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## Schools and Libraries News Brief

October 19, 2007

**TIP OF THE WEEK: Applicants – remember to file your Form 486– [online](#) or [on paper](#) – for FY2007 services that started on July 1, 2007.** If you have a commitment on an FCDL dated on or before July 1 and your services started on July 1, the deadline for filing and certifying your Form 486 is October 29, 2007.

### Commitments for Funding Year 2007

**Funding Year 2007.** USAC will release FY2007 Wave 25 Funding Commitment Decision Letters (FCDLs) October 23. This wave will include commitments for approved Internal Connections and Basic Maintenance requests at 83% and above. As of October 19, FY2007 commitments total just under \$1.59 billion.

On the day after the FCDLs are mailed, you can check to see if you have a commitment by using USAC's [Automated Search of Commitments](#) tool.

### Updates to Website Documents

USAC periodically updates website documents or creates new documents to reflect changes in rules, policies, or procedures. If you print guidance documents from the website for reference, you can find the date the document was created or the last date it was updated by referring to the "Last modified on mm/dd/yyyy" caption at the bottom of the document.

You should of course check any printouts to verify that you have the most recent information. We will assist you by noting in a News Brief when guidance documents are created or updated.

The following documents have been modified in the last several weeks to reflect current information and/or guidance.

### [Guidelines for Appeals Filed with USAC](#)

In certain circumstances, USAC can now accept new information on appeal. The appellant can, for example, provide new information:

- If USAC should have given the applicant an opportunity to provide the necessary information or documentation during the application review process but did not.
- If USAC did not contact the applicant to request necessary documentation.
- If USAC contacted the applicant to request necessary documentation but the applicant did not respond to USAC's request.

Note, however, that USAC will **not** accept new information:

- If the new documentation contradicts information in the original file and the applicant cannot adequately explain the contradiction.
- If the new documentation is not original but rather was created in response to a USAC request during an appeal review.

### [Beneficiary Audits - Auditors' Observations](#)

Each year USAC conducts a number of beneficiary audits. The auditors that conduct these audits make a number of observations about beneficiaries' compliance with program rules. USAC uses this information to update the audit observations document on the website.

This update reflects auditor observations made during the most recent round of Improper Payments Information Act (IPIA) audits which covered funding requests from FY2002 through FY2004.

### [Cost Allocation Guidelines for Products and Services](#)

In all cases, if USAC believes a cost allocation is necessary, USAC will contact an applicant before modifying the funding request. The applicant will have the opportunity to accept the modification or to challenge it and provide alternative information together with supporting documentation.

If an applicant has not provided cost allocation information for a request that USAC believes must be modified, USAC will do the following:

- If USAC has cost allocation information from the manufacturer on a particular product or service, USAC will inform the applicant of the intended modification. The applicant then has the opportunity to submit alternative information.
- If USAC does not have any cost allocation information, USAC will request cost allocation information from the applicant. If the applicant does not respond, the request will be modified or denied based on the 30% Rule (see below).

The cost allocation document also provides additional links to existing examples of acceptable methods of cost allocation.

### [Suspensions and Debarments](#)

This page is updated after a "Notice of Suspension and of Proposed Debarment" or a "Notice of Debarment" is issued by the Federal Communications Commission (FCC) to a program participant. The name of the program participant, a link to the Notice on the FCC's website, the date of the Notice, and (for debarments) the term of the debarment are added to the list provided at the bottom of this document.

### [The 30% Rule](#)

If a funding request contains ineligible products and services, Program Integrity Assurance (PIA) will contact the applicant to determine the exact cost of the ineligible items. The applicant then has two choices for removing those ineligible items:

- The applicant can agree to remove the ineligible items from the funding request, or
- The applicant can ask PIA to split the funding request and move the ineligible items to a new funding request.

If the applicant does not respond to USAC and the cost of the ineligible items is 30% or more of the funding request, the funding request will be denied under the 30% Rule.

### **New documents**

Remember also to refer to the new documents announced in the [September 14 News Brief](#):

- The checklists and samples, which can assist you to comply with various program rules and requirements, are located under the heading "Checklists and Samples" in the [Reference Area](#).
- The list of [Acronyms & Terms](#) provides explanations and definitions of the common acronyms and terms used in the program.

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.

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