



E-rate 2026 Workshop 1: E-rate Update and Procurement

MA Board of Library Commissioners
September 24, 2025



Before We Start...

- Experimenting with shorter but more frequent trainings
- Slides/Updates:
 - Accurate to the best of our knowledge as of 9/18/2025) but...expect more changes
- Most updates are in SLD's News Brief issued *monthly*
 - Subscribe or view online on SLD web site
(<https://www.usac.org/e-rate/learn/news-brief/>)
- Basic training videos, webinar links, and more available online at in USAC's Learn page at <https://www.usac.org/e-rate/learn/>



Before We Start...

- Questions are welcome!
 - Goal to is make session as useful as possible to you
 - Please save your questions until after the presentation
 - Please try to note slide #'s if you have a question about them
 - Q&A at end of session for as long as you need it



Quick Webinar Preview

- What We're Not Covering
- What's New in E-rate
- Intro to E-rate
- Review of E-rate Eligible Services
- Procurement Guidelines and Process
- Q&A



What We're Not Covering



What We're Not Covering

- FY2024 Invoicing
- FY2025 Form 486

- We're not covering them because all participating MA libraries have already filed FY2024 invoices and FY2025 Forms 486!



What's New in E-rate



What's New in E-rate

- *Consumer's Union v. FCC* resolved
- Likely changes to eligible services
 - Removal of hotspot lending services and school bus wi-fi
 - Should not impact bookmobile wi-fi
- USF Reform
 - Primarily around contributions, but could impact programs/services
- Calls for new Telecom Act



Intro to E-rate



Origin of E-rate and Available Funding

- Comes out of Telecom Act of 1996
 - Most subsequent changes the result of Federal Communications Commission (FCC) action, rather than Congressional action
- Discount Program on Eligible Services
- E-rate does not reach its funding cap – funding is available



MA Libraries and E-rate

- FY2024: Libraries approved for \$944k, have invoiced for \$891k
- FY2025: Libraries already approved for \$1.57M, with almost \$200k still under review



Application Process Overview

- Procurement: **Form 470** and (optional) RFP
 - Bid Evaluation and Contract Award
- Application for Funding: **Form 471**
 - PIA review and award of funding (FCDL)
- Notification of Services Starting: **Form 486**
 - Receipt of services and compliance with CIPA
- Invoicing: **BEAR (Form 472)** or **SPI (Form 474)**
- Post-Invoicing: Audits, reviews, etc.



FY2026 Expanded Timeline

- *All dates are estimates*
- Funding Year: July 1, 2026 – June 30, 2027
- Procurement/**Form 470**: July 2025 – December 2025
- Admin Window: mid October 2025 – mid January 2026
- Bid Evaluation and Contracting: November 2025 – February 2026
- **Form 471**: mid January 2026 – late March 2026



FY2026 Expanded Timeline

- PIA Review and FCDL: April 2026 – July 2026
- **Form 486**: May 2026 – September 2026
- Last date for recurring services: June 30, 2027
- Last date for non-recurring services: September 30, 2027
- Invoicing **BEAR (Form 472)** or **SPI (Form 474)**: July 2026 – October 2027/January 2028



Review of E-rate Eligible Services



Review of Eligible Services

- Eligible services divided into two categories:
 - Category 1 (Data and Internet) Services
 - Category 2 (Internal connections, Basic Maintenance of Internal Connections, Managed Internal Broadband Services)
- Eligible services list revised each year
 - ESL draft for FY2026 has not yet been released
 - Anticipate ESL will remove Wi-Fi hotspots, school bus Wi-Fi



Review of Eligible Services: C1

- Category 1 (Data and Internet) Services to Library Facilities
 - Traditional Connectivity Services to Library Facilities
 - Ethernet Service
 - T-1, T-3, OC-1, OC-3, etc.
 - Cable modem, DSL
 - Satellite



Review of Eligible Services: C1 (cont'd)

- Category 1 (Data and Internet) Services to Library Facilities
 - Fiber Services
 - Leased Dark Fiber
 - Leased Lit Fiber
 - Self Provisioned Broadband Networks*
 - Wireless Data Services to Bookmobiles*
 - Some terminating network equipment

* Requires RFP



Review of Eligible Services: C2

- Category 2 Services and Equipment
 - Internal Connections
 - Basic Maintenance of Internal Connections
 - Managed Internal Broadband Services



Review of Eligible Services: C2

- Internal Connections (IC)
 - Hardware
 - Routers
 - Switches
 - Firewalls
 - Wireless Access Points
 - Wireless Controllers
 - Some licenses
 - Client Access Licenses
 - Right of Use Licenses



Review of Eligible Services: C2

- Basic Maintenance of Internal Connections (BMIC)
 - Limited to eligible internal connections
 - “In Person Services”
 - Time and materials or otherwise contracted services
 - “Remote Services”
 - Basic support
 - Software upgrades
 - Some licenses (“maintenance”)
 - Software updates and upgrades
 - Security updates and upgrades



Review of Eligible Services: C2

- Managed Internal Broadband Services (MIBS)
 - Limited to eligible internal connections
 - Remote management/administration of internal connections components
 - Firewall management
 - Wireless network management
 - Network monitoring
 - Leased, managed equipment
- Lines between MIBS and IC/BMIC can become fuzzy but are critically important



Conditional Eligibility

- Services are only eligible to the extent they are used by eligible entities at eligible locations for eligible purposes
- Conditional eligibility when
 - Mixed eligible and ineligible components (e.g. firewalls, licenses)
 - Eligible and ineligible locations (e.g. library sharing services with town hall)
 - Eligible and ineligible uses (e.g. library is multiuse facility)
- Conditional eligibility “cured” by cost allocation using tangible criteria to achieve a reasonable result



Conditional Eligibility Example

- Library and Town Hall share Internet connection which costs \$1,000/mo.
- Library has 8 computers and Town Hall has 2 computers
- Library is eligible for a 60% discount
- Library uses number of computers for cost allocation.
- Monthly reimbursement/discount is: $\$1000 * 80\%$ (for computers) $* 60\%$ (for discount) = \$480



New C2 Budget

- Category 2 requests are constrained by a budget based on square footage for libraries
- FY2026 is the first year of a new C2 budget cycle – new budgets are ~20% higher than previous cycle
- Data will be available at opendata.usac.org and in EPC after mid-October
 - Remember, C2 budget applies to *pre-discount* cost – i.e. your discount is applied against that C2 budget
 - E.g. if your C2 budget is \$100,000, and your discount rate is 60%, you can order up to \$100,000 of eligible equipment and receive discounts or reimbursements worth up to \$60,000.



New C2 Budget

- Will need to validate data first time you apply during the new cycle
- Online tool will list C2 budgets as “Forecast,” “Preliminary,” or “Confirmed”
 - Forecast is USAC’s estimate
 - Preliminary is based on library application that hasn’t yet been funded
 - Confirmed is based on funded library application
- Online tool will automatically calculate budget for you (available after mid-October)



C2 Budget Examples

- Libraries/library systems funded at \$5.43/sq. ft.
- Funding floor for any entity is \$30,175
- Any individual library under 5,557 sq. ft. would be at the funding floor (\$30,175)
- 12,000 sq. ft. library would have a prediscount C2 budget of \$65,160 ($12,000 * 5.43$)
- Remember, online system will do calculations automatically



CIPA

- CIPA applies to all E-rate applications that include Internet Access or any Category 2 services
- CIPA requires internet safety policy, technology protection measure, public notice and a public meeting
 - Make sure you have the documentation in your files



Procurement: Guidelines and Process



Procurement Guidelines

- Procurement process must be “fair and open”
 - Fair: every vendor evaluated fairly and equally
 - Open: same information available to all potential vendors
 - Bottom line: all vendors must be treated the same, fairly, and equally
 - No preferential relationships with service providers
 - No ownership stakes in service providers
- Gift rules exist to help preserve fair and open
 - No gifts over \$20 value, no more than \$50/yr.
 - Advice: DO NOT ACCEPT GIFTS



Procurement Guidelines

- Procurement is the most critical part of the E-rate process
 - Difficult to remedy errors
 - Remediation usually involves starting over – which is a problem since you normally only find out about problems after it's too late to start over
- Vendor involvement with the procurement process (e.g. needs assessment) can/will taint the procurement process

DO NOT GET VENDOR ASSISTANCE WITH PROCUREMENT



Procurement Process

- Identify needs
- Determine procurement options that work best for you
- Draft procurement (470/RFP) based on needs
- Release RFP and Form 470 (as applicable)
- Wait at least 28 days
- Evaluate bids and select service provider



Identify Needs

- Determine current status of services
 - Current services and specifications
 - Contract Status
 - Whether current service meets current/future needs for upcoming funding years



Determine Procurement Options

- Option 1: Just file a 470 (no RFP)
- Option 2: File a 470 and RFP
- Option 3: Use State Contract (ITT72)
- Option 4: Use CABIO or Tribal Libraries Exception



Draft Procurement: 470/RFP

- Identify the services of interest
- 470 includes services and quantities you are seeking
- Can include links to outside regulations and related documents
- Can include RFP if RFP exists for some or all services



Draft Procurement: 470/RFP

- RFP is optional (unless required under state/local regulations) except for bookmobiles
 - RFP is any document that provides information about the services sought or the bidding process
 - If RFP exists, it must be attached to the Form 470
 - Any modifications/addenda must also be attached
 - Can reset 28 day clock
- RFP can be simple or complicated based on your needs



Draft Procurement: 470/RFP

- If you want to prepare an RFP, talk with us
 - Hundreds of RFPs available online and through EPC
 - Some sample RFPs available via MBLC
- New sample bookmobile RFP coming soon
- More detail in the Fall 2024 presentations



Release Form 470/RFP

- Form 470 and RFP must be released at same time
- Once Form 470 and RFP are released you can solicit bids
 - Do so neutrally and widely
 - Do not provide inside information
 - Recommend direction to the Form 470/RFP for information



Wait at least 28 days

- After the Form 470 is released, applicant must wait at least 28 days before closing the bidding
 - Can wait longer
 - Allowable Contract Date (ACD) on 470 Notification Letter is the earliest date bidding can be closed
 - 28 day waiting period is restarted if there are significant changes posted to your application (e.g. addenda/amendments to RFP)

Evaluate Bids/Select Winning Service Provider



- Must evaluate all bids using an evaluation matrix
- Price of eligible goods and services must be most highly weighted factor
- Will cover in much more detail later this Fall



Alternatives to Traditional E-rate Procurement: State Contract

- State Contract (ITT72) exists that allows libraries to bypass the Form 470 process
- Must still conduct a mini-bid process comparing the various vendors awarded under ITT72
- Guide for applying using state master contract at <https://mbic.state.ma.us/programs-and-support/e-rate/state-contracts.php>
 - Includes instructions, attachments, etc.



Alternatives to Traditional E-rate Procurement: CABIO and Tribal Libraries

- Commercially Available Broadband Internet Offering (CABIO) – at least 100 Mbps down/10 Mbps up, commercially available, \$3,600/yr. or less
- Tribal Libraries Exception – Category 2 services costing less than \$3,600 per library can be purchased without a Form 470



Final Thoughts

- October 1 training will cover filing the Form 470
- More on bid evaluation, vendor selection, Form 471, PIA review, 486, and invoicing in future trainings
- Don't be afraid to ask questions!
 - Ask us on MBLC's e-rate mailing list (e-rate@mblc.state.ma.us)
 - CSB: 888-203-8100 or in EPC (under Actions "select", "Contact Us" to get answers from USAC)
- Take advantage of E-rate if it can help you!
- Let us know if there are other topics you'd like to see covered (and what you think of the shorter, more frequent trainings)

Questions?

