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March 9, 2012

FY2012 WINDOW COUNTDOWN

Days to window close	11
Forms 471 filed to date	15,781
Online Item 21 attachments filed to date	33,573 FRNs

TIP OF THE WEEK: If you have not yet filed your Form 471 or Item 21 attachment(s), start gathering together the documents that contain the information you will need. Some examples of the information you should have on hand include contracts, service costs and descriptions, service start and end dates, NSLP numbers and other documents supporting your discount calculations, establishing FCC Form 470 application number(s), and budget information about necessary resources (Item 25d).

Commitments for Funding Years 2011 and 2010

Funding Year 2011. USAC will release FY2011 Wave 38 Funding Commitment Decision Letters (FCDLs) March 13. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90% and denials at 79% and below. As of March 9, FY2011 commitments total over \$1.90 billion.

Funding Year 2010. USAC will release FY2010 Wave 89 FCDLs March 14. This wave can include commitments for approved Priority 2 services at all discount levels. As of March 9, FY2010 commitments total just under \$3.02 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.

SPIN Change Reminders

USAC continues to receive requests from applicants to change the Service Provider Identification Number (SPIN) on one or more Funding Request Numbers (FRNs). Because the requirements for SPIN changes became more stringent starting in FY2011, we are providing the following reminders to assist applicants in preparing their SPIN change requests:

1. [Corrective SPIN changes](#) (changes to correct an incorrect SPIN) fall into two general categories: data entry errors and mergers/acquisitions.

- **Data entry errors.** These errors most commonly include transposing digits (entering a valid but incorrect SPIN), incorrectly associating SPINs with FRNs while entering data from a list, or entering the wrong SPIN for a service provider that has more than one SPIN. USAC may ask for an explanation for why the data entry error occurred, especially if the reason for the error is not immediately apparent.
- **Mergers/acquisitions.** A SPIN may change because one company acquires or merges with another. In general, if a SPIN change is global (i.e., the change from one SPIN to another is

required for all FRNs featuring the first SPIN), the service provider can initiate the request. However, if a SPIN change is required for some FRNs but not others (for example, if one company acquires part but not all of the territory of another company), the affected applicants must request the corrective SPIN change.

2. [Operational SPIN changes](#) result from an actual change of service provider. Starting with FY2011, two additional requirements must be met for USAC to process a request for an operational SPIN change:

- There must be a legitimate reason to change service providers ((e.g., breach of contract or the service provider is unable to perform the requested service) and
- The newly selected service provider must have received the next highest point value in the original bid evaluation. NOTE: If the applicant did not receive multiple bids, the applicant must submit a statement explaining that it received only one or no bids.

Changing service providers because the services are available at a lower cost from another provider or because the applicant now wishes to do business with a provider that did not originally participate in the competitive bidding process are not considered legitimate reasons for change, and requests citing such reasons will be denied.

In addition to the documentation required in the past to help USAC determine that the requirements for an operational SPIN change have been met, applicants making these requests for FRNs from FY2011 or later funding years must also provide the following:

- A detailed explanation of the need for the change AND
- The final bid evaluation worksheet (a listing of the bid weighting factors and individual vendors' scores for all vendors that participated in the original competitive bidding process) for the services requested in FRN(s) associated with the SPIN change or, if applicable, a statement that there was only one or no bids received.

NOTE: Applicants relying on state master contracts that expire during the funding year should make sure they and their respective state are following the guidance for [state replacement contracts](#) for the contract that will replace the expiring contract. This means that you should file two FRNs – one for the portion of the services to be delivered under the existing contract, and another for remaining portion of the services to be delivered under the new contract that the state will award. USAC will not approve operational SPIN changes requesting a change in provider because the state contract has expired and the provider listed on the application is no longer offering the services at the state contract rates.

FCC Announces Deadlines for Comments

The FCC has announced deadlines for comments on proposals included in the agency's recent order on the universal service low-income program. One of the proposals on which the FCC is seeking comment is on using universal service support for targeted, time-limited funding to ensure that low-income Americans who have not adopted broadband have the digital literacy skills they need to access and use broadband. The FCC also seeks comment on how such a program should be administered, including possibly through the E-rate program, and if funding should be targeted to schools and libraries.

The item can be found in the Report and Order and Further Notice of Proposed Rulemaking ([FCC 12-11](#), released February 6, 2012); the digital literacy section begins at paragraph 416. Comments are due April 2, 2012 and reply comments are due May 1, 2012. Further details on how to file comments can be found in Public Notice [DA 12-344](#), released March 6, 2012.

Service Provider Training Reminder

Last week we announced the opening of registration for the two spring service provider training sessions in May in Atlanta and Los Angeles. If you would like to register for a training session and/or to find information on hotel reservations, refer to the [Training Sessions and Presentations](#) page on the USAC website.

Top 10 Tips for FY2012 Online Filers

If you have not yet started your FCC Form 471 online:

1. Get an FCC Registration Number (FCC RN) if you don't yet have one. FCC RNs are required for Block 1 entities (Billed Entities). They are not required for Block 4 entities (recipients of service). If you do not have an FCC RN, you can obtain one from the [Commission Registration System \(CORES\) section](#) of the FCC website.

2. Review your entity name, number, address, and category in the [Billed Entity Search Tool](#) and change any incorrect information. The Client Service Bureau (CSB) can process changes to entity number information. You can contact CSB by phone at 1-888-203-8100. However, if you have more than two entities to update, please gather the information requested in the [Entity Numbers](#) guidance document and either [Submit a Question](#) to provide the information (choose "Entity Number" from the Topic Inquiry menu and "Other" on the subsequent screen) or fax the information to 1-888-276-8736.

3. Request entity numbers for any new entities. You will need an entity number for the Billed Entity in Block 1 and for each recipient of service in Block 4. Contact CSB as above with requests for new entity numbers.

4. Locate your NCES or FSCS codes. NCES codes identify individual schools by state, school district, and school; FSCS codes identify libraries by state, library system, and outlet/branch. You can search for your code starting with the [Data Tools page of the NCES website](#), or you can contact your state department of education or state library for assistance.

If you cannot find your code when you are ready to complete your Form 471, you will be allowed to bypass that entry. However, school entities without NCES codes will not show up in an entity search for "all the schools in a school district" and must be entered manually.

5. Locate the Service Provider Identification Number (SPIN) for each of your service providers. Service providers file an FCC Form 498 to obtain a SPIN and provide or update their contact and banking information. You enter the SPIN for the service provider (be sure you have the correct SPIN, especially if your service provider has more than one) in Item 13 of each Block 5 funding request.

During the last week of the window, USAC will provide an "interim SPIN" to allow applicants to complete an FCC Form 471 online if one or more of their service providers has not yet obtained a SPIN. Applicants can then provide the correct SPIN during application review.

6. Check the FCC Form 470 application number you intend to cite on each funding request. The FCC Form 470 you cite:

- Must be the establishing FCC Form 470 that formed the basis for the competitive bidding process that led to the selection of the service provider and services on the funding request AND
- Must have been posted for the category of service featured on the funding request AND
- Must have been posted on the USAC website for at least 28 days before the competitive bidding process was closed.

If you have not yet certified your FCC Form 470, we suggest that you do so now. (See below for online and paper certification guidance.)

7. Review the information requested in Block 2 about high-speed Internet access services. If you are not sure of the connection speed(s) you will have, you can ask your service provider or make your best estimate. You must provide an entry in each field of Block 2, so enter "0" (zero) if no buildings are served at a particular speed.

8a. FOR LIBRARIES - have the required student counts ready for your Block 4 worksheet(s). The discount for a library is calculated by dividing the total number of students eligible for the National School Lunch Program (NSLP) in the public school district in which the library is located by the total number of students in that school district. Many states post this information on a website, or you can ask your public school district.

8b. FOR SCHOOLS - have your demographic information ready for your Block 4 worksheet(s). For each Block 4 recipient of service, you must indicate if one or more of the following apply:

- New school construction
- Administrative entity or NIF (non-instructional facility)
- [Alternate discount mechanism](#)
- Pre-kindergarten
- Head Start
- Adult education
- Juvenile justice
- [ESA \(Educational Service Agency\)](#).
- Dormitory

If you have already submitted your Form 471, don't forget to:

9. Certify your form. From the Apply Online page, click the Certify Complete button and:

- Click on Electronic Certification if you have a Personal Identification Number (PIN). The certification page will appear. Enter your PIN, check the box to affirm your compliance, and click on the Done button. You should print out a copy of the page that follows.
- Click on Paper Certification if you do not have or cannot locate your PIN. Print a copy of the certification page that appears, sign and date it, and send it to USAC by delivery service or US Mail. You should keep a copy of your submission and [proof of postmark or delivery](#).

10. Submit your Item 21 attachment. The Item 21 attachment is a window filing requirement. For assistance in preparing and submitting your Item 21 attachment, refer to the [Item 21 Attachments guidance document](#) on the USAC website and the [February 24, 2012 SL News Brief](#).

Contact the Client Service Bureau (CSB) if you have questions.

You can [Submit a Question](#) online, fax your question to 1-888-276-8736, or call 1-888-203-8100. Note that CSB will be open [extended hours](#) from Saturday, March 17 through Tuesday, March 20.

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