

FAQ on E-Rate and CIPA Compliance

What is E-Rate?

The E-Rate Program, also known as the Universal Service Fund for Schools and Libraries, provides discounts to most schools and libraries to obtain affordable telecommunications and Internet access. Schools and libraries can apply annually for discounts from 20 to 90% on telecommunications services, Internet Access, Internal Connections Other Than Basic Maintenance, and Basic Maintenance of Internal Connections.

Discount percentages are based on the federal distillation of urban or rural for the school location and the determination of the number of students eligible for free and reduced lunch under federal regulations. The not-for-profit Universal Service Administrative Company (USAC) is responsible for administering the Universal Service Fund under the direction of the Federal Communications Commission (FCC). The Schools and Libraries Division (SLD) of USAC (<http://www.usac.org/sl/>) administers the schools and libraries E-Rate program.

How Can My Library Benefit From E-Rate?

Libraries can apply each year to receive discounts on their telecommunication services from as little as 20% to as much as 90%.

For a complete list of eligible categories please see:

http://www.usac.org/_res/documents/sl/pdf/ESL_archive/EligibleServicesList_110910.pdf

Some eligible categories for discounts include:

Telecommunication Services

- The FCC has included both information services (*i.e.*, Internet access and voicemail services) and telecommunications services as priority one services eligible for discounts under the universal service support mechanism.
- If Internet access is being requested in the telecommunications services category, applicants must indicate that Internet access is being sought when filing an FCC Form 470.
- Digital Transmission Services
- Telephone Service - "Plain Old Telephone Service" (POTS)
- Telephone Service Components
- Fiber or Dark Fiber
- Leased, tariffed, contracted or month-to-month services that are used to communicate information electronically between sites
- Must be provided by an eligible telecommunication provider

Internet Access

- “Basic conduit access” to the Internet, including e-mail
- Interconnected Voice over Internet Protocol

Internal Connections

- Consists of the wiring and components that expand data access with a school or library, e.g. to an individual classroom within a school
- Can be provided by a commercial organization
- Maintenance and technical support of internal connections

What is the E-Rate application process?

The E-Rate application process has multiple steps, of which can take considerable amounts of time, and multiple deadlines for various steps of the procedure. Advanced preparation is necessary.

For a more detailed outline of the application process please visit the USAC website: <http://www.usac.org/sl/about/overview-process.aspx>

1. Develop a Technology Plan (*if applicable*)
 2. Open a Bidding Process (Form 470)
 3. Complete and submit the *Services Ordered and Certification Form* (Form 471).
 - a. Select a Service Provider
 - b. Calculate the Discount Level
 - c. Determine your Eligible Services
 - d. Submit your Application for Program Support
 4. Undergo an Application Review
 5. Receive your Funding Commitment Decision Letters (FCDLs)
 6. Begin Receipt of Services (Form 486)
 7. Invoicing and Payment
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1. Beginning with FY2011, technology plans are required only for Priority 2 services (Internal Connections and Basic Maintenance of Internal Connections). Technology Plans include the following components:
 - Clear goals and a realistic strategy for using telecommunications and information technology to improve education or library services.
 - A professional development strategy to ensure that staff knows how to use these new technologies to improve education or library services

- An assessment of the telecommunication services, hardware, software and other services that will be needed to improve education or library services.
- An ongoing evaluation process that enables the school or library to monitor progress toward the specified goals and makes mid-course corrections in response to new developments and opportunities.
- [Beginning with FY2011, this element is no longer required] A sufficient budget to acquire and maintain the hardware, software, professional development and other services needed to implement the strategy for improved education or library services

See sample Technology Plans:

http://oh.webjunction.org/oherate/-/articles/content/118252529? OCLC_ARTICLES_getContentFromWJ=false

Or at the E-Rate WebJunction page under "Documents":

<http://oh.webjunction.org/oherate/-/resources/bparticles>

For more information on Technology Plans, contact Katrina Miday at the State Library at 800-686-1532 or kmiday@library.ohio.gov.

2. Open the competitive bidding process (Form 470). After the Technology Plan has been developed and the applicant has identified the products and services needed to implement the plan, the applicant submits to USAC a "Description of Services Requested and Certification Form" (Form 470).

Specific guidance on completing the Form 470 can be founded at <http://www.usac.org/sl/applicants/step03/>

After USAC has received the Form 470 they will send the applicant a Form 470 Receipt Notification Letter (RNL) that provides important information, including the "allowable Vendor/Selection/Contract Date", the earliest date the applicant can select a service provider, execute a contract and submit a Form 471.

The Form 470 must be POSTED on USAC's web site for at least 28 days before an applicant can execute a contract for contracted services, select a service provider for tariffed or month-to-month services, and sign and submit the *Services Ordered and Certification Form* (Form 471).

3. Having selected the service provider, the applicant is ready to complete the Form 471, *Services Ordered and Certification Form* – the

actual request for funding. There is a filing window for this form. Once the filing window opens, the applicant can submit the form. Form 471 is used to calculate the discount percentage to which the applicant is entitled.

4. Once your library's application has been reviewed, USAC issues one or more Funding Commitment Decision Letters (FCDLs) to both the applicant and service provider. The FCDL sets out the USAC's decision for each funding request.

Applicants should carefully review their FCDL for details of approved or denied requests. If an applicant believes any of its funding request has been incorrectly reduced or denied, the applicant can appeal the decision no later than 60 days after the date of the USAC decisions letter.

5. In order to help USAC ensure that it pays service providers only for services that have actually been delivered, applicants must verify the start date of services and submit a Form 486 (Receipt of Service Confirmation) listing each separate funding request for which the delivery of service has begun.

Libraries must also confirm the approval of their library's technology plan, and the library's compliance with the Children's Internet Protection Act (CIPA).

6. USAC must receive an invoice in order to pay the discount amount on services for which funds have been committed. If applicants receive discounts on their bills from service providers, the service providers must submit Form 474, Service Price Invoice Form, to receive payment for the discounts they have provided. If applicants wish to request reimbursement for services they have already paid for, they must submit Form 472, Billed Entity Applicant Reimbursement Form. Receipt of discounts or reimbursements completes the E-Rate process.

Applicants must maintain their records for at least five years to comply with audits and other inquiries or investigations.

What is Required Under CIPA to Apply for E-Rate?

The Children's Internet Protection Act (CIPA) requires those libraries that obtain federally funded E-Rate and/or Library Services and Technology Act (LSTA) assistance for Internet service, internal connections to purchase computers used to access the Internet, or to pay for direct costs

associated with accessing the Internet, to block images that constitute obscenity, child pornography, and to prevent minors from obtaining access to material that is harmful to them.

The filter, referred to in CIPA as a “technology Protection Measure’ (TPM) must protect against access to visual depiction that are 1) obscene, 2) contain children pornography, or 3) are harmful to minors.

The law states that a TPM that protects against access to the visual depiction referenced in the act must be on any of a library’s computers with Internet access. This includes staff and patron computers accessed by minors or adults. Even Internet connected computers located in administrative areas not accessible to the public must have TPMs installed.

The CIPA law defines “minor” as any person less than 17 years of age. Certification of CIPA compliance falls under three agencies – the FCC< Department of Education, and the institute of Museum and library Services (IMLS).

More information on CIPA compliance can be found at the OLC’s website: <http://www.olc.org/CIPAINtro.asp>

Questions on LSTA requirements on CIPA can be directed to Missy Lodge at mlodge@sloma.state.oh.us

Who Can I Contact For Further Information On E-Rate?

Lorrie Germann is the E-Rate Coordinator/Program Director at eTech Ohio. She can be contacted at lorrie.germann@etech.ohio.gov, 614-485-6050.

Katrina Miday is the Certified Technology Plan Approver for libraries in Ohio. She can be contacted at kmiday@library.ohio.gov, 800-686-1532.

General E-Rate information can be found on the USAC website at <http://www.usac.org/sl/>