

E-rate Post-Commitment Process

Applicant and Service Provider Training

November 18, 2021



Universal Service
Administrative Co.

DISCLAIMER

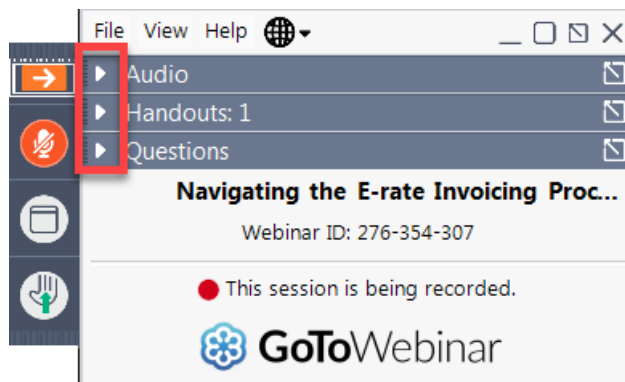
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- The webinar panel is located on the right-hand side of the screen.
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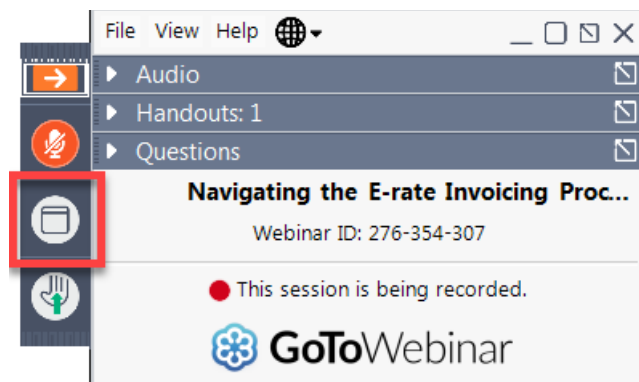


- Use the white arrows to open the sections in the panel.

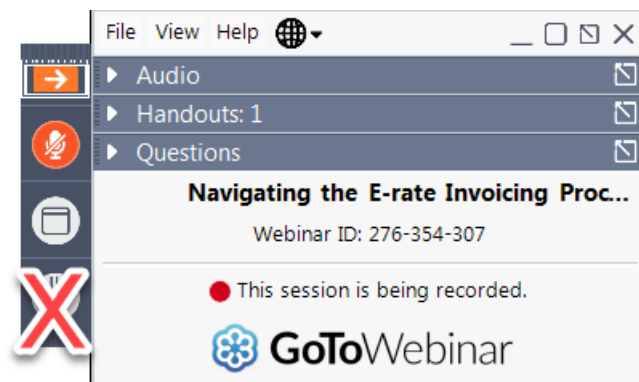


Housekeeping – Webinar Panel

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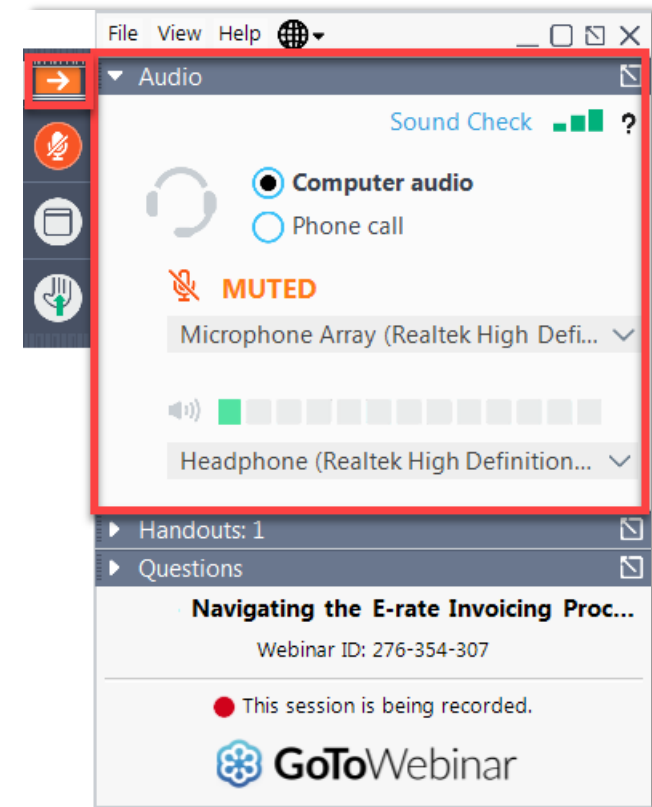


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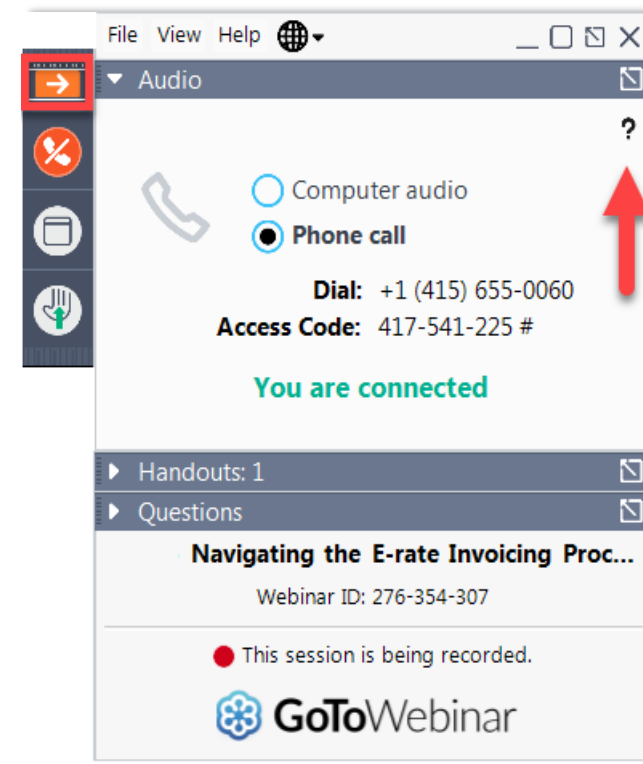
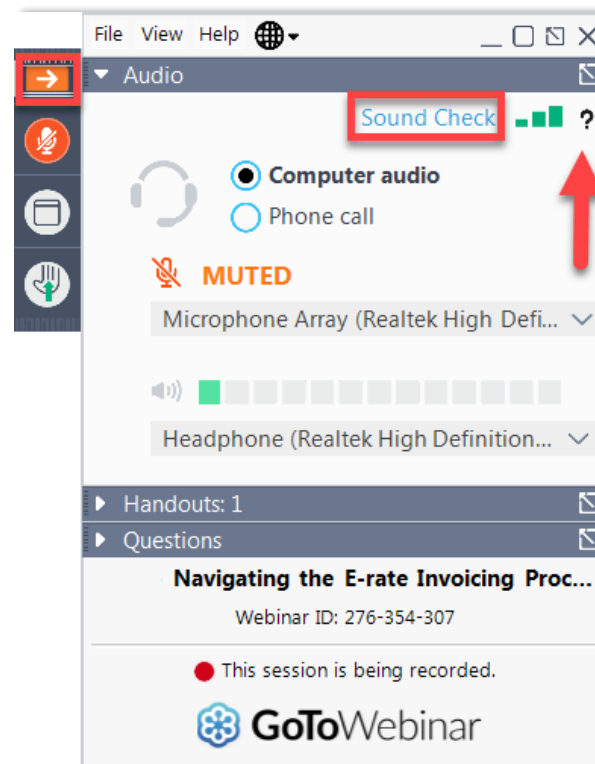
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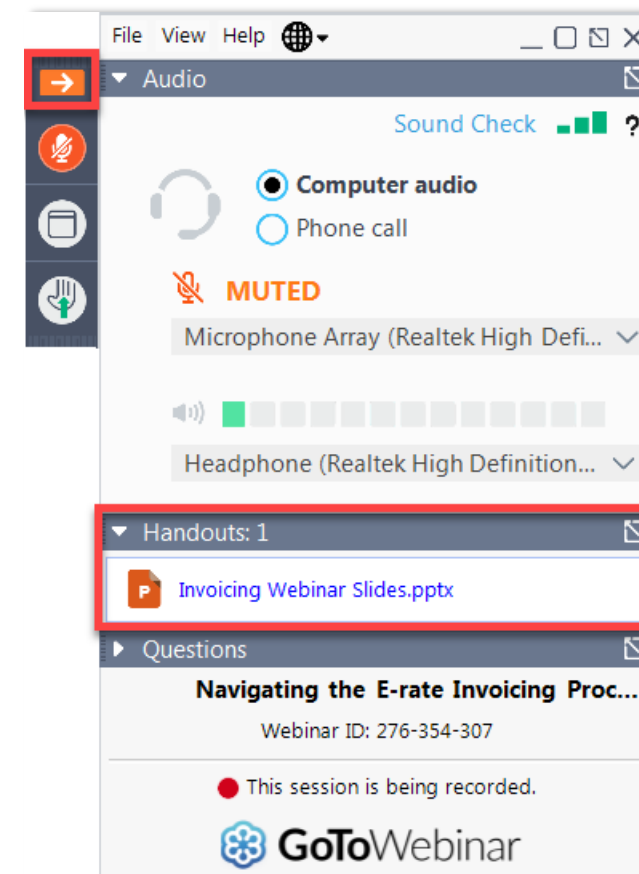
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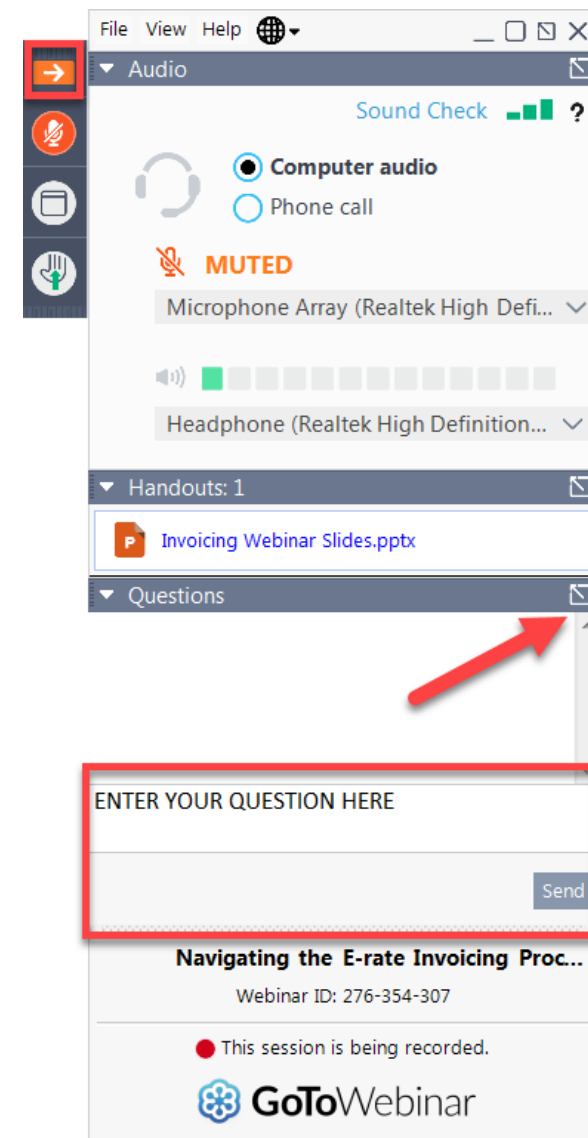
Housekeeping – Resources

- 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:
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 - 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.



The screenshot displays a webinar control panel with several sections:

- Audio:** Includes a "Sound Check" indicator, a "MUTED" status, and options for "Computer audio" (selected) and "Phone call". It also shows microphone and headphone output settings.
- Handouts:** Lists "Invoicing Webinar Slides.pptx".
- Questions:** A section with a red arrow pointing to a box containing the text "ENTER YOUR QUESTION HERE" and a "Send" button.
- Footer:** Displays the webinar title "Navigating the E-rate Invoicing Proc...", the ID "Webinar ID: 276-354-307", a recording status "This session is being recorded.", and the "GoToWebinar" logo.

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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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Agenda

- Children's Internet Protection Act (CIPA)
- FCC Form 486
- Post-Commitment Notifications
- SPIN Changes
- Service Substitutions
- FCC Form 500
- Appeals
- Recovery/Commitment Adjustment Letter FAQ
- Case Studies
- Key Takeaways
- Resources

Children's Internet Protection Act (CIPA)

Children's Internet Protection Act (CIPA)

- Requires that schools and libraries enforce certain safety measures preventing adults and minors from accessing obscene content on the internet.
- Three requirements that must be met are:
 - Internet Safety Policy
 - Technology Protection Measure
 - Public Notice and Hearing or Meeting
- Keep Records
 - Schools and libraries must maintain documentation demonstrating they are working toward CIPA compliance in their first funding year for CIPA, or
 - That they are compliant with CIPA during their second funding year for CIPA, and thereafter.

CIPA: Internet Safety Policy

- The Internet Safety Policy (ISP) must address:
 - Access by minors to inappropriate subject matter on the internet and World Wide Web;
 - The safety and security of minors when using electronic mail, chat rooms, and other forms of direct electronic communication;
 - Unauthorized access, including hacking and other unlawful activities by minors online;
 - Unauthorized disclosure, use, and dissemination of personal information regarding minors; and
 - Measures designed to restrict minors' access to information and subject matter that is harmful to minors.

CIPA: Internet Safety Policy

- **Additional requirements for schools:**
 - Must also include monitoring online activities of minors.
 - Must educate minors about appropriate online behavior, including:
 - Interacting with other individuals on social networking websites and in chat rooms,
 - Cyberbullying awareness, and
 - Response.

CIPA: Technology Protection Measure (Filter)

- A technology protection measure specifically blocks or filters internet access.
 - Entities must enforce operation of the technology protection measure during use of its computers with internet access.
 - The person with Authority for the administration of the school/or library may authorize disabling the internet filter during use by an adult to enable access for bona fide research, or other lawful purpose.
 - The local community (school board, local educational agency, library, or other authority) decides what content is inappropriate for minors.

CIPA: Public Notice and Hearing or Meeting

- You must provide **public notice** and hold at least **one public hearing or meeting** to address the internet safety policy.
- For private schools, public notice means notice to your constituent group.
- Additional meetings are not necessary – even if the policy is amended – unless those meetings are required by state or local rules, or by the policy itself.



CIPA: Documentation for ISP

- A copy of your internet safety policy, along with any updates to your policy.
- Documentation of the policy's adoption. For example, approval in the minutes of the required hearing or meeting, or documented adoption by a school or library board.

CIPA: Documentation for Technology Protection Measure

- A description of the filter.
- A report or other documentation on the use of the filter.
 - The documentation should show that the filter was installed and working during the funding year.

For example:

- Filter provided by service provider:
 - A school could provide archived internet access reports from the internet service provider of internet sites blocked, or bills from the service provider verifying the filter was operational.
- School purchased its own filter:
 - A school could provide archived logs produced by IT staff, showing hours the filter was in use.

CIPA: Documentation for Public Notice and Hearing

- Documentation that the school or library gave public notice and held a public hearing or meeting on the policy.

For example:

- A copy of a website announcement for a regular school or library board meeting open to the public where the policy was discussed.
- An advertisement in a local newspaper of a county government hearing or meeting where the policy appeared as an agenda item.
- Copy of the minutes of the hearing or meeting, and the date on which the hearing or meeting occurred.

FCC Form 486

FCC Form 486

Applicants file the FCC Form 486 to:

- Notify USAC that **services have started** for the Funding Request Numbers (FRNs) listed on their FCC Form 471.
- Report the status of compliance with the **Children's Internet Protection Act (CIPA)** for the entities listed on the FRNs.

FCC Form 486: Service Start Date

- **What is my Service Start Date (SSD)?**

- The first day of the funding year, when services start on or before July 1.
- Any day after July 1, but before June 30 of the funding year, on which services were actually started.

For example:

- For installations that started on May 25 before the funding year, the SSD is July 1 of the funding year.
- For services starting on August 7 of the funding year, the SSD is August 7 of the funding year.

When Do I File the FCC Form 486?

- The FCC Form 486 MUST be certified no later than 120 days after the **Service Start Date reported on the FCC Form 486** or 120 days after the date of the **Funding Commitment Decision Letter (FCDL)**, whichever is later.

What If I File the FCC Form 486 Late?

- If you miss the FCC Form 486 deadline, USAC will adjust your SSD to a date 120 days before the date you certified your form.
- Your funding commitment may be reduced to reflect the reduction in Months of Service.

Example of an Adjusted FCC Form 486 Due to Late Filing

- If you received the FCDL on May 1, 2021 and the SSD on the FCC Form 471 is July 1, 2021, you will have 120 days from July 1, 2021 to certify the FCC Form 486. This gives you a deadline of October 29, 2021.
- If you file the FCC Form 486 on December 22, 2021, past the FCC Form 486 certification deadline, the SSD for the FRN(s) will be adjusted to August 24, 2021 (December 22, 2021 minus - 120 days).
- If you wish to appeal a USAC decision adjusting your SSD based on a late FCC Form 486, you must first file the appeal with USAC, not the FCC.

FCC Form 486 Notifications

- After submitting the FCC Form 486, you and your service provider will receive two notifications:
 - An initial notification in EPC confirming that you certified the form.
 - The FCC Form 486 Notification Letter, indicating your form completed review, and informing you of USAC's decision.
- After USAC has approved your FCC Form 486 and services have started, you or your service provider may begin invoicing USAC for the discounted amount of the costs of the approved products or services.

FCC Forms 486 Urgent Reminder Notification

- An urgent reminder letter is issued to applicants that appear to have missed the deadline to certify based on the service start date reported on the FCC Form 471.
 - The letter is delivered in the EPC News Feed.
 - Applicants have 15 days from the date of the letter to submit and certify the FCC Form 486 without penalty (if the service start date reported on the FCC Form 471 was the actual service start date).

Post-Commitment Notifications

Post-Commitment Notifications

- For Funding Year (FY) 2016 and forward, all post-commitment (PC) decisions are communicated through the Revised Funding Commitment Decision Letter (RFCDL) in EPC, including decisions for:
 - Appeals
 - SPIN Changes
 - Service Substitutions
 - FCC Forms 500
- For FY2015 and previous funding years:
 - Paper letters for appeal decisions and FCC Forms 500.
 - Email notifications for SPIN changes and service substitutions.

Service Provider Identity Number (SPIN) Changes

SPIN Changes

- SPIN Changes concern modifications to the Service Provider Identification Number (SPIN) for one or more FRNs.
- There are two types of SPIN Changes:
 - A **Corrective SPIN Change** corrects data entry error, or reflects a merger or acquisition. Unless a data entry error occurs, Corrective Spin Changes result from actions not initiated by the applicant.
 - An **Operational SPIN Change** is a deliberate decision made by the applicant to change their service provider. Some restrictions may apply.

Corrective SPIN Changes

- Corrective SPIN Changes include:
 - Data entry errors
 - Mergers and acquisitions
 - Other changes not initiated by the applicant
- When to file:
 - File your request on or before the last date to invoice.
 - Service providers can initiate these requests due to a merger, acquisition, or consolidation.
 - Corrective SPIN changes can also be made before commitment by filing a Receipt Acknowledgement Letter (RAL) modification, or by notifying your Program Integrity Assurance (PIA) reviewer.

Operational SPIN Changes

- Operational SPIN changes can be requested under the following conditions:
 - They are allowable under state and local procurement rules.
 - They are allowable under the terms of the contract between the applicant and the original service provider.
 - You have notified the original service provider of your intent to change SPINs.
 - The reason to change is recognized by the rules as legitimate (e.g., breach of contract, unable to provide service, but NOT simply lower price, FY2011 and forward only).
 - The new service provider must be the runner-up in your original bid evaluation process (FY2011 and forward only).
- When to file:
 - File your request after your FCDL is issued, and on or before your last date to invoice.

Service Substitutions

Service Substitutions

- Service substitutions are changes to the products and/or services approved on an applicant's FCDL.
- The substituted products and services:
 - Must have the same functionality as products and services approved on the original FCC Form 471.
 - Must not violate any contract provisions, or state or local procurement laws.
 - Must not result in an increase in the percentage of ineligible services or functions.
 - Must be within the scope of the establishing FCC Form 470, including any request for proposal (RFP) documents, for the original products and/or services.

Service Substitutions

- Service substitutions cannot increase the funding commitment:
 - Service substitutions may result in a change in the pre-discount price for the supported service,
 - E-rate program **funding will be based on** either,
 - The pre-discount price of the product or service for which support was originally requested or the pre-discount price of the new, substituted product or service, **whichever is lower.**

Service Substitutions (Continued)

When to file:

- Service Substitutions can be filed after USAC issues the FCDL, and the applicant needs to make a change to products or services.
 - **For example:** The original bandwidth changed from 50 MB to 500 MB as reflected in the actual contract.
- Service Substitutions must be submitted before the Service Delivery Deadline (SDD).
- Service providers can file a “global” Service Substitution request to replace one product or service with another across all FRNs, usually because the product or service is being discontinued.

FCC Form 500

FCC Form 500: Adjusting Approved Funding

- An FCC Form 500 requests specific changes to your funding commitments after USAC issues your FCDL, such as:
 - Modifying the Contract Expiration Date (CED) listed on your FCC Form 471.
 - Changing the SSD listed on your FCC Form 486.
 - Canceling or reducing funding.
 - Requesting an extension of the Service Delivery Deadline for non-recurring (one-time) services.
 - Notifying USAC about equipment transfers that occurred prior to July 1, 2021.
 - Register to watch a recording of the [E-rate Equipment Transfers](#) webinar for more information.
- FCC Form 500 for Category Two funding reductions:
 - If you do not use all of your Category Two funding commitment, you can submit an FCC Form 500 to return funds to your Category Two budget.

FCC Form 500: Adjusting Approved Funding (Continued)

- FCC Form 500 for FY2016 and forward:
 - File and certify in EPC.
- FCC Forms 500 for FY2015 and previous funding years:
 - Complete the FCC Form 500 on paper then create an electronic copy.
 - Create an FCC Form 500 in EPC by selecting the option to request a change to an FRN filed for FY2015 and prior.
 - Attach your scanned form to the EPC “Legacy FCC Form 500” and certify it.

Appeals

What Is an Appeal?

- An appeal is a request for review filed by a program participant who disagrees with a USAC decision.
- Program participants – applicants or service providers – can appeal a USAC decision.
- Appeals are filed in EPC.

What to Include in Your Appeal

- Applicant (Billed Entity Number) or service provider (SPIN)
- Contact information including name, address, telephone number, and email address of the person who can discuss the appeal with USAC in detail
- Nickname for the appeal (to help you identify the appeal)
- Funding year of the decision being appealed
- FRNs associated with the appeal
- The USAC decision that is being appealed

What to Include in Your Appeal

- A narrative that explains precisely the USAC decision(s) being appealed and what specific relief is being sought.
- Documentation of USAC's decision (e.g., a copy of USAC's decision letter).
- Supporting documentation such as forms and previous correspondence.
- If the program participant fails to submit the missing information to USAC within the time prescribed, USAC will review the appeal with the information on file, which may result in the denial of the appeal.

Granting Appeals

- Appeals may be granted under the following limited circumstances:
 - When the appeal makes clear that USAC made an error in its initial review (for example, the PIA reviewer made an error).
 - When the filer provides USAC with new information and/or documentation it did not provide when the original request was made.
 - When USAC receives policy clarification or a new policy impacts the original decision.
- If you are seeking a waiver of an FCC rule, you must file a waiver directly with the FCC.
 - For example, requests to consider FCC Forms 471 filed after the window close must be directed to FCC as a window waiver request.

Appeals Notifications

- After filing an appeal, you will receive an Appeal Confirmation Letter.
- If an appeal reviewer has questions or requires additional information, they will reach out through EPC.
- USAC issues its appeal decision in a Revised Funding Commitment Decision Letter (RFCDL).
- If the applicant or service provider does not agree with the USAC decision in the RFCDL, they can file an appeal with the FCC.

COMAD

Commitment Adjustment/Recoveries

USAC may conduct the following type of reviews that may result in an adjustment to an applicants commitment or monetary recovery from the applicant and/or service provider:

- Audits
- Payment Quality Assurance (PQA)
- Invoicing
- Appeals
- Heightened Scrutiny
- Program Integrity Assurance (PIA)

Commitment Adjustment/Recoveries

- As a result of these review/audits, USAC may discover that certain funds were committed and/or disbursed in error.
- The Federal Communications Commission (FCC) requires USAC to rescind commitments and recover funding that has been improperly disbursed.
- USAC refers to this process as the Commitment Adjustment or “COMAD” process.
- If a COMAD action is necessary, a COMAD and/or RIDF letter will be issued to the applicant or service provider.
- Commitment Adjustment Letter (CAL) and Recovery of Improperly Disbursed Funds Letter (RIDF) are issued with all relevant details of the review/audit that resulted in the adjustment to the applicants commitment or request to return program funds.

Commitment Adjustment/Recoveries

How can I resolve the COMAD?

- When a **commitment adjustment only** letter is issued no monetary recovery is being sought by USAC and the applicant does not need to take further action.
- When a **Commitment adjustment with Monetary Recovery** letter is issued, the applicant and/or service should return the programs funds requested in the letter.
- When a **RIDF** letter is issued, the applicant and/or servicer provider should return the program funds.
- If the Applicant or Service provider does not agree with the recovery letter received, they have 60 days to Appeal the decision to USAC.

Commitment Adjustment/Recoveries

What happens if no action is taken when recovery letter is received?

- All pending applications will be held.
- All invoices submitted will be held and/or subject to rejection.
- Applicant/Service provider will not be able to participate in ECF program until COMAD resolved.
- Debt could be sent to Treasury .

Case Studies

CIPA

My two FRNs were funded for internal connections and telecommunications services. On my FCC Form 486, I selected the option indicating CIPA does not apply because the recipients of service represented by the FRNs on this FCC Form 486 are receiving discount services for telecommunications services.

Question:

Did I select correctly?

CIPA

My two FRNs were funded for internal connections and telecommunications services. On my FCC Form 486, I selected the option indicating CIPA does not apply because the recipients of service represented by the FRNs on this FCC Form 486 are receiving discount services for telecommunications services.

Question:

Did I select correctly?

Answer:

No, the CIPA certification is required for internal connections.

Service Delivery Deadline

You received your FCDL on July 2, 2020 for an FY2020 application for internal connections.

Question:

On November 22, 2021, if services have not fully been delivered/installed can you still file and receive an approval of your FY2020 service delivery extension request?

Service Delivery Deadline

You received your FCDL on July 2, 2020 for an FY2020 application for internal connections.

Question:

On November 22, 2021, if services have not fully been delivered/installed can you still file and receive an approval on your FY2020 service delivery extension request?

Answer:

You will not be eligible for a service delivery extension because in this example you filed on November 22, 2021, which is after the standard deadline of September 30, 2021, to request an FY2020 service delivery deadline extension for non-recurring services.

Key Takeaways

Key Takeaways

- CIPA services require a public notice and at least one public meeting to address the internet safety policy.
- The earliest service start date is July 1 of the funding year.
- Post-commitment decisions are provided in Revised Funding Commitment Decision Letters in EPC.
- Post-commitment SPIN changes must be filed on or before the last date to invoice.
- Service substitutions cannot increase funding commitment and must be filed before the last day to receive service.
- You can submit an FCC Form 500 to return funds to your Category Two budget.
- You have 60 days to respond to the CAL/RIDF or respond to a denied appeal.
- If you disagree with a post commitment decision, you must first file an Appeal with USAC in EPC.
- Maintain E-rate related documentation for 10 years after the date of installation, and equipment transfer documentation for up to 5 years after the transfer.

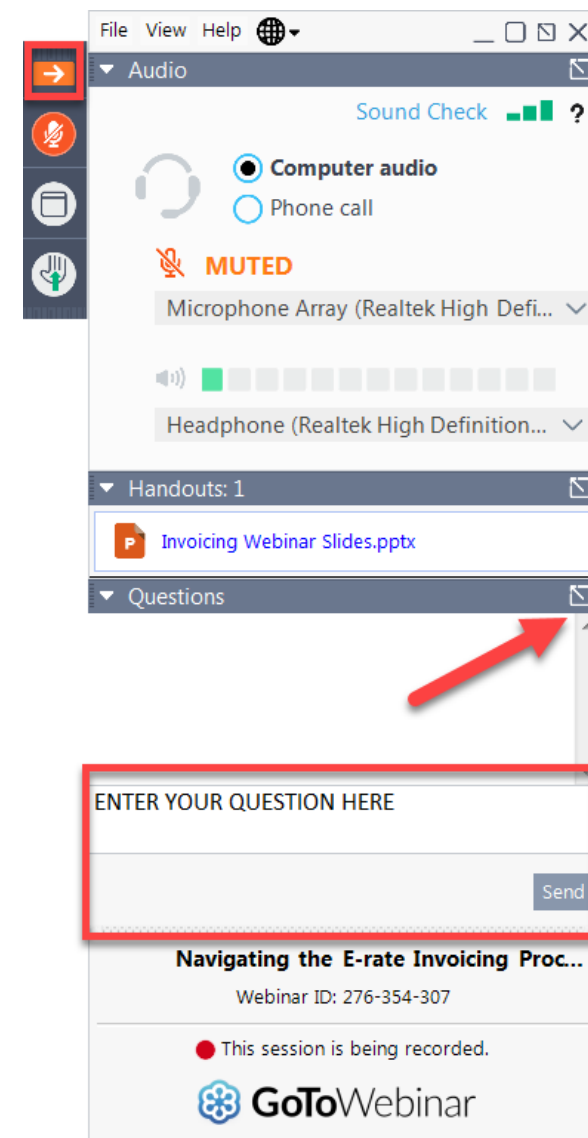
Resources

Resources

- On the USAC website you can find detailed information on:
 - [Category Two \(C2\) Budgets](#)
 - [Transfer of Equipment](#)
 - [Webinar Recording: E-rate Equipment Transfers](#)
 - [Document Retention](#)

Housekeeping – Q&A

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Questions?

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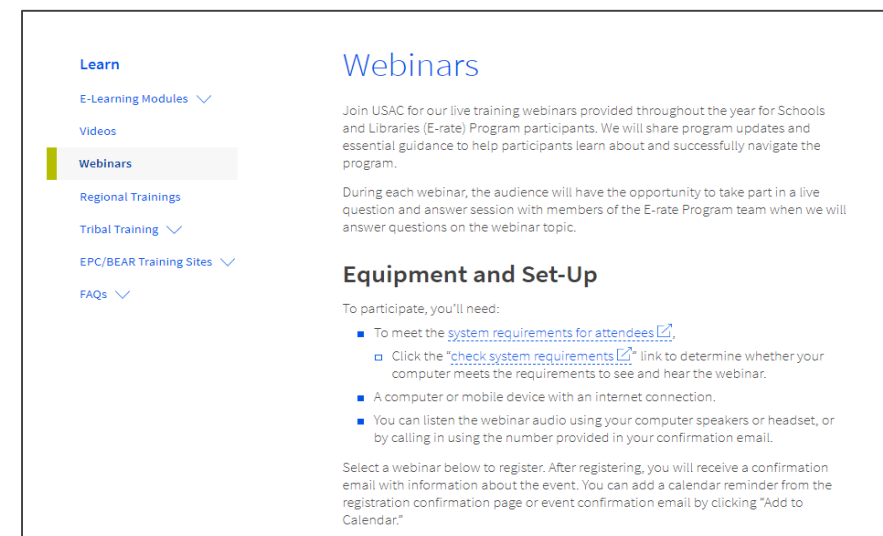


Upcoming Webinars

**Our next webinar is on:
Check the E-rate Webinars page for
updates on future webinars.**

Recommended for: Applicants and
service providers

E-rate Experience Level: All



The screenshot shows a navigation menu on the left with the following items: Learn, E-Learning Modules (with a dropdown arrow), Videos, Webinars (highlighted with a yellow bar), Regional Trainings, Tribal Training (with a dropdown arrow), EPC/BEAR Training Sites (with a dropdown arrow), and FAQs (with a dropdown arrow). The main content area is titled "Webinars" and contains the following text:

Join USAC for our live training webinars provided throughout the year for Schools and Libraries (E-rate) Program participants. We will share program updates and essential guidance to help participants learn about and successfully navigate the program.

During each webinar, the audience will have the opportunity to take part in a live question and answer session with members of the E-rate Program team when we will answer questions on the webinar topic.

Equipment and Set-Up

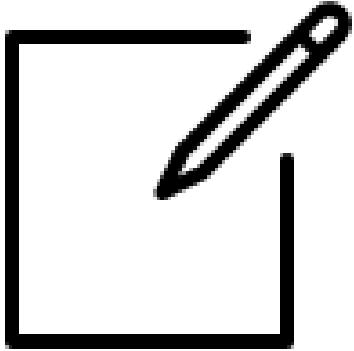
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- To meet the [system requirements for attendees](#).
- Click the "[check system requirements](#)" link to determine whether your computer meets the requirements to see and hear the webinar.
- A computer or mobile device with an internet connection.
- You can listen the webinar audio using your computer speakers or headset, or by calling in using the number provided in your confirmation email.

Select a webinar below to register. After registering, you will receive a confirmation email with information about the event. You can add a calendar reminder from the registration confirmation page or event confirmation email by clicking "Add to Calendar."

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Thank You!





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