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Schools and Libraries News Brief

October 9, 2009

TIP OF THE WEEK: You can file your Form 470 now for FY2010 if you have the details necessary to describe the services you are requesting. You do not have to wait for the opening of the Form 471 application filing window to post or certify a Form 470.

Commitments for Funding Years 2009 and 2008

Funding Year 2009. USAC will release FY2009 Wave 23 Funding Commitment Decision Letters (FCDLs) October 13. This wave includes commitments for approved Priority 2 requests (Internal Connections and Basic Maintenance of Internal Connections) at 85% and above. As of October 9, FY2009 commitments total over \$1.04 billion.

Funding Year 2008. USAC will release FY2008 Wave 69 FCDLs October 14. This wave includes commitments for approved Priority 2 requests at 88% and above and denials at 86% and below. As of October 9, FY2008 commitments total just under \$2.35 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.

October Deadlines – FY2008 Invoices and FY2009 Forms 486

There are two program deadlines at the end of the month of October that affect both applicants and service providers. Below we discuss both of these deadlines and the actions you must take if you miss them.

- **October 28, 2009** is the deadline for applicants and service providers to invoice USAC for FY2008 recurring services. This deadline applies to you if the date on your Form 486 Notification Letter is on or before June 30, 2009.
- **October 29, 2009** is the deadline for applicants to file a Form 486 for a Funding Request Number (FRN) for FY2009. This deadline applies to you if your service start date is July 1, 2009 and the date of your FCDL is on or before July 1, 2009.

October 28 deadline for FY2008 invoice forms

Recurring services are services delivered continuously or at regular intervals during the funding year. Examples of recurring services include basic telephone service, monthly Internet access, and basic maintenance of internal connections. Recurring services must be delivered during the funding year – that is, between July 1 and the following June 30.

The deadline for invoices for recurring services is calculated as follows:

- 120 days after the last date to receive services (which is generally June 30 of the funding year) or
- 120 days after the date of the Form 486 Notification Letter

whichever is later.

If your FRN is for non-recurring services or the date on your Form 486 Notification Letter is after June 30, your invoicing deadline is after October 28. (The deadline for delivery and installation of non-recurring services is generally September 30 following the funding year, although it can be extended.)

This October 28 deadline applies to both invoice forms:

- The [Billed Entity Applicant Reimbursement \(BEAR\) Form 472](#), which is filed by the applicant and approved by the service provider after the applicant has paid for the

services in full.

- The [Service Provider Invoice \(SPI\) Form 474](#), which is filed by the service provider after the service provider has billed the applicant for the applicant's non-discount share of the cost of the services.

If the date on your Form 486 Notification Letter is on or before June 30, 2009, you must postmark your invoice or file it online on or before October 28. If you miss this deadline, you must apply for and receive an [invoice deadline extension](#) before you can submit your invoice. This applies to both applicants filing BEAR Forms and service providers filing SPI Forms.

- Tips for applicants filing BEAR Forms

- **Gather your customer bills and do a reconciliation before filing a BEAR Form.** Before you file your last BEAR Form for FY2008 recurring services, make sure that you are not invoicing USAC twice for the same service period or skipping a service period. Remember that you are invoicing USAC for discounts on services actually received, not just invoicing to use up the entire commitment amount.
- **Make sure your service providers have filed a [Service Provider Annual Certification \(SPAC\) Form 473](#) for FY2008.** USAC will not pay invoices for a funding year unless a SPAC Form is on file for that year. You can use the [Service Provider Identification Number \(SPIN\) Contact Search tool](#) to determine if your service provider has filed this form for FY2008.
- **Allow sufficient time for your service provider(s) to review and approve your forms.** This is especially important if you are requesting reimbursement for an entire year of service on a single BEAR Form. If you're not sure how long it will take your service provider to review and approve your BEAR Form, ask.
- **Ask your service providers if they know how to use their online access to USAC's [E-File System](#).** Service providers use the E-file System for a number of actions, including reviewing and approving BEAR Forms. If your service providers do not use the E-file System, suggest that they call USAC's Billing, Collections and Disbursement Department at 1-888-641-8722 (choose the "Form 498" option, not the "Schools and Libraries" option) for assistance.
- **[File your BEAR Form online](#).** The online system allows you to file your information quickly and easily, populates some information automatically based on your entries, and warns you in many cases if you enter incorrect or inconsistent information. Before you file online, make sure that your service providers can review and approve BEAR Forms online.
- **Don't wait until the last minute to file your FY2008 BEAR Forms.** Applicants should be filing their final BEAR Forms for FY2008 recurring services now.

- Tips for service providers approving BEAR Forms

- **Tell your customers what your requirements are for reviewing and approving BEAR Forms.** If you communicate up front with applicants about the amount of time and any documentation you need to review and approve BEAR Forms, you will save time and reduce frustration for them and for you.
- **Get online access to review and approve BEAR Forms.** Service providers that filed a new or revised Form 498 after October 2005 should already have online access to USAC's [E-File System](#). If you don't have online access or you don't know how to use your login information, call USAC's Billing, Collections and Disbursement Department at 1-888-641-8722 (choose the "Form 498" option, not the "Schools and Libraries" option) and ask for assistance.
- **Check online once each week for pending BEAR Forms.** Although USAC will send you an email message when an applicant files a BEAR Form online, you do not need to wait to receive the email before you review a form. If you log in to the E-file System and check for pending BEAR Forms once each week, you will ensure that you won't miss any forms.

- Tips for service providers filing SPI Forms

- **Gather your customer bills and do a reconciliation before filing a SPI Form.** Make sure before you file your last SPI Form for FY2008 recurring services that you are not invoicing USAC twice for the same service period or skipping a service period. Remember that you are invoicing USAC for discounts on services actually delivered, not just invoicing to the commitment amount.

- **Make sure you have filed a SPAC Form for FY2008.** USAC will not pay invoices for a funding year unless a SPAC Form is on file for that funding year. You can use the [Service Provider Identification Number \(SPIN\) Contact Search tool](#) to determine if you filed this form with USAC for a funding year.
- **File your SPI Form online.** The online system allows you to file your information quickly and easily. You do not need access to the E-file System to file SPI Forms online, and you do not have to make any certifications on the Form 474 because you have already made your certifications on your Form 473.

October 29 deadline for Form 486

In general, applicants file Form 486 after services have started for a funding year. The deadline for filing a Form 486 is calculated as follows:

- 120 days after the service start date reported on the Form 486 or
- 120 days after the date of the FCDL

whichever is later.

If the service start date on an FRN is after July 1, 2009 and/or the date on your FCDL is after July 1, 2009, the deadline to file your Form 486 for that FRN is after October 29.

If it appears to USAC that you have missed the deadline for filing a Form 486, USAC will send you a Form 486 Urgent Reminder Letter to remind you to file your form. USAC uses the date of your FCDL and the service start date you reported on your Form 471 to calculate the date that your reminder letter should be sent. (Note that your actual service start date may be different from the service start date you reported on your Form 471.)

USAC will issue this reminder letter if:

- You have not postmarked a Form 486 on paper or filed and certified a Form 486 online by the 120-day deadline or
- You have filed a Form 486 online but have not certified that form either online or on paper by the 120-day deadline.

You will have 20 days from the date of the reminder letter to postmark a paper Form 486, file and certify an online Form 486, or certify a Form 486 already filed online.

If you miss the 120-day deadline AND the 20-day reminder letter deadline, your Form 486 will be considered late. USAC will adjust the service start date on a late Form 486 to the date 120 days before the postmark date (for paper forms) or the certification date (for forms filed online and certified online or on paper).

You should file your Form 486 as soon as possible if you have missed the deadline. If USAC adjusts your service start date as described above, you will not be able to receive discounts on services delivered before the adjusted service start date.

Remember that you can calculate deadlines for program forms, requests, and other activities by using the [Deadlines Tool](#) on the USAC website.

FCC Announces Mandatory Electronic Disbursement of USF Support Payments

The FCC's Wireline Competition Bureau announced September 28 that all federal Universal Service Fund (USF) support payments must be made by electronic funds transfer (see Public Notice [DA 09-2126](#)).

The notice states that recipients of USF support payments **shall provide their financial institution information** and other relevant information on FCC Form 498, which is being updated to reflect these requirements. USAC encourages all service providers to update their Form 498 information using USAC's [E-File System](#). Once the updated Form 498 is processed, all following support payments will be made electronically.

The Wireline Competition Bureau will issue a further public notice announcing the effective date of the electronic payment requirement. **After the effective date, USAC will not make USF support payments** to any entity that has not provided financial institution information sufficient to enable payment through electronic funds transfer.

Please note: Service providers in the Schools and Libraries Program that currently use the Billed Entity Applicant Reimbursement (BEAR) Form 472 will continue to receive check payments until further notice even if they provide electronic banking information.

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