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Schools and Libraries News Brief

May 19, 2006

Commitments for Funding Years 2006 and 2005

Funding Year 2006. USAC will release FY2006 Wave 5 funding commitment decision letters (FCDLs) May 23. As of May 19, FY2006 commitments total over \$241 million for approved Priority 1 requests (Telecommunications Services and Internet Access).

Funding Year 2005. USAC will release FY2005 Wave 49 FCDLs May 24. This wave will include commitments for approved Internal Connections and Basic Maintenance funding requests at 86% and above. As of May 19, FY2005 commitments total just under \$1.67 billion.

USAC will continue to issue weekly funding commitment waves for both FY2006 and FY2005. After noon on the date that the FCDLs are mailed, you can check to see if you have a commitment in either funding year by using USAC's [Automated Search of Commitments](#) tool.

News Brief Special Edition on Selective Reviews

Each year, a certain number of applicants are chosen for a more detailed review — called a "[Selective Review](#)" — of their applications. This review includes their technology planning, their competitive bidding process, and also looks at their ability to pay for both their non-discount share of services and the resources necessary to make use of those discounted services. These applicants must provide specific, detailed information to USAC by completing a [Selective Review Information Request](#). The [April 7, 2006 News Brief](#) covered the Selective Review process in detail. All applicants are encouraged to familiarize themselves with the information in that News Brief.

Applicants undergoing Selective Review may need additional guidance in order to respond correctly and completely to the specific questions posed during their review, especially since some of these applicants may have failed this review in the previous funding year. To assist these applicants, USAC has developed and e-mailed a Special Edition series of five News Briefs on Selective Reviews to all FY2006 applicants chosen for Selective Review.

Although these five News Briefs contain information specific to Selective Reviews, they have been posted to the USAC website for other program participants to use as well. They cover the following five topics:

- [Sufficient Budget \(May 15\)](#)
- [Technology Plans \(May 16\)](#)
- [Competitive Bidding \(May 17\)](#)
- [Contracts \(May 18\)](#)
- [Organizational Charts \(May 19\)](#)

Revised USAC Procedures for Form 470 Number Corrections

On each Form 471 Block 5 Funding Request, applicants must provide in Item 12 the application number of the establishing Form 470 — that is, the particular Form 470 that established the competitive bidding process that was the basis for the funding request.

In order for this form to be in compliance with the FCC rules, it must also:

- **Have been posted for the same category of service as that specified in Item 11 of the Form 471 funding request.** Remember that an applicant can specify more than one category of service on a Form 470.
- **Feature the appropriate funding year.** For non-contracted tariffed or month-to-month services, the funding year in Form 470 Item 2 must match the funding year in Form 471 Item 2. For contracted services, the funding year in Form 470 Item 2 may

be the same or earlier than that on Form 471 Item 2 due to long procurement cycles or multi-year contracts.

- **Indicate in Block 4 the Billed Entities that will purchase services.** If multiple Billed Entities are going to purchase off this Form 470, then they must all be indicated in Block 4 of the Form 470, by checking the correct box and – if appropriate – listing the Billed Entities. (Refer to the [Form 470 Instructions](#) determine the information required.) For example, if the state filed the Form 470 and indicated by checking Item 16b that the Form 470 is for all libraries in the state, then schools and school districts in the state cannot use that Form 470.
- **Be posted for at least 28 days.** The date that the Form 470 was posted must be at least 28 days before the applicant selected a service provider, signed a contract, signed the Form 471 and submitted the Form 471.

USAC issues a [Receipt Acknowledgment Letter \(RAL\)](#) for each Form 471. The RAL contains a summary of the specific information entered on that form. Applicants that notice that they have cited an incorrect Form 470 can fix that error (and others) using the correction process detailed in the RAL.

In past funding years, if the establishing Form 470 application number on the funding request appeared to be incorrect, the Program Integrity Assurance (PIA) reviewer would contact the applicant and give the applicant an opportunity to provide the correct number. For FY2006 reviews, PIA procedures did not include that question, and some funding requests in the first four funding waves of FY2006 were denied for citing an incorrect Form 470.

PIA will now return to the practice of contacting the applicant. Moreover, applications that were denied for this reason in FY2006 Waves 1-4 will be re-reviewed. It is not necessary for these applicants to file an appeal for this re-review to occur. Note that some applicants will still be denied, even after PIA reaches out and confirms the Form 470 application number, because that Form 470 does not support the funding request.

It is important to note the following:

- PIA cannot always know when the Form 470 application number is incorrect, because only certain information about your competitive bidding process is available on your Form 471. You should change the number if you are sure that it is incorrect, but you should not change the number if you are sure that it is correct. It is your responsibility to ensure that your funding request features the establishing Form 470 application number.
- There are several reasons that the Form 470 application number may trigger an edit during the review process. Even though USAC is re-reviewing the denied applications, PIA may still discover a program rule violation that could lead to a reduction or denial of funding. (You can still appeal that decision.)
- Although the three-week deadline for RAL corrections has passed, you can still use the RAL correction process to correct specific information on your Form 471 if USAC has not yet issued a funding decision. The corrections you request may not get data entered on your form but they will be available to your reviewer. The [February 24, 2006 News Brief](#) goes into further detail about what information you can correct and how to submit the corrections.

Revision to May 5, 2006 News Brief

In the May 5 News Brief article on the Children's Internet Protection Act, the following language was incorrectly included in the section on common problems with CIPA compliance:

This becomes especially important if, for example, a library provides wireless Internet access and patrons can bring in and use their own computers to access the Internet. Internet access must be filtered in order to comply with CIPA, so the use of an individual computer that lacks filtering technology is not in compliance with CIPA.

This language has been deleted from the archived version of the News Brief posted on the USAC website, and other minor changes were made consistent with this deletion. If you save copies of News Briefs for reference, please discard your current copy and reprint the corrected version from the [archived May 5, 2006 News Brief](#).

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