

[Back](#)

December 5, 2014

Please continue to check the [E-rate Modernization Order web page](#) for links to additional information.

TIP OF THE WEEK: If you have not yet submitted an invoice for FY2013 recurring services, you must first file an invoice deadline extension request. To be considered, your request must be submitted before December 18, 2014 (see below).

Commitments for Funding Years 2014, 2013, and 2012

Funding Year 2014. USAC released Funding Year (FY) 2014 Wave 30 Funding Commitment Decision Letters (FCDLs) on December 4 and will release Wave 31 FCDLs on December 10. These waves include commitments for approved Priority 1 (Telecommunications Services and Internet Access) requests at all discount levels. As of December 5, FY2014 commitments total just under \$2.10 billion.

Funding Year 2013. USAC will release FY2013 Wave 76 FCDLs on December 11. This wave includes commitments for approved Priority 1 requests at all discount levels. As of December 5, FY2013 commitments total over \$2.13 billion.

Funding Year 2012. USAC released FY2012 Wave 97 FCDLs on November 28 and will release Wave 98 FCDLs on December 9. These waves include commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 90 percent and denials at 89 percent and below. As of December 5, FY2012 commitments total just under \$2.86 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.

E-rate Modernization Order: Update on Invoicing

The Federal Communications Commission (FCC) adopted the [E-rate Modernization Order](#) on July 11, 2014. The Order takes major steps to modernize and streamline the E-rate program and focuses on expanding funding for Wi-Fi networks in eligible elementary and secondary schools and libraries across America.

In the *Order*, the FCC codified USAC's existing invoice filing deadline to allow applicants to request and automatically receive a single one-time 120-day extension of the deadline. This change will become effective on December 18, 2014.

- The invoice deadline for a funding request is 120 days after the last date to receive service or 120 days after the date of the FCC Form 486 Notification Letter, whichever is later.

Applicants and service providers who want to request an invoice deadline extension for a deadline that has already passed must do so before December 18. Going forward, applicants and service providers must submit such requests on or before the invoice deadline in order for the request to be considered timely filed.

For FY2013 and previous funding years:

- If the deadline for submitting an invoice was October 28, 2014 and the invoice was not submitted, the applicant or service provider must request an invoice deadline extension before submitting the invoice. NOTE: For applicants filing BEAR Forms online, the BEAR Form must have been reviewed and approved by the service provider online on or before October 28 to be considered timely filed.
- USAC can only approve one 120-day invoice deadline extension. If an extension request has been approved, invoices must be submitted on or before that extended deadline. A second extension will not be granted.
- Going forward, applicants and service providers who do not submit either an invoice or an extension request on or before the invoice deadline must request and be granted a waiver from the FCC before an invoice can be submitted.

APPLICATION PROCESS: FCC Form 470

The FCC Form 470, Description of Services Requested and Certification Form, is the first program form applicants file to request discounts under the E-rate program.

By posting an FCC Form 470 on the USAC website, applicants are opening a competitive bidding process. Applicants describe the services they are requesting on the FCC Form 470, and service providers can [View a 470](#) or [Download 470 Information](#) in order to review and respond to applicant requests.

In general, you must file an FCC Form 470 for FY2015 if you:

- Are seeking non-contracted tariffed or month-to-month services.
- Intend to sign a new contract.
- Signed a multi-year contract or a contract with voluntary extensions without first posting an FCC Form 470 and following all of the competitive bidding rules of the program.

NOTE: If you have already filed an FCC Form 470 using the FY2014 version of the form and intended it for FY2015, you do not have to re-file your form.

Your FCC Form 470 **MUST:**

- Be detailed enough for potential bidders to understand your requirements and any reasons for disqualification.
- Be posted for the correct category or categories of service. Note that you should post for "Category One: Internet Access and/or Telecommunications" if you intend to post for Telecommunications Services, Internet Access, and/or Voice Services on the FCC Form 471; post for "Category Two: Internal Connections and Managed Internal Broadband Services" if you intend to post for Internal Connections and/or Managed Internal Broadband Services on the FCC Form 471; post for "Category Two: Basic Maintenance of Internal Connections" if you intend to post for Basic Maintenance on the FCC Form 471.
- Indicate whether you have issued or will issue a Request for Proposals (RFP) and, if so, where it is or will be available to potential bidders (see below).
- Encompass all entities that will receive services – including [non-instructional facilities](#) (NIFs).
- Be **posted** on the USAC website for at least 28 days before you select a service provider; sign a contract (if appropriate); and sign, date, and submit your FCC Form 471.
- Be **certified** before USAC completes the review of any funding requests based on that FCC Form 470.

Your FCC Form 470 **MUST NOT:**

- Be completed or signed by a service provider or feature a service provider as the contact person in Items 6 or 12.
- Be an encyclopedic list of services.
- Specify vendors, manufacturers, or model numbers without including the words "or equivalent" or a similar qualification.

28-day posting requirement

As noted above, your FCC Form 470 must be posted on the USAC website for 28 days before you choose a service provider, sign a contract (if appropriate), and sign and submit your FCC Form 471.

- You must file your FCC Form 470 online. If you do not have a Personal Identification Number (PIN), you can certify your form on paper by printing a copy of the certification page, signing and dating it, and mailing it to USAC at the address provided.

If you know the services you want to request – or even if you only know some of them – you can post an FCC Form 470 now for the services you know and post another FCC Form 470 later for any other services if you wish to do so.

Issuing an RFP

You can prepare and issue an RFP in addition to your FCC Form 470. RFPs are not specifically required under program rules but may be required by your state or local procurement rules or competitive bidding requirements. An RFP describes the project you want to undertake in sufficient detail to inform potential bidders of the scope, location, and any other requirements for the project. You must also clearly indicate in the FCC Form 470 and/or the RFP any reasons that bidders could be disqualified and provide information on requirements imposed by state or local procurement rules and regulations.

If you issue an RFP, you must indicate that fact and indicate the place the RFP is available (website address, contact person in Item 6 of the form, or technical contact person in Item 12 of the form) on your FCC Form 470. If you issue your RFP after you post your FCC Form 470, you must start the count of your 28 days on the day the RFP was publicly available, not the date you posted your FCC Form 470.

Remember that the price of the eligible products and services must be the primary factor in your bid evaluation. You can consider other factors in your evaluation, but none of those other factors can be weighted more heavily than price.

FCC Forms 470 and existing contracts

If you have an existing contract, posting an FCC Form 470 may or may not be necessary.

- **Multi-year contracts or contracts with voluntary extensions.** If you **did not** post an FCC Form 470 but signed a multi-year contract or a contract with voluntary extensions, you **must** post an FCC Form 470 for FY2015. You can consider your existing contract as a bid response, but you must also evaluate any other bids received. Note that if your existing contract is not the most cost-effective solution with the [price of the eligible products and services as the primary factor](#) in your bid evaluation, you will not be able to receive E-rate discounts under your existing contract for FY2015.
- **Contracts that resulted from properly posting an FCC Form 470.** If you posted an FCC Form 470 and then signed a multi-year contract or a contract with voluntary extensions that

covers (or will cover, if you exercise an extension) all or part of FY2015, you **do not** need to post a new FCC Form 470 **for the period covered by that contract** (see below). On Item 12 of the FCC Form 471 funding request for services provided under that contract, you can enter the FCC Form 470 application number for the competitive bidding process that resulted in that contract (the "establishing FCC Form 470").

- **Contracts that expire before the end of the funding year.** If a contract that was signed pursuant to program rules expires before June 30, 2016, you must file a new FCC Form 470 to open a competitive bidding process for any services that would be provided during the part of the funding year not covered by that expiring contract.
- **State master contracts.** If you intend to purchase services from a state master contract, refer to the documents [Contracts](#), [State Master Contracts](#), and [State Replacement Contracts](#) for more information.

Posting for services that do not require an FCC Form 470

Starting with FY2015, the FCC created exemptions from its competitive bidding rules – including the posting of an FCC Form 470 – for applicants seeking E-rate support to purchase either or both of the following:

- a commercially available, business-class Internet access service that costs \$3,600 or less for a single year.
- Category Two internal connections from a contract designated by the Wireline Competition Bureau of the FCC as a preferred master contract. (NOTE: We do not expect any contracts to be designated as preferred master contracts for the FY2015 application cycle.)

For a business-class Internet access service to qualify for an exemption, the service must meet ALL of the requirements set forth in the *E-rate Modernization Order*. For specific information on these requirements, you can refer to the [November 7, 2014 SL News Brief](#).

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[Back](#)