ORDER

Adopted: December 17, 2021
Released: December 17, 2021

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 2022 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 proposals set forth in the Bureau’s Public Notice seeking comment on the proposed eligible services list for funding year 2022. In addition, we release the eligible services list for funding year 2022 and authorize the Universal Service Administrative Company (USAC) to open the annual FCC Form 471 application filing window within 60 days after the release of this Order. In doing so, we find good cause to waive the requirement in section 54.502(e) of the Commission’s rules that the final eligible services list be released at least 60 days prior to the opening of the application filing window to ensure that the funding year 2022 filing window is opened with enough time for applicants to submit and USAC to process funding year 2022 FCC Form 471 applications.

II. FUNDING YEAR 2022 ELIGIBLE SERVICES LIST

A. Background

2. Sections 254(c)(1), (c)(3), (h)(1)(B), and (h)(2) of the Communications Act 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

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1 The Bureau annually updates the eligible services list, which specifies the services and products that are eligible for E-Rate funding each funding year. See 47 CFR § 54.502(a) (“All supported services are listed in the Eligible Services List as updated annually in accordance with paragraph (d) of this section.”); see also 47 CFR § 54.502(e) (detailing the procedures for seeking comment on the draft eligible services list).


3 See Schools and Libraries Universal Service Support Mechanism, Eligible Services List for Funding Year 2022 (FY 2022 Eligible Services List), Appendix B, below. 47 CFR § 54.502(e) (requiring the final eligible services list to be released at least 60 days prior to the opening of the application filing window).

4 47 CFR § 54.502(e).

5 47 U.S.C. §§ 254(c)(1), (c)(3), (h)(1)(B), (h)(2).
delegated responsibility to the Bureau to annually seek public comment on the proposed eligible services list.⁶

3. In the Funding Year 2022 Eligible Services List Public Notice, we sought comment on the proposed eligible services list for funding year 2022.⁷ In this regard, we identified two changes made between the funding year 2021 eligible services list and the proposed funding year 2022 eligible services list. First, under the “Eligible Broadband Internal Connections” section, we proposed adding a note for supporting software with language clarifying that 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 471.⁸ Second, on December 10, 2020, the Federal Communications Commission adopted the 2020 Supply Chain Second Report and Order, enacting rules to implement the Secure and Trusted Communications Networks Act.⁹ In accord with section 54.10 of the Commission’s rules, E-Rate 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.¹⁰ A list of covered equipment and services was posted on the Commission’s website on March 12, 2021, and will be updated to reflect any future determinations.¹¹ In the proposed funding year 2022 eligible services list, we added a note under the “Eligibility Explanations for Certain Category One and Category Two Services” section guiding applicants to this list of covered equipment and services.¹² The comment cycle for the Funding Year 2022 Eligible Services List Public Notice closed on October 12, 2021.¹³

B. Discussion

4. As an initial matter, we waive the requirement in section 54.502(e) of the Commission’s rules that the eligible services list be released at least 60 days prior to the opening of the application filing window.¹⁴ Section 1.3 of the Commission’s rules allows the Commission to waive a rule on its own motion for good cause shown.¹⁵ To ensure that the FCC Form 471 application filing window opens with

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⁶ See 47 CFR § 54.502(e).
⁷ Funding Year 2022 Eligible Services List Public Notice at 1.
⁸ See Modernizing the E-Rate Program for Schools and Libraries, WC Docket No. 13-184, Order, 33 FCC Rcd 11219, 11221, para. 7 (2018); see also Appendix B at 8.
⁹ See 47 CFR § 54.10; Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs, Second Report and Order, 35 FCC Rcd 14284, 14287, para. 4 (2020); Secure and Trusted Communications Networks Act, 47 U.S.C. §§ 1601-1609 (Secure Networks Act).
¹⁰ 47 CFR § 54.10.
¹² See Appendix B at 11.
¹³ Funding Year 2022 Eligible Services List Public Notice at 1. The Bureau received seventeen comments and seven reply comments in response to the Funding Year 2022 Eligible Services List Public Notice. Appendix A contains a list of the commenters and the acronyms, if any, used herein to refer to these commenters.
¹⁴ See 47 CFR § 54.502(e).
¹⁵ See 47 CFR § 1.3. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. Northeast Cellular Telephone Co. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (Northeast Cellular). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. Id.
enough time to allow applicants to submit and USAC to process applications for funding year 2022, we find a waiver of our rule is appropriate and in the public interest. In waiving our rule, we are particularly cognizant of the need to ensure both applicants and USAC have as much time as they had last year to submit and process applications in light of the ongoing challenges and disruptions caused by the coronavirus (COVID-19) pandemic. We therefore find special circumstances to waive section 54.502(e).

5. Next, having considered the record, we update the eligible services list for funding year 2022, which is attached as Appendix B to this Order, by adopting the two changes proposed in the Funding Year 2022 Eligible Services List Public Notice. Specifically, we add the clarifying language proposed to the “Eligible Broadband Internal Connections” and “Eligibility Explanations for Certain Category One and Category Two Services” sections as discussed below.

6. First, we add a note under the “Eligible Broadband Internal Connections” section to clarify for applicants that they 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.

7. Second, we add a note under the “Eligibility Explanations for Certain Category One and Category Two Services” section guiding applicants to the list of equipment and services covered by Section 2 of the Secure Networks Act as outlined in the Public Safety and Homeland Security Bureau’s announcement and publication. We note that we received no comments objecting to either of these two proposed changes to the FY 2022 eligible services list.

8. Third, we decline to make any additional changes to the funding year 2022 eligible services list at this time. 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.” Accordingly, we decline to address comments and reply comments requesting that we add cybersecurity services and Wi-Fi services to school buses to the eligible services list, make changes to program forms, make changes to the eligibility, Category Two

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16 Northeast Cellular, 897 F.2d at 1166 (stating that the Commission may waive a rule when strict compliance does not serve the public interest).

17 See, e.g., Modernizing the E-Rate Program for Schools and Libraries, 34 FCC Rcd at 11219, 11242-43, para. 62 (2019) (Category Two Report and Order) (finding good cause to waive the 60-day rule for opening the filing window after issuance of the eligible services list to allow USAC and applicants with sufficient time to submit and process funding applications for funding year 2020); Modernizing the E-Rate Program for Schools and Libraries, WC Docket 13-184, Order, 35 FCC Rcd 13793, 13794, para. 4 (WCB 2020) (same).


20 See, e.g., Infinity Communications and Consulting Comments at 2 (requesting that advanced cybersecurity solutions be added to the eligible services list); Fortinet Comments at 3-4 (requesting the addition of network security solutions to the eligible services list); FFL Reply Comments at 2 (requesting eligibility for basic firewalls to be expanded to include all current firewall and related features without requiring cost-allocations); CGCS Reply (continued….)
budget, or Category Two service rules, or modify the category of service under which a specific service is eligible. Due to the complexity of these issues and the limited scope of this proceeding, we do not address these requests in this Order.

9. Although we are not adding new services to the funding year 2022 eligible services list today, we recognize how instrumental Wi-Fi hotspots on buses and bookmobiles have been in allowing students, school staff, and library patrons to engage in remote learning during the ongoing COVID-19 pandemic. We note that the Emergency Connectivity Fund made Wi-Fi hotspots and service on school buses eligible.

Comments at 2-3 (requesting all bookmobiles and cybersecurity services to be eligible); CoSN Comments at 2-4 (requesting eligibility for basic firewalls to be expanded to all firewalls and related features and Wi-Fi on school buses for FY 2022 and other cybersecurity services in the future); SHLB Comments at 1-3 (requesting that Wi-Fi on school buses and cybersecurity services be eligible for E-Rate support); Microsoft Reply Comments at 2-3 (supporting inclusion of Wi-Fi on school buses and cybersecurity services in the FY 2022 eligible services list); Urban Education Network of Iowa Comments (requesting firewalls and Wi-Fi on school buses to be eligible for E-Rate support); Rural School Advocates of Iowa (same); E-rate Provider Services Comments at 2-3 (same); WIDPI Reply Comments at 1-2 (same); ITI Reply Comments at 2-4 (same); Cradlepoint Reply Comments at 2 (requesting Wi-Fi on school buses and related equipment to be eligible for support).

21 See, e.g., E-rate Provider Services Reply Comments at 3 (requesting that Category Two subcategories on the FCC Form 470 be eliminated and replaced with “Category-2 Recurring” and “Category 2 - Non-Recurring”); ApplianSys Comments at 2 (requesting that applicants must include a description of caching service on the FCC Form 470). ApplianSys also requests language be added to FY 2022 ESL reminding applicants requesting servers that they must indicate that the equipment is necessary for caching on their FCC Form 471. Id. at 1. We decline to add additional language as the FY 2022 eligible services list already provides that servers used for caching are eligible. See Appendix B at 8.

22 See, e.g., Kajeet Comments at 2 (requesting that all bookmobiles and mobile education facilities (i.e., school buses) be determined as eligible for E-Rate support); CoSN Comments at 3 (requesting that the Category 2 budgets be increased to cover the costs of adding advanced security services); E-Rate Expertise Comments at 1-2 (requesting that all multi-year internal connections and BMIC licenses be treated the same and be allowed to be reimbursed upfront); Claire O’Flaherty Comments (same); E-rate Provider Services Reply Comments at 3 (supporting that yearly licenses be allowed to be reimbursed upfront).

23 See, e.g., NCTA Comments at 3, 5 (requesting that firewall protection and Wi-Fi services be treated as a Category One function). We note that we previously declined to make Wi-Fi a Category One service in the First 2014 E-Rate Order. See 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, 8919, para. 126 (2014) (First 2014 E-Rate Order) (“We disagree with commenters who argue that managed Wi-Fi should be a Category One service. Despite our recognition that virtualization and management may send some amount of information beyond the walls of the school or library building in order to manage the internal networks, we find that services used to distribute bandwidth throughout the school are internal connections services.”). We also further note that the FY 2022 eligible services list already provides that network equipment with mixed eligibility is eligible as Category One equipment and decline to provide further clarification as requested. See Appendix B at 11-12.

24 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 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).

buses eligible for support and has already committed more than $35 million in support for Wi-Fi hotspots and service on school buses for the 2021-22 school year.\textsuperscript{26} We plan to leverage our experience funding Wi-Fi hotspots on buses and bookmobiles through the Emergency Connectivity Fund to more fully explore how such equipment and services could be eligible for E-Rate support in the future. We also note specifically in regard to cybersecurity services that Congress enacted the K-12 Cybersecurity Act of 2021 on October 8, 2021.\textsuperscript{27} Congress directed the U.S. Department of Homeland Security to conduct a study of K-12 cybersecurity risks that addresses the specific risks that impact K-12 educational institutions; evaluates cybersecurity challenges K-12 educational institutions face; and identifies cybersecurity challenges related to remote learning.\textsuperscript{28} We believe that this legislation and the forthcoming report will provide valuable insights into what cybersecurity services will be most impactful for K-12 educational institutions.

\section*{III. ORDERING CLAUSES}

10. 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.

11. IT IS FURTHER ORDERED, that pursuant to the authority contained in sections 1 through 4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and pursuant to the authority in section 1.3 of the Commission’s rules, 47 CFR § 1.3, that section 54.502(e), 47 CFR § 54.502(d) IS WAIVED, and such waiver SHALL BECOME EFFECTIVE upon release.

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FEDERAL COMMUNICATIONS COMMISSION
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Kris Anne Monteith
Chief
Wireline Competition Bureau

\textsuperscript{26} USAC, Open Data, Emergency Connectivity Fund, available at \url{https://opendata.usac.org/Emergency-Connectivity-Fund/Emergency-Connectivity-Fund-FCC-Form-471/i5j4-3rvr/data}. Enter “bus” in the “Find in this Dataset” box at the top right corner to filter to the requests related to mobile broadband services and equipment for school buses.


\textsuperscript{28} \textit{Id.} at § 3(b)(A)-(D).
APPENDIX A

List of Commenters

Comments and Reply Comments in Response to the
Funding Year 2022 Eligible Services List Public Notice

WC Docket No. 13-184

Commenters

1. Kajeet, Inc.
2. Infinity Communications & Consulting, Inc.
3. Fortinet
4. ApplianSys
5. Consortium for School Networking (CoSN)
6. The Internet and Television Association (NCTA)
7. The Schools, Health & Libraries Broadband Coalition (SHLB)
8. E-rate Expertise, Inc.
9. Claire O’Flaherty
10. ByteSpeed, LLC
11. Keith Bockwoldt
12. Louis McDonald
13. Chantelle Manahan
14. Coby Culbertson
15. Ryan Cox
16. Urban Education Network of Iowa
17. Rural School Advocates of Iowa

Reply Commenters

1. E-rate Provider Services
2. Funds for Learning, LLC (FFL)
3. Council of the Great City Schools (CGCS)
4. Wisconsin Department of Public Instruction (WIDPI)
5. Microsoft Corporation
6. Information Technology Industry Council (ITI)
7. Cradlepoint
APPENDIX B

Eligible Services List for Funding Year 2022

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/e-rate/applicant-process/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) 2022.

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., microwave)

Notes: (1) Eligible costs include monthly charges, special construction, installation and activation charges, modulating electronics and other equipment necessary to make a Category One broadband service functional (“Network Equipment”), and maintenance and operation charges. 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.
**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.

<table>
<thead>
<tr>
<th>Eligible Broadband Internal Connections</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Antennas, connectors, and related components used for internal broadband connections</td>
</tr>
<tr>
<td>- Cabling</td>
</tr>
<tr>
<td>- Caching</td>
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<tr>
<td>- Firewall services and firewall components separate from basic firewall protection provided as a standard component of a vendor’s Internet access service</td>
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<tr>
<td>- Racks</td>
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<tr>
<td>- Routers</td>
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<tr>
<td>- Switches</td>
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<tr>
<td>- Uninterruptible Power Supply (UPS)/Battery Backup</td>
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<tr>
<td>- Access points used in a local area network (LAN) or wireless local area network (WLAN) environment (such as wireless access points)</td>
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<tr>
<td>- Wireless controller systems</td>
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<tr>
<td>- 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)</td>
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</tbody>
</table>

**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

Note: 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 – As clarified in the 2014 Second E-Rate Order (FCC 14-189), data plans and air cards for mobile devices are eligible only in instances when the school or library seeking support demonstrates 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.

Off-campus use even if used for an educational purpose is ineligible for support and must be cost-allocated out of any funding request.

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 coincidently or within a reasonable time after installation.