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Universal Service  
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## Schools and Libraries Program News Brief

April 14, 2017

**TIP OF THE WEEK: You have less than four weeks to certify your FCC Form 471 in EPC for FY2017.** May 11, 2017 is the last possible day to certify an FCC Form 471 within the filing window.

### Commitments for Funding Year 2016

**Funding Year 2016.** USAC is scheduled to release Funding Year (FY) 2016 Wave 43 Funding Commitment Decision Letters (FCDLs) on April 20. This wave includes commitments for approved applications for all service types and at all discount levels. As of April 14, FY2016 commitments total just under \$2.43 billion.

On the date the FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in the E-rate Productivity Center (EPC).

### Scheduled EPC Maintenance – Sunday, April 23, 2017

EPC will be undergoing scheduled maintenance on Sunday, April 23, 2017 between the hours of 7:00 PM and 10:00 PM EDT. Program participants will be unable to access their accounts during this time.

Please make a note of this scheduled maintenance window and plan your window filing activities accordingly. We apologize for any inconvenience.

### Competitive Bidding Reminders

Now that applicants have certified their FCC Forms 470 for FY2017, we are providing the following reminders to help them through the remainder of the competitive bidding process.

#### **Wait the full 28 days.**

One of the most common denial reasons related to the competitive bidding process is that the applicant did not [wait 28 days](#) after the FCC Form 470 was certified before choosing a service provider, signing a contract (if applicable), and certifying an FCC Form 471.

To help you remember the exact date of your allowable contract date (ACD), note that it will occur on the same day of the week as the day of the week you certified your form. For example, if you posted your FCC Form 470 on Thursday, April 6, your ACD would be Thursday, May 4.

Note that your 28-day clock may restart if you issue a Request for Proposal (RFP) or RFP document after you certify your FCC Form 470 (see below).

### **Upload your RFP and RFP documents to your FCC Form 470.**

If you are issuing an RFP and/or one or more RFP documents, you are required to upload those documents to your FCC Form 470. We use "RFP" and "RFP document" generically to refer to any bidding document that describes your project and requested services in more detail than that provided in the data entry fields on the FCC Form 470. An RFP document can be a formal bidding document – for example, an Invitation for Bid (IFB) or Request for Quote (RFQ) – or it could be any document issued as part of your competitive bidding process to provide more information to potential bidders.

To add an RFP document to a certified FCC Form 470, access the form in EPC, choose **Related Actions** from the left-hand menu, and then choose **Add an RFP Document**.

RFP documents issued AFTER an FCC Form 470 is certified must be uploaded to that certified FCC Form 470 as well.

### **You may need to restart your 28-day clock.**

- **If you certified your FCC Form 470 but you are only now issuing your RFP, you must certify a new FCC Form 470 and attach your RFP to the new form.** (You cannot attach a document to a certified form if no documents were attached when it was certified.) Your new 28-day clock starts with the date you certify the new form.
- **If the document you are now issuing results in a cardinal change to your original form and any attached documents, you must restart your 28-day clock.** A cardinal change is a change that is outside of the scope of your original project, and is significant enough that bids submitted in response to your original submission would not adequately address the change in scope. Note that you must track your new ACD, as the original ACD will not change in EPC.
- **If the document you are now issuing does not result in a cardinal change, you do not need to restart your 28-day clock.** For example, your document could be a list of clarifying questions from potential bidders together with your answers, or a notice of a minor correction that is within the scope of your original submission.

### **Conduct an open and fair competitive bidding process.**

The competitive bidding process must be [open and fair](#). "Open" means there are no secrets in the process – such as information shared with one bidder but not with others – and that all bidders know what is required of them. "Fair" means that all bidders are treated the same and that no bidder has advance knowledge of the project information.

The FCC Form 470, RFP, and/or RFP documents should be clear about the products, services, and quantities you are seeking and must be based directly on your technology needs. In addition, you must avoid using generic service descriptions (e.g., "all eligible telecom services"), encyclopedic service descriptions (e.g., replications of the entire Eligible Services List), or insufficiently detailed quantities (e.g., "district-wide") on your FCC Form 470 and RFP documents.

### **Do not accept gifts from service providers.**

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. 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 more information, you can refer to the FCC's Sixth Report and Order ([FCC 10-175](#), released September 28, 2010) and the Order that addresses gift rule questions ([DA 10-2355](#), released December 15, 2010).

### **Answer questions from potential bidders.**

If service providers ask questions about the information on your FCC Form 470 and/or RFP, you must provide answers to those questions and make the answers available to all potential bidders. One way to do this is to post the questions and answers as an RFP document to your certified FCC Form 470.

You are not required to respond to emails that could be identified as "spam" – for example, a generic email stating that the service provider can provide the general type of service you requested and asking for a call-back. If you have indicated in the FCC Form 470 and/or RFP a specific procedure or mechanism for submitting questions, the service provider should follow your directions.

### **Follow your state and local competitive bidding rules.**

You certify on the FCC Forms 470 and 471 that you are following all applicable state and local procurement rules and regulations in addition to the requirements under the E-rate program.

If you believe you may be subject to state procurement requirements, your state's procurement department should be able to help you. Your county or city may have requirements, your organization may have requirements of its own, or you may not have any requirements. In each case, consult the appropriate agency in order to determine the requirements – if any – that would apply to you.

### **Give the highest point value in your evaluation to the price of eligible products and services.**

When you evaluate the bids you receive, you can have as many factors as you want in your evaluation to allow you to choose the most cost-effective solution. However, you **must** include the price of the E-rate eligible products and services as a factor, and this factor must be weighted more heavily than any other single factor.

There is a [description of the evaluation process](#) and a [sample bid evaluation matrix](#) on the USAC website for your reference.

### **Make sure your disqualification factors, if you have any, are binary.**

You may disqualify bids if they do not meet certain requirements. A disqualification factor must be binary – that is, the bidder either meets or does not meet the requirement. Factors that would be evaluated on a sliding scale or a range of points can be evaluation factors but not disqualification factors.

Here are some examples of valid disqualification factors. If the service provider or the bid response does not meet the requirement, the applicant can disqualify (and not evaluate) the bid:

- The service provider must have a Service Provider Identification Number (SPIN).
- The service provider must be bonded.
- There are five sections in the RFP for bidders to address, and a submitted bid must address all five of them to be considered for evaluation.
- The service provider must include three references from current or former customers with the bid response.

Disqualification factors must be included in the FCC Form 470 and/or the RFP document(s). You cannot create disqualification factors after you open your competitive bidding process.

We suggest that you keep copies of disqualified bids – as well as winning and losing bids – as part of your competitive bidding process documentation.

### **Review USAC's state master contract guidance.**

A [state master contract](#) is a contract that is competitively bid and put in place by a state government entity for use by others. Applicants can choose to receive service under a state master contract if they are eligible to do so.

Below are the most common scenarios for state master contracts and guidance for each:

- **The state files an FCC Form 470, conducts a competitive bidding process, and chooses a single winner.** You can receive service under the state master contract and cite the state's FCC Form 470 on your FCC Form 471 funding request(s).
- **The state files an FCC Form 470, conducts a competitive bidding process, and chooses more than one winner.** You must conduct a mini-bid for all of the winning bidders that can provide service to you under their respective state master contracts. After you choose the most cost-effective solution, you cite the state's FCC Form 470 on your FCC Form 471 funding request(s) for services provided under the appropriate state master contract. Be sure to save a copy of your mini-bid documentation. (See the [state master contract](#) guidance for more information on mini-bids.)
- **You file an FCC Form 470, conduct a competitive bidding process, and want to consider an existing state master contract as a bid response.** You must consider all other state master contracts that can provide those services as bid responses, in addition to any other responses you receive. You cite your own FCC Form 470 on your FCC Form 471, even if the state filed an FCC Form 470.
- **You file an FCC Form 470, conduct a competitive bidding process, and a service provider who has a state master contract submits a bid.** You can consider the bid you receive from that service provider in addition to any other responses you receive. You are not required to consider other state master contracts as bid responses. You cite your own FCC Form 470 on your FCC Form 471.

### **Webinar Recordings Now Available**

Last week, USAC hosted two webinars for E-rate program beginners. The webinar recordings are available in our [Online Learning Library](#).

- [E-rate 101: Introduction to the E-rate Program](#) provides an overview of E-rate program fundamentals, including key terms, timelines, processes, and the roles of USAC and the FCC.
- The [E-rate Program Application Process](#) webinar includes a detailed overview of E-rate program forms.

The presentations are intended for first-time applicants and anyone who needs a refresher on the basics of the E-rate program. Event resources, including the slides, are available on-demand when you click the **Event Resources** tab on the left-hand side of the webinar interface.

If you have issues viewing or hearing the webinar recording, click the **FAQs and System Test** button on the registration page to ensure that you have the minimum system requirements.

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