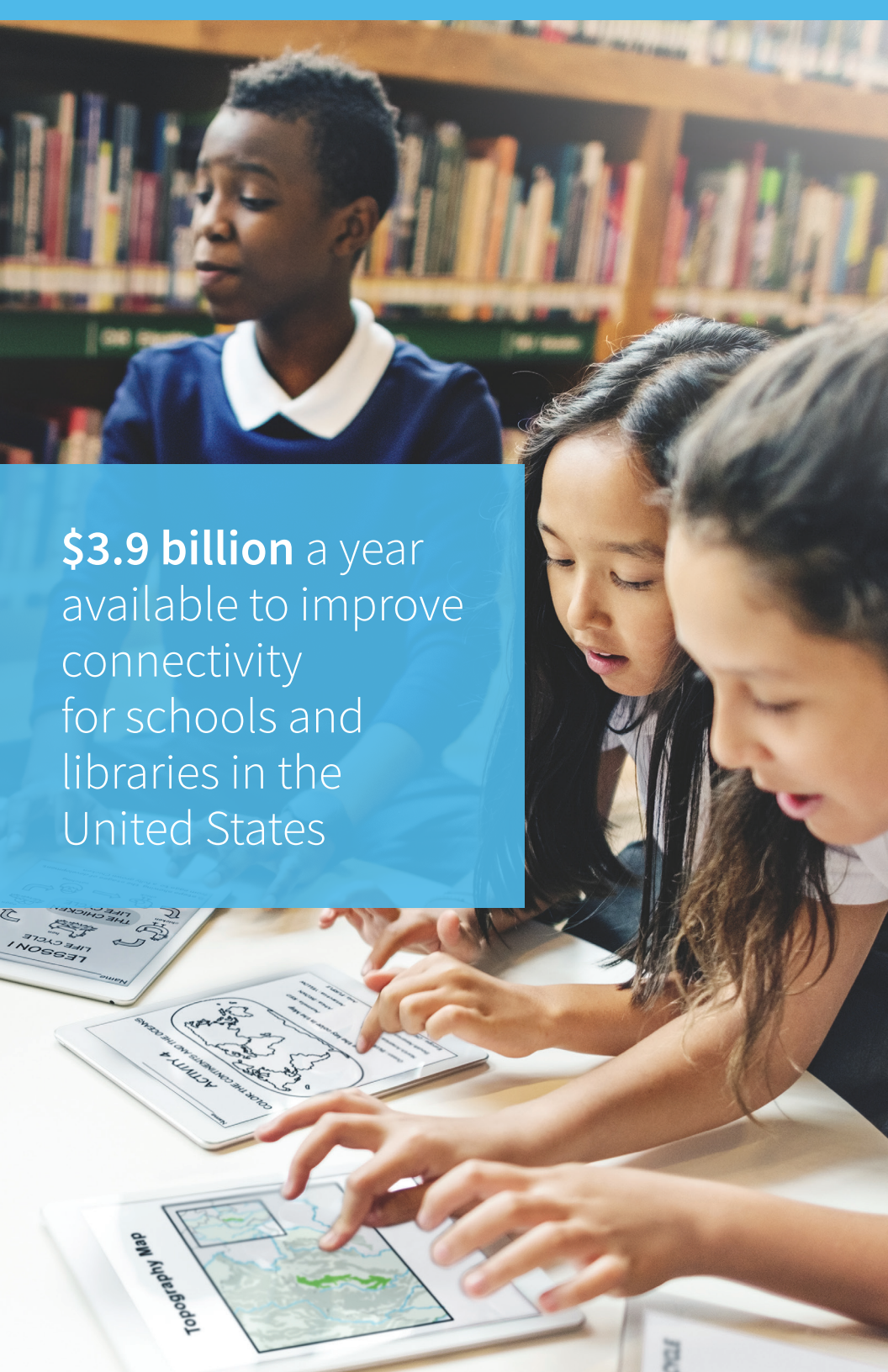**Universal Service**
Administrative Co.

Schools and Libraries
(E-rate) Program

$3.9 billion a year available to improve connectivity for schools and libraries in the United States

Schools and Libraries (E-rate) Program

The Schools and Libraries (E-rate) Program provides discounts to eligible schools and libraries to ensure more affordable rates on broadband, internet access, telecommunications, and other services and equipment needed to connect classrooms and library spaces.

Who Can Apply for Discounts?

Schools

All K-12 public, private, parochial, Tribal schools, and school districts that:

- Are not-for-profit

- Do not have endowments exceeding $50 million (if applicable)

- Meet the definition of an elementary or secondary school under state law

Libraries

All public and many academic, private, Tribal, and research libraries that:

- Are not-for-profit

- Have budgets separate from schools

- Are eligible for assistance from a state library administrative agency under the Library Services and Technology Act (LSTA)

- Generally contain collections of books, periodicals, and other material for reading, reference, viewing, listening, or borrowing

Consortia

A consortium is a group of schools or libraries (or both) that come together to apply for program support to:

- Create higher demand and greater purchasing power to negotiate lower, cost-effective prices

- Promote more efficient use of shared facilities

What Services Are Eligible?

Eligible services and products are divided into two categories:

Category One

- Broadband and internet access, including fiber, copper (e.g., T-1), and fixed wireless connections

- Build out of dark or lit fiber to schools or libraries, equipment to light the fiber, and maintenance and operations fees for applicant-owned fiber

- Voice services such as local and long distance services, cellular service, and Voice over Internet Protocol (VoIP). As part of the phasedown of support for voice services, for Funding Year 2017 the maximum discount rate will be 30%.

C1 **Category One Discounts**
Range from 20–90%*

Category Two

- Internal connections such as routers, switches, access points, and cabling to build a local area network in school and library buildings

- Managed internal broadband services provided by a third party for the operation, management, and monitoring of broadband internal connections components

- Basic maintenance and technical support of internal connections

C2 **Category Two Discounts**
Range from 20–85%*

* Discounts for support depend on the level of poverty and the urban/rural status of the population served.

Who Manages the Program?

USAC

The Universal Service Administrative Company (USAC) is an independent not-for-profit designated by the FCC to administer the Universal Service Fund (USF), almost $10 billion available annually to the companies and institutions that make universal service possible.

USAC is dedicated to achieving universal service. This important principle suggests that everyone in the U.S. deserves accessible, affordable, and pervasive high-speed connectivity.

With the guidance of policy created by the FCC, USAC collects and delivers funding through four programs focused on places where broadband and connectivity needs are critical. These programs serve people in rural, underserved, and difficult-to-reach areas.

Schools and Libraries Program	High Cost Program
Lifeline Program	Rural Health Care Program
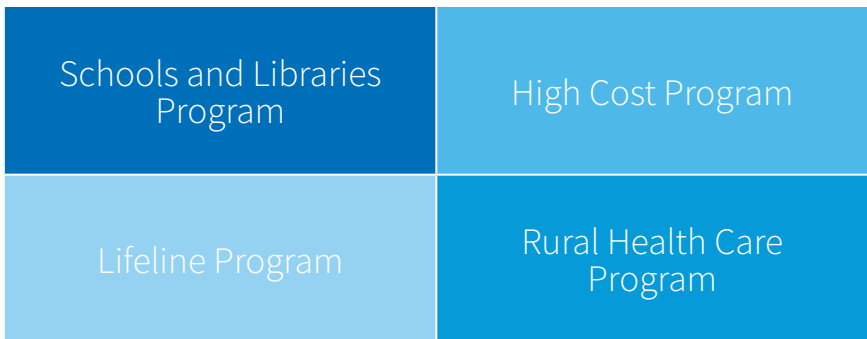
Get Started Today!

Where Does the Funding Come From?

Funding for the E-rate Program comes from the USF. All telecommunications and interconnected VoIP providers offering service internationally and between states pay into the USF.

What Is My Role in the E-rate Program?

The E-rate Program reimburses telecommunications, internet access, and internal connections providers for discounts on eligible services provided to schools and libraries within the United States and its territories. Schools and libraries apply for these discounts, and USAC works with service providers to apply the discount to the delivered services and equipment.

Am I Eligible?

Two groups of service providers are eligible to participate in the E-rate Program:
• Providers of telecommunications and managed internal broadband services
• Providers of internet access, internal connections, and/or basic maintenance of internal connections

Process Steps for Service Providers

Before You Begin

File FCC Form 498 to obtain a Service Provider Identification Number (SPIN), also known as the service provider's 498 ID.

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1 Review and respond to applicant **FCC Form(s) 470** and Request for Proposal (RFP) documents by bidding on the services requested.

2 Enter into a binding contract or tariffed or month-to-month arrangement with the applicant. After this point, you may assist the applicant with the application process (starting with FCC Form 471).

3 File an **FCC Form 473** for the upcoming funding year.

4 Prior to starting services, speak with the applicant about the details of those services, the terms of your agreement with them, and determine whether they or you will invoice USAC for the discount amount of the cost of services.

Funding commitments are made by funding year. The funding year runs from **July 1 through June 30** of the following year.

5

Begin invoicing using one of the two methods. The **applicant** chooses which method you will use.

INVOICING METHOD #1

Applicant files **FCC Form 498** to provide banking information for direct reimbursements.

—AND—

Applicant files **FCC Form 472** if the **service provider** was paid in full for services.

(OR)

INVOICING METHOD #2

Service provider files **FCC Form 474** after providing and billing discounted services.

Before You're Done

Keep all program related documents for at least ten years after the last day of the funding year or the last date of services, whichever is later.

Additional Resources

Subscribe to the Schools and Libraries Program News Brief

usac.org/sl/tools/ news-briefs

Watch video tutorials and webinars in our Online Learning Library

Learn more about the application process

**usac.org/sl/about/
outreach/
online-learning.aspx**

**usac.org/sl/tools/
apply-to-erate**

Universal Service
Administrative Co.

Schools and Libraries (E-rate) Program

For more information visit
usac.org/sl

For assistance, call the Client Service Bureau at
888-203-8100