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Universal Service
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Schools and Libraries Program News Brief

August 14, 2020

TIP OF THE WEEK: Review the information below and in the two linked SL News Briefs to make sure you understand the difference between Category Two budgets for Funding Year (FY) 2020 and FY2021. For the most part, FY2020 is a continuation (transition year) of the original five-year test period, while FY2021 starts a new budget cycle where different guidance applies.

Commitments for Funding Year (FY) 2020 and FY2019

FY2020. USAC released FY2020 Wave 15 Funding Commitment Decision Letters (FCDLs) on August 13. As of August 14, FY2020 commitments total over \$1.34 billion.

FY2019. USAC released FY2019 Wave 70 on August 12. As of August 14, FY2019 commitments total over \$2.40 billion.

On the date that FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in the E-rate Productivity Center (EPC).

Weekend System Maintenance

The E-rate Productivity Center (EPC) will be unavailable from Friday, August 14 at 7:00 p.m. EDT through Saturday, August 15 at 10:00 a.m. EDT for system maintenance. During this time, users will be unable to log in to and use EPC.

The Schools and Libraries (E-rate) Program legacy systems and E-File will be unavailable from 9:00 p.m. EDT on Friday, August 14 through 12:00 p.m. EDT on Saturday, August 15 for system maintenance. During this time, users will be unable to file invoices and use some of the search tools. The BEAR training site will also be unavailable.

We apologize for any inconvenience.

Update on Category Two Budget Tool for FY2021-FY2025

Yesterday we deployed the new [Category Two \(C2\) budget tool](#). This tool will cover the five-year cycle that starts in FY2021 (July 1, 2021, through June 30, 2022) and ends in FY2025. We have posted the tool to the [Tools](#) page on the USAC website along with a [video](#) on how to use the tool and a [glossary of terms](#).

There are a few new terms that are helpful to better understand the data provided on the tool. You can refer to the [glossary of terms](#) for more information on each term that appears in bold below.

- Each entity that has a C2 budget is called a **budgeted entity**. A budgeted entity must be an independent school, independent library, school district, or library system.
- For the purpose of calculating a C2 budget, the **child entity count** is the number of the individual schools in a school district or the library branches in a library system.
 - With a few exceptions, an individual school must have a student count greater than zero in the entity profile to be included in the child entity count.
 - A library branch must have a square footage greater than zero in the entity profile to be included in the child entity count. Note that bookmobiles and kiosks will not be counted if their square footage is zero.
 - Non-instructional facilities (NIFs) and annexes are not considered child entities.

C2 budget algorithms

There are eight different possible C2 budget calculations for budgeted entities, depending on the entity type and size (independent school or library, large or small school district, large or small library system). We refer to these as **C2 budget algorithms** in the tool.

For some budgeted entities, only one C2 budget algorithm applies. For others, two or three may apply. The C2 budget displayed is based on the applicable algorithm that results in the highest C2 budget pursuant to FCC rules.

C2 budget versions

There are three different versions of C2 budgets in the tool: forecast, preliminary, and confirmed.

- The **forecast** version of an entity's C2 budget is based on the current student count or square footage in the applicant organization's profile. If you change a student count or a square footage entry related to the C2 budget in the entity profile, the forecast version of the C2 budget will show the result of the change the following day.
- The **preliminary** version of an entity's C2 budget is based on the information on the first certified FCC Form 471. (An independent school designated as new construction that provides an estimated student count will also show a preliminary budget until the actual student count is verified.)
- The **confirmed** version of an entity's C2 budget is based on the information in an FCC Form 471 for which USAC has issued a funding decision for a C2 funding request (unless all of the funding requests have been canceled). You will not see confirmed C2 budgets until after the first commitment wave for FY2021.

As a reminder, here are the most significant changes to the C2 budget calculations for the C2 budget cycle starting July 1, 2021.

C2 budgets will change to a fixed, five-year cycle. Any unused C2 budget funding from the six-year test period (FY2015 through FY2020) will not carry forward.

C2 budget multipliers and the funding floor for each five-year budget cycle will be set once at the beginning of the cycle and apply to the entire cycle. They will always be rounded to two digits (dollars and cents) and adjusted for inflation. For the FY2021-FY2025 cycle:

- The school multiplier will be \$167.00 per student.

- The library multiplier will be \$4.50 per square foot for all libraries regardless of Institute of Museum and Library Services (IMLS) locale code.
- The funding floor will be \$25,000.00.

C2 budgets will be set at the beginning of the cycle, but applicants have the option to adjust them during the cycle. Applicants must validate their student counts or library square footage in the first year they apply for C2 funding in the relevant five-year budget cycle. If an applicant does not request a recalculation, the student count for the school district or the library square footage will not change during the cycle. We expect that school applicants that experience increased student enrollment or library applicants that expand their square footage during the budget cycle may choose to exercise this option.

C2 budgets are calculated at the school district or library system level. School districts and library systems are not required to maintain separate budgets for each school or library, and they can allocate funding among their eligible sites as they see fit.

- School districts can calculate their C2 budgets by (1) multiplying the total number of students in the school district by the school multiplier or by (2) multiplying the number of individual schools in the school district by the \$25,000 funding floor.
- Library systems can calculate their C2 budgets by (1) multiplying the total square footage of the library branches in the library system by the library multiplier or by (2) multiplying the number of library branches in the library system by the \$25,000 funding floor.

School districts and library systems with 10 or fewer child entities can also calculate their C2 budgets on a per-site basis and combine the results. This option is not available for school districts and library systems with more than 10 child entities.

- For example, an individual school with fewer than 150 students would be eligible for the \$25,000 funding floor. If a school district consists of three schools – one with 50 students, one with 100 students, and one with 200 students, this school district can calculate its C2 budget as $\$25,000 + \$25,000 + \$33,400 = \$83,400$, because the first and second schools would be eligible for the funding floor.
- Similarly, a library branch with less than 5,556 square feet would be eligible for the \$25,000 funding floor. If a library system consists of a bookmobile, a library branch with 4,000 square feet, and a library branch with 7,500 square feet, this library system can calculate its C2 budget as $\$25,000 + \$25,000 + \$33,750 = \$83,750$, because the bookmobile and the smaller library branch would be eligible for the funding floor.

An independent school or independent library calculates its C2 budget using its student count or square footage, respectively.

For detailed information on C2 budgets for the budget cycle starting in FY2021, you can refer to the [December 20, 2019 SL News Brief](#).

Remember that, for the six-year test period (FY2015 through FY2020), most of the program rules remain the same in FY2020. For detailed information on FY2020 C2 budgets, you can refer to the [December 13, 2019 SL News Brief](#).

MFA Updates and Tips

We are continuing to provide updates and multi-factor authentication (MFA) tips to assist program participants using One Portal to access EPC and the BEAR Form.

Logging in for the first time

- Do not use your EPC password to log in to One Portal. You must go through the entire One Portal login process and create a new password.
- Check the spelling of your email address. You may have accidentally transposed or duplicated letters.
- Add **noreply@usac.org** to your safe senders list.
- Clear your browser's cache. Don't try to short-circuit this step by opening an incognito window.

Receiving your verification code

- Check the time setting on your computer. A time difference of more than two minutes between the time on your computer and the correct time can delay your receipt of the verification code.
- Generally, One Portal sends the email within a minute. If the email arrives too late (after more than 10 minutes), check with your system administrator. Some Data Loss Protection (DLP) software on your computer or your system may temporarily hold emails from senders it doesn't recognize.

Timing out

- If your session is inactive for one hour, the system will time you out. However, the message you receive is marked **Access Denied**. We are looking to see if we can modify the message to indicate that you have timed out; for now, just log back in.

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