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Schools and Libraries News Brief

June 4, 2010

TIP OF THE WEEK: Remember that **summer contact procedures** are in effect and PIA will place the review of your application on hold if you appear to be unavailable to respond to questions (e.g., if your preferred mode of contact is email and PIA receives an out-of-office email response). If you are available to answer questions and want to continue your review, contact your PIA reviewer as soon as possible.

Commitments for Funding Years 2010 and 2009

Funding Year 2010. USAC will release FY2010 Wave 3 Funding Commitment Decision Letters (FCDLs) June 8. This wave will include commitments for approved Priority 1 (Telecommunications Services and Internet Access) requests at all discount levels. As of June 4, FY2010 commitments total over $496 million.

Funding Year 2009. USAC will release FY2009 Wave 56 FCDLs June 9. This wave will include commitments for approved Internal Connections and Basic Maintenance requests at 78% and above and denials at 69% and below. As of June 4, FY2009 commitments total over $2.72 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.

FCC Issues an Order and a Public Notice of Interest to Service Providers

On June 2, the FCC issued an order and a public notice of particular interest to service providers:

- Order DA 10-999 addresses issues related to the USAC E-rate invoicing process and clarifies that an electronic funds transfer mechanism to distribute universal service support payments invoiced by service providers does not conflict with the Commission's directive that service providers must remit the E-rate discount amount to the applicant "prior to tendering or making use of the payment from the Administrator."
- Public Notice DA 10-270 establishes the effective date of August 31, 2010 for the electronic disbursement requirement to facilitate the processing of the electronic funds transfer (EFT) announced by the Wireline Competition Bureau in September 2009. After August 31, 2010, if a recipient of universal service support payments fails to provide the required financial institution information on its FCC Form 498 to enable payment by EFT, USAC will not make universal service support payments to that entity until the entity provides the required information.

Fall Applicant Training Registration Continues

There is still time to register for one of the fall applicant training sessions. To register online and to locate information on reserving a room at a conference hotel, go to the Fall 2010 Applicant Training page on the USAC website and click on the link for the training session you wish to attend.

Washington, DC and Los Angeles have now gone to waiting lists. If you are informed that you are on a waiting list, please be patient. We will actively work the waiting lists as we receive cancellations. Please do cancel your registration if your plans change so that someone else can register.

You can continue to email any questions about the fall applicant training to USAC Training.

FY2010 Out-Of-Window Letters To Be Issued Next Week

On June 7, USAC will issue about 160 letters notifying applicants that their Forms 471 are considered out of window. Out-of-window letters are issued to two groups of applications:

- Forms 471 filed on paper and postmarked after February 19, 2010, the close of the application filing window
- Forms 471 filed online by February 19 at 11:59 pm EST and certified online or on paper after March 30, the extended certification deadline.

Out-of-window letters are not issued for forms started online that are in an "Incomplete" or "Complete" status. You can check the status of a Form 471 by using the Form 471 Application Status tool or the Form 471 Application Display tool on the USAC website.

APPLICATION PROCESS: Form 486

After applicants receive a funding commitment from USAC and services have started for the funding year, applicants are ready to begin filing Form 486, *Receipt of Service Confirmation Form*. This form must be filed to accomplish the following:

- To notify USAC that services have started and to authorize the payment of invoices for those services. (Note that the service provider must also file Form 473, *Service Provider Annual Certification Form* for the funding year before USAC can pay invoices.)
- To indicate the approval of technology plan(s) by a USAC-certified technology plan approver. (Technology plans are not required for basic telephone service, interconnected Voice over Internet Protocol, and/or voice mail.)
- To indicate the status of compliance with the Children's Internet Protection Act (CIPA).

Filing Form 486 early

Form 486 can be filed early – that is, before the start of services – under the following conditions:

- USAC has issued a positive commitment for a Funding Request Number (FRN) on an FCDL and
- The applicant has confirmed with the service provider featured on the FRN that services will start in July (the first month of the funding year) and
- The applicant can accurately make all of the certifications on Block 4 of the form (see below) and
- The Form 486 is filed online or postmarked on or before July 31.

Filing a Form 486 early allows the service provider to provide – and the applicant to receive – discounted services promptly at the start of the funding year. For services that are continuing from the previous funding year, this early filing also helps prevent discounts on services from being interrupted.

Remember that when you file Form 486, you are providing information about and certifying compliance with program rules relating to technology planning and CIPA. As a reminder, we are including summary information about those program requirements below.

Technology planning requirements

Here are the basic requirements of a technology plan:

- It must be created (written) before the Form 470 is filed.
- It must cover all 12 months of the funding year for which you are applying.
- It must contain all five required elements.
- It must be approved by a USAC-certified Technology Plan Approver (TPA) before the Form 486 is filed or services start, whichever is earlier.
- In general, it cannot cover more than three years.

Furthermore, it is helpful if you place the creation date month and year on your technology plan cover page. Remember that you are not required to have a technology plan if you are seeking discounts only for basic telephone service, interconnected Voice over Internet Protocol, and/or voicemail.

If you are filing Form 486 early, your technology plan must have been approved on or before the date your Form 486 is filed. You also must be prepared to provide the name of the organization

that approved your technology plan. If you must list more than one organization – for example, if you are filing a consortium application and more than one organization approved the technology plans of your members – you must be prepared to provide the names of all the appropriate organizations.

CIPA requirements

In general, CIPA requires schools and libraries receiving discounts on Internet Access, Internal Connections, and/or Basic Maintenance services to certify that they are enforcing a policy of Internet safety that includes measures to block or filter Internet access for both minors and adults to certain visual depictions.

To receive discounted services, your school or library authority must certify that:

- You are in compliance with CIPA or
- You are undertaking actions to comply with CIPA ([First Funding Year or Second Funding Year with a waiver](#)) or
- CIPA does not apply because you are receiving discounts for Telecommunications Services only.

There are three basic requirements for CIPA: a technology protection measure, an Internet safety policy, and a reasonable public notice and public hearing or meeting on the policy.

In general, once you successfully file a Form 486 for a funding commitment for Internet Access, Internal Connections, and/or Basic Maintenance of Internal Connections, you must be in compliance with CIPA at the beginning of the next funding year.

For detailed information on the requirements of CIPA compliance, you should refer to the [CIPA guidance on the USAC website](#).

For more information on Form 486, refer to the [Form 486 Instructions](#).

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