USAC
Universal Service Administrative Company
Helping Keep Americans Connected

E-rate Program

Improving Broadband Access

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Topics

- FCC Form 498 reminders

- Types of withholding

- Disposal of equipment

- Community use and residential facilities

- Learning On-The-Go (EDU 2011) pilot program

- Item 21 attachment submission deadline

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FCC Form 498 Reminders

FCC Form 498 tips and tricks

- Last fall, USAC held a webinar on FCC Form 498 that included much useful information on filing and updating the form

- You can access a recording of the webinar – together with a Q&A fact sheet, copies of the presentation slides, and a demonstration of the E-File system – from the following URL:

    - http://www.usac.org/fund-administration/about/training/2010/498.aspx

Service provider updates to FCC Form 498 information

- Service providers should verify their FCC Form 498 information on file at least annually.

- If a payment is rejected by the bank for incorrect information, USAC will contact the General Contact and Company Officer on file to request a correction to the FCC Form 498.

- All email addresses other than the remittance contact emails must be specific to the individual and cannot be generic.

Service provider updates to FCC Form 498 information

- If the service provider contributes to the Universal Service Fund, the Taxpayer Identification Number (TIN) listed on the FCC Form 498 must match the TIN listed on the FCC Form 499.

  - If there is a change to the TIN, the service provider should contact USAC to ensure both forms are updated with the correct information.

Password reset is now "self-service"

- Either the Company Officer or General Contact can reset passwords.

- Once reset, a temporary password will be emailed to the account email address.

- After 3 invalid attempts at a reset, the account will be locked, and the Company Officer or General Contact must contact USAC to unlock the account.

- Users authorized by the service provider must contact the Company Officer or General Contact for password resets.

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Types of Withholding

Payments held or netted due to Red Light

- Contributor Debt – netted

- FCC Debt – held

- Commitment Adjustment (COMAD) – held

    USAC will issue a "Notice of Withholding" via email to the service provider

Payments held due to missing bank information

- USAC will issue a "Notice of Held Payment" via email to the service provider.

- The service provider must revise the FCC Form 498 to include the missing bank information.

  – Use the E-File system to speed processing.

- After the missing information has been successfully submitted, the payment will process with the next disbursement cycle.

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Disposal of Equipment

Disposal or resale permitted *no sooner than five years after installation date*

- Applicants may receive payment or other consideration in return for disposal.

- Applicants are not required to use equipment for five years, nor are they required to dispose of equipment after five years.

- No notification to USAC is required, but asset registers should be updated.

- Transfers of equipment made less than three years after purchase must still be reported to USAC.

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Community Use and Residential Facilities

Community use of schools' E-Rate supported services

- When schools are not in session, schools may open their facilities to the general public to use E-Rate supported services on the school's campus.

- Schools decide whether or not to provide such access.

- Service must primarily be for educational purposes (i.e., community use must be incidental).

- Schools cannot purchase additional services to support community use.

  – Use must not increase E-Rate costs.

Beginning with FY2011, some residential facilities will be eligible for E-Rate supported services

- Residential schools that service populations facing unique challenges can receive support for service in residential areas (dormitories) of their schools.
  - Schools on Tribal lands
  - Schools that serve children with physical, cognitive and behavioral disabilities, and children with medical needs
  - Juvenile Justice schools, where eligible
  - Schools with 35% or more students eligible for NSLP
- Schools can be public or private

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Learning On-The-Go Pilot Program

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Learning On-The-Go Pilot Program (also known as the EDU 2011 Pilot Program)

- Twenty projects have been chosen by the FCC for the Learning On-The-Go Pilot Program
  - These projects support mobile access to the Internet to (1) improve educational opportunities for students or (2) to help library patrons, for example, find and apply for jobs.
  - List of projects is available in Public Notice DA 11-439, released March 9, 2011

Learning On-The-Go Pilot Program

- Potential participants were asked to file separate FCC Forms 471 marked "EDU2011" for the wireless services that would otherwise be ineligible for E-rate discounts
  - USAC has identified all participant applications and is reviewing the EDU2011 services in addition to any other FCC Forms 471 filed by the participants

Learning On-The-Go Pilot Program

- Participants are required to submit a report to the FCC at the end of the trial period to help the FCC better assess the impact of each selected project on its school(s) or library and gather any lessons learned from each project that would assist other schools and libraries desiring to implement similar projects in the future. The FCC plans to release an order in the near future providing more details regarding what is to be included the report.

- The FCC will evaluate the effectiveness of the program to determine whether and how off-premises wireless services should be eligible for continued E-Rate support

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Item 21 Attachment Deadline

Beginning with FY2011, Item 21 attachments are a window filing requirement

- Item 21 attachments must be filed by the close of the FCC Form 471 application filing window (March 24, 2011)

- USAC issued a reminder letter dated April 27 giving applicants an opportunity to file their attachments and still be considered in-window

  – Deadline for response is May 17

  – **Item 21 attachments received or postmarked after May 17 will be considered out-of-window and the associated FRNs will be denied**