

E-rate Program Tribal Training

Ten Tips for Success

October – November 2015

Albuquerque • Minneapolis • Los Angeles • Portland

Overview

1. Familiarize Yourself with The E-rate Productivity Center (EPC)
2. Review Eligible Services
3. Be Cognizant of Discount Calculations and C2 Budget
4. Follow Competitive Bidding Rules
5. Communicate with Service Providers
6. Provide Complete PIA Responses
7. Read USAC Letters and Notifications
8. Employ Good Invoicing Practices
9. Keep an Eye on Deadlines
10. Keep Documentation

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1. Familiarize Yourself with The E-rate Productivity Center (EPC)

Learning to navigate the E-rate Productivity Center (EPC)

Starting in FY2016 E-rate Program forms will be filed only in EPC, so applicants should learn to navigate EPC.

- Watch the [webinar](#) “Introducing EPC: the E-rate Productivity Center.”
- Visit the [Online Learning Library](#) on the USAC website for short video tutorials on performing initial tasks in EPC.
- Review the applicant user guides, and FAQs on the USAC [website](#).
- Read EPC-related [News Briefs](#).

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2. Review Eligible Services

Review eligible services to avoid “mixed bucket” funding requests

Category One (Data Transmission Services and Internet Access, and Voice Services) and Category Two (Internal Connections, MIBS, and Basic Maintenance) requests must be filed on separate applications.

- Mixing Category One and Category Two on the same application causes delays.
- Category Two equipment included in Category One requests must be separated out by your PIA reviewer, lengthening your review, and you will be asked to confirm the separation.

Review eligible services

To avoid delays and/or denials:

- Use the Eligible Services List for the current year to understand which products and services fall under Category One and which fall under Category Two. It can be found on USAC's website.
- The new EPC system helps walk you through the application, but check your FCC Form 471 for accuracy before filing.
- Ask the Client Service Bureau (CSB) or the Tribal Liaison for help if you need it.

Account and budget for phase down of voice services

- Starting with FY 2015, Voice Services (e.g. POTS, local/long distance, VoIP, Centrex, and cellular services) are subject to a 20% phasedown.
- For FY 2016, the reduction is 40%.
- Circuits are subject to the voice phasedown if any portion of the circuit is dedicated to voice.
 - Circuits wholly dedicated to voice such as PRIs and SIP trunks are fully subject to the phasedown.
 - A T-1 used for voice is subject to the phasedown if any of the channels are dedicated to voice.

Review eligibility limitations of data plans

- Data plans and air cards for mobile devices are conditionally eligible.
 - You must demonstrate that data plans are the most cost-effective option.
 - You must be able to demonstrate that installing a Wireless Local Area Network (WLAN) is not physically possible.
 - You cannot have an existing broadband connection and wireless local area network (WLAN).

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3. Be Cognizant of Discount Calculations and C2 Budget

Be cognizant of discount calculations

PIA reviews discount calculations carefully. Poor documentation and incorrect or outdated data can delay funding decisions.

- Provide discount data from the current funding year to substantiate the current year's discount calculation (unless, e.g., survey data used for two consecutive funding years).
- Maintain and retain your discount calculation source documentation – e.g., NSLP data, surveys, list of matching siblings, direct certification list – for each year it affects so that you can produce it if requested.

Be cognizant of alternate discount calculations

Tips on using certain alternate discount mechanisms

- Surveys
 - You can create your own survey based on our website guidance
 - Starting in FY2015 you can also use NSLP forms as surveys
- Do **not** project results.
- Community Eligibility Provision (CEP)
 - If you use CEP, retain documentation of your approved direct certification percentage
- You **can** use matching siblings, direct certification, Provision 1, 2, and 3, and existing sources (requirements equal to NSLP)

Be cognizant of Category Two budget

The new Category Two budgets allow for applicants to manage their own spending over the span of five years, so applicants should plan ahead.

- Determine what services and products are needed over the next 5 years and how much they will cost.
- Calculate your budget, and subtract Category Two costs you have already used.
- Decide how to apportion your funding (one year or multiple).
- Review budget each year and recalculate if student count has changed.

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4. Follow Competitive Bidding Rules

Follow competitive bidding rules

Posting an FCC Form 470 opens a competitive bidding process governed by program rules. To avoid violations that lead to funding denials, remember these tips:

- Wait at least 28 days after posting an FCC Form 470 to the USAC website before closing your competitive bidding process, selecting a service provider, signing a contract, and filing an FCC Form 471.
- Make sure your competitive bidding process is open and fair.
- You must consider the price of the E-rate–eligible products and services as the most heavily weighted factor in your bid evaluation.

Follow competitive bidding rules

Tips (continued):

- If you're going to issue an RFP, you must upload the document into EPC as part of the FCC Form 470 filing .
 - Remember that an “RFP document” is any document that provides additional information on services or procurement that is not included on the FCC Form 470.
- You must conduct a bid evaluation (unless only one bid is received).
- Review the competitive bidding and bid evaluation guidance and related documents on the USAC website and follow them.

Follow competitive bidding rules

Tips (continued)

- Accepting assistance with your competitive bidding process from a service provider is not allowed.
- Having improper communications with the selected service provider or accepting prohibited gifts from the selected service provider prior to or during the competitive bidding process is not allowed.
- Ask CSB or the Tribal Liaison for help if you need it.

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5. Communicate with Service Providers

Communicate after competitive bidding is over

Communication with the service provider AFTER the competitive bidding process is an important part of the application process.

Lack of communication can result in:

- Contractual disputes where no program rules were violated – USAC’s ability to provide assistance is extremely limited in these circumstances.
- Incorrect SPINs featured on FCC Form 471 funding requests.
- Service providers not prepared to assist applicants with technical information requested during PIA review.
- Ineligible products and/or services delivered.
- Confusion about invoicing method (BEAR vs. SPI).

Communicate with service providers

To avoid delays and/or denials:

- Use the Search for SPIN Information tool to find your service provider E-rate contact information if you do not know it.
- Review your contract and related documents carefully BEFORE signing them.
- Work with the service provider to determine how many funding requests to file and which SPINs and costs to feature on each request.
- Discuss service delivery, services, invoicing and other program issues with your service provider(s) once the competitive bidding process has ended.

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6. Provide Complete PIA Responses

Provide complete PIA responses

Program Integrity Assurance (PIA) reviews applications for compliance with program rules, and sends questions through EPC. If PIA receives incomplete responses, or no response, the funding decision is based on the information at hand. Incomplete responses include:

- A response that does not directly address the PIA questions.
- A response that addresses some but not all of the PIA questions.
- A response that does not include documentation when documentation was specifically requested.

Provide complete PIA responses

To avoid delays and/or denials:

- If PIA sends questions to you in EPC, read them carefully.
 - If you understand the questions and the documentation requested, respond promptly
 - If you do not understand what is being requested, contact the initial reviewer immediately for clarification and document such contact
- If you need more time, ask for it
- If you feel you are not communicating successfully with your initial reviewer, ask to speak to a manager

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7. Read USAC Letters and Notifications

Don't ignore USAC letters and notifications

Each time you file an FCC form, USAC issues a notification or letter through EPC containing useful information. You should review the contents carefully.

- You can correct certain errors by using the procedure described in the notification or letter
- You will be made aware of the next steps in the process, including upcoming deadlines
- You can refer to the information in the letter when completing your next form, making the process easier

Read USAC letters and notifications

To avoid delays and/or denials:

- Review your notifications and letters for errors you can correct.
 - For forms filed in EPC, some errors can be corrected in the system
- Take note of the next steps and any deadlines described in the notification or letter and be prepared to act on them.
- Note any changes from your original submission (e.g., an adjusted service start date in the FCC Form 486 Notification Letter) and take action as appropriate.

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8. Employ Good Invoicing Practices

Employ good invoicing practices

USAC must be invoiced – either through the applicant FCC Form 472 (BEAR Form) or service provider FCC Form 474 (SPI Form) – for services actually delivered and installed. To avoid delays and/or denials:

- File invoice-related forms first (FCC Form 473 for service providers, FCC Form 486 for applicants).
- Check your work and ensure that invoice entries are complete and consistent.
- Verify that services on the invoice were the services approved on the FCDL.
- File invoices before the invoicing deadline.

Employ good invoicing practices

To avoid delays and/or denials:

- If the invoice undergoes review, ensure that requested documentation (e.g., proof of delivery of services, contracts, proof of payment) is available.
- Review and follow invoicing guidance provided on USAC's website.
- Submit invoices in a timely fashion (Note that applicants can file BEAR Forms monthly, quarterly, annually, etc.).
- Remember to file an invoice deadline extension request **on or before the deadline** if you need additional time.

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9. Keep an Eye on Deadlines

Keep an eye on deadlines

Many FCC forms and requests are subject to deadlines. Missing a deadline can have negative consequences, including:

- An FCC Form 471 submitted after the close of the filing window is unlikely to be considered for funding.
- An FCC Form 486 submitted after the deadline will have its service start date adjusted to the date 120 days before receipt or postmark of the form, and invoices for services delivered before the adjusted service start date will not be paid.

Keep an eye on deadlines

- An appeal submitted after the 60-day deadline will be dismissed.
- An invoice deadline extension request submitted after the deadline will be denied.
- A service delivery extension request submitted on an FCC Form 500 after the deadline will be denied.

Keep an eye on deadlines

To avoid delays and/or denials:

- Don't wait until the last minute to file forms, submit requests, or respond to questions.
- Track your upcoming deadlines and manage your time wisely to meet them.
- Check your submissions for completeness and accuracy.
- Use the deadlines tool if you're not sure of a deadline.
- Ask the Client Service Bureau (CSB) or the Tribal Liaison for help if you need it.

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10. Keep Documentation

Keep documentation

*The E-rate program has document retention requirements. Retaining documents for the required time period (at least **ten** years from the last date of service delivery) can prevent:*

- Funding reduction or denial after PIA review
- Adjusted service start date
- Invoice rejection
- Audit findings
- Commitment adjustment (COMAD)

Keep documentation

To avoid delays and/or denials:

- Review the USAC website for a suggested checklist of documents to retain.
- Store your documents in such a way that you – or your successor – can find them easily if needed.
- Remember that even if your local or state regulations require a shorter time period for document retention, you must follow the FCC program rule for documents related to E-rate.
- Keep in mind that some documents (e.g., multi-year contracts, notice of public hearing or meeting for CIPA) must be kept for ten years after the latest funding year they affect.

In closing

- Stay informed
 - Review the guidance information on the USAC website.
 - Join the monthly Tribal outreach calls and ask questions.
 - Subscribe to the SL News Brief.
- Plan ahead
 - Create a timeline of your E-rate activities and follow it, keeping track of submissions.
 - Submit required forms and requests well before the deadline.
- If you should need it, request an extension before the deadline.
- Ask questions.

QUESTIONS?

Thank you!