

Consortium Review

What We Do and Why We Do It

Schools and Libraries Division

Washington, DC • Seattle • Denver • Chicago • Newark • Los Angeles • Atlanta

September/October 2008

Overview

- Consortium Participants
- Roles & Responsibilities
- Letter of Agency (LOA)
- Consortium Review

Consortium Participants

Consortium Members

- Eligible Entities (schools & libraries)
- Ineligible Entities (e.g., government agencies, universities, etc.)
- Only ELIGIBLE entities may receive E-rate discounts

Members participation maybe voluntary or mandated by law

Roles & Responsibilities

Consortium Member

■ Roles

- The entity that agrees participate in the consortium and to have applications (Forms 470, 471 & 486) filed on their behalf.
- The entity who will receive discounted services. Recipient of Service (Form 471 Block 4 entity)

■ Responsibilities:

- Writes and gets the technology plan certified
 - ***Avoid writing Consortium-level technology plan***

Roles & Responsibilities

- Consortium Member Responsibilities cont'd:
 - Secure its non-discounted share & necessary resources
 - Sign and date the Letter of Agency (LOA) **on** or **before** the Form 471 certification postmark date
 - Complete and submit the *Certification by Administrative Authority to Billed Entity of Compliance with the CIPA* (Form 479) to Consortium Leader
 - Comply with state and local procurement laws as well as all FCC Rules and program requirements
 - Comply with FCC document retention rules

Roles & Responsibilities

Consortium Leader

■ Roles

- The organization filing the Form 471
- Billed Entity (Form 471 Block 1 entity)

■ Responsibilities:

- Post Form 470
- Conduct competitive bidding & vendor selection
- Submit & certify Forms 471 & 486
- Collect & retain copies of the Letters of Agency

Roles & Responsibilities

■ Consortium Leader Responsibilities cont'd:

- Respond to PIA requests
- Collect & retain copies of the Forms 479
 - Note:** *Consortium Leader do not to submit Form 479 to FCC or USAC*
- Submit BEARS (Form 472) and respond to Invoicing requests
- Comply with document retention FCC Rules

Letter of Agency

■ Purpose

- Authorizes the Consortium Leader to seek E-rate discounts on eligible goods/services on behalf of eligible consortium members

Consortium members must complete an LOA, unless the consortium participation is mandatory and a statutory/regulatory requirement.

Letter of Agency

LOA Required Elements

1. Consortium leader
2. Consortium member name
3. The specific timeframe the LOA or authorizing document covers (For example, the E-Rate Funding Year 2009)
4. The signature, signature date, and title of an official who is an employee of the entity who is authorizing the filing of the application
5. The type of services covered by the LOA or authorizing document

Letter of Agency

■ LOA Tips

- The timeframes of these authorizations cannot be open-ended, such as "until terminated by either party."
- Project agreement, a contract, a letter agreement, or other similar document can be used in lieu of LOA, but it must contain the five LOA elements.
- Sample [LOA](#) on USAC's website

Letter of Agency

- **LOA Tips cont'd**
 - The description of services can be as general as "all E-Rate eligible services" or it can be more restrictive (e.g., "basic telephone service only")
 - Ensure the LOA description of services are the same services requested on the Forms 470 and 471.

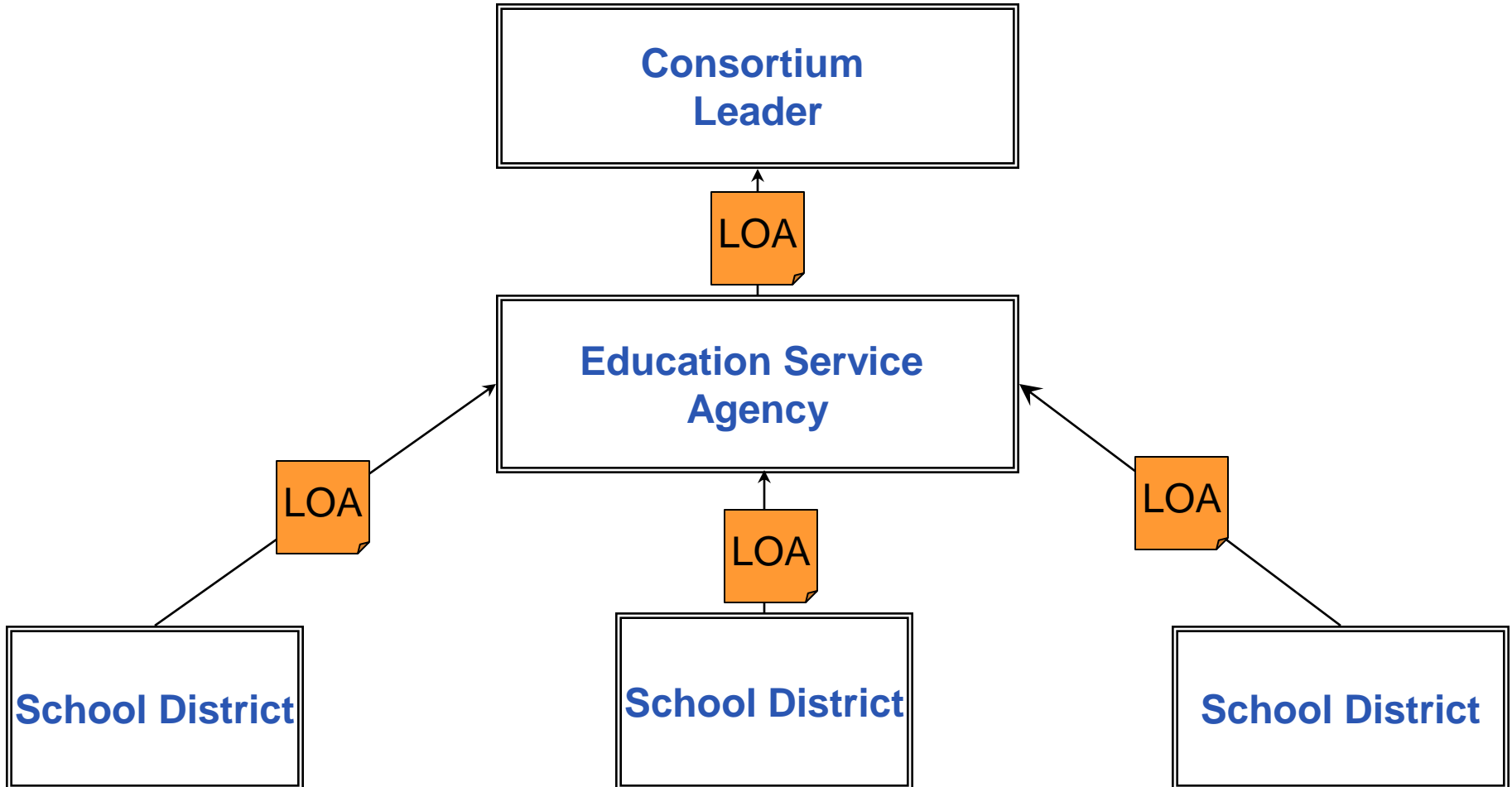
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■ **Knowingness**

- Consortium leader must demonstrate that consortium member “knows” (authorizes) the consortium leader to request services on the consortium member’s behalf
- Multiple–tier consortia must demonstrate knowingness between each tier. The consortium leader must maintain copies of each tier’s LOAs.
- The consortium leader should maintain a copy of the state’s statute or regulation that mandates consortium members participation.

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Multiple-tier Consortium “Knowingness”



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- **Unknowing Participants**
 - When the consortium leader is unable to provide a valid LOA or similar document for an entity.
 - PIA will ask the consortium leader to remove the unknowing participants from the FRN(s).
- **LOA Clerical Errors**
 - LOA errors can be corrected, IF the applicant is able to demonstrate the consortium leader was authorized to act on behalf the consortium member prior to the Form 471 certification postmark date (e.g., project agreement, contract, letter agreement or other similar document.)

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- **LOA Missing Elements**
 - Missing elements can be provided during PIA review (e.g., timeframe, consortium name, consortium member’s name, description of service is absent or NOT specific)
 - Consortium members should make a “good faith” effort to complete the LOA in its entirety
- **FRN Modifications**
 - Modifications may occur when the LOA is deficient or an unknowing participant is identified. Cost allocations and/or discount recalculation will occur as a result.

Questions?