# FY22 and the new Form 470

*November 19, 2021*
*10:00 – 11:30am*

# Training Topics:

- Competitive bidding
- Evaluating bids
- "Before you file..."
- RFPs: What are they? What should I include?
- The Form 470

# Competitive Bidding

FCC Form 470

# Requesting Services

- The FCC Form 470 opens the competitive bidding process.
- It notifies potential bidders of the types and quantities of equipment and/or services requested.
- Only the applicant or its authorized representative can prepare, sign, or submit the Form 470.

# Competitive Bidding Requirements

- The competitive bidding process must be open and fair.
  - **Open:** information shared with one bidder must be shared with all.
  - **Fair:** bidders must be evaluated fairly and equally

- 28 day waiting period
  - Form 470 must be posted on the USAC website for a minimum of 28 days before you select a vendor and file your 471.

- You must comply with all E-rate, state, and local procurement requirements.

# Requesting Services: Requests for Proposal

- Requests for Proposal (RFPs) may be created to describe specific needs and circumstances in more detail.
- USAC refers to an RFP or an RFP document generically. RFP documents are any documents that provide additional information to potential bidders on the scope or details of your project.
  - For most types of service requests, RFPs are not required. However, you must issue an RFP for some requests or if you are required to do so by state/local rules.
  - Services on your FCC Form 470 and RFP must match.
  - All RFPs and RFP documents must be attached to your FCC Form 470 in EPC.
  - Any RFP document updates during the competitive bidding process must also be updated in EPC.

# Competitive Bidding Requirements: Imposing Restrictions

- You cannot list specific make and model of products or services sought without also allowing equivalent products and/or services to be bid.
  - "XYZ manufacturer's router model 345J or equivalent"
- Bidder disqualification criteria must be spelled out in FCC Form 470 and/or RFP and be available to all potential bidders.
- EPC will automatically add the "or equivalent" language for you in the FCC Form 470, but remember to double check the language in your RFP, if you are issuing one, to include the words "or equivalent."
- If you have bid disqualification factors, you must list them in your FCC Form 470.

# Competitive Bidding Requirements: Lowest Corresponding Price

- Service providers are required to offer applicants their services at the lowest corresponding prices charged to other similarly situated customers throughout their geographic service area.

- This rule ensures that you are not charged more than similarly situated nonresidential customers for the same services because of E-rate participation.

- Exceptions can be made if the provider can show that they face significantly higher costs to serve this customer due to volume, mileage from facility, and/or length of contract.

- Applies to all service providers and for all service arrangements (tariff, month-to-month and contracted services).

# Requesting Services: FCC Form 470 Receipt Notification Letter

- After posting FCC Form 470, USAC issues a Receipt Notification Letter (RNL) in your EPC News feed.

- Review your submitted FCC Form 470 carefully. If you need to make corrections:

  - For non-substantive changes, locate the form in EPC and choose Related Actions to submit allowable corrections.
  - For certain significant changes to your requests, you must file a new FCC Form 470.

# Evaluating Bids

# Evaluating Bids

- To evaluate incoming bids, create a bid evaluation matrix or similar document.
- Develop evaluation criteria or factors to assess the bids.
  - You can have one or many factors.
- Assign each evaluation factor a point value or percentage.
  - The price of the eligible equipment and/or services must be the most heavily weighted factor.
  - Other factors, including other price factors, can be considered as well; but they cannot be weighted equally or higher than cost of the eligible equipment and/or services.
- The vendor with the most overall points is the winner.

# Sample Bid Evaluation Matrix

| Factor | Points Available | Vendor One | Vendor Two | Vendor Three |
|---|---|---|---|---|
| Price of the ELIGIBLE products and services | 50 | 15 | 50 | 35 |
| Prior experience w/vendor | 20 | 20 | 0 | 20 |
| Service provider bonded | 20 | 7 | 13 | 20 |
| Local or in-state vendor | 10 | 10 | 8 | 7 |
| Total | 100 | 52 | 71 | 82 |

- Evaluate your bids using a matrix, filled in with your chosen factors and point values.

- Vendor #3 wins. Note that this may not be the lowest cost vendor.

# Evaluating Bids: Zero or One Bid Received

- If you receive only one bid, and it is cost-effective, you may accept it.
  - Document your decision with a memo or email to your file.
- If you did not receive any bids, you can solicit bids after the 28-day waiting period.
  - Reach out to vendors in the area.
  - Ask your current service provider to submit a bid or confirm they are willing to continue services at your current level and cost.

# Fair and Open Competition: Gift Rules

- Receipt or solicitation of gifts by applicants from service providers (and vice versa) and potential service providers is a competitive bidding violation.
- Service providers may not offer or provide any gifts or thing of value to applicant personnel involved in the E-rate program.
- Gift prohibitions are always applicable, not just during the competitive bidding process.
- Exceptions for gifts must be limited to items worth $20 or less, including meals or prizes, and cannot exceed $50 from one service provider to each individual per funding year.
- [Gift Rules video](#) for more details on the gift rules.

# Contracts

- Applicants must have a signed contract or **other legally binding agreement** in place prior to submitting their FCC Form 471 to USAC.

- Applicant must not sign a contract before the Allowable Contract Award Date (ACD).

- 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.

- For additional information about State Master Contracts, see the USAC website.

# Before you begin filing…

# Keys to Success

- Know what you need/want before you start.
- Have a process and stick to it.
- Evaluation process is essential.

# What do I need to know?

- Know what service(s) you are seeking!
  - Internet: direct connection to service provider
  - WAN: wide area network
    - Multiple buildings
    - Connection from hub out to sites
- [ESL (Eligible Services List)](#)
  - We will send communication when USAC publishes FY22 list

# What do I need to know?

- Know what speeds you need per site.
  - Do you need flexibility?
  - Do you expect growth?
  - Another pandemic?
  - Will you open other buildings?
  - Perhaps close one or two?
  - Set minimum/maximum required.
- Sites/Addresses
  - Listed out
  - Current

# Sample Timeline

- [Link on our website](#) (under Forms Assistance)

| Event | Day | Date | Time (Eastern) |
|---|---|---|---|
| File 470/ Issuance of RFP | | | |
| Deadline for Responder's Technical Questions | | | |
| Deadline for Requestor's Responses | | | |
| Deadline for Proposal Submission | | | |
| Public Opening of Bids | | | |
| Evaluation of Proposals/Selection of Finalists | | | |
| Contract Award (Board of Education Action Item If Required) | | | |
| Vendor Notification | | | |
| Protest Deadline | | | |
| Sign Contracts (Deadline) | | | |
| File 471 | | | |

# RFPs: What are they? What should I include?

# Narrative

- Statement of Purpose
  - What are you looking for? Be specific.
  - Include # of sites and how much bandwidth at each site.
  - Type of service.
  - Include an allowance of flexibility in your contract. This is to allow expansion or decrease in speed (if buildings are added or closed).

# Narrative

- Contract duration:
  - How many years? How many extensions?
  - Use E-rate funding cycle as contract dates July 1 – June 30
  - Contract dependent upon E-rate funding?
- Type of billing: SPI or BEAR?

# Narrative

- Questions:
  - When is it due? To whom to send?
  - Answers will be posted where and when?
  - Do not call or visit.

- Proposals
  - Mailed or hand delivered to whom? When are they due?
  - If they are not emailed, why?
  - Copies?

# The 470

# The 470

- FY22 has some **major** changes in the dropdowns for service types. Be careful!
  - For example: Leased lit fiber, dark fiber, self-provisioned
- Live demo now of the FY22 changes in the 470. Please replay the recorded session to learn more.

# Questions?

# Resources

- [USAC Training Video](#) – filing the FCC Form 470

- NC E-rate Website: https://sci.fi.ncsu.edu/
- 2022 E-rate Handbook: https://www.livebinders.com/b/2821883

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North Carolina Department of
PUBLIC INSTRUCTION