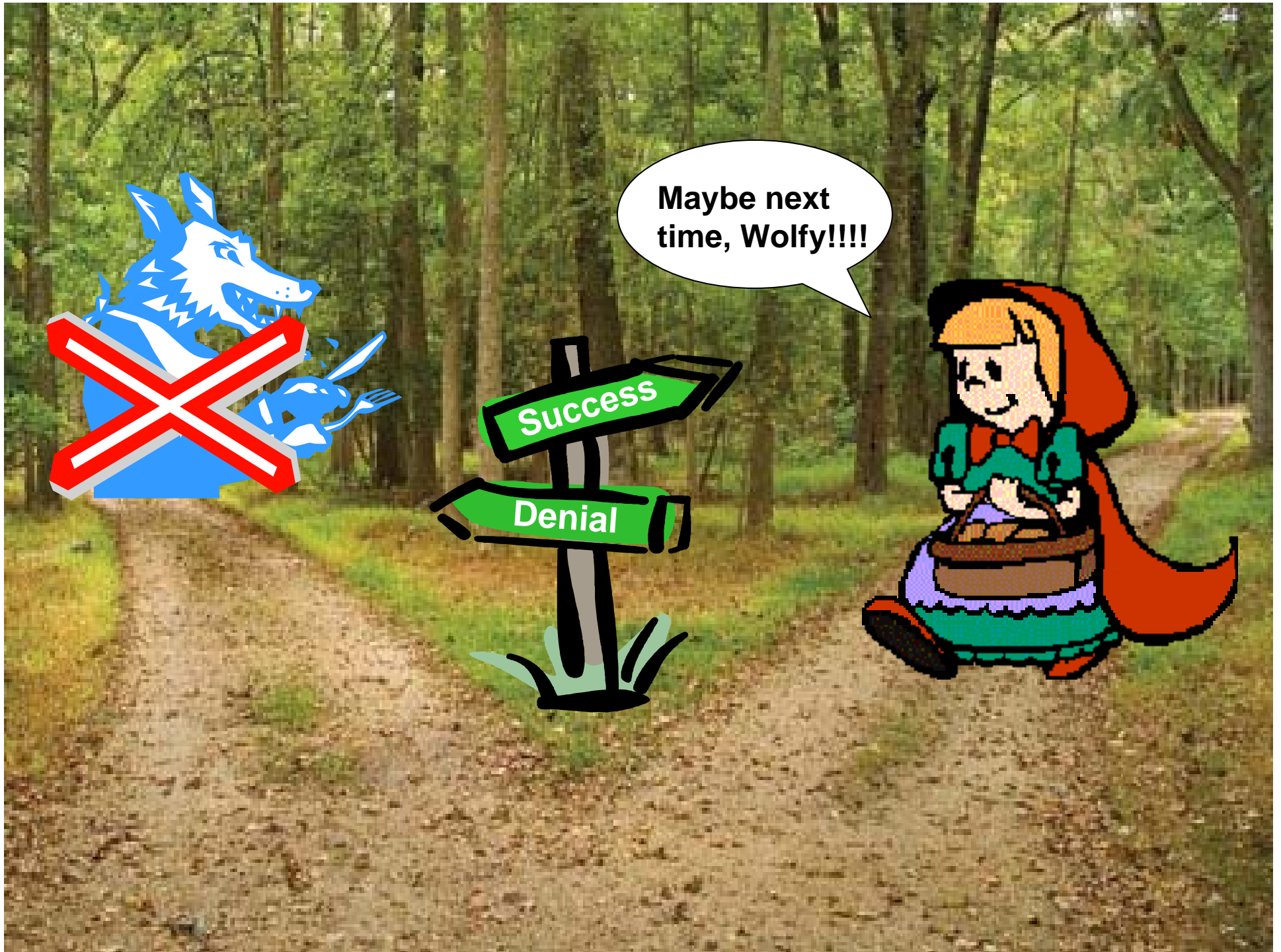




# The Path to Success (and Avoiding the Road to Denial)

Training for Success  
September – October 2006  
Schools and Libraries Division

Washington, DC • Boston • Seattle • St. Louis • Atlanta • Houston • San Diego



Maybe next time, Wolfy!!!!

Success

Denial

# Path to Success

## USAC will:

- Provide more guidance and more outreach
- Send targeted reminders of deadlines

## Applicants and service providers can:

- Correct ministerial and clerical errors
- Read instructions and communications
- Ask questions

# Being Successful

- Document Retention
- Technology Planning
- Competitive Bidding and Form 470
- Eligible Services
- Requesting Discounts and Form 471
- Starting Service and Form 486
- Appeals and Requests
- Other Program Compliance Issues

# Document Retention

- Keep all documentation related to applications for five years after the last date to receive service
  - Starts with technology plan and ends with delivery and installation of products/service
  - Know your E-rate equipment and services
  - Site visits
  - Audits

# Technology Planning

- Create your technology plan prior to your Form 470
  - Own and design a plan that reflects your needs
  - Review the definition of basic telephone service
    - PBX and Centrex require technology plans

# Technology Planning

- Address all five required elements
  - Goals and strategies related to technology
  - Professional development strategy
  - Needs assessment of eligible services
  - Budget
  - Ongoing evaluation process

# Technology Planning

- Find a USAC Certified Technology Plan Approver (TPA) to review and approve your plan
  - Use the Certified Tech Plan Approver tool on website to locate an approver for your entity type, state, etc.
- Get your plan approved before you file the Form 486 or services start, whichever is earlier
- Make sure your plan covers all 12 months of the funding year (or the period for which discounts are requested)
- Update your plan if necessary and when making changes in your technology implementation



# Competitive Bidding / 470

- Keep the following in mind when getting ready to file your Form 470
  - You will describe the services you are seeking on your Form 470 (and RFP, if using one)
  - You should be ready to accept bids when you post the Form 470 or release your RFP
  - Your 28 days starts when you post the 470 or issue the RFP, whichever is *later*
  - You should tailor your RFP to *your* needs and base it on *your* technology plan

# Competitive Bidding / 470

- Filing your Form 470 (continued)
  - Post for the correct category(ies) of service
  - List the services that you are seeking, which are based on your tech plan – not a laundry list.
  - Form 470 must be detailed enough that service providers can ask questions and formulate bids
  - Define scope of work to include all entities receiving services, including non-instructional facilities (NIFs)
  - Properly indicate if you have or will have a Request for Proposals (RFP)

# Competitive Bidding / 470

- Run an **open and fair process**
  - “Open” means there are no secrets in the process (all bidders know what is required of them and any information is shared with all)
  - “Fair” means that bidders are treated the same
  - Discussions with vendors must be neutral
  - Avoid conflicts of interest, e.g.:
    - Independent consultant ↔ service provider
    - Applicant ↔ service provider

# Competitive Bidding / 470

- Run an open and fair process (continued)
  - Design your bid evaluation process carefully
    - Weight your criteria, with price of the eligible products and services as the factor that is weighted most heavily
    - Save evaluation sheets, winning and losing bids, and other documentation
  - Follow state, local and FCC procurement rules
  - Document EVERY PART of your process
  - If you don't receive any bids, document that fact with a memo to your file

# Eligible Services

- If you're not certain of the eligibility of some services, include them in separate funding requests (FRNs)
  - “When in doubt, break it out.”
- Telecommunications Services **MUST** be provided by telecommunications carriers eligible to provide such services
- Use the Eligible Services List
- Cost-allocate out ineligible services

# Selecting the Winning Bid

- **WAIT 28 DAYS** after your Form 470 is posted and your RFP is issued before:
  - Selecting your service provider, and
  - THEN sign a contract, and
  - THEN file your Form 471, and
  - THEN certify your Form 471
- Refer to your 470 Receipt Notification Letter for the allowable contract date

# Selecting the Winning Bid

- Choose the bid that is the most cost-effective, with price as the primary factor
  - Price evaluation must consider only ELIGIBLE products and services
  - Don't use E-rate to subsidize the procurement of ineligible or unrequested products or services
    - Review the “Free Services Advisory” on the USAC website

# Selecting the Winning Bid

- Choose goods and services that are the cost effective solutions for meeting educational and technology plan goals in the marketplace
  - A single bid is not necessarily cost-effective



# Selecting the Winning Bid

- Services must be one of the following:
  - Provided under tariff or a month-to-month arrangement (Form 470 filed annually) OR
  - Provided under a contract
    - Internal Connections and Basic Maintenance are presumed to be contracted services
    - Tariffed services provided under a contract are contracted services

# Consortia

- Consortium members must be knowing participants in the consortium
  - Letters of Agency (LOAs) or other documentation of knowingness must include:
    - Consortium leader and consortium member names
    - Timeframe covered (not open-ended)
    - Types of services (“all E-rate eligible services” or more specific)
    - Signature, date and title of consortium member
  - May be required to file Form 479 for status of compliance with CIPA

# ESAs

- Eligibility is based on state law definition of school
- Should be careful to avoid conflicts of interest (serve as applicants, providers, tech plan approvers, etc.)
- ESAs can be applicants and service providers at the same time, but cannot double dip.
- ESAs should carefully read the guidance that is posted on the website.

# Necessary Resources

- Necessary resources — review your budget to make sure you have included sufficient resources to:
  - Pay your non-discount share of services
  - Purchase or acquire products and services not eligible for discounts (hardware, software, electrical capacity, some maintenance) that are necessary to use any discounted services

# Form 471 Reminders

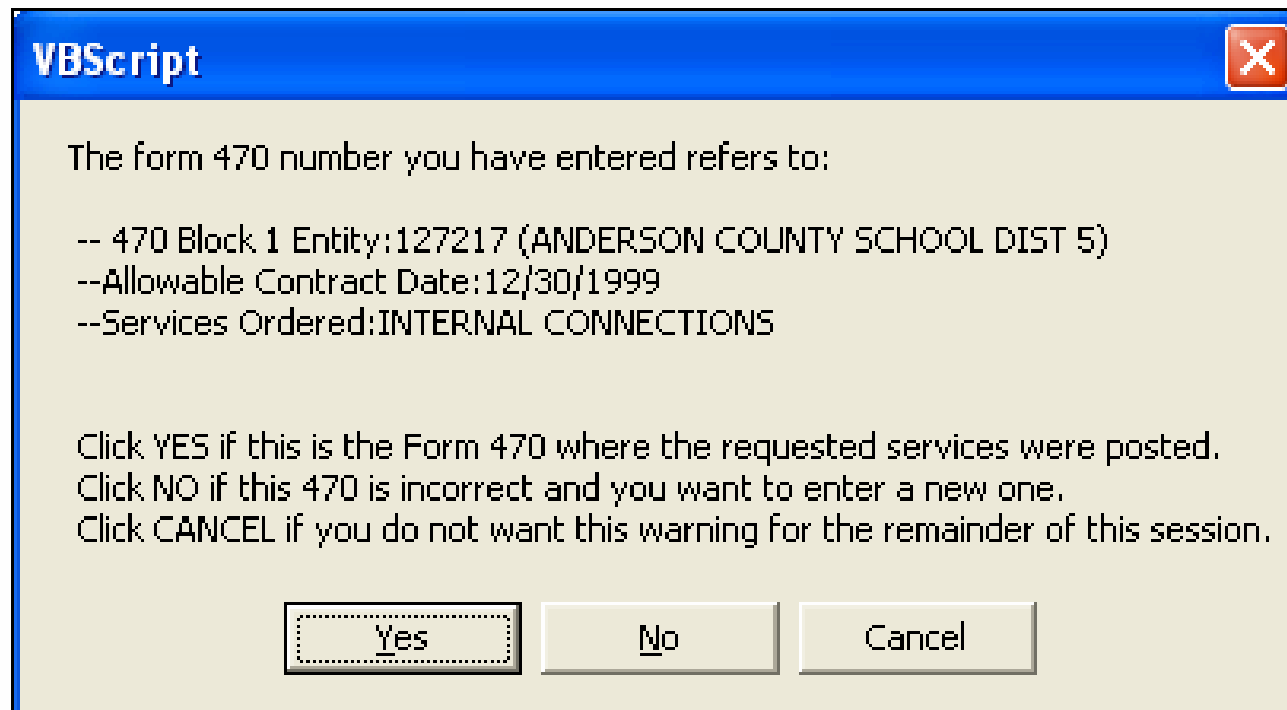
- Mixing Priority 1 and Priority 2 services on the same Form 471 will delay your funding
- Make sure you cite the correct establishing Form 470 Application Number
- Make sure you choose the correct category of service
- Check your math; check it again
- Check your application; check it again

# Form 471 Reminders

- You will have the opportunity to correct ministerial and clerical errors, **HOWEVER:**
  - It's better to do it right the first time
  - It's better to certify before the window closes
  - Know what is correctable and what is not
- It's better to submit your Item 21 attachment as soon as possible

# File Online

- Avoid errors
- Allow popup messages in your browser



# Starting Service / 486

- You can file Form 486 early if services will start in July and you have your FCDL
- Don't put July 1 of the funding year as the service start date unless it really is the service start date
  - USAC may adjust the service start date
  - USAC won't pay invoices for products and services delivered before the adjusted date



# Starting Service / 486

- Verify your compliance with the Children's Internet Protection Act (CIPA)
  - Internet safety policy
  - Technology protection measure
  - Public hearing or meeting
  - Certain additional requirements
- Remember to collect Forms 479 from consortium members if required

# Starting Service / 486

- Technology plans must be approved by a USAC-certified Technology Plan Approver (TPA) before Form 486 is filed or services start, whichever is earlier
- Keep a copy of your approval letter
  - If your state maintains this information on a website, print a hard copy for your files
- Keep a copy of your tech plan handy

# Appeals

- Write “Appeal” at the top
- Clearly identify / include:
  - The USAC decision notification (“the FCDL for BEN ##### dated May 15, 2006”)
  - The reason for your appeal
  - Any supporting documentation that will help USAC understand and review your appeal
- If possible, send your appeal by email to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org)

# Change Requests

- Clearly identify your request
  - SPIN change
  - Service substitution
  - Invoice deadline extension
  - Service delivery extension
- Follow the website guidance for additional information to include
- If possible, file using the email provided in the appropriate guidance document

# Red Light Rule

- Entities that owe a past-due debt to the US Government or USAC are put on Red Light.
- Status is tied to your tax ID.
- Applicants on Red Light may have applications denied and BEARs held
- Service Providers on Red Light have payments netted or held.

# Audits

- Make sure that your documentation is in order. See website for complete list of documents that you should have available to support your applications.
- Make sure that your physical inventory lists are in order so that you can quickly identify equipment.
- You will have an opportunity to respond to the audit report.



# Path to Success

- Questions?