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Schools and Libraries News Brief

August 20, 2010

TIP OF THE WEEK: APPLICANTS: If you are filing BEAR Forms either online or on paper and contacting your service providers to remind them to approve your forms, remind them also that USAC must have their electronic banking information in order to continue issuing payments. USAC will not be issuing paper checks after August 31, 2010.

Commitments for Funding Years 2010 and 2009

Funding Year 2010. USAC will release FY2010 Wave 14 Funding Commitment Decision Letters (FCDLs) August 24. This wave will include commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90%. As of August 20, FY2010 commitments total over \$1.1 billion.

Funding Year 2009. USAC will release FY2009 Wave 64 FCDLs August 25. This wave will include commitments for approved Priority 2 requests at 77% and above and denials at 76% and below. As of August 20, FY2009 commitments total just under \$2.77 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.

Fall Applicant Training Registration Continues

The <u>Fall 2010 Applicant Training page</u> on the USAC website has information on how to register and how to make hotel reservations for the six training sessions that are still open. Please cancel your registration if your plans change.

REMINDER: Below are the last dates you can make a hotel reservation at the conference rate. The conference rate is not guaranteed – and rooms may not be available – after the cutoff dates listed below.

Location	Hotel Cutoff Date
Washington DC	September 7
Newark NJ	September 22
Minneapolis MN	September 13
Los Angeles CA	September 30
Kansas City MO	September 27
Jacksonville FL	September 27
Portland OR	October 1
Dallas/Fort Worth TX	October 11

For questions, cancellations, or requests for information, you can continue to email <u>USAC Training</u>.

Non-recurring Services and Contracts, Part 2

In the <u>August 13 SL News Brief</u>, we discussed requesting a service delivery extension for non-recurring services and the importance of requesting the extension no later than the deadline for receipt of those services.

In many cases, contracts must also be extended and the new contract expiration date reported to USAC. This is important because USAC will not pay invoices for eligible non-recurring services delivered or installed after the last day to receive service (the service delivery deadline), or the last day your contract is valid (the contract expiration date), whichever is earlier.

Extending a contract expiration date for non-recurring services

Applicants report the contract expiration date in Item 20b of each funding request on the Form 471. USAC will not pay invoices for products and services installed and/or delivered after the contract expiration date on file with USAC. If a service delivery extension has been approved – either automatically or upon request – applicants and service providers will need to change the contract expiration date on file with USAC if products and services will be delivered after the date currently on file.

Please note: The contract extensions we discuss here are solely for the purpose of completing the delivery of services for commitments on Funding Request Numbers (FRNs) for the original funding year, not for extending the services to a new FRN for an upcoming funding year (see below).

If a contract expires before services will be delivered, applicants should do the following:

- Check the <u>FRN Extension Table</u> to verify that USAC has extended the service delivery deadline for the FRN.
- Determine that an extension of the contract is allowed under the terms of the contract and under state and local procurement rules and regulations.
- If an extension of the contract is allowed, negotiate an extension with the service provider.
- File a Form 500, Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form, to change the contract expiration date on file with USAC.
- After USAC issues a Form 500 Notification Letter, the products and services can be delivered and installed and USAC can be invoiced.

Note that this kind of contract extension is different from a "contract with voluntary extensions." A contract with voluntary extensions allows the applicant and service provider to extend an existing contract and apply for discounts on services in an upcoming funding year in addition to the current one. If the applicant did not indicate the intention to enter into a contract with voluntary extensions (Item 7b on the Form 470) and then signed such a contract, the applicant would have to file a new Form 470 for the upcoming funding year and conduct a new competitive bidding process. For information on contracts with voluntary extensions, refer to the Contract Guidance document on the USAC website.

Tips for funding commitments that include non-recurring services

To make this process easier, consider the following:

- If possible, set your contract to expire on September 30 rather than June 30 if the contract contains non-recurring services. This eliminates the need to file a Form 500 if the work will be completed by the original deadline.
- Communicate regularly with your service provider, especially if there may be delays. Knowing early that a problem exists gives you more time to plan for the best solution.
- An approved service delivery deadline extension does not automatically extend a contract
 or change the contract expiration date on file with USAC. Similarly, a Form 500, which
 you would use to change the contract expiration date on file with USAC, does not act as a
 service delivery extension request or extend the service delivery deadline.
- Act promptly if you need to extend a contract or request a deadline extension. USAC receives a higher volume of requests when deadlines approach and it may take longer for USAC to process your request if you wait until the last minute.
- Remember that USAC cannot act on a service delivery extension request filed after the last date to receive service.

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<u>Libraries area</u> of the USAC website, <u>submit a question</u>, 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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