withhold action on an application, payment, and/or other requests for benefits when the universal service program participant is delinquent in non-tax debts owed to the FCC or other federal governmental agencies.
Remand	An action taken by the FCC to return an application to USAC for further review.
RFCDL	A Revised Funding Commitment Decision Letter (RFCDL) is issued by USAC to applicants and service providers when changes to a funding commitment occur, usually as the result of a successful appeal.
RFP	A Request For Proposals (RFP) is a form of solicitation for products or services that provides detailed information regarding those products or services and any additional details necessary for potential bidders to respond.
RIDF	A Recovery of Improperly Disbursed Funds (RIDF) is required when there has been a COMAD but funds have already been disbursed in excess of the revised commitment amount.

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RNL	A Receipt Notification Letter (RNL) FCC Form 470 is issued by USAC to notify applicants that the FCC Form 470 has been successfully posted.
Selective Review	A detailed compliance review in addition to the normal PIA review that certain applicants must undergo before funding commitments can be issued.
Service End Date	The date that services will end for an FRN.
Service Start Date	The date that services will start for an FRN.
Service Substitution	A change in the products and/or services originally requested in an FRN.
Shared Discount	A discount calculated for a group of schools and/or libraries that will share a particular service. The shared discount may be a simple average or it may be a weighted averages of the discounts of the individual entities.
SLD	The Schools and Libraries Division (SLD) is a division of USAC that administers the Schools and Libraries support mechanism, commonly known as E-rate.
SP	A service provider (SP) is an entity that provides products and services to entities under the E-rate program.
SPAC – FCC Form 473	See FCC Form 473.
SPI – FCC Form 474	See FCC Form 474.
SPIN – FCC Form 498	See FCC Form 498.
SPIN	A Service Provider Identification Number (SPIN) is a unique number assigned by USAC to each service provider participating in E-rate or one or more of the other universal service programs.
SRIR	A Selective Review Information Request (SRIR) is a request for information sent to applicants when they have been chosen for Selective Review.
State Master Contract (SMC)	A contract that is competitively bid and put in place by a state government entity for use by others.
State Replacement Contract	A state master contract, filed pursuant to a state-filed FCC Form 470, that can replace an existing state master contract that expires before the end of the upcoming funding year.
Technology Plan	A technology (tech) plan is a plan prepared by a school or library that sets out how information technology and telecommunications infrastructure will be used to achieve educational goals, specific curriculum reforms, or library service improvements.
Technology Plan Approval Date	The technology plan approval date is the date that a USAC-certified Technology Plan Approver officially approved the technology plan (see also technology plan creation date).
Technology Plan Approval Letter	A Technology Plan Approval Letter is issued by a USAC-certified Technology Plan Approver to approve an applicant’s technology plan. Approvals may also be issued electronically or posted on a website.
Technology Plan Creation Date	The technology plan creation date is the date that a technology plan was first written or prepared.

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Tennessee Test	The term “Tennessee Test” comes from an FCC order (FCC 99-216, released August 11, 1999) that specified the conditions that must be met for on-premise equipment to be funded as Priority 1 services.
TPA	A Technology Plan Approver (TPA) is an agency or organization that has been certified by USAC to approve technology plans.
Two-in-Five Rule	The Two-In-Five Rule states that, beginning with FY2005, eligible entities will only be able to receive E-rate discounts for Internal Connections two out of every five funding years.
USAC	The Universal Service Administrative Company (USAC) is the independent not-for-profit corporation created by the FCC in 1997 to administer the four universal service support mechanisms (programs).
USF	Money collected from telecommunications companies and dedicated to fulfilling the goals of universal service. Under the authority of the 1996 Telecom Act, the FCC created the USF as well as the Universal Service Administrative Company (USAC), the organization charged with administering the USF. Companies make contributions to the USF based on revenues from providing international and interstate telecommunications services.
VoIP	Voice over Internet Protocol (VoIP) is a technology that allows users to make phone calls using the same line as an Internet connection.
WAN	A Wide Area Network (WAN) is a voice, data, and/or video network that provide connections from within an eligible school or library to other locations beyond the school or library.
Wave	This term is used for a group of Funding Commitment Decision Letters (FCDLs) that USAC issues to applicants and service providers on a given date. Waves are usually issued weekly.
Whistleblower Alert Hotline/ “Code 9 Call”	The Whistleblower Alert Hotline allows members of the public to report suspected violations of program rules to USAC. These reports can be made anonymously and toll-free by calling (888) 203-8100.