



## Letter of Agency - E-Rate Consulting Services

This letter of agency outlines E-rate application support provided by ARCC for the period of 01/01/2025 through 06/30/2026. It details the responsibilities of both ARCC and the District in the E-Rate application process.

Universal Service Administrative Company is the agency that manages the E-Rate system, and throughout this letter they will be called USAC.

While ARCC provides support in the application process, Districts are ultimately responsible for their E-Rate application. To assist in understanding how the E-Rate program works, USAC provides educational webinars for each step. Districts are encouraged to watch the webinars below found at <https://www.usac.org/e-rate/learn/webinars/>.

### The following are recommended webinars:

#### **PROGRAM BASICS – Overview of the program, recent changes, entity eligibility, eligible services review, process overview** *(clip of the link, not a live link)*

E-Rate Fall Training: E-Rate Program Overview	September 16, 2024   1:43:40	<a href="#">Watch</a>
<a href="#">Webinar Slides</a>		

#### **PRECOMMITMENT PROCESS – Form 470, selecting service providers, gift rules, Form 471, program compliance** *(clip of the link, not a live link)*

E-Rate Fall Training: Pre-Commitment Process	September 19, 2024   1:15:34	<a href="#">Watch</a>
<a href="#">Webinar Slides</a>		


#### **ELIGIBLE SERVICES – What’s new, category of service, BMIC, Fiber, MIBS** *(clip of the link, not a live link)*

E-Rate Fall Training: Eligible Services 101	September 24, 2024   1:01:58	<a href="#">Watch</a>
<a href="#">Webinar Slides</a>		


#### **CATEGORY TWO – Category review (Equipment/BMIC/MIBS), Category 2 budgets, equipment disposal and transfer** *(clip of the link, not a live link)*

E-Rate Fall Training: Category Two Budgets	October 17, 2024   1:01:01	<a href="#">Watch</a>
<a href="#">Webinar Slides</a>		

**ADMINISTRATIVE WINDOW – Timelines, updates of District demographics, consultants, updating enrollment and free/reduced counts, adding entities, account administration, permissions** *(clip of the link, not a live link)*


E-Rate Fall Training: EPC Administrative Window	October 24, 2024   56:28	<a href="#">Watch</a>
<a href="#">Webinar Slides</a> 		

**POST COMMITMENTS – Form 486, CIPA. Post commitment adjustments, Form 500, appeals** *(clip of the link, not a live link)*

E-Rate Fall Training: Post-Commitment Process	October 31, 2024   50:12	<a href="#">Watch</a>
<a href="#">Webinar Slides</a> 		

**This webinar is optional:**

**WIFI HOTSPOTS – Budgets and funding, requirements, usage** *(clip of the link, not a live link)*

Wi-Fi Hotspot Webinar	October 15, 2024   56:40	<a href="#">Watch</a>
<a href="#">Webinar Slides</a> 		

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### USAC NEWS BRIEF

It is recommended that the District sign up for the USAC E-Rate News Brief. This can be found at the following link: <https://cloud.outreach.usac.org/verify-email>



The screenshot shows a form titled "Enter Your Email" with a text input field containing "eratesrfun@myschool.com". A callout box points to this field with the text "Enter your email here and hit submit". Below the email field is a section titled "E-Rate" with two radio button options: "News Brief" (which is selected) and "Tribal e-Newsletter". A second callout box points to the "News Brief" option with the text "Click on News Brief then hit Save".

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## STEPS IN THE PROCESS

**Fiscal Year vs. Funding Year** – USAC’s cycle is called a FUNDING YEAR. School district cycles are called FISCAL YEARS. These years are not the same. Funding Year 2023 is our Fiscal Year 2024. Funding Year 2025 (the upcoming application cycle) will be for our Fiscal Year 2026.

**Eligible Services List** – This list is posted in late October for the upcoming funding cycle. It contains the services and equipment that are eligible for e-rate discounts and also states what services and equipment are not eligible. The list breaks services into Category 1 (internet and connectivity) and Category 2 (equipment) The list can be found at: <https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/>

### **ARCC’s Responsibility**

- ARCC will send the Eligible Service List out to Districts at the beginning of the Form 470 cycle.
- ARCC will note changes in the eligibility list.
- ARCC will answer questions on eligible services. If unable to answer the question, ARCC will submit a case to USAC for clarification.

### **District’s Responsibility**

- District will review the list and note any items they are interested in requesting quotes and seeking E-Rate funding on.

**Form 470** – Form 470 is posted to let vendors and USAC know what services you are interested in receiving quotes or bids on. It must remain posted for 28 days after the certification date before you can choose a vendor or service provider.

### **ARCC’s Responsibility**

- ARCC will provide Districts with a detailed list of what contracts are expiring and what contracts are ongoing. ARCC will send out two additional reminders during the 470 filing cycle to check on progress. If the contract for Category 1 service is expiring and ARCC has not heard from the district, ARCC will contact District administration.
- ARCC will provide the District with the timeline for submission and certification of Form 470. The ARCC deadline to provide data entry services will be earlier than the USAC deadline in order to accommodate the number of Districts supported in the e-rate funding process and other ARCC responsibilities.
- ARCC will provide data entry services on Form 470. Prior to certification, the form will be sent to the District for review. Once the form is approved, the District will notify ARCC to certify the form.
- ARCC will answer District questions related to Form 470. If unable to answer, ARCC will submit a case to USAC for clarification.
- ARCC will only communicate with the District E-Rate Coordinator, the Business Manager or the Superintendent. ARCC will not directly communicate with vendors or service providers concerning the District’s application.

### **District's Responsibility**

- The District will send ARCC a list of services (Internet/connectivity, Category 1) and equipment (Category 2) they intend to seek e-rate discounts on. This list should include items like bandwidth needed, connectivity needed, which building or MARSS site is receiving the service, equipment functionality (e.g. Firewall, wireless access points, switches, etc.), comparable equipment manufacturer and comparable part number, and quantity. It will be provided to ARCC by the ARCC deadline, which will be earlier than the USAC deadline in order to accommodate the number of Districts supported in the e-rate funding process and other ARCC responsibilities.
- Districts must also follow state statute §471.345 regarding bids. Equipment in excess of \$125,000 must have an official RFP. If an RFP or RFQ is necessary, the District will be responsible for providing that to ARCC prior to the submission of Form 470. The opening of the RFP must be at least 28 days after the Form 470 is certified.
- The District will review the Form 470 as data entered by ARCC. They will notify ARCC of any necessary changes and let them know when they approve the Form 470 prior to ARCC certifying the Form.

**Administrative Window** – Prior to when the Form 471 Window opens, USAC opens up the system for Districts to update their demographic information.

### **ARCC's Responsibility**

- ARCC will update enrollment numbers and numbers of students available for free or reduced lunch using a report provided by MDE. If we are unable to obtain this report, Districts will be required to provide ARCC:
  - Total Enrollment on October 1<sup>st</sup> .
  - # of students eligible for free and/or reduced lunch by MARSS site (the sum of direct certification plus the traditional paper application process).
- ARCC will provide the District with a Form letter to correct addresses, and add instructional and non-instructional sites.
- ARCC will answer District questions related to the administrative window and if unable to answer, will submit a case to USAC for clarification.

### **District's Responsibility**

- District will update addresses and phone numbers for the District in the USAC site. It will review the administrative contact and review permissions for anyone with access to their account.
- District will make sure that District employees have the rights to fill out Forms, reply to PIA requests and complete BEAR Forms (Form 472).
- The District will update banking and SAMS information.
- District will provide October 1 enrollment and counts of students eligible for free or reduced lunch if ARCC is unable to acquire this information from MDE.

**Competitive Bidding** - Vendor Selection – USAC has strict rules related to selecting vendors. Districts are not allowed to receive gifts or free services from vendors. Districts must select the most cost effective vendor. ARCC is not able to select a vendor for the district.

**ARCC’s Responsibility**

- ARCC will answer District questions regarding the competitive bidding process, and if unable to answer questions will submit a case to USAC.

**District’s Responsibility**

- District will select the most cost effective service provider/vendor following state and local laws and USAC rules no sooner than 28 days from when Form 470 was certified. Rules on selecting service providers can be found at the following links: <https://www.usac.org/e-rate/applicant-process/competitive-bidding/>  
<https://www.usac.org/e-rate/applicant-process/selecting-service-providers/>
- Links to bid evaluation rubrics can be found at this link: <https://www.usac.org/e-rate/applicant-process/selecting-service-providers/>
- District will provide ARCC an electronic copy of the contract, signed and dated by both the District and the vendor BEFORE the ARCC 471 deadline. In cases where there is not a formal contract, the District will provide ARCC a quote or email that is signed and dated by the District.

**Form 471** – Form 471 is the form that Districts submit to inform USAC what services they selected, the vendor selected, their total enrollment, students eligible for free and/or reduced lunch and details of signed contracts.

**ARCC’s Responsibility**

- ARCC will provide Districts with the timeline for filing Form 471. The ARCC deadline to provide data entry services will be earlier than the USAC deadline in order to accommodate the number of Districts supported in the e-rate funding process and other ARCC responsibilities .
- ARCC will provide a checklist for the Districts at the time the ARCC deadline is published.
- ARCC will track the timeline for receipt of information to complete the Form 471 and contact the District at least two additional times during the Form 471 filing cycle to check on progress. If ARCC has not heard from the district, and the district has an expiring Category 1 request from the prior year, ARCC will contact District Administration.
- ARCC will provide data entry on the 471 Form and upload contracts and worksheets to the USAC website. ARCC will send the form the district to review prior to certification.
- ARCC will track Form 471 through the cycle and notify the District if additional information is necessary.
- ARCC will answer District questions related to Form 471 and if unable to answer, will submit a case to USAC for clarification.

**District’s Responsibility**

- Districts will provide ARCC the following information:
  - Number of bids or quotes received for each service/request.

- Electronic copy of contract. Contract details. Services, costs, date contract was signed, date contract expires.
- Vendors "Service Provider Identification Number".
- A list of services or supplies, breaking out components of equipment. Must include part numbers and functionality, cost per unit and quantity.
- District will review Form 471 and notify ARCC if changes need to be made, and notify ARCC when the form can be certified.

**Program Integrity Assurance** – PIA is the process through which USAC reviews E-Rate applications to ensure compliance with program rules. ARCC will assist the district if they are unable to answer any pia related questions or requests for clarification to USAC.

**ARCC's Responsibility**

- ARCC will assist Districts if they are unable to answer PIA questions.
- ARCC will remind District at least once about the deadline to answer PIA questions.

**District's Responsibility**

- The District is responsible for triaging PIA questions. If unable to answer ARCC can assist, however, it is the District's responsibility to review it and to meet the 15 day response deadline.

**Funding Commitment Decision Letter-Form 486** – Notification of USAC funding decision.

**ARCC's Responsibility**

- ARCC will confirm the funding and let the District know that Form 486 is due and the deadline for completing Form 486.
- ARCC will monitor the deadline for completing Form 486 and contact the District at least once to remind the District of the deadline.

**District's Responsibility**

- The District will complete Form 486 to confirm compliance with the Children's Internet Protection Act and is ultimately responsible for meeting the filing deadline.
- The District will work with the service provider to determine if discounts will be done through a service provider invoice or through the BEAR, Form 472.

**Form 472, BEAR** – Collecting your discounts

**ARCC's Responsibility**

- After the fiscal year end, ARCC will run periodic downloads of payments being made to the District either through SPI or through completion of the BEAR Form. ARCC will contact the District at least two times during the BEAR/Form 472 timeline to verify collection of funding. If no progress is seen, ARCC will contact district administration.

**District's Responsibility**

- The District is responsible for initiating the SPI with the service provider or completing the BEAR/Form 472.
- If the District is unwilling or unable to complete the BEAR Form, and they provide copies of all bills related to the funding request, ARCC will complete the BEAR Form up to one week prior to the deadline. ARCC will charge \$150 per BEAR Form completed.

**CATEGORY 2 BUDGET** – USAC provides districts with a five year technology budget to be used for eligible equipment purchase.

**ARCC’s Responsibility**

- ARCC will update the Category 2 Five Year Budget worksheet after Form 471 requests have been made, and after any Form 500’s have been processed to return funding.
- ARCC will send this list out with Form 470 instructions.
- ARCC will assist districts in filing form 500 to return funds or change contract expiration date.

**District’s Responsibility**

- It is the district’s responsibility to use the budget. It is their responsibility to purchase the equipment and to seek reimbursement through the Service Provider Invoice or BEAR, Form 472.
- If the district failed to purchase the equipment, it is their responsibility to notify ARCC of the need to return funds.

**DEADLINE REQUEST** – Done when the district needs additional time to respond to a PIA request, or submitting a BEAR form. Districts are not able to request a deadline extension on Form 471.

**District’s Responsibility**

- It is the district’s responsibility to file a request for deadline extension.

**OTHER**

- If a deadline was missed, and ARCC has a record of notifying the District, the District is responsible for filing an appeal with USAC. ARCC will assist with the appeal process if the reason it is denied is due to an ARCC error.
- If the district misses an ARCC deadline, the district will be responsible for filing their own form(s).
- ARCC will do their best to answer questions, and if not able to, will contact USAC and submit a case to get a definitive answer.
- ARCC will only communicate with the District’s designated E-Rate Coordinator, Business Manager, or Superintendent. ARCC will not directly communicate with vendors concerning the District's E-Rate application.
- The District is responsible to keep all documentation, communication, email, Forms, contracts for ten years past the last date of service.
- Ultimately, filing for e-rate discounts is the District’s responsibility.

This Form must be signed before e-rate support can be provided.

Signature below confirms receipt and understanding of E-Rate support provided by ARCC, and the District's responsibility.

District's \_\_\_\_\_

ARCC Executive Director

*Cindy Lee Olson*

\_\_\_\_\_  
Signature

12/27/24

Date \_\_\_\_\_