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TIP OF THE WEEK: Remember that the deadline for submitting **FY2013 Item 21 attachments and FCC Form 471 certifications is May 15**. Certifications can be submitted [online](#) or on paper; [Item 21 attachments](#) can be submitted [online](#) or by [email](#), fax, or on paper.

Commitments for Funding Years 2012 and 2011

Funding Year 2012. USAC will release Funding Year (FY) 2012 Wave 43 Funding Commitment Decision Letters (FCDLs) May 14. This wave includes commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90 percent and denials at 89 percent and below. As of May 10, FY2012 commitments total over \$2.21 billion.

Funding Year 2011. USAC will release FY2011 Wave 92 FCDLs May 15. This wave includes commitments for approved Priority 2 requests at 88 percent and above and denials at 87 percent and below. As of May 10, FY2011 commitments total over \$2.59 billion.

Funding Year 2010. USAC will release FY2010 Wave 112 FCDLs May 16. This wave can include commitments for approved Priority 2 requests at all discount levels. As of May 10, FY2010 commitments total over \$3.07 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.

Invoicing for FY2012 Recurring Services

June 30, 2013 is the last day to receive recurring services for FY2012. Recurring services are those that are delivered on a regular basis, e.g., monthly telephone services or monthly Internet access. (See also the special note on Basic Maintenance of Internal Connections below.) For those applicants and service providers that have not already started the invoicing process for FY2012, now would be a good time to plan for how and when you will be invoicing USAC.

Applicants and service providers should be mindful of the following issues related to invoicing, especially if they intend to submit one invoice to USAC that covers the entire funding year. Also, if you need to request one or more of the changes discussed below, be sure to submit your request(s) in a timely manner.

Invoices for recurring services

There are two methods that can be used to invoice USAC:

- [FCC Form 472](#), Billed Entity Applicant Reimbursement (BEAR) Form, is filed by the applicant and approved by the service provider AFTER the applicant has paid for the eligible services in full. BEAR Forms can be filed [online](#) or on paper.
- [FCC Form 474](#), Service Provider Invoice (SPI) Form, is filed by the service provider AFTER billing the applicant for the non-discount portion of the eligible services. SPI Forms can be filed [online](#), [electronically](#), or on paper.

Once a BEAR Form or SPI Form has been successfully processed for a Funding Request Number (FRN) – even if that successful processing does not result in a payment – you must continue to use that method for that Funding Request Number (FRN). In other words, you cannot use a mixture of SPI and BEAR Forms for a single FRN.

Invoices must be based on eligible costs and supported by customer bills for those costs. Although recurring services are often billed to a customer on a monthly basis, applicants and service providers are not required to submit monthly invoices to USAC but can combine one or more months of service on a single invoice.

For an FRN that covers 12 months of monthly service, USAC will look for 12 months of service in that funding year whether the bills are calculated in advance or in arrears. It is not necessary to prorate the costs for monthly service on (1) the first bill of the year for a month that included July 1 or (2) the last bill of the year for a month that included June 30. However, USAC will check to be sure that there is no overlap in payments – that is, that we did not already pay the discount in the previous funding year for the entire customer bill for the same month of service.

Treating Basic Maintenance as a recurring service

Services in the Basic Maintenance of Internal Connections category of service are considered recurring services. As such, they cannot be delivered after June 30 of a funding year.

If an applicant cannot start an eligible Basic Maintenance service until USAC has issued a funding decision, USAC can process invoices for that service only from the date that the service actually started through the date that the service ended in that funding year (on or before June 30). Note that applicants in this situation should have already applied for these Basic Maintenance services for the following funding year (i.e., starting July 1 of the following funding year) under a new FRN if they want to request discounts on these services after June 30 of the current funding year.

Requesting service delivery deadline extensions

The deadline for delivery and installation of services can be extended **for non-recurring services only**. USAC cannot consider requests for extensions for the receipt of recurring services.

- **Extension requests:** [Service delivery deadline extension requests](#) for non-recurring services must be submitted on or before the last day to receive those services, which is generally the September 30 following the close of the funding year. USAC cannot process requests submitted after that deadline.
- **Automatic extensions:** If USAC issues certain decisions (e.g., an FCDL, an [operational SPIN change](#) approval, or a [service substitution](#) approval) on or after March 1 of a funding year, the service delivery deadline for that non-recurring services FRN is automatically extended.

Requesting SPIN changes

Service Provider Identification Number (SPIN) changes may be necessary before USAC can pay invoices. Below are some examples of [corrective SPIN changes](#) that can and should be made before invoices are submitted:

- An applicant cited an incorrect SPIN – either because of a typographical error or because the service provider has more than one SPIN – and the error was not caught before USAC issued a commitment.
- The SPIN has been affected by a merger or acquisition.
- The applicant filed an FRN using the [state replacement contract](#) SPIN and the replacement contract went into effect before or during the funding year.

If the SPIN that appears on the FRN is incorrect, it must be corrected before an invoice can be processed. If you are not sure which SPIN is cited on an FRN, you can [submit a question](#) or call the Client Service Bureau at 1-888-203-8100 for assistance.

Returning unused funds with an FCC Form 500

After the final invoice for an FRN has been paid by USAC, the applicant should check to see if any funds remain on the FRN. If so, the applicant should reduce the commitment amount on the FRN to the amount actually paid so that the unneeded funds become available for new commitments for other applicants.

To reduce a commitment amount, the applicant files an [FCC Form 500](#), Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form. On the second page of the paper form, the applicant enters the FRN in Item 5B and the reduced commitment amount (the total amount actually invoiced to and paid by USAC for that FRN) in Item 5I. After USAC processes the form, the committed amount is reduced to the amount actually disbursed and the unused funds become available for new funding commitments.

However, do not reduce a funding commitment until you are absolutely sure that all funds have been correctly disbursed. Reductions and cancellations submitted on an FCC Form 500 cannot be reversed after they are processed. If the service provider is filing SPI Forms for an FRN, the applicant should

verify with the service provider that all invoices to USAC have been submitted and paid before filing an FCC Form 500 to reduce the committed amount.

Returning funds disbursed in error

During the preparation of BEAR Forms or SPI Forms, the applicant and/or service provider may notice that funds have been disbursed in error. Here are some examples of how this could occur:

- The applicant or the service provider made a typographical error on a previous invoice.
- A piece of equipment was returned by the applicant for a refund after USAC paid an invoice for the equipment.
- USAC was invoiced in full but a rebate or discount was provided to the applicant and USAC did not receive its proportional share of the rebate or discount.

Funds disbursed in error must be [returned to USAC](#). If you can correct the original error (for example, if your invoice to USAC for the first month was too high but you still have other eligible charges to invoice on that FRN), you can submit an accurate invoice to USAC after the funds have been returned.

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

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