



E-rate Funding Year 2024

July 1, 2024 – June 30, 2025

Questions Re Bidding, Contracts and Form 471 Filing

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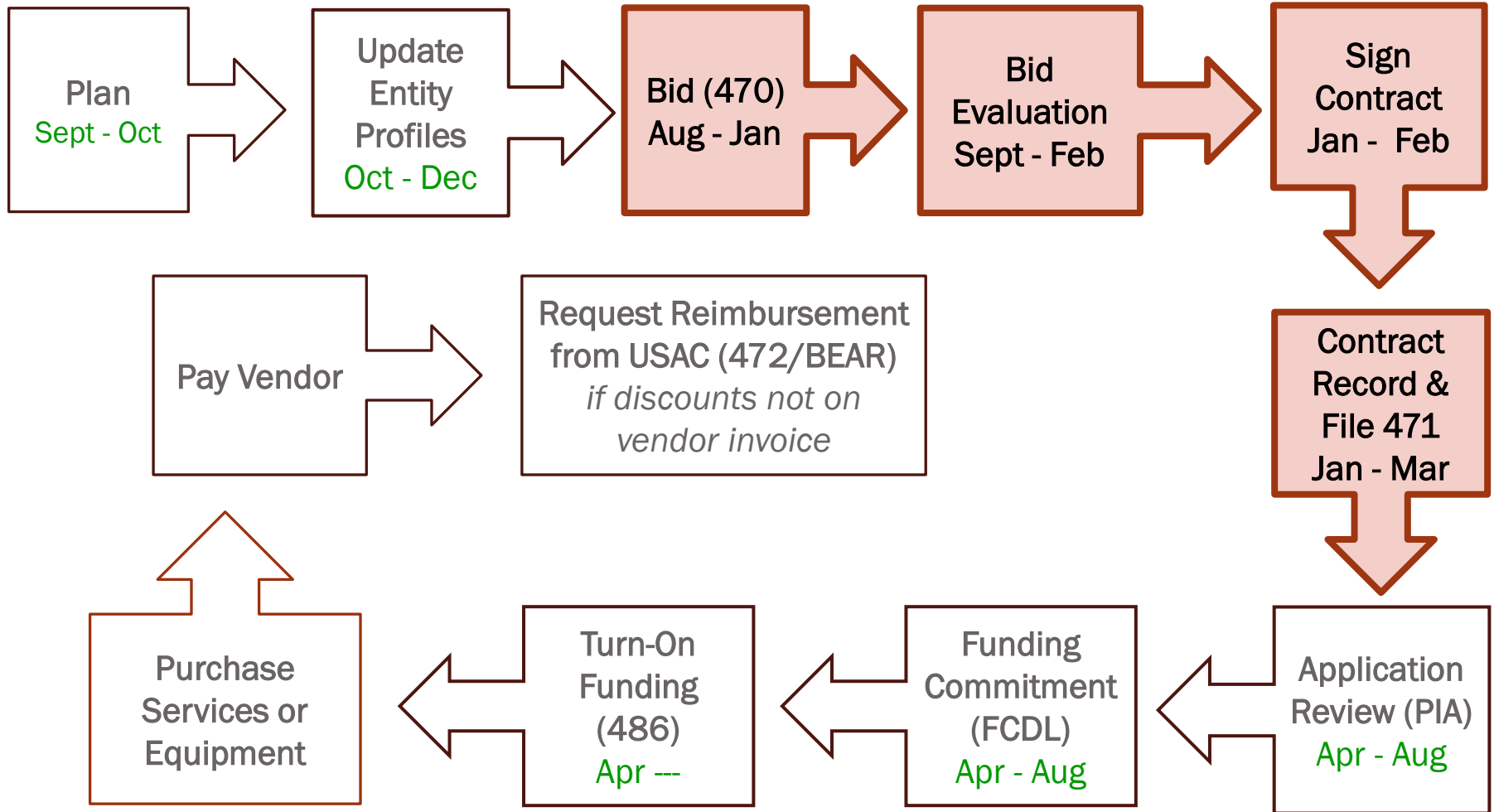
888 232 0241



E-rate Funding Years – Dates to Remember

	APPLICATION PROCESS				RECURRING SERVICES		NON-RECURRING EQUIPMENT/SERVICES	
	Admin Window EPC Profile Updates 	Form 470 Competitive Bidding 	Form 471 Application Window to Request Discounts 	Form 486 Service Start Date + CIPA Certification 	Delivery Dates (Category 1 or 2) 	Form 472 BEAR Invoicing Deadline 	Purchase/Installation Dates 	Form 472 BEAR Invoicing Deadline 
FY 2024	Oct. 24, 2023 to Jan. 12, 2024	July 1, 2023 To Feb. 28, 2024 (29-days before 471 deadline)	Jan. 17, 2024 – Mar. 27, 2024	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2024 to June 30, 2025	Oct. 28, 2025	April 1, 2024 to Sept. 30, 2025	Jan. 28, 2026
FY 2023	Oct. 25, 2022 to Jan. 16, 2023	July 1, 2022 To Feb. 28, 2023 (29-days before 471 deadline)	Jan. 18, 2023 – Mar. 28, 2023	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2023 to June 30, 2024	Oct. 28, 2024	April 1, 2023 to Sept. 30, 2024	Jan. 28, 2025
FY 2022	Oct. 26, 2021 to Jan. 10, 2021	July 1, 2021 To Feb. 22, 2022 (29-days before 471 deadline)	Jan. 12, 2022 – Mar. 22, 2022	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2022 to June 30, 2023	Oct. 28, 2023	April 1, 2022 to Sept. 30, 2023	Jan. 28, 2024
Notes	Don't bid if in an existing, E-rate-valid, multi-year contract that expires on or after June 2022		A 471 must be filed every year to receive \$\$	FCDL = Funding Commitment Decision Letter	Broadband, Internet, Maintenance Services are Recurring	May request one 120-day extension if submitted by BEAR deadline	Non-recurring = one-time purchases	May request one 120-day extension if submitted by BEAR deadline

Where we are:



Important Dates

- February 28 – last day to post Form 470 and still have time to submit Form 471 on time
- March 27 – Form 471 filing deadline
- Steps to complete –
 - Post Form 470 for new equipment/service or expiring contract
 - Bid evaluation
 - Sign contract
 - Contract Record in EPC
 - File Form 471



Form 470 Bidding

COMPETITIVE BIDDING
ONLINE FORM

Form 470 is required for:

- New service or equipment
- Existing service under contract that will expire before June 30, 2025
- Month to month non-contract existing service

When a Form 470 is NOT required

- **Multi-year contract** that will be in effect through at least 6/30/2025 and was previously bid on a form 470
- Contract expires before 6/30/2025 but has specific years of **voluntary extensions noted in the contract**
 - Need to execute a written amendment/extension before filing 471
- **Commercially Available Business Internet Service**
 - Publicly available to non-residential customers (such as enterprise, small business, or other government customers) in the same form and at the same rates that it is offered to schools or libraries
 - Total annual pre-discount cost for the service, including any one-time costs such as installation, does not exceed \$3,600 per year per school or library
 - Service must provide bandwidth speeds of at least 100 Mbps downstream and 10 Mbps upstream

Form 470 Reminders

- All service requests for both C1 and C2 may be on the same Form 470
- Any supplemental information to be shared with vendors that is not on the Form 470 is considered a **Request for Proposal**
 - The document must be prepared before starting the Form 470 and uploaded as part of the Form 470
 - RFPs are only mandatory for dark fiber, self-provisioning and C1 network equipment
 - If information is updated or added to after the Form 470 is first submitted, the updated info must be uploaded, and the 28-day bidding period must be restarted
- If you did not specify a bid deadline in the Form 470, you must review all bids received up until you conduct your bid evaluation.

Form 470 Reminders (continued)

In the narrative text box, provide details about your service requests to help vendors prepare knowledgeable proposals

- For example, name and address of buildings needing the service

Whether you want MTM or contract service

- If contract service is requested, do you want voluntary extension options?
- What is the initial term of the contract you want?
 - Prices may be different depending on length of initial term

List disqualification factors

- Although it's mentioned as a suggestion, other E-rate program guidance says it's a **mandatory** requirement for any disqualification factors to be listed in Form 470
- If you require installation to be bid by the same vendor bidding on equipment, then state this in the narrative, and explain that bids without installation will be disqualified.

Importance of Open & Fair Bidding

Careful review by SLD to ensure compliance

- Non-compliant bidding  funding denials
- If detected after funding approval  Rescission & repayment required

Disgruntled bidder may become a whistleblower

- All allegations of unfair bidding practices are investigated thoroughly
- Form 471 applications are subjected to heightened scrutiny
- Delay in processing Form 471 and receiving funding approval
- Payment of BEAR reimbursements or SPIs are held until investigation is completed

Vendor Communications

- Applicants may reach out to E-rate vendors and notify them of the Form 470 during 28-day bidding period in a neutral manner
- Vendors are permitted to contact applicants for more information about the pending Form 470
- *You CANNOT say you are just going to stay with your current vendor – this is a competitive bidding violation and could lead to denial of your funding application!*
- Auto-bids or Spam Bids: You should look at these bids and **not** automatically reject them without review
 - Review for compliance with minimum bid requirements
 - If bid fails minimum bid requirements, disqualify
 - Keep record of areas where bid does not comply with Form 470 minimum bid requirements

?? about Open & Fair Bidding

If you have any concerns that your bidding process to date does not adhere to the open & fair bidding standard --

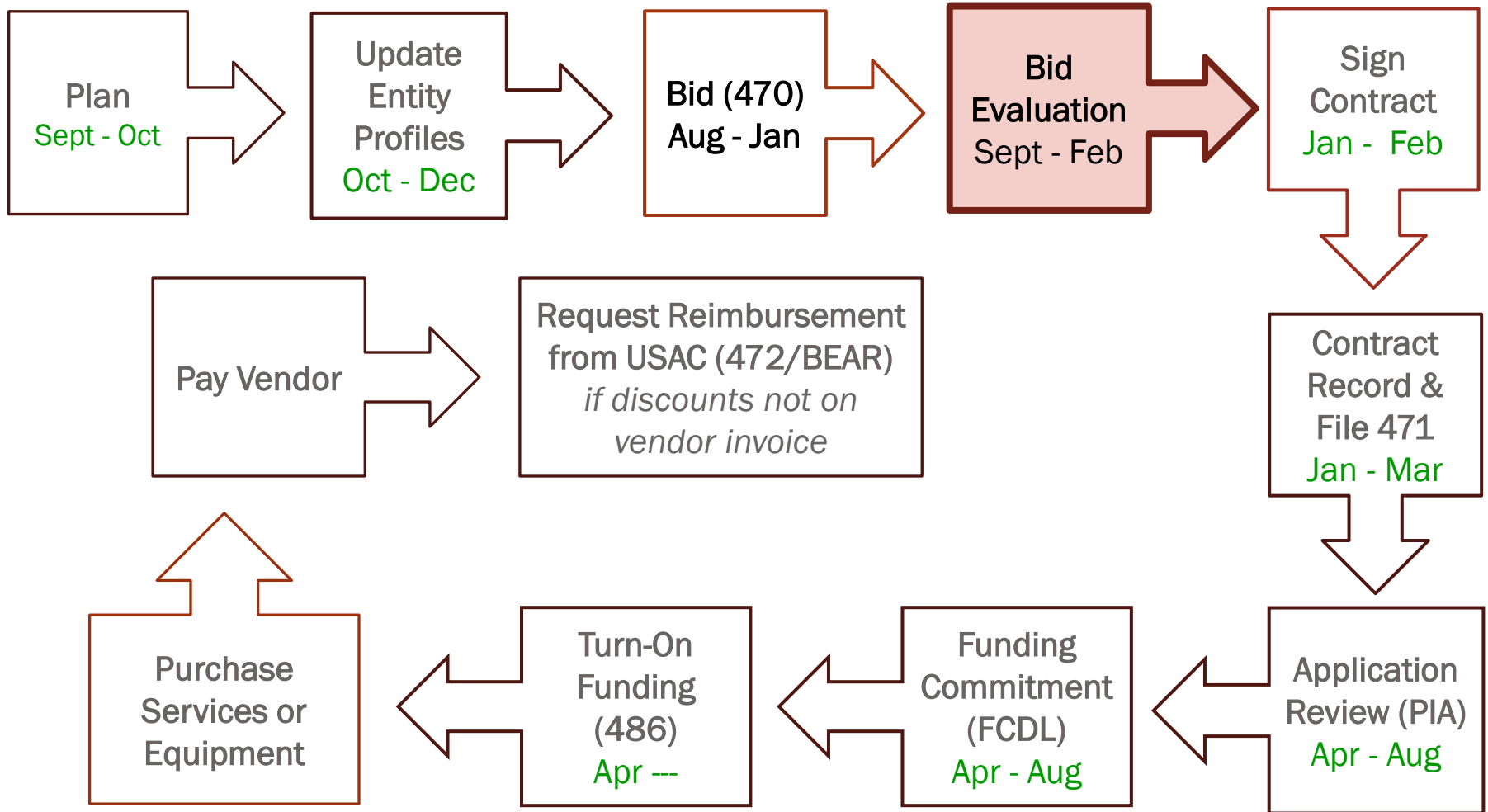
- Start over and post new Form 470 – provided your new Form 470 is posted in time to meet 28-day minimum bidding period.
- Your existing Form 470 cannot be canceled officially or taken down off the web site
- However, you can modify the nickname of the 470 and write the word “cancelled” as part of the new description
- Notify vendors that have contacted you that you are starting over & email the new Form 470 to them

Starting early with posting your Form 470 allows you to have time to start over if you need to



Bid Evaluation

Where we are:



Overview

- After waiting 28 days from the Form 470 posting date, it's time to evaluate bids.
- Rely on the deadline set forth in your Form 470 if it was later than the minimum 28 day waiting period.
- **Applicants** must perform bid evaluation and select winning bidder.
- Consultant may make recommendations and provide guidance, but the Applicant must .
 - Review proposals to verify compliance with minimum bid requirements.
 - Keep record of reasons for disqualification of any non-compliant bids.
 - If Form 470 (or RFP) was silent on bid deadline, consider all bids received until the date you conduct your bid evaluation

Cost-Effective Standard

- Price of E-rate eligible services and equipment must be most heavily weighted factor
- Other factors with lower weighting than E-rate eligible price may be evaluated
- You can use as few or as many evaluation factors as you like, and you can assign points to the factors you use to reflect their relative importance as long as E-rate eligible price is most heavily weighted.
- Examples (not exhaustive) list of other factors:
 - Prior experience including past performance;
 - Personnel qualifications including technical excellence;
 - Management capability including schedule compliance;
 - Technical solution
 - **Ineligible** costs

4 Different Scenarios

1. No proposal received for **existing** service
2. No proposal received for a **new** service or equipment request
3. **One proposal** received for a service request
4. **Two or more proposals** received for same service request

No Bid Received – Existing Service

- Verify existing vendor will continue to provide the service
- Document the vendor selection by creating a “No Bid” memo or email
- Necessary to ensure documentation is clear on your decision-making process for selecting the vendor
- If existing vendor will not offer same service next year, proceed to next scenario

No Bid – New Service/Equipment

- Form 470 requested new service or equipment, and no vendor submitted a bid
- Applicant should contact one or more E-rate vendors and request a bid/proposal

Single Bid Received

- Must ensure the proposal is reasonably priced and therefore cost-effective
- Conduct independent price research online and save documentation
- If price is reasonable, then prepare memo to the file explaining your decision-making process
- If price is not reasonable, solicit bid from other vendor(s) and review price reasonableness and document process

Evaluation of 2 or More Bids

- Must create and complete formal bid evaluation matrix
- Provide notes to explain scoring
- Ensure you are comparing “like” proposals

C2 Alternative Manufacturer Bids

- 470s that stated a specific manufacturer preference are required to consider proposals for other manufacturers' equipment/service
- Review documentation submitted by vendor and determine -
 - Initially, was the required information submitted and met minimum bid qualifications?
 - Is equipment comparable?
 - Is equipment interoperable with existing equipment?
 - Document your review, analysis and conclusions.
 - These considerations may be reflected in the bid evaluation.

Sample Evaluation – Ex. 1

Factor	Maximum # Points
Price of the eligible products and services	50
Technical solution <i>(Equivalence, compatibility and interoperability of equipment with existing equipment)</i>	20
Ineligible cost factors <i>(Additional costs not paid by E-rate to implement solution)</i>	20
Management capability <i>(Personnel qualifications, prior experience)</i>	10
Total Available Points	100

Price Formula Recommendation

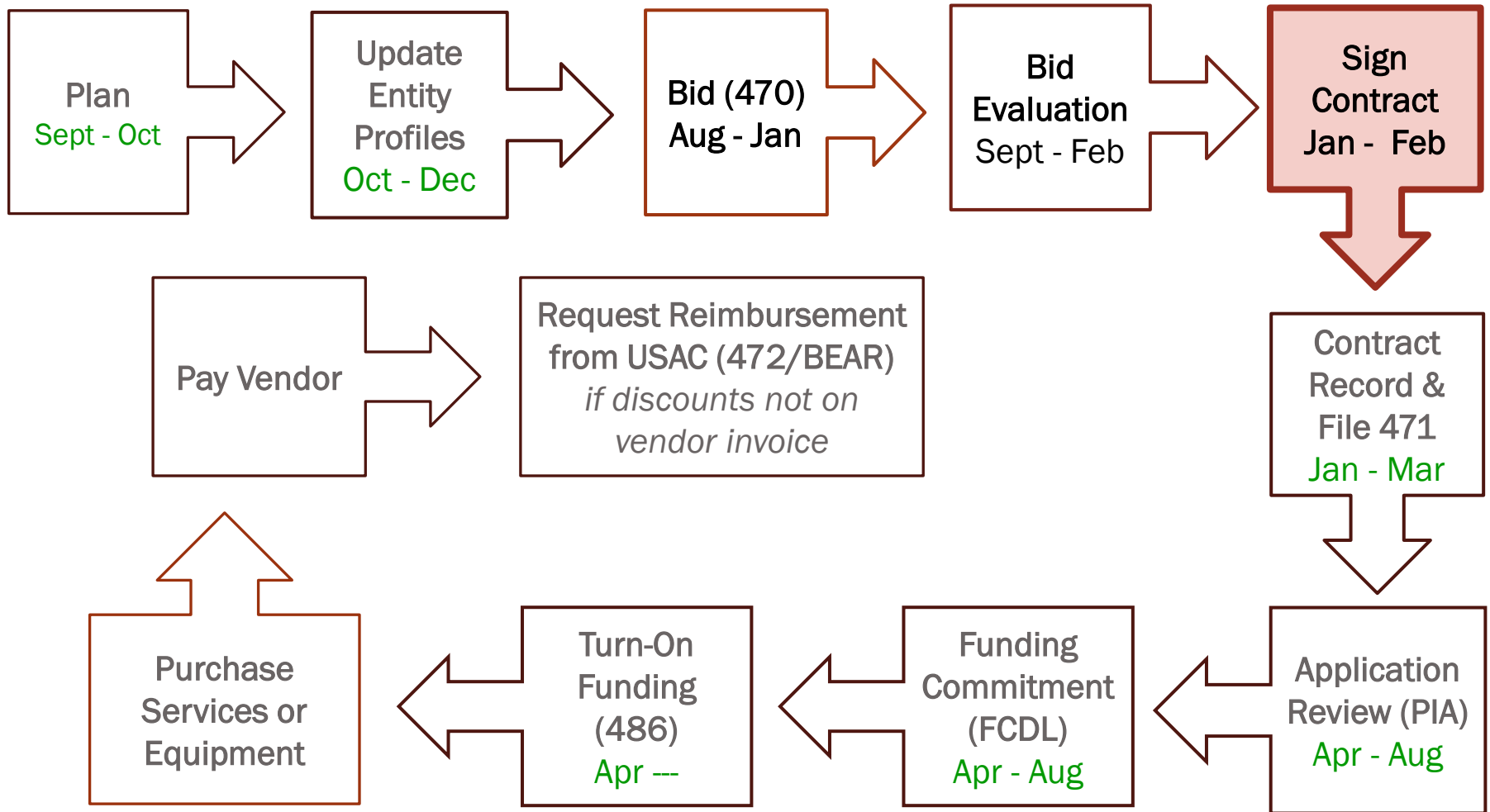
- Calculate a weight (percentage) based on the difference between a proposal's cost and the lowest proposal's cost.
- Then multiply the percentage by total number of points for price.
- This is NOT required by E-rate but ensures price is scored fairly.

Description	Max Pts	Vendor A	Vendor B	Vendor C
Total E-rate Eligible Cost	60	\$600	\$800	\$1,200
% to Lowest Bid Cost Low Bid Cost / Bid Cost		100% (600/600)	75% (600/800)	50% (600/1200)
Weighted Cost (% x Max # points)		60	45	30



Contracts

Where we are:



When **C1** Contracts are required

- New Category 1 services that are not MTM
 - Posted a FY 2024 Form 470
- Amending existing Category 1 contract to add additional service quantity or extend term
- Original contract must allow for the amendment
 - Language was included on Form 470 and in contract for additional service and/or specific # years of voluntary extensions
 - Amendment should be in writing and signed by Applicant prior to completing Form 471
 - If time does not allow, send email to Vendor with information for amendment or extension

When **C2** Contracts are required

- All new Category 2 equipment and services require a signed contract
 - Posted a FY 2024 Form 470
 - One-time equipment purchases (Internal connections)
 - Basic Maintenance of Internal Connections
 - Managed Internal Broadband Services
- Rarely seen, but it's possible to amend BMIC and MIBS to extend term
 - Language must have been included on Form 470 and in original contract for voluntary extensions

Contract Timing & Steps

- **AFTER** 28 days from posting date of Form 470
- **AFTER** completion of bid evaluation and vendor selection
- Applicant Signature **BEFORE** filing 471
- Contract Record created **BEFORE** filing 471

Planning Considerations

- Contract language draft
 - From vendor?
 - From you?
- Do you need internal approvals before signing the contract(s)?
 - Legal review?
 - Board approval?
- Incorporate step(s) into your timeline

Step by Step

- Bid evaluation completed
 - Does bid evaluation need internal approval?
- Notify winning and losing bidders
 - Can be done via email
 - Ask winning bidder to provide a contract or quote that is suitable for signing OR
 - Provide your own draft contract

C1 Recurring Services Contracts

– Minimum Requirements

- Vendor Name – verify the name matches the vendor’s SPIN
 - Some vendors use a “D/B/A” (doing business as) name that is different from legal name.
- Applicant Name
- Contract initial term – use July 1 of the funding year as start date and June 30 of the expiration year.
- Describe service being purchased.
 - Make sure this matches your Form 470 to ensure E-rate discount funding approval.

C1 Recurring Services Contracts

– Other Info to Include

- Include contract extension options
 - Do not agree to auto-renewals because they are not E-rate compliant
- Specify optional bandwidth increases and associated prices
- Itemize service locations – name and address
- Specify price of the service & whether taxes are extra; if extra obtain email estimate from vendor
- Specify discounted bills if essential to your school or library

C2 Equipment Contracts

- Vendor Name – verify the name matches the vendor’s SPIN
 - Some vendors use a “D/B/A” (doing business as) name that is different from legal name
- Applicant Name
- Contract initial term – use 4/1/2024 as start date and 9/30/2025 for expiration
- Itemize make, model, quantity, unit cost and extended cost being purchased & any services such as installation or BMIC/MIBS scope
 - Make sure this matches your Form 470 to ensure E-rate discount funding approval

C2 Equipment Contracts

- Include contract extension option
 - “Applicant has the option to voluntarily extend the term of the contract for one year to align with E-rate funding approval”
- Itemize any taxes and surcharges
- Itemize shipping charges if applicable
- Specify discounted bills if essential to your school or library
- Signature of school/library official required prior to submitting Form 471
 - If time permits insist on vendor signature before 471 submission to ensure no last-minute changes

C2 Equipment Contracts

E-rate approval contingency

- If you don't want to purchase the equipment unless E-rate funding is approved, include contingency
 - "This contract is contingent upon successful receipt of E-rate funding commitment letter, board budget approval and a written notice to proceed from the customer. Customer may choose to waive the E-rate funding approval contingency in which Customer will be responsible for paying the full cost and will submit for E-rate reimbursement upon receipt of E-rate funding commitment letter."

C2 BMIC & MIBS Contracts

- BMIC – Basic Maintenance of Internal Connections
- MIBS – Managed Internal Broadband Services
- Both types of services are recurring services
 - Contract term should begin 7/1 of funding year, and end 6/30 of the year in which initial term ends

BMIC & MIBS Contracts

- List covered equipment
 - Make and model number, quantity
 - Must separate out any ineligible equipment and associated service costs
- BMIC E-rate compliant scope of services
 - Repair and upkeep of eligible hardware
 - Wire and cable maintenance
 - Configuration changes
 - Basic technical support including online and telephone-based technical support
 - Software upgrades and patches including bug fixes and security patches

MIBS Scope of Services

- Operation, management, and monitoring of eligible broadband internal connections
- Management and operation of the LAN/WLAN, including installation, activation, and initial configuration of eligible components and on-site training on the use of eligible equipment
- Specify equipment that is being leased from MIBS vendor (if any)

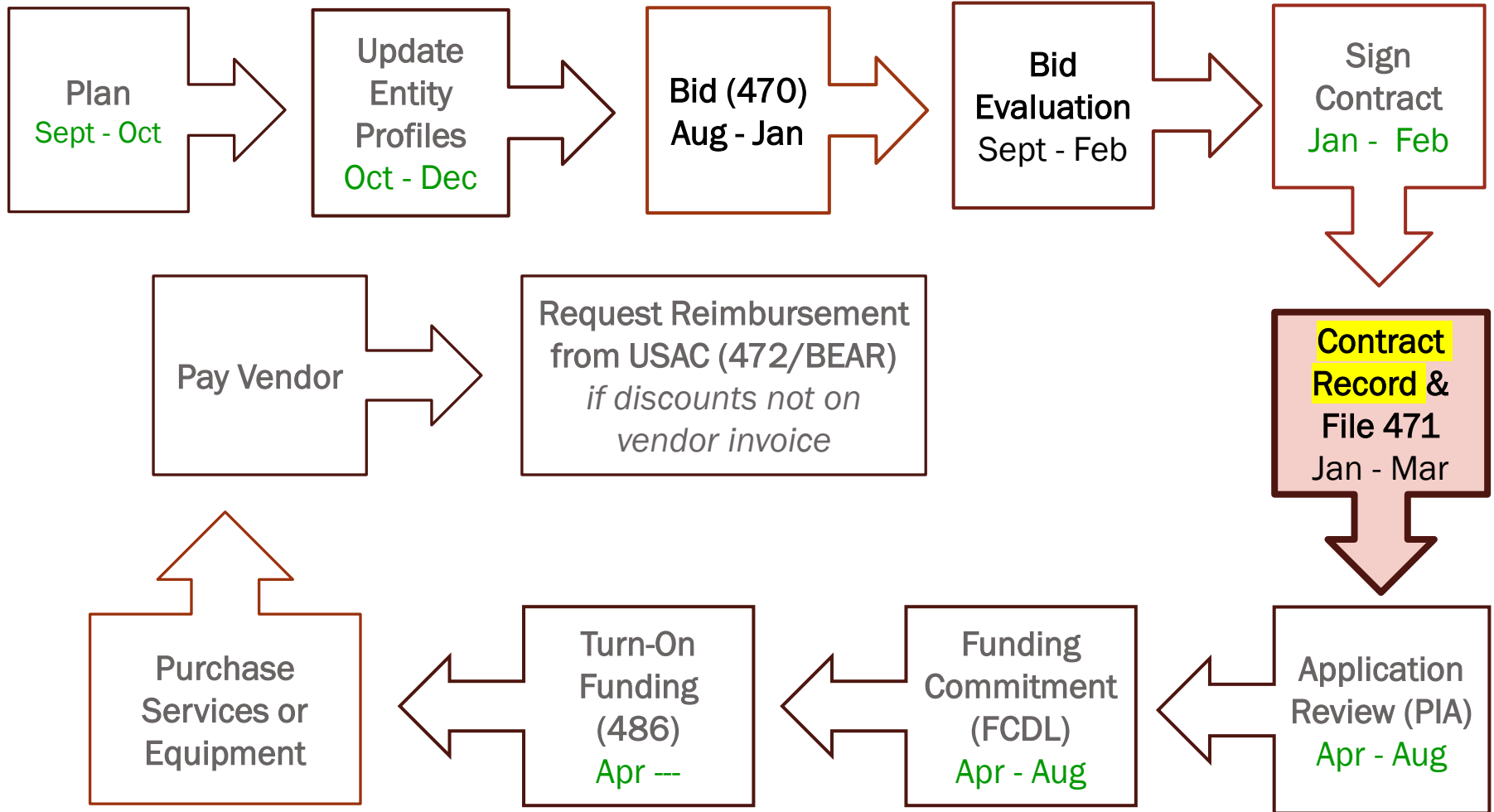
Contract Award Date

- EPC will ask for contract award date
 - Rely on date that applicant signed contract
- Signature/date of school/library official required prior to submitting Form 471
 - If time permits insist on vendor signature before 471 submission to ensure no last-minute changes



Creating Contract Record in EPC

Where we are:



Create Contract Record in EPC

- Enter information about new contracts inside EPC before starting form 471
- Create new record if you discover an error on a previous EPC contract record that was created and will be listed on the FY 2024 form 471
- Do NOT create a new contract record for an extension of a contract that already has its own contract record.
- Detailed instructions on creating a contract record are in Section 9 of the FY 2024 E-rate Resource Manual
 - Beginning at page 283

Navigation to “Manage Contracts”

Click on the “Manage Contracts” button

Records / Applicant Entities
#125300 - MCGUFFEY SCHOOL DISTRICT

Summary Customer Service Modifications Additional Information Discount Rate **Contracts** FCC Forms FRN Appeals News Related Actions

MANAGE CONTRACTS

Manage Contracts

Contracts - MCGUFFEY SCHOOL DISTRICT (BEN: 125300)

Use the dropdown to select the type of contract you would like to edit or remove. Click the Add a New Contract button at any time to create a new contract for your organization.

Contract Type

My Contract Drafts

You have no contract drafts for this organization. Click the Add a New Contract button to create a new contract.

CLOSE

ADD A NEW CONTRACT

EDIT

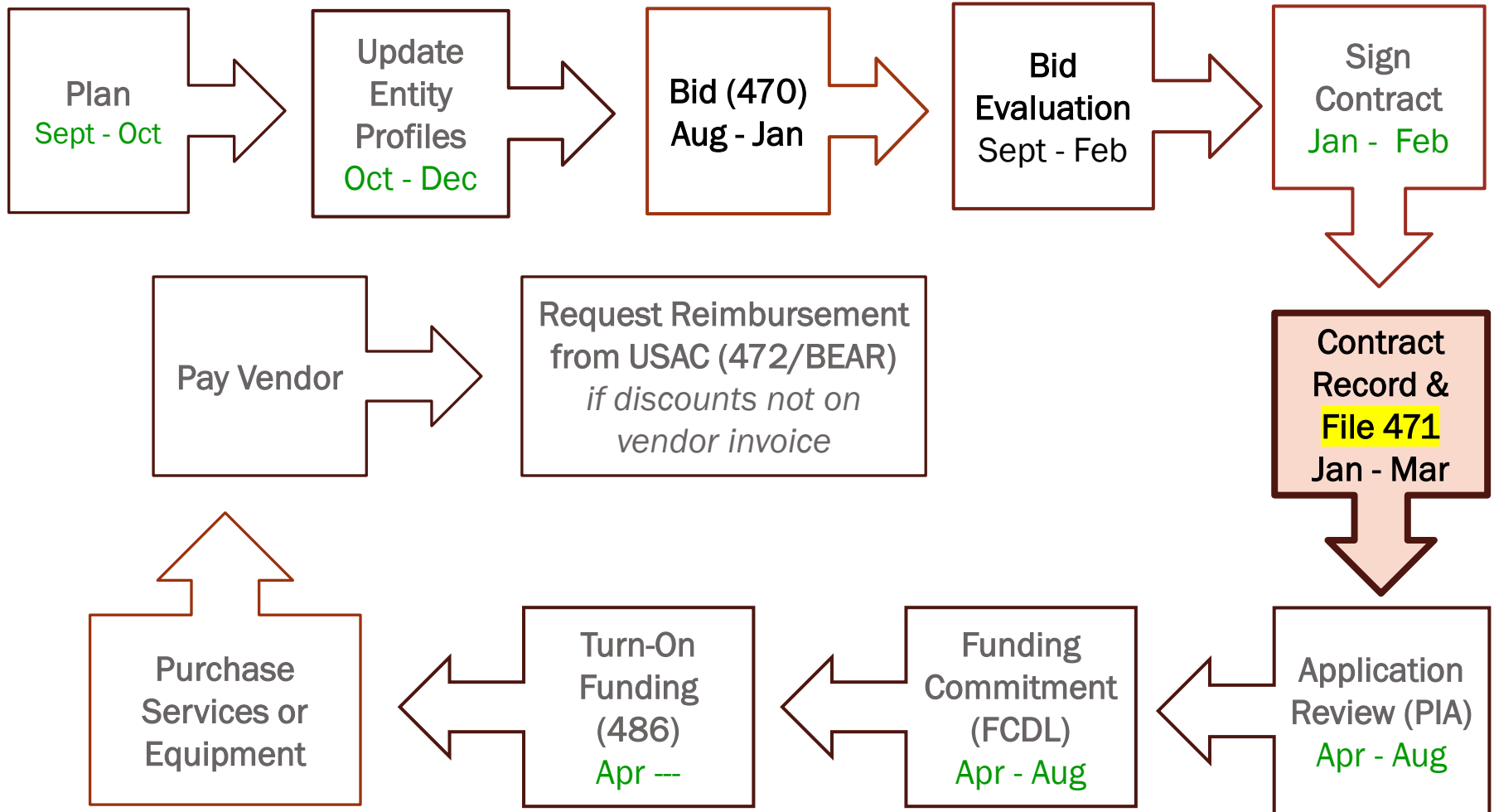
DELETE

Click on the “Add a New Contract” button



Form 471 Application

Where we are:



Overview

- Formally requests E-rate funding
- Itemizes services/equipment and associated costs
- Quantities discount calculation and amount of funding
- Filed by Billed Entity

When and How Many to File

- When to file:
 - Each year sometime in the fall, SLD announces the “window” period during which a Form 471 may be submitted – opening and closing dates
 - SLD prefers a deadline by late March in order to have time to process as many applications as possible prior to July 1 start of the funding year
- How many Form 471s to file?
 - Separate applications must be filed for C1 and C2
 - May include multiple “funding requests” in the same category on same application or you may opt to file one 471 for each funding request
 - Off-line templates available to pre-populate and upload to 471 to streamline form filing

Funding Requests

- Each separate vendor and contract require a funding request
- Different services or components in one contract will be line items in the same funding request
- Each C2 subcategory (IC, BMIC, MIBS) must be a separate funding request

How to Prepare Form 471

- Need to quantify prediscount amount
- Quantify and itemize ineligible costs
- Use cost allocations if service/equipment has mixed eligibility
- Refer to Section 11 of E-rate Resource Manual for more information

Information to have on hand

- Contract, monthly bill
- Itemized amounts for base charges, taxes and surcharges
- Description of service/equipment
- File step by step guides in Section 11 of E-rate Resource Manual



Questions?

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