

# Eligible Services List

## Of the Schools and Libraries Support Mechanism

### Overall eligibility requirements for all categories of service:

The Eligible Services List indicates whether specific products or services may be able to receive discounts under the Schools and Libraries Support Mechanism.

If a product or service is not eligible under program rules, it is labeled "Not Eligible." If no indication of ineligibility is provided, the product or service may be eligible, depending on details of its use.<sup>1</sup>

This version of the Eligible Services List is dated October 18, 2002. Items in **Bold** indicate a modification or clarification of product or service eligibility from the previous Eligible Services List of October 17, 2001.

TELECOMMUNICATIONS SERVICES		
<p style="text-align: center;"><b>Eligibility Requirements for All Telecommunications Services:</b></p> <p>To be eligible for support, Telecommunications Services must be provided by an eligible telecommunications provider, that is, one who provides Telecommunications Service on a common carriage basis. A provider/carrier is providing services on a common carriage basis if it holds itself out to provide service generally to the public for a fee. A State commission may upon its own motion or upon request designate a common carrier that meets the requirements as set forth in the Communications Act of 1934, Section 214 {47 U.S.C. 214} (e) (2) Designation of Eligible Telecommunications Carriers.</p> <p><b>Telecommunications is defined as "the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received" [47 U.S.C. 153].</b></p> <p>Eligibility in this category of service is for the procurement of Telecommunications Services, and not component purchases by applicants.</p>		
SERVICE	ELEMENT/DESCRIPTION	ELIGIBILITY
800 Service	800 Service provides toll calling that is paid by the called party rather than the calling party. The name comes from the original Area Code used for all toll-free numbers. Current and future "800 Service" Area Codes use the convention 8NN, where N is a specific digit, for example 888, 877, and 866. <b>800 Service is eligible for discount.</b>	

<sup>1</sup> Eligibility for discounts requires the eligible use of eligible products or services by eligible entities at eligible locations for eligible purposes. Several additional documents that provide information about the eligibility of products and services are available in the Reference Area of the SLD web site, <http://www.sl.universalservice.org>:

For general information about product and service eligibility, see the "[Eligible Services Framework](#)."

For additional information about the eligibility of the administrative functions of educational programs or libraries, see the "[Administrative Offices and Buildings Fact Sheet](#)."

For further information about the administration of products and services that contain both eligible and ineligible components, see "[Cost Allocation Guidelines for Products and Services that Contain Eligible and Ineligible Components](#)."

For information about the definition and eligibility requirements for Wide Area Networks, see the "[Wide Area Network Fact Sheet](#)."

<p><b>900/976 Charges</b></p>	<p>"900" is an information service area code, or dial access code, used to reach a wide range of information providers. Examples of the information that may be provided via a 900 number are adult content programming, weather reports, lottery results, or caller voting for various topics such as television polls. 900 Service calls are charged to the party originating the call. Charges for accessing 900 calls are often included in the toll charges on the local telephone bill. 900 Service and the cost of dialing into a 900 Service Provider is not eligible for discount. <b>Similarly, the service and cost of dialing into 976 numbers, which provide a local, pay-per-call service, is not eligible.</b></p>	<p>Not Eligible</p>
<p>900/976 Call Blocking</p>	<p>A monthly, or recurring, telephone company charge for the blocking of calls to 900 or 976 numbers. The blocking prevents callers from completing calls to 900 or 976 numbers. <b>As a component of an eligible telecommunications service, 900/976 call blocking is eligible for discount.</b></p>	
<p>911/E911 Trunks/Lines</p>	<p>911/E911 dedicated telecommunications trunks, or lines, specifically or exclusively used for connection between a school/library and a Public Safety Answering Point (PSAP) are not eligible for discount.</p>	<p>Not Eligible</p>
<p>Asynchronous Transfer Mode (ATM)</p>	<p><b>See the entry for Digital Transmission Services.</b></p>	
<p>Basic Telephone Service</p>	<p>Basic telephone service <b>consists of</b> "Plain Old Telephone Service," Cellular/Personal Communications Service, and long distance telephone service, <b>and involves individual lines not shared through a PBX, key system, or Centrex system.</b><sup>2</sup></p> <p><b>Basic Telephone Service, whether wireline or wireless, is eligible for discount when provided for use at a place of instruction and for educational purposes. The use of the service must support instruction of K-12 students or learning in a library, or must support curriculum or instruction management. Basic Telephone Service for teachers, teacher aides, principals, curriculum coordinators, superintendents, and librarians, for example, would be eligible.</b></p> <p><b>Basic Telephone Service delivered to an ineligible location or user, such as an individual Basic Telephone Service line to a bus barn, would not be eligible. Note, however, that telephone service to individual station sets may be provided by technologies beyond Basic Telephone Service, and in some of these instances a broader set of users may be eligible when these technologies are used. See the Administrative Offices and Buildings Fact Sheet in the Reference Area of the SLD web site for further information.</b></p> <p><b>Generally, Basic Telephone Service for school or library personnel not involved with instruction, such as cafeteria directors, maintenance personnel, facility directors, would not be eligible unless those individuals also provide instruction or library services directly to the public.</b></p> <p style="text-align: right;">(continued on next page)</p>	

<sup>2</sup> If ordering ONLY Basic Telephone Service and submitting a Form 471 application ONLY for Basic Telephone Service, applicants are not required to prepare, submit and have an approved Technology Plan.

	(continued from previous page) <b>Also see POTS, Long Distance Telephone Service, Cellular Service, and Personal Communications Service (PCS) for a complete description of the individual components of Basic Telephone Service.</b>	
Burglar Alarm Telephone Line	A burglar alarm telephone line is a telecommunications line specifically dedicated to a school or library's burglar alarm system. It may be the equivalent of a POTS line, or a dedicated line between the school or library <b>and the</b> alarm company. Burglar alarm lines are not eligible for discount.	Not Eligible
Cellular Service	<b>Cellular Service</b> uses radio transmissions to access other telephone-company networks. Service is provided in a particular area by a low-power transmitter.  The cost of Cellular service <b>to eligible users is</b> eligible for discount, but the cost of telephones or associated maintenance on the equipment is not.  The service is not eligible if used only for security purposes, including security purposes on school buses.  See the entry for Basic Telephone Service <b>for additional eligibility information.</b>	
Centrex	A business telephone service that consists of a wide variety of features, such as call forwarding and call transfer, provided by central office software and extended to the customer's premises via local distribution facilities. This is not considered basic telephone service. Applicants requesting discounts on Centrex would need to have technology plans.  Services that provide Centrex-like features but are marketed under different names are also eligible for discount.	
Centrex Common Equipment	Centrex Common Equipment is a recurring monthly charge associated with Centrex service, assessed to recover the cost of central office-based software features that are common to the Centrex group or feature package. As a component of an eligible Telecommunications Service, Centrex Common Equipment is eligible for discount.	
Coin Telephone Service (Payphone)	Coin telephone service is provided in a public, or semi-public, place and which requires the use of coins, credit card, pre-pay card or other means of payment for the telephone call, at the time of placing the call(s). Coin telephone or payphone service allows the caller to pay for the call in a number of ways, including prepaid, collect and third party billed. Both the payphone service and the cost of the actual payphones are ineligible for discount.	Not Eligible
Conferencing Services	<b>Services beyond those provided by a school or library's internal facilities that provide telephone conference calls or video conferencing are eligible for discount if the conference services are only used for eligible educational and library purposes, or if an auditable monitoring system is established that provides a way to allocate between eligible and ineligible uses.</b>  <b>Example: Per-minute conferencing charges for a government-wide strategic planning teleconference would not be eligible, but per-minute conferencing charges limited to educational purposes and educational personnel would be eligible.</b>	

Custom Calling Services	<b>Custom calling</b> services extend the features available with telephone service, and require no special equipment at customer premises. Features available include call waiting, 3-way calling, speed calling, <b>distinctive ring</b> , and call forwarding. <b>As components of an eligible telecommunications service, custom calling services are eligible for discount.</b>	
Digital Subscriber Line (DSL)	<b>See the entry for Digital Transmission Services</b>	
<b>Digital Transmission Services</b>	<p><b>Leased data circuits for voice, video, and/or data that connect an eligible school or library facility to other locations beyond the school or library are eligible for discount. Technologies employed may include, but are not limited to:</b></p> <p><b>Asynchronous Transfer Mode (ATM)</b>  <b>Cable Modem service</b>  <b>Digital Subscriber Line (DSL, ADSL, SDSL, HDSL, IDSL, VDSL)</b>  <b>DS-1, DS-2, DS-3</b>  <b>Frame Relay</b>  <b>Integrated Services Digital Network (ISDN)</b>  <b>OC-1, OC-3, OC-12</b>  <b>Satellite</b>  <b>Switched Multimegabit Data Service (SMDS)</b>  <b>T-1, T-2, T-3, Fractional T-1</b>  <b>Wireless</b></p> <p><b>See also the entry for Wide Area Network in this section.</b></p> <p><b>Data circuits that provide voice, video, or data connectivity exclusively within school or library grounds are not eligible for funding as a Telecommunications Service, but may be eligible as Internal Connections.</b></p>	
Direct Broadcast Satellite	<p>Direct Broadcast Satellite (DBS) is a <b>technology</b> that uses satellite to transmit TV programs to its subscribers. The transmitted signals are received using individual roof top antennas. Program reception of the subscriber is limited to those channels broadcast by a specific provider.</p> <p><b>Broadcast radio and television, and cable television, are not telecommunications services. Costs to access or obtain them are not eligible for discount.</b></p>	Not Eligible
Directory Advertising	Directory Advertising is advertising in the telephone directory yellow pages, Internet, or elsewhere. This may be provided by the telephone company or another entity. The cost associated with this advertising is not a Telecommunications Service and not eligible for discount.	Not Eligible
Directory Assistance Charges	Directory Assistance Charges are those charges assessed for calls made to 411, or other Directory Assistance numbers such as (201) 555-1212, for information. Typically charges are assessed on a per call basis and are considered an eligible Telecommunications Service.	

Directory Listing	<p>Additional – Unlisted – Non-Published – Bold</p> <p>A telephone company directory contains an alphabetical listing, by name, of all telephone subscribers except those requesting unlisted or non-published service. Typically, the initial directory listing is provided free of charge to the subscriber. Additional listings are those in addition to the initial telephone listing. Fees for an additional directory listing, an unlisted number, an unpublished number, and a bolded listing are not eligible for discount.</p>	Not Eligible
Direct Inward Dialing	<p>Direct Inward Dialing (DID) service, which allows outside calls to be directed to a Private Branch Exchange station line without the use of an operator, is eligible for discount.</p>	
Distance Learning Circuits	<p>Distance Learning utilizes video and audio technologies to allow students who are remotely located from other students or the lecturer to participate interactively with the class. <b>Transmission services that provide Distance Learning are eligible for discount. However,</b> services that include their own content are not eligible. <b>See also the entry for Wide Area Network.</b></p>	
DS-1 (Digital Signal 1)	<p><b>See the entry for Digital Transmission Services.</b></p>	
Fax Machine Line	<p>A fax machine telephone line is a telecommunications line specifically dedicated to a school or library's fax machine. <b>A fax machine line is eligible for discount when used to support instruction of K-12 students, learning in a library, or curriculum or instruction management.</b></p>	
Fire Alarm Telephone Line	<p>A fire alarm telephone line is a telecommunications line specifically dedicated to a school or library's fire alarm system. It may be the equivalent of a POTS line, or a dedicated line between the school or library's alarm company, fire department or other emergency agency. Fire alarm lines are not eligible for discount.</p>	Not Eligible
Fractionalized T-1	<p><b>See the entry for Digital Transmission Services.</b></p>	
Frame Relay Service	<p><b>See the entry for Digital Transmission Services.</b></p>	
Homework Hotline Service	<p>A Homework Hotline Service is typically provided as a toll free telephone number for students to contact the school regarding questions on homework. The service is eligible as a Telecommunications Service.</p> <p>If the service is provided as a voice mail service, the voice mail service is ineligible. Additionally, only that portion of the service located at the school/classroom is eligible. Elements of the service located at, or originating from, the student location are ineligible. <b>See also the entry for Homework Hotline Equipment in the Internal Connections section of this document.</b></p>	

<p>Inside Wire Maintenance Plan</p>	<p>An Inside Wire Maintenance Plan is a monthly recurring charge that provides for the repair, replacement and maintenance of customer owned inside premise wire. Cost of the service <b>is sometimes included</b> in regular monthly bills <b>for local and long distance telephone services, and is eligible if clearly ancillary to such telecommunications service.</b></p> <p><b>An inside wire maintenance plan that does not meet these conditions may be eligible in the Internal Connections category of service. See the entry for “Wire and Cable Maintenance” for further information.</b></p> <p>Plans that provide network management of customer-owned wire or equipment, in addition to maintenance, are not eligible. Wire maintenance plans that contain provisions for a free loaner telephone are not eligible for discount, unless the school or library agrees not to make use of the free loaner telephone.</p>	
<p>Integrated Services Digital Network (ISDN)</p>	<p><b>See the entry for Digital Transmission Services.</b></p>	
<p>Interactive TV (Television)</p>	<p>Interactive TV (ITV) provides a means for a viewer to interact with the television set in ways other than controlling the channel and the volume and handling videotapes.</p> <p>In an education setting such as in a school, ITV provides a means for teachers and students who are remotely located in different places to conduct a class and to interact with each other. ITV requires special “set-top box” to be added to the existing television set. ITV can be provided through a cable modem which extends the TV cable bandwidth to the television set, or via a personal computer</p> <p>A telecommunications circuit that provides Interactive TV is eligible for discount, provided that the service does not include its own content.</p>	
<p>Internet Access</p>	<p><b>Access to the Internet may be provided as an additional component of an eligible telecommunications service. For example, the extra service fee for Internet access from eligible cellular telephone service is eligible for discount.</b></p> <p><b>Internet access is also eligible for funding as an individual service, as described in the Internet Access section of this document.</b></p>	
<p>Internet2</p>	<p>Internet2 is a consortium of universities, industry, and government for development and deployment of advanced network applications and technologies. A telecommunications link that connects an eligible entity to Internet2 is eligible for discount. Membership dues or any fees for non-telecommunications services are not eligible.</p>	
<p>Local Measured Service</p>	<p>Local telephone companies use several methods to bill for local wireline service, <b>such as Flat Rate, Message Rate, Measured Rate, and Local Measured Service. All of these are</b> eligible Telecommunications Services.</p>	
<p>Long Distance Service</p>	<p>Long Distance Service and associated charges are eligible for discount. This is the service provided by interexchange long distance carriers that provide interstate and interLATA telephone calls.</p>	

Metropolitan Area Network (MAN)	Metropolitan Area Network (MAN) is a data network designed for a town or city. In terms of the "E-Rate" program, a MAN and WAN are considered the same. See the listing for Wide Area Network in this section.	
Message Rate Service	See Local Measured Service.	
Network Access Register	Used with Centrex service, the Network Access Register (NAR) serves the same function as a Private Branch Exchange (PBX) trunk in that it provides access to and from the telephone company central office. The number of simultaneous calls to and from the public switched telephone network is equal to the number of NARs the Centrex customer subscribes to.  NARs also may be used in conjunction with other eligible telecommunications services such as Network Access Service and Network Access Register Usage Package. Network Access Registers are eligible for discount.	
On-premise Priority 1 Equipment	In <b>limited circumstances</b> , service providers may install equipment on the premises of schools or libraries as part of their provision of eligible Telecommunications Services or Internet Access. That equipment may be considered as part of an end-to-end Telecommunications Services or Internet Access (and not as Internal Connections) if the applicant demonstrates that it meets <b>a set of criteria provided in the document "<a href="http://www.sl.universalservice.org">On-premise Priority 1 Equipment</a>," located in the Reference Area of the SLD web site (<a href="http://www.sl.universalservice.org">http://www.sl.universalservice.org</a>)</b> .  The equipment must be directly related to the end-to-end provision of <b>an eligible telecommunications or Internet access service. Significant limitations apply, as detailed in the referenced document.</b>	
Paging Service	Paging is a service designed to deliver a message to a person whose exact location is unknown. The service employs radio signals that activate a paging receiver carried by the intended recipient to deliver a text or voice message.  <b>Paging service is eligible for discount when provided for use at a place of instruction, for educational purposes, or security. The use of the service must support instruction of K-12 students or learning in a library, or must support curriculum or instruction management, or be used by security personnel. Paging service for teachers, teacher aides, principals, curriculum coordinators, superintendents, librarians, and security personnel, for example, would be eligible. Generally, paging service for school or library personnel not involved with instruction, such as cafeteria directors, maintenance personnel, facility directors, would not be eligible unless those individuals also provide instruction or library services directly to the public.</b>  The cost of pagers ( <b>also known as beepers</b> ), paging equipment, <b>and maintenance of these products</b> is not eligible for discount.	
Payphone Service	See Coin Telephone Service.	Not Eligible

<p>Permanent Virtual Circuit (PVC)</p>	<p>Permanent Virtual Circuits (PVCs) are shared connections between end-points and do not require the use of call set-up and tear-down procedures because each end-point is permanently allocated a portion of bandwidth. The path between users is fixed. If one or more end-points have no data to transmit, its portion of the bandwidth goes unused. PVCs play a central role in Frame Relay networks. They're also supported in some other types of networks, such as X.25. As a Telecommunications Service, the cost of PVCs is eligible for discount.</p>	
<p>Personal Communications Services (PCS)</p>	<p>Personal Communications Services (PCS) is an advanced wireless network architecture similar to Cellular Service, and the same eligibility conditions apply. See the description of Cellular Service for further information.</p>	
<p>Phone Calling Cards</p>	<p>Telephone Calling Cards provide a convenient means to make long distance calls from any phone.</p> <p>Calling cards associated with an eligible service, with auditable tracking of long distance calls, and used for eligible purposes, are eligible for discount. Because prepaid calling cards do not supply a record of calls made, they are not eligible for discount.</p>	
<p>PIC Change Charge</p>	<p>The PIC, or Primary Interexchange Carrier, is the long distance company to which traffic from a given location is automatically routed when dialing 1+ in an equal access area. The selection of the carrier is done by the local telephone customer and becomes a part of the telephone company's records for routing long distance calls made by the customer's number.</p> <p>When the PIC is changed from one long distance company to another at the request of the customer there is a one-time PIC Change Charge assessed by the local telephone company to cover the cost of reprogramming the telephone company central office switch.</p> <p>The PIC Change Charge is eligible for discount.</p>	
<p>POTS</p>	<p><b>"POTS" stands for "Plain Old Telephone Service,"</b> and includes:</p> <ul style="list-style-type: none"> <li>Single Party Service</li> <li>Dual Tone Multi Frequency (DTMF) signaling or equivalent</li> <li>Voice grade access to the public switched network</li> <li>Access to 911</li> <li>Access to operator services, interexchange service, directory assistance</li> </ul> <p>Eligibility is limited to business telephone service, except in cases where state or local law allows a school or library to receive local service at the residential rate.</p> <p>See the entry for Basic Telephone Service <b>for further eligibility information.</b></p>	
<p>Radio Loop</p>	<p>Radio Loop is provided by a local exchange telecommunications carrier and is called Basic Exchange Telecommunications Radio Service (BETRS). BETRS is used by local telephone companies to provide dial tone to subscribers in certain circumstances, such as when it is either not technically possible or cost effective to provide the service by conventional means. When used as a means of providing an otherwise eligible Telecommunications Service it is eligible for discounts.</p>	

Residential Telephone Service	In general, residential telephone service is not eligible. Eligibility is limited to business telephone service, except in cases where state or local law allows a school or library to receive local service at the residential rate.	
Satellite Service	Satellite service that provides a telecommunications service is eligible for discount, <b>as listed in the entry for Digital Transmission Services. See also the entry for Wireless Wide Area Network for information about satellite dishes.</b>  Satellite communication that provides a broadcast service is not eligible.	
Shared POTS	<b>Shared POTS is the same as POTS, except the service is shared between two entities. As an example, a telephone line may be shared between a parochial school and the church administrative offices; only that portion of the service relating to the school would be eligible.</b>	
Trunk	A trunk is a communications path between two switching systems. Switching systems typically include equipment in a telephone company central office and a Private Branch Exchange (PBX). Central Office trunks connect a PBX to the switching system at the central office. Tie trunks connect two PBXs together. Trunks are eligible for funding.	
Toll Charges	<b>See Long Distance Service and Charges.</b>	
Unlisted Number	<b>See the entry for Directory Listing.</b>	<b>Not Eligible</b>
Video Services	<b>See the entry for Digital Transmission Services.</b>	
Voice Mail Service	Voice Mail Service allows a machine or system to take a message if the party being called is not available. Additional features are often available, such as the ability to forward messages to one or more voice mailboxes in a system.	Not Eligible
Voice/video over IP (VoIP)	<b>A commercially-available telecommunications service is eligible for discount, regardless of specific technology employed. Voice or video over IP (VoIP) may therefore be provided as a component of an eligible telecommunications service, which is eligible for discount when provided by an eligible telecommunications provider that provides the service on a common carriage basis.</b>	
Wide Area Network (WAN) Services	A wide area network is a voice, data, and/or video network that provides connections from within an eligible school or library to other locations beyond the school or library. <sup>3</sup>  <b>The provision of wide area network communication links is an eligible Telecommunications Service. Technologies employed may be ATM, DSL, DS-1, T-1, fractionalized T-1, Frame Relay, ISDN, Satellite, Cable Modem service, Wireless, or any technology that provides an eligible telecommunications service to the public.</b>  (continued on next page)	

<sup>3</sup> Excluded from this definition are services that provide access to broadcast content or cable television, because these are not considered telecommunications services.

	<p style="text-align: right;">(continued from previous page)</p> <p><b>Please Note that</b> the actual wires that carry information outside the school or library facility are considered to be the WAN components. Network components such as routers located at a school or library facility are <b>generally considered to be</b> Internal Connections, and therefore must meet the eligibility conditions as given in the Internal Connections section of this document. <b>However, such</b> components may be provided as a part of WAN services if the conditions <b>provided</b> in the entry “On-premise <b>Priority 1</b> Equipment” in this section are met.</p> <p>For <b>further information about the eligibility of</b> Wide Area Networks, see the <a href="http://www.sl.universalservice.org">Wide Area Network Fact Sheet</a>, located in the Reference Area of the SLD web site (<a href="http://www.sl.universalservice.org">http://www.sl.universalservice.org</a>).</p>	
Wireless Wide Area Network	<p>A wireless wide area network is a network that meets the definition of a wide area network, and uses radio or light to communicate information, without the use of cables.</p> <p>The same eligibility conditions apply for wireless WANs as for other WANs, except that, in the case of Wireless Wide Area Networks, the radio frequency components such as transmitter and antenna (<b>or satellite dish</b>) are considered to achieve the same functionality as cabling, and are therefore eligible as a leased Telecommunications Service or Internet Access, and not as Internal Connections.</p> <p>For information about wireless <u>Local</u> Area Networks, see the entries in the Internal Connections section of this document.</p>	

INTERNET ACCESS

**Eligibility Requirements for All Internet Access Services:**

Descriptions in this section are limited to the provision of **“basic conduit access” to the Internet**, and apply to services, not component purchases. Service Providers for Internet Access need not be eligible telecommunications providers.

SERVICE	ELEMENT/DESCRIPTION	ELIGIBILITY
<p>Basic Unbundled Access</p>	<p>“Basic conduit access” to the Internet is eligible for discount. This includes features typically provided for adequate functionality and performance, such as DNS<sup>4</sup>, DHCP<sup>5</sup>, and e-mail, when included as a standard component of a vendor’s Internet access service. <b>“Basic conduit access” to the Internet may include transport of digital communication using any Internet-based protocols, including encapsulation of data, video, or voice.</b></p> <p><b>All services provided by “basic conduit access” to the Internet must reach the boundary of public Internet space, such as an Internet Service Provider’s facilities. “Basic conduit access” to the Internet cannot provide telecommunications services, including but not limited to access to the public switched telephone network.</b></p> <p><b>Two teachers communicating using public Internet space qualifies as Internet Access. For example, they could be using a web cam or an Internet-based voice system over the Internet. However, if one or both of the teachers is using a telecommunications service, the communication is not eligible as Internet Access. For example, if the communication is limited to within the school Wide Area Network, or one of the teachers is using a standard telephone within the Public Switched Telephone Network, the communication cannot be considered Internet Access. A cost allocation may be possible if only one end of the communication qualifies as Internet Access.</b></p> <p><b>A service that provides additional capabilities beyond Internet Access may be eligible as a Telecommunications Service, if the conditions given in the Telecommunications Services section of this document are met, such as the condition that services are to be provided by an eligible telecommunications provider.</b></p>	
<p>Bundled Access</p>	<p>Some Internet access services may include bundled features that are not themselves eligible, such as:</p> <ul style="list-style-type: none"> <li><b>Specialized content</b></li> <li><b>Caching services</b></li> <li><b>Filtering services</b></li> <li><b>Firewall services</b></li> <li><b>Web Hosting services</b></li> </ul> <p style="text-align: right;">(continued on next page)</p>	

<sup>4</sup> Domain Name Services (DNS) is a system that allows the use of a standard Internet naming convention, such as www.website.com.

<sup>5</sup> Dynamic Host Configuration Protocol (DHCP) is a system that allows computers on the Internet to be automatically assigned a unique address, which is necessary for effective communication.

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	<p><b>In general, funding requests that provide only a single price for a product or service that contains both eligible and ineligible functionality are fully ineligible. However, cost allocation may be used to provide separated pricing for the eligible and ineligible components.</b></p> <p><b>In addition, in certain limited cases, an eligible product or service can include ineligible components on an ancillary basis. The full product may be eligible in this case if the following conditions apply:</b></p> <ul style="list-style-type: none"> <li>• <b>The package represents the most cost-effective bid for the eligible product or service.</b></li> <li>• <b>The consideration of cost-effectiveness must be made without considering ineligible features.</b></li> <li>• <b>The package is a standard product offering that includes the ineligible features as an intrinsic part, with no separated pricing available.</b></li> <li>• <b>The applicant is not specifically seeking one or more of the ineligible components.</b></li> <li>• <b>Any added content must be minimal.</b></li> </ul> <p><b>For further information, see “<a href="#">Cost Allocation Guidelines for Products and Services that Contain Eligible and Ineligible Components</a>,” located in the Reference Area of the SLD Web site (<a href="http://www.sl.universalservice.org">http://www.sl.universalservice.org</a>).</b></p>	
Caching Service	Caching service is a special high-speed storage mechanism at the border of a network and the Internet that holds frequently accessed Internet information, thereby reducing retrieval times for information often requested from the Internet. Caching service is not eligible. However, applicants may accept a caching service bundled with Internet Access <b>if the limited</b> conditions given in the listing for Bundled Access in this section <b>are met</b> .	Not Eligible
Domain Name Registration	<p>Domain Name is the portion of a symbolic name that corresponds to the network number in the IP address. In the symbolic name abc@xyz.org, the domain name is xyz.org.</p> <p>Domain Name Registration is the registering of the name and the charge associated with the registration process. Domain Name Registration <b>is</b> eligible for discount.</p>	
Electronic Library / On-Line Public Access Catalog System	Electronic Libraries or On-Line Public Access Catalog Systems that charge a fee for accessing library catalog systems, searching or using references as a part of Internet access are ineligible for discount. Any software associated with electronic library public access is also ineligible for discount.	Not Eligible
E-Mail Account Fees	E-Mail account fees are charges for individual user access to e-mail services. E-Mail account fees are eligible.	
E-Mail Service	E-Mail Service, which provides for the transmission of simple text messages and other embedded data, is eligible for discount.	

Filtering Service	Filtering is software or combination software/firmware that protects users from dangerous or inappropriate content on the Internet by blocking Web, FTP and/or Gopher sites. It may be provided by an Internet provider as a monthly service. Filtering is not eligible for discount, whether as a service or if purchased software. However, applicants may accept a filtering service bundled with Internet Access <b>if the limited</b> conditions given in the listing for Bundled Access in this section <b>are met</b> .	Not Eligible
Firewall Service	Firewall Service is a commercially available service provided by a Telecommunications or Internet provider that provides protection against unauthorized access. It is not eligible for discount. However, applicants may accept a firewall service bundled with Internet Access <b>if the limited</b> conditions given in the listing for Bundled Access in this section <b>are met</b> .	Not Eligible
GSP Rates	GSP is short for Global Service Provider. The GSP provides connection between the ISP network and the global Internet network. There may be separate charges for this component of Internet access and such charges are eligible if the total price of Internet access, including this component, is the most cost-effective means for obtaining access.	
Internet Content	A service separate from Internet access where a user can obtain information or services at additional cost. Examples include electronic libraries, on-line news services, administration application tools, performance monitoring (e.g., tracking of grades, attendance, homework assignments), classroom management tools, address books, and file storage.  E-mail service and e-mail account fees are not considered Internet content. In addition, minimal content may be accepted as a part of Internet access if provided at no charge. See the listing for Bundled Access in this section.	Not Eligible
Internet Training	Internet training provided for personnel is ineligible.	Not Eligible
Internet2	Internet2 is a consortium of universities, industry, and government for development and deployment of advanced network applications and technologies. Membership dues or any fees for access to content are not eligible for discount.  A link that connects an eligible entity to Internet2 can be eligible as a telecommunications service. See the Internet2 entry in the Telecommunications Services section.	Not Eligible
Specialized Services (e.g., VoIP, VPNs)	Extra-cost services that go beyond basic conduit access to the Internet, such as fees for transport of Voice over IP (VoIP), for provision of Virtual Private Network (VPN) services, or for specialized content or applications, are not eligible for discount.	Not Eligible
Web Casting	Web Casting is a service provided over the Internet that delivers news to your E-Mail address. A user accesses a Web Casting site and chooses what news content he/she wants to be informed about. Going forward, every time the user logs on, information content will be delivered to the user's mailbox by the Web Casting supplier. There is usually a charge for this service and the charge is not eligible for discount under the E-Rate program.	Not Eligible

Web Hosting	Web Hosting is an Internet service provided by an Internet Service Provider. The ISP will host a school or library's website (www.schoolname.org) as part of the ISP bundled service offering, or as an optional service. Web Hosting is not eligible for discount provided as a separate line item, with a separate identifiable charge. However, applicants may choose an Internet Access service that includes Web Hosting, <b>if the limited</b> conditions given in the listing for Bundled Access in this section <b>are met</b> .	Not Eligible
Web Site Creation Fee	A separate fee for creating a website or setting up a web address. This service is not eligible.	Not Eligible
Wide Area Network (WAN)	<p>A Wide Area Network, as described in the section "Telecommunications Services," can be offered through an Internet Service Provider as a component of <b>its</b> Internet Access, if the full cost of Internet access, including the leased wide area network component, is the most cost-effective means of obtaining Internet access.</p> <p><b>To be eligible in the Internet Access category of service, the WAN links must be limited only to the provision of Internet access. If they are used for any other purpose beyond access to the Internet, they must be provided under the separate eligibility conditions given in the Telecommunications Services section of this document, and be provided by an eligible telecommunications provider.</b></p> <p>Wide Area Network technologies that potentially are eligible for discount include but are not limited to ATM, DSL, DS-1, T-1, Fractionalized T-1, Frame Relay, ISDN, Satellite, <b>Cable Modem service</b>, and Wireless.</p>	
Wireless Internet Access	<b>A wireless service that provides Internet Access or Internet-based e-mail to eligible locations is eligible under the same provisions as wired access to the Internet, if the wireless service is the most cost effective means for obtaining Internet Access or Internet-based e-mail.</b>	

## INTERNAL CONNECTIONS

### Eligibility Requirements for All Internal Connections:

Internal connections are components **located at the applicant site that are** necessary to transport information to classrooms, publicly accessible rooms of a library, and, in certain circumstances, to administrative areas or buildings. **(See the “Administrative Offices and Buildings Fact Sheet” in the Reference Area of the SLD web site <http://www.sl.universalservice.org> for further information.)** Internal Connections include connections **within**, between or among instructional buildings that comprise a single school campus or library branch, but do not include **services** that extend beyond that single school campus or library branch.

SERVICE	ELEMENT/DESCRIPTION	ELIGIBILITY
Antenna	<p>A device for transmitting and/or receiving radio frequency signals. Antennas as part of Wireless Local Area Networks (LANs) are eligible for discount.</p> <p>Only the cost of the antenna <b>and related radio frequency components are</b> eligible if used for a workstation or PC, rather than the cost of a full network interface card. If the antenna is a part of a network interface card installed in a workstation or PC, the cost of the network interface card <b>portion</b> must be allocated out of the funding request by the vendor/<b>manufacturer</b> for this combined product.</p> <p>Antennas used for the receipt of over-the-air radio and television broadcast signals, or radio signals from cable television operators, are not eligible.</p> <p>Antennas used for Wireless Wide Area Networks (WANs) are not eligible as Internal Connections, but may be eligible as a part of Telecommunications Services or Internet Access. For further information, see the entries for “Wide Area Network” and “Wireless Wide Area Network” in the Telecommunications Services section, and the entry for “Wide Area Network” in the Internet Access section.</p>	
Asbestos Removal	The cost incurred in the removal of asbestos is not eligible for discount.	Not Eligible
<b>Attendant</b> Console, PBX/Centrex	The operation of a PBX <b>or Centrex system</b> requires the use of a switchboard or <b>attendant</b> console for the transfer of incoming calls to the appropriate extension when systems are not equipped with Direct Inward Dialing. <b>The attendant console may include Direct Station Selection (DSS), which provides an easy means for transferring calls.</b> One Console, with or without Direct Station Selection, qualifies for discount with each eligible PBX <b>or Centrex system.</b>	
Automatic Call Distribution System (ACD)	An Automatic Call Distribution system, typically used with a PBX, provides a means of automatically distributing calls evenly, on a next available agent basis so that productivity is maintained and inbound calls are handled efficiently. The system also allows the monitoring of operation on a real time basis. Additionally, some systems compile historic reports that enable better utilization of resources in the handling of incoming calls.	Not Eligible

Automatic Route Selection (ARS)	Automatic Route Selection (ARS) is a PBX and Centrex service that allows for automatic selection of the most efficient and cost effective route. It may also be referred to as "least cost routing". By using the ARS feature, PBX and Centrex stations are routed to the most cost efficient service, or facilities, to make outgoing telephone calls. The cost of the equipment required to provide ARS is eligible for discount.	
Backup Equipment	<p>"Backup equipment" used in the context of spare parts is not eligible for discount.</p> <p>"Backup equipment" used in the context of data protection, such as a tape backup system, is eligible when used as part of an eligible component such as <b>an eligible</b> server. See also "Tape Backup" in this section.</p>	
Battery Backup	A battery <b>backup includes a battery and associated electronics, and</b> provides power to <b>one or more components</b> when the main AC power fails. The battery backup is eligible only if part of, or used with, an eligible component.	
Beeper	<b>See the entry for Pager in this section.</b>	Not Eligible
Broadband Amplifier	A <b>Broadband Amplifier is a</b> device utilized to amplify UHF, VHF, or FM radio signals greater than 3 kHz. If used in conjunction with eligible internal connections, the Broadband Amplifier is eligible. See also Broadband VHF & UHF Preamplifiers.	
Broadband VHF & UHF Preamplifiers	<p>Broadband VHF &amp; UHF Preamplifiers are designed for use with broadcast radio and TV antennas. Preamplifiers are electronic devices that boost an audio or video signal, prior to that signal being amplified for reproduction through a monitor or speaker.</p> <p>Preamplifiers are used with broadcast receiving antennas and are not eligible for discount. See also Broadband Amplifier.</p>	Not Eligible
Bundled Products	<p><b>Some products or services may</b> contain both eligible and ineligible components. <b>In general, funding requests that provide only a single price for a product or service that contains both eligible and ineligible functionality are fully ineligible. However, cost allocation may be used to provide separated pricing for the eligible and ineligible components.</b></p> <p><b>In addition, in certain limited cases, an eligible product or service can include ineligible components on an ancillary basis. The full product may be eligible in this case if the following conditions apply:</b></p> <p style="text-align: right;">(continued on next page)</p>	

	<p style="text-align: right;">(continued from previous page)</p> <ul style="list-style-type: none"> <li>• <b>The package represents the most cost-effective bid for the eligible product or service.</b></li> <li>• <b>The consideration of cost-effectiveness must be made without considering ineligible features.</b></li> <li>• <b>The package is a standard product offering that includes the ineligible features as an intrinsic part, with no separated pricing available.</b></li> <li>• <b>The applicant is not specifically seeking one or more of the ineligible components.</b></li> <li>• <b>Any added content must be minimal.</b></li> </ul> <p><b>Products and services for which this ancillary use provision apply are specifically indicated in their description in this Eligible Services List.</b></p> <p><b>For further information, see “<a href="http://www.sl.universalservice.org">Cost Allocation Guidelines for Products and Services that Contain Eligible and Ineligible Components</a>,” located in the Reference Area of the SLD Web site (<a href="http://www.sl.universalservice.org">http://www.sl.universalservice.org</a>).</b></p>	
Cabinets	An enclosure for equipment, terminating cables, connection devices and/or wires is eligible if the contained equipment is eligible.	
Cable Modem	<p>A cable modem is a modem designed for use on a TV coaxial cable circuit, and provides a high speed data path.</p> <p>If used to provide Internet Access or Telecommunications Services distributed to multiple internal locations, cable modems are eligible. If located in or with end-user equipment or used for cable TV service, they are not eligible.</p>	
Cabling	See Wiring, Internal	
Call Accounting Systems	<b>A Call Accounting System records information about telephone calls. It can provide comprehensive call costing by associating call records with users, phone extensions, or profiles.</b> Call accounting systems are not necessary to transport Telecommunications or Internet access to the classroom or publicly accessible rooms of a library, and are not eligible for discount.	Not Eligible
Call Sequencer	A Call Sequencer, also called Automatic Call Sequencer, is a device or adjunct piece of equipment, used with a PBX or Key system. The call sequencer distributes incoming telephone calls among a select number of stations or telephones. It may also be used to answer incoming telephone calls and provide prerecorded announcements to the caller. Some call sequencers are also designed to generate statistical reports on number of calls and how those calls were handled. Call sequencers are not necessary to transport Telecommunications or Internet access to the classroom or publicly accessible rooms of a library, and are not eligible for discount.	Not Eligible
Cartridge Magnetic Tape	Cartridge Magnetic Tape, which holds a magnetic tape of some type, is an expendable item and is not eligible for discounts.	Not Eligible

CD Tower	CD ROM Towers are multi-bay CD ROM storage devices used to provide access to <b>content</b> stored on CD ROM discs. Provided in a wide variety of speeds and capacities, CD ROM Towers, when used with network servers, offer schools and libraries access to large volumes of data. CD Towers are not eligible for discount.	Not Eligible
Channel Service Unit /Data Service Unit (CSU/DSU)	<p>A <b>CSU/DSU is a device that</b> terminates a digital channel at a customer premises. It performs certain line coding, line conditioning, and line equalization functions, and it responds to loop back commands sent from the telephone company central office. A <b>CSU/DSU</b> sits between the digital line entering the customer premises from the central office and devices such as channel banks or data communications devices. A CSU/DSU is eligible as Internal Connections</p> <p>Alternatively, a <b>CSU/DSU</b> may be provided as part of an eligible Telecommunications <b>or Internet Access</b> service.</p>	
Circuit Card	A <b>Circuit Card is a</b> board with microprocessors, transistors, and other small electronic components. Such a board slides into the slot of a telephone system, personal computer, or other electronic equipment. To be eligible, the circuit card must be a <b>necessary</b> part of eligible equipment, e.g., part of an eligible PBX, router, or file server.	
Client Access Licenses	A Client Access License is a software licensing approach used by some vendors, and provides authorization to access a software product. Client Access Licenses that provide access to eligible software are in turn eligible. For example, Client Access Licenses for a network operating system are eligible. Client Access Licenses for word processing or spreadsheet software are not eligible.	
CODEC	The coder/decoder, also known as CODEC, is a device comprising an encoder and decoder in the same equipment. The CODEC produces a coded output and compresses and decompresses audio and video signals. The CODEC is eligible for discount if used in the transport of information to eligible locations <b>for eligible uses.</b>	
Communications Server	See the entry for Remote Access Server.	
Conduit / Raceway	<p>Conduit and raceway are metal or plastic pipe used to protect cable. They are eligible if used as a means for housing eligible internal connections cabling.</p> <p>Conduit used for electrical wiring is not eligible for discount. If conduit has a mixed use, such as for both electrical wiring and network cabling, cost of the ineligible portion must be excluded.</p>	
Connector	A device that electrically connects wires or fibers in cable to equipment, or other wires or fibers. <b>Connectors for eligible cabling or equipment are eligible.</b>	

Consumables	Miscellaneous components such as tape, splicing materials, labels, and wire wrap are eligible if included as part of the original installation of eligible components. Consumable products are ineligible when they are not included as part of an original installation. Consumable kits which contain installation tools are ineligible.	
Coupler	The coupler is a <b>passive device that accepts one input broadband signal and replicates it onto two or more outputs</b> . If the coupler is part of the installation of <b>eligible</b> coax cable, then the coupler is eligible for discounts. If a part of installation of cable television service, the coupler is not eligible for discounts.	
Digital Video Disc Digital Versatile Disk (DVD)	The acronym "DVD" stands synonymously for both Digital Video Disk and Digital Versatile Disk. DVDs are <b>optical</b> storage devices similar to CD-ROM discs but able to store much more music, video and data. DVD <b>media</b> is not eligible for discount.	Not Eligible
Digital Video – Read Only Memory Player	A Digital Video Disc - Read Only Memory or DVD-ROM Player or drive is a device which plays or reproduces the music, voice and/or video from a Digital Video Disc. It is not eligible for discount. <b>However, a DVD-ROM player may be provided as an integral component of an eligible product such as an eligible file server, if it is part of the standard product configuration and provided at no additional cost.</b>	Not Eligible
Disaster Recovery	Disaster Recovery, which describes the means of restoring service to a computer network that has suffered a disaster, is not eligible for discounts. Such costs may include the rental of a site that houses links and equipment that is modeled after the network.	Not Eligible
Documentation	Documentation includes support material provided in the form of paper or electronic media. It may include diagrams, blueprints, equipment specifications or instruction manuals for services and products. Documentation is eligible for discount if provided as part of the <b>purchase or</b> installation of eligible equipment or <b>eligible</b> services.	
Edge Device	<b>An Edge Device is a physical device that can pass packets between a legacy type of network and an ATM network. The device may be a router or Ethernet-to-ATM switch that directly connects to an ATM network. Edge Devices are eligible for discount.</b>	
E911 Reader Board	The E911 Reader Board is adjunct hardware for a PBX and used to access E911 Emergency service. See also 911/E911 Enhancements to PBX.	Not Eligible
Electrical System Upgrades	<b>The</b> addition of electrical circuits and outlets to accommodate the addition of network computer hardware <b>is not eligible</b> .	Not Eligible
Enhanced Multimedia Interface (EMMI)	<b>See the description for EMMI in the entry for Video Equipment in this section.</b>	

Environmental Monitoring Card/Meter	The Environmental Monitoring Card is an uninterruptible power supply card used to monitor the environmental conditions in rack, computer room, and data center environments. It is used in climate control and is not a component of Internal Connections used to deliver information to the classroom. The Environmental Monitoring Card/Meter is not eligible for discount.	Not Eligible
Faceplate	A cover that fits around pushbutton or rotary dial phones is <b>not eligible</b> . <b>Faceplates for electrical outlets are ineligible</b> . A cover over an eligible communications jack or outlet is eligible.	
FAX Machine	Short for facsimile, it is a device in which the image of a document is <b>electronically</b> transferred over the telephone network and printed out elsewhere.	Not Eligible
FRAD	Short for Frame Relay Assembler/Disassembler, the FRAD is a communications device that breaks a data stream into frames for transmission over a Frame Relay network and recreates a data stream from incoming frames. A Frame Relay router serves the same purpose but provides more intelligence in avoiding congestion. FRADs are eligible for discount.	
Frame Relay PVCs	<b>A Permanent Virtual Circuit (PVC) is</b> a permanent association between two DTEs (Data Terminal Equipment) established through configuration. PVCs are widely used in X.25 networks, are the basis on which communications take place in a Frame Relay Network, <b>and are eligible for discount</b> .	
Graphics Cards / Adapters	A Graphics Card, Graphics Adapter or Video Adapter is a circuit board fitted to a computer, containing the necessary video memory and other electronics to provide a bitmap display. Graphics Cards are eligible for discount so long as they are a component of an eligible server. Graphics Cards used in workstations or end user PCs are ineligible for discount.	
Hard Disk Drive	Hard disk drives, including arrays of multiple drives, are eligible for discount if used with an eligible component such as a server, for an eligible use, <b>e.g., if they are an essential element in the transmission of information within the school or library</b> . Hard drives and other storage devices are not eligible if used principally to supplement storage requirements of personal computers on a network. <b>See the entry Storage Products for additional information</b> .	
Head-End Equipment	Head-End Equipment is <b>located at</b> the originating point <b>for</b> signals in cable TV systems, <b>and</b> is not eligible for discounts.	Not Eligible
Homework Hotline Equipment	Equipment used to provide Homework Hotline, including text to voice translation modules, recording devices, automatic dialers, automatic call directors and others are not eligible for discount. <b>See also the entry for Homework Hotline Service in the Telecommunications Services section of this document</b> .	Not Eligible
Hub	Hubs are devices that serve as the control point for system activity, management and growth. A central connection point, hubs are standard terminology for a device with multiple ports that connects multiple computers in a network, <b>and are eligible for discount</b> .	

Intercom System	<b>An Intercom System that</b> is a stand-alone system, and not integral as a bundled component of a PBX, Centrex or key system, is not eligible for discount.	Not Eligible
Key System KSU	Key System, also known as Com Key System, is a type of phone system that permits more than one telephone line, PBX extension, private line or intercom line to appear on a single telephone, and is conditionally eligible. Only the costs associated with the common control unit and not any costs associated with telephone sets are eligible for discounts.	
Laptop Computer	A laptop computer is a lightweight portable computer designed for mobility. Laptop computers are eligible for discount only if they are used as an eligible server. However, in most cases laptop computers will not meet the definition of eligible Internal Connections and will be used as workstations which are not eligible for discount.	
Lightning Arrestor	Lightning Arrestor, which protects computer equipment from lightning and static, is not eligible for discounts.	Not Eligible
Local Area Network (LAN)	A Local Area Network (LAN) is a short distance data communications network used to link together computers and peripheral devices under some form of standard control. The LAN is most often connected by <b>cabling or wireless</b> links within the same building. <b>A Local Area Network is eligible for discount.</b>  There is a rebuttable presumption that a network that crosses a public right-of-way is not an eligible Local Area Network.	
Maintenance	Maintenance that meets the conditions given in the heading "Technical Support" is eligible.	
Mast	A mast is a structure, or pole, on which an antenna is placed. Typically, it is a tall, vertical pole. Masts are eligible for discount <b>as Internal Connections if necessary to support a Local Area Network.</b>	
Media Converter	A media converter is a module that converts <b>one type of media to another type of media</b> for network compatibility. The actual media can <b>vary, such as fiber, coax, or twisted pair.</b> <b>Media converters are eligible when used for eligible products of services.</b>	
Messaging	<b>See the entry for Voice Messaging in this section.</b>	Not Eligible
Modem	Modems are devices that convert data signals into suitable form for transmission over a communications medium and recover data from the received communications link.  Modems are eligible if used with, or in, eligible components of Internal Connections. They are not eligible if used with, or in, end-user equipment.	

Monitors	When used with an eligible server, one computer monitor per server is eligible for discount. Monitors used for workstations <b>or other ineligible equipment</b> are not eligible.	
Multimedia Kit	A <b>multimedia kit is a</b> package of hardware and software that adds multimedia capabilities to a computer. Typically a multimedia kit includes a CD-ROM or DVD player, a sound card, speakers, and a bundle of CD-ROMS. Multimedia Kits include content and/or are installed as end user equipment, and therefore are not eligible for discount.	Not Eligible
Multiplexing	A multiplexer is electronic equipment that allows two or more signals to pass over one communications, or bearer circuit. The "circuit" may be a telephone line, dedicated line, or <b>radio</b> signal. It provides an economic means for the service provider and customer to transport multiple circuits by combining, as an example, up to 24 voice grade circuits on a single bearer circuit.  If provided as part of internal connections for a local area network it is eligible. If provided as part of a Wide Area Network, it must meet the rules governing WANs, as described in the sections Telecommunications Services and Internet Access.	
Multiport Serial Cards	A printed circuit card installed in an expansion slot of a computer that provides several serial communication ports, often for the purpose of connecting multiple modems. Multiport serial cards are eligible if the devices they support and the intended use of the cards are eligible. <b>If used to provide remote access, see also the entry for Remote Access Router.</b>	
Network Interface Card (NIC)	A <b>network interface card is an electronic device that</b> connects a workstation or server to a network. Usually this is a card that fits into one of the expansion slots inside a computer. It works with the network software and computer operating system to transmit and receive messages on the network. NICs are eligible if part of an eligible product, such as an <b>eligible</b> server, router, switch, or hub. NICs are ineligible if a part of a workstation. <b>For wireless NICs, see the entry for Antenna.</b>	
Network Interface Device (NID)	The Network Interface Device, or NID, is a device installed between a telephone network and the inside wire of a customer premises. The NID is generally provided by the telephone company and is the transition, or <b>demarcation</b> point between the company's network and the customer's inside wiring.  <b>A NID</b> is the beginning of the Internal Connections on the customer's premises. Installed with Telecommunications Services, there is normally no charge for the NID. However, if a cost is associated with the installation of the NID, it is eligible for discount <b>as Internal Connections.</b>  The NID <b>also can be provided as a</b> part of Telecommunications Services if it is installed coincident with a Telecommunications Service.	
Network Management	<b>Network Management is</b> a system of equipment or software used in monitoring, controlling, and managing a communications network. Network management software, services, and equipment are not eligible for discount.	Not Eligible

Pager	<p>A Pager (also known as a Beeper) is the receiving end of a paging service and is a small device worn on the belt, or carried in a handbag. Pagers provide text or voice messages, or both. The purchase, lease, or maintenance of pagers is not eligible for discount.</p> <p>A Paging Service may be eligible as a Telecommunications Service. See Paging Service in the Telecommunications Services section of this document.</p>	Not Eligible
PC Attendant Console	<p>The PC Attendant Console is an electronic PC (computer) based console used in support of, or in place of, a PBX system. The Console provides the capabilities and features of other attendant consoles, such as call transfers, answer button with queuing, emergency call priority, call waiting count, busy lamp field and many others.</p> <p>One Console qualifies for discount with each PBX, or in place of a PBX system, whether PC Attendant or another type.</p>	
Personal Computer	<p>Personal computers, or workstations, are computers designated, or designed for one person's use. They are distinguished from computers used in the routing of information to individual classrooms.</p>	Not Eligible
Personal Digital Assistant	<p>Personal Digital Assistant (PDA) is a handheld device that combines computing, telephone/fax, and networking features. A typical PDA can function as a cellular phone, fax sender, and personal organizer.</p> <p>PDA's are end user equipment that do not meet the definition of eligible Internal Connections, <b>and</b> therefore are ineligible for discount.</p>	Not Eligible
Power Poles	<p>Power poles are metal or plastic pipe or poles used to carry wire from the ceiling to the floor level. Power poles have the same eligibility conditions as given in the description for Conduit/Raceway in this section.</p>	
Power Strips	<p>Power strips <b>provide multiple electrical commercial AC power outlets and can serve as an electrical extension cord. They may also protect equipment against voltage spikes and electrical disturbances (surge protections).</b> Power strips are electrical devices ineligible for discount.</p> <p><b>However, a rack-mounted or cabinet-mounted power strip/surge protector may be included on an ancillary basis as a part of an eligible component such as an eligible equipment rack.</b></p>	Not Eligible
Printer	<p>A device that <b>receives</b> computer information and prints it on paper. Printers are not eligible for discount.</p>	Not Eligible

Private Branch Exchange (PBX) (wired & wireless)	<p>A <b>PBX is a telephone switching system located at a business or organization's site.</b> The PBX provides internal station to station dialing and access to the public switched network.</p> <p>A PBX and the core PBX operating system are, in general, eligible for discount. Some products may have modules or features that are not eligible. These include voice mail cards or software, E911 cards, Automatic Call Distribution, and programming modules or software. If these ineligible components are <b>available</b> separately, <b>or the applicant specifically seeks the ineligible functions, their</b> cost must be subtracted from the amount eligible for discount. If the ineligible components are not <b>available</b> separately, the full product <b>may</b> be eligible for discount, but only if the <b>conditions for ancillary use apply. See the entry for Bundled Products in this section for further information.</b></p>	
Processor Terminator Card	The Processor Terminator Card is a device installed in a computer and used to signal the computer that only one processor is installed in a system permitting multiple processors. Systems permitting multiple processors must be equipped with a redundant processor or a Processor Terminator Card. The Processor Terminator Card is eligible if installed in an eligible server.	
Public Address (P.A.) System	A <b>Public Address</b> system allows the user to make announcements through the use of amplifiers and speakers. <b>A Public Address system which is a stand-alone system and not integral as a bundled component of a PBX, Centrex or key system, is not eligible for discounts.</b>	Not Eligible
PVBX	A PVBX or Private Video Branch Exchange is a video PBX. The PVBX integrates the functionality of a PBX by providing video integrated into the switching matrix of the PVBX. The PVBX acts as a video distribution system linking classrooms and administration as well as traditional PBX methodologies. <b>A PVBX follows the same eligibility requirements as a PBX—in general, it is eligible for discount. See the listing for PBX for detailed eligibility information.</b>	
Raceway	See Conduit.	
Racks	A <b>rack is a metal supporting framework for mounting cables, equipment or wires.</b> It is eligible if the supported equipment is eligible.	
RAD	RAD, or rapid application development, is a programming system that enables programmers to quickly build working <b>software.</b> RAD is not needed to operate an eligible server and therefore is ineligible for discount.	Not Eligible
RAID	Short for Redundant Array of Independent Disks, RAID is a category of disk that employs two or more drives in combination for fault tolerance and performance. RAID disk drives are eligible only if used in an eligible component, for an eligible use. See the entries for Hard Disk Drive <b>and Storage Products.</b>	
Random Access Memory (RAM)	<b>Random Access Memory (RAM) is the electronic holding place for instructions and data that a computer's microprocessor can reach quickly. Common types are SIMM, DIMM, RDRAM, SDRAM. RAM chips would be eligible as a component of an eligible product.</b>	

Relay I/O Module	<p><b>A Relay I/O Module is an interface that establishes Uninterruptible Power Supply (UPS) protection to equipment that has not been pre-designed for a UPS interface.</b> The Relay I/O Module is only eligible if used with an eligible component.</p>	
Remote Access Router	<p>A <b>remote access</b> router <b>provides one or more interfaces that allow</b> dial up or remote access to a network. Remote Access Routers are eligible if steps are taken to ensure that only eligible entities will have the capability to access them. Remote access to the router cannot be available from homes or other non-school or non-library sites. Applicants are required to provide <b>the following signed and dated</b> certification to SLD that the conditions are met prior to approval:</p> <p><b>“The remote access router(s) for which I seek discounts either will not be used to provide remote access in the funding year or, if it is to be used remotely, I will take steps to ensure that only entities eligible for support under the Schools and Libraries Support Mechanism have the capability to access it. In the latter case, for example, access will not be available from homes or other non-school or non-library sites.”</b></p>	
Remote Access Server	<p>A Remote Access Server or Communications Server provides dial-in and/or dial-out connections over analog or digital phone lines. <b>See the entry for Remote Access Router in this section for eligibility conditions.</b></p>	
Routers	<p>Routers are switching devices that can act as an interface between two networks, and connect different segments such as departments or floors in a building. Functionally, routers select the routing path for traffic, may provide <b>features</b> such as load balancing, and <b>can</b> provide trouble shooting diagnostic capabilities.</p> <p>A router and the core router operating system are eligible for discount when used for an eligible purpose. Some products may have modules or features that are not eligible, such as functionality for content filtering, management, firewall protection, proxy services, caching, <b>Virtual Private Networks</b> and security. If these ineligible components are <b>available</b> separately, <b>or the applicant specifically seeks the ineligible functions, their</b> cost must be subtracted from the amount eligible for discount. If the ineligible components are not <b>available</b> separately, the full product <b>may</b> be eligible for discount, but only if the <b>conditions for ancillary use apply. See the entry for Bundled Products in this section for further information.</b></p>	
Satellite Dishes	<p>Satellite Dishes used for Wireless Wide Area Networks (WANs) are not eligible as Internal Connections. Satellite Dishes used for the receipt of over-the-air radio and television broadcast signals, or radio signals from cable television operators, are not eligible because these are not considered telecommunications services.</p> <p><b>Note, however, that satellite dishes may be provided as a part of an eligible leased service in other categories of service. See the entries for “Wide Area Network” and “Wireless Wide Area Network” in the Telecommunications Services section, and the entry for “Wide Area Network” in the Internet Access section.</b></p>	Not Eligible

Servers	<p>A <b>server, or file server, is a shared</b> computer on a <b>local area</b> network.</p> <p>Servers are conditionally eligible for discount. Eligible file servers are intended to serve as a conduit for information rather than as a source for content. File servers used principally to supplement storage requirements of personal computers on a network <b>are not eligible</b>.</p> <p>A network operating system <b>associated with an eligible file server</b> is likewise eligible for discount, including functionality provided with the core network operating system at no cost.</p> <p>Eligible servers may be used in the following capacities.</p> <ul style="list-style-type: none"> <li>DHCP Server</li> <li>Domain Name Server</li> <li>E-Mail Server</li> <li>Terminal Server</li> </ul> <p>Ineligible uses include:</p> <ul style="list-style-type: none"> <li>Archive or Data Warehouse Server</li> <li><b>Application Server</b></li> <li><b>Database Server</b></li> </ul> <p>Additional ineligible uses include: <sup>6</sup></p> <ul style="list-style-type: none"> <li>Caching Server</li> <li>Firewall Server</li> <li>Print Server</li> <li>Proxy Server</li> </ul> <p><b>A Web server used to provide information to users of the Internet is eligible for discount. A Web server used to provide substantial software applications, database functions or storage of end user files is considered an Application Server, Database Server, or Archive Server, respectively, and therefore is not eligible.</b></p> <p>A Remote Access Server (also called a Communications Server) is conditionally eligible. See that heading for further information.</p> <p><b>Funding requests must provide sufficient information for the SLD to understand the use(s) for file servers proposed. Examples: “File server” is not sufficiently specific; “file server used exclusively for e-mail” would be sufficiently specific.</b></p> <p><b>Servers that provide a combination of eligible and ineligible functionality are fully ineligible, unless they are able to be cost-allocated. See the entry for Bundled Products in this section for further information.</b></p>	<p>Not Eligible Not Eligible Not Eligible</p> <p>Not Eligible Not Eligible Not Eligible Not Eligible</p>
Software	<p><b><u>E-mail Software</u> – A server-based, shared software product that provides e-mail service is eligible. Such e-mail software may include basic calendar or scheduling functionality on an ancillary basis, but substantial additional functionality, including database, workflow, or groupware features, would make the software product fully ineligible, unless the ineligible portions are cost allocated. See the entry for Bundled Products in this section for further information.</b></p> <p style="text-align: right;"><b>(continued on next page)</b></p>	

<sup>6</sup> Such servers may not be dedicated to ineligible uses, but may provide such features coincidentally if they are included with core network operating system software.

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	<p><b>Operational Software</b> – Software required to obtain operation of eligible equipment, such as network operating system software, is eligible if required as a core component of an eligible Internal Connection. Software available separately that provides optional operational features is not eligible for discount. Examples of ineligible operational software include separate products that provide caching, filtering, firewall, network administration, network management, and web site construction. Such functionality may be included as an ancillary component of otherwise eligible operational software, but only if the conditions for ancillary use apply. See the entry for Bundled Products in this section for further information.</p> <p><b>Application Software</b> – Software such as word processor, spreadsheet, graphics programs, etc. that is accessed directly by end-users is not eligible for discount.</p>	<b>Not Eligible</b>
Spare Parts	Spare parts are <b>components on hand</b> to replace hardware that fails. Spare parts are not eligible.	Not Eligible
Speakerphone	A <b>speakerphone</b> is a telephone, or telephone adjunct, which has a speaker and microphone for two way hands free conversation.	Not Eligible
Speakers	Speakers for end users are not eligible. However, speakers may be provided as an integral component of an eligible product such as an eligible file server, if they are part of the standard product configuration and provided at no additional cost.	Not Eligible
Station Message Detail Recording	Station Message Detail Recording (SMDR) or Call Detail Recording (CDR) is a software/hardware PBX component that provides the ability to generate reports on call details. Those details include, but are not limited to, call duration, PBX station number, time and date, trunk route, dialed number and cost of call. SMDR is not eligible for discount.	Not Eligible
<b>Storage Products</b>	<p>Products that provide electronic data storage on magnetic or other media, for eligible file servers or other eligible products, are conditionally eligible, based on whether the software and/or data stored provides an eligible purpose, e.g. if it is necessary to transport information all the way to individual classrooms.</p> <p>Data storage products in an eligible file server would be eligible when used to store the following information:</p> <ul style="list-style-type: none"> <li>Network operating system files and functions, when the associated file server is used for an eligible purpose</li> <li>Software that facilitates Internet connectivity, e.g., <ul style="list-style-type: none"> <li>Domain Name Service (DNS) software</li> <li>Dynamic Host Configuration Protocol (DHCP) software</li> <li>Web server software and files, except as excluded below</li> </ul> </li> <li>E-mail software</li> <li>E-mail files</li> </ul> <p style="text-align: right;">(continued on next page)</p>	

	(continued from previous page)  <b>Data storage products in a file server, and the file server itself, would be ineligible when used to store the following information:</b> <b>End user files other than e-mail</b> <b>Application software and data files</b> <b>Database software and files</b> <b>Caching of information from the Internet or a Wide Area Network</b> <b>Archival software and files</b>  <b>Storage products that provide a combination of eligible and ineligible functionality are fully ineligible, unless they are able to be cost-allocated. See the entry for Bundled Products in this section for further information.</b>	
Surge Protector	<b>See the entry for Power Strip in this section.</b>	Not Eligible
Switchboard	<b>See the entry for Attendant Console, PBX/Centrex in this section.</b>	
Switches	A <b>switch</b> is a mechanical or electronic device that <b>completes or breaks an electrical path, or selects the paths for communication. More specifically, data switches provide capability similar to that described in the entry for Hub in this section, but additionally provide a dedicated bandwidth at each network port, rather than a shared bandwidth among all ports. Switches are eligible for discount.</b>	
System Improvements and Upgrades	Improvements/upgrades to eligible services are eligible for discounts. Memory upgrades, for example, to <b>eligible</b> file servers are eligible, but would not be eligible in end user workstations.	
Tape Backup	Tape Backup units, including technologies such as QIC, DAT, 8mm, DLT, AIT, and ADR, are eligible when used as part of an eligible server. They are not eligible when part of a PC, or workstation.  <b>A cartridge included with a tape backup unit may be provided as an integral component of the backup unit, if the cartridge is part of the standard product configuration and provided at no additional cost.</b> The cost of purchasing additional or separate tapes is not eligible.	
Technical Support	Technical support is the assistance of a vendor-provided technician. This support may include the installation, maintenance, and changes to various service and equipment under contract. Technical Support is only eligible if it is a component of a maintenance agreement/contract for an eligible service or product, and it must specifically identify the eligible products or service covered by the contract.	
Telephone, Telephone Instruments	Telephones, also known as telephone sets, telephone instruments, digital voice terminals, and voice terminals are the end user equipment used to transmit and receive <b>voice telephone service</b> . Telephones are not eligible for discount.	Not Eligible

Terminal Adapter	The Terminal Adapter (TA) is a device that connects a computer to an external digital communications line, such as an ISDN line. Terminal adapters are eligible if used with, or in, eligible components of Internal Connections. They are not eligible if used with, or in end-user equipment.	
Test Equipment	<b>Test Equipment is used to test hardware software, cable continuity, telecommunications links, etc.</b>	Not Eligible
Transceiver	A transceiver is a device that transmits and receives analog or digital signals. The term is used most frequently to describe the component in local area networks (LANs) that actually applies signals onto the network wire and detects signals passing through the wire. For many LANs, the transceiver is built into the network interface card (NIC), while others require an external transceiver. <b>A transceiver is eligible for discount.</b>	
Two Way Radio	Two way radios are wireless <b>end-user</b> devices used to communicate generally over short distances. Two way radios are not used to provide Telecommunications Services, and do not meet the definition of an eligible Internal Connections.	Not Eligible
TX to FX Converter	The TX to FX Converter is a cable converter that converts copper connection to a fiber connection, <b>and is eligible for discount.</b>	
Uninterruptible Power Supply (UPS)	An <b>Uninterruptible Power Supply is a device that provides backup</b> electric energy to a piece of equipment <b>in the event of a power failure.</b> A UPS is eligible if provided for use with an eligible component.	
UPS Interface Expander	A UPS <b>Interface Expander is a device that</b> provides additional ports on an existing UPS system, which allows for the <b>power</b> management of <b>additional</b> servers from one UPS.  A UPS Interface Expander is eligible if provided for use with eligible components.	
Video Equipment	<u>Enhanced Multimedia Interface (EMMI)</u> The EMMI is an interface that gives PC and workstation users on ATM networks the ability to send and receive full-motion, high quality video, CD-quality stereo and high speed data. Signals are transformed into ATM cells and transported optically, using the Synchronous Optical Network (SONET) standard. <b>EMMI is eligible for discount.</b>  <u>Master Control Unit</u> A Master Control Unit (MCU) is a device that controls the main operating functions of a video system. An MCU is eligible for discount if used in the transport of information for individual classrooms or publicly accessible rooms of a library. <b>It is eligible for discount if used in the transport of information for individual classrooms or publicly accessible rooms of a library, but ineligible if used as end-user equipment.</b>	

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	<p><u>MPEG Video Encoder</u> MPEG Video Encoder is a device similar to a CODEC that converts analog signals to compressed MPEG. See the entry for CODEC for eligibility conditions.</p> <p><u>Multipoint Control Unit</u> A Multipoint Control Unit (MCU) is a bridging or switching device used in support of multipoint videoconferencing. It is eligible for discount if used in the transport of information for individual classrooms or publicly accessible rooms of a library.</p> <p><u>Video Amplifiers</u> Video amplifiers and other video equipment necessary to deliver video services <b>(but not broadcast or cable television)</b> to the classroom are eligible for <b>discount</b>.</p> <p><u>Video Channel Modulator</u> <b>A Video Channel Modulator is a</b> distribution box which takes standard video and audio input from video cameras, recorders, security systems, satellite receivers, disk players and video games and distributes the signals to the end user. <b>It is eligible for discount.</b></p> <p><u>Video Group &amp; Desktop Equipment</u> Equipment used to control the programming, distribution, and selection of video conferencing or televisions broadcast. It is <b>eligible for discount if used in the transport of information for individual classrooms or publicly accessible rooms of a library, but is</b> ineligible if used in end user equipment.</p> <p><u>End user video</u> equipment is ineligible for discount.</p> <p><u>Media Retrieval Equipment</u> Media retrieval equipment is used to capture and record video signal. The system includes a computer, controller for record and playback function and imaging and system control software. The system acquires, digitizes and records video on disk for future use and viewing. The storage device is generally a computer hard drive. <b>Media Retrieval Equipment is not eligible for discount.</b></p> <p><u>Television, video monitor</u></p> <p><u>VCR/DVD/CD Players or Recorders</u></p> <p><u>Video Camera</u></p>	<p>Not Eligible</p> <p>Not Eligible</p> <p>Not Eligible</p> <p>Not Eligible</p> <p>Not Eligible</p> <p>Not Eligible</p>
Virtual Private Network (VPN) components	A Virtual Private Network (VPN) uses encryption and/or tunneling services in order to provide highly secure communication over the public Internet or in some cases over point-to-point links. Software and/or hardware equipment used for enhanced security features over a Virtual Private Network is not eligible for discount as Internal Connections.	Not Eligible
Voice Compression Module	<p>The Voice Compression Module allows voice and fax traffic to share the same lines as data and LAN traffic.</p> <p>The Voice Compression Module is an eligible component of Internal Connections <b>when</b> it is installed in an eligible component.</p>	

Voice Interface Card	Voice interface cards (VIC) are usually components of a router or PBX system that interface with internal systems and the Public Switched Telephone Network, <b>and are eligible for discount</b> . Some examples of VICs are:  FXO Cards E&M Cards FXS Cards.	
Voice Mail	Voice <b>Mail</b> , also called Voice <b>Messaging</b> , allows <b>a machine or system to take a message if the party being called is not available</b> . <b>Additional features are often available, such as the ability to</b> forward messages to one or more voice mailboxes in a system. Voice mail <b>may be</b> provided as an additional feature of a Private Branch Exchange (PBX) or can also be provided by a telephone company as an optional feature to telephone service.  Voice Messaging and all related equipment and charges are ineligible for discount.	Not Eligible
Voice Messaging	<b>See the entry for Voice Mail in this section.</b>	Not Eligible
Voice/Fax Network Module	Voice/Fax modules are an access product that enables the transmission of multiprotocol data, voice, fax and LAN over frame relay, leased line, DDS or ISDN services. Voice/Fax modules are eligible when used with eligible equipment.	
Voice/video over IP (VoIP)	<b>Eligible</b> Internal Connections components <b>may include technology for providing</b> real-time or near real-time voice or video over IP (VoIP).  <b>Note</b> , however, <b>that any additional service charges for providing</b> VoIP capability <b>as a part of</b> Internet <b>Access</b> are not eligible. See the entry for Specialized Services in the Internet Access section.	
Wire and Cable Maintenance	The maintenance of internal cabling is eligible for discount as a component of contracted technical support. See the entry for Technical Support for further information.	
Wire Manager	Wire Managers are wire restraints to house/arrange wiring and cabling. They can be aluminum or plastic and may be rack mountable. Wire Managers are eligible when used with eligible wiring/cabling.	
Wireless PBX Adjunct	A <b>Wireless PBX</b> Adjunct functions in conjunction with a Private Branch Exchange, to provide wireless capability to the station end, <b>and is eligible for discount</b> .	

Wireless Local Area Network	<p>A wireless Local Area Network has the same eligibility as other Local Area Networks. Hubs, access points, <b>antenna</b> and other components that provide a wireless Local Area Network capability are eligible for discount. See the entry for “Local Area Network” in this section for additional information.</p> <p>Network interface cards (<b>NICs</b>) installed in computer workstations are, in general, not eligible for discount. However, the antenna <b>and radio frequency</b> components of a workstation network interface card may be eligible. See the entry for “Antenna” in this section for additional information.</p>	
Wiring, Internal	<p>Internal wiring <b>and related components</b> that <b>are</b> eligible for discount include, but <b>are</b> not limited to: cable (copper/fiber/coax/twisted pair), bays, jacks, blocks, panels, and terminals necessary to transport information all the way to individual classrooms.</p> <p>Wiring that provides electrical service is not eligible.</p>	
Workstation	<p>A Workstation is a personal computer that may operate in a stand-alone environment, or may be connected to a host mainframe computer as part of a network. Workstations, personal computers, or other end user components are not eligible for discount.</p>	Not Eligible

**MISCELLANEOUS**

The service category for entries in this section should reflect the same category as the product or service being installed or maintained—Telecommunications Services, Internet Access, or Internal Connections

SERVICE	ELEMENT/DESCRIPTION	ELIGIBILITY
Cable TV Access	Video services are eligible only if provided as a commercially available Telecommunications Service. Cable providers are not considered providers of Telecommunications Services.	Not eligible
<b>Change Fees</b>	<b>Change fees for costs incurred in modifying an existing eligible service to another eligible service are eligible.</b>  <b>Costs to terminate a service are not eligible.</b>	
<b>Configuration Charges</b>	<b>Charges for the configuration of eligible hardware and software are eligible.</b>	
Construction Costs	Construction costs, e.g., the removal, creation, repair, or replacement of walls and doorways, <b>generally</b> are not eligible. <b>However</b> , construction incidental to component installation, that restores a facility to pre-installation conditions, is eligible. Asbestos removal is not eligible.	
Contingency Fees	In cases in which the scope of the work make it difficult to determine the specific costs beforehand, a service provider may include a reasonable contingency fee, but <b>such a contingency fee is eligible</b> only if it is a regular business practice of the service provider.	
Dark Fiber (excess capacity)  (provided by service provider but "lit" by applicant)	Dark fiber refers to fiber optic cable that is unused, or "dark." Capital costs for transmission capability that does not have a direct and immediate use by eligible applicants are not eligible.  Service providers can lease fiber capacity that does not include modulating electronics to schools or libraries, if the applicant provides the electronics to modulate the fiber. The lease of such fiber cable for obtaining Telecommunications Services or Internet Access is eligible, if the applicant's electronics are located solely at eligible school or library sites, and if the conditions apply that are described under the heading "Wide Area Network" in the relevant section (Telecommunications Services or Internet Access).	
Extended Warranty	Extended warranties are those that cover periods of time <b>both within and outside</b> the current funding year. <b>Eligibility is limited only to that portion of the warranty within the current funding year.</b> Extended or multi-year warranties must be prorated so only the portion of the warranty applicable to the current funding year is funded.  If a multi-year warranty is included in the price of the equipment for all customers without a separately identified cost, proration is not required.	
Finance or Interest Charges	Finance <b>or interest</b> charges assessed for loans to fund the lease or purchase <b>of products or services</b> are not eligible.	Not Eligible

Freight Assurance Fees	Freight assurance fees are fees assessed to the purchaser for the guarantee of safe delivery to their premises of goods, i.e., they provide shipping insurance. Freight assurance fees are eligible for discount if associated with eligible components.	
Leasing Fees	Leasing fees charged for the use of eligible services and products <b>are eligible</b> . <b>However, any</b> finance charges, associated with leasing <b>or otherwise</b> , are not eligible.	
Per Diem	Per Diem is a dollar amount designated to a vendor for daily expenses such as lodging and food. It may or may not include travel time. It is eligible for funding if a contract with a vendor for eligible services <b>specifically</b> stipulates or allows for per diem. It is not eligible if it is not part of a contract or bid.	
Performance Bond	A Performance Bond, <b>also known as a Bid Bond</b> , is a <b>legal obligation</b> , generally obtained by the vendor or contractor from a third party, that guarantees the terms of the contract or agreement are met. In the event of default or failure to meet the terms, the bond would be used to complete the contracted work. <b>Performance Bonds are not eligible</b> .	Not Eligible
Professional Services	<p>The category of service specified for Professional Services, i.e., Telecommunications Services, Internet Access, or Internal Connections, should reflect the appropriate service category for the professional service being obtained.</p> <p><u>Design &amp; Engineering Costs</u>—Design and engineering costs are eligible if they are coincident with the installation of eligible equipment or services and if part of a contract or bid for those eligible products or services.</p> <p><u>Installation</u>—The charges incurred for the installation of eligible Telecommunications Services, Internal Connections and Internet Access are eligible for discount.</p> <p><u>Maintenance</u>—Maintenance is eligible for discount only if it is a component of a maintenance agreement/contract for an eligible service or product. The agreement or contract must specifically identify the eligible products or services covered.</p> <p><u>Project Management</u>—Costs associated with the overall management of the installation and initial operation of eligible products and services are eligible if they are part of a contract or bid for the eligible products and services.</p> <p><u>Training</u>— Training is eligible <b>only</b> if it is basic instruction on the use of eligible equipment, coincident with and directly associated with the installation of such equipment. Training of teachers and staff in the use of covered services in their programs of instruction or for professional development is not eligible for discount.</p> <p><u>Consulting Services</u>—Costs of expertise in areas such as initial planning, consulting, development of technology plans, application assistance, and program advice are not eligible.</p> <p><u>Personnel Costs</u>—Labor costs for schools and library personnel are not eligible for discount.</p>	<p>Not Eligible</p> <p>Not Eligible</p>

Programming Charges	Creation of customized software through the programming of computer code is ineligible.	Not Eligible
Shipping Charges	Shipping Charges are the charges associated with the delivery of products from their point of origin to the customer premises. Shipping Charges are eligible for discount when they are for the delivery of eligible products or services.	
Taxes, Surcharges and Access Charges	Federal taxes, state taxes, <b>and other similar, reasonable charges</b> incurred in obtaining eligible Telecommunications Services, Internet access and internal connections are eligible.	
<b>Termination Charges</b>	<b>Charges for termination liability or other charges not involved with obtaining or initiating eligible services are not eligible.</b>	<b>Not Eligible</b>
Travel Time	The cost of travel to and from a work site is eligible for discount <b>only if</b> a contract with a vendor for eligible services stipulates, or allows, travel time. It is not eligible if it is not part of a contract or bid.	