

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of
Modernizing the E-Rate Program for
Schools and Libraries
WC Docket No. 13-184

ORDER

Adopted: October 25, 2024

Released: October 25, 2024

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, the Wireline Competition Bureau (Bureau) adopts the final eligible services list for funding year 2025 for the schools and libraries universal service support program (more commonly referred to as the E-Rate program). Specifically, based on the record before us, we adopt the eligible services list for funding year 2025 as proposed in the Bureau's Funding Year 2025 Eligible Services List Public Notice. We also release the final eligible services list for funding year 2025 and authorize the Universal Service Administrative Company (USAC) to open the annual FCC Form 471 application filing window no earlier than 60 days after the release of this Order.

II. FUNDING YEAR 2025 ELIGIBLE SERVICES LIST

A. Background

2. Sections 254(c)(1), (c)(3), (h)(1)(B), and (h)(2) of the Communications Act of 1934, as amended, collectively grant the Commission authority to specify the services that will be supported for eligible schools and libraries and to design the specific mechanisms for support. Pursuant to this authority, the Commission delegated responsibility to the Bureau to annually seek public comment on the proposed eligible services list.

3. In the Funding Year 2025 Eligible Services List Public Notice, we proposed a set of revisions to the draft the eligible services list to reflect recent changes adopted by the Commission in its

1 The Bureau annually updates the eligible services list, which specifies the services and products that are eligible for E-Rate support each year. See 47 CFR § 54.502(a) ("All supported services are listed in the Eligible Services List as updated annually . . ."); see also 47 CFR § 54.502(f) (detailing the procedures for seeking comment on the draft eligible services list).

2 Wireline Competition Bureau Seeks Comment on Proposed Eligible Services List for the E-Rate Program, WC Docket No. 13-184, Public Notice, DA 24-743 (WCB 2024) (Funding Year 2025 Eligible Services List Public Notice).

3 See infra Appendix B; 47 CFR § 54.502(f) (requiring the final eligible services list to be released at least 60 days prior to the opening of the application filing window).

4 47 U.S.C. §§ 254(c)(1), (c)(3), (h)(1)(B), (h)(2).

5 See 47 CFR § 54.502(f).

*Wi-Fi Hotspot Report and Order*.<sup>6</sup> The proposed revisions included revising the description of Category One “wireless” service and making several clarifications in Eligibility Explanations section.<sup>7</sup> We sought comment on the proposed revisions and on the draft eligible services list for funding year 2025.<sup>8</sup> The comment cycle for the *Funding Year 2025 Eligible Services List Public Notice* closed on September 16, 2024.<sup>9</sup> During the comment cycle, we received five comments and five reply comments.<sup>10</sup>

## B. Discussion

4. Having considered the record, we adopt the final eligible services list for funding year 2025, attached as Appendix B to this Order.<sup>11</sup> The final eligible service list adopts the draft eligible services list for funding year 2025 list with the addition of a new note for Category One services.<sup>12</sup> Specifically, we revise the description of “wireless” service under Category One to read “Wireless (e.g., fixed wireless; microwave; mobile service for use on school buses; or mobile service for use with Wi-Fi hotspots).”<sup>13</sup> We add a new note that basic technical support, software upgrades, bug fixes, and security patches are eligible for school bus Wi-Fi network equipment as requested by Los Angeles Unified School District (Los Angeles Unified).<sup>14</sup> We also amend the explanation of “Wireless services and wireless Internet access” to note the eligibility of off-premises use of Wi-Fi hotspots and mobile wireless Internet services.<sup>15</sup> We clarify the eligibility of off-campus wireless service on a school bus.<sup>16</sup> We also clarify the requirement of cost allocation of certain off-campus use of E-Rate-funded services and explain that the cost-effectiveness test for data plans and air cards applies only to on-campus use.<sup>17</sup>

5. We remind applicants that the eligible services list process “is limited to determining what services are eligible under the Commission’s current rules and is generally not intended to be a vehicle for changing any eligibility rules.”<sup>18</sup> Accordingly, we decline to address Los Angeles Unified’s request that we expand the E-Rate program’s eligibility to include mobile services for off-premises use

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<sup>6</sup> See *Funding Year 2025 Eligible Services List Public Notice* at 1-2 (citing *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31, Report and Order and Further Notice of Proposed Rulemaking, FCC 24-76, 2024 WL 3617369 (FCC rel. July 29, 2024) (*Wi-Fi Hotspots Report and Order*)).

<sup>7</sup> *Funding Year 2025 Eligible Services List Public Notice* at 1.

<sup>8</sup> See *id.* at 2.

<sup>9</sup> *Id.* at 1.

<sup>10</sup> *Infra*, Appendix A (identifying the commenters and the acronyms used herein to refer to the commenters). Maurine and Matthew Molak filed their comments after the applicable deadline, and we will treat their submission as an *ex parte*.

<sup>11</sup> *Infra*, Appendix B.

<sup>12</sup> *Funding Year 2025 Eligible Services List Public Notice* at 4-8 (providing the draft eligible services list for funding year 2025).

<sup>13</sup> See *infra*, Appendix B, at 7.

<sup>14</sup> See *id.* See also Los Angeles Unified Comments at 2.

<sup>15</sup> See *infra*, Appendix B, at 7.

<sup>16</sup> See *id.*

<sup>17</sup> See *id.* at 11.

<sup>18</sup> See, e.g., *Comment Sought on Draft Eligible Services List for Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Public Notice, 24 FCC Rcd 7422, 7423 (WCB 2009); *Wireline Competition Bureau Seeks Comment on Draft Eligible Services List for Schools and Libraries Universal Service Program*, CC Docket No. 02-6, Public Notice, 26 FCC Rcd 8714, 8718 (WCB 2011); *In the Matter of Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for our Future*, CC Docket No. 02-6, Order, 28 FCC Rcd 14583, 14588, para. 13 & n.37 (WCB 2013).

when the service is not delivered to a Wi-Fi hotspot device (e.g., when the service is delivered directly to a Wi-Fi-enabled Chromebook) and the Molaks' request that we not update the FY 2025 Eligible Service List to include wireless service for use with Wi-Fi hotspots as outside the scope of this proceeding.<sup>19</sup> We also decline to address requests from Los Angeles Unified and SECA that we make advanced or next generation firewall services eligible as E-Rate Category Two services<sup>20</sup> and SECA's request that we "encourage[]" certain E-Rate program applicants to purchase advanced firewalls using their E-Rate Category Two funds.<sup>21</sup> In declining to address these requests, we note that E-Rate's eligibility rules for basic firewall services are unchanged for funding year 2025.<sup>22</sup> While we decline to address these requests in the current proceeding, we note that the Commission is studying the use of Universal Service Fund (USF) support for the purchase of cybersecurity services and equipment, in its separate Schools and Libraries Cybersecurity Pilot (Pilot) program.<sup>23</sup> Given the ongoing Pilot program, we also decline to

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<sup>19</sup> See Los Angeles Unified Comments at 2; Letter from Maurine and Matthew Molak, to Marlene H Dortch, Secretary, FCC, WC Docket No. 13-184 (Oct. 8, 2024). Los Angeles Unified and the Molaks' requests are both outside the scope of this proceeding and are part of a separate open proceeding. See, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-84, Order, 30 FCC Rcd 9923, 9931, para. 23 (WCB 2015) (declining to address requested changes to the eligible services list due to the complexity of the issues and being outside the scope of the proceeding); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Order, 31 FCC Rcd 9767, 9769, para. 8 (WCB 2016) (same); see also *Petition for Reconsideration of Action in Proceeding*, Rep. No. 3215, Public Notice, 2024 WL 3665311 (FCC rel. Aug. 2, 2024) (seeking comment on the Molaks' Petition for Reconsideration in the *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31 proceeding); *Petitions for Reconsideration of Action in Proceeding*, Rep. No. 3219, 2024 WL 4330056 (FCC rel. Sep. 24, 2024) (seeking comment on Los Angeles Unified's Petition for Reconsideration in the *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31 proceeding).

<sup>20</sup> Los Angeles Unified Comments at 1-2; SECA Comments at 2, 4. The Commission has previously declined to make advanced and next-generation firewall features eligible for E-Rate support. See, e.g., *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for Our Future*, CC Docket No. 02-6, GN Docket No. 09-51, Sixth Report and Order 25 FCC Rcd 18762, 18808-09, para. 105 (2010) (*Sixth Report and Order*) (continuing to fund basic firewall protection but declining to extend E-Rate support to anti-virus and anti-spam software, intrusion protection and intrusion protection. The Commission declined to extend E-Rate support beyond basic firewall protection that is included as part of an Internet access service explaining that it "must balance the benefits of such protections with the costs of augmenting our list of support services" and determining that the financial impact on the USF weighs against funding these services); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8870, 8917-18, paras. 120-121 (2014) (finding that basic firewall services are an eligible Category Two service and allowing separately priced basic firewall services and components to be eligible for funding, but declining to designate other network security services such as intrusion protection/detection, malware, etc. as eligible Category Two services); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order, 34 FCC Rcd 11219, 11236-37, para. 46 & n.123 (2019) (declining to make advanced and next generation firewalls eligible for E-Rate Category Two support).

<sup>21</sup> SECA Comments at 2, 4. In declining to address this request, we note that it is both outside the scope of the current proceeding and premised on an incorrect view that advanced firewalls are eligible in the E-Rate program under Category Two services. They are not. See *supra* note 20.

<sup>22</sup> Basic firewall service is eligible in E-Rate as a Category One service if the firewall service is provided as part of the vendor's Internet access service and separately-priced basic firewall services and components are eligible as a Category Two service subject to the applicants' five-year Category Two budget. See, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Order, DA 22-1313, 37 FCC Rcd 14615, 14622, 14625 (WCB Dec. 14, 2022) (*FY 2023 ESL Order*).

<sup>23</sup> See *Schools and Libraries Cybersecurity Pilot Program*, WC Docket No. 23-234, Report and Order, FCC 24-63, 2024 WL 3010578 (WCB June 11, 2024) (*Cybersecurity Pilot Program Report and Order*). We confirm that E-Rate's eligibility criteria for basic firewalls remain unchanged in view of the Pilot program's separate eligibility criteria for funding of advanced and next-generation firewall equipment and services. See SECA Comments at 3-4 (citing *Cybersecurity Pilot Program Report and Order*, Appendix B (identifying eligible equipment and services for

(continued....)

address SECA's request that we "expressly expand the definition" of basic firewalls in E-Rate to include additional features.<sup>24</sup>

6. A number of commenters additionally request that we state, or otherwise clarify, that standalone domain name system (DNS) and dynamic host configuration protocol (DHCP) services are E-Rate eligible, either as Category Two services,<sup>25</sup> as both Category One and Category Two services,<sup>26</sup> or without specifying a proposed categorization.<sup>27</sup> We decline to implement these requests to the extent that they alter existing E-Rate eligibility rules and confirm that the eligibility of DNS and DHCP is unchanged for funding year 2025.<sup>28</sup> DNS and DHCP are eligible as Category One services "when these features are provided as a standard component of a vendor's Internet access service."<sup>29</sup> There is no change in the eligibility treatment of these services for funding year 2025.

### III. ORDERING CLAUSES

7. ACCORDINGLY, IT IS ORDERED, that pursuant to the authority contained in sections 1 through 4, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 254, 303(r), and 403, sections 0.91 and 54.502 of the Commission's rules, 47 CFR §§ 0.91 and 54.502, this Order IS ADOPTED.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader  
Chief  
Wireline Competition Bureau

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the Pilot program) and questioning whether the Pilot proceeding implicitly disturbs or modifies the set of equipment and services that have traditionally been eligible in E-Rate).

<sup>24</sup> SECA Comments at 4.

<sup>25</sup> FFL Comments at 1-2; FFL Reply Comments at 1; Carahsoft Reply Comments.

<sup>26</sup> Infoblox Comments at 1; ePlus Comments; Cybersecurity Coalition Comments at 2.

<sup>27</sup> Netsync Comments.

<sup>28</sup> See *infra*, Appendix B, at 11 (addressing the eligibility of "domain name service" and "dynamic host configuration" when these features are provided as a standard component of a vendor's Internet access service).

<sup>29</sup> *Id.*

**APPENDIX A****List of Commenters****Comments and Reply Comments in Response to the  
*Funding Year 2025 Eligible Services List Public Notice*****WC Docket No. 13-184****Commenters**

1. California Public Utilities Commission (CPUC)
2. Funds For Learning, LLC (FFL)
3. Infoblox Inc. (Infoblox)
4. Los Angeles Unified School District (Los Angeles Unified)
5. State E-rate Coordinators Alliance (SECA)

**Reply Commenters**

1. Carahsoft Technology Corp. (Carahsoft)
2. Cybersecurity Coalition
3. FFL
4. Joe Mauck/ePlus (ePlus)
5. Netsync Network Solutions (Netsync)

**Ex Partes or Late Filed Comments**

1. Cybersecurity Coalition
2. FFL
3. Maurine and Matthew Molak

**APPENDIX B****Eligible Services List for Funding Year 2025  
Schools and Libraries Universal Service Support Mechanism****WC Docket No. 13-184**

The Federal Communications Commission's (FCC) rules provide that all services that are eligible to receive discounts under the Schools and Libraries Universal Service Support Mechanism (otherwise known as the E-Rate program or E-Rate) are listed in this Eligible Services List (ESL). 47 CFR § 54.502(a). The E-Rate program is administered by the Universal Service Administrative Company (USAC). 47 CFR § 54.5. Eligible schools and libraries may seek E-Rate support for eligible Category One telecommunications services, telecommunications, and Internet access, and Category Two internal connections, basic maintenance, and managed internal broadband services as identified herein. 47 CFR §§ 54.500 *et seq.*

Additional guidance from USAC about the E-Rate application process and about eligible services, including a glossary of terms, is available at USAC's website at <https://www.usac.org/erate/applicantprocess/before-you-begin/eligible-services-list/>. The documents on USAC's website are not incorporated by reference into the ESL and do not bind the Commission. Thus, they will not be used to determine whether a service or product is eligible. Applicants and service providers may refer to those documents, but they should do so only for informal guidance. This ESL applies to funding requests for Funding Year (FY) 2025.

**Category One**

The first category of supported services, Category One, includes the services needed to support broadband connectivity to schools and libraries. Eligible Category One services are listed in the entries for data transmission and/or Internet access. This category consists of the services that provide broadband to eligible locations including data links that connect multiple points, services used to connect eligible locations to the Internet, and services that provide basic conduit access to the Internet. With the exception of leased dark fiber and self-provisioned broadband networks, maintenance and technical support appropriate to maintain reliable operation are only eligible for support when provided as a component of these services.

### Data Transmission and/or Internet Access

Data transmission and/or Internet access services are eligible in Category One. These services include:

- Asynchronous Transfer Mode (ATM)
- Broadband over Power Lines
- Cable Modem
- Digital Subscriber Line (DSL)
- DS-1 (T-1), DS-3 (T-3), and Fractional T-1 or T-3
- Ethernet
- Integrated Services Digital Network (ISDN)  
*Note:* Dedicated voice channels on an ISDN circuit are no longer eligible.
- Leased Lit Fiber
- Leased Dark Fiber (including dark fiber indefeasible rights of use (IRUs) for a set term)
- Self-Provisioned Broadband Networks (applicant owned and operated networks)
- Frame Relay
- Multi-Protocol Label Switching (MPLS)
- OC-1, OC-3, OC-12, OC-n
- Satellite
- Switched Multimegabit Data Service
- Telephone dial-up
- Wireless (e.g., fixed wireless; microwave; mobile service for use on school buses; or mobile service for use with Wi-Fi hotspots)

*Notes:*

- (1) Eligible costs include monthly charges, special construction, installation and activation charges, software, modulating electronics and other equipment necessary to make a Category One wired or wireless broadband service functional (“Network Equipment”), and maintenance and operation charges, including costs for software needed for the operation of or maintenance of Network Equipment. Network Equipment and maintenance and operation costs for existing networks are eligible. All equipment and services, including maintenance and operation, must be competitively bid.
- (2) Applicants that seek bids for leased dark fiber must also seek bids for leased lit fiber service and fully consider all responsive bids. Similarly, applicants that seek bids for self-provisioned broadband networks must also seek bids for the needed connectivity via services provided over third-party networks, and fully consider all responsive bids.
- (3) Applicants may seek special construction funding for the upfront, non-recurring costs for the deployment of new or upgraded facilities. The eligible components of special construction are construction of network facilities, design and engineering, and project management.
- (4) Staff salaries and labor costs for personnel of the applicant or underlying beneficiary are not E-Rate eligible.
- (5) Consulting services that are not related to the installation and configuration of the eligible components are not eligible. These include services related to application assistance, program advice, and other activities not tied directly to actual installation and initial configuration of components.
- (6) Basic technical support (i.e., software updates including bug fixes and security patches, and remote technical support) appropriate to maintain reliable operation of school bus network equipment is eligible for support.

## Category Two

The second category of equipment and services eligible for E-Rate support, Category Two, includes the internal connections needed for broadband connectivity within schools and libraries. Support is limited to the internal connections necessary to bring broadband into, and provide it throughout, schools and libraries. These are broadband connections used for educational purposes within, between, or among instructional buildings that comprise a school campus (as defined below in the section titled “Eligibility Explanations for Certain Category One and Category Two Services”) or library branch, and basic maintenance of these connections, as well as services that manage and operate owned or leased broadband internal connections (e.g., managed internal broadband services or managed Wi-Fi). Category Two support is subject to district- or library system-wide budgets as set forth in 47 CFR § 54.502. The eligible components and services in Category Two are:

### Eligible Broadband Internal Connections

- Antennas, connectors, and related components used for internal broadband connections
- Cabling
- Caching
- Firewall services and firewall components separate from basic firewall protection provided as a standard component of a vendor’s Internet access service
- Racks
- Routers
- Switches
- Uninterruptible power supply (UPS)/battery backup
- Access points used in a local area network (LAN) or wireless local area network (WLAN) environment (such as wireless access points)
- Wireless controller systems
- Software supporting the components on this list used to distribute high-speed broadband throughout school buildings and libraries (applicants should request software in the same category as the associated service being obtained or installed)

#### *Notes:*

- (1) Functionalities listed above that can be virtualized in the cloud, and equipment that combines eligible functionalities, like routing and switching, are also eligible.
- (2) A manufacturer’s multi-year warranty for a period up to three years that is provided as an integral part of an eligible component, without a separately identifiable cost, may be included in the cost of the component.
- (3) Caching is defined as a method that stores recently accessed information. Caching stores information locally so that the information is accessible more quickly than if transmitted across a network from a distance. A caching service or equipment that provides caching, including servers necessary for the provision of caching, is eligible for funding.
- (4) Applicants may request both equipment and the software necessary to use the equipment on the FCC Form 470, or request just the equipment on the FCC Form 470, and still receive support for both the equipment and the software necessary to use the equipment (e.g., right-to-use software or client access licenses) by requesting the equipment and software either together or separately on the FCC Form 471. However, software upgrades and patches, including bug fixes and security patches, are considered basic maintenance of internal connections, and as such, applicants should seek bids for basic maintenance of internal connections if they intend to request funding for these services.



### **Eligible Managed Internal Broadband Services**

- Services provided by a third party for the operation, management, and monitoring of eligible broadband internal connections are eligible managed internal broadband services (e.g., managed Wi-Fi).
- 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. Eligible expenses include the management and operation of the LAN/WLAN, including installation, activation, and initial configuration of eligible components and on-site training on the use of eligible equipment.
- In some eligible managed internal broadband services models, the third-party manager owns and installs the equipment and school and library applicants lease the equipment as part of the managed services contract. In other cases, the school or library may own the equipment, but have a third party manage the equipment for it.

### **Basic Maintenance of Eligible Broadband Internal Connections**

E-Rate support is available for basic maintenance and technical support appropriate to maintain reliable operation when provided for eligible broadband internal connections.

The following basic maintenance services are eligible:

- Repair and upkeep of eligible hardware.
- Wire and cable maintenance.
- Configuration changes.
- Basic technical support including online and telephone-based technical support.
- Software upgrades and patches including bug fixes and security patches.

### **Eligibility Limitations for Category Two Services**

**Eligibility limitations for managed internal broadband services** – The equipment eligible for support as part of a managed internal broadband service may include only equipment listed above as broadband internal connections. Upfront charges that are part of a managed service contract are eligible for E-Rate support except to the extent that the upfront charges are for any ineligible internal connections (e.g., servers other than those that are necessary to provide caching), which, if included in the contract, must be cost allocated out of any funding request.

**Eligibility limitations for basic maintenance** – Basic maintenance is eligible for support only if it is a component of a maintenance agreement or contract for eligible broadband internal connections. The agreement or contract must specifically identify the eligible internal connections covered, including product name, model number, and location. Support for basic maintenance will be paid for the actual work performed under the agreement or contract. Support for bug fixes, security patches, and technical support is not subject to this limitation.

Basic maintenance does not include:

- Services that maintain ineligible equipment
- Upfront estimates that cover the full cost of every piece of eligible equipment
- Services that enhance the utility of equipment beyond the transport of information, or diagnostic services in excess of those necessary to maintain the equipment's ability to transport information
- Network management services, including 24-hour network monitoring
- On-site technical support (i.e., contractor duty station at the applicant site), unless applicants present sufficient evidence of cost-effectiveness
- Unbundled warranties

### Eligibility Explanations for Certain Category One and Category Two Services

**National Security Supply Chain Restrictions** – Equipment or services produced or provided by a company that the FCC has designated as a national security threat to the integrity of communications networks or the communications supply chain are not eligible for E-Rate support. 47 CFR § 54.9(a). In addition, participants are prohibited from using E-Rate support to purchase, rent, lease, or otherwise obtain any covered communications equipment or service, or maintain any covered communications equipment or service previously purchased, rented, leased, or otherwise obtained. 47 CFR § 54.10. A list of covered communications equipment and services can be found on the FCC’s website at <https://www.fcc.gov/supplychain/coveredlist> and will be updated to reflect any future determinations.

**Internet access/ISP service** – Eligible Internet access services may include features such as basic firewall protection, domain name service, and dynamic host configuration when these features are provided as a standard component of a vendor’s Internet access service. Firewall protection that is provided by a vendor other than the Internet access service provider or priced out separately will be considered a Category Two internal connections component. Examples of items that are ineligible components of Internet access services include applications, content, e-mail, and end-user devices and equipment such as computers, laptops, and tablets.

**Wireless services and wireless Internet access** – In accordance with the *Wi-Fi Hotspot Report and Order* (FCC 24-76), the off-campus use of Wi-Fi hotspots and mobile wireless Internet services is eligible for E-Rate support. Wi-Fi hotspots that are portable and a single device (i.e., not a set of linked devices) are eligible as Network Equipment as indicated in Note (1) under Category One.

As clarified in the *Wi-Fi on School Buses Declaratory Ruling* (FCC 23-84), the off-campus use of wireless service and the equipment needed to make this wireless service for school buses functional (e.g., antennas, routers, modems) is eligible for E-Rate support.

Outside of these delineated exceptions, in general, off-campus use of E-Rate-funded services even if used for an educational purpose, is ineligible for support, and must be cost-allocated out of any funding request.

In order for data plans and air cards for mobile devices for use on-campus (e.g., a bookmobile in a state where it is eligible for support as a library) to be eligible, the school or library seeking support must demonstrate that the individual data plans are the most cost-effective option for providing internal broadband access for mobile devices at schools and libraries. Applicants should compare the cost of data plans or air cards for mobile devices to the total cost of all components necessary to deliver connectivity to the end user device, including the cost of data transmission and/or Internet access to the school or library. Seeking support for data plans or air cards for mobile devices for use in a school or library with an existing broadband connection and WLAN implicates the E-Rate program’s prohibition on requests for duplicative services.

Managed internal broadband services, such as managed Wi-Fi, are eligible only for Category Two support.

**Connections between buildings of a single school** – The classification of connections between multiple buildings of a single school is determined by whether the buildings are located on the same campus. A “campus” is defined as the geographically contiguous grounds where the instructional buildings of a single eligible school are located. A single school may have multiple campuses if it has instructional buildings located on grounds that are not geographically contiguous. Different schools located on the same grounds do not comprise a single campus. The portion of the grounds occupied by the instructional buildings for each school is a campus for that school.

- Connections between buildings on different campuses of a single school are considered to be Category One data transmission services.
- Connections between different schools with campuses located on the same property (e.g., an elementary school and middle school located on the same property) are considered to be Category One data transmission services, unless they share the same building.
- Connections between buildings of a single school on the same campus are considered to be Category Two internal connections.

**Network equipment with mixed eligibility** – On-premises equipment that connects to a Category Two eligible LAN is eligible for Category One support if it is necessary to make a Category One broadband service functional. If the price for components that enable the LAN can be isolated from the price of the components that enable the Category One service, those costs should be cost-allocated out of the Category One funding request.

### Miscellaneous

As described below, various miscellaneous services associated with Category One or Category Two are eligible for support. Applicants should request eligible miscellaneous services in the same category as the associated service being obtained or installed.

#### Fees

Fees and charges that are a necessary component of an eligible product or service are eligible, including:

- Change fees
- Contingency fees are eligible if they are reasonable and a regular business practice of the service provider. Contingency fees will be reimbursed only if the work is performed.
- Freight assurance fees
- Lease or rental fees on eligible equipment
- Per diem and/or travel time costs are eligible only if a contract with a vendor for the eligible product or services specifically provides for these costs
- Shipping charges
- Taxes, surcharges, and other similar, reasonable charges incurred in obtaining an eligible product or service are eligible. These types of charges include customer charges for universal service fees, but do not include additional charges for universal service administration.

**Installation, Activation, and Initial Configuration**

Installation, activation, and initial configuration of eligible components are eligible. These services may include:

- Design and engineering costs if these services are provided as an integral component of the installation of the relevant services
- Project management costs if these services are provided as an integral component of the installation of the relevant services
- On-site training is eligible as a part of installation services but only if it is basic instruction on the use of eligible equipment, directly associated with equipment installation, and is part of the contract or agreement for the equipment. Training must occur coincidentally or within a reasonable time after installation.