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## Schools and Libraries News Brief

October 17, 2008

**TIP OF THE WEEK: If you are filing an invoice (BEAR Form 472 or SPI Form 474) on paper, be sure all pages of the form are dated April 2007. Better yet, file online.** Filing on an earlier version of the form will delay processing and may result in the need to request an invoice deadline extension.

### Commitments for Funding Years 2008 and 2007

**Funding Year 2008.** USAC will release FY2008 Wave 28 Funding Commitment Decision Letters (FCDLs) October 21. This wave will include commitments for approved Internal Connections and Basic Maintenance requests at 90% and denials at 79% and below. As of October 17, FY2008 commitments total just under \$1.5 billion.

**Funding Year 2007.** USAC will release FY2007 Wave 69 FCDLs October 23. This wave will include commitments for approved Internal Connections and Basic Maintenance requests at 81% and above and denials at 80% and below. As of October 17, FY2007 commitments total just under \$2.5 billion.

On the day 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

On April 12, 2008, USAC opened online filing for the Funding Year 2009 (FY2009) [Form 470, Description of Services Requested and Certification Form](#). This is the first program form that applicants file to request discounts under the E-rate program.

By posting a Form 470 on the USAC website, applicants are opening a competitive bidding process. Applicants describe the services they are requesting on the Form 470, and service providers can [search Forms 470](#) or [download summary reports of Forms 470](#) in order to review and respond to applicant requests.

You must file a Form 470 for FY2009 if you:

- Are seeking non-contracted tariffed or month-to-month services
- Intend to sign a new contract
- Signed a multi-year contract or a contract with voluntary extensions without first posting a Form 470 and following all of the competitive bidding rules of the program
- Filed a Form 470 that resulted in a multi-year contract or a contract with voluntary extensions but did not indicate your interest in such a contract in Item 7b of that establishing Form 470

Your Form 470 **MUST:**

- Be based on your technology plan
- Be detailed enough for potential bidders to understand your requirements and any reasons for disqualification
- 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; and sign, date, and submit your Form 471

- Be **certified** before USAC completes the review of any funding requests based on that Form 470

#### 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

#### **Issuing an RFP**

You can prepare and issue an RFP in addition to your Form 470, but RFPs are not required under program 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 (in the Form 470 and/or the RFP) and provide information on any other requirements imposed by state or local procurement rules and 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. This means that 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.

Whether you post your Form 470 first or issue your RFP first they must both be available during the final 28-days of the competitive bid. If you issued your RFP October 25 and your Form 470 November 1 they must BOTH have been available from November 1 to November 29 to meet the 28-day requirement.

#### **28-day posting requirement**

As noted above, your Form 470 must be posted on the USAC website for 28 days before you choose a service provider, sign a contract, and submit your Form 471. If you file your Form 470 on paper, USAC must completely data enter your form before it can be posted. If you have errors or inconsistencies on your paper Form 470, USAC must contact you to receive the correct information before your Form 470 can be posted to the USAC website. Your 28-day clock does not start until that posting occurs.

The last possible day to **post** a Form 470 to the USAC website is 28 days before the Form 471 application filing window closes. (The window opening and closing dates for FY2009 have not yet been determined.) If you wait until the last minute, you should file online instead of on paper. We will make every effort to data enter and post a paper Form 470 if we receive it in a timely manner but we cannot guarantee how long the posting process will take for a paper form.

If you wait until the last possible day 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 – we suggest that you post a Form 470 now for the services you know and post another Form 470 later for any other services.

We recommend that you take advantage of online filing, as it speeds processing, reduces errors, and provides immediate verification that your form was posted successfully.

#### **Posting a new Form 470 for multi-year or voluntary extension contracts**

In general, you must indicate on a Form 470 if you intend to enter into a multi-year contract or a contract featuring voluntary extensions. If you neglected to do so for an existing contract – or if you signed a contract without first posting a Form 470 – you will have to post a new Form 470 for FY2009.

You must consider the bids you receive under the new Form 470 but you can also consider your existing contract as one of your bids. The price of the eligible products and services must be the primary factor in your evaluation. However, you can consider other factors in your evaluation, such as the cost of terminating your existing contract. Just remember that none of the other factors in your bid evaluation can be weighted more heavily than price.

#### **Correcting a Form 470**

Applicants have the opportunity to make certain limited corrections to information provided on the Form 470 using the [Form 470 Receipt Notification Letter](#) correction process. For example:

- Contact information for the entity listed in Block 1
- Technical contact information listed in Item 12
- Number of entities in Item 16c, as long as the correction is due to a clerical error and is not a significant departure from the scope of the original request

In general, most Form 470 corrections can only be made by canceling the first FY2009 Form 470 and filing a new one. This is a good reason to file your Form 470 early, so that you have a chance to refile your form if necessary.

Here are some examples of corrections that you will have to make by filing a new form:

- Indicating on the Form 470 that you do not and will not have an RFP but then issuing one
- Forgetting to post for a category of service
- Posting for the wrong category of service (see below)
- Neglecting to mention on either the Form 470 or RFP the reasons that service providers or their bids could be disqualified

#### **Posting for the wrong category of service**

USAC denies Form 471 funding requests if the category of service on the funding request does not match the category of service posted on the Form 470. In some cases, the category of service on the Form 471 may be changed from what the applicant originally posted. Applicants should post for all **applicable** categories of service to avoid posting a new Form 470 or being denied funding.

- A service that can appear in more than one category should be posted in both. For example, Interconnected Voice over Internet Protocol (VoIP) should be posted in both Item 8 (Telecommunications Services) and Item 9 (Internet Access) on a Form 470.
- A service that could be moved from one category of service to another should be posted in both. For example, during its review of an application, USAC may move a request for [On-premise Priority 1 equipment](#) from Telecommunications Services or Internet Access to Internal Connections because the service does not meet all applicable program requirements. If USAC moves the service to Internal Connections and the applicant did not post for the service in Item 10 (Internal Connections) on the Form 470, USAC will deny the request.

For more information on the Form 470, refer to the [Form 470 guidance](#) on the USAC website and the [Form 470 Instructions](#).

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