

E-Rate User's Guide

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- Establish your decision criteria for the winning bid in advance of filing your Form 470. Many states have required guidelines. In audit, the SLD may ask how you selected the provider and want to see the competitive bids.
- Collect more than one bid, in case your original bidder has problems fulfilling the contract commitment.
- Submit separate Form 471 Applications for Telecommunications Services/Internet Access (Priority One) and Internal Connections/Basic Maintenance (Priority Two) to speed funding.
- Keep detailed records of your actions and correspondence for audits and future reference on applications; retain all records for five years from last date to receive service.
- Request a return receipt from the U.S. Postal Service when mailing your forms.
- Watch the deadlines.

Where do I go for help?

SLD Website (for posted documents or to submit a question): www.usac.org

Call the SLD Help Desk: 1-888-203-8100

Call the E-Rate Help Desk at CenturyLink:

- 1-877-231-3850 (voice)
- 1-800-604-9233 (fax)

centurylink.com/erate

With the rapid development of new information technologies, the use of advanced telecommunications in the classroom has become vital to education. That's why Congress established the Universal Service Fund's "schools and libraries" program as part of the Telecommunications Act of 1996. The Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) administers the program under the direction of the Federal Communications Commission (FCC). As a visionary company and strong supporter of education, CenturyLink is proud of the contributions we make to the program.

Do more with CenturyLink.

CenturyLink delivers nationwide connectivity and local support to ensure your school is better connected. Our fiber national network backbone gives you maximum reliability and performance, and our teams of local sales people and technicians are ready to respond to your needs 24/7/365. We also offer a robust array of IP solutions so you can capitalize on the benefits of the latest technology. With over 100 years of experience, you can count on us for high-value services at competitive prices.

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Telecommunications discounts bring technology to the classroom.

What is E-Rate?

E-Rate is the 20% to 90% discount given to qualifying schools and libraries through the program. Funded by Congress at around \$2.25 billion annually, the program offers these discounts in four categories of service – Telecommunications Services, Internet Access, Internal Connections and Basic Maintenance.

Who is eligible?

All kindergarten through 12th grade public and private schools and non-profit public libraries are eligible for E-Rate. Depending on state regulations, Pre-K, adult education and juvenile justice sites may be eligible.

How funding works in E-Rate

There are four categories of service in E-Rate funding. Telecommunications Services and Internet Access are consistently funded as Priority One (P1) services. Basic Maintenance and Internal Connections are only funded when budget allows. Additionally, Internal Connections is only available twice over a five-year period. For more details, visit www.usac.org.

What is eligible?

The use of advanced telecommunications in the classroom has become vital to education.



For additional details, visit www.usac.org. Go to the Reference Area, and then click on Eligible Services List. An updated list is announced every year in October.

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FY2011

- * FCDL should be received and 486 should be filed
- * Invoicing SLD by BEAR can occur quarterly or annually, due by late Oct. of the following year
- * P2 Internal Connections should be installed by September of the following year, unless late FCDL
- * Invoicing to SLD by discount/474 should be in effect

FY2012

- * Update tech plan (if required)
- * File 470 by early January '12
- * By early February '12, execute contracts and file 471; review RAL and make corrections
- * Receive FCDL (if denied, file appeal in 60 days); after FCDL, file 486 to confirm and work with CenturyLink on worksheet
- * Invoice USAC for services using BEAR or discount

FY2010

- * Final BEAR due late Oct. of the following year
- * Discount/474 should be complete; check invoices and keep copies in E-Rate notebook
- * P2 Internal Connections should be installed by Sept. of the following year, unless late FCDL
- * File deadline extensions for invoicing or install

FY2013

- * Work with technology team to prepare for upcoming window
- * DO NOT execute contract without posting a new 470 and waiting 28 days for bids



"Funding Year" (FY) denotes when services can be used and runs from July 1 of each year through June 30 of the following year. They are noted by "FY" and the year, e.g., FY2012 funding begins July 1, 2012, and runs through June 30, 2013. Approved Priority One (P1) services must be used during those months; Priority Two's (P2) Internal Connections can be installed until September 30 following the June 30 deadline. If the Funding Commitment Decision Letter (FCDL) is sent after March 1, an additional year is allowed for installation.

The basic steps of E-Rate's annual process include:

1. Technology Plan (Only required for Priority Two requests) – Determine how much technology will be used to achieve specific curriculum reforms or library improvements. This must be written before posting the competitive bid and approved by an SLD-certified approver by the start of service.

2. Competitive Bidding Form 470 – Post a "wish list" for competitive bids for at least 28 days before signing contracts. Form 470 is due no later than early January prior to Funding Year, unless under a multi-year contract. SLD will send out a confirmation called a Receipt Notification Letter of the posting.

3. Application Form 471 – Use pre-determined criteria to select your vendor, sign contract and submit this form with a listing of the requested products/services (known as an Item 21). The 471 is due no later than early February prior to Funding Year, and required annually. USAC will send out a Receipt Acknowledgement Letter (RAL) so be sure to make necessary corrections.

4. Confirmation Form 486 – After the FCDL is received (usually May-December), confirm the services to SLD within

120 days of FCDL or service start date, whichever is later (usually late October). Your funding commitment will be reduced if the form is not submitted in a timely fashion. For discounting, CenturyLink will require a worksheet to match funding request numbers (FRN) with billing numbers.

5. Invoice SLD via Billed Entity Applicant Reimbursement (BEAR)/Form 472 or discounting/Form 474 – Collect E-Rate award within 120 days after last date to receive service (usually late October). Submit online BEAR/Form 472 for "Block Four" approval in order to receive a "rebate" check. If you prefer a discount, the 486 acknowledgement letter and worksheet are required to match funds with billing information.

If modifications are required in funding, product or provider, review the Reference Area on www.usac.org for Form 500, Service Substitutions or Service Provider Identification Numbers (SPIN) Changes.

Common errors

Rotating the E-Rate assignment

E-Rate is important to your technology budget and losing a year can hurt. The person managing E-Rate should give year-round attention to details and deadlines. It's also advisable to assign a "back-up" person in case of emergency or a change in personnel.

Over-reliance on Service Providers and/or consultants

Prior to signing the contract, service providers are to maintain a neutral involvement with the applicant. Product demonstrations are allowed, but assisting with the technology plan or competitive bidding Form 470 is not allowed. Consultants can represent you, but you are ultimately responsible for the decisions and data on the forms. In all cases, the service provider and consultant must be separate and independent from each other or there will be a potential conflict of interest.

Form 470 not filed

Form 470 must be filed every year unless you are under a multi-year contract based on a previous Form 470. You will also need to refer to filed Form 470 on your Form 471.

28-day waiting period violation

After filing Form 470, you MUST wait 28 days before you sign a contract or you will be denied funding.

Choosing a non-common carrier

When filing for telecommunications service, you must select a service provider with a "Y" on the SLD SPIN Chart.

Applying for ineligible services

To ensure you are applying for eligible services, check the eligibility list posted on the SLD Website at www.usac.org or call the SLD's Client Service Bureau at 1-888-203-8100. Be sure to use the SLD's terminology to avoid confusion.

Providing insufficient documentation

You must include an attachment (#21) to Form 471 that provides a description of the service, including a breakdown of components and costs. When USAC requests additional information or clarification, you have 15 days to respond. It's possible to request additional time.

Service start date error

The earliest possible start date for a given Funding Year is July 1 of that year. You cannot start service before that date. The expected end date is June 30 of the following year, but Internal Connections non-recurring installations can be completed until September of that following year.

Filing forms or invoices too late

The SLD's annual application deadline for filing Form 471 is early February. There are also deadlines for invoices to USAC. Don't miss out on a full year of E-Rate funding opportunities or collecting the money after working diligently on the forms.

Helpful hints for success

- Subscribe to SLD's weekly News Brief. These contain helpful and timely information. Visit www.usac.org to sign up. Go to the Outreach and Training section, then click on Schools & Libraries News Briefs.
- Prior to filing for E-Rate, gather monthly invoices for local telephone service, long distance, cell phones, dedicated services, Internet access and maintenance.
- On Form 470, leave your options open by checking Block 2, #7, with a and b for tariffed or multi-year contracts.

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