Universal Service Administrative Co.

Schools and Libraries Program
News Brief

December 4, 2020

TIP OF THE WEEK: The FCC released the **Funding Year (FY) 2021 Eligible Services List** (ESL) **on Monday, November 30, 2020.** You can review the FY2021 ESL on the Eligible Services List page on the USAC website to learn which services are eligible for E-rate discounts for the upcoming funding year.

Commitments for Funding Year (FY) 2020

FY2020. USAC released FY2020 Wave 31 Funding Commitment Decision Letters (FCDLs) on November 25 and Wave 32 FCDLs on December 3. As of December 4, FY2020 commitments total over $1.99 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).

Change to Email Sender Address for One Portal Verification Code

Since USAC implemented multi-factor authentication (MFA), some users have continued to experience issues with receiving the verification code when they attempt to log in to One Portal, USAC's MFA system. To mitigate this issue, our vendor recommends that we change the email address that sends the verification code from **noreply@usac.org** to **noreply@okta.com**. USAC will make this change on Monday, December 7, 2020.

Please add **noreply@okta.com** to your safe senders list so that you will continue to receive the verification code we send to you each time you log in to One Portal.

Register for the Upcoming E-rate Invoicing Process Webinar

Join USAC on Wednesday, December 16, 2020 at 2:00 p.m. EST for a webinar on the E-rate invoicing process for applicants and service providers that are new to E-rate. In this webinar, you will learn about the FCC Form 472 (BEAR), FCC Form 474 (SPI), invoice deadlines, and more. A Q&A session will follow the presentation. Register Today!

Fall 2020 Training - Frequently Asked Questions

On November 4-6, 2020, USAC offered a series of nine online training sessions for Schools and Libraries (E-rate) Program participants, including Tribal applicants.

This is the third and last in our series of SL News Briefs where we provide answers to questions of general interest that attendees asked during the sessions. We have posted a recording of each session

under the **Previous Trainings** section of the E-rate [Webinars](#) page for you to review. Presentation slides are also published for most sessions.

E-rate Post-Commitment Process

Q. Which E-rate services require compliance with the Children's Internet Protection Act (CIPA)?

A. CIPA applies to Category One internet access services and all Category Two services.

Q. Does USAC offer any resources for selecting filtering software that complies with the requirements of CIPA?

A. No. The decisions on the filtering mechanism, the content to be filtered, and the method of disabling and re-enabling the filter are made by the appropriate school or library authority based on local community standards. There is no "E-rate approved" filtering software.

Q. How often do I need to hold the public meeting or hearing required by CIPA?

A. Once. Yes, only once. However, if your applicable state or local rules or your own internet safety policy requires more than one meeting or hearing, you must follow those rules.

Because CIPA continues to apply, you must continue to retain the documentation that demonstrates that you provided notice of the public meeting or hearing and that you held the meeting or hearing.

Q. Can the public meeting or hearing required by CIPA be virtual?

A. Yes, as long as your applicable state or local rules allow for virtual meetings or hearings.

Q. Do I have to file an FCC Form 500 for FY2020 if I am not going to use my remaining Category Two (C2) budget?

A. A C2 commitment to a school or library for the test period and transition year (FY2015-FY2020) applies to the C2 budget for that school or library. Your entity's FY2020 C2 budget will not carry over to FY2021, so there may not be an advantage to you to return the funding to your C2 budget by filing an FCC Form 500.

However, if you have filed or intend to file an appeal or other post-commitment request for FY2020, we will not be able to commit additional C2 funding to your entity if we have already made commitments that cover your entire C2 budget for that period and you have not returned any of your unused funding.

Q. Where does USAC send an FCC Form 486 Urgent Reminder Letter?

A. USAC sends an FCC Form 486 Urgent Reminder Letter when an FCC Form 486 appears to be late for one or more Funding Request Numbers (FRNs) based on the service start date reported on the FCC Form 471.

- For FY2016 and later funding years, this letter is posted in the **News** feed in EPC. It is also posted in the **Notifications** section of the landing page and emailed to the account administrator and all full- and partial-rights users. Applicants have 15 days from the date of the letter to certify the FCC Form 486 without penalty.

- For FY2015 and earlier funding years, this letter is mailed to the contact person on the FCC Form 471. Applicants have 20 days from the date of the letter (allowing five extra days for mail receipt) to certify the FCC Form 486 without penalty.

Q. The service provider I have a contract with is now unable to provide service. What are my options?

A. If your service provider is unable to provide service, you can request an [operational Service Provider Identification Number (SPIN) change](). You must go back to your original bid evaluation documentation and ask the service provider you ranked second-highest if they are willing to provide service. If not, go to the third-highest. If all of the bidders you ranked are unable to provide service, you can search for and locate a service provider on your own.

USAC can create a new FRN for the service provided by your new service provider for the remainder of the funding year. Note, however, that USAC is unable to provide additional funding beyond the amount committed on the original FRN.

<u>**EPC Administrative Window**</u>

Q. I know we have to report student counts twice – once for discounts and once for Category Two budgets – but where and how do I update the numbers in EPC?

A. You report the student counts for the purpose of calculating your discount on a school-by-school basis. To make updates, go to your organization's landing page in EPC and, in the **My Entities** section, click on the name of the first school (the second entry). On that school's profile page, click the **Manage Organization** button at the top of the page. You will then be able to update the information for that school in the **School Information** section. Repeat these steps for each school.

You can report the student counts for the purpose of calculating your C2 budget by either providing one number for each school or one total number for the entire school district.

- To report your student counts on a school-by-school basis, follow the steps above and provide the student count for each school in the **Category Two (C2) Budget Information** section.
- To report one number for the entire school district, go to the organization's landing page and, in the **My Entities** section, click on the name of your school district (the first entry). On your school district's profile page, click the **Manage Organization** button at the top of the page. Scroll down to the **Category Two (C2) Budget Information** section, choose the radio button next to the "One number for my whole school district" option, and provide your total number in the **District Student Count** field.

You can also watch the [EPC Administrative Window training webinar]() recording for detailed information.

Q. How do I correct an incorrect entity type, for example, a school that is currently a non-instructional facility (NIF) in EPC?

A. We cannot change entity types. We are limited to changing a school or library from independent to dependent and vice versa. If your entity type is incorrect, you can open a customer service case in EPC or call the Client Service Bureau (CSB) at (888) 203-8100 and ask us to create a new entity for you. We suggest that you leave the original entity in an active status until all of your post-commitment activities have been completed.

Q. How do I add or remove a school from my school district, for example, a charter school?

A. Contact CSB to add or remove an individual school from your school district.

Q. Please provide more information about using FY2020 student counts for FY2021 applications.

A. Due to the COVID-19 pandemic and the resulting difficulties in getting updated student counts (particularly for the National School Lunch Program eligibility), schools can use the student counts USAC reviewed on their FY2020 applications for their FY2021 applications.

- Program Integrity Assurance (PIA), the group at USAC that reviews applications and makes funding decisions, is aware of this option. If asked, applicants can identify the PIA review from FY2020 where they provided this documentation or provide the supporting documentation they retained to support their FY2020 entries.
- Even if you use FY2020 student counts, you can still choose whether to report a number for each school or one number for the school district for C2 budget purposes.
- You can use more recent student counts if your school district has collected them.
- In general, consortia cannot update student counts for their independent school and school district members. However, we understand that some state-level consortia include school members who do not apply for E-rate discounts on their own. If you are in this situation, you can contact CSB for assistance.

Q. How do I determine the square footage of a library?

A. The total square footage includes the square footage for each floor of the library (if there are multiple floors) and both public areas (e.g., restrooms, public meeting rooms) and non-public areas (e.g., staff break rooms, stacks), but excludes areas outside of the exterior walls.

Bookmobiles and kiosks – if they are considered library branches by your state library administrative agency – must have a positive square footage in their EPC profiles to be included in your C2 budget calculation. Be sure to update the square footage of these entities in their entity profiles.

Q. How do I add or remove a consultant from my organization's profile?

A. Your account administrator can go to the organization's profile page in EPC to add or remove a consulting firm or an individual consultant user.

- To add or remove a consulting firm, click the **Manage Organization Relationships** button at the top of the page. You can then choose the appropriate button – **Add a Consulting Firm** or **Remove a Relationship** – and follow the instructions.
- To add or remove an individual consultant user, click the **Add or Remove Existing Users** button and follow the instructions.

Q. What do I enter in the CEP Base Year field?

A. The Community Eligibility Provision (CEP) is a provision of the National School Lunch Program (NSLP) that provides an alternative that eliminates the need for household applications for free and reduced-price meals in high-poverty local educational agencies and schools.

- For a school that participates in CEP, enter the **Total Number of Students** and choose the "Yes" radio button to the left of the "Community Eligibility Provision?" text on the school's EPC

profile page, then provide the appropriate entries in the **CEP Percentage** and **CEP Base Year** fields. EPC will use this information to calculate the appropriate entry for the **Total Number of Students Eligible for NSLP** field.
- For a school that does not participate in CEP, choose the "No" radio button to the left of the "Community Eligibility Provision?" text on the school's EPC profile page and then update your student count information. You will not see the **CEP Base Year** field.

Q. Do I need to update the profile information for my non-instructional facility (NIF)?

A. Yes, if any of the information for the NIF has changed.

Eligible Services

Q. I am applying for discounts for a license. What service type should I choose?

A. Licenses can fall under either the Internal Connections or the Basic Maintenance of Internal Connections (BMIC) service type, depending on their function. Note that both the FCC Form 470 and the FCC Form 471 must have requested the license under the appropriate service type.

- An **internal connections license** is software that allows the eligible internal connections equipment to function and distribute high-speed broadband throughout school buildings and libraries. For example, although you may pay once to purchase a wireless access point (WAP), you may need to pay an annual fee to the manufacturer to allow you to use the WAP. The annual fee is the internal connections license (e.g., right-to-use software or client access license).
- A **basic maintenance license** includes Maintenance Support Service (software upgrades and patches, including bug fixes and security patches, as well as technical support). For example, after purchasing a switch, you may need to pay a separate annual fee to be able to download software updates and get technical support for the device.

Q. How do I apply and get reimbursed for basic maintenance services?

A. Other than Maintenance Support Service, services eligible under BMIC are limited to actual work performed on eligible products that are repaired or replaced. The products themselves must be eligible under the E-rate Program, but you are not required to have purchased them using E-rate funding. When you file your FCC Form 471, you estimate the cost of basic maintenance work for the upcoming funding year based on the age and condition of your eligible equipment.

- You may purchase Maintenance Support Service under a contract for one or more years. However, you must file an FCC Form 471 for one year's worth of these services each funding year, even if you are under a multi-year contract. Note also that, although you may have paid in advance for an entire year, USAC will not pay invoices for services that have not yet been delivered. For example, if you file an invoice for the entire funding year on November 20 of that funding year, USAC will only pay for five months of service (July through November).
- If repair or replacement work is performed under a maintenance contract, USAC will only pay for actual work performed. At a minimum, we will ask for the hourly rate, the date(s) and time(s) of work performed, number of hours worked, and the specific equipment serviced.

Q. My service provider wants to finish installation of the equipment necessary to provide my Category One service and turn on the recurring service on May 1 preceding the funding year for testing purposes. Is this allowable?

A. Yes, as long as the [advance installation](#) meets E-rate Program requirements. However, the applicant is responsible for the full cost of the recurring services delivered before the funding year (i.e., before July 1).

Q. Why are basic maintenance services considered recurring services if they are billed annually?

A. In general, recurring services are provided on an ongoing basis and billed regularly, such as monthly internet access or managed internal broadband services, and they must be delivered during the funding year. Non-recurring services, such as equipment and product installations, occur at specific times and are usually one-time charges, and it is possible for them to be delivered after the funding year ends.

Basic maintenance services must be delivered during the funding year and are provided on an as-needed basis, so they are treated as recurring services, even though the service provider may bill the applicant annually for some of these services. (See the answers to the first two eligible services questions above.)

If a BMIC license costs are for Maintenance Support Service and the license covers multiple years, the costs can remain as non-recurring but should be pro-rated to only cover the current funding year. The applicant can request the remaining amount in the same increment in the subsequent funding year(s) for the term of the agreement. Per the Eligible Services List, support for basic maintenance will be paid for the actual work performed under the agreement or contract. Support for Maintenance Support Service is not subject to this limitation.

Q. USAC has not yet approved my FCC Form 471. Will I lose funding as a result?

A. If your service provider started providing your eligible service at the beginning of the funding year, USAC will pay discounts on the service back to the first day of the funding year after your FCC Form 471 is approved. However, if your service provider has been waiting to start delivery and installation of your eligible service until USAC approves your request, you can only ask for discounts from the date you actually started receiving service.

Q. Is a firewall service eligible as Category One or Category Two?

A. A basic firewall provided as part of a bundled internet access service offering is eligible as Category One if the firewall is not offered separately for a specific price. Otherwise, firewall services are considered Category Two services, and may be subject to cost allocation depending on the specific services included with the firewall.

Q. I am a service provider, and I understand that some services I offer may require a cost allocation. Can I just come up with an allocation on my own and provide it to applicants who are requesting bids for the service I provide?

A. USAC determines the appropriate cost allocation percentage for a service based on detailed documentation from the manufacturer or service provider. You can open a customer service case in EPC and attach the appropriate documentation and SKU (stock-keeping unit, a scannable bar code) for your product, and our services team will review the information and provide a cost allocation percentage.