Beginners Session for Service Providers

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Service Provider Training

Schools and Libraries Division

May 5, 2009 – Tampa   •   May 12, 2009 – Phoenix

Application Process

- Request / update SPIN
- Review Eligible Services List
- Applicants write technology plans
- Applicants file Form 470 to open competitive bidding process / Service providers submit bids
- Applicants file Form 471
- Annual certification
- Application review / Funding commitments
- Services start – applicants file Form 486
- Invoice USAC

Application Process

- Request / update SPIN

- Review Eligible Services List

- Service providers submit bids

- Annual certification

- Funding commitments

- Services start

- Invoice USAC

Overview

- Funding Year – July 1 to June 30
  - Non-recurring services have additional time – until September 30 – for delivery and installation
- $2.25 billion cap each funding year
  - FCC can roll over unused funding from prior years
  - Priority 1 (Telecommunications Services and Internet Access) services funded first
  - Priority 2 services (Internal Connections and Basic Maintenance) funded for neediest applicants first – 90% discount level first, then 89%, then 88%, and so on – until no funding remains

- Applicants can be:
  – Eligible schools and school districts
  – Eligible libraries
  – Consortia of eligible and ineligible entities (but only eligible entities can receive discounts)

- Applicants must meet deadlines during several parts of the application process
  – Not meeting a deadline can result in reduction or denial of funding

Document Retention

- FCC Requirement:
  - Keep all records pertaining to the application process for at least five years after the last date to receive service

Apply for a SPIN

- [Form 498](#) – Service Provider Identification Number and Contact Information Form
  - Original must be filed on paper
  - Must include a letter of certification with an original signature (required text is contained in the instructions)
  - Updates can be done online
  - Helpline: 1-888-641-8722

Form 498

FCC Form 498   Approval by OMB 3060-0824

Service Provider Identification Number and Contact Information Form
Estimated Average Burden Hours Per Response: 1.5 hours

FCC Form 498 is used to collect contact, remittance, and payment information for service providers that receive support from the Federal universal service support mechanisms. For greater flexibility, this form allows service providers to use the same General Contact information for all their program and remittance data collected for each of the four support mechanisms, or multiple remittance addresses. Please report any changes to this information on a revised FCC Form 498 to prevent any delays in notification and the timeliness of disbursements on their behalf. Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

Please read instructions, located at: http://www.universalservice.org/forms, before beginning this application.

Please check one box below.

☐ Original Application for SPIN   ☐ Revision to existing Form 498 on file with USAC

(Requests for revisions to an existing Form 498 must be signed by the General Contact or an officer of the company.)

See Instruction Section III.A

Service Provider Identification Number (SPIN)
(To be inserted by USAC for first time applicants. **Required for subsequent revisions.**)

499 Filer ID
(Must be indicated if your company is required to file the FCC form 499)

Block 1: General Company Information [All Fields REQUIRED]

See Instruction Section III.B

1 _____
  Company Name
2 _____
  Name Company is Doing Business As (DBA) or Formerly Known As (FKA)
3 _____
  Street Address
4 _____
  Address Line 2
5 _____ 6 _____ 7 _____
  City   State   Zip Code

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www.usac.org

Letter of Certification

FCC FORM 498   Approval by OMB 3060-0824

Attachment A:

Letter of Certification for New SPIN - SAMPLE

[YOUR COMPANY LETTERHEAD]

[Date]

USAC Billing and Disbursement
Attn: FCC Form 498
2000 L Street, NW Suite 200
Washington, DC 20036

I certify that I have provided the information on the attached Service Provider
Identification Number and Contact Information Form and to the best of my knowledge,
information and belief, all information contained in this form is true and that said form is an
accurate statement of the affairs of the above-named service provider.

Signature _____ Date _____

Printed name of Company Officer _____

Title or position of Company Officer _____

Telecom Providers

- If you want to provide telecommunications services
  - Must provide services on a <u>common carriage basis</u>
    - Allow customer to transmit information of its own design and choosing without change in form or content
    - Provide that capability for a fee directly to the public
  - File <u>Form 499-A</u> (and if required <u>Form 499-Q</u>)

Internet Service Providers

- If you want to provide interconnected Voice over Internet Protocol (VoIP) services:

  – Must also file [Form 499-A](#)

  – Some entities exempt from filing Form 499-A are still eligible to provide these services (see [Form 499-A Instructions](#) for a description of these entities)

- If you do not provide interconnected VoIP services:

  – No additional form requirements

Apply for a SPIN

- Why is Form 498 important to you?
  - Establishes user IDs and passwords for online updates, submissions, etc.
  - Populates SPIN Contact Search database that applicants use to contact you and find your SPIN
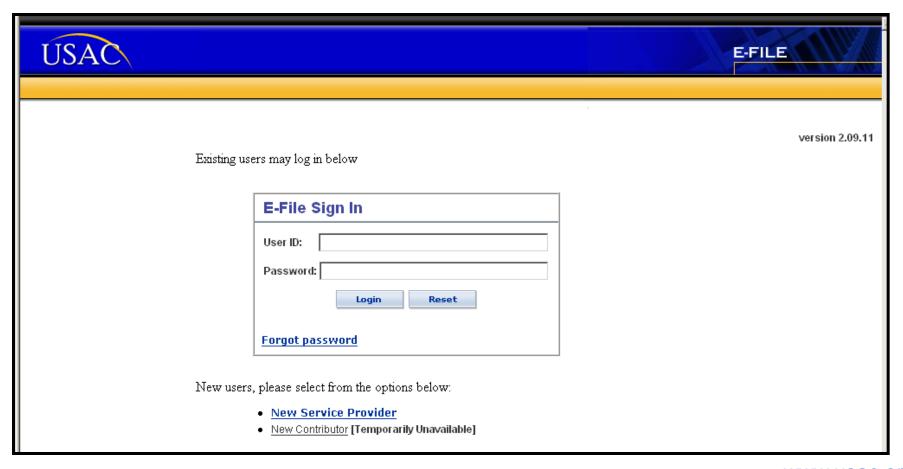 - Provides remittance information USAC uses to pay invoices

Apply for a SPIN

- E-File System
  - Once your Form 498 has been successfully processed, USAC will set up a user ID and password for:
    - General contact (Block 2 email)
    - Company officer (Block 14 email)
  - General contact and company officer can then set up additional users and their levels of access

Apply for a SPIN

- **E-File System**

Eligible Services List

- [Eligible Services List](#) (ESL) process
  - USAC sends draft ESL to FCC each year
  - FCC issues a Public Notice in the summer
    - Comment period
    - Reply comment period
  - FCC reviews comments and reply comments
  - FCC issues final list for upcoming funding year (no changes during funding year)

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Eligible Services List

- Why is the ESL process important to you?
  - Descriptions of eligible services are set for the funding year once the final ESL is issued
  - You have an opportunity to provide input in advance of the final ESL
  - Suggesting replacement or additional language that is considered and/or adopted may help both you and your customers with eligible service determinations

Applicant Tech Plans

- Applicants write technology plans
  - Not required for basic telephone service
  - Must be "created" (written) before applicants file their first program form (Form 470)
  - Must cover all 12 months of the funding year for which funding is requested
  - Can be approved for up to three years
  - Must be approved by a USAC-certified technology plan approver before services start or the third program form for applicants (Form 486) is filed, whichever is earlier

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Applicant Tech Plans

- Why is technology planning important to you?
  - Not following program rules can lead to:
    - Denial of funding
    - Rejection of Form 486
    - Rejection of invoices (Form 472 / Form 474)
  - Funding denial, nonpayment of invoices, or recovery of disbursed funds can occur:
    - During the review of an application
    - During the review of an invoice
    - As a result of an audit

Applicant Tech Plans

- If applicants ask you for assistance:
  - Refer them to existing sources
    - USAC website
    - State department of education or state library
    - Public websites
    - Other applicants
  - Offer no advice or NEUTRAL technical advice

Competitive Bidding

- Applicants post Form 470 and may issue an RFP
  - Opens a competitive bidding process
  - Process must be open and fair
  - Must wait 28 days before selecting service provider, signing contract, filing the second applicant program form (Form 471)
  - Must choose most cost-effective solution with price of the eligible products and services as primary factor
  - If an applicant posts for and then signs a multi-year contract, a new Form 470 does not need to be posted for those services for those additional years.

Form 470

FCC Form 470

Do not write in this area.

Approval by OM
3060-0806

Schools and Libraries Universal Service
Description of Services Requested and Certification Form 470

Estimated Average Burden Hours per Response: 4 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator Web Site and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before beginning this application. (You can also file online at www.sl.universalservice.org)

Applicant's Form Identifier (Create your own code to identify THIS Form 470)

Form 470 Application #:

(To be assigned by administrator)

Block 1: Applicant Address and Identifications

1 Name of Applicant

2 Funding Year

July 1, ____ through June 30, ____

3 Entity Number

4a Street Address, P.O. Box, or Route Number

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- What is a service provider's role in the competitive bidding process?
  - Review posted Forms 470 and/or download Form 470 summary information
  - Respond to Forms 470/RFPs
  - Review applicant requirements and local and state procurement rules, including reasons for possible bid disqualification

- What happens if USAC finds out the competitive bidding process is not open and fair?
  - This would violate program rules and can lead to funding denials
    - USAC will investigate suspected noncompliance, which will take time and can hold up decisions on other applications

Competitive Bidding

- What should a service provider AVOID in the competitive bidding process?

DO NOT:

- Prepare, sign, post or file a Form 470
- Design the evaluation process
- Participate in the review/evaluation of bids
- Provide free services, kickbacks, gifts, or other inducements to ensure bid selection
- Bundle eligible and ineligible costs to hide the ineligible costs

Competitive Bidding – Tips

- If applicants ask you for assistance:
  - Refer them to existing sources
- Review all requirements set out by the applicant and follow them

Form 471 (Applicants)

- After applicants choose a service provider, they file their second program form (Form 471)
- Once an applicant has chosen a service provider as the most cost-effective bid and, if applicable, signed a contract:
  - That service provider can assist applicants to complete much of the information required on the Form 471

Form 471

Do not write in this area.

Approval by OMB
3060-0806

Schools and Libraries Universal Service
Description of Services Ordered and Certification Form 471
Estimated Average Burden Hours per Response: 4 hours

This form asks schools and libraries to list the eligible telecommunications-related services they have ordered and estimate the annual charges for them so that the Fund Administrator can set aside sufficient support to reimburse providers for services.
Please read instructions before beginning this application. (You can also file online at www.sl.universalservice.org.)
The instructions include information on the deadlines for filing this application.

Applicant's Form Identifier

(Create your own code to identify THIS Form 471)

Form 471 Application#:_____
(To be assigned by administrator)

Block 1: Billed Entity Information (The "Billed Entity" is the entity paying the bills for the services listed on this form.)

1 a Name of Billed Entity

2 a Funding Year: July 1, ☐☐☐☐ through June 30, ☐☐☐☐

3 Billed Entity Number

4 a Street Address, P.O. Box, or Route Number

City

State ☐☐   Zip Code ☐☐☐☐☐ ☐☐☐☐

b Telephone Number ☐☐☐ ☐☐☐☐☐☐☐ Ext ☐☐☐☐

c Fax Number ☐☐☐ ☐☐☐ ☐☐☐☐

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Form 471 (Applicants)

- Form 471 provides details about each service requested by individual Funding Request Numbers (FRNs). Each FRN features:
  - Service provider name and SPIN
  - Contract number or tariffed / month-to-month designation (T / MTM)
  - Service start / end dates or contract expiration date
  - Individual recipient of the service or a list of schools and/or libraries that will share the service
  - Description of service (Item 21 Attachment)

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Item 21 Attachments

- Service providers can assist applicants to complete much of the necessary information on Item 21 attachments, for example:
  - Cost allocations
  - Equipment locations
  - Product and service descriptions
  - Schedule of installations
  - Network diagrams

Form 471 – Tips

- Keep your Form 498 contact information updated

- Offer assistance to applicants with product and service descriptions

- Ask for a copy of the final Item 21 Attachment submitted to USAC

- Consult with applicants on the invoicing method (SPI Form 474 or BEAR Form 472)

- Review the Form 471 Receipt Acknowledgment Letter (RAL) and notify applicant of errors

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- Applicants undergo application review by Program Integrity Assurance (PIA)
  - You can assist with:
    - Specific questions on products and services
    - Questions on eligible and ineligible uses
    - Network and configuration questions
  - You cannot assist with:
    - Questions on the technology planning process
    - Questions on the competitive bidding process

Application Review – Tips

- Offer to help applicants with technical questions on products and services
- Offer to help with cost allocations
- Remember that the ultimate responsibility for application review rests with the applicant
  - If for some reason you talk to PIA without the applicant, communicate your response to the applicant

Funding Commitments

- After USAC reaches a funding decision, both the applicant and the service provider receive a [Funding Commitment Decision Letter (FCDL)](). Funding decisions include:
  - Funded (includes reductions)
  - Not funded (denied in total or for threshold)
  - As yet unfunded (applicant only, Priority 2 services)
  - Canceled

Funding Commitments – Tips

- Review [Funding Commitment Decision Letter (FCDL)](#) details for each applicant

- Help applicants prepare for start of services
  - Do you need details from the applicant?
  - Does the applicant need details from you?

- If funding is reduced or denied, discuss with the applicant a possible appeal of the USAC decision

Annual Certification

- [Form 473](#) – Service Provider Annual Certification (SPAC) Form
  - Must be filed each funding year
  - In general, filing is enabled when Form 471 window opens
  - Must be on file with USAC before an invoice will be paid for that funding year
  - Contains program rule certifications

Form 473

FCC Form 473

Do not write in this area.

Approval by OMB
3060 – 0856
Estimated time
per response: 1.0 hour

Universal Service for Schools and Libraries
Service Provider Annual Certification Form

Please read instructions before completing.   (To be completed by Service Provider)

Block 1: Service Provider Information

1. Name of Service Provider

2. Service Provider Identification Number

3. Funding Year:

July 1, _____ through June 30,_____

4. Contact Name

5. Complete Mailing Address of Contact Person
    Street Address, P. O. Box or Route Number

City

State   Zip Code

6. Telephone Number with Area Code
_____-_____-_____

7. Fax Number with Area Code
_____-_____-_____

8. Email Address

Block 2: Certification

Annual Certification - Tips

- If you plan to participate in the program in the upcoming funding year, file Form 473 early so you don't forget

- Read the certifications carefully and be sure you can certify truthfully

- Check the [SPIN Contact Search](#) tool to verify that we have received and processed your form (funding year shows in SPAC column)

Start Service

- Applicant files [Form 486]() to indicate:
  - Service Start Date for each FRN
  - Status of technology plan
  - Status under the Children's Internet Protection Act (CIPA)

- USAC reviews some Forms 486 for compliance with program rules
  - Form 486 must be successfully processed before USAC will pay invoices for an FRN

FCC Form 486 | Do Not Write in this Area | Approval by OMB
3060-0853
Estimated time
per response: 1.5 hours

**Schools and Libraries Universal Service
Receipt of Service Confirmation Form**

To be completed by the Billed Entity
Please read instructions before completing.

(You can also file online at www.usac.org/sl.)

Applicant's Form Identifier
(Create your own code to identify THIS Form 486)

Form 486 Application#: _____
(To be assigned by administrator)

Block 1: Billed Entity Information

1. **Name of Billed Entity**

2. **Billed Entity Number**

3. **Funding Year July 1, _____ through June 30, _____**

4. **Complete Mailing Address of Billed Entity**
   Street Address, P.O. Box, or Route Number

City | State | Zip Code

Telephone Number | Extension | Fax Number

Start Service – Tips

- Encourage applicants to file Form 486 early if they are eligible

- Notify applicants if services have started and no Form 486 has been filed

- If you are concerned, ask applicants about the status of their technology plans and compliance with CIPA

- Reach an understanding about the definition of the service start date for each FRN

Invoicing

- Two invoicing methods:
  - [Service Provider Invoice (SPI) Form 474](#)
    - Filed by service provider after billing applicant for non-discount share
  - [Billed Entity Applicant Reimbursement (BEAR) Form 472](#)
    - Filed by applicant with service provider's approval after applicant has paid for service in full
    - USAC sends funds to service provider who then reimburses applicant
  - First invoice for an FRN sets the invoicing method for that FRN

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SPI Forms – Tips

- Bill the applicant for the non-discount share
  - Program rules require the applicant to pay the non-discount share (expectation is that it will be paid within 90 days)
- Allow plenty of time for the first SPI to be processed by USAC
- Respond promptly to USAC requests
  - Service checks
  - Other documentation

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Form 474

FCC Form 474	Do not write in this space.	Approval by OMB 3060 – 0856 Estimated time per response: 1.5 hours

Schools and Libraries Universal Service
Service Provider Invoice Form 474
This form can be filed online or by mail.

Please read instructions before completing	Form 474 Invoice # _____ (To be inserted by administrator)

BLOCK 1: Service Provider Information

1. **Service Provider Name**

2a. **Service Provider Identification Number (SPIN)**

3. **Contact Person's Name**

4. **Contact Telephone Number Area Code: Phone Number: Ext.**

   Contact Fax Number   Area Code: Fax Number:

   Contact Email Address

5. **Invoice Number**

6. **Invoice Date to USAC**

7. **Total Invoice Amount**

BEAR Forms – Tips

- Bill the applicant for the full cost of the eligible products and services

- Remind the applicant to pay your bill in full before submitting BEAR

- Remind the applicant not to wait until the last minute to file a BEAR

- Review the BEAR before you certify it

- Pass a BEAR reimbursement to the applicant no later than 20 days after you receive it

Form 472

FCC Form 472

Do not write in this space.

Approval by OMB
3060 – 0856
Estimated time per response: 1.5 hours

Universal Service for Schools and Libraries

Please read instructions before completing.

(To be completed by schools, libraries, or consortia.)

BILLED ENTITY APPLICANT REIMBURSEMENT FORM

For reimbursement of discounts on approved services already paid for by the Billed Entity Applicant.
Only one Service Provider Identification Number (SPIN) per form.
Must be completed and signed by the Billed Entity Applicant and signed by the relevant service provider.

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

FCC NOTICE FOR INDIVIDUALS REQUIRED BY THE PRIVACY ACT AND THE PAPERWORK REDUCTION ACT

Part 54 of the Commission's Rules authorizes the FCC to collect the information on this form. Failure to provide all requested information will delay the processing of the application or result in the application being returned without action. Information requested by this form will be available for public inspection. Your response is required to obtain the requested authorization.

The public reporting for this collection of information is estimated to range from 1 to 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Act Project (3060-0856), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to PRA@fcc.gov. PLEASE DO NOT SEND YOUR RESPONSE TO THIS FORM TO THIS ADDRESS.

Remember – You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0856.

THE FOREGOING NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

BLOCK 1: HEADER INFORMATION

1. 471 Billed Entity Name

2. 471 Billed Entity Number

3. Service Provider Identification Number (SPIN)

4. Contact Name

5. Contact Telephone Number

6. Reimbursement Form Number

7. Reimbursement Date to USAC

8. Total Reimbursement Amount (total of Block 2, Item 15 – 14.2 digits maximum)
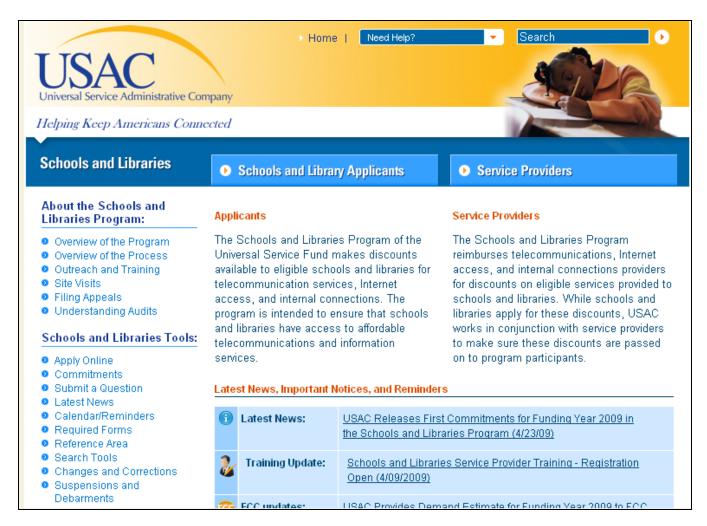
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Resources

- USAC website – www.usac.org
  - Schools and Libraries (program guidance)
  - Fund Administration (Form 498 and payments)
- Service provider conference calls
- Schools and Libraries News Briefs
- Search tools
- Tip Sheets

USAC Website

www.usac.org

Questions?