Back

[header]

Schools and Libraries News Brief

November 30, 2007

TIP OF THE WEEK: Print the April 2007 version of **Form 472 (BEAR Form)**, **Form 486**, and **Form 500** from the USAC website for future use if you file these forms on paper. USAC is still receiving earlier versions of these forms but we cannot process your information until you resubmit it on the April 2007 version.

Commitments for Funding Year 2007

Funding Year 2007. USAC will release FY2007 Wave 32 Funding Commitment Decision Letters (FCDLs) December 4. (Wave 31 FCDLs were released yesterday.) This wave will include commitments for approved Internal Connections and Basic Maintenance requests at 83% and above and denials at 79% and below. As of November 30, FY2007 commitments total just under $1.75 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.

Application Process: Form 470

It's not too early to file a Form 470 – many applicants have already done so. Form 470, Description of Services Requested and Certification Form, is the first program form applicants file to request E-rate discounts. With this and other program forms available online, we recommend that you take advantage of online filing, as it speeds processing, reduces errors, and provides immediate verification that your form was filed successfully.

Filing a Form 470 opens a competitive bidding process. Applicants describe the services they are requesting on the Form 470, and service providers can search these forms, which are posted on the USAC website, in order to respond to applicant requests.

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 indicate your interest in voluntary contract extensions on the establishing Form 470 that led to that contract

Your Form 470 **MUST**

- Be based on your technology plan
- Be detailed enough for bidders to understand your requirements
- Be posted for the correct categories of service (Telecommunications Services, Internet Access, Internal Connections, and Basic Maintenance of Internal Connections) for the services you are requesting
- Indicate whether you have issued or will issue a Request for Proposals (RFP) and, if so, where it is or will be available to potential bidders (see below)
- Encompass all entities that will receive services – including non-instructional facilities (NIFs)
- Be **posted** on the USAC website for at least 28 days before you select a service provider, sign a contract, sign and date your Form 471, or submit your Form 471

Your Form 470 **MUST NOT**

- Be completed or signed by a service provider or feature a service provider as the contact person in Items 6 or 12
- Be an encyclopedic list of services

In addition, be sure to carefully consider your responses in Item 7 that will indicate your interest in a multi-year contract and/or a contract with voluntary extensions.

You can prepare and issue an RFP in addition to your Form 470, but RFPs are not required under FCC rules. An RFP describes the project you want to undertake in sufficient detail to inform potential bidders of the scope, location, and any other requirements for the project. You must also clearly indicate any reasons that bidders could be disqualified and provide information on any other requirements imposed by state or local procurement regulations.

If you issue an RFP, the RFP must remain open for at least 28 days in order to meet the 28-day competitive bidding requirement. For example:

- If you issue your RFP after you post your Form 470, you must start counting 28 days on the day the RFP was issued, not the date you posted your Form 470.
- If you post a Form 470 that indicates you will not issue an RFP but then issue an RFP, you must post a new Form 470 indicating that you have issued an RFP and count 28 days from the day you posted the second Form 470. In this situation, you should also cancel the first Form 470.
- If you file a Form 470 on paper, your 28-day clock does not start until USAC data enters and posts your Form 470 to the website. If you have errors or inconsistencies on your paper Form 470, USAC must receive the correct information from you before your Form 470 can be posted.

Because the FY2008 Form 471 application filing window closes on February 7, 2008, the last possible day to post a Form 470 to the USAC website is **January 10, 2008**. If you are close to the deadline, we strongly recommend that you file online instead of on paper. We will make every effort to data enter and post a paper Form 470 by January 10 if we receive it by January 3 but we cannot guarantee that we will make that deadline.

Also remember that if you wait until January 10 to post your Form 470, you will have to complete your competitive bidding process, select your service provider, sign a contract (if applicable), and sign and submit your Form 471 all on the last day of the filing window. If you know now the services you want to request – or even if you only know some of them for sure – we suggest that you post a Form 470 before the winter holiday season that features the services you know.

Form 471 and Contracts

Although many applicants are just now starting work on their Forms 470, we would like to remind everyone of contract requirements and associated deadlines well in advance of the close of the filing window.

We expect the applicant to have a contract when requesting discounts for the following:

- Priority 1 services (Telecommunications Services and Internet Access) other than services provided under tariff or month-to-month arrangements
- Priority 1 services for which the applicant has signed a contract
- Priority 2 services (Internal Connections and Basic Maintenance of Internal Connections)

If services will be covered under a contract, FCC rules require the following:

- The applicant must sign the contract.
- A date must appear in the contract.
- The contract must comply with any state and/or local contract requirements and must be considered a contract under that state's contract law.
- The contract must be signed before the Form 471 is submitted.
- The Form 471 must be submitted before the close of the window to be considered within the window.

Applicants that submit but do not certify an online Form 471 before the window closes are given a limited opportunity to certify their form after the window closes. (Paper Forms 471, which include certification pages, must be postmarked before the close of the window in all cases.) However, this grace period does not affect the requirement that the contract be signed before the Form 471 is submitted.

Let's consider some examples of what a contract might need to meet applicable requirements – that is, to meet FCC requirements and to be considered a contract under a state's contract law:

- If a state has no specific contract requirements, the contract must include an applicant signature and a date (FCC requirements).
- If a state requires that a contract include a service provider signature, the contract must include an applicant signature and a date (FCC requirements) and a service provider signature (state requirement).
- If a state requires that a contract include a service provider signature and date and a completed purchase order, the contract must include an applicant signature and a date (FCC requirements) and a service provider signature and date and completed purchase order (state requirements).

In each case above, the contract must meet both the FCC and any state or local requirements before the Form 471 is submitted – and therefore also before the close of the window.

For other questions about contracts, refer to the Contract Guidance document on the USAC website. This document has been updated to clarify the information provided above.

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