

# Category Two Budgets FY2026 – FY2030

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# How Category Two Budgets Work

# Budget Cycle Guidelines

- Applicants follow fixed five-year budget cycles for C2 funding requests
- All applicant budgets are reset at the beginning of each new cycle
- Any unused budget from a previous cycle does not roll over to the next cycle
- The term of the five-year cycle is the same for all applicants regardless of the first year in the cycle that they request or receive funding
- Each budget cycle uses a **per-student multiplier** and a minimum **funding floor** for the duration of the cycle
- Applicants may submit applications in any funding year during the five-year cycle
- Applicants can spend all of their budget in one year or spread it out across any and all of the five years

# Entity Budget Guidelines

- Each applicant's budget is validated and established during the first year of the cycle that they receive a positive commitment for C2 funding
- Budgets are calculated based upon full-time student count
- Part-time students are not included in the C2 budget calculation
- Applicants may request an adjustment to their budget during the cycle if their student counts change
- An entity's C2 budget is the maximum amount available for C2 equipment and services over the five-year budget cycle
- Calculated budgets are pre-discount thus applicants may apply for funding up to  $[\text{discount}] * [\text{budget}]$
- School District budget calculations are district-wide rather than at the school building level and funds can be allocated among eligible sites as they see fit
- Independent School budget calculations are based upon its student count

# Updating Student Counts

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

## Required

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

## Optional

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

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

# Buildings Under Construction

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

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

# Non-Instructional Facilities

Non-instructional facilities are ineligible for Category 2 funding

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



# Calculating Your FY2026 – FY2030 Category Two Budget

# FY2026 – FY2030 Baselines

## Budget Multiplier

**FY2026-FY2030**

\$201.57 per student

## Funding Floor

**FY2026-FY2030**

\$30,175 per school

# Calculating Your Five-Year Budget

## School Districts

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

## Independent Schools

Independent schools will tabulate their student count to calculate their total five-year budgets

# Choose a Track

Select the column that best reflects your entity setup in EPC:

## A

“large”  
school district  
with 11 or more  
sites

*go to the next page*

## B

“small”  
school district  
with 10 or fewer  
sites

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

*skip to page 17*

## C

independent  
school

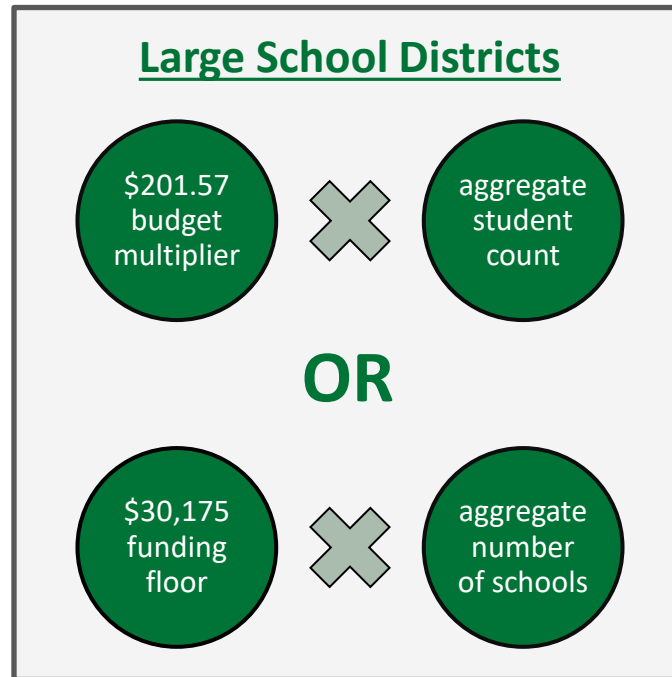
***This applies to all  
independent  
schools  
(listed in EPC as a  
school without a  
parent district)***

*skip to page 22*

# A

## School Districts with 11 or More Sites

# Determine Which Value is Greater



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

# Large District Budget Example A

## FY2026-FY2030 Budget for School District A

Aggregate Students	Schools	Budget Calculation
10,000 students	15 schools	$\$201.57 \text{ budget multiplier} \times 10,000 \text{ students}$ <b>= \$2,015,700 AGGREGATE DISTRICT BUDGET</b>

# Large District Budget Example B

## FY2026-FY2030 Budget for School District B

Aggregate Students	Schools	Budget Calculation
10,000 students	100 schools	<p>aggregate calculated budget:  <math>\\$201.57 \text{ budget multiplier} \times 10,000 \text{ students} = \\$2,015,700</math></p> <p>aggregate funding floor:  <math>\\$30,175 \text{ funding floor} \times 100 \text{ schools} = \\$3,017,500</math></p> <p>the calculated budget is less than the aggregate floor</p> <p><b>→ \$3,017,500 DISTRICT BUDGET</b></p>

*the funding floor only comes into play if the aggregate budget for the district would be less than the aggregate funding floor for the district*



B

# School Districts with 10 or Fewer Sites

# Small District Exception

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

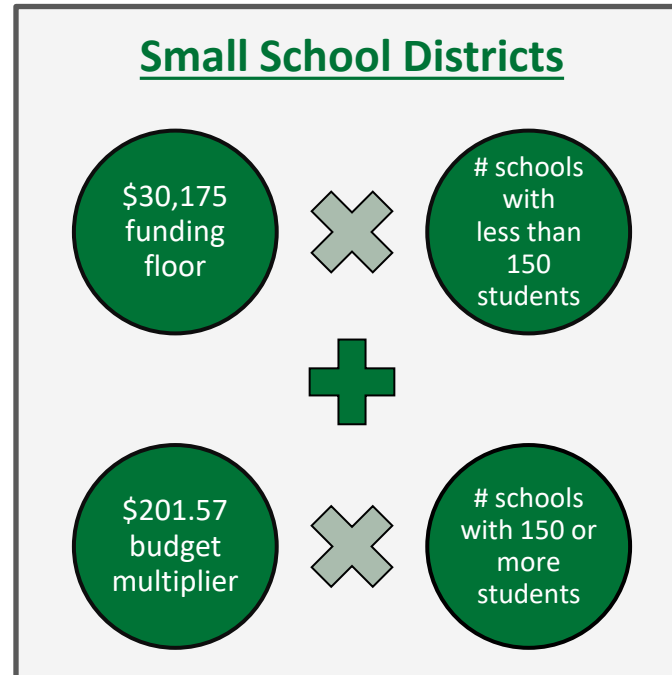
Applicants with 10 or fewer sites **have the option** to calculate their budgets on a **per-site basis** by adding together the budgets of each eligible site within the district

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

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

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

# Complete Your Budget Calculation



# A Typical Maine District Calculation

## STEP 1

- For schools with fewer than 150 students, multiply number of schools x \$30,175

## STEP 2

- Multiply enrollment of all other schools x \$201.57

## STEP 3

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

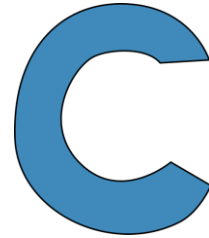
# Small District Budget Example

## FY2026-FY2030 Budget for Small School District A

School	Students	Budget Calculation
School 1	100 students	$\$201.57 \text{ budget multiplier} * 100 \text{ students} = \$20,157$ → adjusted to funding floor of \$30,175
School 2	130 students	$\$201.57 \text{ budget multiplier} * 130 \text{ students} = \$26,204.10$ → adjusted to funding floor of \$30,175
School 3	200 students	$\$201.57 \text{ budget multiplier} * 200 \text{ students} = \$40,314$
School 4	300 students	$\$201.57 \text{ budget multiplier} * 300 \text{ students} = \$60,471$

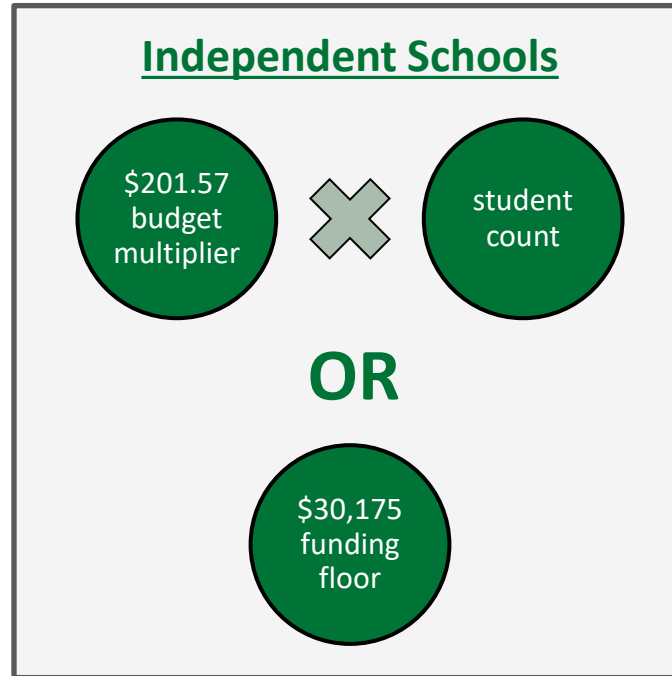
**\$161,135 DISTRICT BUDGET**

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



# Independent Schools

# Determine Which Value is Greater



# Independent School Budget Examples

## FY2026-FY2030 Budget for School A

Students	Budget Calculation
300 students	$\$201.57 \text{ budget multiplier} \times 300 \text{ students}$ <b>= \$60,471 SCHOOL BUDGET</b>

## FY2026-FY2030 Budget for School B

Students	Budget Calculation
50 students	<p>calculated budget:  <math>\\$201.57 \text{ budget multiplier} \times 50 \text{ students} = \\$10,078.50</math></p> <p>funding floor:            \$30,175 funding floor</p> <p>the calculated budget is less than the funding floor</p> <p><b>→ \$30,175 SCHOOL BUDGET</b></p>