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Universal Service  
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# Schools and Libraries Program News Brief

September 6, 2019

**TIP OF THE WEEK:** September 30, 2019 is the deadline for requesting an extension for the delivery and installation of Funding Year (FY) 2018 non-recurring services. To request this extension, the applicant must certify an FCC Form 500 and include the reason that the service provider needs the extension.

## Commitments for Funding Year 2019

**Funding Year 2019.** USAC released FY2019 Funding Commitment Decision Letters (FCDLs) for Waves 20 and 22 on September 1. (Wave 21 was merged into Wave 22.) Wave 23 FCDLs were released on September 5. As of September 6, FY2019 commitments total over \$1.69 billion.

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

## Invoicing FAQs

On August 21, 2019, USAC held a webinar on the invoicing process. In this issue, we are continuing to address questions related to invoicing that we were not able to address during the webinar.

To view the webinar, go to the **Webinar Recordings** section of the [Online Learning Library](#) page on the USAC website and click the link for "The E-rate Invoicing Process." Provide some basic information and then click the **Register** button to go directly to the recording.

Here are some additional questions we received about the invoicing process during the webinar:

**Q. Do I have to use the same timeframe to invoice USAC that I use to bill my customers?**

A. No. For example, you can bill your customers monthly and invoice USAC quarterly. (Similarly, applicants filing BEAR Forms can pay monthly service provider bills and invoice USAC quarterly.)

**Q. What is the earliest date we can file an invoice for a funding year?**

A. July 1 of the funding year is the earliest date applicants or service providers can file invoices with USAC for that funding year. This applies to both the FCC Form 472 (BEAR Form) and the FCC Form 474 (SPI Form).

**Note for advance installation:** As long as the applicant and service provider follow the [advance installation](#) guidance posted on the USAC website, installations of Category One and Category Two equipment can occur prior to the start of the funding year.

- Service providers can bill their customers before July 1 for work performed.
- Applicants can pay service provider bills before July 1, whether they are paying the bill in full or only paying their non-discount share.
- If USAC requests backup documentation (for example, customer bills) to demonstrate that work was performed, that documentation can be dated before July 1.

However, because July 1 is the first day of the funding year, invoices to USAC cannot be dated or feature service start dates prior to July 1.

**Q. My service provider will not use the SPI method, even though I have requested it. What can I do?**

A. You can open a customer service case in EPC or call the Client Service Bureau (CSB). CSB will escalate the case and someone at USAC will contact the service provider to remind them of their responsibility.

Keep in mind that the E-rate Program rule states that the service provider should permit the applicant to choose the invoice method prior to the submission of the FCC Form 471. We encourage applicants to inform potential bidders of the method they prefer in the narrative of their FCC Form 470, so that service providers who are unable or unwilling to use the SPI method know not to submit bids. They can also include that information in their contracts.

**Q. How can a service provider sign up for electronic invoicing?**

A. Electronic invoicing, which we sometimes refer to as eSPI, is a method service providers can use to submit their invoice information to USAC electronically in a flat file – a file using CSV (comma separated value) format. USAC then converts the file into a SPI Form.

To set up this process, the service provider can follow the guidance in the [Electronic Invoicing](#) page on the USAC website. Please note that we recommend the eSPI process for service providers with large number of invoices and/or invoice line items, as the process does take some effort to set up and maintain.

**Q. What information should be included on a customer bill for Basic Maintenance of Internal Connections?**

A. Services eligible as Basic Maintenance of Internal Connections (BMIC) fall into two general types:

- BMIC charges for software upgrades and patches, which include bug fixes, security patches, and other discrete technical support, can be funded under a fixed price contract or other arrangement and invoiced without a demonstration of the work performed. The customer bill should clearly indicate the limited nature of the services included in the contract or arrangement and the period of time covered by the bill.
- Other BMIC contracts are only eligible for funding for the work that is actually performed. Invoices for these BMIC services must provide information about the work actually performed and/or the hours of labor actually used. The customer bill should also include the details about the work performed, such as the hours of labor, the hourly rate, and the equipment serviced.

For the SPI method of invoicing, the service provider should also include the total cost, the applicant approved discount, and the non-discount share to be paid by the customer.

**Q. I have a fixed price contract with my service provider for basic maintenance. How can we invoice for an hourly rate and hours worked?**

A. USAC cannot provide discounts on monthly charges for a fixed-price maintenance contract or other arrangement except as noted above (i.e., for software upgrades and patches, which include bug fixes, security patches, and other discrete technical support).

If you are getting other BMIC services under a fixed price contract, your service provider should still be able to provide you an hourly rate, using for example the hourly rate they would charge other customers who are not under a fixed price contract. You and the service provider should also be maintaining logs of work actually performed and the equipment serviced as backup for the information on invoices submitted to USAC.

Remember to save your customer bills in case USAC has questions about your invoice. You should maintain a reconciliation between the customer bills and the invoice forms submitted to USAC if there are differences between the two that would require an explanation.

**Q. What is the new field that I have to update on the FCC Form 498?**

A. Applicants and service providers who file the FCC Form 498 are required to update the **Business Type** field that has been added to this form. USAC must collect this information to comply with the [Digital Accountability and Transparency Act of 2014](#) (DATA Act).

- The DATA Act requires the federal government to transform its spending information into open data. The U.S. Treasury Department and the Office of Management and Budget established the standardized data structure for the transformation, which is available at [www.usaspending.gov](http://www.usaspending.gov). The DATA Act also sought to standardize the information that recipients of federal funds, such as contractors and grantees, must report to the government.

To update your FCC Form 498, the Company Officer (in the E-File System for service providers) or the School or Library Official (in EPC for applicants) accesses the form and chooses the most appropriate entry from the drop-down menu in the **Business Type** field. You must choose at least one business type and can choose up to three. Then you re-certify the form for the update to take effect.

As a reminder, applicants who always pay a discounted bill from the service provider (the SPI method of invoicing) are not required to file the FCC Form 498.

**Q. How can we remove old incomplete BEAR Forms that show up when we log into the online BEAR Form?**

A. The best way to remove an old incomplete BEAR Form is to complete it by putting entries in any required fields and then certifying the form. The incomplete form, now finished and certified, will no longer be visible on the landing page.

We suggest that you put zeroes wherever a dollar amount is required so that the BEAR Form will go through the system without triggering a payment.

**Q. How can I get more information on invoice rejection codes?**

A. We are working to get clearer explanations on our notifications of the reasons invoices are rejected.

Some of the more common [invoice error codes](#) are explained on the USAC website. If you need more information on why an invoice was reduced or rejected, you can create a customer service case in EPC or call the Client Service Bureau (CSB) at 888-203-8100. Please make sure you have your invoice number, the Funding Request Numbers (FRNs) featured on the invoice, the date the invoice was submitted, and the total amount requested on the invoice.

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