E-rate essentials:
3 planning tools to understand the E-rate process
The federal E-rate program serves more than 117,000 school and library facilities, yet 2.3 million students still lack high-speed Internet at school. This is only one of the many opportunities for schools, libraries or districts to maximize their participation in the E-rate program. For example, according to EducationSuperHighway, E-rate earmarked more than $5 billion to upgrade WiFi and enable teaching and learning with technology. Today states have $1.4 billion left to spend before the funding expires in 2020.

Planning for network infrastructure needs is necessary to enable digital learning and improve student outcomes and should not be left to the last minute. It’s important for schools, libraries or districts to start planning well in advance of each E-rate funding year and get ahead of the 28-day bidding process. The funding window typically closes in mid-March, but has closed as early as end of February.

Many schools, libraries or districts plan two to three years ahead of time to avoid last-minute stress of getting the paperwork completed and forms posted online. While advanced planning is required, a regular review of overall technology initiatives will ensure the infrastructure is up to date as new learning technologies or priorities emerge.

Given the complexity of the E-rate process, we’ve compiled a number of planning tools to help you fully understand and leverage available E-rate funds — and create more opportunities for your students.

**E-rate planning calendar***

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<th>Processes</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
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<td>Planning — Assess district technology needs</td>
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<td>Engagement — Form 470 bidding process</td>
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<td>Engagement — Form 471 funding requests</td>
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<td>Implementation — Ready to install services</td>
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<td>Discounts applied once funding year begins on July 1</td>
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*These dates are estimates. In order to derive the Form 470 deadline, applicants must count backwards 28 calendar days from the Form 471 deadline. Example: FCC announces Form 471 filing deadlines each Fall.
Below is a general timeline of the E-rate process — specific dates vary from year to year:

**Fall:** Form 470 is filed by the applicant, typically in October/November; opens 28-day competitive bidding process

**Winter:** Contracts signed with service providers following competitive bidding period; form 471 is submitted to USAC before the specified deadline (typically mid-March); USAC announces the exact dates and times of the filing window on its website every year (last year’s filing year window opened Jan. 16)

**Spring:** USAC Program Integrity Assurance (PIA) staff review all applications; funding decision letters sent; appeals must be made within 60 days

**Fall:** Form 486 confirming start of service filed with Universal Service Administrative Company (USAC), followed by reimbursement forms 472/474

**E-rate eligible services**

E-rate funding is divided into two categories. It’s imperative to know the difference and be able to plan and apply accordingly. (See chart below)

### E-rate funding by category and eligibility

<table>
<thead>
<tr>
<th>Category 1</th>
<th>Eligible</th>
<th>Ineligible</th>
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<tbody>
<tr>
<td>Digital transmission and Internet access services: Asynchronous Transfer Mode (ATM); Broadband over Power Lines; Cable Modem; Digital Subscriber Line (DSL); DS-1 (T-1), DS-3 (T-3) and Fractional T-1 or T-3; Ethernet; Integrated Services Digital Network (ISDN); Leased Lit Fiber; Leased Dark Fiber (including dark fiber indefeasible rights of use (IRUs) for a set term); Self-Provisioned Broadband Networks; Frame Relay; Multi-Protocol Label Switching (MPLS); OC-1, OC-3, OC-12, OC-n; Satellite Service; Switched Multimegabit Data Service</td>
<td>Email, text messaging, voicemail, web hosting, inside wire maintenance plans</td>
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<tr>
<th>Category 2</th>
<th>Eligible</th>
<th>Ineligible</th>
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<td>Equipment and services (including access points for wired/wireless LANs, caching, firewall services, switches, routers, racks, UPS, wireless controller systems, software that supports internal broadband distribution, managed internal broadband services and basic maintenance)</td>
<td>Services or components (data protection, interfaces, gateways and antenna, servers except for caching, software except for software supporting managed broadband connections, storage, telephone and video components, and voice/video IP components)</td>
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There are a variety of forms involved in the E-rate process. Here is an overview:

**Form 470:** Used to describe goods and services requested for Category 1 and 2 funding through the E-rate program; required to open the 28-day competitive bidding period

**Form 471:** Once providers are selected, used to list all contracts and services for which the applicant is requesting discounts through E-rate

**Form 472:** Used to seek reimbursement from USAC for services rendered

**Form 474:** Submitted by service provider for discounts

**Form 486:** Used to confirm to USAC that services have started; required before most payments can be made

**Form 500:** Used for adjustments and to modify dates for receipt of service or file for extensions
**E-rate process overview**

Before you begin the E-rate process, you will need to establish an account via the E-rate Productivity Center (EPC). The chart below demonstrates the application, approval and discount or reimbursement process along with the required forms at each step.

**E-rate reference guide**

**Key Terms**

- **Applicant** – School, library or other group requesting funds
- **USAC** – Universal Service Administrative Company, the organization that manages the E-rate program
- **SLD** - Schools and Libraries Division
- **CIPA** - Children's Internet Protection Act
- **BEAR** - Billed Entity Applicant Reimbursement
- **SPI** - Service provider invoice

Program eligibility, application process details, funding assistance, completion of forms and rules and regulations are located at www.usac.org.

To adjust funding commitments or modify dates for receipt of services after the FCDL is issued, file the FCC Form 500

### Applicant actions

1. Applicant determines BEAR or SPI invoicing method

### USAC actions

1. USAC approves funding commitments for applicants based on available funding

### Vendor actions

1. Vendor files to cover discounted portion of bill

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**Ready to learn more?**

For access to more expert insights, use cases and additional help navigating the E-rate process, get the guide ‘Understanding E-rate: An Essential Guide for K-12 Leaders.’

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