Back

header

Schools and Libraries News Brief

April 21, 2006

USAC Releases Funding Year 2006 Commitments

USAC will release FY2006 Wave 1 letters on April 26, on par with the earliest USAC has ever launched its funding commitments. This wave will include about $126 million in commitments for approved Priority 1 requests (Telecommunications Services and Internet Access) for applicants ranging from consortia and large school districts to individual schools and libraries. Waves for FY2006 will be run on a weekly basis.

USAC would especially like to thank all the applicants that used their new Personal Identification Numbers (PINs) to certify forms electronically and that filed their Item 21 attachments online. E-certification and e-filing reduce errors and speed up the review process. In fact, Wave 1 will feature commitments for both the first applicant to e-certify a Form 471 and the first one to complete the filing of an online Item 21 attachment.

Ive been filing E-rate forms since the beginning of the program, and I also work with other libraries in my county to file E-rate forms, said Ms. Darlene Marshall, Director of the Mengle Memorial Library in Brockway, Pennsylvania, who was the first person to e-certify a Form 471 for FY2006. The real advantage of the new PIN system is that everyone who filed a form with the new PIN system had the PIN sent to them and it was in their hand to quickly file the last E-rate form instead of going through an application process to apply for a PIN. The new PIN process simplified the filing of E-rate forms electronically, she added.

Ms. Coleen Florke, Computer Technician for Kimberly School District 414 in Kimberly, Idaho, was the first person to file an Item 21 attachment online. "Although I'm fairly new to E-rate, I found that filing my Item 21 attachment online was easy. The whole process went very smoothly," she said.

FY 2005 Funding Threshold Lowered to 86 Percent

USAC will release FY2005 Wave 45 letters on April 27. This wave will include commitments for approved Internal Connections and Basic Maintenance funding requests at 86% and above. As of April 21, FY2005 commitments total about $1.54 billion. See Automated Search of Commitments for more information.

Quarterly Disbursement Reports

Did you know that USAC issues a report four times each year that can help you track disbursements for all of your funding requests? The Quarterly Disbursement Report records all of the invoice activity for a particular Billed Entity Number (BEN) and a particular calendar quarter.

When are Quarterly Disbursement Reports issued?

Quarterly Disbursement Reports are generated at the end of the last payment run in the months of March, June, September, and December. Because the last payment run is not always on the last day of the month, it is possible that some invoices still in review during the last days of a month would appear on the Report for the following quarter.

Who receives the Report?

For each BEN, USAC locates the Form 471 with the most recent certification date and uses the Authorized Persons printed name (Form 471, Block 6, Item 40) and the Billed Entitys address (Form 471, Block 1, Item 4a) from that form for mailing the Quarterly Disbursement Report. This means that the contact person identified on the Quarterly Disbursement Report mailing label may not be the person who processes invoices, and the Billed Entity should take appropriate action to make sure that the mailing is directed internally to the correct person. USAC does not currently have a method for designating a specific person to receive the Report.

What information is provided in the Report?

The Quarterly Disbursement Report lists all invoice activity during the quarter invoices processed from the applicant [Billed Entity Applicant Reimbursement (BEAR) Form 472] and from the service provider [Service Provider Invoice (SPI) Form 474].

The following information is provided in a columnar format:

- Funding Year
- Form 471 Application Number
- Funding Request Number (FRN)
- Total of Authorized Disbursements to Date on the FRN
- Service Provider Identification Number (SPIN)
- Service Provider Name

For each individual invoice, the Report also includes:

- Disbursement Authorization Date
- Authorized Disbursement SPI
- Authorized Disbursement BEAR
- Authorized Disbursement Total

For example, you may have a Funding Year 2005 FRN for Telecommunications Services that was approved for $48,000. You submitted your first and second BEAR Forms for that FRN on 1/31/2006 and 2/28/2006 for $14,000 and $6,000 respectively. Your second BEAR Form included $500 in discounts on services that were not included in the original funding request and therefore were not eligible for reimbursement.

So, the most recent Quarterly Disbursement Report (issued on 3/30/2006) might show two line items: $14,000 from your first invoice authorized for disbursement on 2/10/2006 and $5,500 from your second invoice authorized for disbursement on 3/25/2006. The Report would show total authorized disbursements on your FRN as $19,500. You could then calculate that you have $28,500 remaining on your FRN.

Note that, in the above example, your service provider would not have received the second BEAR payment before the close of the quarter. The Quarterly Disbursement Report shows payments **authorized** by USAC. It does not show when the check was cut or the electronic payment was made to the service provider.

Can I tell from the Report when a BEAR payment was issued?

The Quarterly Disbursement Report can alert you if you have not received a payment from the service provider if you requested reimbursement via a BEAR form. In the example above, since USAC authorized a disbursement to the service provider from the first BEAR Form on 2/10/2006, you could reasonably assume that you should by now (4/21/2006) have received payment from the service provider for that form.

Generally, applicants should wait at least 40 days after the disbursement is **authorized** for the service provider to receive and then remit the discounted amount. Service providers have 20 days after **receipt** of the funds from USAC to remit the discounted amount to the applicant. In the example above, the applicant should follow up with the service provider if the reimbursement for the first BEAR Form was not yet received.

Why are multiple funding years featured on the Report?

Remember that the Quarterly Disbursement Report lists **all** invoice activity during the quarter. Applicants with FCDLs that were issued well after the close of the funding year, applicants with meritorious appeal decisions, and applicants that have received extensions of the last day to receive non-recurring services can all have FRNs from previous funding years with recent invoice activity. However, you should check into any invoicing activity that appears to be incorrect based on your knowledge of your active funding commitments.

Why does my Report show both BEARs and SPIs?

The mode of invoicing for an FRN BEAR or SPI is set by the first invoice to be successfully processed for that FRN. Once a BEAR or SPI has been processed for an FRN, the invoicing mode cannot be changed. However, because the invoicing mode is FRN-specific, applicants can have some FRNs that are invoiced via BEARs and others that are invoiced via SPIs.

In summary, the Quarterly Disbursement Report enables you to track the status of the funds available for individual funding requests, whether you have a large application with hundreds of individual schools or library branches or you have just one school or library.

Tip: Use the Automated Search of Commitments

Generally, commitments for funding waves are posted to the Automated Search of Commitments web page the same afternoon as the FCDLs are dated and mailed for that wave. Note that next week USAC will start issuing weekly commitments for two funding years (FY2005 and FY2006). By using this search tool, you can check to see if you have a commitment in a wave and start planning your subsequent activities before you actually receive your letter.

You may download and print copies of Schools and Libraries News Briefs on USACs 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 to USAC, 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.

Back