E-rate Pre-Commitment Process

2021 Applicant and Service Provider Training

November 16, 2021

Universal Service
Administrative Co.

DISCLAIMER

To accommodate all attendees, real-time closed captions will be present during this presentation. This is a new feature we are testing out to improve webinar accessibility for all. We understand it is a significant change and appreciate your patience. We apologize in advance for any transcription errors or distractions. Thank you for your support.

Housekeeping – Webinar Panel

- The webinar panel is located on the right-hand side of the screen.

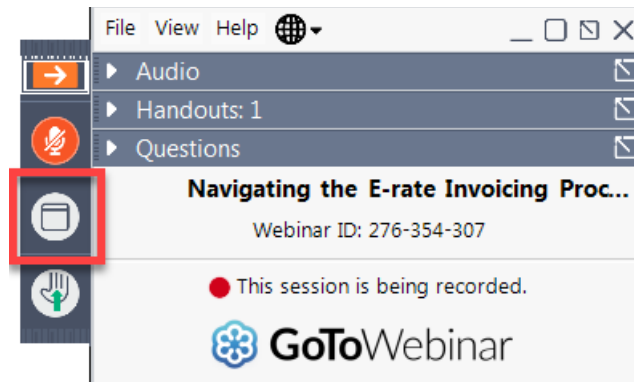- Open the panel by clicking the orange arrow.

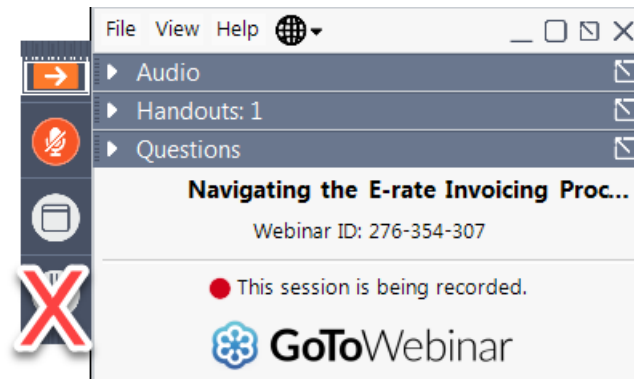- Use the white arrows to open the sections in the panel.

Housekeeping – Webinar Panel

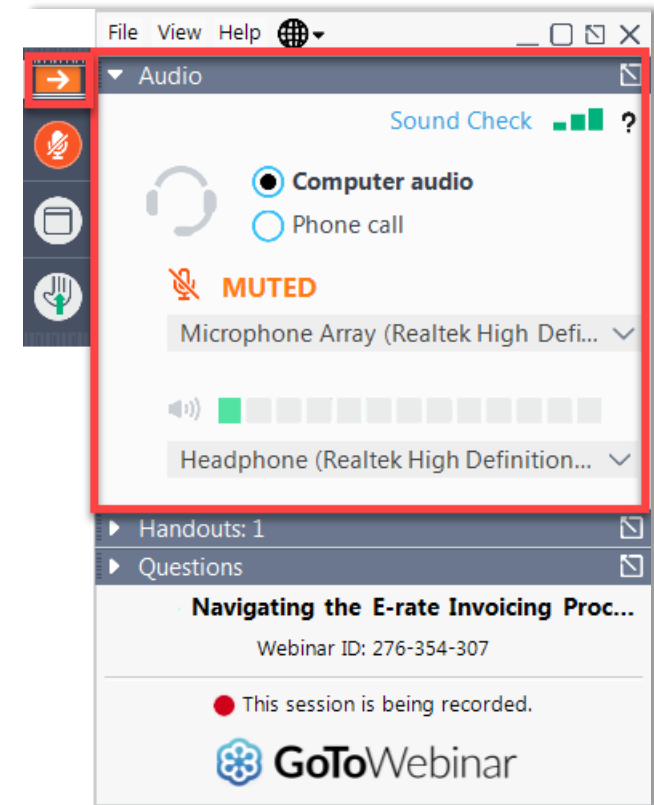- You can use the panel to view the presentation in full screen or window mode.

- We are not using the hand raise function.

4

Housekeeping – Audio

- Use the "Audio" section of your control panel to select an audio source.

- Choose one of the audio options:
  - Your computer's audio
  - Call in using an access code and audio PIN.

- The audience will remain on mute.

5

Housekeeping – Technical Issues

- Use the "Sound Check" link and click question mark icon for audio help.

- Exit webinar and click the check system requirements link in the event confirmation email to determine whether your computer meets the requirements to see and hear the webinar.

- If issues persist, call 833-851-8340 to troubleshoot with GoToWebinar.
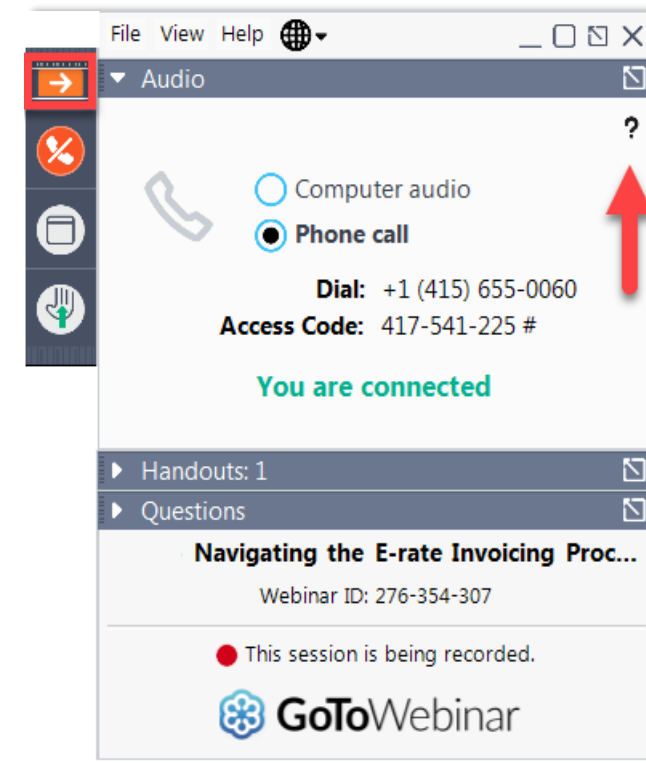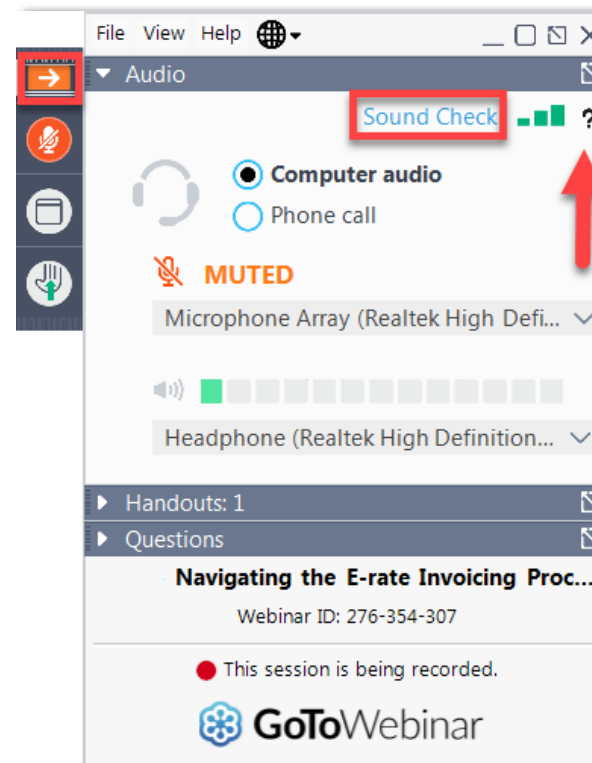
Housekeeping – Resources

- The **slide deck** is available when you click the arrow to expand the "**Handouts**" tab.

- A recording of this webinar will be available after the event via the registration link.
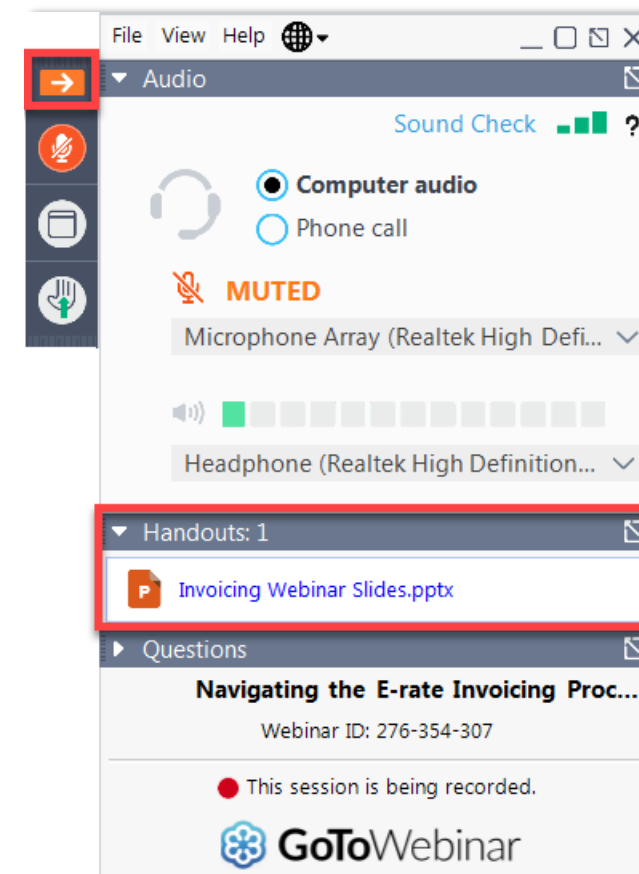
Housekeeping – Q&A

- **There will be a live Q&A session focused on today's topics.**

- Tips for submitting questions:
  - Use the "Questions" box in your webinar control panel anytime during the presentation.
  - Click the box with the arrow above the questions box to expand it and see all written answers.
  - Write in full sentences.
  - Ask one question at a time.
  - Ask questions related to webinar content.
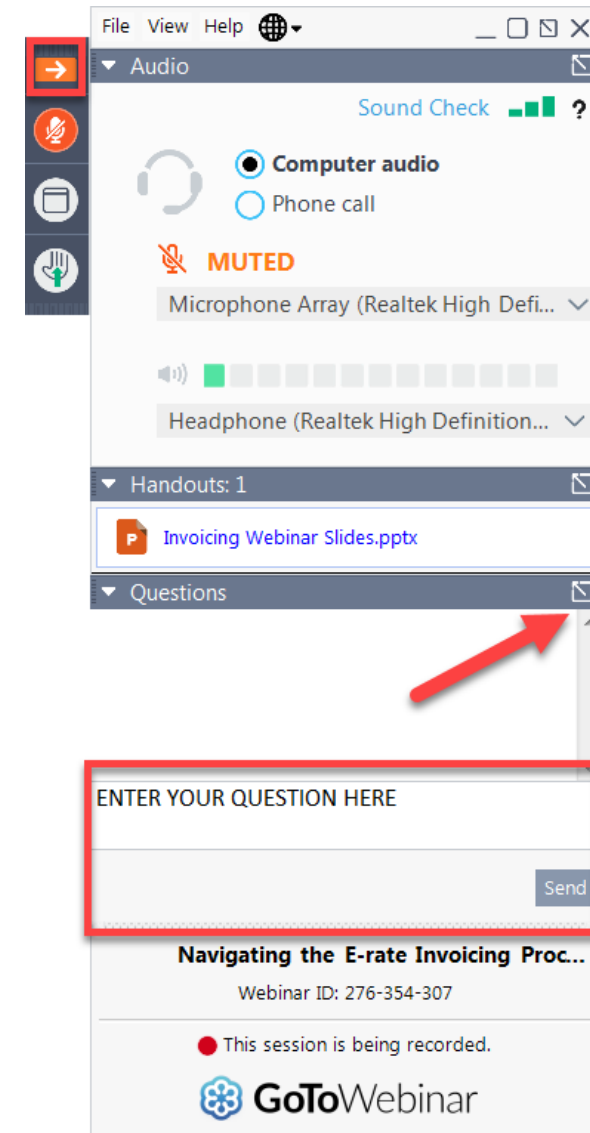
Client Service Bureau (CSB)

Call us at (888) 203-8100

Monday – Friday 8 a.m. to 8 p.m. ET

Create a customer service case in the E-rate Productivity Center (EPC):

1. Log in to EPC.
2. Select the **Contact Us** link from the upper right menu on your landing page.

Meet the Team

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Manager | E-rate program

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Agenda

- Application Process

- Competitive Bidding (FCC Form 470)

- Evaluating Bids

- Requesting Funding (FCC Form 471)

- Application Review

- Funding Commitments

- Document Retention

Application Process

How to Apply

- Call our Client Service Bureau at (888) 203-8100 to set up an account in the E-rate Productivity Center (EPC) and make sure your school or library has an entity number (also called a Billed Entity Number or BEN).

1.	2.	3.	4.
Request services **(FCC Form 470)**, run a competitive bid process, and select a vendor	Request funding **(FCC Form 471)** and undergo application review	Confirm the start of services and status of CIPA compliance **(FCC Form 486)**	Request reimbursements **(FCC Form 472)** OR receive discounts **(FCC Form 474)**

Know Your Role

Applicants	Service Providers
• Determine services needed, file FCC Form 470 and an RFP if one is needed. • Run competitive bidding process. • Select winning bidder, with price of eligible products and services as primary factor. • Respond to PIA. • File other applicant forms (FCC Forms 471, 486, 472, 500, etc.). • Document compliance with FCC rules on an ongoing basis. • Retain documentation for at least ten years from last date of service delivery.	• Respond to FCC Form 470 and RFPs. • May assist with responding to PIA on technical services questions (but not competitive bidding). • File other service provider forms (FCC Form 473, 474, etc.). • Document their compliance on FCC rules on an ongoing basis. • Retain documentation for at least ten years from last date of service delivery.

Competitive Bidding
(FCC Form 470)

Requesting Services

- The FCC Form 470 opens the competitive bidding process.

- It notifies potential bidders of the types and quantities of equipment and/or services requested.

- Only the applicant or its authorized representative can prepare, sign, or submit the FCC Form 470.

Competitive Bidding Requirements

- The competitive bidding process must be open and fair.
  - **Open** = information shared with one bidder must be shared with all.
  - **Fair** = bidders must be evaluated fairly and equally.

- 28-Day Waiting Period
  - FCC Form 470 must be posted on the USAC website for a minimum of 28 days before you select a vendor and file an FCC Form 471.

- You must comply with all E-rate, state, and local procurement requirements.

Requesting Services: Requests for Proposal

- Requests for Proposal (RFPs) may be created to describe specific needs and circumstances in more detail.

- USAC refers to an RFP or an RFP document generically. RFP documents are any documents that provide additional information to potential bidders on the scope or details of your project.

  - For most types of service requests, RFPs are not required. However, you must issue an RFP for some requests or if you are required to do so by state/local rules.

  - Services on your FCC Form 470 and RFP must match.

  - All RFPs and RFP documents must be attached to your FCC Form 470 in EPC.

  - Any RFP document updates during the competitive bidding process must also be updated in EPC.

Competitive Bidding Requirements: Imposing Restrictions

- You cannot list specific make and model of products or services sought without also allowing equivalent products and/or services to be bid.

    - "XYZ manufacturer's router model 345J or equivalent"

- Bidder disqualification criteria must be spelled out in FCC Form 470 and/or RFP and be available to all potential bidders.

- EPC will automatically add the "or equivalent" language for you in the FCC Form 470, but remember to double check the language in your RFP, if you are issuing one, to include the words "or equivalent."

- If you have bid disqualification factors, you must list them in your FCC Form 470.

Competitive Bidding Requirements: Lowest Corresponding Price

- Service providers are required to offer applicants their services at the lowest corresponding prices charged to other similarly situated customers throughout their geographic service area.

- This rule ensures that you are not charged more than similarly situated non-residential customers for the same services because of E-rate participation.

- Exceptions can be made if the provider can show that they face significantly higher costs to serve this customer due to volume, mileage from facility, and/or length of contract.

- Applies to all service providers and for all service arrangements (tariff, month-to-month and contracted services).

Requesting Services: FCC Form 470 Receipt Notification Letter

- After posting FCC Form 470, USAC issues a Receipt Notification Letter (RNL) in your EPC News feed.

- Review your submitted FCC Form 470 carefully. If you need to make corrections:

  - For non-substantive changes, locate the form in EPC and choose **Related Actions** to submit allowable corrections.

  - For certain significant changes to your requests, you must file a new FCC Form 470.

Evaluating Bids

Evaluating Bids

- To evaluate incoming bids, create a bid evaluation matrix or similar document.

- Develop evaluation criteria or factors to assess the bids.
  - You can have one or many factors.

- Assign each evaluation factor a point value or percentage.
  - The price of the **eligible equipment and/or services** must be the most heavily weighted factor.
  - Other factors, including other price factors, can be considered as well; but they cannot be weighted equally or higher than cost of the eligible equipment and/or services.

- The vendor with the most overall points is the winner.

Sample: Bid Evaluation Matrix

Factor	Points Available	Vendor One	Vendor Two	Vendor Three
Price of the ELIGIBLE products and services	50	15	50	35
Prior experience w/vendor	20	20	0	20
Service provider bonded	20	7	13	20
Local or in-state vendor	10	10	8	7
Total	**100**	**52**	**71**	**82**

- Evaluate your bids using a matrix, filled in with your chosen factors and point values.

- Vendor #3 wins. Note that this may not be the lowest cost vendor.

24

Evaluating Bids: Zero or One Bid Received

- If you receive only one bid, and it is cost-effective, you may accept it.

  - Document your decision with a memo or email to your file.

- If you did not receive any bids, you can solicit bids after the 28-day waiting period.

  - Reach out to vendors in the area.

  - Ask your current service provider to submit a bid or confirm they are willing to continue services at your current level and cost.

Fair and Open Competition: Gift Rules

- Receipt or solicitation of gifts by applicants from service providers (and vice versa) and potential service providers is a competitive bidding violation.

- Service providers may not offer or provide any gifts or thing of value to applicant personnel involved in the E-rate program.

- Gift prohibitions are always applicable, not just during the competitive bidding process.

- Exceptions for gifts must be limited to items worth $20 or less, including meals or prizes, and cannot exceed $50 from one service provider to each individual per funding year.

- Watch our Gift Rules video for more details on the gift rules.

Contracts

- Applicants must have a signed contract or **_other legally binding agreement_** in place prior to submitting their FCC Forms 471 to USAC.

- Applicant must not sign a contract before the Allowable Contract Award Date (ACD).

- Signed contracts constitute the best evidence that a legally binding agreement exists.

- A verbal offer and/or acceptance will not be considered evidence of the existence of a legally binding agreement.

- For additional information about State Master Contracts, see the USAC website.

Requesting Funding (FCC Form 471)

Requesting Funding: FCC Form 471 Application Window

- The filing window for the second program form – the FCC Form 471 – generally opens in mid-January and closes in mid-March.

- You can file this form after you have completed your competitive bidding process, chosen your vendors, and signed contracts (if appropriate). You also must wait for the filing window to open.

Requesting Funding: FCC Form 471

- Your FCC Form 471 application can be broken into the following parts:

- Basic information – information about the applicant and contact information.

- Discount information – student counts, urban/rural status of your schools or libraries.

- Funding Request Numbers (FRNs) – for each funding request, you provide:

  - The service provider name and the Service Provider Identification Number (SPIN).

  - Information about the contracts or month-to-month/tariff agreements.

  - The eligible schools/libraries that will receive the equipment and/or services.

  - Your chosen equipment and/or services and their costs.

- Certifications to indicate your compliance with program rules.

Requesting Funding: Next Steps

- After submitting the FCC Form 471, USAC will issue a Receipt Acknowledgment Letter (RAL) in your EPC News feed.

- Carefully review the letter and the certified FCC Form 471.

  - If you notice mistakes on your form, you can make certain, allowable corrections. See <u>Ministerial and Clerical Error Corrections</u> for more details.

  - To submit allowable corrections, navigate to your form in EPC, choose **Related Actions**, then **Submit Modification Request (RAL)**.

  - Your request for corrections will be reviewed along with your application.

Requesting Funding: Helpful Reminders

- The category of service and service type for an FRN must match the category of service and service type that appeared on the FCC Form 470.

- Separate your taxes and fees into a separate FRN line item.

- If you are purchasing a multiple of something, remember to list the quantity and the unit cost, and do not bundle all costs under a quantity of one.

Duplicative Services

- Duplicative services are services that provide the same functionality for the same population in the same location during the same period of time.

- Backup or redundant services - services sought to reduce reliance on any single service provider's network during an outage - are considered duplicative.

- Services that provide necessary bandwidth requirements, such as multiple T-1 lines when appropriate for the population served and the services to be received, may not be considered duplicative. However, the applicant must still evaluate and choose the most cost-effective option from the bids received.

- USAC cannot fund duplicative services.

Application Review

34

Program Integrity Assurance (PIA)

- After submitting FCC Form 471, USAC reviews your application.

- Program Integrity Assurance (PIA) is the group at USAC that reviews your application and makes decisions on funding.

- Your PIA reviewer may contact you to:

  - Verify eligibility of one or more of your schools or libraries or your student counts.

  - Verify eligibility of the requested services.

  - Ask for additional documentation on a variety of topics related to your funding requests.

Responding to your PIA Reviewer

- You have 15 days to respond to PIA questions.

  - You can request one seven-day extension.

- If you need help understanding the PIA questions, ask your reviewer for help.

- To answer inquiries, ask for extensions, or find your reviewer's contact info:

  - Navigate to the FCC Form 471 in EPC.

  - Choose **Related Actions**, then choose **Respond to Inquiries**.

Funding Commitments

Available for Public Use

Funding Commitment

- When PIA's review is complete, you and your service provider receive a notification called the Funding Commitment Decision Letter (FCDL).

- Your FCDL will include USAC's decisions on your funding requests — commitments, modifications, and/or denials – and next steps.

- FCDLs will be emailed to the contact person on the FCC Form 471, and will also be available in the Notifications section of your EPC landing page.

- If you disagree with one or more of USAC's decisions, you and/or your service provider can file an appeal.

Document Retention

Document Retention

- You must keep all [documentation](#) for 10 years from the last date to receive service.

  - For multi-year contracts this means 10 years from the contract expiration date.

- Retain receipt and delivery records relating to pre-bidding, bidding, contracts, application process, invoices, provision of services, and other matters relating to your applications.

  - For example, for recurring internet access service for FY2020, both the applicant and the service provider must retain all records until at least June 30, 2031.

Housekeeping – Q&A

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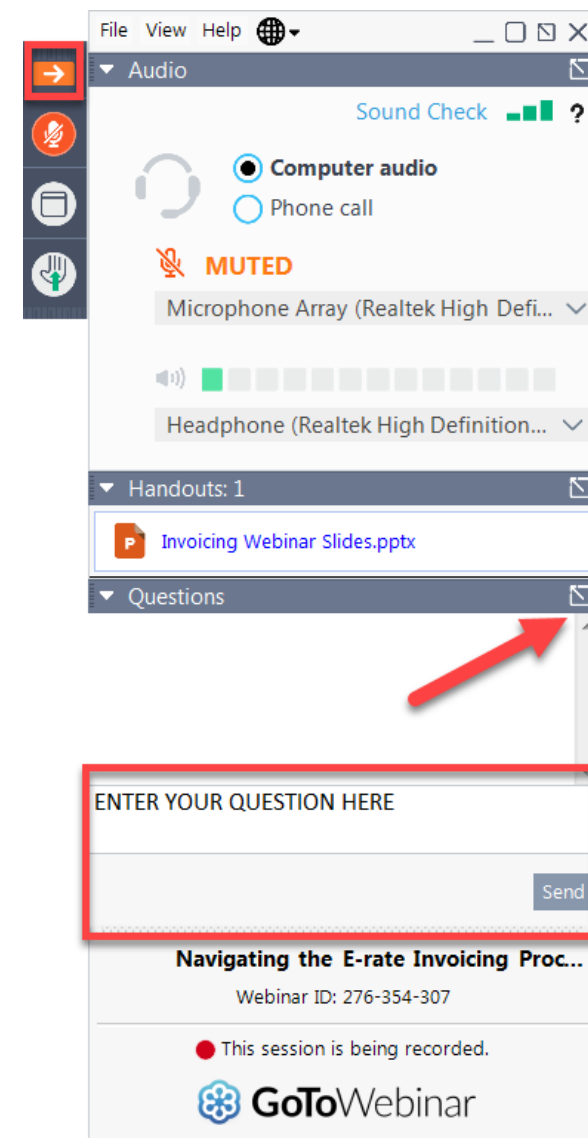
Questions?

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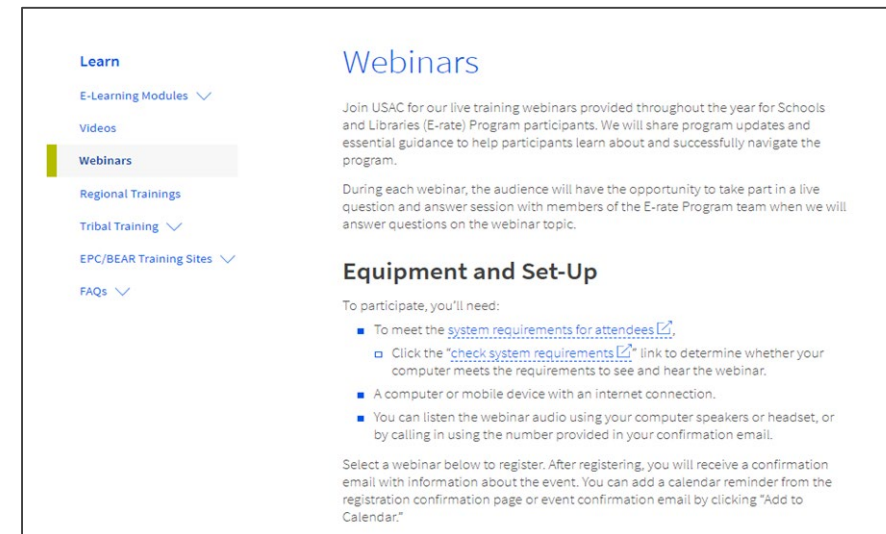
UPCOMING WEBINARS

Our next webinar is on: November 17 at 1 p.m. ET

Eligible Services 101

Recommended for: Applicants and service providers
E-rate Experience Level: Beginner

Go to the E-rate **Webinars** page for additional information.

Take Our Survey

- We want to hear about your webinar experience.

- Expect an email from USAC E-rate Outreach Team invites@mailer.surveygizmo.com with a unique survey link in 1-2 business days.

- We appreciate your feedback!

Thank You!