



Universal Service
Administrative Co.

E-rate Program Applicant Training

After the FCC Form 471

September – November 2016

Overview

- Children's Internet Protection Act (CIPA)
- Installation and Payment Plans
- Changes (SPIN Changes, Service Substitutions, Equipment Transfer and Disposal)
- Document Retention



Children's Internet Protection Act (CIPA)

- School and library authorities must certify that they are enforcing a policy of Internet safety that includes measures to block or filter Internet access for both minors and adults to certain visual depictions.
- CIPA compliance is required for:
 - **Category One** – Internet access, and
 - **Category Two** – internal connections, managed internal broadband services, and basic maintenance of internal connections



CIPA requirements:

1. Internet Safety Policy

- Internet safety policy (For schools, the policy must also include monitoring the online activities of minors.)

2. Technology Protection Measure

- A technology protection measure is a specific technology that blocks or filters Internet access.

3. Public Notice and Hearing or Meeting

- Publish a public notice and hold at least one public hearing or meeting to address a proposed technology protection measure and Internet safety policy.

Documenting CIPA Compliance

- A copy of the Internet safety policy.
- Website announcement, advertisement in local paper, agenda item on the county government meeting are public notice examples
- Meeting minutes or hearing notes are public meeting
- A description of the filter, filter logs, installation records.
- Copies of the FCC Form 479 and/or FCC Forms 486, as applicable.



Correcting CIPA Issues

- Applicants are given the opportunity to correct minor errors that could result in violations of the CIPA rules.
- **Correctable errors** are those that are immaterial to CIPA compliance. Examples:
 - One of the Internet safety policy issues was not addressed. **Correction:** *The issue can be added to the policy.*
 - Applicant is not able to locate a record of its public notice and meeting or hearing held after August 2004. **Correction:** *Hold a public meeting or hearing.*



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Payment Plans

Payment Plans

- Installments are allowed for the applicant's non-discount share of special construction charges
 - Must indicate interest on your FCC Form 470
 - Providers not obligated to agree to installment payments
- Payment plans are **NOT** allowed for other discounted services
- Applicants are required to pay their share at the same time that USAC pays the discount amount
 - Service Provider certifies that the invoices they submit are for services that “have been billed to service provider’s customers.”
 - FCC Rules include a presumption that the non-discount share will be paid within 90 days.



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Changes

Corrective SPIN changes

- These are limited to correcting data entry errors, such as listing the wrong SPIN on a funding request
- State Replacement Contract SPIN changes

Operational SPIN changes

- Operational SPIN changes allowed, but
 - Must have legitimate reason to change, such as Breach of Contract or provider unable to perform; and
 - Must select provider with next highest point value in evaluation
 - If only single bidder, then can select new provider consistent with state and local rules and submit a statement explaining only one or no bids were received.

Service Substitutions

- Service substitutions encompass changes in the technical components (whether products or services or both) specified in the FCC Form 471 Funding Request. Applicants who file service substitution requests must still comply with the deadlines for the FCC Form 486.
- (i) The service or product has the same functionality;
- (ii) The substitution does not violate any contract provisions or [state](#) or local procurement laws;
- (iii) The substitution does not result in an increase in the percentage of ineligible services or functions; and
- (iv) The applicant certifies that the requested change is within the scope of the controlling FCC Form 470, including any associated Requests for Proposal, for the original services.

Service Substitutions

- A service substitution request must be received or postmarked by the last day to receive service for that FRN. Last day to receive service is:
 - June 30 of the relevant funding year for recurring services, and
 - September 30 that follows the close of the funding year for non-recurring services.

Equipment Disposal

- Applicants can dispose of obsolete equipment for payment or other consideration, but no sooner than five years after the equipment is installed.

Equipment Transfer

- Applicants can transfer equipment under the following conditions:
 - Three years after the date of purchase, equipment can be transferred to other eligible entities.
 - Equipment can be transferred from a closed location to other eligible entities within three years of the date of purchase. USAC must be notified of these transfers
- Equipment cannot be transferred for money or anything of value for five years after the last day of service.

FCC Form 500

- Change service start date
- Change contract expiration date
- Cancel funding request
- Reduce funding request
- Submit equipment transfer notification
- Submit service delivery extension request (non-recurring)

Document Retention Timeframes

- 10 years from **last date to receive service**
 - FY 2016 – this is at least June 30, 2027
- Any document from a **prior year** that supports current year must be kept until 10 years from last date to receive service as well
 - E.g., Contract from 2005, used to support FY 2016 FRNs, must be kept until at least June 30, 2027
- Documents may be retained in electronic format or paper



Questions?



With questions, please contact us!

Phone: (888) 203-8100

Fax: (888) 276-8736

Website: www.usac.org/sl



Thank you!