

Category 2 Budgets FY2021 – FY2025

Table of Contents

Topic	Page
How Budget Cycles Work	3
Calculating Your FY2021 – FY2025 Category 2 Budget	10
School Districts with 11 or More Sites	14
School Districts with 10 or Fewer Sites	18
Independent Schools	23

How Budget Cycles Work

Cycle Rules

- All applicants will be subject to fixed five-year budget cycles for Category 2 funding requests
- The five-year cycle is the same for all applicants regardless of the first year in the cycle that they receive funding
- All budgets will be reset at the beginning of each new budget cycle and any remaining unused budget from a previous cycle will not rollover to the next cycle
- Budgets will be set in the first year of the cycle with the ability to adjust in subsequent years
- Applicants may submit applications in any funding year during the five-year cycle
- Budget calculations will be district-wide rather than at the school building level

Fixed Five-Year Budget Cycles

All budgets will be on a fixed five-year budget cycle

Budget Cycles

Cycle 1: FY2021 – FY2025

Cycle 2: FY2026 – FY2030

Cycle 3: FY2031 – FY2035

...

Updating Counts

Applicants will only be required to provide student counts once (calculated at the time that the discount is calculated that funding year) during a five-year funding cycle for the purposes of calculating the budget. Applicants will still need to annually update data for the purposes of calculating their E-Rate discount percentage.

Required

Applicants **must validate** their student counts for each school and library in the district **in the first year** an applicant applies for Category 2 support during the relevant five-year cycle

Optional

Applicants, if they **choose** to do so, **can update** their student counts **in subsequent funding years** to reflect, for example, an increased budget due to increased student enrollment

Applicants are not required to do so, and can instead keep the student count information for the entire five years of the budget cycle

Buildings Under Construction

School districts with buildings under construction are no longer be permitted to estimate the number of students for those buildings because those students will otherwise be accounted for in the district-wide budget by the district enrollment numbers

An independent school with its own entity-level budget will be allowed to estimate its enrollment numbers in order to be able to request funding while construction is underway, but if an applicant overestimates the number of students who enroll in that school, it must return to USAC any funding in excess of that which it was entitled based on the actual enrollment by the end of the next funding year

Non-Instructional Facilities

Non-instructional facilities continue to be ineligible for Category 2 funding

Applicants requesting funding for equipment to be shared district-wide but housed in a non-instructional facility will need to deduct the cost of the non-instructional facility's use of the shared network equipment

Budget Multipliers

Budget multipliers and the funding floor will be set for each five-year budget cycle:

- Will be set once at the beginning of the cycle
- Will apply to the entire cycle
- Will always be rounded to two digits (dollars and cents)
- Will be adjusted for inflation at the beginning of the cycle

Calculating Your FY2021 – FY2025 Category 2 Budget

FY2021 – FY2025 Multipliers

Budget Multiplier

FY2021-FY2025

\$167 per student

Funding Floor

FY2021-FY2025

\$25,000 per school

Calculating Your Five-Year Budget

School districts will calculate their total five-year budgets using their aggregate student count and the “aggregate funding floor” (the aggregate number of schools times the funding floor)

A school district system need only determine the aggregate number of students throughout the district as well as the total number of eligible schools in the district, without detailing the precise number of students attributable to any individual school

Choose a Track

Select the column that best reflects your setup in EPC:

A

school district
with 11 or more
sites

go to the next page

B

school district
with 10 or fewer
sites

***This applies to
most but not all
Maine school
district applicants***

skip to page 18

C

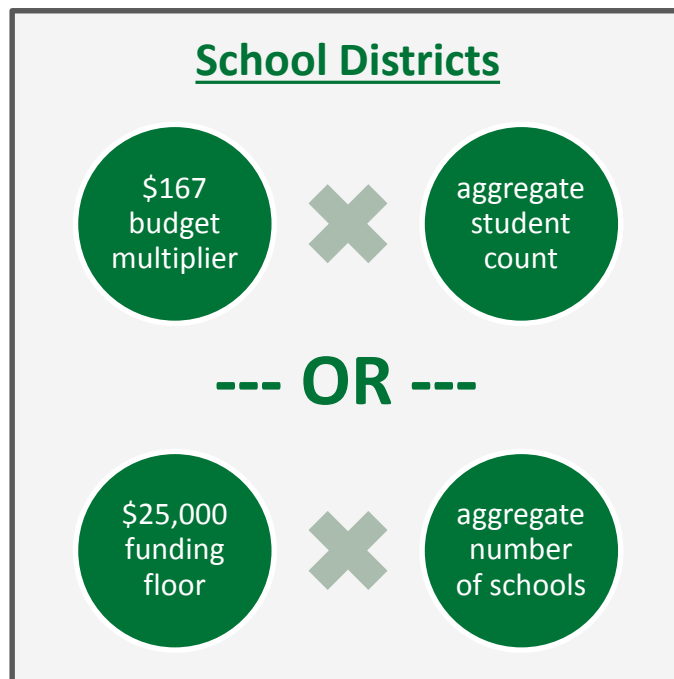
independent
school

***This applies to all
independent
schools
(listed in EPC as a
school without a
parent district)***

skip to page 23

School Districts with 11 or More Sites

Determine Which Value is Greater



The greater of these two calculations is your five-year school district-wide pre-discount budget

District Budget Example

FY2021-FY2025 Budget for School District A

Aggregate Students	Schools	Budget Calculation
10,000 students	15 schools	\$167 budget multiplier * 10,000 students = \$1,670,000 AGGREGATE DISTRICT BUDGET

District Budget Example

FY2021-FY2025 Budget for School District B

Aggregate Students	Schools	Budget Calculation
10,000 students	100 schools	aggregate calculated budget: $\$167 \text{ budget multiplier} * 10,000 \text{ students} = \$1,670,000$ aggregate funding floor: $\$25,000 \text{ funding floor} * 100 \text{ schools} = \$2,500,000$ the calculated budget is less than the aggregate floor → \$2,500,000 DISTRICT BUDGET

the funding floor only comes into play if the aggregate budget for the district would fall under the aggregate funding floor for the district

School Districts with 10 or Fewer Sites

Small District Exception

An exception is available for small school districts that have **10 or fewer sites**

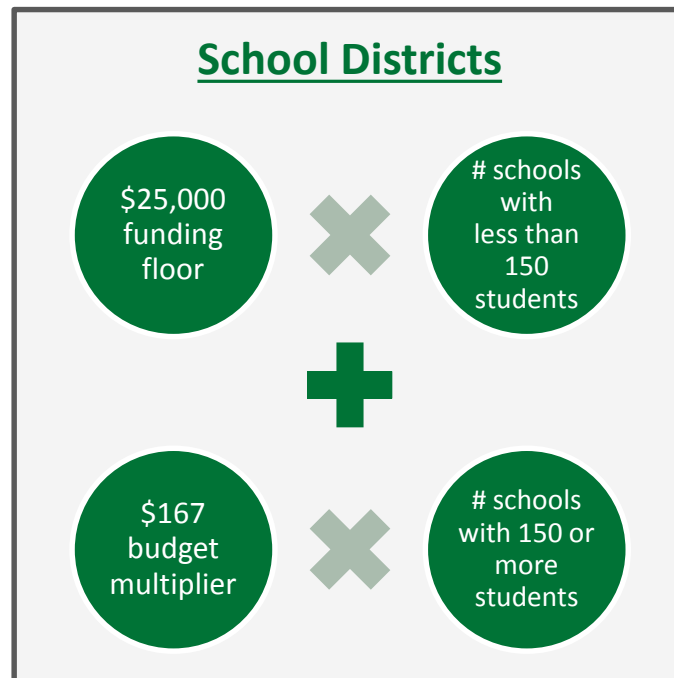
Applicants with 10 or fewer sites **have the option** to calculate their budgets on a **per-site basis** by adding together the budgets of each eligible site within the district

This allows applicants to take advantage of the higher amount for each building (the funding floor versus the budget multiplier * enrollment or square footage)

This optional exception applies to most but not all Maine school district applicants

Count all of the schools that are in your entity list in EPC to determine your eligibility for this hybrid approach

Complete Your Budget Calculation



Small District Budget Example

FY2021-FY2025 Budget for School District C		
School	Students	Budget Calculation
School 1	200 students	\$167 budget multiplier * 200 students = \$33,400
School 2	200 students	\$167 budget multiplier * 200 students = \$33,400
School 3	200 students	\$167 budget multiplier * 200 students = \$33,400
School 4	100 students	\$167 budget multiplier * 100 students = \$16,700 → adjusted to funding floor of \$25,000
School 5	100 students	\$167 budget multiplier * 100 students = \$16,700 → adjusted to funding floor of \$25,000

$\$33,400 + \$33,400 + \$33,400 + \$25,000 + \$25,000 = \mathbf{\$150,200 \text{ DISTRICT BUDGET}}$

Schools with fewer than 150 students in a district of 10 or fewer entities would adjust to the funding floor

A Typical Maine District Calculation

STEP 1

- For schools with fewer than 150 students, multiply number of schools x \$25,000

STEP 2

- Multiply enrollment of all other schools x \$167

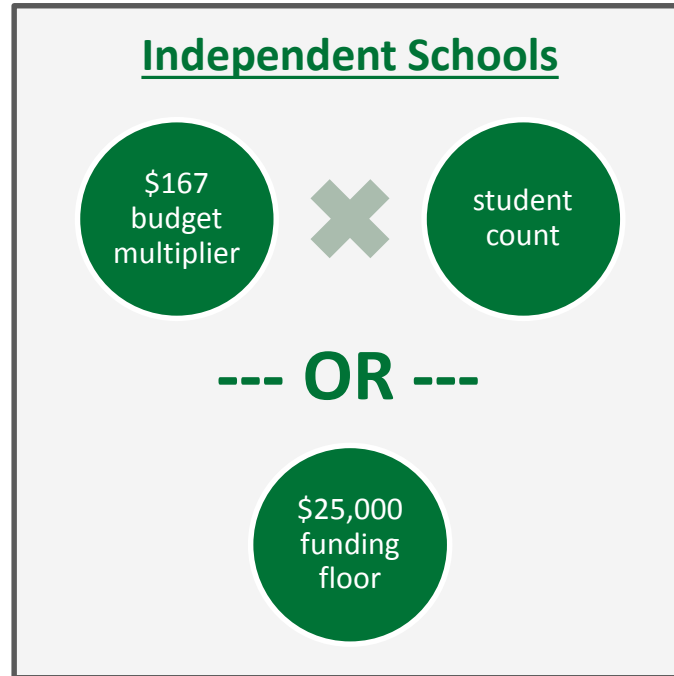
STEP 3

- Add totals of steps 1 and 2 for district C2 budget



Independent Schools

Determine Which Value is Greater



Independent School Budget Examples

FY2021-FY2025 Budget for School A

Students	Budget Calculation
300 students	$\$167 \text{ budget multiplier} * 300 \text{ students}$ = \$50,100 SCHOOL BUDGET

FY2021-FY2025 Budget for School B

Students	Budget Calculation
50 students	<p>calculated budget: $\\$167 \text{ budget multiplier} * 50 \text{ students} = \\$8,350$</p> <p>funding floor: \$25,000 funding floor</p> <p>the calculated budget is less than the funding floor</p> <p>→ \$25,000 SCHOOL BUDGET</p>