



E-RATE FUNDING FOR YOUR SCHOOLS

Since 1998, the federal E-Rate program provides discounts to assist most schools and libraries in the United States to obtain affordable telecommunications and Internet access. The E-Rate program is administered by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company, a not for-profit corporation overseen by the Federal Communications Commission (FCC).

ENTERASYS AND E-RATE: WHAT IS ELIGIBLE & WHAT IS NOT?

E-Rate: What is Eligible?

- “All wiring and components that expand data access within a school or library”.
- LAN Switching: A, B, C, D, G, I Series Products and associated stack cables, gbics, console cables.
- LAN Routing: K, S Series Products and associated power supplies and gbics.
- Wireless Products: Controllers, Licensing, AP's, Antenna's, Cables, LPM's, Power Injectors. Funding requests can be approved for multiple controllers (configured in active/active model), - be sure to spec your licensing properly.
- Supportnet: ES-SN-TS-Sxx includes 24X7 phone, web support and access to firmware updates. E-Rate does not cover the cost of replacement hardware support. To adhere to this challenge, ES-NBD-RMA-xx is an option for per incident hardware replacement on non LLW equipment. Alternatively, E-Rate only customers have the option to upgrade their ES-SN-TS-Sxx to ES-ERATE-UPG-Sxx. This is a non-E-Rate eligible out-of-pocket expense, but an economical way to achieve NBD replacement parts.

E-Rate: What is Ineligible?

- “All components not directly used in an active process of providing data connectivity within school or library confines”.
- Network Management Suite (NMS): All NMS options.
- LAN Switching: Spare switches.
- LAN Routing: DR Site Chassis and Redundant Chassis along with associated components (if not configured in an active/active model). If using VRF in Active/Active mode, a DR Site Chassis would become eligible.
- Supportnet: ES-SN-RTF-xx, ES-SN-xx and any premium level of support which includes onsite engineering or hardware replacement
- Dragon Products: All
- NAC: If used for assessment, all NAC components and associated software is not eligible. (An exception is the use of Authentication Gateway positioned as a 100% authentication tool with no assessment licenses.)

HOW DOES THE PROGRAM WORK?

Schools and Libraries receive E-Rate discounts based on an application process as follows:

1. **Preparation of a Technology Plan.** The plan can cover up to a three-year period and should describe a complete, concrete vision of your technology future. The plan must include four elements (assessment, goals & objectives, professional development & evaluation) and must be approved by an authorized technology plan approver by July 1st of the funding year. Required for Internal Connections & Basic Maintenance Services.
2. **Competitive Bidding Process.** Filing of FCC Form 470 starts the mandatory 28-day period for accepting proposals based on the applicant's (school/library) request for proposal (RFP).
3. **FCC Form 471.** “Services Ordered and Certification” form. USAC announces due date (in March last year) for discounts beginning in July. This is the actual request for funding. 471 Forms received by SLD after the filing deadline are designated as “Out of Window.”
4. **Funding Commitment Decision Letter (FCDL).** USAC issues the FCDL
5. **FCC Form 486.** “Receipt of Service Confirmation Form.” Notifies USAC that services have started. Also certifies to USAC that a technology plan has been approved and the applicant is in compliance with the Children's Internet Protection Act (CIPA). Consortiums certify receipt of Forms 479 (certification of compliance with CIPA) from their members.

Measure by % of students eligible for the National School Lunch Program	URBAN LOCATION Discount	RURAL LOCATION Discount
If the % of students in your school that qualifies for the National School Lunch Program is...	...and you are in an URBAN area, your discount will be...	...and you are in a RURAL area, your discount will be...
Less than 1%	20%	25%
1% to 19%	40%	50%
20% to 34%	50%	60%
35% to 49%	60%	70%
50% to 74%	80%	80%
75% to 100%	90%	90%

ENTERASYS E-RATE SUPPORT

Enterasys offers a wide range of services to help you navigate the E-Rate programs complex requirements:

- Answering general questions about the program, including required forms, required certifications, deadlines, and timing.
- Assisting with specific, detailed questions on Enterasys product eligibility and Item 21 preparation.
- Providing useful resources, including general, educational Webinars and links to contacts and helpful organizations.

PROGRAM CHANGES

The FCC released the [Sixth Report & Order \("6R&O"\)](#) in September, 2010 to upgrade and modernize the E-Rate program. Some of the highlights from the program include but are not limited to the items listed below.

- Lease of Dark Fiber-eligible from any provider with restrictions.
- Community Use of School's E-Rate services after hours.
- Funding for certain residential facilities of schools that service populations facing unique challenges.
- Indexing the funding cap to inflation. Starting with FY2010 the cap will be increased based on the Dept. of Commerce GDP.
- E-Rate Deployed Ubiquitously (EDU) 2011 pilot program to support off-premise wireless device connectivity.
- Technology Plans—no longer required for telecommunications and Internet Access Services (although still required by most states). Removed budget as a required element.
- Competitive Bidding Process-codifies fair and open process and bidding violations.
- Gifts-Prohibits gifts from service providers and potential service providers. Provides minimal exceptions.
- SPIN Changes—allowed only if legitimate reason to change such as breach of contract or unable to perform and must select provider with next highest point value.
- Eligible Services—various clarifications. Leased Dark fiber eligible, Web hosting eligible, wireless Internet applications not eligible, Anti-virus and Anti-spam software plus enhanced firewalls not eligible, unbundled warranties not eligible.
- Disposal of equipment—new guidelines for disposal five years after installation date including permission to resell.

Rule Highlights

Transferability – E-Rate equipment must be used at the particular location, for the specified purpose for a period of three years. Equipment may be transferred after 3 years (exception if school/library is closed) and disposed or sold after 5 years.

2 IN 5 Rule – (Internal Connections) – Each school can receive discounts for internal connections no more than twice every five years. This rule does not apply to maintenance.

Asset Register – Recipients of E-Rate funding for internal connections must maintain asset and inventory records of equipment purchased with E-Rate discounts sufficient to verify the actual location of the equipment for a period of five years after purchase.

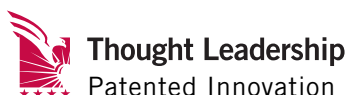
Basic Maintenance – must be used by June 30 of the funding year and is not eligible for extensions.

Filing Window

The Schools and Libraries Division of USAC treats all schools filing for discounts within the yearly filing window as if they all filed at the same time, in order to give every school and library the same opportunity to apply for needed services. This window falls approximately between mid-November and mid-February. Due to the high volume of last-minute applicants, preparation for filing should begin as early as possible within the filing window.

Contact Us

For more information, call Enterasys Networks toll free at **1-877-801-7082**, or +1-978-684-1000 and visit us on the Web at enterasys.com



© 2011 Enterasys Networks, Inc. All rights reserved. Enterasys Networks reserves the right to change specifications without notice. Please contact your representative to confirm current specifications. Please visit <http://www.enterasys.com/company/trademarks.aspx> for trademark information.

09/11



Delivering on our promises. On-time. On-budget.