Universal Service Administrative Co.

Schools and Libraries Program
News Brief

March 23, 2018

TIP OF THE WEEK: The FY2018 application filing window has closed. Please review and follow the guidance below to prepare for the next steps in the application process.

Commitments for Funding Year 2017

Funding Year 2017. USAC is scheduled to release Funding Year (FY) 2017 Wave 48 Funding Commitment Decision Letters (FCDLs) on March 29 and Wave 49 FCDLs (for some of the hurricane relief applications filed during the Second FY2017 Application Window) on March 30. As of March 23, FY2017 commitments total over $2.24 billion.

On the date that FCDLs are issued, you can access your FCDL notification from the **Notifications** section of your landing page in EPC.

Invoice Deadline Waivers for Certain FY2016 Recurring Service FRNs

On February 26, 2018, the FCC issued a waiver order [DA 18-188](#) that extends the invoice deadline for certain FY2016 recurring service Funding Request Numbers (FRNs). For these FRNs, applicants and service providers could not complete the invoicing process because USAC had not yet issued approvals for specific post-commitment requests that featured these FRNs.

The invoice deadline for these FRNs will be extended to 120 days from the date of the Revised Funding Commitment Decision Letter (RFCDL) that approves the post-commitment change.

To qualify for this waiver, each FRN must meet **ALL** of the following requirements:

- The FRN must be for FY2016 recurring services.
- The applicant or service provider must have requested an invoice deadline extension for the FRN on or before October 30, 2017 and USAC must have approved the extension request.
- USAC has issued (or will issue) an RFCDL on or after October 31, 2017 that approved (or will approve) a requested post-commitment change for these services, specifically:
  - An appeal that increases funding on an FRN, whether the FRN was originally denied or funded.
  - A corrective or operational SPIN change. NOTE: If the SPIN change happened mid-year, the extension does not apply to services provided by the original service provider because those services should have already been invoiced.

      ○   A service substitution.

Next week, USAC will send an email to each applicant or service provider that qualifies for this waiver. As USAC issues new RFCDLs that include FRNs that meet **ALL** of the above criteria, USAC will send emails to the appropriate applicants and service providers. These applicants and service providers will have 120 days from the date of the RFCDL to invoice USAC for these services.

For questions about this waiver, please open a customer service case in EPC, and enter the code "**DA 18-188**" at the beginning of the nickname to help us locate and respond to your question efficiently.

Next Steps Related to the FY2018 Application Filing Window

The application filing window for FY2018 has closed. We are providing a few reminders below for actions you should take while the application process is still fresh in your mind.

Review your FCC Form 471 and submit a RAL modification to correct or update information.

We want to call your attention to a few areas and fields that you should double-check for accuracy. If you find any information that should be corrected or updated, you can submit a Receipt Acknowledgment Letter (RAL) modification.

Entity information. If your entity profile was locked before you could update the information for your organization and/or your member entities, you can file a RAL modification to provide your updates. Specifically, you should pay attention to the following:

- **School districts:** Review the contact information for your school district and each of your individual schools. For each school in your district, review the actual or estimated student counts, the approved Community Eligibility Provision (CEP) percentage (if you have one), the urban/rural status, and the attributes (such as public, private, or tribal).
- **Library systems:** Review the contact information for your library system and each of your individual library branches, bookmobiles, and kiosks. For each library in your library system, review the square footage, the urban/rural status, and the attributes (such as public, private, or tribal). You must have identified one library as the main branch and also identified the school district in which it is located.
- **Independent schools and libraries:** Review the contact information for your entity and also your entity information necessary for the discount and Category Two budget calculations that are required for an individual school or library as noted above.
- **Consortia:** Although consortia cannot change profile information for their members, they should review their own contact information and the list of consortium members they reported as receiving or sharing services on each FCC Form 471 they filed. They can also provide any other information that may be necessary for USAC to correctly process their application.

FCC Form(s) 470 you cited on a funding request. Most applicants citing an FCC Form 470 on their FCC Form 471 funding requests certified that FCC Form 470 in EPC. However, applicants with multi-year contracts or who started their competitive bidding process before the FY2016 FCC Form 470 was available in EPC may be citing an FCC Form 470 filed in our legacy system. For these earlier forms, check to be sure that each 15-digit application number you provided was for the correct FCC Form 470 that was posted for the correct service type and for which you waited at least 28 days before you chose your service provider.

Also, for FCC Forms 470 not filed in EPC, make sure they are certified. You can check the status of an FCC Form 470 filed for a funding year before FY2016 with the [Search FCC Form 470](#) tool, and you can certify an uncertified form with the [Certify FCC Form 470](#) tool.

FCC Registration Number. Check this 10-digit number to make sure it is correct, especially if this is the first year you have filed E-rate program forms.

Costs and cost allocations. Check your math. The pre-discount costs of your funding requests should match the information in the contract(s) or other documentation you used to prepare your form.

If you notice any incorrect information in the above or any other fields, we suggest that you [submit a RAL modification](#).

Review and archive the documentation that you prepared for your competitive bidding process and that you relied on to complete your FCC Form 471.

As part of your application filing process, you may have produced, accessed, or received a number of documents. You may need to refer to one or more of these documents at various times during the application process, for example, to prepare for a review or an audit or to file an FCC Form 486, an invoice, or an appeal. If you collect and store this documentation in a manner that allows you – or your successor – to easily access and produce these documents, you can respond much more quickly to USAC requests.

You have already provided some of this information to USAC – such as your RFP document(s) in your FCC Form 470 or your contract information in your profile – but you should keep your own copies as well.

Some documents that might be easier to find and store now but that might be more difficult to locate later include (this list is not exhaustive):

- Competitive bidding

- Request for Proposal (RFP) and RFP documents
- Public notice of RFP issued (if a public notice is required by your state or local procurement laws)
- Winning and losing bids
- Questions and answers provided to potential bidders – emails, supporting documents, or other correspondence produced as part of the competitive bidding process
- Completed bid evaluation matrices or other documents that show how the bids received were evaluated and the winning bid chosen
- Contracts and/or legally binding agreements, with evidence of board approvals (if board approvals are required by your state or local procurement laws)
- If there is a restriction that prevents services and costs from being made public, a copy of the precise cite to the law, statute, local rule, or court order identifying the restriction.

- Discount calculations

- National School Lunch Program (NSLP) data sources
- Income surveys or other surveys
- Direct certification documentation and other documents related to participation in CEP or other provision(s) of NLSP
- Other documentation used to compute student counts.

- Supplemental documentation

- Consulting agreements and/or letters of agency
- Draft and/or final budgets
- FCC Form 470 modifications submitted (edit application nickname, add an RFP document, change main contact person, edit technical contact)
- RAL modifications submitted.

We suggest you take the time now to organize and file all documents related to your application in a manner that will allow you to easily locate and retrieve them for any future needs. For guidance on how to organize your documentation, review the [E-rate Binder Table of Contents](#) and the [Samples and Examples](#) on the USAC website.

Prepare for PIA review.

Now that you have all of your documentation in order, you should be in good shape for Program Integrity Assurance (PIA) review. During PIA review, we verify certain information on your form, and we may have additional questions to help us in our review. We will notify you by email and in your EPC **News** feed that there are PIA questions waiting for you to answer.

This would be a good time to alert your service provider that you may need help with network diagrams, product descriptions, and other data that they should be able to supply.

Please respond promptly to any PIA requests for information or documentation. In general, you have 15 days to respond.

- PIA will send you a reminder if we haven't heard from you in seven days after our initial request. We will also alert your state E-rate coordinator that we are waiting for a response.
- We do want to get decisions out as quickly as possible. If after 15 days we have not heard from you, we may act on the information we already have to make a funding decision. Providing us with the information we request allows us to make a more informed decision.
- You can request an extension if you need more time. Your first request for additional time to respond is automatically granted for an additional seven days. Subsequent requests must be reviewed by PIA before they can be approved.

Monitor your contact email address and your EPC account.

Because we use your email address and your EPC account to ask questions and to receive your answers during the PIA review process, the contact person you identified on your form should regularly monitor their email address and EPC account. You can also use a RAL modification to update your holiday/vacation contact information in case we should use a different email address or telephone number during a specific period of time, or if you have empowered someone else to answer questions on your behalf.

Multipliers for FY2018 Category Two Budget Calculations

Starting with FY2016, the multipliers used to calculate Category Two budgets for schools and libraries – and the calculation for the budget floor – increase for each funding year based on inflation.

The inflation factors applied to the multipliers and the budget floor are:

- FY2016 – 1.0 percent
- FY2017 – 1.3 percent
- FY2018 – 1.8 percent

For FY2018, Category Two budgets are calculated as follows:

School

- Add the number of full-time students to the number of peak part-time students. The number of peak part-time students is the greatest number of part-time students at a single point during the school day, not the total number of part-time students that attend the school during the course of the entire school day.
- Multiply the result by the FY2018 multiplier of $156.231951.

Library with an IMLS locale code of 11, 12, or 21

- Determine the square footage of the library. The square footage includes all floors of the library and both public and non-public areas, but excludes areas outside of the exterior walls.
- Multiply the result by the FY2018 multiplier of $5.2077317.

Library with another IMLS locale code

- Determine the square footage of the library. The square footage includes all floors of the library and both public and non-public areas, but excludes areas outside of the exterior walls.
- Multiply the result by the FY2018 multiplier of $2.395556582.

Budget floor

- If the above calculation for a school or library results in a figure less than $9,582.23, the Category Two budget is $9,582.23 in FY2018.

Please note that the Category Two Budget Tool on the USAC website has been applying the inflation factor to the multiplier for the previous year and then rounding the result to the nearest penny before completing the calculation. In fact, the rounding should not occur until the end of the calculation. The calculations featured in EPC are correct for the available funding years.

We will update the Category Two Budget tool in the future with the correct multipliers. Please note that the calculations in the Category Two Budget tool for FY2015 are not affected and will not change.

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