Back

[header]

Schools and Libraries News Brief

December 1, 2006

FY2007 WINDOW COUNTDOWN	
Days to window close	**68**
~~**Forms 470 filed to date**~~	~~**11,001**~~
Forms 471 filed to date	**293**

TIP OF THE WEEK: **FY2007 applicants applying for new Blackberry services should post these services under both the Telecommunications Services and Internet Access categories of service on their Form 470.** Telecommunications Services are contained in Item 8 of the Form 470; Internet Access services are contained in Item 9.

Commitments for Funding Year 2006

Funding Year 2006. USAC will release FY2006 Wave 33 Funding Commitment Decision Letters (FCDLs) December 5. This wave will include commitments for approved Internal Connections and Basic Maintenance funding requests at 88% and above. As of December 1, FY2006 commitments total just over $1.49 billion.

USAC will continue to issue weekly funding commitment waves. After noon on the date that the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

Form 470 and the Competitive Bidding Process – Part I

Applicants open the competitive bidding process by posting a Form 470 (Description of Services Requested and Certification Form). Form 470 defines the specific services or functions — including quantity and/or capacity — that the applicant is seeking.

Form 470 and Requests for Proposals (RFPs)

You MUST file a new Form 470 if you

- Are seeking non-contracted tariffed or month-to-month services
- Intend to sign a new contract
- Want to extend an existing contract but did not mention contract extensions on the establishing Form 470 posted for a prior funding year or in the RFP if you used one

Your Form 470 MUST

- Be based on your technology plan
- Be detailed enough for bidders to understand your requirements
- Encompass all entities that will receive services, including non-instructional facilities
- Be posted on the USAC website for at least 28 days before selecting a service provider, signing a contract, signing and dating your Form 471, and submitting your Form 471

Your Form 470 MUST NOT

- Be completed or signed by a service provider
- Be an encyclopedic list of services

You can prepare and issue a Request for Proposals (RFP) in addition to your Form 470, although RFPs are not required under FCC rules. An RFP describes the project you want to undertake, with sufficient details to inform potential bidders of the scope, location, and any other requirements for the project. If an RFP exists, the applicant must indicate on Form 470 where the RFP is available, whether on a website or from a contact person. If state or local procurement regulations impose additional requirements, such as eligibility requirements for bidders, or there are factors that will lead to bids being disqualified, these requirements must also be noted on Form 470. Be sure to retain evidence of the date that you issued your RFP.

RFPs or other solicitation methods must be tailored specifically to the applicant's needs and circumstances and must be based directly on the technology plan. Even if you have an RFP, you must still describe the services you are seeking on your Form 470.

If you issue an RFP, the RFP must remain open for at least 28 days to meet the 28-day competitive bidding requirement. This means that if your RFP is issued after you post your Form 470, you must calculate your 28-day waiting period yourself based on the RFP issue date rather than using the calculated Allowable Vendor Selection/Contract Date featured on your Receipt Notification Letter (RNL). Be sure to retain evidence of the date that you issued your RFP.

Competitive Bidding Process

Applicants must conduct an open and fair competitive bidding process. "Fair" means that all bidders are treated the same and that no bidder has advance knowledge of the project information. "Open" means there are no secrets in the process – such as information shared with one bidder but not with others – and that all bidders know what is required of them. The Form 470 or the RFP should be clear about the products, services, and quantities the applicant is seeking.

In order to be sure that a fair and open competition is achieved, any marketing discussions held with service providers must be neutral so as not to taint the competitive bidding process. That is, you should not have a relationship with a service provider prior to the competitive bidding that would unfairly influence the outcome of a competition or would furnish the service provider with "inside" information or allow the service provider to unfairly compete in any way.

For example, a conflict of interest exists when your consultant is associated with a service provider that is selected and is involved in determining the services you seek and the selection of your service provider(s).

Neutral consultants not connected to service providers can assist you in filing your Form 470 and responding to USAC questions. Be sure to have a Letter of Agency or similar document in place before your consultant acts on your behalf or does work for you.

As part of the competitive process, applicants also must obtain specific cost information including prices for products and services to be provided. Failure to adhere to these rules violates the requirement of choosing the most cost-effective provider.

Reminders

When completing your Form 470, make sure you post in ALL the categories of service (Telecommunications Service, Internet Access, Internal Connections, and Basic Maintenance) for which you will be requesting discounts on your Form 471. You cannot seek discounts in a category of service on your Form 471 if services in those categories were not indicated on a Form 470.

Some errors on your Form 470 can be fixed without having to file a new Form 470, but others (including forgetting to check the box to post for a category of service) cannot. Review the list of correctable errors for Forms 470, and double check your work to make sure it is correct.

Retain any final documentation you produce for this process, such as:

- A copy of your RFP (especially if RFPs are maintained on a website for a limited period of time)
- A copy of your technology plan with the creation date memorialized somewhere on the plan (remember that this is not your final approved plan but the written plan that provided the basis for your Form 470)
- Any specific documentation you used for reference to prepare your request
- A copy of your Form 470

- Your Form 470 security code if you file online

Revised RNLs Out This Week

After an applicant files a Form 470, USAC issues a Form 470 Receipt Notification Letter (RNL) to the applicant. This RNL contains information about the form and provides details about the next steps in the application process. Because applicants are now allowed to correct ministerial and clerical errors on their forms, USAC has designed a revised RNL that includes a simple method for submitting corrections to USAC.

This week, USAC issued over 8,500 revised RNLs to FY2007 applicants that had already received the original version of the letter. To submit ministerial and clerical error corrections, applicants should follow the guidance contained in the letter. Going forward, applicants that file a Form 470 will receive only the revised RNL.

On-Premise Equipment Used With Interconnected VoIP

An interconnected Voice over Internet Protocol (VoIP) service is newly eligible for Funding Year 2007 as a Priority 1 service, either as Telecommunications Service or Internet Access.

Please note, however, that significant limitations exist for on-premise equipment (equipment at the applicant site) to be considered a part of an interconnected VoIP service. The FCC has indicated that telephone PBX systems cannot be part of a Priority 1 service, and most VoIP equipment likewise would not meet the conditions necessary for funding as Priority 1. However, VoIP equipment is eligible as Internal Connections (Priority 2). On-Premise Priority 1 Equipment provides information about the limited conditions under which equipment at the applicant site can be a part of a Priority 1 service.

Please note that USAC did not issue a News Brief on November 24 due to the Thanksgiving holiday.

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.

Back