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February 3, 2012

**FY2012 WINDOW COUNTDOWN**

<b>Days to window close</b>	<b>46</b>
<b>Forms 470 filed to date</b>	<b>26,780</b>
<b>Forms 471 filed to date</b>	<b>3,648</b>
<b>Online Item 21 attachments filed to date</b>	<b>7,587</b>

**TIP OF THE WEEK:** If you missed the January 30 invoicing deadline for FY2010 non-recurring services, you must [request an invoice deadline extension](#) before you can submit an invoice. Note that FCC Forms 472 (BEAR Forms) that were filed online but not approved by the service provider by the January 30 deadline will be considered to have missed the deadline.

**Commitments for Funding Year 2011**

**Funding Year 2011.** USAC will release FY2011 Wave 33 Funding Commitment Decision Letters (FCDLs) February 7. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90%. As of February 3, FY2011 commitments total just under \$1.67 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.

**Service Providers and Competitive Bidding**

This week we are providing some tips and reminders for those service providers that intend to participate in one or more applicant competitive bidding processes for FY2012 services.

**Maintaining complete and correct information on the FCC Form 498**

Service providers file an [FCC Form 498](#), Service Provider Identification Number and Contact Information Form, to apply for a Service Provider Identification Number (SPIN). The form identifies contacts at the service provider for various USAC programs and provides additional information USAC needs to maintain contact, process payments, and so forth.

The FCC Form 498 must be updated when information on the form becomes out-of-date. Updates can be performed online and approved by a company officer. Applicants may need that updated information at a number of times during the application cycle. For example:

- Some applicants require that potential bidders already have a SPIN before submitting bids.
- Applicants that do not receive any bids after posting an FCC Form 470 can solicit bids and will need accurate service provider contact information to do so.

- After applicants have closed their competitive bidding processes, they must complete an FCC Form 471, which requires a SPIN for each funding request.

For these and other reasons, service providers should keep their FCC Forms 498 current. If you need assistance doing so, you can call 1-888-641-8722 and choose the "498" or "499" option.

### **Providing product demonstrations**

Service providers should always keep in mind that their actions must not compromise – or appear to compromise – an applicant's competitive bidding process. Service providers can provide product demonstrations and other information to applicants about the products and services they provide in advance of an applicant's posting of an FCC Form 470.

After the FCC Form 470 is posted, service providers should limit themselves to requests for information they need to submit responsive bids. If applicants request or require demonstrations of products and services in their FCC Forms 470 or Requests for Proposals (RFPs), service providers can of course conduct those demonstrations.

### **Assisting applicants with their technology plans**

Service providers that intend to submit bids should not assist applicants to create or write technology plans. Service providers should also not give specific advice on technology planning.

### **Assisting applicants with their FCC Forms 470**

Service providers that intend to submit bids must avoid involvement in the FCC Form 470 process except as bidders. Service providers cannot prepare, sign, submit, post, or certify an FCC Form 470 on behalf of an applicant. Service providers cannot serve as a contact on this form, nor can their contact information appear on this form.

If an applicant requests your help completing an FCC Form 470, advise them that your only involvement with the Form 470 process is as a bidder. Applicants should be directed to the information on the Schools and Libraries website.

### **Downloading information from the Form 470 Search Posted and Form 470 Download tools**

USAC has two tools on its website to assist service providers in locating FCC Form 470 information posted on USAC's website.

- The [Form 470 Search Posted tool](#) allows you to search for forms that meet specific criteria, such as zip code, state, applicant type, or date completed. A search will return one or more results in a table; each form in the results must be viewed individually.
- The [Form 470 Download Reports tool](#) allows you to download form information posted on certain recent dates – or all dates – into a spreadsheet that you can sort as you wish.

These tools should be helpful in determining what opportunities interest you in areas where you can provide service. You can use the contact information and other data available from these tools (1) to request more information if you need it and (2) to submit responsive bids.

Please note that requests for information should be specific and related to posted FCC Forms 470 and RFPs referenced on those forms, when the available information is not sufficient for you to submit a responsive bid. Applicants are not expected to respond to generic broadcast emails sent out solely on the basis of information available from these tools, especially if you do not provide the type(s) of service requested for that type of entity or in that geographic area.

### **Submitting responsive bids**

To submit a bid in response to a posted FCC Form 470 and/or RFP, we recommend at a minimum the following steps:

- Review the information available to ascertain if you can and wish to provide the services requested.
- If so, determine if you have enough information to proceed. You can use the contact information from the posted form – and the RFP, if one is indicated – to contact the applicant or the applicant's designee for necessary information.
- Review and comply with all stated requirements. For example, requirements may include obtaining a SPIN or a bond with the state, or attending a mandatory walkthrough. If you are

interested in submitting a bid, determine how you plan to comply with the requirements.

- Comply with all applicable state or local procurement rules or regulations.
- Meet all stated deadlines.

NOTE: Although applicants can specify a range of speeds (e.g., "high-speed Internet access" or "Internet access of at least 3 Mbps"), some applicants provide very specific limits in their FCC Forms 470 and/or RFPs (e.g., "Internet access not to exceed 6 Mbps"). If the information in the FCC Form 470 and/or RFP is limiting, you cannot negotiate a higher speed later in that funding year (or for the term of the resulting contract) even if you are willing to offer that higher speed at the same price.

### Providing gifts to applicants

Receipt of gifts by applicants from service providers and potential service providers is a competitive bidding violation. Gift prohibitions are always applicable, not just during the competitive bidding process. This prohibition includes an applicant soliciting and receiving any gift or other thing of value from a service provider participating or seeking to participate in the E-rate program.

There are limited exceptions to the gift prohibitions, which mirror federal government regulations. These exceptions include items worth \$20 or less (meals, pencils, pens hats, T-shirts, etc.) as long as those items do not exceed \$50 per funding year per applicant employee from any one source. "One source" means all employees, officers, representatives, agents, independent contractors, or directors of a particular service provider.

For specific information on gifts and exceptions, you can refer to the following:

- FCC's Sixth Report and Order ([FCC 10-175](#), released September 28, 2010)
- FCC's Order ([DA 10-2355](#), released December 15, 2010)
- "Gifts" presentation from fall 2011 applicant training, available from the [Fall 2011 Applicant Trainings webpage](#).

### Additional tips

- Carefully review the [FY2012 Eligible Services List](#) for information on the eligibility of services you provide.
- If you intend to provide both eligible and ineligible services to an E-rate program applicant, be sure to clearly separate out the ineligible services and the related cost, if applicable. You can do this with separate lists of services (including prices), separate contracts, or other means that clearly delineate the eligible and ineligible products and services.
- If the products and services you offer are partially eligible, be prepared to provide a [cost allocation](#) so that the applicant can properly apply for discount on only the eligible portion of the products and services. For services where cost allocation is usually required, USAC has already established cost allocations with individual service providers. You can call the Client Service Bureau at 1-888-203-8100 if you need to contact USAC to discuss a cost allocation for your product or service.
- Applicants must wait at least 28 days after an FCC Form 470 is posted to the USAC website before closing a competitive bid process, evaluating bids, selecting a service provider, signing a contract (if applicable), and submitting an FCC Form 471. Because the FY2012 filing window closes on March 20, 2012, **the last possible day for an applicant to post an FCC Form 470 and still meet the application filing window deadline is February 21, 2012.**
- Call the Client Service Bureau at the number above if you have program questions; call USAC at 1-888-641-8722 (choose the "498" or "499" option) if you have questions about FCC Forms 498 and 499 or how to use the service provider [E-file System](#).