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July 20, 2012

TIP OF THE WEEK: If you submit a BEAR Form online, do not also mail a paper copy of that form to USAC. If you file a BEAR Form on paper, include all four pages of the current version (dated April 2007 in the lower right-hand corner) of the form, and remember that the service provider – NOT the applicant – must complete page 4.

Commitments for Funding Years 2012 and 2011

Funding Year 2012. USAC will release FY2012 Wave 4 Funding Commitment Decision Letters (FCDLs) July 24. This wave includes commitments for approved Priority 1 (Telecommunications Services and Internet Access) requests at all discount levels. As of July 20, FY2012 commitments total over \$734 million.

Funding Year 2011. USAC will release FY2011 Wave 53 FCDLs July 25. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 89% and above and denials at 80% and below. As of July 20, FY2011 commitments total over \$2.26 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 Directs USAC to Roll Over \$1.050 Billion in Unused Funds to FY2012

On July 11, 2012, in a [letter to the Federal Communications Commission \(FCC\)](#), USAC stated that it had identified an additional \$650 million in unused funds from previous funding years that are currently available to be carried forward for subsequent funding years, bringing the total available for carry forward to \$1.050 billion. USAC also stated that it believed such funds would be sufficient to make commitments at the 90 percent discount level for Priority 2 requests for FY2012.

On July 18, the FCC issued [Public Notice DA 12-1148](#) directing USAC to roll over the \$1.050 billion in unused funds previously identified and make them available for FY2012 commitments. Note that the FCC and the USAC Board must still approve funding for FY2012 Priority 2 funding requests before USAC can start issuing commitments on these requests.

USAC will provide additional information on its website and in the Schools and Libraries News Briefs as it becomes available.

BMIC and the Timing of Commitment Decisions

As a reminder, beginning with FY2011, applicants apply for and are reimbursed for BMIC services for actual work performed or for hours of labor actually used.

- Applicants can still sign fixed price BMIC contracts, but commitments will be made and reimbursements paid only for work actually performed.
- Some services – such as software upgrades and patches, including bug fixes and security patches, and online and telephone-based technical assistance and tools – can continue to be funded under a fixed price contract or other arrangement without a demonstration of work performed.

USAC may issue commitments for Basic Maintenance of Internal Connections (BMIC) some time after the first day of the funding year. We are providing the information below to help applicants plan for the timing of those commitments.

BMIC is considered a recurring service, which means these services must be received during the funding year – that is, work must be performed no earlier than July 1 of the funding year and no later than the following June 30. As a recurring service, BMIC must be delivered during the Funding Year for which funds are committed, and USAC cannot grant service delivery extensions.

- If an applicant is able to start receiving and paying for BMIC services at the beginning of the funding year – before USAC has issued a funding commitment – the applicant can seek reimbursement for work performed on or after the service start date (i.e., during the entire funding year) once USAC has issued a funding commitment.
- If, however, an applicant must wait until USAC issues a funding commitment for a BMIC funding request to start receiving and paying for those services – for example, for budgetary reasons – only the services received between the date of the commitment (or the first day after that that services are received) and June 30 (the end of the funding year) will be eligible for discounts.

Applicants should also keep in mind that BMIC is a Priority 2 service. Eligible Priority 2 funding commitments are generally not issued in the first few waves of a funding year. When Priority 2 commitments start, the 90% funding requests are funded first, and USAC then works down one discount level at a time until remaining funds are not sufficient to fund a particular discount level – a process that can take some time. Applicants should plan accordingly.

Fall 2012 Applicant Training Sessions

The eight applicant training sessions scheduled for fall 2012 are filling up. We still have space available in Atlanta, Minneapolis, and Portland OR; the other sessions have gone to waiting lists. To register with USAC for the training or to make a room reservation at a conference hotel, refer to the [Trainings and Outreach page](#) on the USAC website.

Registrations are on a first-come, first-served basis. Please register only for the session that you want to attend. Please [email USAC Training](#) with questions or to cancel your registration if your plans change.

FY2013 Eligible Services List Comment Period Reminder

On July 5, 2012 the Federal Communications Commission (FCC) released a Public Notice ([DA 12-1052](#)) establishing the comment period for the Eligible Services List (ESL) proposed for Funding Year 2013. To review the draft ESL for Funding Year 2013 and the Public Notice which summarizes the proposed changes to the ESL, please follow the link to the [FCC's Schools and Libraries web page](#). The Public Notice also provides information on filing comments with the FCC.

Please note that the FCC has already started to receive comments on DA 12-1052. Parties are encouraged to provide feedback to the FCC on already-filed comments and the draft ESL either in their initial comments due to the FCC on or before **August 6, 2012**, or in their reply comments due to the FCC on or before **August 21, 2012**.

Already-filed comments may be viewed on the FCC's Electronic Comment Filing System (ECFS). One way to narrow your search for comments on the draft FY2013 ESL is to use the following link to conduct an [ECFS Full Text Search](#) and search for "DA 12-1052." Some parties may not reference "DA 12-1052" in their comments so interested parties may also search for "eligible services list" and provide a date range beginning with July 5, 2012. Note that the results for the latter search may provide a wider range of comments so some of the results may include comments from other proceedings.

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USAC | 2000 L Street NW | Suite 200 | Washington, DC 20036

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