

New 499 ID Basics

Overview for Service Providers

March 6, 2024

DISCLAIMER

To accommodate all attendees, real-time closed captions will be present during this presentation. We apologize in advance for any transcription errors or distractions. Thank you for your support.

Housekeeping

- The audience will remain on mute.
- Enter questions at any time using the "Questions" box.
- A copy of the presentation is in the "Handouts" section of webinar panel.
- This webinar is being recorded and a copy of the presentation will be on our website under Service Providers and "Webinars".



Meet the Presenter

Al Cipparone

Senior Telecom Industry Analyst | Contributor Operations

Mr Cipparone is a member of the 499 team that analyzes revenue reported on the FCC Form 499-A.

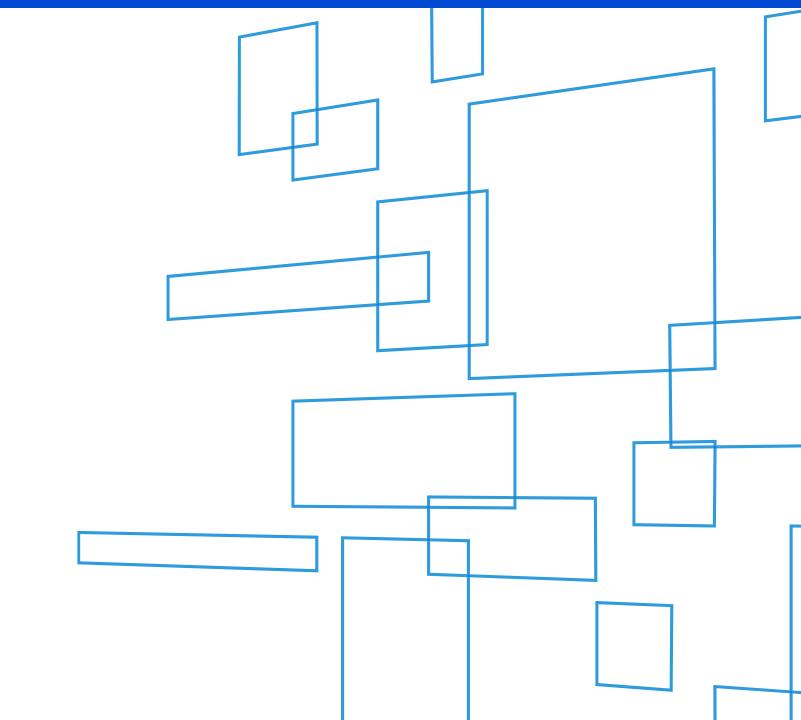
Al joined USAC in 2022 after many years in the telecommunications industry.

Raised in mid-Michigan, he moved to the Washington, DC area in 1984.

Email: Albert.Cipparone@usac.org

Webinar Overview

In this webinar, designed for service providers new to USAC, we'll cover the basics of the 499 ID and the filing requirements.



Agenda

- 498 ID & 499 ID Purpose
- USAC's Website
- 499 ID Assignment
- Filing Calendar
- Quarterly Form 499-Q
- Annual Form 499-A

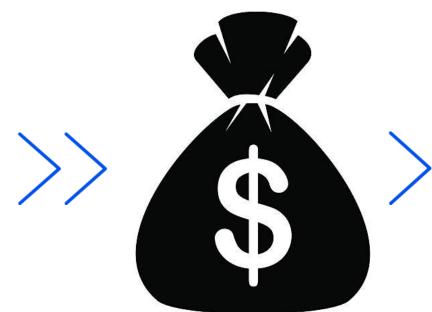
498 ID & 499 ID

Understanding the Difference

Purpose of These IDs

499 ID

- Takes its name from the registration form
 FCC Form 499-A
- Identification used to contribute to the Universal Service Fund



498 ID

- Takes its name from the registration form – FCC Form 498
 - Identification used to receive Universal Service funding

Universal Service Fund

ID Differences

498 ID

Nine-digit number beginning with "143" or "443" (i.e. 143999999, or 443999999)

Who -

Telecommunications Providers

Nine-digit number beginning with "143"

Why - to receive funding from any of the 4 programs USAC administers: *Rural Health Care*, *High Cost*, *Lifeline*, *E-Rate*

499 ID

Six-digit number beginning with an "8" (i.e. 889993)

Who - <u>All</u> telecommunications Providers, including VoIP service providers and resellers

Why - to contribute to the Universal Service Fund

ALWAYS include these numbers on any correspondence with USAC.

Companies that have a 498 ID don't necessarily have to have a 499 ID, and vice versa!

499 ID Assignment

Next Steps

Email Notification of Assignment

Next Steps

Two emails were sent to the Company Officer listed on the registration form.

- 1. Company Officer username and log in instructions for E-File.
- 2. Assignment of the 499 Filer ID and a list of forms you are required to file.

The Company Officer should now add any employees as users to USAC's E-File system. Functions performed in E-File are form preparers, additional company officers and employees responsible for paying USAC invoices.

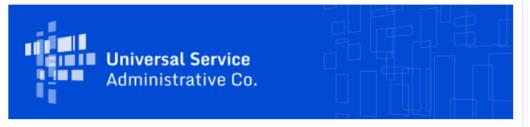
ALL FCC Forms must be submitted online through E-File. Paper copies are not accepted.

Required Form Filings

Included in Assignment Email

The FCC Forms listed are based on the date you entered as the date you started selling telecom.

If you've entered the date the company started, you'll need to correct it!



FCC FORM 499 APPROVAL CONFIRMATION

Thank you for registering with USAC to set up the FCC Form 499 account for LLC. USAC has completed the processing of your registration and the new 499 Filer ID for Please review "What and How to File" in the Contributor section on USAC's website to determine which future FCC Form 499 filings you are required to submit.

Required Previous FCC Form 499 Filings

The information reported on line 228 states that National Conference of this National Conference of the National Complete and submit the following previous FCC Form 499 filings:

499Q Filings

- May 2023 FCC Form 499-Q
- February 2023 FCC Form 499-Q

Please note: FCC Form 499A 2014 and up filings must be submitted electronically through E-file while FCC Form 499A 2013 and prior must be sent via hardcopy mail to USAC.

NOTE: FCC Form 499A 2014 and up filings must be submitted electronically through E-file while FCC Form 499A 2013 and prior must be sent via hardcopy mail to USAC.

If you have any questions, please contact USAC at (888)641-8722 or CustomerSupport@usac.org.

Online Resources

USAC Website

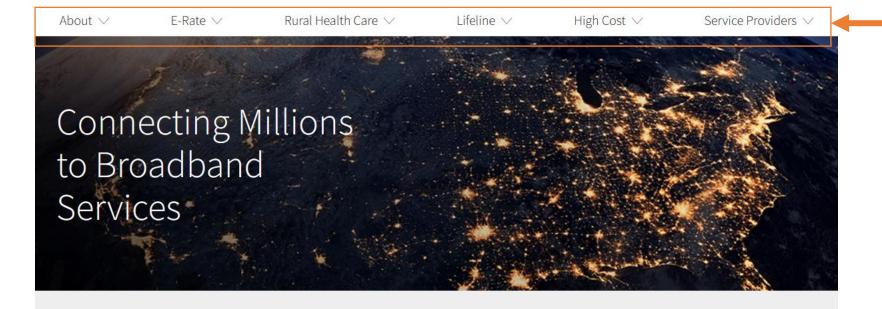
www.usac.org

① COVID-19 Update: USAC remains open for business. Learn more about USF program responses.





Tools – Sign in to USAC's online systems



Program Specific webpages

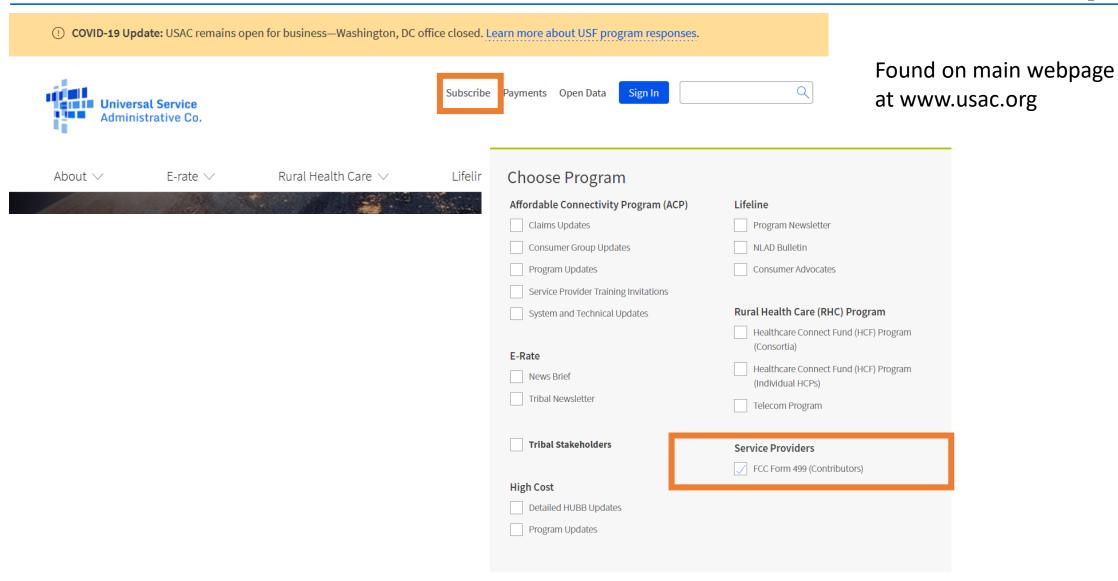
The Universal Service Fund helps communities and people across the U.S. stay connected to the information, resources, and care they need.



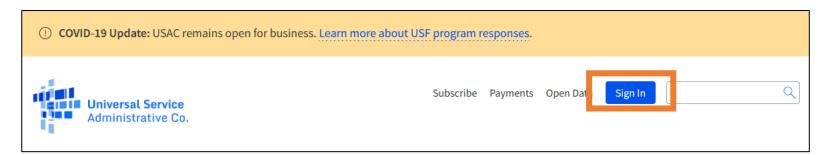
USAC administers the Universal Service Fund under the direction of the Federal Communications Commission (FCC).

Scroll down the page for links to program pages, as well as statistics on the universal service fund.

Newsletter Subscription



USAC's Online Filing System – E-File

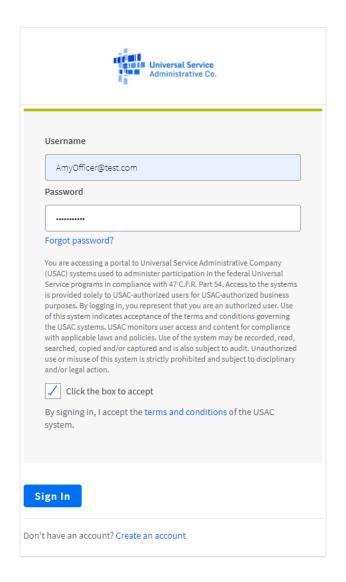


'Sign In' page will prompt you for a username and password to log in to the E-File system.

USAC maintains security using a multi-factor authentication system, sending the user id (email address) a 6-digit code to enter, prior to logging in to the system.

It's important not to share usernames.

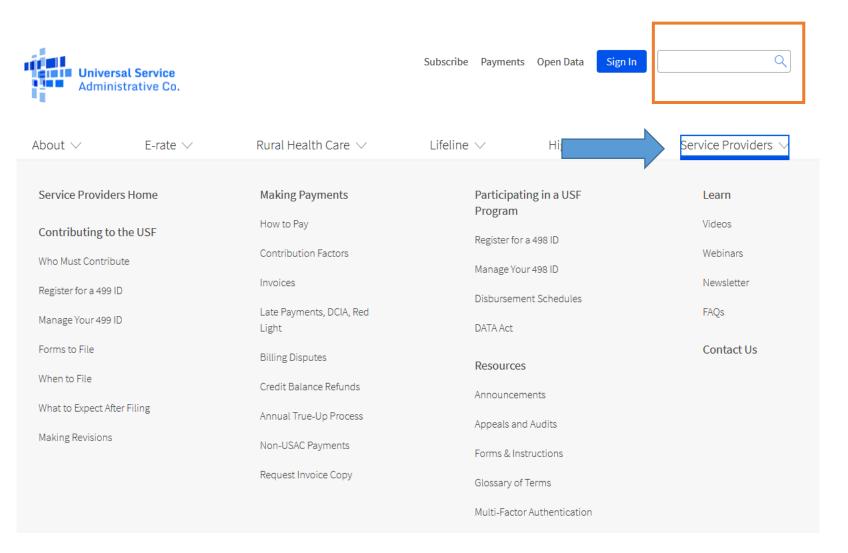
That's a violation of our terms and conditions.



Service Provider Specific Menu

Click on the words 'Service Providers' and you'll see a drop-down menu with topics specific to Service Providers, the Forms 499 and 498 as well as a monthly invoice explanation.

Use the search box in the upper right-hand corner if navigating the menu is confusing.



Webinar Training Announcements

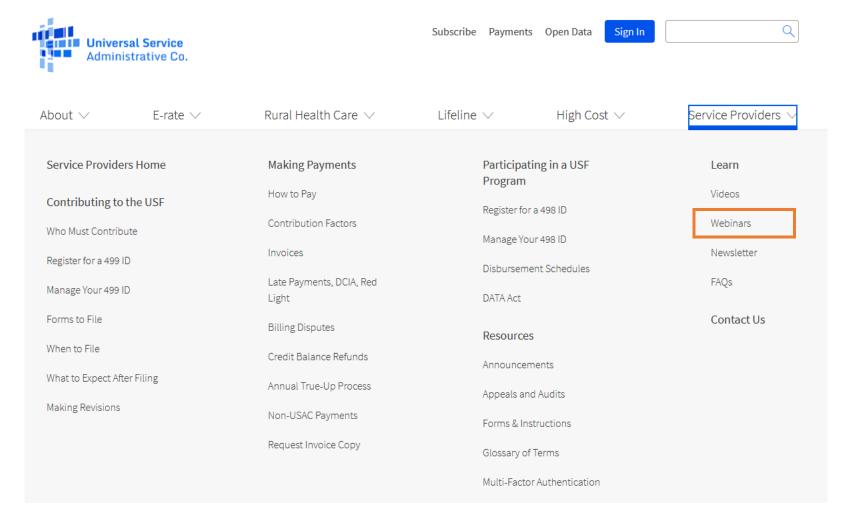
Annual Form Training

February

Monthly Trainings

- New 499 ID
- Office Hours open topic and discussion

Previous webinar recordings also stored here.



Additional Learning Resources

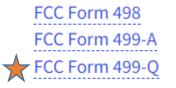
The USAC website offers several options to learn via our online video library as well.

Click on the words 'Service Providers' on the main webpage.

Videos

These videos are designed to help you understand and manage the form filing process, FCC requirements, and other elements to offer service provider support.





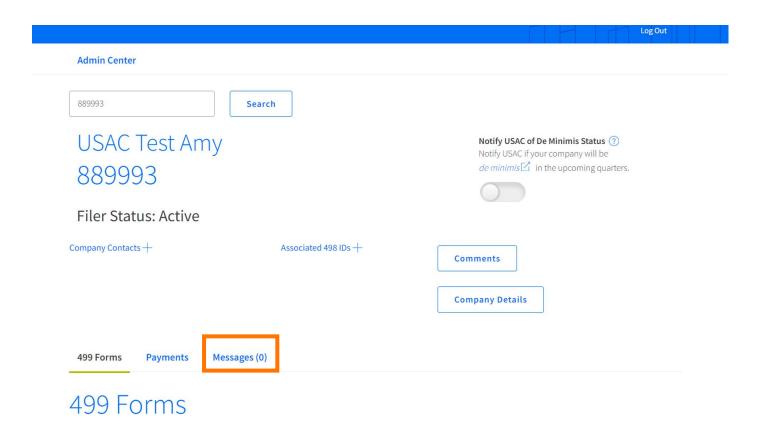
Contacting USAC

Message System within E-File

Customer Specific Contact

The best way to contact your assigned 499 analyst is via E-File Messages.

Located within the E-File portal, a secure message can be sent to ask specific questions about your filer ID, Forms 499, payments, invoice and any other inquiry.

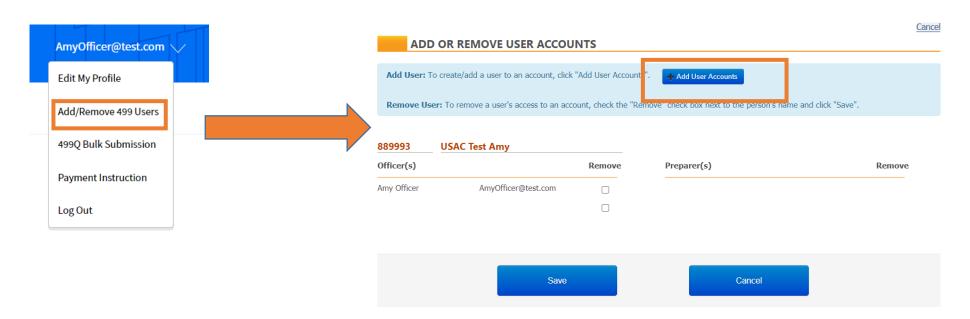


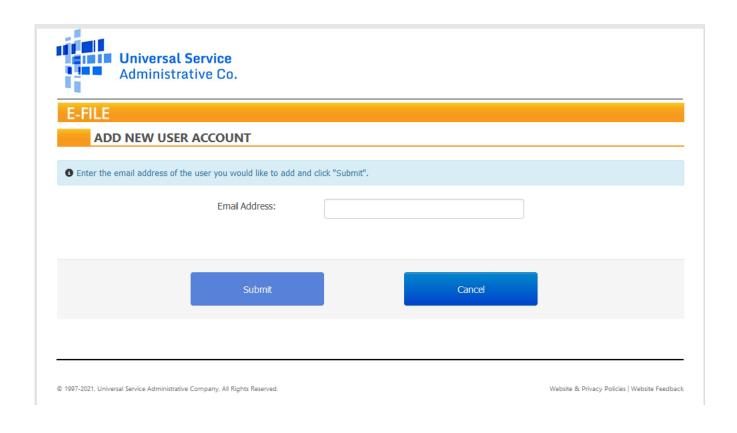
Adding E-File Users

Only Company Officers can grant E-File access to additional users.

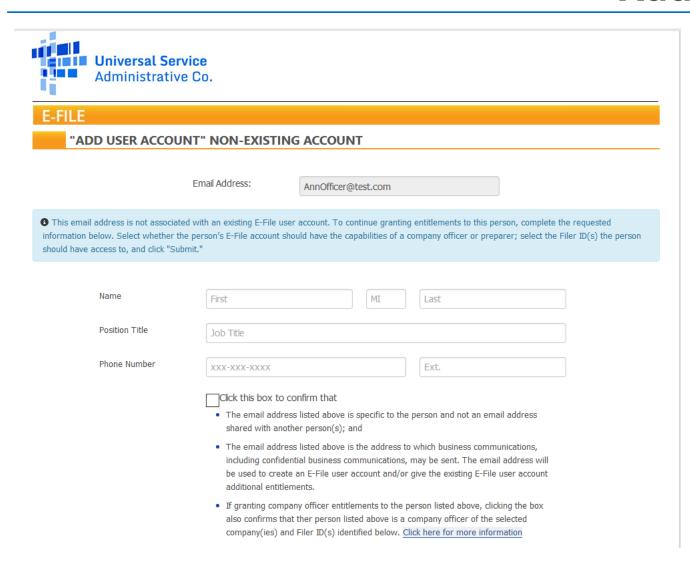
Click the down arrow next to your user ID in the top right-hand corner of the screen, then select the option, 'Add/Remove 499 Users'.

At the next screen, click the blue button '+Add User Accounts'.

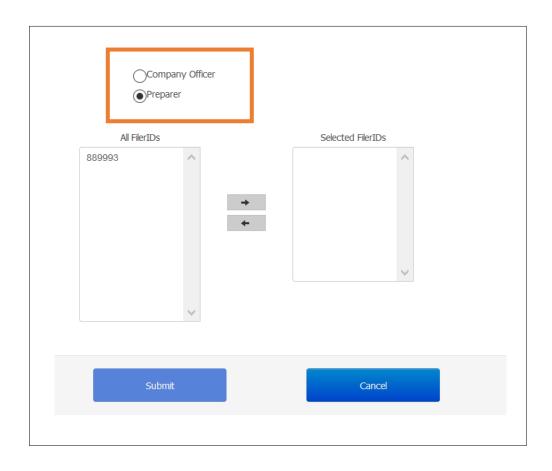




- •The email address entered also acts as your E-File user ID
- •The email address entered is specific to the person and not an email address shared with another person(s) or a generic email address (e.g. Billing @gmail.com)
- •The email address listed above is the address to which business communications, including confidential business communications, may be sent.



- Enter in the contact information of the user you are adding.
- Place a check mark in the box confirming that the user id you are adding meets the USAC terms and conditions.
- Scroll down to assign a role to the new user.



- Determine the level of access you will grant to the new user.
 - Company officers are the only persons who can certify an FCC Form.
 - Company officers can also add/remove users who have authority to access the account.
- Select which Filer IDs the new user will have access to by highlighting the filer ID and clicking the right arrow button to move it to the 'Selected Filer IDs' column.
- Complete the set up by clicking the 'Submit' button

2024 Filing Calendar

When to File the FCC Forms 499

Types of FCC Form 499

FCC Form 499-A

- 1. Required for EVERYONE
- 2. The FCC Form 499-A is the annual form used to report the company's actual revenue billed during the prior calendar year.
- 3. The FCC Form 499-A is due annually on April 1.
- 4. USAC will notify you of due date.

FCC Form 499-Q

- 1. Required for all non-de minimis filers
- 2. The <u>FCC Form 499-Q</u> is used to *project* or *forecast* the company's revenue for the <u>next</u> calendar quarter.
- 3. The FCC Form 499-Q due dates:
 - February 1
 - May 1
 - August 1
 - November 1
- 4. USAC will <u>not</u> notify you of due dates

2024 Filing Deadlines

Due Date	Revenue Reported	Revision Deadline	Contributor Invoice
FCC Form 499-Q February 1, 2024	2Q projected 2024 4Q revenue 2023	March 18, 2024	April – June 2024
FCC Form 499-A April 1, 2024	Prior year: 2023 January – December	March 31, 2025	July 2024
FCC Form 499-Q May 1, 2024	3Q projected 2024 1Q revenue 2024	June 17, 2024	July – September 2024
FCC Form 499-Q August 1, 2024	4Q projected 2024 2Q revenue 2024	September 16, 2024	October – December 2024
FCC Form 499-Q November 1, 2024	1Q projected 2025 3Q revenue 2024	December 16, 2024	January – March 2025

²⁹

Quarterly Filing Periods

Filing Dates – from the FCC Form 499-Q

One form is used to file all four of the quarterly filings. The relevant time periods are included on the form showing the filer exactly what time periods the form is reporting.

Below is a screen shot from E-File's data entry for the FCC Form 499-Q. You can find a copy of this form on our <u>website</u>.

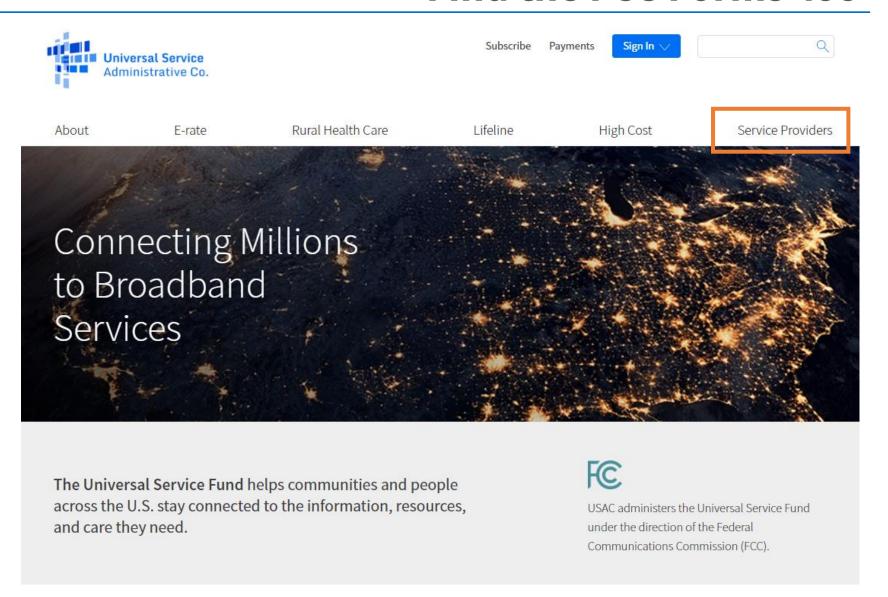
Block 3: Contributor Historical and Projected Revenue Information					
113. Indicate which Quarterly filling this represents					
	Filling due November 1, 2023	Historical revenues (lines 115-118) for July 1 - September 30, 2023	Projected revenues (lines 119-120) for January 1 - March 31 2024		
	February 1, 2024	October 1 - December 31, 2023	April 1 - June 30, 2024		
	○ May 1, 2024 ○ August 1, 2024	January 1 - March 31, 2024 April 1 - June 30, 2024	July 1 - September 30, 2024 October 1 - December 31, 2024		

Find the FCC Forms 499

Navigate to USAC's website: www.usac.org

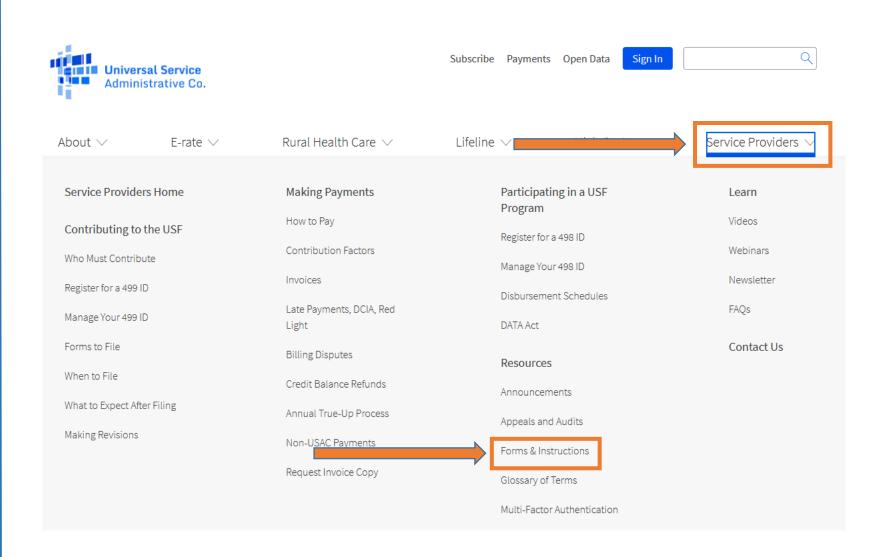
Click on the words "Service Providers" from the top right hand of page.

Mega Menu will display with further menu selections for Service Providers.



Find the FCC Forms

Select "Forms & Instructions" from the drop-down mega menu.



Form 499 & Instructions

All 3 forms relevant to Service Providers can be found on this page.

The paper copy of the instructions as well as the form itself are listed in this section. Actual forms are the last pages of the instructions document.

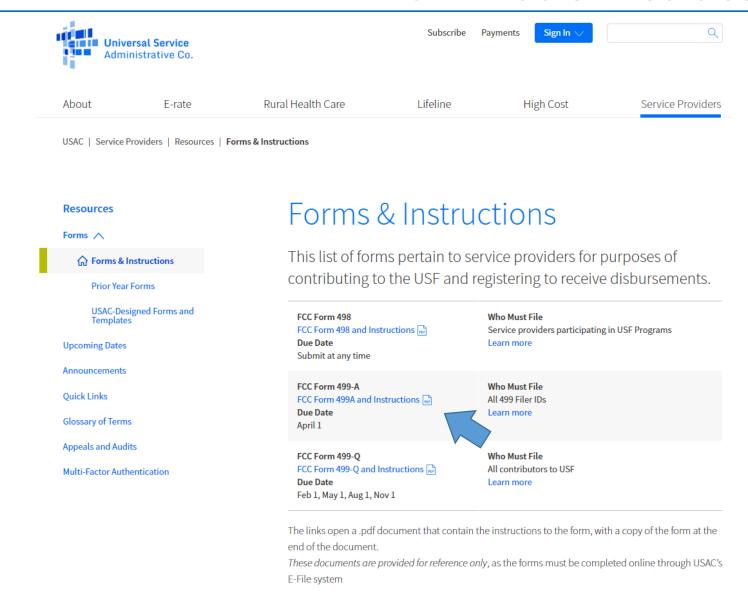
Click on the name to open up a .pdf document.

FCC Form 499-Q

filed 4 times a year.

FCC Form 499-A

filed once a year



Questions?

Quarterly Filing

Who is Required to File the 499-Q

FCC Form 499-Q Purpose

What is it?

- The FCC Form 499-Q (quarterly) is used to determine the amount of money a company must contribute to the universal service fund for a quarter.
 - It is similar in concept to the IRS quarterly estimated tax forms a business must file.
- While the filer reports both historical and projected revenues on the form, only
 the projected revenues are used to determine the contribution amount billed
 in the upcoming quarter.

Define "de minimis"

Definition of *de minimis*

A filer qualifies for *de minimis* status for a given calendar year when the revenue reported on its corresponding FCC Form 499-A is such that the calculated annual contribution to the federal Universal Service Fund is less than \$10,000.

Annual Revenue Threshold

For calendar year 2024, filers that bill less than **\$41,841** of <u>combined **end user** interstate and international telecommunication revenues</u> will be considered *de minimis* for 2024.

If the company has determined that they will be required to be a direct contributor to the Federal Universal Service Fund, that company must file an FCC Form 499-Q, the quarterly filing.

Who Must File

- Every non de minimis telecommunications company must file the FCC Form 499-Q. This means
 your company is a direct contributor to the FUSF and is billed monthly by USAC. If the company
 does not file, a late filing fee will be applied.
- 2. De minimis filers are not required to file the FCC Form 499-Q, but must notify USAC of their status by selecting the de minimis button on their main screen.



Filing Online

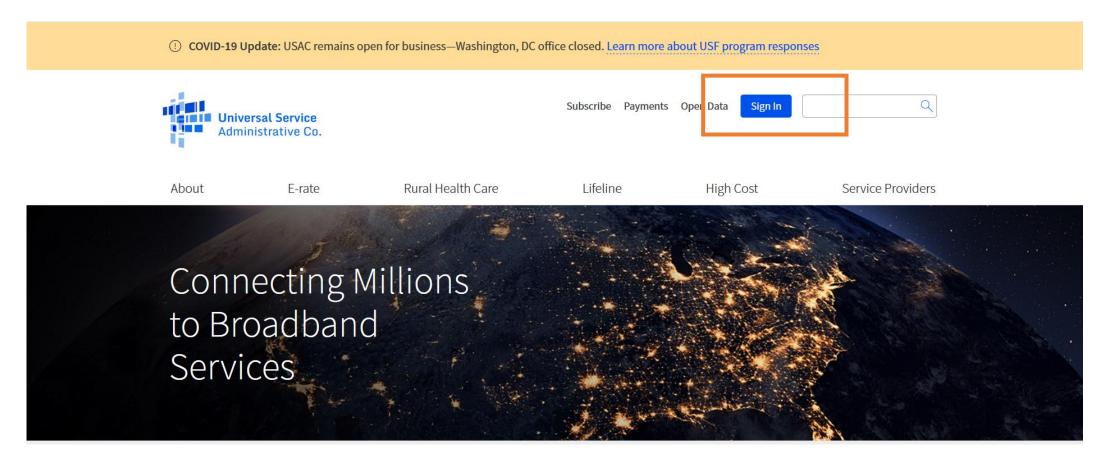
Accessing the Forms Through E-File

Online Filing – Before You Start

- Chrome and Firefox internet browsers are recommended.
 - Safari and mobile access is not recommended.
- Make sure your internet browser's 'pop up blocker' is OFF.
 - The system opens a new window to display the data entry screen for the FCC Form 499-Q.
 - If you have clicked 'Start Form' and you don't see a new, smaller window you most likely have the pop-ups blocked.
- Please ensure these email addresses from USAC don't go to your SPAM folder!
 - Important USAC communication comes from the following emails:
 - √ 'form499@usac.org'
 - √ 'CustomerSupport@usac.org'
 - √ 'form499@universalservice.org'
- Not sure if you are de minimis or not? FILE the form anyway!
 - We would rather have you report your revenues than us having to estimate on your behalf.

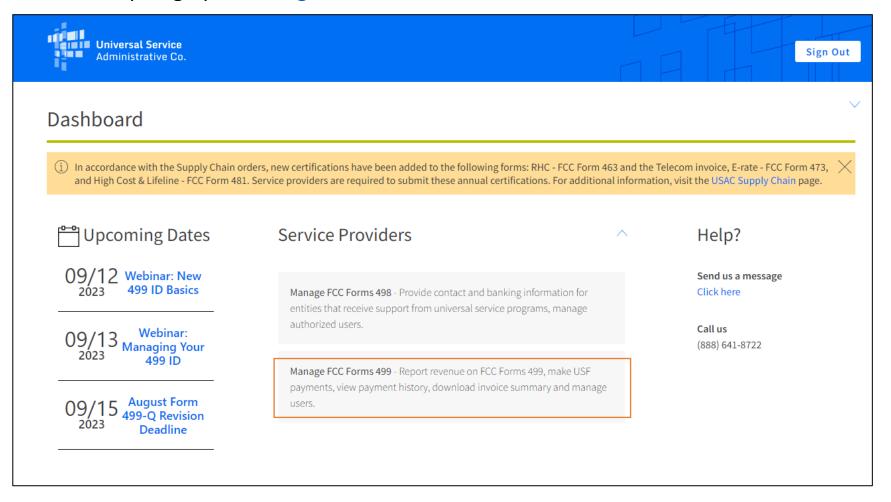
Log in to E-File

All data entry and submission of 499 forms is done while logged in to USAC's online system called E-File. You can log in from the main USAC webpage, www.usac.org, by clicking the blue 'Sign In' button at the top of the page.



Online Filing the FCC Forms 499

Once logged in to E-File, the service provider portal will appear. Only systems in which you have authorization to access will appear. In this example, the user can only access the 498 ID and the 499 Filer ID. Select the paragraph 'Manage FCC Forms 499'.

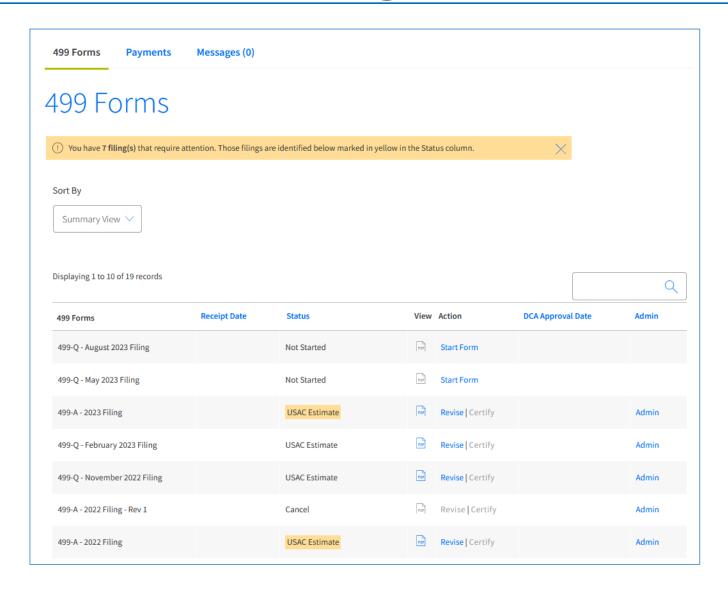


Online Filing the FCC Forms 499

Using the E-File navigation system, navigate to the Filer ID that you wish to work on, if you have more than one 499 Filer ID.

Scroll to the bottom of the screen and summary view of the FCC Form 499s.

The forms are listed in chronological order. In the 'Action' column, your choices for form entry are in blue.

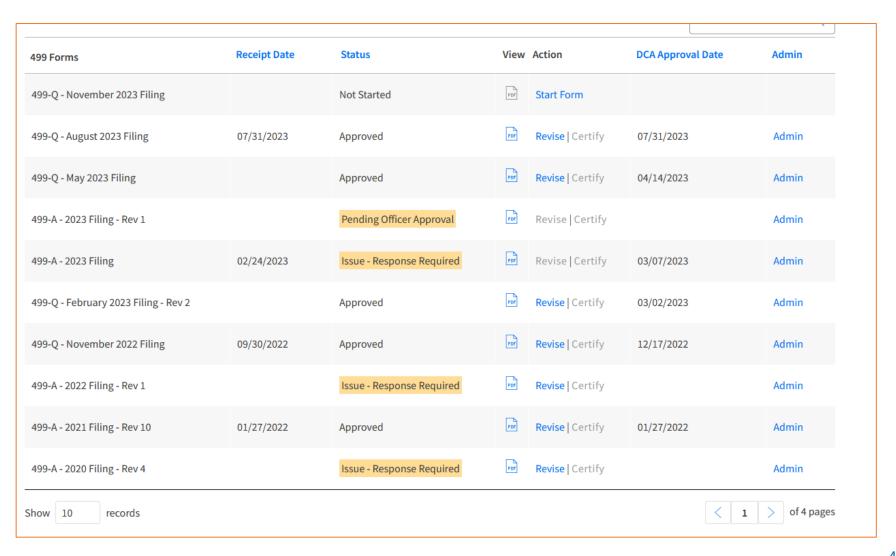


Online FCC Form Status

There are a number of different statuses that a form can be assigned.

Not Started, Certified, DCA Approved are the most common.

A complete list of the different statuses can be found <u>here</u>.



Monthly Invoice

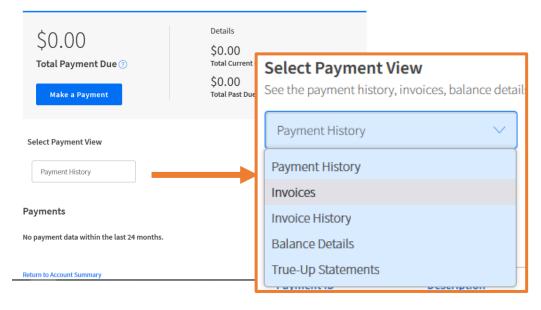
How USAC Uses the Revenues on the 499-Q

USAC Online Invoice

On or around the 15th of the month, an online invoice is available to authorized users in E-File.

To access this invoice page, from the 'Payments' section, scroll down to the 'Select Payment View', click in the box, and select 'Invoices'.

Summary



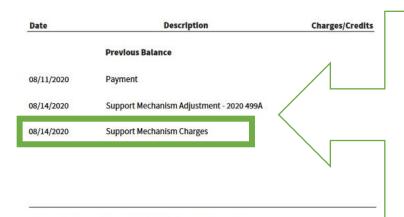


Invoice Number Statement Date: 08/21/2020 New Balance

Payment Due Date: 09/15/2020

Filer ID Billing Contact

STATEMENT OF ACCOUNT



"Support
Mechanism
Charge" is
your monthly
contribution.

TOTAL OUTSTANDING USAC BALANCE AS OF 08/14/2020

Transactions occurring after 08/14/2020 are not reflected in this statement.

*Please note that this is just the summary page of your invoice. A full invoice with more detail is being mailed to you.

Payment Information

To make payments go to www.usac.org/pay

Under the Debt Collection Improvement Act of 1996 (Pub. L. 104-134) (DCIA), your BALANCE DUE is a demand that you pay a DEBT owed to the United States on or before the DUE DATE. Any portion of the DEBT unpaid after the DUE DATE is a DELINQUENT DEBT, which incurs interest at the annual rate equal to the U.S. prime rate as of the DATE OF DELINQUENCY plus 3.5 percent from that DATE until the DEBT is paid in full. Any portion of the DEBT unpaid more

USAC Paper Invoice

Page 1, Lower left hand side

FORM 499Q DATA

This month's support mechanism charges were calculated using an FCC contribution factor of 0.212000 and the following revenue data:

November 2019 499Q

120b \$108,378.00 120c \$0.00

If the figures do not correspond with your records, please contact USAC Customer Service at 888-641-8722

USAC takes the revenue input on Line 120b + 120c This is displayed on your invoice, page 1, lower left corner.

USAC outlines the calculations for the monthly contribution amount on page 2 of the invoice.

DETAILED SUMMARY OF CHARGES AND CREDITS

SUPPORT MECHANISM CHARGES

Your monthly support mechanism charges were calculated according to the following formulas:

Quarterly Contribution Base

The quarterly contribution base is a portion of your quarterly revenue that USAC considers when determining your quarterly Universal Service Fund contribution. The quarterly contribution base equals your interstate plus international revenue. Your current quarterly contribution base equals:

\$ 108,378.00		\$ 0.00		\$ 108,378.00
Interstate Revenue (Line 120B)	+	International Revenue (Line 120C)	=	Quarterly Contribution Base

Adjusted Quarterly Contribution

USAC adjusts carriers' quarterly contribution bases by the amount that they are expected to contribute in that quarter. The calculation for an adjusted contribution amount is as follows, and takes into account the circularity deduction:



De Minimis Eligibility

Carriers whose expected annual contribution is less than \$10,000 are considered de minimis and are exempted from paying into the Universal Service Fund. To be exempt, a carrier must meet the de minimis criteria on both the current 499A and 499Q forms.

You meet the de minimis criteria on neither the 499A or the current 499Q. Therefore, you are not eligible for the de minimis exemption during the current quarter.

Your eligibility was calculated using the contribution factors established by the FCC for determining de minimis status on each form:

	\$ 466,977.82 499A Contribution Base	. *	0.178000 FCC Estimated Annual Factor	=	\$ 83,122.05 Estimated 499A Contribution
499Q:					
	\$ 18,939.32	*	4	=	\$ 75,757.30
	Adjusted Contribution		•		Estimated 499Q Contribution

For more information on the FCC estimated annual factor, please see the Form 499A Instructions. For more information on the current FCC contribution factor, visit the FCC website at www.fcc.gov.

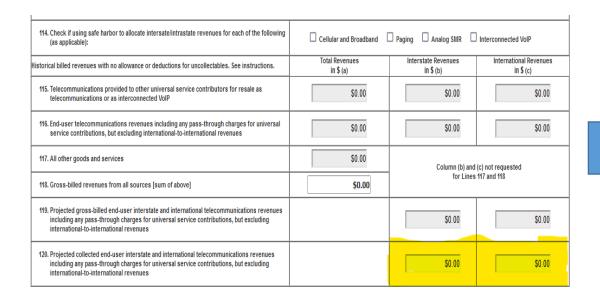
Support Mechanism Charges

Your total monthly contribution is determined by multiplying one-third of your adjusted quarterly contribution base by the current quarter's FCC contribution factor.

1/3 *	\$ 18,939.32	=	\$ 6,313.11
	Adjusted Quarterly Contribution		Total Monthly Contribution

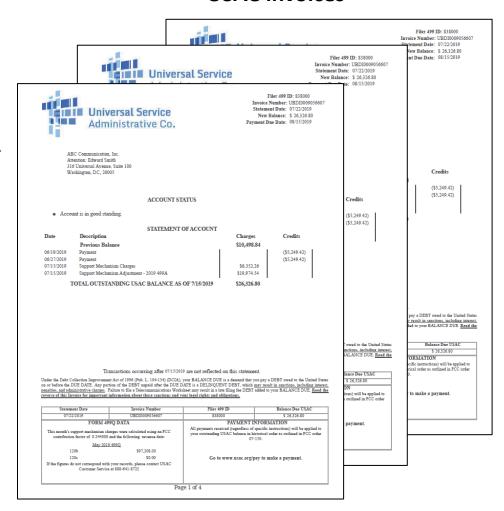
USAC Paper Invoice

February 2024 FCC Form 499-Q



The revenue projections entered on <u>Line 120</u> will be used for determining your contribution amounts billed on the <u>2nd quarter of 2024 invoices</u>.

April, May, June 2024 USAC invoices



Questions?

Annual Filing FCC Form 499-A

FCC Form 499-A Purpose

What is it?

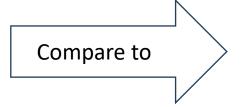
A company reports their actual historical revenues on the FCC Form 499-A.

The 2024 FCC Form 499-A reports actual revenues from calendar year 2023.

USAC takes the revenue on the 2024 FCC Form 499-A and compares to the projected revenue from the quarterly FCC Forms 499-Q that were filed in 2023.

Estimated Revenues - Total for Year

499-Q November 2022 Filing (1Q 2023) 499-Q February 2023 Filing (2Q 2023) 499-Q May 2023 Filing (3Q 2023) 499-Q August 2023 Filing (4Q 2023)



Actual Revenues

2024 FCC Form 499-A
 January – December 2023

Annual True-Up

Compare 499-Q revenue to the 499-A revenue

If the company's projected revenues for calendar year 2023, reported on the FCC Form 499-Qs, are **too high**, USAC will calculate your credit.

The company 'contributed' too much over the year.

If the company's projected revenues are **too low**, USAC will calculate a "true-up charge" to make up for the contribution deficit.

The company didn't contribute enough over the year.

These charges/credits will appear on the company's July invoice from USAC.

Certify and Submit

Complete the FCC Form 499

Certify & Submit

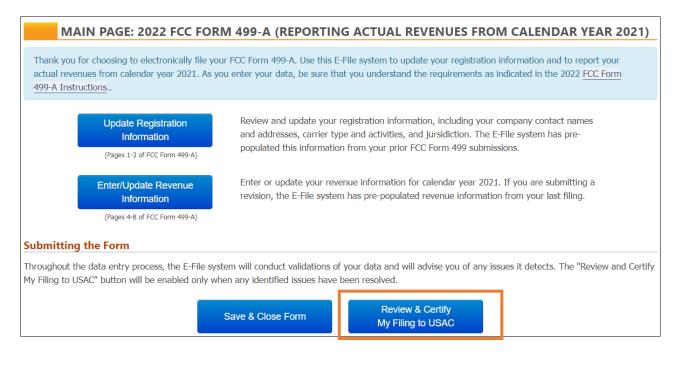
Review, Certify & Submit

Once the data entry is complete on the FCC Form 499-A, USAC does not consider it submitted until a Company Officer electronically signs (certify) and submits the form.

E-File preparers cannot submit the FCC Form 499-A, only a Company Officer can.

E-File gives the officer two methods for certifying forms.





Third Party Funds

Administrators Receiving 499-A Information

Third Party Funds

Authorized Access to Annual Form Data

- The administrators of each of the funds below use the revenue reported on the FCC Form 499-A to calculate and assess any necessary contributions.
- These administrators will notify companies of their required contributions to each of these funds. You will be invoiced separately for each of these funds.
- On a monthly basis, USAC provides the administrators with data from the most recent FCC Form 499-A filed.
- This data includes contact information, receipt date information, and reported revenues.
- For more information, refer to the FCC Form 499-A instructions on who is required to contribute to these funds and what revenue line number is provided.

Third Party Funds

- 1. **Telecommunications Relay Services (TRS)** enables an individual who is deaf, hard of hearing, deaf-blind, or who has a speech disability to communicate by telephone or other device through the telephone system at no additional cost. Every common carrier interstate telecommunications services and every VoIP provider (including interconnected and non-interconnected) must contribute to the TRS Fund. See 47 C.F.R. Sections 64.601(b), 64.604.
- 2. Local Number Portability (LNP) enables end users to keep their telephone number when switching from one telecommunications service provider to another. The shared costs of long-term number portability attributable to a regional database shall be recovered from all telecommunications carriers and interconnected VoIP providers servicing a given region. See 47 C.F.R. Section 52.32.
- 3. North American Numbering Plan Administration (NANP) is a numbering scheme for the public switched telecommunications networks (PSTN) within the United States, Canada, and participating Caribbean countries. All telecommunications carriers and interconnected VoIP providers in the United States shall contribute to meet the costs of establishing numbering administration. See 47 C.F.R. Section 52.17.
- 4. In addition, the FCC utilizes the revenue data contained in the FCC Form 499-A to bill carriers **Interstate Telecommunications Service Provider (ITSP)** regulatory fees. The ITSP is collected to cover the regulatory costs associated with the FCC's enforcement, policy and rulemaking, user information, and international activities. See 47 U.S.C. Section 159(a).

Third Party Fund Administrators

List of Companies and Contact Information

<u>Fund</u>	Administrator	Customer Service Number
TRS	RolkaLoube – Public Utility and Telecommunications Consulting	(717) 585-6605
LNPA	Telcordia Technologies dba iconectiv	(844) 560-8050
NANPA	North American Numbering Plan (NANP)	(613) 760-4512
ITSP	Federal Communications Commission (FCC)	(877) 480-3201, Option 6

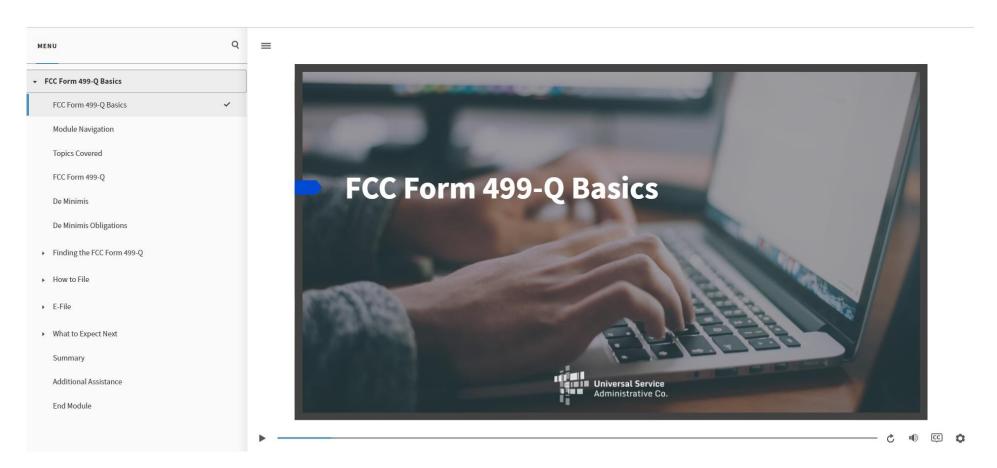
Form Specific Training

Resources On-Line

Training Video for Filing the FCC Form 499-Q

You can find an FCC Form 499-Q training module that explains the form and walks a user through filing the FCC Form 499-Q. It is self-paced and includes a menu so you can skip to specific sections.

This video is found on our 'Videos' page or directly by clicking this <u>link</u>.



Webinars for Filing the FCC Form 499-A

In-depth training for the annual form happens every February. The webinars are recorded and found on the Webinars <u>webpage</u>.

The following are recommended for reviewing how to complete an FCC Form 499-A.

2023 FCC Form 499-A: VoIP Providers and Resellers 2023-499A-Series-VoIP-Providers	February 09, 2023 58:44	Watch
2023 FCC Form 499-A: Wireline and Wireless Carriers 2023-499A-Series-Wireline-Mobile-Service-Providers	February 08, 2023 54:34 minutes	Watch
2023 FCC Form 499-A: Getting Started 2023-499A-Series-General-Info	February 07, 2023 1:00:24 minutes	Watch
Office Hours: What's New on the 2023 FCC Form 499-A Feb23 Contributor Office Hours	February 02, 2023 42:58 minutes	Watch

2024 Annual Training Announcements

Wednesday, February 7 – What's New on the 2024 FCC Form 499-A

Review of the changes to this year's form

Monday, February 12 – 2024 FCC Form 499-A: Getting Started

General session reviewing the revenue collected and how to complete the form

Wednesday, February 14 - 2024 FCC Form 499-A: VoIP Providers and Resellers

Review of specific line number reporting for VoIP service providers

Thursday, March 7 – **Office Hours: Access to E-File**

Review how to access and navigate E-File, set up new users, user roles.

All webinars are 2 p.m. – 3 p.m ET. <u>Register here</u>. Webinars will be recorded and posted on the same website where you register.

Weekly Webinars - Questions about the Annual Form

* New * this year. Scheduled opportunities to ask questions about completing the 2024 FCC Form 499-A

Friday, March 8 – **Annual Form Training: Registration Questions**

Review of information found in Block 1 and Block 2.

Friday, March 15 – Annual Form Training: Wholesale Revenue (Block 3)

Review of line numbers reporting revenue in Block 3.

Friday, March 22 - Annual Form Training: End User Revenue (Block 4)

Review of line numbers reporting revenue in Block 3.

Friday, March 29 - Annual Form Training: Regional Percentages and Certification

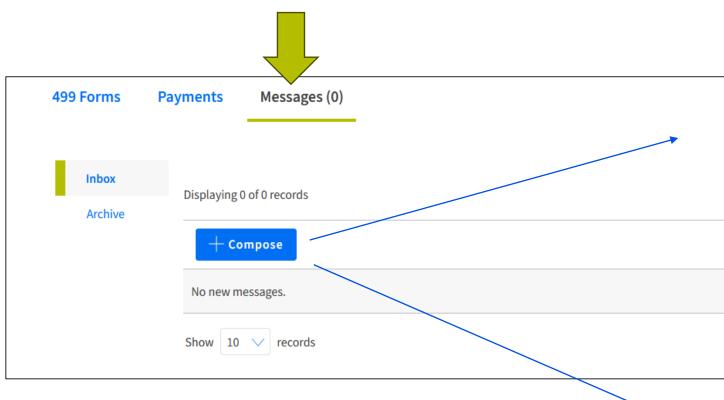
Review of information reported in Block 5.

All webinars are 2 p.m. – 3 p.m ET. <u>Register here</u>. Webinars will be recorded and posted on the same website where you register.

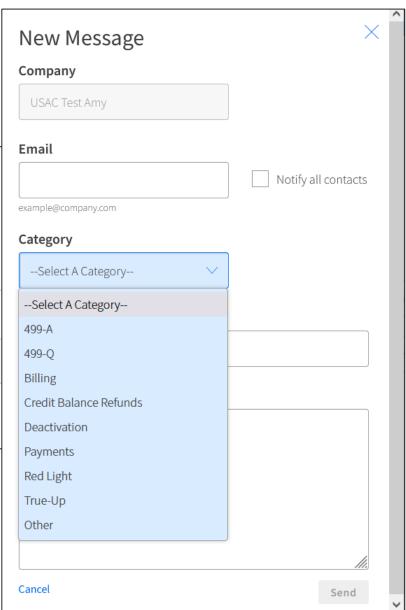
Questions?

How to Contact USAC

E-File Message Portal



Send a message to the Service Provider team directly through the new Message Portal in E-File.



Contributors/Service Providers Customer Service Center (CSC)



Call us at (888) 641-8722

Monday – Friday 9 a.m. to 5 p.m. ET



Email: CustomerSupport@usac.org

- Include in your email
 - 498 ID/Service Provider ID Number (SPIN)
 - 499 Filer ID

