

SCENARIO B

STATE MASTER CONTRACT THAT EXPIRES DURING THE FUNDING YEAR

In Scenario B, the current service provider will provide services during part of the funding year under a state master contract that expires during the funding year, but your state intends to select a service provider as part of a competitive bidding process to provide services under a replacement (new) state master contract during the remainder of the funding year. As in [Scenario A](#), that process has not been completed and you are not yet sure who the new service provider will be.

PROCESS FOR SCENARIO B

STEP 1: BILLED ENTITY UPLOADS EXPIRING (OLD) STATE MASTER CONTRACT IN THE E-RATE PRODUCTIVITY CENTER (EPC) IF THE CONTRACT RECORD DOES NOT ALREADY EXIST

From the billed entity's EPC landing page, click the billed entity's name to link to its profile. Then in the menu above the **Organization Details**, select **Contracts**. Go to the upper right corner and click **Manage Contracts**. Then click the **Add a New Contract** button at the bottom of the page and follow the system prompts.

The billed entity must complete the FCC Form 471 contract module covering the expiring state master contract following these guidelines:

- **Nickname:** Create an FCC Form 471 nickname that references that this is an expiring state master contract. This will help you identify the contract within the E-rate Productivity Center (EPC).
- **Contract Number:** Enter the contract number.
- **Would you like to upload a copy of your contract?** Select **Yes**. Upload a copy of the expiring state master contract and provide a short description of the contracted services in the text box provided.
- **Is this contract based on a State Master Contract?** Select **Yes**.
- **Is this contract based on a multiple award schedule?** If the contract was awarded to multiple vendors then select, **Yes**. If not, select **No**.
- **Can other applicants piggy back off this contract?** Select **No**.
- **Was this contract originally created by another applicant, and you then piggy backed off their contract?** Select **No**.
- **Was an FCC Form 470 posted for the product and/or services you are requesting?** Select **Yes**.
- **How many bids were received?** Enter the number of bids received for this product or service.
- **Was the FCC Form 470 posted prior to Funding Year 2016?** Select **Yes** or **No**, as appropriate. If the answer is **No**, use the search tool provided to find the establishing FCC Form 470 in EPC.
- **FCC Form 470 number:** Use the establishing FCC Form 470 application number for the expiring state master contract.
- **Account number:** Use the same billing account number (if applicable) as used for the

expiring state master contract.

- **Search by SPIN:** Enter the Service Provider Identification Number (SPIN, also known as the service provider's 498 ID), of the service provider that will provide services until the expiring contract ends.
- **Service provider name:** Enter the name of the service provider that will provide services until the expiring contract ends.
- **Is this a multi-year contract?** If the expiring state master contract was a multi-year contract, Select **Yes**. If not, select **No**.
- **What is the date you awarded your contract?** Enter the contract award date of the expiring state master contract.
- **Does this contract include voluntary extensions?** Select **No**.
- **Pricing confidentiality:** Answer **Yes** if there is a statute, rule or other restriction which prohibits publication of the specific pricing information for contracts in your state or local jurisdiction. If the answer is **Yes**, provide the Type of Restriction (State Law or Statue, Local Rule, Court Order or Contract Executed with Restrictive Terms) and Restriction Citation. Otherwise, select **No**.
- **Confirmation:** Review the contract details and click **Complete** to finish creating the contract record.

STEP 2: BILLED ENTITY CREATES A CONTRACT RECORD IN THE E-RATE PRODUCTIVITY CENTER FOR THE STATE REPLACEMENT CONTRACT

From the billed entity's EPC landing page, click the billed entity's name to link to its profile. Then in the menu above the **Organization Details**, select **Contracts**. Go to the upper right corner and click **Manage Contracts**. Then click the **Add a New Contract** button at the bottom of the page and follow the system prompts.

The billed entity must complete the FCC Form 471 contract module for the state replacement contract following these guidelines:

- **Nickname:** Create an FCC Form 471 nickname that references that this is a state replacement contract. This will help you identify the contract within the E-rate Productivity Center(EPC).
- **Contract Number:** Use "SRC" as the prefix in front of the expiring state master contract number (Example: if the expiring state master contract number is WNT-98-005, use the number SRCWNT-98- 005 as the contract number)
- **Would you like to upload a copy of your contract?** Select **Yes**. Upload a copy of the expiring state master contract. This will serve as a placeholder for the state replacement contract. Provide a short description of the contracted services in the text box provided. Enter the expiration date of the expiring state master contract and note that the state replacement contract will start the next day. Answer all of the following questions based on the information from the expiring state master contract.
- **Is this contract based on a State Master Contract?** Select **Yes**.
- **Is this contract based on a multiple award schedule?** If the contract was awarded to

multiple vendors then select, **Yes**. If not, select **No**.

- **Can other applicants piggy back off this contract?** Select **No**.
- **Was this contract originally created by another applicant, and you then piggy backed off their contract?** Select **No**.
- **Was an FCC Form 470 posted for the product and/or services you are requesting?** Select **Yes**.
- **How many bids were received?** Enter the number of bids received for this product or service.
- **Was the FCC Form 470 posted prior to Funding Year 2016?** Select **Yes** or **No**, as appropriate. If the answer is **No**, use the search tool provided to find the establishing FCC Form 470 in EPC.
- **FCC Form 470 number:** Use the establishing FCC Form 470 application number for the expiring state master contract.
- **Account number:** Use the same billing account number (if applicable) as used for the expiring state master contract.
- **Search by SPIN:** Use the state replacement contract Service Provider Identification Number (SPIN, also known as the service provider's 498 ID), 143999999. Enter this SPIN in the **Search by SPIN** field and click **Search**. The information for the state replacement SPIN will appear. Click the box next to the SPIN and then click **Save & Continue**.
- **Service provider name:** The system will automatically enter "State Replacement Contract" as the service provider name. Although a commitment of funds can be made towards the state replacement contract, no funds will be authorized for disbursement until there has been a SPIN change.
- **Is this a multi-year contract?** If the expiring state master contract was a multi-year contract, Select **Yes**. If not, select **No**.
- **What is the date you awarded your contract?** EPC will not allow the contract date to be in the future. Enter the date you upload the expiring state master contract in EPC. After you upload the expiring state master contract, in the data field provided, enter the day after the expiration of the expiring state master contract as the contract award date. Once the state replacement contract is signed, you will need to update the form with the actual Contract Award Date (CAD) (see Step 5 below).
- **Does this contract include voluntary extensions?** Select **No**.
- **Pricing confidentiality:** Answer **Yes** if there is a statute, rule, or other restriction which prohibits publication of the specific pricing information for contracts in your state or local jurisdiction. If the answer is **Yes**, provide the Type of Restriction (State Law or Statute, Local Rule, Court Order, or Contract Executed with Restrictive Terms) and Restriction Citation. Otherwise, select **No**.
- **Confirmation:** Review the contract details and click **Complete** to finish creating the placeholder contract record for the state replacement contract.

STEP 3: BILLED ENTITY CREATES TWO SEPARATE FUNDING REQUESTS FOR THESE SERVICES ON THE FCC FORM 471

The billed entity must fill out two FCC Form 471 funding requests for each E-rate eligible product and/or service received, one under the expiring state master contract and one under the state replacement contract. Funding request(s) for the expiring state master contract and the state replacement contract must be listed on the same FCC Form 471.

FIRST FRN (Funding Request Number)

For each E-rate eligible product and/or service that you receive under the expiring state master contract, complete a funding request.

- **Funding Request Nickname:** Create a nickname that references the services requested. This will help you identify the funding request within EPC.
- **Is this Funding Request a continuation of an FRN from a previous funding year?** Click **Yes** and enter the previous year FRN number in the field provided.
- **Service Type:** From the drop-down menu, select the service type for this funding request.
- **How are the services for this FRN being purchased?** Select **Contract**.
- **Associate a Contract:** Search for the expiring state master contract record you created in Step 1 using the fields provided. If you entered the contract data in your own profile, search for the contract using your BEN. If the contract was entered by your state coordinator in another BEN profile, such as a state consortium, enter that BEN in the search fields. Select the contract from the search results.
- **What is the service start date?** The service start date should be July 1 of the funding year.
- **What is the date your contract expires for the current term of the contract?** Enter the expiration date of the expiring state master contract.
- **Narrative:** Provide a brief explanation of the products and services that you are requesting and provide any other relevant information regarding this funding request.

SECOND FRN

Additionally, on the same FCC Form 471, add an FRN for each of the products and services that will be purchased under the state replacement contract for the remainder of the funding year.

- **Funding Request Nickname:** Create a nickname that references the services requested and the state replacement contract. This will help you identify the funding request within EPC.
- **Is this Funding Request a continuation of an FRN from a previous funding year?** Click **No**.
- **Service Type:** From the drop-down menu, select the service type for this funding request.
- **How are the services for this FRN being purchased?** Select **Contract**.
- **Associate a Contract:** Search for the placeholder state replacement contract record you created in Step 2. using the fields provided. If you entered the contract data in your own profile, search for the contract using your BEN. If the contract was entered by your state coordinator in another BEN profile, such as a state consortium, enter that BEN in the search fields. Select the contract from the search results.
- **What is the service start date?** The service start date should be the date after the contract expiration date of the expiring state master contract.
- **What is the date your contract expires for the current term of the contract?** The contract expiration date will be the end of the funding year (you will reflect the true expiration date of the state replacement contract on your FCC Form 471 filed for the subsequent year).
- **Narrative:** Indicate that this FRN will be covered by a state replacement contract, provide a brief explanation of the products and services that you are requesting and provide any other relevant information regarding this funding request.

FRN LINE ITEMS

For each FRN on the FCC Form 471, complete one or more FRN line items as appropriate. Use the

information from your expiring state master contract to complete the FRN line item details. The FRN line item details for each state replacement contract FRN should match the FRN line item details for the correlating expiring state master contract FRN for the same services.

Product and Service Details for FRN Line Item

Use the drop-down menu and fields provided to enter the product and service details.

Cost Calculation for new FRN Line Item

- **Monthly recurring and one-time charge details:** For both recurring charges and one-time charges for both contracts, the funding commitment will be limited to charges contained in the expiring state master contract, which means monthly charges must be no greater than what is contained in the expiring state master contract. This limitation does not apply to future funding years if you continue to receive service under the state replacement contract.

Manage Recipients of Service

In this section of the FRN line item, indicate the entity or entities that will receive this service under the appropriate contract.

- **Is every entity for this organization receiving services?** If **No**, enter the BEN in the field provided to search for a specific organization, or use the check boxes to identify the organizations you wish to include as recipients of service for this FRN.
- **Are the costs shared equally among all of the entities?** If **No**, allocate the remaining Total Eligible Line Item Cost to the appropriate entities.

If there was no provision for one-time charges under the expiring state master contract, but there is such a provision in the state replacement contract, there can be no claim for one-time charges under the state replacement contract for the current funding year. You may claim one-time charges incurred in subsequent program years.

STEP 4: STATE POSTS FCC FORM 470 FOR THE STATE REPLACEMENT CONTRACT

When the state is ready to begin the competitive procurement process for the state replacement contract, the state entity negotiating the state replacement contract will be required to file an FCC Form 470 (and have it posted in EPC for a minimum of 28 days prior to signing the state replacement contract). If the state agency that entered into the expiring state master contract does not file the FCC Form 470, you will not be eligible for discounts for the state replacement contract for the remaining portion of the funding year.

After the state replacement contract has been signed, you will cite this FCC Form 470 as the “establishing FCC Form 470” when purchasing services off this contract in future funding years.

STEP 5: BILLED ENTITY REQUESTS SPIN CHANGE

After the state replacement contract has been signed and dated by the state, you must request a [SPIN change](#). You must provide a copy of the state replacement contract, and update the record with the name and SPIN of the actual vendor who has been awarded the state replacement contract. If USAC is still reviewing your application, you can work with your reviewer to complete your SPIN change request.

STEP 6: BILLED ENTITY SUBMITS FCC FORM 486

The [FCC Form 486 deadline](#) is based on your original Funding Commitment Decision Letter (FCDL) where funds were committed. If your FCDL has been issued, services have started and you can accurately make the certifications on the FCC Form 486, timely file and certify your form. Do not wait until the SPIN change has been made. Submit your FCC Form 486 for this FRN(s) using the state replacement contract information to avoid penalties for filing late.

If the FCC Form 486 certified after the deadline, USAC will adjust the service start date on the FRNs on the FCC Form 486 to the date 120 days before the FCC Form 486 was certified. USAC will not pay discounts on services received before this date, and the applicant's funding commitment may be reduced. For additional information on filing the FCC Form 486, refer to the [FCC Form 486 filing page](#).

USAC can make commitments and accept and process an FCC Form 486 using the state replacement contract SPIN (143999999), but cannot pay invoices until a valid SPIN for the actual service provider has been provided via the SPIN change process.