

E-rate 2.0 Workshop

- Welcome / Introductions/ Agenda
- 7th Order and Report Major Changes

E-rate 2.0 Workshop

Welcome / Introductions / Agenda

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Special Thanks to Workshop Hosts!

E-rate Modernization Order Highlights

Agenda

- E-rate Modernization Highlights
- Getting Started
- FCC Form 471
- Break
- Category 2 – Discounts for Internal Connections
- Competitive Bidding
- Wrap-up

Speed – Simplification – Spending

E-rate Modernization Order

E-rate Modernization Order Highlights

Program Goals

- Close the Wi-Fi Gap by encouraging high speed broadband to support digital learning in schools
- Maximize cost-effective spending for E-rate supported purchases
- Simplify E-rate processes

E-rate Modernization Order Highlights

Major changes

- FCC goal -- external connections of at least
 - 100 Mbps per 1,000 students by 2015 and
 - 1000 Mbps per 1,000 students by 2018; and
 - 10 Gbps between school district buildings
- Priority 1 and Priority 2 become Category 1 and Category 2
- Discounts will use district averages and apply to all FRNs

E-rate Modernization Order Highlights

Major changes

- C2 funding allows for an internal connections pre-discount project budget of \$150/student over five years
 - Includes routers, switches, wireless access points, internal cabling, racks, wireless controller systems, firewall services (*see Eligible Services List for all eligible services*)
- Phase out of C1 voice-related services will be reduced 20% points per year
- Services such as email, web hosting, voicemail will no longer be eligible beginning FY 2015

E-rate Modernization Order Highlights

Major changes

- FCC will more aggressively enforce the Lowest Corresponding Price (LCP) rule
- FCC will make circuit speeds and bandwidth costs more transparent from the USAC website starting in FY 2015
- Consortium applications will be streamlined and expedited
- Urban/Rural status will be updated from the 2010 U.S. Census.

E-rate Modernization Order Highlights

Major changes

- Starting in FY 2016, entities who pay the full cost of their services will be able to get direct reimbursement through USAC, instead of through their service provider
- The document retention period for applicants, providers, consortium leads and bidders has been extended from 5 to 10 years

Getting Started

- Eligible Services List
- Billed Entity Numbers and Associations
- Urban / Rural Status
- NDE MembershipData

Getting Started

Eligible Services List

- Focus support on Broadband
- Phase down of Voice Services
- Eliminates outdated legacy services and other former Priority One services

Getting Started

C1 Eligible Services

- ATM
- Broadband over Power Lines
- Cable Modem
- DSL
- DS-1, DS-2, DS-3
- Ethernet
- Fiber (Lit and Dark)
- Frame Relay
- ISDN
- OC-1, OC-3, OC-12, OC-n
- Satellite Services
- SMDS
- Telephone Dialup
- T-1, T-3, Fractional T-1
- Wireless Service (e.g. microwave)

Getting Started

C1 Voice Services Subject to Phase Down

- Centrex
- Circuit capacity dedicated to providing voice service
- Interconnected VoIP
- Local, long distance, 800 service
- POTS / 1FBs
- Radio Loop
- Satellite telephone service
- Shared telephone service
- Wireless telephone service including cellular voice

Getting Started

C1 Ineligible Services

- Web Hosting
- Email
- Voicemail
- Paging
- Directory assistance charges
- Text messaging
- Custom calling services
- DID (Direct inward dialing)
- 900/976 call blocking
- Inside wire maintenance

Getting Started

C2 Eligible Internal Connections

- Wireless Access points
- Cabling
- Caching *
- Firewalls
- Network switches
- Routers
- Racks
- UPS
- Wireless LAN Controllers
- Improvements, upgrades and software necessary to support eligible broadband internal connections components
- Basic Maintenance for FY 2015 and FY 2016

* New item

C2 Eligible Internal Connections

- Miscellaneous Charges
 - Taxes, surcharges and other similar reasonable charges
 - Lease fees to rent or lease eligible components
 - Shipping charges
 - Training
 - Installation and configuration
 - * Installation may be provided by a third party

Getting Started

C2 Managed Internal Broadband Services

- Subject to the Category Two five-year budget approach
- Services provided by a third party
 - Operation
 - Management
 - And/or monitoring of eligible broadband internal connection components
- The third party may manage the school or library's equipment or provide the equipment as part of a lease

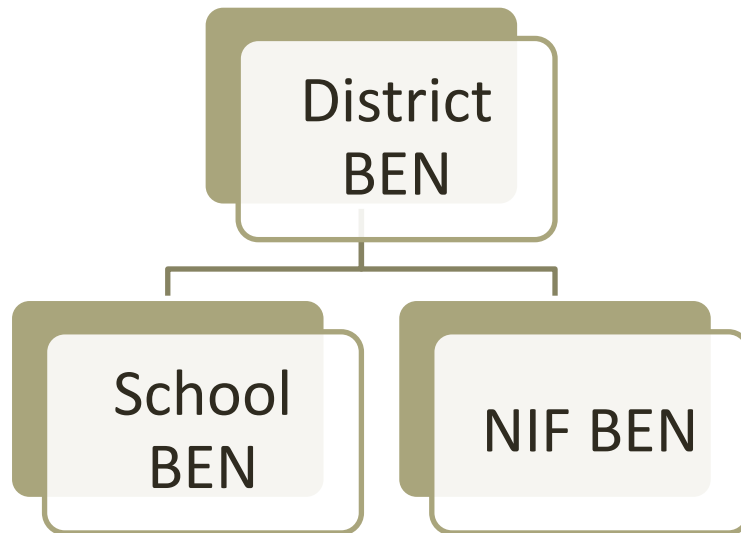
Getting Started

C2 Ineligible Services

- Circuit Cards/Components
- Interfaces
- Gateways
- Antennas
- Servers
- Software
- Storage Devices
- Telephone Components
- Video Components
- Voice over IP components
- Video over IP components

Getting Started

Managing Billed Entities



- ESUs and consortia BENs should be identified as “district”
- Non-Instructional Facilities (NIFs) also need to have BENs (such as administrative bldgs)

May be beneficial to have separate BENs for populations that occupy the same facility – such as middle school / high school (important for C2 budgeting)

Getting Started

Managing Billed Entities

District Billed Entity: 139197
Name: SCOTTSBLUFF PUBLIC SCH DIST
Street: 1722 FIRST AVENUE
City: SCOTTSBLUFF
State: NE

NCES Number: 76470

Zip Code: 69361

Click on Entity Number for detailed information.

Entity Number	Name	State	Category
16051727	BLUFF'S MIDDLE SCHOOL ALS CAMPUS	NE	SCHOOL
79697	BLUFFS MIDDLE SCHOOL	NE	SCHOOL
79699	LINCOLN HEIGHTS ELEM SCHOOL	NE	SCHOOL
79701	LONGFELLOW ELEMENTARY SCHOOL	NE	SCHOOL
79704	ROOSEVELT ELEMENTARY SCHOOL	NE	SCHOOL
16058747	SCOTTSBLUFF PUBLIC SCHOOLS ADMINISTRATION BUILDING	NE	SCHOOL
79698	SCOTTSBLUFF SENIOR HIGH SCHOOL	NE	SCHOOL
79702	WESTMOOR ELEMENTARY SCHOOL	NE	SCHOOL

Click on Entity Number for detailed information.

Getting Started

Managing Billed Entities

<http://www.sl.universalservice.org/menu.asp>

Apply Online

Click on the appropriate button below to file or certify a program form online. Buttons marked "Interview" provide a simple question-and-answer format you can use to complete the form.

- Use [Internet Explorer 6.0](#) and above. Other browsers may cause errors.
- Do not use the 'Back' and 'Forward' buttons on your browser or the 'Enter' key to move through the forms.
- Clear your Internet cache and your temporary Internet files before you begin. If you will be submitting multiple forms, clear your Internet cache after each.
- Turn off your pop-up blocker or set your browser to allow pop-ups in order to receive valuable warnings and error messages.
- When you file a Form 486 or a Form 472, make sure the funding year, Form 471 application number, SPIN and FRN all match.

Refer to [Tips and Troubleshooting](#) for more help.

Refer to the [Forms page](#) to access detailed form instructions. You can also [Submit a Question](#) or call our Client Service Bureau at 1-888-203-8100 for assistance.

Form 470 Description of Services Requested and Certification Form	Form 471 Services Ordered and Certification Form	Form 486 Receipt of Service Confirmation Form	Utilities
Create Form 470	Create Form 471	Create Form 486	BEAR Online
Search Posted	Form 471 Interview	Form 486 Interview	FRN Extension Status
Continue Incomplete	Continue Incomplete	Continue Incomplete	Entity Search
Certify Complete	Certify Complete	Display	Two-In-Five Tool
	Display	Certify Complete	
	Application Status		
	Item 21 Attachment		

Use the Entity
Search Utility Tool
on the USAC
website to verify
the BEN listings
for your
organization.



Getting Started

Urban/Rural Status

- The Urban/Rural Lookup Tool uses the 2010 Census definitions of urban and rural. It allows entities to perform two kinds of searches to locate urban or rural status:
 - Status of an entity (individual school or library)
 - Status of a school district or library system
- If the address of an entity in USAC's database cannot be located or is not correctly formatted, the tool will notify the user that the address cannot be found.

Getting Started

Urban/Rural Lookup Tool – School District

- To determine the status of a school district, it is your responsibility to make sure you have correctly entered all of the entity numbers of the schools in the district.
 - Use the search function to find the school entity numbers, or copy and paste entity numbers from a spreadsheet, or enter entity numbers one by one.
 - **Exclude non-instructional facilities** that are considered part of the school district.
 - When you click the Lookup button, the system will return the results for each school: “U” or “R” or “?”

Getting Started

Urban/Rural Status in Nebraska

- 50,000 + = Urbanized Area
 - Omaha (includes suburban communities e.g. Bellevue)
Lincoln / Grand Island / Others?
- 25,000 – 49,999 = Urban Cluster
 - Fremont / Kearney / Norfolk / North Platte / Scottsbluff
- 0 - 24,999 = Rural
 - All other locations

Stay tuned! December 11 the FCC may decide on these criteria

Getting Started

NDE Fall Membership Data

E-RATE VALIDATION REPORT

- The E-rate Validation Report provides the Official Fall Membership and Free and Reduced lunch counts that are used to calculate the percentage of discount when applying for E-rate funding.
 - [E-Rate Validation Report Instructions](#)

FCC Form 471

- Discounts for Eligible Contracted Services
- Built-in Item 21 Attachment
- Worksheet: New Data Elements Required

Discounts for Eligible Contracted Services

- Discounts are calculated for the organization as a whole.
- Discount rates do not change based on which entities within a district/system are receiving service.
- Consortia continue to use simple average of member discounts.
- Rural status is determined at the district/system level

Revised Discount Matrix

Discount is calculated on the Form 471 Block 4

	Category one schools and libraries discount matrix		Category two schools and libraries discount matrix	
	Discount level		Discount level	
% of students eligible for National School Lunch Program	Urban discount	Rural discount	Urban discount	Rural discount
< 1.....	20	25	20	25
1-19.....	40	50	40	50
20-34.....	50	60	50	60
35-49.....	60	70	60	70
50-74.....	80	80	80	80
75-100.....	90	90	85	85

Note lower top discount rate for Category Two services.

Simplifying Discount Calculations

School Districts

- All schools in the school district get the same discount.
 - Simplifies process by not having to calculate multiple discount rates for different groups of schools.
 - When eligible, Non-Instructional Facilities (NIFs) get the same discount as the schools in district.
 - Single schools within a district never get their own discount rate, even if they are the only school receiving that service.

Simplifying Discount Calculations

Independent Schools (Non-Public)

- Independent schools, not part of a district, calculate their discounts based on their own student population.
- Independent schools, not part of a district, determine urban/rural status based on their own physical address.

Simplifying Discount Calculations

Non-Instructional Facilities (NIFs)

- NIFs get their discount from the district/system, regardless of their physical location and are not counted in the urban/rural determination.

Simplifying Discount Calculations

Consortia

- Consortia calculate their discount based on the simple average of their consortia members. However, all consortia members now are listed at their district-wide discount rate, even if only some schools in the district participate in the consortium.
 - Only consortia entities can get a discount that doesn't come straight from the discount matrix.
- All FRNs, regardless of the entities served, get the same consortia-wide discount rate.

School District Calculations

School District Discount Example

- School District A (10 schools)
 - Total student population 3,000 students
 - Total students eligible for NSLP = 1,000 students
 - All but one of the schools are located in urban areas, so district = urban
 - $1,000 \text{ students eligible for NSLP} / 3,000 \text{ students} = 33\% \text{ eligible}$

School District Calculations

School District Discount Example

- School District A @ 33% eligible

	Category one schools and libraries discount matrix		Category two schools and libraries discount matrix	
	Discount level		Discount level	
% of students eligible for National School Lunch Program	Urban discount	Rural discount	Urban discount	Rural discount
< 1.....	20	25	20	25
1-19.....	40	50	40	50
20-34.....	50	60	50	60
35-49.....	60	70	60	70
50-74.....	80	80	80	80
75-100.....	90	90	85	85

Discount Calculation Documentation

Block 4 data entry

- “Line 7a”: **C2 pre-discount *budget*** will be determined by entering the student population for each school building. The post-discount budget will be calculated for you.
 - Document snapshot student counts used to arrive at your total numbers for PIA and audit purposes, such as for program sites.
- “Line 7b”: **C1 and C2 *discount*** rates will be determined by entering only the district total F/R Fall membership.

Discount Calculation Exceptions

Exceptions to Discount Calculations

- Voice Services Phase Down
 - All voice service (POTS, Centrex, VOIP, cellular voice, etc.) are subject to 20% reduction per year from your regular discount
 - FY 2015 = Regular discount – 20%
 - FY 2016 = Regular discount – 40% etc.
- Category Two Top Discount
 - Top discount rate = 85% instead of 90%

Advanced Discount Calculations

One School; Three Discounts Possible

- ABC High School
 - Total student population = 1,000
 - Total student population eligible for NSLP = 800
 - Category One Discount = 90%
 - Category One Discount *for Voice* = 70% (90% - 20%)
 - Category Two Discount = 85%

Online FCC Form 471

Built-in Item 21 Attachment

- Survey based (progressive disclosure, similar to TurboTax)
- Integrated within the Form 471 – cannot submit until an Item 21 for each FRN is completed.
- Survey asks *all kinds* of technology-related questions (see worksheet)
- Allow for extra time!

Online FCC Form 471

FCC Form 471 online

- More applicant friendly and feature-rich
 - Progressive disclosure – showing the applicant only the screens pertinent to the application type and other information provided earlier in the form.
- Information is entered only once, then presented to the applicant as needed
- Basic flow unchanged Blocks 1-6
(Billed Entity info → recipients of service → details of services and costs → certifications)

Online FCC Form 471

FCC Form 471 online

- Additional features
 - Form navigation arrows at the top of the screen to show progress and pages completed.
 - Timeout feature warns the applicant after 25 minutes of no activity, i.e., no keystrokes or mouse clicks.
 - If no activity occurs after five additional minutes, applicant is timed out AFTER work to that point is saved
 - Error messages and help information written in clearer language.

Online FCC Form 471

FCC Form 471 online

- Online submission only
 - Paper certifications will still be accepted.
 - Using templates, applicants can prepare some data in advance of the filing window.
 - Recipients of service
 - Item 21

Online FCC Form 471

Worksheet

Worksheet Handout provides data elements proposed in the FY 2015 Form 471

<http://www.usac.org/res/documents/sl/pdf/forms/471.pdf>

START EARLY! The person filing the Form 471 will need to consult with technical support staff (such as ESU NOC, building technology coordinators, etc.) to have information for completing required data elements.

2014 E-rate 2.0 Workshop

15 Minute Break

Category 2: Discounts for Internal Connections

- Calculate Pre-discount budget
- Cost Allocation / NIFs

Category Two Budgets

What are Category Two budgets?

- Each school receiving C2 support will have a five-year budget for C2 products and services (those that distribute broadband *within* schools and libraries).
 - Category Two products and services include Internal Connections, Managed Internal Broadband Services, and Basic Maintenance of Internal Connections.
 - Products and services ordered in excess of an entity's C2 budget will not receive E-rate discounts.

Category Two Budgets

Which entities have C2 budgets?

- Each individual school has a pre-discount budget. To be eligible for C2 Budget, the State must recognize the facility as a school.
- School districts may not average their costs across multiple school building budgets.
- Non-instructional facilities (NIFs) – do not have pre-discount budgets. However schools may allocate a portion of their budget to a NIF if it provides connectivity service.

Category Two Budgets

How much is my budget?

- The pre-discount budget for a school is calculated by multiplying the total number of students at the school by \$150, with a minimum of \$9,200 if the school has fewer than 62 students.
- Students who take classes on a regular basis in another school building may be counted in both buildings for C2 budget purposes. HOWEVER you will need to keep records on how you arrived at higher numbers for that school.

Category Two Budgets

How much is my budget?

- Assume 50% discount rate at Red School District
- There are 1,000 student in total. Red High School has 550 students -- *but* 10 middle school students also take advanced classes at the high school part-time.

School	F/T & P/T Students	Pre-discount Category Two Budget	Post-discount Category Two Budget
Red Elementary	100	$100 * 150 = \$15,000$	$\$15,000 * 0.5 = \$7,500$
Red Middle School	300	$300 * 150 = \$45,000$	$\$45,000 * 0.5 = \$22,500$
Mountain Top ES	50	$50 * \$150 = \$9,200$ (floor!)	$\$9,200 * 0.5 = \$4,600$
Red High School	560	$560 * \$150 = \$84,000$	$\$84,000 * 0.5 = \$42,000$
District Office	0	\$0 (NIFs don't qualify)	\$0 (NIFs don't qualify)

Category Two Budgets

How much is my budget ? (cont'd)

- Remember that the budget is PRE-DISCOUNT.
- For example, for a school with 1,000 students:
 - At the **85%** discount rate (the maximum discount rate for Category Two), the school will have a pre-discount budget of \$150,000, but may receive E-rate discounts of up to **\$127,500**.
 - At the **50%** discount rate, the school will have a pre-discount budget of \$150,000, but may receive E-rate discounts of up to **\$75,000**.
 - At the **20%** discount rate, the school will have a pre-discount budget of \$150,000, but may receive E-rate discounts of up to **\$30,000**.

Category Two Budgets

Can my budget change from year to year?

- The budget could increase in FY2016 if the student count increases, or go down on unspent budget funds if your student count decreases.
- The pre-discount budget in FY2016 is decreased based on the commitments featuring your entity, such as
 - FRNs on your application and
 - FRNs on any other application with your entity number (such as on a consortium application) starting with FY2015 commitments.

Category Two Budgets

Example – Population Increase

My school has 100 students and a C2 pre-discount budget of \$15,000. I plan to use the entire amount for FY2015. If we get 20 additional students for FY2016, how does this impact my pre-discount budget?

- Calculate the budget each year using the total number of students that year.
 - In FY2016, 120 students x \$150 per student = \$18,000.
 - Subtract the pre-discount amount used in FY2015 to determine the amount available in FY2016. Subtract \$15,000 budget used in FY2015 from \$18,000.
 - Available pre-discount budget for FY2016 is \$3,000.

Category Two Budgets

Example – New School Estimated Population

On my FCC Form 471, I estimate that 90 students will attend a new school we are building. However, only 80 students actually register and attend. If I am at an 80% discount and I spent my entire pre-discount budget in FY2015, how much money must I return to USAC?

- Original budget for FY2015 = $90 \times \$150 = \$13,500$
- E-rate discount of 80% is \$10,800 in E-rate funding
- Actual budget should have been $80 \times \$150 = \$12,000$
 - E-rate discount of 80% would have been \$9,600
 - $\$10,800 - \$9,600 = \$1,200$ to be returned.

Category Two Budgets

What period of time does my budget cover?

- The pre-discount budget calculation is for a five-year period, starting with the first funding year in which you receive Category Two support.
- NOTE: FCC vote on Dec 11 may required that the Two-in-Five rule will apply to C2 commitments beginning in FY2017.

Category Two Budgets

Cost Allocation / NIFs

- Non-instructional facilities (NIFs) – including school NIFs with classrooms and district and/or consortium administrative buildings– **do not** have pre-discount budgets of their own BUT may receive cost-allocation dollars from school C2 budgets for equipment that serves a district-wide function using the cost allocation formula:
 - “proportional” (bandwidth, number of students, or building square footage)
 - “straight line” (all entities share equally in the cost)
 - “specific” (by some other means defined by the district)

Category Two Budgets

Example 5: Cost Allocation / NIFs

My school district has three schools – School A with 25 students, School B with 50 students, and School C with 75 students. How do I correctly allocate a shared service with a pre-discount cost of \$300?

Straight line

$$A = \$100$$

$$B = \$100$$

$$C = \underline{\$100}$$

$$\$300$$

Proportional by students

$$A = 25/150 \times \$300 = \$50$$

$$B = 50/150 \times \$300 = \$100$$

$$C = 75/150 \times \$300 = \underline{\$150}$$

$$\$300$$

Specific (e.g., usage)

$$A \text{ uses } 30\% = \$90$$

$$B \text{ uses } 15\% = \$45$$

$$C \text{ uses } 55\% = \underline{\$165}$$

$$\$300$$

Category Two Budgets

How are services counted against my budget?

- If no funding has been distributed on an FRN, or if you underspend your funding request, file an FCC Form 500 to return the funding to USAC. Otherwise the funds will be removed from your building budget.
- Example:
 - Your FRN is approved for \$20,000, but you only spend \$15,000.
 - File the Form 500 and select *Reduce FRN Amount*, do not cancel.

Category Two Budgets

Pre-view: Requesting Goods and Services

- Assess internal connection needs
- Develop a project timeline
- Post a Form 470
 - Recommend also posting an RFP (next session)
- Follow the rules! Fair and competitive using 28-day posting rule (29 is safer!)

Category Two Budgets

Pre-view: Requesting Goods and Services

- Open bids, determine winning vendor(s) with cost as predominant factor
- May use mini-bid method for additional pricing options
- Sign legally binding agreement with project implementation conditional on E-rate funding
- File Form 471
- **Expenditures can begin April 1, 2015 --**
However, if funding is not approved these costs will not be eligible for reimbursement or discount.

Competitive Bidding

- Purpose of a Form 470
- Definition and Purpose of a Request for Proposal
- Components of an RFP
- E-rate processes: Bids and Contracts

Steps in the Erate Process

Presentation focuses on Steps 2 and 3

- 1- Technology Planning
- 2- Competitive Bidding** (Form 470)
- 3- Selecting Service Providers**
- 4- Applying for Discounts (Form 471)
- 5- Application Review (PIA)
- 6- Starting Services (Form 486)
- 7- Invoicing (Form 472 or BEAR)

Definition and Purpose

FCC Form 470

- What is a Form 470 --
 - Applicants post an FCC Form 470 to the USAC website to open a competitive bidding process.
- The Form 470 helps --
 - Identify and request the products and services you need so that potential service providers can review those requests and submit bids for them
 - Must be posted on USAC's website for at least 28 days before an applicant can close its competitive bidding process, select a service provider for tariffed or month-to-month services, and/or select a service provider.

Definition and Purpose

FCC Form 470

OMB 3060-0806

Entity Number _____ Applicant's Form Identifier _____

Contact Person _____ Contact Telephone Number _____

Block 2: Summary Description of Needs or Services Requested (Attach additional pages if needed)

10 Category Two: Internal Connections and Managed Internal Broadband Services

If you check YES to indicate you have a Request for Proposals (RFP) that specifies the services you are seeking, your RFP must be available to all interested bidders for at least 28 days. If your RFP is not available to all interested bidders, or if you check NO and you have or intend to have an RFP, you risk denial of your funding requests.

a ☐ YES, I have released or intend to release an RFP for one or more of these services. It is available or will become available on the Internet at:

or via (check one)

☐ the contact person in Item 6 or

☐ the contact person listed in Item 12.

Your RFP Identifier: _____

b ☐ NO, I have not released and do not intend to release an RFP for any of these services.

Whether you check YES or NO, you must list below the Internal Connections and Managed Internal Broadband services you seek. Specify each service (e.g., a router, hub and cabling) and quantity and/or capacity (e.g., connecting 1 classroom of 30 students).

Service

Quantity and/or Capacity

11 Category Two: Basic Maintenance of Internal Connections

If you check YES to indicate you have a request for proposals (RFP) that specifies the services you are seeking, your RFP must be available to all interested bidders for at least 28 days. If your RFP is not available to all interested

Definition and Purpose

What is an RFP?

- A competitive bidding process is a formal process to identify and request the products and services you need so that potential service providers can review those requests and submit bids for them.
- Ensures that suppliers respond factually and uniformly to the identified requirements.
- Often includes legal protection and assurances which often become part of the contract vehicle

Definition and Purpose

What an RFP does

- Spells out your specific needs to potential vendors and invites them to submit bids for you to review
- Allows for wide distribution and response by bidders
- Brings structure and impartiality to the procurement decision and identifies the risks and benefits clearly up front
- Provides a process allowing you to choose the vendor that can provide the best level of service for your business within the budget you allow

Components of an RFP

Sections to be discussed

1. General information; scope and features of the product or service requested
2. Glossary (optional)
3. Boilerplate; legal terms and conditions
4. Calendar of events; timeline for notifications
5. Method and means of communication

Components of an RFP

Sections (cont'd)

6. Technical requirements and specifications – what you want
7. Evaluation procedures – tell how you will evaluate
8. Required forms: Response sheets, contact sheet, cost proposal
9. References
10. Appendices

Components of an RFP

1. General Information

- Who are you?
- What goods or services are you bidding?
- When are the significant milestones of this RFP?
- Where should bid responses be submitted?
- Why are you bidding?
- How or in what form are bid responses submitted?
(e.g. printed, removable media, online)

Components of an RFP

2. Glossary

- Enables you to define key terms, legal and technical
- Develops a common language and vocabulary
- Minimizes misunderstandings

Components of an RFP

3. Boilerplate; legal terms and conditions (samples)

- Site rules and regulations
- Notification
- **Early** termination
- Funding out clause or loss of appropriations
- Breach by contractor
- Assurances before breach
- Penalty
- Site Force majeure
- Prohibition against advance payment
- **Payment**
- **Invoices**
- Audit requirements
- **Taxes**
- Inspection and approval
- Changes in scope/change orders

Components of an RFP

4. Calendar of Events / Timelines

- Release of the RFP
- Last day to submit written questions
- Vendor meetings before or after release
- Bid response due date / time
- Evaluation
- Intent to Award
- Contract

Components of an RFP

5. Methods and Means of Communication

- **Local entity:** Describe the method (e.g. e-mail, phone, written questions) and time frame within which communication will be allowed.
- **State of Nebraska:** “From the date the Request for Proposal is issued until a determination is announced regarding the selection of the contractor, contact regarding this project between potential contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.” (i.e. fax, U.S. mail, e-mail)

Components of an RFP

6. Technical Requirements and Specifications

- Identify what you want in terms that bidders can understand
 - E.G. numbers of circuits, speeds, media types, quantities, locations, types of hand offs, etc.
- Bidder disqualification criteria must be spelled out in FCC Form 470 and/or RFP and be available to all.
- Will alternate proposals be accepted?
- You may require that bidders check the box:
“The bidder has read, understands, and agrees to comply”

Components of an RFP

6. Technical Requirements (cont'd)

- Be specific enough to attract multiple viable bids but not so specific as to disqualify any potential, competitive bidders
 - Cannot list specific make and model of services sought without also allowing equivalent products and/or services to be bid.
 - “XYZ manufacturer's router model 345J or equivalent”
- Applicants may set some eligible service requirements.
 - Applicants may require service providers to provide services that are compatible with one kind of system over another (e.g. Brand X compatible).

Components of an RFP

7. Evaluation Procedures

- Explain exactly how you plan to evaluate the bid responses—it explains to vendors which factors you deem most important
- Construct the evaluation tool BEFORE the RFP is released
- Price must be the primary factor
 - Option 1--May use a rubric with multiple factors and variable weighting
 - Option 2--May use “cost only” = Non-recurring cost [NRC] + (XX months x Monthly recurring cost [MRC]) = Total Cost

Components of an RFP

8. Required Forms

- Response sheets—
 - “I have read, understand, and agree to comply”
 - Accept & Initial
- Bidder contact sheet—
 - Name, title, address, phone, e-mail, fax, etc...
- Cost proposal—
 - Units of sale, contract term in months, non-recurring costs, monthly recurring costs, optional services ...

Components of an RFP

9. References (optional)

- May request names and contact information of previous customers who can attest to the ability of the bidder to deliver the required result;
- If references are scored in the evaluation rubric, references should be requested of ALL bidders

Components of an RFP

10. Appendices (optional)

- floor plans
- network diagrams
- definitions of featured services
- maps
- interfaces
- etc...

E-rate Processes

Form 470

- Form 470 is REQUIRED
- RFP is NOT required, but very helpful
- Form 470 can reference or point to the URL of the RFP
- Must wait at least 28 days after the date that the Form 470 is posted or the date the RFP is issued, whichever is later, before closing the competitive bidding process

E-rate Processes

Fair and Competitive

- All bidders must be treated the same
- No bidder can have advance knowledge of the project
- There are no secrets in the process - such as information shared with one bidder but not with others - and that all bidders know what is required of them.

E-Rate Processes

Steps in the Process (reprise)

- 1- Technology Planning
- 2- Competitive Bidding** (Form 470)
- 3- Selecting Service Providers**
- 4- Applying for Discounts (Form 471)
- 5- Application Review (PIA)
- 6- Starting Services (Form 486)
- 7- Invoicing (Form 472 or BEAR)

E-rate Processes

Step 3: Selecting Service Provider(s)

- Perform the evaluation
- Final evaluation scores are public information
- Post or Release an 'Intent to Award'
- Contact all bidders
- Negotiate Terms and Conditions
- Collect Certificates of Insurance
- Submit Performance Bonds (optional)
- Finalize, sign, and post contracts

E-rate Processes

Step 3: Selecting Service Provider(s)

- Price of the **ELIGIBLE** goods and services must be the primary factor in the bid evaluation.
 - When placing bids to offer E-rate supported services, service providers must offer E-rate applicants their lowest corresponding, and must charge E-rate applicants their lowest corresponding price.
- Other factors, including other price factors, can be considered as well; but they cannot be weighted equally or higher than cost of the eligible goods and services.

E-rate Processes

Sample Rubric

Factor	Weight
Price of the eligible products and services	40%
Prior experience	25%
Ineligible cost factors	20%
Local Vendor	15%
Total	100%

E-rate Processes

Contracts

- Applicants must have a signed contract or ***other legally binding agreement*** in place prior to submitting their FCC Forms 471 to USAC.
- Signed contracts constitute the best evidence that a legally binding agreement exists.
 - A verbal offer and/or acceptance will not be considered evidence of the existence of a legally binding agreement.
- Tariffed or Month-to-Month service purchased under contract is contracted service.
 - Purchase orders must be considered a contract or legally binding agreement in this state in which you reside.
- Voluntary contract extensions are allowable only when the option is stated in the original provisions of the contract.

E-rate Processes

State Master Contracts

- A state master contract (SMC) is competitively bid and put in place by a state government for use by multiple entities in that state.
 - **Single winner:** Single vendor wins the bid.
 - **Multiple winners:** State awards contract to several bidders.
 - **Multiple Award Schedule (MAS):** State awards contract for same goods and services to multiple vendors that can serve the same population.
 - Multiple winners always require vendor selection justification and applicants must conduct a mini-bid to award contract.

Wrap-Up

- PIA and Audit To-Do's
- Document Retention Schedule
- List of Deadlines

PIA and Audit To Do's

As an Applicant, can you show:

- Adequate connections for the number of computers
- Staff has been trained to use technology
- Funds have been budgeted to support equipment and services
- Service providers did not provide gifts or participate in decision making
- Contracts with extensions should not be longer than 5 years
- Pay invoices on time
- Retain all Erate documentation for 10 years past last date of service.
- Return unused funds using Form 500

PIA and Audit To Do's

Inventory C2 Equipment

- Installation, Disposal or Trade-in of Equipment
 - Equipment purchased with universal service discounts must serve the entities specified on the FCC Form 471 Funding Request Number (FRN) approved by USAC,
 - applicants need to ensure that they have not transferred the equipment in a manner inconsistent with FCC rules.
 - Applicants can dispose of obsolete equipment for payment or other consideration, but no sooner than five years after the equipment is installed.
 - Equipment purchased with Schools and Libraries Program discounts can also be traded in, but no sooner than five years after the equipment is installed. Trade-ins are not allowed before this five-year period has elapsed.

Document Retention Schedule

New Timeframes

- 10 years from last date to receive service.
 - FY 2015: this is at least June 30, 2026
- Any document from a prior year that supports current year must be kept until 10 years from last date to receive service as well.
 - E.g., Contract from 2010 for recurring services, used to support FY 2015 FRNs, must be kept until at least June 30, 2026
- Documents may be retained in electronic format or paper and must be disclosed upon request.

Document Retention Schedule

What to Keep

- Copies of bids.
- Contracts signed with service providers.
- Correspondence with service providers regarding bidding process.
- Copies of bid matrix or decision process for selecting winning bid.
- Proof of delivery of the service.
- Documentation of any service down time.
- Logs of maintenance performed.
- Documents that support cost allocation of funds for eligible services.
- Inventory of C-2 Equipment Installation and Removal

FORM OR EVENT	DEADLINE OR DATES: <i>Exact dates will be posted on the USAC webpage</i>
Funding Year	July 1 through June 30 the following year
Form 470 <i>Description of Services Requested and Certification Form</i>	Posted at least 28 days before filing the Form 471, keeping in mind (1) the timeframe for compliance with all competitive bidding requirements and (2) the Form 470 application filing window opening and closing dates.
Form 471 Window	Early January through mid-March preceding the start of the Funding years (exact dates for each funding year will be posted on the USAC website).
Form 471 <i>Services Ordered and Certification Form</i>	Received or postmarked no later than 120 days after the date of the Funding Commitment Decision Letter or 120 days after the Service Start Date, whichever is later.
Form 486 <i>Receipt of Services Confirmation Form</i>	Received or postmarked no later than 120 days after the date of the Funding Commitment Decision Letter (FCDL) or 120 days after the Service Start Date, whichever is later.
Form 472 <i>BEAR: Billed Entity Applicant Reimbursement Form, or</i> FORM 474 <i>SPI: Service Provider Invoice Form</i>	Release of funds to either the applicant (BEAR) or the service provider (SPI). Received or postmarked no later than 120 days after the date of the Form 486 Notification Letter or 120 days after the last date to receive service, whichever is later.

Special Thanks to Workshop Hosts!



Questions?

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