Program Integrity Assurance (PIA) Review and the Selective Review Process

E-Rate Program Participant Webinar

April 18, 2024
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• We apologize in advance for any transcription errors or distractions. Thank you for your support.
Housekeeping: General

- Audio is available through your computer’s speakers.
- The audience will remain on mute.
- Use the Questions box to ask questions at any time.
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• There will be a live Q&A session focused on today’s topics.

• Tips for submitting questions:
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  • Write in full sentences.
  • Ask one question at a time.
  • Ask questions related to today’s webinar content.

• To view answers:
  • Click the box with the arrow icon in the top right corner of the Questions box to expand it and reveal all written answers.
E-Rate Customer Service Center (CSC)

Call us at (888) 203-8100
Monday – Friday 8 a.m. to 8 p.m. ET

Create a customer service case

1. Log in to the E-Rate Productivity Center (EPC)
2. Select the Contact Us link from the upper right menu on the landing page.
Meet Our Team

Lisette LaForge  
Associate Manager of Program Management | E-Rate Program

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Agenda

• FCC Form 471 Review Process
• Preparing for a PIA Review
• PIA Inquiries
• Selective Review
• Funding Commitment Decision Letters
• Q&A
FCC Form 471 Review Process
Program Integrity Assurance (PIA) Review

- After applicants submit an FCC Form 471 during the filing window, PIA reviewers review the form to ensure it is complete and accurate.
E-Rate Forms

Service Provider FCC Forms

- 498: Service Provider ID Number
- 473: Service Provider Annual Certification
- 474: Service Provider Invoice

Applicant FCC Forms

- 470: Requesting Services
- 471: Applying for Discounts
- 486: Starting Services
- 472: Billed Entity Application Reimbursement

Steps:

1. Obtain a SPIN
2. Certify Compliance
3. Invoice USAC
Know Your Role in the PIA Process and Beyond

• Applicants
  • Determine services needed, file FCC Form 470 (and RFP, if desired)
  • Run competitive bidding process
  • Select the most cost-effective bid
  • Respond to the PIA
  • File other applicant forms (FCC Forms 471, 486, 472, 500, etc.)
  • Document their compliance with FCC rules on an ongoing basis
  • Retain documentation for at least 10 years from the last date of service delivery
Know Your Role in the PIA Process and Beyond (Cont.)

• **Service providers**
  • **Respond** to FCC Form 470 and RFPs
  • **May assist** applicant
    • with FCC Form 471 after being selected
    • with responding to the PIA on technical services questions (but not competitive bidding)
  • **File** service provider forms (FCC Forms 473, 474, etc.)
  • **Document** your compliance with FCC rules on an ongoing basis
  • **Retain** documentation for at least 10 years from the last date of service delivery
  • Must **contribute** to the Universal Service Fund
    • See Service Provider page of the USAC website
RAL Modification Request

• After certifying your FCC Form 471, double-check your application for accuracy while you wait for your PIA review.
• Correct any inaccurate or out of date information by submitting a Receipt Acknowledgment Letter (RAL) Modification Request.
  • Within the FCC Form 471 record, navigate to Related Actions
  • Select Submit Modification Request (RAL)
  • Fill out the required information
• You can file a RAL Modification Request to update other information in advance of and during the PIA Review.
FCC Form 471 Status While Under Review

- Your form’s status in the EPC will change as it progresses through the review process.
- Your application may revert to a previous status because this process involves multiple levels of review.

**Review Status Bar**

- Incomplete
- Certified
- In Review
- Outreach
- Wave Ready
- Committed
Monitor for PIA Review

• The contact person identified on the FCC Form 471 should:
  • Regularly monitor their email address
  • Regularly check their EPC account for PIA review questions
  • Respond to any questions promptly
Preparing for a PIA Review
Frequently Reviewed PIA Items

• Your PIA reviewer may contact you to verify:
  • Eligibility of one or more of your entities (e.g., schools, libraries or NIFs)
  • Eligibility of the requested equipment and/or services and their category of service
  • Compliance with program rules

• Common PIA requests for supporting documentation include:
  • Documents to validate entity information (e.g., surveys for alternative discount calculations)
  • Service Provider documents such as contracts, bills, and vendor quotes
  • PIA reviewers may also request information or other documents to help clarify FCC Form 471 entries.
FCC Form 471 Modifications

• As part of the review process, PIA reviewers may be required to modify information on your funding request
  • For example, PIA reviewers may change student count or service type based on the information provided

• If a PIA reviewer discovers ineligible equipment and/or services in a funding request, applicants can choose to either remove the ineligible item(s) or create a separate funding request.
FCC Form 471 Modifications (Continued)

- PIA reviewers will alert you if they modify information on your funding request
  - You will receive an email notification
  - You will receive an EPC notification
Organize Documentation

- Save and organize copies of all documentation such as:
  - Competitive bidding documentation
  - Contracts
  - Network diagrams
  - Discount documentation
    - National School Lunch Program (NSLP) documentation
    - Community Eligibility Program (CEP) documentation
- Use the E-Rate Program Applicant Document Retention List as a guide.
Retain Documentation

- **Applicants and Service Providers** must retain all documentation for 10 years after the last day of the applicable funding year or the service delivery deadline for the funding request, whichever date comes later.
  - For example, for recurring internet access service for FY2023, both the applicant and the service provider must retain all records until at least June 30, 2034.
- Winning service providers must retain records related to the purchase and delivery of E-Rate eligible equipment, signed and executed contracts, bidding information, invoices, provision of services, and other matters relating to equipment and services.
- Records can be kept electronically.
  - Use file names and folder names that are specific and descriptive to help you locate them more easily.
PIA Inquiries
Responding to PIA Inquiries

• To avoid delays, provide:
  • Complete responses to all questions
  • All requested documentation

• Who can respond to PIA inquiries?
  • Applicants or authorized representatives of applicants
  • Service providers can assist applicants with PIA inquiries about the services being provided

• Contact your reviewer with questions
You will be notified via email and your EPC News feed if a PIA reviewer requests additional information.

The News feed item labeled “From the FCC Form 471 Review Team” includes:

- Today’s date
- Response due date
- Contact name
- BEN Name
- FCC Form 471 application number
- A title for each inquiry
- Your PIA reviewer's name and telephone number
- A hyperlink to your application (the gray bar at the bottom of the notification)

TIP: Find notifications by searching "471 Review Team" in the News feed.
To Access PIA Inquiries in the EPC

• View your PIA inquiries within the FCC Form 471 record:
  • Navigate to **Review Inquiries**
  • Select **Respond to Inquiries**
  • Click on the blue hyperlink under **Name** to access the questions
    • Remember to read the information under **Outreach Type**
• Requests for documentation
  • Select the **Submit** button after uploading documents.
PIA Inquiry Status

- The dashboard lists the status of the PIA outreach
  - "Pending" inquiries are questions submitted by PIA to the contact person.
  - "Submitted" inquiries are responses you submitted to PIA.
Responding to PIA Inquiries

- You have **15 days** to respond to PIA inquiries.
- You may ask for a one-time, seven-day extension, which is automatically granted.
  - Any additional extensions are considered on a case-by-case basis.
Requesting Additional Time

To request an extension for your response:

1. Navigate to the FCC Form 471 in the EPC
2. Choose **Review Inquiries**
3. Select **Request Extension**
Tips For Responding to Inquiries

• Complete all fields, entering “N/A” when not applicable.

• Do not open the same inquiry in multiple tabs or windows.

• If you encounter an “incomplete” warning:
  • Answer the questions again and verify that all fields are populated.
  • If these warnings persist, open a Customer Service Case or contact the Customer Service Center.
**Tips for Responding to Inquiries (Continued)**

- To address identical questions for an entity across multiple applications:
  - Provide the response on the first application
  - For subsequent inquiries, direct the reviewer to the first application containing the response
# Common FCC Form 471 Application Errors

<table>
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<tr>
<th>Problem</th>
<th>Incorrectly classifying the category of service or equipment/service type on the FCC Form 470</th>
<th>Filing an inaccurate FRN with the wrong equipment/service type</th>
<th>Failing to remove ineligible services/equipment</th>
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| Prevention Tips                                                         | • Determine the equipment/services you need and contact the CSC to verify correct classification of equipment and/or services.  
• Competitively bid for all necessary equipment and/or service types by filing an FCC Form 470 that accurately describes the equipment and service(s). | • Work with your service provider to ensure that equipment and/or services are accurately represented on the FCC Form 471.  
• Contact the CSC or your PIA reviewer with any questions. | • Work with your service provider to determine whether your requested equipment and/or services are 100 percent eligible.  
• Remove any ineligible amounts when creating your FRN(s). |
**PIA Verification of Mixed Eligibility**

- Equipment and/or services may be **fully**, **partially** or **conditionally** eligible.
- Eligibility of equipment and/or services may vary from year to year based on the Eligible Services List.
- “Mixed eligibility” refers to products and services for which **only a portion** is eligible for discounts under the E-Rate program.
PIA Verification of Mixed Eligibility (Continued)

• In general, a cost allocation (separating the eligible and ineligible costs), is required if equipment and/or services:
  • Contains both eligible and ineligible components
    • Include in your bid what the eligible percentage is, if not 100 percent
  • Is utilized for eligible and ineligible uses
    • For example, a server that is used for both caching (eligible) and video distribution (ineligible)
  • Is delivered to both eligible and ineligible locations
    • For example, broadband service delivered to a school run by a church (eligible) AND the church office (ineligible)
PIA Verification of Mixed Eligibility (Cont.)

• There is no single approved method to allocate eligible and ineligible costs.

• Your method must use tangible criteria that result in a reasonable allocation with supporting documentation showing a clear cost delineation.

• If 90 percent or more of an applicant’s internet service is used for eligible purposes, there is a presumption that other ineligible purposes are ancillary and do not require cost allocation (e.g., use by ineligible pre-K children in an eligible building).
Selective Review
Some applications undergo additional review further to a PIA Review.

USAC may request more detailed responses than those required in a PIA review.

Selective reviews:

- Include all aspects of the competitive bidding process
- Are independent of other reviews conducted under PIA which may or may not still be in progress
Selective Review: Process

- USAC sends a **Selective Review Information Request (SRIR)** email to the FCC Form 471 contact informing them that their entity has been chosen for selective review.
- The email provides information about how to submit a response and includes a link to access the SRIR in the EPC.
Selective Review: Receipt

• If you receive a Selective Review Information Request (SRIR), you should:
  • Confirm receipt of the SRIR by contacting the reviewer named in the request
  • Provide a complete response and all requested documentation to avoid delaying the review
  • Label each document with Funding Request Numbers (FRNs) and descriptions that identify them
Selective Review: Response

- Who can respond to Selective Review Information Requests?
  - Applicants or authorized representatives of applicants (EPC Account Administrators and Full-Rights users)
- Contact your reviewer with any other questions.
Funding Commitment Decision Letters
Funding Commitment Decision Letter (FCDL)

• When the PIA review is complete, applicants and service providers receive a **Funding Commitment Decision Letter (FCDL)** in their EPC News Feed that they should review carefully.

• The FCDL includes:
  • Approved funding amounts
  • Modified or denied funding amounts along with the reason(s) for the changes
  • Next steps in the E-Rate process
FCDL Terms Defined

• **Pre-Discount:** Total cost of the equipment and/or services before the E-Rate discount is applied.

• **Discount Amount:** Pre-Discount Amount *times* the discount rate.

• **Discounts & Invoicing Amounts:**
  - Total Eligible Charges *times* the discount rate equals the FRN committed amount on the FCDL.
  - The “Commitment Request” in the EPC is the amount eligible for funding and payment through the E-Rate program and for payment during the invoicing process.

• **Non-Discount Amount:** Amount applicant pays for the equipment and/or services using non-E-Rate funds.
  - This cannot be paid or credited by the service provider.
After Receiving the FCDL

- After the FCDL is delivered, applicants can:
  - Discuss service details with your service provider(s)
  - File the [FCC Form 486](#) once services have started
- If applicants or service providers disagree with one or more of the decisions in the FCDL, they can appeal to USAC
  - Appeals must be lodged within 60 days of the date of the letter.
  - Appeal decisions are delivered via [Revised Funding Commitment Decision Letters (RFCDLs)](#).
File Service Provider Annual Certification (SPAC)

- Service providers file an FCC Form 473 (Service Provider Annual Certification (SPAC) Form) to certify that they will comply with the rules and guidelines of the Schools and Libraries (E-Rate) program.
- A new SPAC Form must be on file for each funding year a service provider participates in the E-Rate program.
- A SPAC Form is required for Service Provider Identification Number (SPIN)/498 ID.
- The SPAC Form must be on file with USAC before USAC pays an invoice.
- Verify the status of your FCC Form 473 using the Service Provider Download Tool.
Resources

- E-Rate Service Provider Webinar
- E-Rate Fall Training: Pre-Commit Process
- Eligible Services List (ESL)
Live Q&A

• Submit your questions about today’s topics:
  • FCC Form 471 Review Process
  • Preparing for a PIA Review
  • PIA Inquiries
  • Selective Review
  • Funding Commitment Decision Letters

Q&A Tips

✔ Type your queries into the “Questions” box in your webinar control panel.
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Upcoming Webinars

• Our next webinar is on **June 20, 2024**
• **Beginning E-Rate Services Webinar**
  • Recommended for applicants and service providers
  • Suitable for all E-Rate experience levels
• Please visit the E-Rate [Webinars](#) page for additional information.
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- We want to hear about your webinar experience.
- A survey will appear on your screen at the end of the webinar.
- If you are not able to complete the survey today, a link to it will be emailed to you within two business days.
- We appreciate your feedback!
Thank You!