On-Tech Consulting, Inc.
53 Elm Place
Red Bank, NJ 07701
Voice: (732) 530-5435
Fax: (732) 530-0606
www.on-tech.com
info@on-tech.com

Introduction to the Form 471

Dan Riordan

On-Tech Consulting, Inc.

dan@on-tech.com

Introduction

On-Tech is a technology consulting firm focused on managing the E-Rate process for schools and libraries. We provide a full range of E-Rate services for applicants, including: handling the entire application process; consulting on construction projects to ensure maximum E-Rate funding; and reviewing proposals to ensure E-Rate compliance. In addition, On-Tech obtains E-Rate funding for school and library construction projects. On-Tech is not associated with any service provider.

Dan Riordan has been involved with the E-Rate since 1997, when he was trained by the New Jersey Department of Education to offer assistance to school districts in completing the application. Since then, he has worked on the E-Rate as a trainer, a district technology coordinator, and now a consultant.

Who

The Form 471 must be filed by the billed entity. The billed entity must have been listed on a Form 470. The services listed on the Form 471 must be delivered to eligible entities, which will be listed in Block 4. Refer to our handout for more information on billed entities and eligible entities.

Block 1: Billed Entity (Organization Paying the Bills)

The Form 471 must have a single billed entity. While a Form 470 can cover many billed entities, the Form 471 can include only one. The billed entity is the organization which will sign the contract, whose name will be on invoices from the service providers, and which will pay the bills for the services ordered. For libraries, this may be the library or library system, or it may be the municipality.

Contact

Who should you show as a contact? The contact person will be responsible for answering any questions about the application. It is likely that the contact will have to respond to questions during application review by USAC's Program Integrity Assurance (PIA). If the application is later selected for an audit, the auditors will also contact this person.

Consultant

If a consultant helps with your application, you should list the consultant on your form. This is a two-step process:

1. Enter a Consultant Registration Number (CRN), then click "Search" to identify the consulting company. On-Tech's is 16043646.
2. From the drop-down that appears, select the individual who is helping you. In this case, please select Dan Riordan from the list.

Block 2: Impact of Services

In this section, you give a bit of information about your library: the number of patrons, phones, computers, and Internet connections. This information is used to determine the program's effect, but will not affect your application.

Block 4: Entities Receiving Service (Locations)

In Block 4 of the Form 471, you will list all the eligible entities which will be receiving service. These entities will be all the branches which will be receiving services under this Form 471. If services will be shared with ineligible entities, the amount requested must be reduced so that only the portion of services used by eligible entities is included.

Discount Calculation

In addition to listing the entities (locations) to be served under this application, Block 4 is used to calculate the discount for this application. For libraries, each location (whether a branch or administrative building) will have its own row Block 4. For each row, you will fill in:

1. Name; this will automatically fill in when you give the entity number.
2. The Entity Number, often called the BEN (Billed Entity Number), even though many entities entered here are not billed entities.
3. Urban or Rural: a designation based on your location. If your county is listed on: www.universalservice.org/sl/applicants/step05/urban-rural/msa/colorado.asp it is rural (or partially rural as noted).
4. Total number of students enrolled in the public school district in which the location sits. You can get this information at http://www.cde.state.co.us/cdereval/download/PDF/2011PM/PK-12FreeandReducedLunchEligibiltybyCountyandDistrict.pdf.
5. Number of students in the school district which are eligible for free or reduced lunch under the National School Lunch Program (NSLP). You can get this information at http://www.cde.state.co.us/cdereval/download/PDF/2011PM/PK-12FreeandReducedLunchEligibiltybyCountyandDistrict.pdf.
6. Percent of students eligible for NSLP. This is automatically calculated.
7. Discount. This is automatically calculated. If you want to check the calculation, find the percentage from item 6 above in the matrix at: www.universalservice.org/sl/applicants/step05/discount-matrix.aspx
8. New construction: Check for a location opening between July 2012 and June 2013.
9. Administrative Entity or Non-Instructional Facility (NIF): Check this for a location which does not serve the public directly. Note that these entities are not eligible to receive Priority Two funding.
10. Alternative Discount Mechanism: For NIFs, you will enter the discount manually, based on the average discount of the other locations in this Block 4.
11. Weighted Product: Not used by libraries
12. Pre-K, Head Start, Adult Education, Juvenile Justice, Educational Service Agency (ESA, called a BOCES in Colorado), Dormitory: Not used by libraries.
13. Entity of district where library is located: The Billed Entity Number of the school district in which the location sits. **Note**: This should be the entity number of the school district, not an individual school. In Colorado, school district entity numbers are generally 6-digit numbers starting with "142."
14. Discount of member entity: Used for consortia only.
15. Shared Discount: Calculated automatically.

What

The Form 471 is a nickname for the Description of Services Ordered and Certification Form. It describes in detail the services for which you want to receive E-Rate funding.

Block 5: Description of Services

The main purpose of the Form 471 is to describe the services for which you are seeking E-Rate funding. In Block 5 of the form, you will supply the name of the service provider, the date the vendor was selected (Contract Award Date), beginning and ending date for the service/contract, and the amounts you expect to pay.

Create a separate funding request (FRN) for each service provider, and for each category. If, for instance, you receive local phone service and Internet access from CenturyLink and long distance from AT&T, you will create 3 FRNs: 1) CenturyLink phone, 2) CenturyLink Internet, and 3) AT&T long distance. If you receive 2 bills from CenturyLink for phone service, put them into a single FRN.

Cost Allocation

If the service on the application will be shared with entities not in Block 4, the funding request must be cost-allocated so that only the cost of services to eligible entities is included in the pre-discount amount. Similarly, if a service is only partially eligible, the cost of ineligible components must be removed. You can use items 23B and 23G to do the cost allocation, but (with the exception of Web hosting funding requests) you will save a step in review if you do the cost allocation before you fill out the form, and leave those items at zero. Just be sure you keep your cost allocation calculations with your application.

Item 21 Attachments

The Item 21 Attachments describe your services. The attachments can be submitted online or on paper, but must be submitted at the same time as the application. Make your Item 21 Attachments as brief as possible, while supplying all the necessary information. The information required is:

1. Telephone service:
    a. Type (Local, long distance, cellular, etc.)
    b. Number of lines
2. Digital transmission service
    a. Type of circuit (ATM, T-1, Ehternet, etc.)
    b. Number of circuits
    c. Bandwidth of circuits
3. Internet access
    a. Type of connection (ATM, T-1, Ehternet, etc.)
    b. Number of connections
    c. Bandwidth of connections
4. Web hosting
    a. State that the Web hosting is for publicly available content
    b. In this case, it is a good idea to use item 23B to identify the ineligible portion
5. Email service

        a. Number of accounts
6. Internal Connections
        a. Make and model of all equipment
        b. For bundled products: also provide the SKU
        c. For servers: include the expected use
        d. For cabinets, racks, UPS units: describe the equipment that they support
        e. Any installation/engineering charges
7. Basic Maintenance of Internal Connections
        a. Include the make and model of each piece of equipment to be maintained

Block 6: Certifications

You will make the following certifications:

24. Schools or libraries are included in Block 4 of the application.
25. The library has the resources (funding, computers, training, etc.) necessary to make use of the services ordered.
26. The library has a technology plan, if necessary.
27. The library accepted bids for 28 days before choosing the most cost-effective means service.
28. The library has followed all local, state and FCC competitive bidding rules.
29. Services will be used for educational purposes and not resold. The library didn't take any freebies in connection with these purchases.
30. The library followed all program rules and has signed contracts where necessary.
31. If The library changes the eligible entities in future years, the discount may be affected.
32. The library will keep documents for 5 years.
33. I am authorized to order services and file this form, that no one has received kickbacks, and I know that I can go to jail for false statements.
34. I know that people convicted of E-Rate fraud can be debarred from the program.
35. If any of the services on this form contain ineligible components, I have removed the cost of those components.
36. The funding requests don't violate the 2-in-5 rule.
37. We'll pay the applicant share.

When

The deadline to file the Form 471 is set each year. For Funding Year 2012-2013, the deadline is March 20, 2012.

The earliest date you can file a Form 471 is also set each year. This year the earliest possible date was January 9, 2012.

Remember that you cannot file the Form 471 until a Form 470 has been posted for 28 days.

Where

Go to http://www.sl.universalservice.org/menu.asp, click on the "Create Form 471" button.

You can download a paper form and instructions at
http://www.universalservice.org/sl/tools/required-forms.aspx

Why

The Form 471 is the heart of the E-Rate application process. With this form, you set your funding cap, your discount level, your service provider, and the services you will be ordering.

How

We'll go through an actual Form 471, but here are a few tips:

1. File online. 80% of applications filed on paper are denied because of an error. Most of those errors are caught by the online application.
   a. Use Internet Explorer. Other Web browsers will work generally, but they are not supported.
   b. Do not use your browser's "Back" button. If you need to go to a previous page, use the "Previous" button.
   c. If you need to save information on the current page, click the "Next" button. Note that the "Previous" button will discard your changes.
   d. Disable your pop-up blocker, at least for the USAC site (usac.org and universalservice.org).
2. On-Tech's Consultant Registration Number (CRN): 16043646. Please select Dan Riordan as your consultant.
3. If you are applying for Priority Two funding, put those requests on a separate application.
4. If you sign a multi-year contract, you can refer back to the Form 470 that was posted before the contract was signed.
5. Complete the application first, then complete the Item 21 Attachments, then submit the form, then submit the Item 21 Attachments.
6. Keep your FRNs as large as possible. If you receive 3 phone bills from CenturyLink plus a bill for a T-1 circuit, keep them all in one FRN. However, if you also receive Internet access from CenturyLink, that should go in its own FRN.
7. If you aren't sure about the eligibility of a service or component of a service, put it in its own FRN.

Receipt Acknowledgement Letter (RAL)

After your form is successfully submitted, you will receive a Form 471 Receipt Acknowledgement Letter (RAL) from USAC. The RAL summarizes the information provided in the Form 471, and provides an opportunity to correct some (but not all) mistakes.

More Resources

On-Tech

www.on-tech.com/erate

This handout and other E-Rate information and links are available at our Web site.

blog.on-tech.com

For a more informal discussion of the E-Rate, visit our blog. You can search for a topic of interest to you and get an insider's view.

If you have specific questions, contact us.
Email: info@on-tech.com
Phone: 732-530-5435

Schools & Libraries Division (SLD)

www.usac.org/sl

This Web site is a wealth of information, and the information is official. Start by pointing at the light blue "Schools and Library Applicants" button, and selecting the relevant step.

File online at: http://www.sl.universalservice.org/menu.asp

Download paper forms at: http://www.universalservice.org/sl/tools/required-forms.aspx