

# School and Library Eligibility

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Schools and libraries must meet statutory definitions to be eligible for Schools and Libraries (E-Rate) Program support.

## Definition of a School

For purposes of universal service support, schools must meet the statutory definition of elementary and secondary schools found in 20 U.S.C. § 7801:

- An **elementary school** is a non-profit institutional day or residential school, including a public elementary charter school, that provides elementary education, as determined under state law.
- A **secondary school** is a non-profit institutional day or residential school, including a public secondary charter school, that provides secondary education, as determined under state law, except that such term does not include any education beyond grade 12.

Schools operating as for-profit businesses or that have endowments exceeding \$50 million are not eligible.

## Non-Traditional Education

The E-Rate program classifies students enrolled in Head Start, Pre-K, juvenile justice and adult education programs as “non-traditional” education. E-Rate eligibility of these students depends on state law definition. Every few years USAC sends a survey to each state department of education to obtain information about which of these groups of students meet the state’s definition of elementary or secondary education. State officials are required to provide legal support for their responses and to certify the accuracy of their determinations.

## E-Rate Eligibility of South Dakota Non-Traditional Education Programs/Groups

**Head Start:** These schools/programs and students are eligible if the Head Start program is part of a public school district.

**Pre-Kindergarten:** Pre-K students are eligible for E-Rate to the extent the students are enrolled in a public school district. If the Pre-K students are enrolled in a building that is not recognized by the State as a school, such as a day care facility, neither the students nor the building qualify for E-Rate funding.

**Adult Education:** Students are eligible if enrolled in a school building for secondary education classes.

**Juvenile Justice:** Students and buildings are eligible for E-Rate.

## School Residential Facilities

The following school residential facilities are eligible for discounts:

- Schools on Tribal lands;
- Schools that serve children with physical, cognitive, and behavioral disabilities;
- Schools that serve children with medical needs;
- Juvenile justice schools, where eligible; and
- Schools with 35 percent or more students eligible for the National School Lunch Program (NSLP).

## School Entity Examples

There are several other entity types for schools. Some examples are general-use school, detention center, and swing space. Schools must meet statutory definitions to be eligible for E-Rate funding.

- A **general-use school** offers instruction to students drawn from other schools, and student counts can change throughout the year. Some examples of general-use schools are magnet schools, vocational schools, special education units, computer centers, or career centers.
- A **detention center** is treated in the same way as a juvenile justice facility. To be eligible for discounts, the state’s law must include education for students in juvenile justice facilities within its definition of elementary and/or secondary education.
- A **swing space** temporarily houses students from a school which is considered the “main entity” or original location of the student population. The students may need to be temporarily relocated due to closure, construction, or a revamping of their technological infrastructure at the school.
  - Note that a swing space differs from an annex. An **annex** is considered a part of the school it shares an entity number with rather than a temporary relocation site, while a swing space – although associated with a school – is part of the school district where the school is located and is considered a school in its own right with its own entity number.

### Definition of a Library

Libraries must meet the definition of library or library consortium found in the Library Services and Technology Act (LSTA), as amended by the Museum and Library Services Act of 2018 (20 U.S.C. § 9122) and be eligible for assistance from a state library administrative agency under that Act.

The definition of library includes:

- A public library
- A public elementary school or secondary school library
- An academic library
- A research library, which for the purposes of this definition, means a library that:
  - makes publicly available library services and material suitable for scholarly research and not otherwise available to the public; and
  - is not an integral part of an institution of higher education
- A private library, but only if the state in which such private library is located determines that the library should be considered a library for purposes of this definition

**A library’s eligibility for support also depends on its funding as an independent entity.** Except for Tribal College or University (TCU) libraries serving the public, only libraries whose budgets are completely separate from any schools, including but not limited to, elementary and secondary schools, colleges and universities shall be eligible to receive discounted services.

## Tribal Library E-Rate Advocacy Program (T-LEAP)

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Tribal libraries play an important role in their communities, especially in connecting them to the digital world. However, many Tribal libraries and Tribal college and university (TCU) libraries that serve as public libraries in their communities have not participated in the E-Rate program due to barriers of entry. To help address this issue, the FCC made changes to the program, clarifying that Tribal libraries and TCUs that also serve as public libraries are eligible and making it easier for Tribal libraries to apply for funding and participate in the program.

The Tribal Library E-Rate Advocacy Program (T-LEAP) was established to provide additional support to Tribal and TCU libraries when applying for E-Rate program funding. Tribal and TCU libraries can now receive direct support in navigating the E-Rate application process, including one-on-one assistance when preparing applications, applying to the program, and receiving E-Rate support. This includes sharing information about program rules and requirements, providing training on how to use the E-Rate Productivity Center (EPC), and walking through the competitive bidding and application processes. The program also supports participants during invoicing and other post-commitment processes, including the service confirmation and [Children's Internet Protection Act](#) (CIPA) certification or service substitution requests.

The goal of T-LEAP is to support Tribal libraries in successfully completing the application process and to learn what training and support is most useful to new Tribal library applicants to enhance E-Rate training materials and simplify the application process. T-LEAP seeks to gain an understanding of the applicant experience to increase participation and streamline the E-Rate program requirements, particularly for Tribal applicants.

Learn more about the FCC's efforts to support Tribal libraries:

- On July 20, 2023, the FCC adopted a [Report and Order](#) amending program rules to enhance Tribal applicants' access to the E-Rate program.
- On October 29, 2024, the FCC [announced](#) the new Tribal Library E-Rate Advocacy Program (T-LEAP) will be replacing the Tribal Libraries Pilot Program beginning Funding Year (FY) 2025.

## T-LEAP FAQs

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**Q1: What is the Tribal Library E-Rate Advocacy Program (T-LEAP)?**

A1: T-LEAP is a program that assists Tribal libraries and Tribal College and University libraries apply for the E-Rate program. T-LEAP matches participating libraries with their own Tribal Library Advocate (TLA) who provides one-on-one assistance when preparing the entity's E-Rate application, applying to the program, invoicing, and performing other post-commitment processes.

**Q2: How is T-LEAP different from E-Rate?**

A2: T-LEAP is a program to assist eligible Tribal and TCU libraries apply for and participate in the E-Rate program. E-Rate provides funding towards eligible services for schools and libraries, including internet access, telecommunications services, related equipment, and more. To find out what is eligible under the E-Rate program, please review the Eligible Services List.

**Q3: Why participate in E-Rate?**

A3: The E-Rate program provides discounts of up to 90 percent for eligible internet access, data transmission services, and internal connections (e.g., Wi-Fi equipment, cabling, and basic maintenance services), potentially saving your Tribal or TCU library a significant amount of money.

**Q4: If I participate in T-LEAP, does that mean I will receive E-Rate funding?**

A4: Participating in T-LEAP does not mean that you will receive E-Rate funding; you must still apply to the E-Rate program and comply with all program rules.

**Q5: Am I competing with other E-Rate applicants for funding?**

A5: No. While the program has a cap, the E-Rate program has been able to fund all eligible requests since Funding Year (FY) 2015.

**Q6: What is CIPA?**

A6: The Children's Internet Protection Act (CIPA) requires that schools and libraries enforce certain safety measures preventing minors from accessing obscene content on the internet. Applicants must certify compliance with CIPA to be eligible for E-Rate program discounts on internet access and related equipment. Visit the Eligible Services Overview page and the CIPA page for more information.

**Q7: What is required under CIPA?**

A7: School and library authorities must certify that: (1) they have complied with the requirements of CIPA; (2) they are undertaking actions, including any necessary procurement procedures, to comply with the requirements of CIPA; or (3) CIPA does not apply because they are receiving discounts for telecommunications services only.

CIPA requirements include the following three items:

- Internet safety policy – Schools and libraries must adopt and enforce an internet safety policy that includes a technology protection measure that protects against access to visual depictions that are obscene and child pornography. In addition to those two constraints, if a minor is using the internet, the internet safety policy also shields against content that is harmful to minors.
- Technology protection measure – You must specifically block or filter internet access. The school or library must enforce the operation of the technology protection measure during the use of its computers with Internet access, although an administrator, supervisor, or other person

authorized by the authority with responsibility for administration of the school or library may disable the technology protection measure during use by an adult to enable access for bona fide research or other lawful purpose.

- Public notice and hearing or meeting – The authority with responsibility for administration of the school or library must provide reasonable public notice and hold at least one public hearing or meeting to address a proposed technology protection measure and Internet safety policy.

The details of the policy and these measures are determined at the local level by your community and not by the E-Rate program. Additionally, costs associated with technology to implement these protection measures are not eligible for reimbursement through the E-Rate program.

You may find more details on these CIPA requirements by viewing Starting Services of the E-Rate Applicant Process.

**Q8: How does a library document CIPA compliance?**

A8: USAC will not request specific documentation demonstrating CIPA compliance as part of the FCC Form 486 process, but the library must maintain this documentation in its files for audit and other review purposes.

Below are some examples of documentation retention that could demonstrate that a library is in compliance with the requirements of CIPA:

- To show proof of an internet safety policy, keep a copy of the policy, along with any updates and records showing that the policy was adopted or approved. Records could include approval in the minutes of the required hearing or meeting or documented adoption by the library board.
- As documentation of your technology protection measure, your library can keep a description of the filter and a report showing that the filter was in place-and-operational during the relevant funding year. For example, if you purchased filtered internet access, archive the bills or regular reports from the service provider to demonstrate that the filter is in place and working. If you installed your own filter, you could archive logs from your system that show the hours the filter was engaged for or provide a report showing the sites blocked.
- Documentation that your library gave public notice and held a public hearing or meeting on the policy could include a copy of a website announcement for a library board meeting open to the public where the policy was discussed, an advertisement in a local newspaper of a county government hearing or meeting where the policy appeared as an agenda item, or a copy of the minutes of the hearing or meeting and the date on which the hearing or meeting occurred.

Additionally, libraries do not need to have completed all these steps to comply with CIPA in the first funding year. Instead, the library can certify that they are working towards compliance with these requirements, but they must be fully compliant starting in the second funding year. For more information, see the Documentation for Undertaking Actions section of the CIPA page.

**Q9: Does a TCU library's budget need to be separate from the TCU's overall budget?**

A9: No. TCU libraries are the only libraries that are not required to have a budget that is completely separate from any schools. However, E-Rate funding can only be used to provide services within the library for eligible purposes. Any ineligible usage must be cost-allocated (removed from the funding request).

## FAQs for Tribal Applicants

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**Q1: Is there a Tribal definition for the purposes of E-Rate?**

**A1:** Yes. An entity is 'Tribal' for purposes of E-Rate funding if it is a school operated by or receiving funding from the Bureau of Indian Education (BIE), or if it is a school or library operated by any Tribe, Band, Nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. § 1601 et seq.)) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

**Q2: What is required for a Tribal library to be eligible for E-Rate?**

**A2:** Tribal libraries should be able to demonstrate three basic characteristics of a library: 1) Regularly scheduled hours; 2) Dedicated library staff; and 3) Materials available for library users. Libraries must be eligible for assistance from a state library administrative agency under the Library Services and Technology Act (20 U.S. Code 9122), which can be shown through a letter from the state library administrative agency or through a Tribal designation. Except for Tribal College or University (TCU) libraries that serve as a public library, the library must also have a budget that is completely separate from any schools to be eligible to receive discounted services, including but not limited to, elementary and secondary schools.

Libraries located off Tribal lands may be considered Tribal under E-Rate if the library is operated by a federally recognized Tribe, Band, Nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation.

Under the definition of Tribal in the E-Rate program rules (47 CFR 54.500), entities are only considered Tribal if they are a school operated by BIE or if they are a school or library operated by a federally recognized Tribe, Band, Nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation. Libraries (or schools) are not considered Tribal just because they are on Tribal lands.

A Tribal library must have physical materials to be identified as a Tribal library for E-Rate. A Tribal library with **only** a "digital collection" is not eligible for E-Rate.

**Q3: What documentation is required for libraries to show Tribal status?**

**A3:** Tribal government entity documentation can be used to establish Tribal status such as a charter or ordinance or letter from the Tribal Council, as well as documentation that shows that the applicant has characteristics of a library, including regular hours, staff, and materials. A signed letter from a state library agency can be used to establish E-Rate eligibility for a library, but it cannot be used to establish Tribal status.

**Q4: Who designates a library as a Tribal library?**

**A4:** A Tribal library is eligible for E-Rate if a Tribal government entity designates a library as a Tribal library through Tribal Resolution or a similar document, or Tribal libraries may work with the state library administrative agency where they are located. A signed letter from a state library agency can be used to establish E-Rate eligibility for a Tribal library.

**Q5: If I am unsure of my technology needs, are there any tools that I can use to assess my current library's broadband services and what my library's IT needs may be?**

**A5:** The Toward Gigabit Libraries Toolkit is a free tool that can help library staff learn about their library's broadband connection and services and determine the library's IT needs that may be eligible for E-Rate program funding. The toolkit is funded through a grant by the Institute of Museums and Libraries Services (IMLS) that is designed for small, rural, and Tribal libraries with limited IT support.

## Applying for Discounts

### **Q6: Can a Tribal applicant use federal matching funds for special construction?**

**A6:** Yes. For Tribal schools and libraries, the E-Rate program will match **special construction funding** provided by states, Tribal governments, or other federal agencies on a one-to-one basis, up to an additional 10 percentage points on top of the applicant's discount rate and not to exceed the total costs. Here are a few examples:

- A Tribal applicant who qualifies at the 90 percent discount rate that receives a five percent federal grant would also be eligible for an additional five percent from the E-Rate program.
- A Tribal applicant at the 90 percent discount rate who receives a federal grant for seven percent of the remaining costs would be eligible for an additional three percent from the E-Rate program.
- A Tribal applicant at the 80 percent discount rate that receives Tribal Broadband Connectivity Program funding to cover 10 percent of the cost would be eligible for an additional 10 percent from the E-Rate program.

**Note:** The state/Tribal discount match applies only to special construction, i.e., the funding needed to construct facilities beyond normal installation charges.

### **Q7: What will USAC evaluate to determine if I may receive additional E-Rate discounts to match state, Tribal, or federal funding for my special construction funding request?**

**A7:** An applicant seeking additional E-Rate discounts to match state funding for special construction must submit information with its FCC Form 471 that USAC will use to determine: (a) whether the state funding is from an eligible source; (b) that any terms and conditions associated with the state funding are not in conflict with E-Rate rules; (c) the appropriate calculation of the additional E-Rate discount, if any; and (d) whether the project meets the FCC's connectivity targets.

For instance, an applicant should be prepared to submit documentation to USAC about the specific state legislation that appropriated the state funds at issue, or the state, Tribal government, or federal agency legislation for a Tribal school or library that has committed the funds for the applicant's special construction project. The applicant should also be prepared to submit documentation verifying that the state funding has, in fact, been committed for the applicant's special construction project, and specifying the amount of the commitment and any terms and conditions associated with the commitment. These requirements also apply to Tribal schools and libraries that are seeking matching funds based on funding from a state, Tribal government, or other federal agency.

### **Q8: Does USAC have a list of state, federal, or Tribal sources of funding that have been deemed eligible for the purposes of obtaining additional E-Rate discounts for special construction charges?**

**A8:** Yes. The Additional Discount to Match State/Tribal Funding for Special Construction webpage includes a non-exhaustive list of programs that have been approved as eligible sources of funding for the E-Rate matching funds for special construction. The evaluation of these programs is based on general information available at the time of review, and final approval for all E-Rate matching funds is based on compliance with E-Rate program rules and a detailed review of the special construction funding requests.

Applicants, states, Tribal governments, and other federal agencies interested in having their programs reviewed and added to USAC's Additional Discount to Match State/Tribal Funding for Special Construction webpage should provide detailed information about the programs to the USAC Customer Service Center by calling (888) 203-8100.

**Q9: Can a grant or funding from a federal agency be used for the applicant's portion of costs that the applicant is responsible for?**

**A9:** Funding from states, Tribal governments, or federal agencies can be used by the applicant to pay their non-discounted share, except that the total support from federal universal service and the other organization may not exceed 100 percent.

**Q10: How do Tribal libraries calculate their square footage for C2 purposes?**

**A10:** Tribal libraries, including TCU libraries, must provide the total area for all floors, in square feet, of each library outlet separately, including all areas enclosed by the outer walls of the library outlet and occupied by the library, including those areas off-limits to the public (examples include, but are not limited to, space for servers, boilers, stairwells, janitorial supplies, inventory/receiving spaces, etc.). Outdoor space that is used for programming cannot be included in this C2 square footage calculation. Areas outside of the library's walls are excluded from being calculated in the E-Rate C2 budget. Square footage for bookmobiles is calculated based on the area enclosed by the outer walls of the bookmobile.

**Q11: How does a Tribal library calculate its C2 budget?**

**A11:** In general, libraries calculate their C2 budget by multiplying their square footage by the designated multiplier for the funding years (e.g., **\$4.50 for the FY2021-2025 cycle or \$5.43 for the FY2026-2030 cycle**). Regardless of size, all libraries in the FY2021-2025 cycle were eligible for up to \$25,000 over a five-year cycle and Tribal libraries were eligible for up to \$55,000 over a five-year cycle. For the FY2026-2030 cycle, all libraries are eligible for up to \$30,175 and Tribal libraries are eligible for up to \$66,385 over the five-year cycle.

A Tribal library system may aggregate its budget using both square footage and the funding floor amounts of its branches.

**Example:** A Tribal library system that consists of an eligible book mobile, a library branch with 4,000 square feet, and a library branch with 17,500 square feet could calculate its C2 budget as:

**FY2026-2030 cycle**

$\$66,385 + \$66,385 + \$95,025 = \$227,795$ , because the bookmobile and the smaller library branch would be eligible for the funding floor.



# Entity Numbers & Billed Entity Numbers

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**Note:** To determine entity numbers and associated data in list format, go to: <https://opendata.usac.org/E-Rate/E-Rate-Entity-Search-Tool/59r2-zbdq> Search by State, Parent Entity Name or Entity Number to retrieve all building/entity information associated with a Billed Entity such as a school district or library system.

## Entity Numbers - BUILDINGS

SLD assigns a unique identifying number to each eligible entity (building) that participates in the E-Rate Program. An entity can be an individual school, a library, library outlet/branch, a bookmobile, an administrative office or other Non-Instructional Facility (NIF). This number assigned by USAC is called an Entity Number.

## Billed Entity Numbers (BENs) - ORGANIZATIONS

A Billed Entity does not refer to a building, but rather to an organization. The entity that pays the service provider for products and/or services delivered to eligible schools and libraries, is called a Billed Entity. USAC assigns this entity a Billed Entity Number (BEN). There is no visible difference between a number assigned as a BEN and a number assigned as an entity number.

A Billed Entity is not required to be - but may be - an eligible entity. An ineligible entity, such as city or local government, may be assigned a BEN if it pays the bills to service providers for eligible services on behalf of eligible entities.

Each Billed Entity is assigned a single and distinct entity classification and must file forms using this entity classification. The classifications are:

- School
- School District
- Individual Library
- Library System
- Consortium

If a billed entity wants to file forms as two different entity types, the organization must obtain a separate Billed Entity Number. This new requirement usually will affect consortia that previously relied on the Billed Entity Number of the lead consortium member to file forms. The consortium now requires its own unique BEN in order to file forms.

The Form 470 applicant is not required to be the Billed Entity that will appear on the Form 471, but it is in most situations.

All buildings and non-instructional facilities (NIFs) associated with a Billed Entity are required to be included in the billed entity's EPC portal. If an entity is missing, contact CSB by creating a customer service case inside your EPC portal. If an entity's name or other information needs to be revised, this can be done in the EPC Portal.

**Annex**

If a school has more than one location separated by a public right-of-way, but all of those locations together are considered one school by the state, those additional locations are annexes of that school. They are associated only with that school, they do not have an entity number, and they share the Category Two budget of that single school. For the purpose of the Category Two budget calculation, that school uses the total student counts for the school and its annexes combined.

Similarly, if a library has more than one location separated by a public right-of-way, but all of these locations together are considered a single library by the state library administrative agency, those additional locations are annexes of that library. They are associated only with that library, they do not have an entity number, and they share the Category Two budget of that single library. For the purpose of the Category Two budget calculation, that library uses the total square footage for the library and its annexes combined.

These entities do not have a separate entity number assigned to them. Rather, they should be classified as an annex and linked to its school or library in EPC. The Account Administrator should log into EPC, choose "Related Actions" and then "Manage Annexes." Follow the prompts to create an annex.

**Obtaining New Entity Numbers**

To create an entity, the following information should be on hand when contacting CSB:

- Entity's legal name (this field is limited to 64 characters - be prepared to provide abbreviations if needed)
- Physical address (cannot be a PO Box and this field is limited to 49 characters)
- Mailing address or PO Box, if different than physical address
- Telephone number
- Fax number
- If the entity provides non-traditional elementary or secondary education, indicate the appropriate category (Head Start, pre-kindergarten (Pre-K), juvenile justice, adult education, non-instructional facility)
- Sector (public, private, religious)
- County name
- Email address (the address for the entity itself, not for any specific person)
- For schools, the district entity number to link the school to the district
- For library branches, the library system entity number where the new library should be added.  
Note: This would not include independent libraries.

In general, CSB can process requests for up to two new entity numbers, new or existing, over the phone at (888) 203-8100.

If you need more than two new entity numbers, you may submit a request using the EPC portal and create a customer service case.

# Non-Instructional Facilities (NIFs) & Annexes

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## Non-Instructional Facilities (NIFs)

Generally, a non-instructional facility (NIF) is a school building without classrooms or a library building without public areas. Non-instructional facilities on school and library property are eligible to receive discounts on data transmission services and internet access services (Category One services).

In some cases, a school facility can be considered a NIF even though it has one or more classrooms. For example, a school district administrative building may have a classroom that is used by a specific group of students or by a population of students that changes from day to day. Even if a school NIF has one or more classrooms, it is still considered a NIF and is not eligible for a Category Two budget.

### Examples of NIFs on school property include, but are not limited to:

- administrative buildings
- school bus barns and garages
- cafeteria offices
- facilities associated with athletic activities

### Examples of NIFs on library property include, but are not limited to:

- administrative buildings
- bookmobile garages
- interlibrary loan facilities
- library technology centers

### Eligibility of Category 1 Services On-Site

Category One services provided to NIFs located on school or library property are eligible for support.

### Eligibility of Category Two Services On-site

NIFs are ineligible for Category Two services unless those services are essential for the effective transport of information to or within one or more instructional buildings of a school or non-administrative library buildings or the Commission has found that the use of the services meets the definition of educational purposes. Schools and libraries no longer have to deduct the cost of the NIF's use of the Category Two equipment or services.

### Entity Numbers for NIFs

To be correctly entered in an FCC Form 471 funding request, a NIF must have an entity number under most circumstances:

- A NIF does not need a separate entity number if it serves only one eligible school or library and is located on the same campus as that school or library. An example of this type of facility is a separate cafeteria building on a high school campus that is only used by students from that high school. The applicant should use the entity number of the school or library on the funding request.

- A NIF that serves multiple schools or libraries must have a separate entity number. An example of this type of facility is a separate cafeteria building on a high school campus that functions as a central kitchen for the entire school district.
- A NIF that is not located on the same campus as a school or library must have an entity number. An example of this type of facility is a school stadium on school property but not on the campus of any school that hosts the sporting events for the entire school district.
- An administrative office or wing within a school or library is considered part of that school or library, not a separate NIF, and does not need an entity number.

## Annexes

E-Rate uses the term “annex” to mean a remote location or secondary site associated with an E-Rate school entity (school) that provides educational services to students and does not independently operate as a school.

The term "annex" was introduced in the USAC Schools and Libraries Program News Brief on October 9, 2015 where it is defined as:

### *Single school with multiple locations*

*If one school has multiple locations (in other words, a school considered to be a single school by the state consists of multiple buildings separated by one or more public rights of way), each location can be identified as an "annex" in the school's profile in the E-Rate Productivity Center (EPC). Annex is a new term for FY2016. Designating locations other than the main location as annexes removes the requirement for applicants to request a separate entity numbers for those buildings.*

The E-Rate website states that an annex is considered a part of the school it shares an entity number.

The March 11, 2016 Newsbrief provides this additional clarification:

An annex is associated with a school, not a school district. An annex to a school is considered part of that school (not a separate school), but separated from that school by a public right-of-way. In the past, an annex was required to have a separate entity number, primarily for the purposes of establishing a second service delivery address.

Common attributes of an annex:

1. Provides instruction to students
2. Does not have a separate Department of Education school code
3. Accountability and other reports not reported independently, rather they are reported as part of an E-Rate school entity

Annexes qualify for Category 1 services. In addition, an annex is eligible for expenditures from the school's Category 2 budget.

# Consortia Requirements

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## Definition of a Consortium

A consortium (plural consortia or consortiums) is a group of E-Rate eligible entities that is seeking competitive bids or E-Rate funding for eligible services on behalf of its members who are E-Rate eligible entities. Schools and/or libraries can form consortia for the purposes of the Schools and Libraries (E-Rate) program to aggregate demand in order to lower prices and promote more efficient use of shared facilities.

Some consortia, for example, library consortia, may have been formed originally for reasons unrelated to the E-Rate program. The consortium can be established by an organization that is not itself eligible for E-Rate support, however in order to receive E-Rate funding, Consortium members that are receiving requested services must be E-Rate eligible.

## Consortium Lead Member (Consortium Billed Entity)

Consortium Lead Member

The consortium must designate an entity as the consortium leader. The consortium leader can be one of the E-Rate eligible entities or an outside entity, such as the organization that established the consortium. A Tribal government can create a consortium and include its Tribally controlled schools and libraries as consortium members, and a Tribal government employee can act as the contact person for the consortium leader.

The consortium leader is responsible for ensuring that necessary certifications are made and for responding to USAC inquiries on behalf of the consortium members during both pre- and post-commitment processes. (USAC's issuance of a Funding Commitment Decision Letter (FCDL) is the event that separates pre-commitment processes from post-commitment processes.)

The consortium leader also has certain document retention responsibilities and, unless membership in the consortium is specifically required by state statute or authorized in some other way, must retain a Letter of Agency (LOA) or other documentation from each consortium member to demonstrate that that member was aware of, and had expressly authorized, the actions that would be taken on its behalf by the consortium leader.

If services are shared by both eligible and ineligible entities, the consortium lead member must perform a cost allocation to ensure that only the eligible entities receive the benefit of the E-Rate discounted services.

## Pre-Commitment Responsibilities

When the consortium leader makes the FCC Form 471 certifications, the consortium leader is certifying that, among other things:

- Each member has secured access to all the necessary resources (i.e., computers, training, software, maintenance and electrical connections) to make effective use of the requested discounts.
- Each member has complied with state and local procurement laws as well as all E-Rate program rules.

- That the most disadvantaged schools and libraries receive an appropriate share of benefits from shared services.

The consortium leader may be asked during a Program Integrity Assurance (PIA) review to provide documentation that supports these certifications.

The consortium leader is also responsible for ensuring that the services for which the consortium requests E-Rate support are the services that the consortium is authorized to procure on behalf of its members. Failure to do so may result in the denial or modification of funding requests for consortium members.

### **Post-Commitment Responsibilities**

The consortium leader must collect from each consortium member a signed FCC Form 479, Certification by Administrative Authority to Billed Entity of Compliance with the Children's Internet Protection Act, to establish that member's status under the Children's Internet Protection Act (CIPA). After all FCC Forms 479 have been collected, the consortium leader can complete the FCC Form 486, Receipt of Service Confirmation and Children's Internet Protection Act and Technology Plan Certification Form.

The FCC Form 479 is not required if the consortium requested funding only for services to which CIPA does not apply.

Records must be retained for a period of ten years after the last day of service delivered for a particular funding year and may be requested during an audit or other review processes.

### **Documentation of Consortium Member Participation**

Each consortia lead must demonstrate to USAC that the consortia lead is authorized to act on behalf of the members in submitting an FCC Form 470 and Form 471. There are two requirements to demonstrating this authorization:

- 1) Each consortia member must be linked to the consortium in the E-Rate Productivity Center (EPC). The linkage may be made by the consortium leader on behalf of the member, or by the consortium member. See screenshots at the end of this document showing how to link consortium members to consortia in EPC.

- AND -

- 2) In the case where a consortia lead is authorized by statute or regulation to procure technology on behalf of a group of entities, the consortia lead can rely on that statutory or regulatory authorization and not obtain prior written authorization from consortium members if questioned by USAC. Where there is no explicit statutory or regulatory authorization, the consortia lead should have the consortia members sign a Letter of Agency prior to the submission of the Form 470 application. A sample LOA is included in this tab of the E-Rate Resource Binder.

There may be some situations where a consortium member may wish to participate in a Form 470 consortia procurement but may not yet be prepared to decide to be part of a Form 471 application. In other situations, the consortia lead will conduct the Form 470 procurement and the members will enter into their own agreements for services and/or equipment and submit their own Form 471 applications.

In these other situations, the consortia lead should request each consortia member to confirm the member's approval to be part of the Form 470 application. This may be done by email or letter provided that the member makes clear they are aware and consent to being included in the Form 470. Later, if the member decides to become part of a consortia Form 471 application, the member should be required to sign a LOA before the Form 471 application is submitted.

### **Consortium Member Letter of Agency**

A consortium LOA is most commonly signed by consortium members and kept on file by their consortium leader to verify their knowledge of their membership and participation in the consortium. Consortium members and agents can also use a project agreement, a contract, a letter agreement, or other similar document to establish this authorization.

The consortium LOA must be signed and dated on or before the date the FCC Form 471 was certified.

The document establishing the above authorization must contain all of the following:

- The name of the person filing the application (the consortium leader)
- The name of the person authorizing the filing of the application (the entity who will receive discounted services, such as a consortium member)
- The specific timeframe the LOA or authorizing document covers (for example, Funding Year (FY) 2026). Note that these LOAs may cover multiple E-Rate funding years.
- The signature, signature date, and title of an official who is an employee of the entity who is authorizing the filing of the application (the entity who will receive discounted services, such as a consortium member); and
- A description of type of services covered by the LOA or authorizing document (the description of services can be as general as "all Schools and Libraries (E-Rate) Program eligible services" or it can be more restrictive).
- The timeframes of these authorizations cannot be open-ended, such as "until terminated by either party."

In certain situations, other documentation may be accepted as proof of authorization. For example, for consortium applications, the consortium lead member must either collect LOAs from each consortium member or be able to provide some other proof that each consortium member knew it was represented on the application.

Consortia which have a statutory or regulatory basis and mandatory participation by schools or libraries must be able to provide documentation supporting this certification, including copies of the relevant state statute or regulation.

## How to Link Consortia Members to Consortia in EPC







## USAC Letter of Agency Template

The E-Rate program rules require that a consortium member have a signed letter of agency with the consortium leader that authorizes the consortium leader to take specific actions on behalf of each consortium member. This is a sample letter of agency that can be modified as appropriate by a consortium leader and the consortium's members to accurately describe what specific actions the consortium leader may take on behalf of the consortium members and that the consortium member is eligible to participate in the E-Rate program and will comply with the E-Rate program rules.

**Instructions:** Replace all red and/or bracketed text with the appropriate information for your consortium. As explained above, please modify the letter of agency as necessary to reflect the agreement between the consortium leader and the consortium members. For example, this sample letter authorizes the consortium to file several forms on the member's behalf, in addition to conducting the competitive bidding process by filing the FCC Form(s) 470 on the member's behalf and selecting the most cost-effective service provider(s) to provide the requested equipment and/or services for the consortium. If you do not want to authorize the consortium leader to file all the forms listed on your behalf, you or your consortium leader should change the sample language below so that this Letter of Agency does not authorize the consortium leader to file FCC Form(s) 471 or other forms on your behalf.

[Consortium Address]

### **Re: Letter of Agency for Funding Year 20XX – 20XX**

This Letter of Agency confirms our participation in the [name of Consortium] E-Rate Consortium for the procurement of [list services and products]. I hereby authorize [name of Consortium] to submit [select the appropriate forms, e.g., FCC Form(s) 470, 471, 472/474, 486, 498, 500, SPIN Change and Service Substitution Requests] to the Universal Service Administrative Company (USAC) on behalf of [Insert Entity Name].

I understand that, in submitting these forms on our behalf, you are making certifications for [Insert Entity Name]. By signing this Letter of Agency, I make the following certifications:

a) **ONLY FOR SCHOOL-RELATED LOA:** I certify that [our school, schools in our district] are all schools under the statutory definitions of elementary and secondary schools as defined under 47 C.F.R. § 54.500, do not operate as for-profit businesses, and do not have endowments exceeding \$50 million.

**ONLY FOR LIBRARY-RELATED LOA:** I certify that [our library, libraries in our system] is/are a library eligible for support because it is eligible for assistance from a State Library administrative agency under the Library Services and Technology Act that it/they do not operate as for-profit businesses, and whose budgets are completely separate from any schools (including, but not limited to elementary, secondary schools, colleges, or universities).



b) I certify that our [Insert Type of Entity (e.g., school, school district(s), library(ies))] has/have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that to the extent that the billed entity is passing through the non-discounted charges for the services requested under this Letter of Agency, that the entities I represent have secured access to all of the resources to pay the non-discounted charges for eligible services and products from funds to which access has been secured in the current funding year.

c) I certify that the services the school, library, or district purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 500, and will not be sold, resold, or transferred in consideration for money or any other thing of value, except as permitted by Commission's rules at 47 C.F.R. § 54.513.

d) I certify that our [Insert Type of Entity (e.g., school, school district(s), library(ies))] has/have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with program rules could also result in civil or criminal prosecution by the appropriate law enforcement authorities.

e) I acknowledge that the discount level used for shared services is conditional for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

f) I certify that I will retain required documents for a period of at least 10 years after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission's rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC.



g) I certify that I am authorized to order the eligible equipment and services for the eligible entity(ies) covered by this Letter of Agency. I certify that I am authorized to make this request on behalf of the eligible entity(ies) covered by this Letter of Agency, that I have examined this Letter, that all of the information on this Letter is true and correct to the best of my knowledge, that the entities that will be receiving discounted equipment and/or services under this Letter have complied with the terms, conditions and purposes of the E-Rate program, that no kickbacks were paid to anyone, and that false statements can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

h) I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the Schools and Libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities, or any person associated in any way with my entity and/or the entities, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the Schools and Libraries support mechanism.

i) I certify that, to the best of my knowledge, the non-discount portion of the costs for eligible services will not be paid by the service provider(s). I acknowledge that the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.

j) I certify that I am authorized to sign this Letter of Agency and, to the best of my knowledge, information, and belief, all information provided to [name of Consortium] for our entity(ies) participation in the E-Rate program is accurate and true.

Name of Entity: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ (Month, DD, YYYY) Name: \_\_\_\_\_

Title: \_\_\_\_\_