

[Back](#) header

Schools and Libraries News Brief

January 13, 2006

Funding Year 2005 Waves

USAC will release Wave 30 funding commitment letters January 19. As of January 13, Funding Year 2005 commitments total about \$1.17 billion. See [Automated Search of Commitments](#) for more information.

Selecting a Service Provider

After your Form 470 requesting services has been posted to the USAC website and you have waited the required 28 days, you must choose a service provider and sign a contract (if appropriate) before filing your Form 471. You should have in place an evaluation process, including a list of weighted bid evaluation criteria and a bid sheet or other document to use to determine the most cost-effective bid.

While you may use multiple criteria to evaluate bids and determine cost effectiveness (e.g., qualifications, experience, price of ineligible products and services), price must be the criterion weighed most heavily. In addition, you must also review the winning bid to ensure that it is a cost-effective means for meeting your entity's educational needs and technology plan goals — in other words, carefully align your service needs to your tech plan to ensure your request is not excessive.

If you receive one bid for service — or no bids — USAC recommends that you prepare a memo for your file noting the action you took. Here are two examples:

- At the conclusion of the 28-day waiting period, we only received one bid from Company ABC. We have reviewed the bid for cost effectiveness and have decided to select Company ABC as the service provider.
- At the conclusion of the 28-day waiting period, we did not receive any bids. We have done a search and found Company DEF that is willing to provide service in our area. We reviewed their services for cost effectiveness based on the criteria we prepared, and we selected Company DEF as the service provider.

If you are choosing a service provider from a state master contract, you should document your choice by sending an email or letter to the service provider.

Both you and your service provider must sign and date the contract after the 28-day waiting period and before you submit Form 471.

Remember that you must [retain the documentation](#) related to your service provider selection process — as well as all other program documentation — for five years after the last date to receive service.

Tip: Check Your BEAR Forms Carefully!

An applicant prepares and signs — and the service provider signs — a BEAR Form (Form 472) to request reimbursement for the cost of services already paid in full by the applicant. USAC remits the funds to the service provider, who must pass the payment on to the applicant within 20 days of receiving the funds.

USAC's processing of a BEAR Form is substantially delayed when one or more line items contain errors. Starting Monday, January 16, line items on BEAR Forms that contain certain errors will "pass zero"; that is, they will pass through the system without being paid.

Frequently found line-item errors on BEARs include:

- Entries that are incomplete or missing
- Entries that are incorrect (for example, the digits are transposed on a Funding Request Number (FRN))
- Entries that are inconsistent (for example, the SPIN does not represent the service provider associated with the FRN)
- The sequence of dates is incorrect (for example, the BEAR Form was received by USAC before the Form 486 Notification Letter was issued)
- USAC has not yet made a commitment on the FRN
- There are no funds remaining for the FRN
- A Form 486 has not yet been filed for the FRN.

If a line item passes zero, the applicant should refer to the BEAR Notification Letter and the list of [Invoice Error Codes](#) to understand why the line item was not paid. If the error can be corrected, the applicant should make the correction and resubmit the BEAR Form before the deadline, or request an extension of time if the deadline has passed. See [Invoice Deadlines and Extension Requests](#) for more information.

Reminder: FY2006 Form 470 Deadline Approaching

January 19 is the last possible day to POST a Form 470, wait 28 days, and then file a Form 471 on February 16, the last day of the window. **If you have not yet filed your Form 470, you must now file online.** However, if your Form 470 is posted on USAC's website on January 19, you will have to do the following on February 16:

- Evaluate the bids you received
- Choose your service provider
- Sign and date the contract with your service provider, if the services will be provided under a contract
- Have your service provider sign and date the contract
- Sign, date, and submit your Form 471, either online or on paper

Are you eligible for a PIN? See [PIN FAQs for Applicants](#) for more information.

You may download and print copies of [Schools and Libraries News Briefs](#) on USAC's website. You may [subscribe](#) to or [unsubscribe](#) from this news brief. For program information, please visit the [Schools and Libraries area](#) of the USAC website, [submit a question](#), or call us toll-free at 1-888-203-8100. Feel free to forward this news brief to any interested parties.

Please do not reply to this email directly, as it was sent from an unattended mailbox.

1997-2005, Universal Service Administrative Company, All Rights Reserved.

[Back](#)