

## E-Rate Glossary of Terms

<b>1<sup>st</sup> Demand Letter</b>	The initial letter sent by USAC to recover funds from applicants or service providers who have committed program rule violations.
<b>2<sup>nd</sup> Demand Letter</b>	A follow-up letter to a 1st Demand Letter sent by USAC in an attempt to recover funds from applicants or service providers who have committed program rule violations.
<b>28-Day Waiting Period</b>	The minimum time period an applicant is required to wait after posting the FCC Form 470 before entering into any contract with a service provider.
<b>498 Company Officer</b>	The officer of a service provider company who is authorized to certify that data set forth in the FCC Form 498 is true, accurate, and complete. The 498 Company Officer would typically be president, vice president of operations, vice president of finance, comptroller, treasurer, or a comparable person.
<b>499 Company Officer</b>	A person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, vice president for finance, comptroller, treasurer, or a comparable position.
<b>Account Administrator</b>	An EPC user who can manage users, permissions, and related entities for an organization such as a school, library, service provider, or consulting firm.
<b>Administrative Authority</b>	The relevant authority with responsibility for administration of the eligible school or library who must certify the status of the entity's compliance with the Children's Internet Protection Act (CIPA) in order to receive universal service support.
<b>Allowable Contract Date (ACD)</b>	The Allowable Vendor Selection/ Contract Date is the earliest date on which an applicant can sign a contract for contracted services or enter into an arrangement for tariffed (T) or month-to-month (MTM) services with a service provider.
<b>Alternative Discount Mechanisms</b>	Schools that choose not to use the National School Lunch Program (NSLP) participation numbers to calculate their E-Rate program discounts may use certain federally-approved alternative mechanisms instead. These alternative discount mechanisms cannot be less stringent than the same measure of poverty established for the NSLP.
<b>Appeal</b>	An appeal is a request to reconsider a USAC decision.
<b>Applicant</b>	The entity applying for universal service support. In the Schools and Libraries Program the entity is a school, library, consortium, or other eligible entity that files program forms.
<b>Audit</b>	A review of documentation and resources that verify the state of compliance with program rules.
<b>Basic Maintenance of Internal Connections (BMIC)</b>	A Category Two service type on the Eligible Services List. Basic Maintenance of Internal Connections services cover the repair and upkeep of eligible products.
<b>Bear Notification Letter</b>	A BEAR (FCC Form 472) Notification Letter is sent to the service provider and the applicant after a BEAR form has been processed by USAC.
<b>Beneficiary &amp; Contributor Audit Program (BCAP)</b>	Run by USAC and carried out by auditors trained in universal service and program audit requirements, these audits of beneficiaries and contributors serve to identify noncompliance with program rules and amounts of recoverable funds.
<b>Bid</b>	A response from a service provider (bidder) to a request for services.
<b>Billed Entity</b>	The entity that receives the bill and pays for the supported service. A Billed Entity may be different from the physical location being supported.
<b>Billed Entity Number (BEN)</b>	A unique number assigned by USAC to each billed entity (school, library, or consortium) that pays for services.
<b>Board of Directors</b>	USAC Board of Directors
<b>Bundled Services Cost Allocation</b>	Beginning with FY2015, E-Rate program recipients must cost allocate nonancillary ineligible components that are bundled with eligible products or services, such as netbooks bundled with internet access, including those components that previously would have fallen within the scope of components not requiring cost allocation as described in the 2010 Clarification Order
<b>Category 1 Services</b>	Services used to connect broadband or internet to eligible locations, or services that provide the basic conduit access to the internet. Data Transmission Services and Internet Access are Category One services.
<b>Category 2 Services</b>	Internal connections services needed to enable high-speed broadband connectivity and broadband internal connections components. Category Two includes local area networks/ wireless local area networks (LAN/ wireless LAN), internal connections components, basic maintenance of internal connections components, and managed internal broadband services.

<b>Category 2 Budget</b>	Applicants applying for Category Two services in FY2015 or FY2016 will be able to request discounts up to \$150 per student pre-discount per school, up to \$2.30 per square foot pre-discount per library (\$5.00 per square foot for certain urban libraries) over a five-year period. There is a minimum (floor) of \$9,200.00 per school or library.
<b>Children's Internet Protection Act (CIPA)</b>	A law that mandates certain internet safety policy and filtering requirements for recipients of E-Rate program discounts for services other than telecommunications services.
<b>Client Service Center (CSC)</b>	A helpline available to assist applicants and service providers. You can call CSC toll free at (888) 203-8100.
<b>Commission</b>	The short name for the Federal Communications Commission (FCC). See "FCC."
<b>Commitment Adjustment (COMAD)</b>	The process by which a funding commitment is reduced because of program rule violations.
<b>Commitment Adjustment Letter (CAL)</b>	This letter notifies both the applicant and the service provider of a COMAD. It contains a Funding Commitment Report which lists the Funding Request Numbers (FRNs) affected by the COMAD.
<b>Common Carrier</b>	An organization recognized by a regulatory authority (such as a state public utility commission) to provide telecommunications services to all requesting parties, or an organization that holds itself out to provide such services generally to the public for a fee.
<b>Community Eligibility Provision (CEP)</b>	An alternative provision to the normal requirements for annual determinations of eligibility for free and reduced price meals under the National School Lunch Program. Schools must have at least 40 percent of their students directly certified to qualify for CEP.
<b>Competitive Bidding Process</b>	The process conducted by an applicant to select a service provider and order products and/or services. This process must be a fair and open competitive procurement.
<b>Consortium</b>	A consortium (plural consortia) is a group of entities that apply together for funding.
<b>Consultant</b>	A company or individual (nonemployee of the entity) selected to perform certain activities related to the application process on behalf of the applicant or service provider for a fee. A Letter of Agency (LOA) or consultant agreement must be in place before the consultant undertakes these activities.
<b>Consultant Registration Number (CRN)</b>	A unique eight-digit identification number assigned by USAC to consultants.
<b>Contract Award Date (CAD)</b>	The date the contract is awarded to the service provider.
<b>Contract Expiration Date (CED)</b>	The date the contract between the applicant and service provider ends.
<b>Contributor</b>	A company that, based on the revenue reported on the FCC Forms 499-A/Q, is required to pay contributions directly to the universal service fund.
<b>CORESID</b>	A 10-digit number that the FCC assigns to a business or individual that registers with the FCC. It is associated with an entity's Taxpayer Identification Number (TIN) and is required before filing FCC Forms 499-A/Q.
<b>Corrective Spin Change</b>	A change to the SPIN featured on one or more FRNs that corrects a data entry error, reflects a merger or acquisition, or fixes some other type of error. It is not the result of a change to the actual service provider.
<b>Data Retrieval Tool (DRT)</b>	A web-based USAC tool used to access information related to applications, funding commitments, and disbursements.
<b>Data Transmission Services and/or Internet Access</b>	A Category One service type on the Eligible Services List. Includes broadband connectivity and basic conduit access to the internet. This does not include charges for content, equipment purchases, or other services beyond basic conduit access to the internet. This service type also covers lit or dark fiber and, in special circumstances, self-provisioning of dark fiber.
<b>Delegated Users</b>	The employee(s) of a service provider company authorized to enter and modify company information on FCC Forms 498 and 499 through the E-File application.
<b>Demarcation or DEMARC</b>	A demarcation refers to the point where a service provider's network ends and where an applicant's local area network (LAN) begins.
<b>Detailed Audit Finding Worksheet (DAF)</b>	A worksheet that contains background information and notes the basis of an exception during an audit.
<b>Direct Connections</b>	Direct connections allow rural schools and libraries to share access to high-speed broadband services.

<b>Discount Calculations</b>	Discounts in the program can be found in the discount matrix, by using the percentage of students eligible for the National School Lunch Program or an equivalent measure of poverty and the rural or urban status of the school district or library system.
<b>District Wide Discount Rates</b>	Starting with FY2015, all funding requests for any school or combination of schools within a school district qualify for a single school-district-wide discount rate.
<b>Document Retention</b>	Applicants and service providers must retain documentation related to the application for, receipt, and delivery of discounted services for at least 10 years from the last date of service delivery.
<b>E-Certification</b>	Process that allows applicants to certify and submit forms online, eliminating the need for a paper form with an original signature.
<b>E-File</b>	USAC's online forms submission tool, available at <a href="https://forms.universalservice.org">https:// forms. universalservice.org</a> .
<b>E-Rate Moderation Order</b>	The FCC Report and Order that modernized the E-Rate program and focused on high-speed broadband connectivity to schools and libraries (FCC14-99).
<b>E-Rate Productivity Center (EPC)</b>	EPC is the account and application management portal for the Schools and Libraries (E-Rate) program. Applicants, consultants, and service providers participating in the E-Rate program use this tool to manage program processes and to submit questions.
<b>E-Rate Program</b>	The common term used in place of the Schools and Libraries Program. The E-Rate program provides discounts to schools and libraries for eligible products and services.
<b>Education Service Agency (ESA)</b>	A regional public multi-service agency authorized by state statute to develop, manage, and provide services or programs to its component school districts. In some states, ESAs are called Educational Service Units (ESUs), Local Educational Agencies (LEAs), Board of Cooperative Educational Services (BOCES), or other similar designations.
<b>Eligible Entity</b>	An entity that meets the requirements for eligibility to participate in the program.
<b>Eligible Services</b>	An entity that meets the requirements for eligibility to participate in the program.
<b>Eligible Services List (ESL)</b>	An FCC-released annual list of the products and services approved for funding by the FCC under the Schools and Libraries Program.
<b>Evaluation</b>	A mechanism for assessing and choosing a service provider from incoming bids. Note that the price of the eligible products and services must be included as a factor in the evaluation and that factor must be weighted more heavily than any other single factor.
<b>Every Student Succeeds Act</b>	The Every Student Succeeds Act, 20 U.S.C. Section §7801(19) and (45), provides the statutory definition of elementary and secondary schools.
<b>FCC Form 470</b>	The Description of Services Requested and Certification Form is an FCC form that schools and libraries complete to request services and establish eligibility.
<b>FCC Form 471</b>	The Services Ordered and Certification Form is an FCC form that schools and libraries use to report services ordered and discounts requested for those services.
<b>FCC Form 471 Filing Window</b>	The period generally between mid-January and mid-March (prior to the start of the funding year) when forms filed are treated as having been received on the same day and are considered for funding before any other forms filed after the window closes.
<b>FCC Form 472 (BEAR)</b>	The Billed Entity Applicant Reimbursement Form is an FCC form that schools and libraries submit to USAC after paying for services in full, to request reimbursement for the discount on those services.
<b>FCC Form 473 (SPAC)</b>	The Service Provider Annual Certification Form is an FCC form that service providers file annually to certify that they will comply with program rules and guidelines. This must be filed before USAC will pay invoices.
<b>FCC Form 474 (SPI)</b>	The Service Provider Invoice Form is an FCC form that service providers submit to request reimbursement for discounted eligible services already provided to the schools or libraries on their customer bills.
<b>FCC Form 479</b>	The Certification by Administrative Authority to Billed Entity of Compliance with the Children's Internet Protection Act Form is an FCC form that consortium members (the administrative authority for CIPA purposes) submit to their consortium leader to certify that they are in compliance with the Children's Internet Protection Act. After all FCC Forms 479 are collected, the consortium leader can accurately complete the FCC Form 486.
<b>FCC Form 486</b>	The Receipt of Service Confirmation and Children's Internet Protection Act Certification Form is an FCC form that schools and libraries file to inform USAC that services have begun, and of their CIPA compliance.
<b>FCC Form 486 Notification Letter</b>	This letter is issued by both the applicant and service provider to indicate that an FCC Form 486 has been successfully processed.
<b>FCC Form 498</b>	The Service Provider and Billed Entity Identification Number and General Contact Information Form issued to collect contact, remittance, and payment information from

	service providers and applicants receiving universal service support. Service providers must fill out this form to participate in any of the universal service programs. As of July 1, 2016, applicants who choose the Billed Entity Applicant Reimbursement (BEAR) payment method will need to file this form to receive an ID number (498 ID) for reimbursement payments.
<b>FCC Form 500</b>	The Funding Commitment Adjustment Request Form is filed by schools and libraries to notify USAC of reductions to or cancellations of approved FRNs and/or changes to reported Service Start Dates or Contract Expiration Dates, to request a service delivery extension for non-recurring services, or to notify USAC of an allowable equipment transfer.
<b>FCSC Codes</b>	An identifying code for public libraries issued by the Federal State Cooperative System (FSCS), a cooperative program between the federal government and the states. FSCS data on public libraries is received from The Institute of Museum and Library Services (IMLS).
<b>Federal Communications Commission (FCC)</b>	The U.S. government agency that regulates interstate and international communications and oversees the universal service fund.
<b>Funding Commitment Decision Letter (FCDL)</b>	A letter that contains USAC's funding decisions on an applicant's funding requests.
<b>Funding Request Number (FRN)</b>	A unique number that USAC assigns to each funding request in an FCC Form 471.
<b>Funding Year (FY)</b>	The funding year is a time during which program support is being provided. The FY begins July 1 and ends June 30 of the following calendar year.
<b>General Contact</b>	The employee of a service provider company who filled out the FCC Form 498.
<b>General Financial Contact</b>	A person who is authorized by the applicant to retrieve the FCC Form 498 information and obtain access to EPC. They are able to complete but not certify updates to the FCC Form 498.
<b>Government Accountability Office (GAO)</b>	An agency that studies and reports on the programs and expenditures of the federal government. It studies how the federal government spends tax payer dollars, evaluates federal programs, audits expenditures and issues legal opinions.
<b>Head Start</b>	A comprehensive child development program that serves preschool-age children and their families. Head Start facilities in some states are eligible for E-Rate program funding.
<b>Internal Connections</b>	A Category Two service type on the Eligible Services List. Internal Connections services are eligible products, such as routers, switches, hubs, and wiring. Eligible products are located at the applicant site and must be considered a necessity to transport information to classrooms or publicly accessible areas of a library.
<b>Internet Service Provider (ISP)</b>	A company that provides internet access service (also referred to as a service provider).
<b>Invoice</b>	A statement or document that (1) service providers submit to USAC after they have provided or completed service to the applicant or (2) applicants submit to USAC after they have paid for services in full. Invoices are submitted using an FCC Form 474 (service providers) or an FCC Form 472 (applicants).
<b>Invoice Extension</b>	A single, one- time 120-day extension of the deadline to submit an invoice – FCC Form 472 (BEAR Form) or FCC Form 474 (SPI Form). The extension must be requested on or before the invoice deadline.
<b>Invoice Status Report</b>	A USAC-generated report sent to service providers upon receipt of the service provider's invoices. The report identifies which invoice line items were accepted and denied. OPERATIONAL SPIN CHANGE A change to the SPIN featured on one or more FRNs made as a result of a change to the actual service provider.
<b>Legally Binding Agreement</b>	A written offer from a service provider and acceptance from the applicant that includes all the material terms and conditions and is legally binding.
<b>Letter of Agency (LOA)</b>	A Letter of Agency (LOA) authorizes a consortium leader to apply for program support on behalf of each consortium member or a consultant to conduct specified activities on behalf of an applicant or service provider.
<b>Library Services and Technology Act (LSTA)</b>	The LTSA, 20 U.S.C. Section 9121 et seq., (1996) provides the statutory definition of a library.

<b>Local Area Network (LAN)</b>	<p>A data* network that provides connections generally within an eligible school or library to other locations within the school or library.</p> <p>*The voice and video components of a LAN are not eligible for E-Rate discounts.</p>
<b>Lowest Corresponding Price (LCP)</b>	The lowest price that a service provider charges to non- residential customers who are similarly situated to a particular E-Rate program applicant (school, library, or consortium) for similar services.
<b>Managed Internal Broadband Services (MIBS)</b>	A category of service on the Eligible Services List. These services are provided by a third party for the operation, management, and monitoring of internal connections components. E-rate support is limited to eligible expenses or portions of expenses that directly support and are necessary for the broadband connectivity within schools and libraries.
<b>Mini-Bid</b>	An evaluation process used by applicants when a state files an FCC Form 470 and signs state master contracts with more than one service provider. The applicant must evaluate all eligible state master contracts and demonstrate why the service provider it chooses is the most cost-effective solution.
<b>Ministerial and Clerical Errors</b>	Sometimes known as M&C errors, these are errors applicants make on FCC Forms 470 or 471 that can be corrected after the forms are certified.
<b>National School Lunch Program (NSLP)</b>	This federal program provides school lunches to eligible students at a free or reduced rate.
<b>NCES Codes</b>	An identification code for public schools issued by the National Center for Education Statistics (NCES), the primary federal entity for collecting and analyzing data related to education. Private schools may also request NCES codes.
<b>News Brief</b>	A weekly newsletter that provides up-to-date program information, including important dates, tips regarding the application process, and other breaking news.
<b>Non-Discount Portion</b>	The non-discount portion (also called non-discount share) is the applicant's share of the cost of the eligible E-Rate program products and services, i.e., the cost to be paid by the applicant after the E-Rate program discount is applied.
<b>Non-Instructional Facility (NIF)</b>	A school building without classrooms or a library building without public areas. Examples of school NIFs include administrative buildings, bus barns, and cafeteria facilities. Examples of library NIFs include administrative buildings, bookmobile garages, and interlibrary loan facilities.
<b>Notice of Proposed Rule Making (NPRM)</b>	An announcement issued by the FCC to detail proposed changes to FCC rules and policies and seek public comment on the changes.
<b>Office of Management &amp; Budget (OMB)</b>	Part of the Executive Office of the President, OMB reviews and approves FCC forms that are used by universal service contributors and universal service program participants, contributors, and service providers.
<b>Open Data</b>	Open Data sets are available for the E-Rate program including information about FCC Form 470, FCC Form 471, entities, and annexes.
<b>Operational SPIN Change</b>	A change to the SPIN featured on one or more FRNs made as a result of a change to the actual service provider.
<b>Payment Quality Assurance Program (PQA)</b>	A USAC program which assesses specific payments made to beneficiaries in all four programs to determine if these payments were made in accordance with FCC rules. Using results of these assessments, USAC calculates estimates of improper payment rates and provides this information to the FCC.

<b>Piggybacking</b>	<p>A piggyback clause in a contract allows an entity to use another eligible entity’s existing contract to purchase products and services in lieu of establishing its own contract. A piggyback clause is permissible for E-Rate purposes only if the following conditions are met:</p> <ul style="list-style-type: none"> <li>• It must be permissible under your state and local regulations,</li> <li>• The contract or RFP must allow for other entities to be added,</li> <li>• You must still post your own FCC Form 470, AND</li> <li>• You must conduct your own competitive bid evaluation and follow all applicable E-Rate competitive bidding requirements.</li> </ul> <p>To determine how to answer these questions in the contract records that you create in your EPC profile, review the following scenarios.</p> <p>State Master Contracts are not considered piggyback contracts, so if you are purchasing off a State Master Contract, answer no to both questions.</p> <p>If the contract that you cited in an FRN is between you and your service provider, and you allow other applicants to use that contract as well (subject to the conditions mentioned above), answer yes to the first question. If not, answer no.</p> <p>If the contract that you cited in an FRN was originally signed between another school district, library system, or private school and your service provider and you exercised the piggyback clause in that contract (as explained above), answer yes to the second question. If not, answer no.</p>
<b>Preparer</b>	The employee of company that filed an FCC Form 499-A/Q.
<b>Pricing Transparency</b>	Provides greater visibility into pricing and technology choices by applicants. Information and pricing regarding the specific services and equipment purchased by schools and libraries shall be publicly available on USAC’s website.
<b>Program Integrity Assurance (PIA)</b>	The compliance review process of FCC Forms 471 that must be completed before funding commitments are made by USAC.
<b>Public Notice (PN)</b>	A notice issued by the FCC to notify the public of an action taken, a change made, or an upcoming event.
<b>Quarterly Disbursement Report</b>	A report issued by USAC to the applicant detailing all invoicing activity (BEARs and SPIs) for all funding years that occurred during the previous quarter.
<b>Receipt Acknowledgement Letter (RAL)</b>	A RAL is issued by USAC to both the applicant and service provider to indicate that a filed FCC Form 471 has been certified before the close of the filing window.
<b>Recovery of Improperly Disbursed Funds (RIDF)</b>	An RIDF is required when there has been a COMAD but funds have already been disbursed in excess of the revised commitment amount.
<b>Red Light Rule</b>	A requirement that the FCC withhold action on an application, payment, and/or other requests for benefits when the universal service program participant is delinquent in non-tax debts owed to the FCC or other federal governmental agencies.
<b>Red Light Status</b>	An entity is considered in Red Light status when the Red Light Rule goes into effect (the entity is delinquent). USAC will not make any disbursements until the delinquency has been satisfied or payment arrangements are made.
<b>Remand</b>	Action taken by the FCC to return applications to USAC for further review.
<b>Request for Proposal (RFP)</b>	A form of solicitation for products or services that provides detailed information regarding those products or services and any additional details necessary for potential bidders to respond. Program applicants may issue RFPs in addition to filing the FCC Form 470.

<b>Revised Funding Commitment Decision Letter (RFCDL)</b>	A letter issued by USAC to applicants and service providers when changes to a funding commitment occur, usually as the result of a successful appeal.
<b>School of Library Official</b>	A person who occupies a position of authority for the applicant (typically a superintendent, assistant superintendent, principal, assistant principal, library director, assistant library director, county administrator, district administrator, or state education department or state library lead). Must be authorized to certify that the information provided in the FCC Form 498 is true, accurate, and complete. This role cannot be assigned to a consultant.
<b>Schools &amp; Libraries Program (SL)</b>	One of the four universal service programs administered by USAC.
<b>Selective Review</b>	A separate component of the Program Integrity Assurance (PIA) review process that follows up on certifications that applicants make on their FCC Forms 471 about the competitive bidding process and the necessary resources to make effective use of requested services.
<b>Selective Review Information Request (SRIR)</b>	The request for information sent to applicants when they have been chosen for Selective Review.
<b>Service End Date</b>	The date that services will end for an FRN. USAC may adjust this date if a program violation has been identified or a deadline is missed.
<b>Service Provider</b>	A company that participates in the Schools and Libraries Program and provides telecommunications or internet services, equipment, hardware, or software.
<b>Service Provider Identification Number (SPIN)</b>	A unique number that USAC assigns to each service provider once that service provider has submitted the FCC Form 498 to USAC.
<b>Service Start Date</b>	The date that services will start for an FRN. USAC may adjust this date if a program violation has been identified or a deadline is missed.
<b>Service Substitution</b>	A change in the products and/or services originally requested in an FRN.
<b>State Master Contract (SMC)</b>	A contract that is competitively bid and implemented by a state government which can be used by eligible entities within the state to procure products or services, or both.
<b>State Replacement Contract</b>	A state master contract, filed pursuant to a state-filed FCC Form 470, which can replace an existing state master contract that expires before the end of the upcoming funding year.
<b>Study Area Code (SAC)</b>	A unique number that USAC assigns to eligible telecommunication carriers that uniquely identifies that company based on its service area. Companies must have at least one SAC per state in which they operate but can have more than one SAC within a state if they have more than one service area.
<b>Telecommunications Carrier</b>	Common carrier, as defined by the FCC, is an entity that provides telecommunications service including inter exchange carriers, wireless carriers, and competitive local exchange carriers (also referred to as service providers).
<b>Universal Service</b>	Universal service is the principle that all Americans should have access to communications services. Universal service is also the name of a fund and the category of FCC programs and policies to implement this principle.
<b>Universal Service Administration Company (USAC)</b>	An independent, not-for-profit corporation created by the FCC in 1997 to administer the four universal service programs which help provide communities across the country with access to affordable telecommunications services.
<b>Universal Service Fund (USF)</b>	Money collected from telecommunications companies and dedicated to fulfilling the goals of universal service. Under the authority of the 1996 Telecom Act, the FCC created the USF as well as the Universal Service Administrative Company (USAC), the organization charged with administering universal service. Companies make contributions to universal service based on revenues from providing international and interstate telecommunications services.
<b>Urban / Rural Status</b>	Every school or library in the United States is located in either a rural or an urban area, based on U.S. Census data.
<b>Wave</b>	This term is used for a group of funding commitment notifications that USAC issues to applicants and service providers on a given date. Waves are usually issued weekly.
<b>Whistle Blower Alert / "Code 9 Call"</b>	This hotline allows members of the public to report suspected violations of program rules to USAC. These reports can be made anonymously and toll free by calling (888) 203-8100 – Option 9.

**Wide Area Network (WAN)**

A data\* network that provides connections from within an eligible school or library to other locations beyond the school or library.

\*The voice and video components of a WAN are not eligible for E-Rate discounts.