School and Library Eligibility

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)

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

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

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.

Applicant Process

- Before You Begin: Understanding Eligibility
  - **School and Library Eligibility**
  - Consortia
  - Non-Instructional Facilities (NIFs)
  - Non-Traditional Education Eligibility
  - Educational Service Agencies
  - Entity Numbers
  - Eligible Services Overview
  - Eligible Services List
  - Fiber – Summary Overview
- Step 1: Create an EPC Account
- Step 2: Competitive Bidding
- Step 3: Select Service Providers
- Step 4: Apply for Discounts
- Step 5: Application Review
- Step 6: Start Services
- Step 7: Invoice USAC
- Before You're Done

Step 1 ›

School and Library Eligibility

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Schools operating as for-profit businesses or that have endowments exceeding $50 million are not eligible. In some cases, non-traditional facilities and students may be eligible. For more information regarding specific eligibility of Head Start, pre-kindergarten, juvenile justice, and adult education student populations and facilities, visit the Non-traditional Education page. An Educational Service Agency (ESA), which may operate owned or leased instructional facilities, may be eligible for E-Rate program support if it provides elementary or secondary education as defined in state law.

School Residential Facilities – Starting in Funding Year 2011, certain school residential facilities became eligible for discounts:

- Schools on Tribal lands;
- Schools that serve children with physical, cognitive, and behavioral disabilities;
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Source: https://www.usac.org/e-rate/applicant-process/before-you-begin/school-and-library-eligibility/ · page last modified Apr 9, 2025 · captured Nov 1, 2026

FAQs
Learn
Videos
Webinars
E-Rate News Brief
In-Person E-Rate Training Events
EPC Training Site
FAQs
All Topics
Basic Maintenance of Internal Connections (BMIC)
Calculating Discount Rates
Competitive Bidding & FCC Form 470
Consortia
Eligible Fiber Services
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Library
Low Cost High Speed Internet Access
Non-Instructional Facilities (NIFS)
Tribal Applicants

FAQs

Tribal Applicants

Before You Begin

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A1:

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A4:
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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.

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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:

FY2021-2025 cycle
$55,000 + $55,000 + $78,750 = $188,750 C2 budget, because the bookmobile and the smaller library branch would be eligible for the funding floor.

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.

Source: https://www.usac.org/e-rate/learn/faqs/tribal-applicants/ · all answers shown expanded · captured Nov 1, 2026

Entity Numbers & Billed Entity Numbers

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
USAC 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 Customer Service Center 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, CSC 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

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

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.

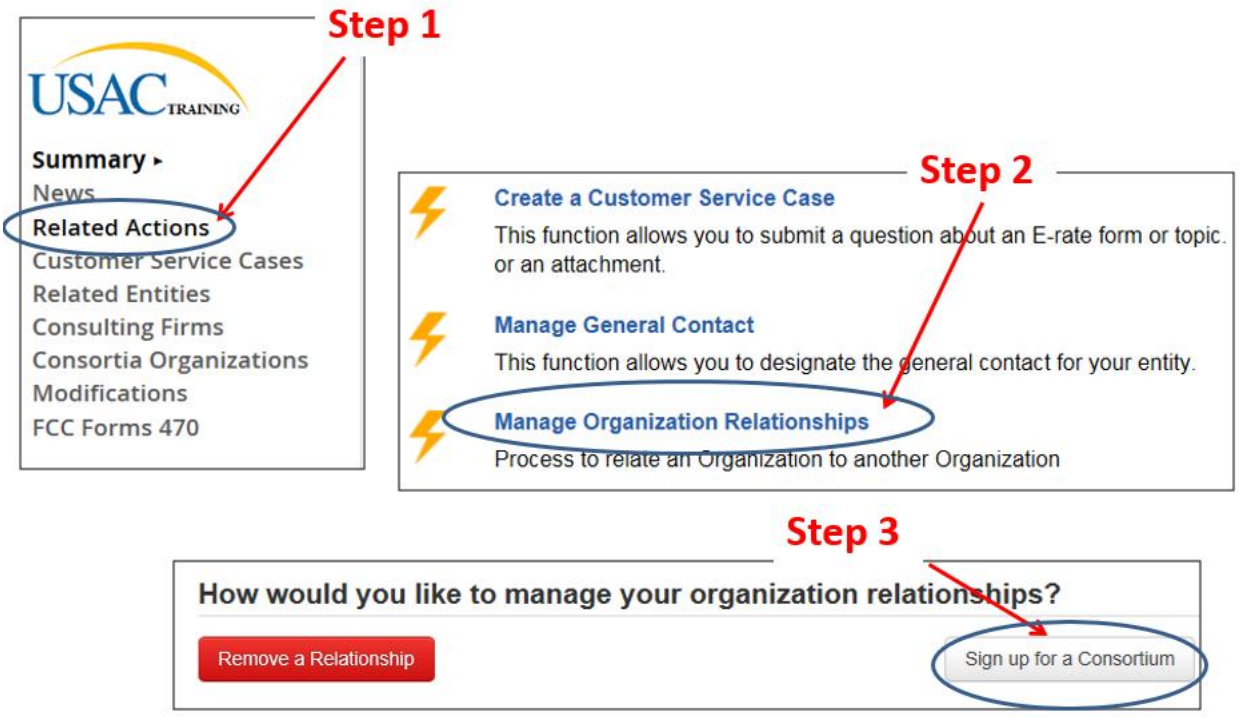
The document establishing the above authorization must contain all of the following:

- 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) 2027). 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



Universal Service Administrative Co.

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).

Universal Service Administrative Co.

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.

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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: _____

Eligibility Table for Non-Traditional Education

The following provides information on the eligibility of Head Start, pre-kindergarten, juvenile justice, adult education, and special education students and facilities for Schools and Libraries Program support, as determined by state law.

For All States:

- Head Start services for children less than three years old are not eligible for discounts and must be cost allocated, unless otherwise noted.
- Home-based Head Start programs are not eligible.
- Per the federal Individuals with Disabilities Education Act (IDEA), special education students who are 3-21 years of age are eligible in all states.

South Dakota

Head Start	Yes, if part of a public school district	
Pre-kindergarten	**Facilities**	No
	Students	Yes
Adult Education	**Facilities**	No
	Students	Yes
Juvenile Justice	**Facilities**	Yes
	Students	Yes
Special Education Students Ages 3-21	Yes	
Special Education Students over 21	Not yet confirmed	

FAQs
Learn
Videos
Webinars
E-Rate News Brief
In-Person E-Rate Training Events
EPC Training Site
FAQs
All Topics
Basic Maintenance of Internal Connections (BMIC)
Calculating Discount Rates
Competitive Bidding & FCC Form 470
Consortia
Eligible Fiber Services
Eligible Services
Library
Low Cost High Speed Internet Access
Non-Instructional Facilities (NIFS)
Tribal Applicants

FAQs

Consortia

Q1: What documents does E-Rate require to establish a consortia?

A1:

The E-Rate program rules require that a consortium members have a signed letter of agency (LOA) with the consortium lead that authorizes the consortium lead to take specific actions on behalf of each consortium member. The letter of agency should be tailored to accurately describe what specific actions the consortium lead may take on behalf of the consortium members (e.g., file the FCC Form 470, conduct competitive bidding reviews, request funding, and/or invoice) and that the consortium member is eligible to participate in the E-Rate program and will comply with the E-Rate program rules. More details about the LOA and a sample LOA are available here.

Q2: Can a consortium lead file an FCC Form 470 to seek bids for services on behalf of eligible entities, even if the entities themselves do sign individual contracts with the service providers and file requests for funding?

A2:

Yes. A consortium could file an FCC Form 470 on behalf of its members and assist its members in selecting the most cost-effective services, but then the members themselves could sign contracts and file the FCC Form 471 requesting funding. The consortium lead and the consortium members should discuss how they wish to set up their consortium and what roles and responsibilities the different parties will have.

Q3: A number of entities would like to form a consortium and apply for funding. Is there a streamlined way to provide information to establish a large group of entities?

A3:

Yes, please use the Bulk Entity Creation Template to compile all of your entity information, call the Customer Service Center (CSC) at (888) 203-8100 to create a ticket, and follow the instructions provided by CSC to submit the spreadsheet. If Tribal Partners have any questions, please feel free to contact

the USAC Tribal Liaison at TribalLiaison@usac.org.

Q4: How does a consortium calculate its discount rate for a particular application? Can there be different discount rates on different applications from the same consortium?

A4:
A consortia application's discount rate is calculated based on a simple average of the discount of the members on a particular application. The rate can vary from across applications when the members on each application vary.

Q5: How is the invoicing method determined for consortia funding requests?

A5:
The invoicing method is determined by the consortium lead and its members, in discussion with the selected service providers. Like other E-Rate applicants, consortia can choose between the two different invoicing methods; Billed Entity Applicant Reimbursement (BEAR) Form or the Service Provider Invoice (SPI) Form and should discuss this with their service providers as soon as possible in the selection process.

Q6: What are the differences between the BEAR and SPI methods for invoicing?

A6:
There are three key differences between the two invoicing methods, which are:

1. Who submits the form to USAC to request reimbursement of the discounted share?
2. Who receives payment from USAC?
3. How much is paid to the service provider.

When using the FCC Form 472, or BEAR method, to invoice, the applicant pays the service provider in full within 90 days of receipt of equipment and/or services. The applicant, i.e. the BEN filing the FCC Form 471, then requests reimbursement from USAC for the discounted portion of the approved equipment/services delivered to approved recipients of service at the rates and quantities approved on the FCC Form 471. If a consortium files the FCC Form 471, it would be the BEN filing the FCC Form 472 in this instance. If using the BEAR method, the consortium lead and/or the consortium members will also need to file the FCC Form 498 to be assigned an applicant 498 ID number, if they do not already have a FCC Form 498 ID number. An applicant 498 ID number is required to be able to submit the FCC Form 472.

When using the FCC Form 474, or SPI method, to invoice, the service provider bills the applicant for the non-discounted share and the consortium or the members of the consortium pays the non-discounted share to the service provider within 90 days of receipt of the equipment and/or services. The

service provider then requests reimbursement from USAC through the FCC Form 474 for the discounted portion of the approved equipment/services delivered to approved recipients of service at the rates and quantities approved on the FCC Form 471.

Q7: How does a consortium ensure the non-discount share is paid?

A7:

For either invoicing method, the consortium is responsible for establishing its own process for how the consortium lead and/or the individual consortium members pay the non-discounted portion of the bill plus any ineligible equipment/services. Consortia may use a variety of different approaches to make these payments including, but, not limited to:

- The consortium lead collects the non-discounted portion of the bill from consortium members on a regular basis (i.e., monthly, quarterly, annually) and submits payment directly to the service provider.
- Each consortium member pays the non-discounted portion directly to the service provider.
- The consortium lead collects the payment from the consortium members for both the non-discounted and discounted portions of the bill to pay the service provider in full. The consortium lead then submits the BEAR Form to request reimbursement from USAC for the discounted portion of the bill. After payment is received from USAC, the consortium lead is responsible for reimbursing the consortium members. (BEAR Method Only).
- For some statewide consortia, the consortium lead pays the non-discounted portion of the bill to the service provider for the entire membership without collecting payment from individual members.

Q8: Who pays the non-discount share for consortia funding requests?

A8:

E-Rate program rules require payment of the non-discounted portion of the bill to the service provider within 90 days of receiving the equipment and/or services. A consortium lead and/or the individual consortium members must determine how they will pay the non-discounted portion of the bill plus any ineligible equipment/services.

Q9: In a consortium, who is responsible for retaining documents related to the application process and invoicing under 47 CFR § 54.516?

A9:

The consortium lead, each consortium member, independent entities and service providers are each responsible for maintaining their respective documentation for at least 10 years after the last day of the applicable funding

year or the service delivery deadline for the funding request, whichever is later. Information on specific documentation requirements is available on the Document Retention section of the E-Rate website.

Source: https://www.usac.org/e-rate/learn/faqs/consortia/ · all answers shown expanded · captured Nov 1, 2026

FAQs
Learn
Videos
Webinars
E-Rate News Brief
In-Person E-Rate Training Events
EPC Training Site
FAQs
All Topics
Basic Maintenance of Internal Connections (BMIC)
Calculating Discount Rates
Competitive Bidding & FCC Form 470
Consortia
Eligible Fiber Services
Eligible Services
Library
Low Cost High Speed Internet Access
Non-Instructional Facilities (NIFS)
Tribal Applicants

FAQs

Library

Library Basics

Q1: What is the definition of a library?

A1:

A library includes:

- A public library
- A public elementary school or secondary school library
- A Tribal library
- An academic library
- A research library, one 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

An E-Rate eligible library must be eligible for assistance from a state library administrative agency under the Library Services and Technology Act (LSTA), as amended by the Museum and Library Services Act of 2018 (20 U.S.C. § 9122).

The FCC amended sections 54.500 and 54.501(b)(1) of the E-Rate program rules to include Tribal library in the definition of library in the Tribal Library Order (FCC 22-8) adopted on January 27, 2022, and to clarify that Tribal libraries are by statute eligible for support from State library administrative agencies under the LSTA, and therefore are eligible for support from the E-Rate program. A Tribal Library must be able to demonstrate the three basic characteristics of a library

- Regularly scheduled hours
- Staff
- A collection of materials for library users.

Libraries must also have a budget that is completely separate from any school, including but not limited to, elementary and secondary schools, unless that school is a Tribal College or University.

Q3: What are some examples of commonly requested E-Rate eligible equipment and services for libraries?

A3:

- Commonly requested Category Two (C2) equipment and services include:
  - Cabling
  - Switches
  - Licenses
  - Wi-Fi Access points
- Commonly requested Category One (C1) equipment and services include:
  - Fiber
  - Ethernet
  - Internet access

Q4: How can a library benefit from E-Rate funding?

A4:

A small library might seek funding to upgrade its Wi-Fi network equipment and purchase monthly service from its local service provider.

A larger library system might seek funding for a wide area network that shares data between the library buildings.

In cases where it is the most cost-effective option, libraries and library consortia might seek funding to build the broadband infrastructure themselves (a practice known as “self-provisioning”) or for special construction for services over a third-party’s network to receive much-needed connectivity to unserved libraries.

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:
A library must be able to determine its own technological needs. However, the Toward Gigabit Libraries Toolkit, is a free tool 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. The toolkit can help library staff learn about their library's broadband connection and services and be used to help determine the library's IT needs that may be eligible to be funded through the E-Rate program. The E-Rate program funds Internet access service and equipment needed to have Wi-Fi access throughout the library, but does not fund end-user equipment, for example, computers, laptops, tablet, microphones, printers, etc.

Q6: Have there been any recent changes to the E-Rate program specifically for libraries?

A6:
The Commission adopted changes to the E-Rate program for libraries in a July 2023 Order (FCC 23-56), including:

- All Libraries:
  - Library applicants seeking E-Rate support for category two (C2) equipment or services that total a pre-discounted amount of $3,600 or less in a single funding year are now exempt from competitive bidding.
  - Cost allocation to remove the costs associated with the use of shared equipment in non-instructional facilities (NIFs) and related-library administrative buildings is no longer required.
  - If an applicant selected the most cost-effective Internet service offering to meet its eligible needs and 90% or more of an applicant's request for Internet service is for eligible purposes; there is a presumption that the remaining amount is ancillary and does not require cost allocation.
  - Applicants and service providers will also receive a reminder through the E-Rate Productivity Center (EPC), three weeks prior to the invoice filing deadline with instructions on how to file for reimbursement and how to file for a 120-day invoice filing deadline extension for each funding request (FRN) where no requests for reimbursement has been submitted.
- Tribal Libraries:
  - Tribal College and University (TCU) libraries may now apply for and receive E-Rate support for their library, provided they are also serving as a public library in their community.

- The maximum discount rate for category two services for Tribal libraries increased to 90%, and the category two funding floor increased to $55,000 for Tribal libraries.
- A formal definition of “Tribal” has been adopted for use in the E-Rate program.

Discount Rates

Q7: How is the discount rate calculated for libraries?

A7:
The discount for libraries is based on the discount rate of the public school district in which the main branch is located. To determine the National School Lunch Program (NSLP) eligibility rate for a library system:

- Determine the total number of students eligible for the NSLP in the public school district in which the main branch or main administrative office of the library is located.
- Determine the total number of students in that school district.
- Divide the first number by the second number to get the percentage of students eligible for NSLP in that school district.
- Using this percentage and the urban or rural status of the library system, find the appropriate category one (C1) and C2 discount in the discount matrix.
- Go to the E-Rate Calculating Discounts page for more information.

Q8: How does a library know if they are rural or urban for E-Rate purposes?

A8:
For existing applicants, USAC has updated the urban-rural designation of E-Rate schools and libraries based on the 2020 Census data to prepare for the upcoming funding year 2024. USAC has contacted the small portion of applicants that saw a change in their urban-rural status. Depending on your discount level and percentage of entities rural-urban, there may be no impact on your discount rate.

Existing applicants can use the new E-Rate Entity Search Tool on USAC’s Open Data website to find information about their urban or rural status. Watch the quick start videos to learn about how to use it.

New applicants can use this urban rural status guide to find the status of their library.

Existing applicants can use the new E-Rate Entity Search Tool on USAC’s Open Data website to find information about their urban or rural status. Watch the quick start videos to learn about how to use it.

New applicants can use this urban rural status guide to find the status of their library.

Q9: How does a library determine the NSLP eligibility rate for their area?

A9:
The NSLP eligibility rate is determined by the total number of students eligible for the NSLP in the public school district in which the main branch or main administrative office of the library is located. Go to the E-Rate Calculating Discounts page for more information.

Q10: What documentation do I need to retain regarding my participation in the E-Rate program?

A10:
All E-Rate program participants – applicants, service providers and consortia – are required to maintain documentation that demonstrates compliance with the statutory or regulatory requirements for all E-Rate program purchases of service and equipment for a period of 10 years after the latter of the last day of the applicable funding year or the service delivery deadline for the funding request. Examples of such documentation include competitive bidding materials, program forms, contracts, and asset and inventory records of equipment purchased as components of supported Category Two services.

The FCC first established document retention requirements for school and library applicants and service providers in the Fifth Report and Order (FCC 04-190) and provided an illustrative list of examples of the types of documents that should be retained. As provided in the order, you should retain discount eligibility calculation documentation such as supporting worksheets or reports used to populate the C2 budget and discount calculation information:

- Library square footage documentation/maps,
- Copies of any policies and procedures related to the discount
- Calculation process or methodology (i.e., National School Lunch Program (NSLP), surveys, Provision 1, 2, or 3, etc.)
- Libraries (including Tribal libraries) – Documentation of your square footage for the Funding Year

You may visit the Document Retention page on the E-Rate site for more information and the E-Rate Program List of Documents to Retain for Audits and to Show Compliance with Program Rules.

Q11: Can a grant or funding from a federal agency be used for the applicant's portion of costs that the applicant is responsible for?

A11:
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.

Category Two (C2)

Q12: How is a library's square footage calculated for C2 purposes?

A12:
Libraries shall 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. 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.

Tribal college and university (TCU) libraries eligible under E-Rate (i.e., they also serve as a public library to their community) shall provide the total area for all floors, in square feet, of 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.), except that all areas reserved for use by enrolled students at the college or university must be excluded from the square footage calculation. 47 C.F.R. § 54.502.

Q13: How do C2 budgets work for libraries?

A13:
In general, libraries calculate their C2 budget by multiplying their square footage by the designated multiplier for the funding cycle (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 are eligible for up to $25,000 and Tribal libraries are eligible for up to $55,000. For the FY2026-2030 cycle, libraries are eligible for up to $30,175 and Tribal libraries are eligible for up to $66,385.

Q14: How does a non-Tribal library system calculate its C2 budget?

A14:
Most library systems will add the square footage of each of their library branches and then multiply the total by the C2 budget cycle library multiplier. However, if the number of library branches multiplied by the funding floor results in a larger C2 budget, that aggregate funding floor becomes the library system's C2 budget.

- **Example with $30,175 funding floor for FY2026-FY2030 cycle:** A library system with 11 library branches and less than 61,128 total square feet ($5.43/square foot * 61,127 square feet = $331,919.61) would get the aggregate funding floor C2 budget of $331,925 (11 library branches * $30,175 funding floor) over the five-year cycle.

Small library systems with 10 or fewer library branches have the option to calculate their C2 budgets on a per-site basis and then combine the results.

- **Example with FY2026-2030 cycle:** A library system consists of an eligible bookmobile, a library branch with 4,000 square feet, and a library branch with 7,500 square feet. This library system could calculate its C2 budget as $30,175 + $30,175 + $40,725 = $101,075, because the bookmobile and the smaller library branch would be eligible for the funding floor.

Q16: How can I find out what my C2 budget is?

A16:
The E-Rate C2 Budget Tool FY2021+ dataset is designed to assist applicants in determining their C2 budgets for each five-year cycle beginning with the first budget cycle, which started in FY2021 and ended in FY2025. The FY2026-2030 budget cycle will be added to the tool under the C2 budget cycle field name and each billed entity will have two rows (one for each cycle) of C2 budget data. This tool and data set provides information about applicants' C2 budgets based on the most recent entity profile and commitment data available but does not capture all data points that may be relevant for determining an applicant's actual available C2 budget at a certain point in time during each five-year cycle, such as pending appeals and FCC Forms 500. It should therefore be used for informational purposes only. Use this data set to answer questions like:

- What is my C2 budget?
- How much C2 funding have I used?
- How much C2 funding is pending review?
- How much C2 funding do I have available?

You can also get your C2 information in EPC by going to the parent Billed Entity, clicking **Category Two Budget**, and clicking **Get Category 2 Budget Information**.

Q17: My library has expanded. How can I request an increase in my square footage? When should I make this request?

A17:
You may request an increase in your square footage during the E-Rate Productivity Center (EPC) Administrative Window which typically opens in late October each year. The EPC administrative window is the period during which applicants can make updates to their profile information in EPC to prepare for the upcoming FCC Form 471 filing window. Some of the changes that can be made during this time include:

- Student Count
- National School Lunch Program (NSLP) numbers
- Community Eligibility Provision (CEP) numbers
- Library square footage
- Associated individuals and entities, including consulting firms
- Tribal status
- Tribal affiliation

Cost Allocations

Q18: What is a cost allocation?

A18:
E-Rate only provides funding for eligible services and equipment. Cost allocation is a way to delineate between the eligible and ineligible components of equipment and services that an applicant requests through the E-Rate program.

Q19: Wireless services may extend beyond the bounds of a library's walls. Is this permissible under E-Rate rules? Do we have to cost allocate for the services that extend beyond the boundaries?

A19:
Wi-Fi coverage outside of the physical library location is only allowed if it tangentially occurs when establishing the most cost-effective solution for the library's interior location. For example, a library may make the Wi-Fi network available for use from the library campus or parking lot while the library is closed.

Q20: When do I need to perform a cost allocation if we have an ineligible office that occasionally uses the E-Rate-funded Internet service?

A20:
When a piece of equipment or service contains ineligible components, a cost allocation is required to remove the ineligible components so that only the eligible portion is funded. For Internet service, occasional office use could be considered ancillary and cost allocation would not be required, if the applicant requested the most cost-effective Internet service offering and 90% of the requested Internet services is used for the library's eligible purposes.

Q21: Do I need to cost allocate portions of cabling attached to security cameras?

A21:
No. Cabling that is used to provide broadband connectivity within schools and libraries need not be cost allocated, provided it is the most cost-effective means of receiving the eligible service. Eligibility is no longer based on the individual "drops" or "jacks" but on the purposes of the network as a whole. Security networks and cabling dedicated to voice services are ineligible.

Q22: Can you please provide some examples of where a cost allocation would be used for a library?

A22:
Example 1: If a library shares a facility with an ineligible museum where they equally utilize the same Internet connection. 50% of the cost of the Internet would need to be cost allocated due to the ineligible use by the museum.

Example 2: If a library receives an Internet bundle that includes ineligible features such as advanced network security items and these items have a separate cost. For example, the total cost of the bundle is $1000 where the costs are itemized and show the Internet service cost is $700 and the advanced network security package is $300. The ineligible advanced network security package must be cost allocated.

Example 3: If a building houses a library that requires 1 Gbps of Internet service and there is an office simultaneously used as a telehealth center (ineligible for E-Rate support), the telehealth center's use must be cost allocated unless it is ancillary use. Use may be presumed ancillary if it is less than 10% of the Internet use.

Children's Internet Protection Act (CIPA)

Q23: What is CIPA?

A23:
The Children's Internet Protection Act (CIPA) was enacted by Congress in 2000 to address concerns about minor's access to obscene or harmful content over the Internet. CIPA imposes certain requirements on schools or libraries that receive discounts for Internet access, Internet services, or internal connections through the E-Rate program.

Q24: What is required under CIPA?

A24:
Applicants must comply with CIPA to be eligible for funding for Category One internet access and all Category Two equipment or services. CIPA does not apply if the applicant only receives "telecommunication services."

The requirements under CIPA include the following: 1) Internet Safety Policy, 2) Technology Protection Measure, and 3) Public Notice and Hearing or Meeting. The details of the policy and these measures are determined at the local level by your community and not by the E-Rate program. You may find more details on these CIPA requirements by viewing Starting Services of the E-Rate Applicant Process.

Costs associated with technology to implement these protection measures are not eligible for reimbursement through the E-Rate program.

Q25: How long do E-Rate program participants have to implement the requirements under CIPA?

A25:
Applicants do not have to be compliant with CIPA in their first E-Rate funding year as long as they are taking steps towards meeting the requirements.

Applicants are required to be compliant in their second year and going forward.

Source: https://www.usac.org/e-rate/learn/faqs/library/ · all answers shown expanded · captured Nov 1, 2026

FAQs
Learn
Videos
Webinars
E-Rate News Brief
In-Person E-Rate Training Events
EPC Training Site
FAQs
All Topics
Basic Maintenance of Internal Connections (BMIC)
Calculating Discount Rates
Competitive Bidding & FCC Form 470
Consortia
Eligible Fiber Services
Eligible Services
Library
Low Cost High Speed Internet Access
Non-Instructional Facilities (NIFS)
Tribal Applicants

FAQs

Non-Instructional Facilities (NIFS)

Q1: How do I calculate the discount for my NIFs?

A1:
Like all schools, NIFs receive the district-wide discount, regardless of the entities that they serve.

Q2: How do I figure out if my NIF is urban or rural?

A2:
The urban/rural status of a NIF is based on the urban/rural status of the school district or library system's status as a whole. In order for a district to be considered rural, more than half of the schools or libraries in the district must be rural. NIFs are not included in that determination.

Q3: My NIF has classrooms. Do I still use the snapshot method to figure out the discount rate?

A3:
No. NIFs with classrooms, like all other entities in the school district or library system, get the same district-wide discount.

Q4: My NIF is located in a rural area, but the district is urban. How do I get a higher discount rate for my NIF?

A4:
Rural discount rates are available only in those cases where more than half of the schools in the district or libraries in the library system are deemed rural.

Q5: To determine the urban/rural status of my district, do I count NIFs when figuring out if more than half of my entities are rural?

A5:
No. The urban/rural status of the district is determined only based on the schools or libraries in the district. More than 50 percent of the schools or libraries have to be rural in order for the district to be considered rural.

Q6: Can I move Category Two (C2) equipment to service a non-instructional facility (NIF) after 5 years?

A6:
Yes, because the equipment would be considered “obsolete” under FCC rules (see Section 54.513(b)).

Q7: Can I move C2 equipment to service a NIF before 5 years?

A7:
Equipment can be transferred to other eligible entities. You can only move C2 equipment to a district NIF before five years if the NIF is eligible for C2:

- The NIF is used to provide C2 services essential for the effective transport of information to or within one or more eligible instructional buildings of a school or non-administrative library buildings, or
- The FCC has found that the use of those services meets the definition of “educational purpose” (see 47 CFR § 54.502(d)(6)).

If the NIF does not meet either of the criteria above, you cannot move equipment to the NIF.

Source: https://www.usac.org/e-rate/learn/faqs/non-instructional-facilities-nifs/ · all answers shown expanded · captured Nov 1, 2026