

## **Exhibit C – CENIC’s Invoicing and Reporting Requirements for Federal and State Discounts**

The Telecommunications Act of 1996 established a fund by which Schools and Libraries across the Country could access discounts on eligible telecommunications products and services. The program is commonly known as the E-rate program. The eligibility for discounts on services is determined by the Federal Communications Commission (FCC). Funding is made available upon application approval by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC), which was established by the Act.

CENIC applies for E-rate discounts on behalf of a consortium of E-rate eligible entities. CENIC may or may not seek E-rate discounts for services associated with this specific RFP. Bidders must be in full compliance with all current requirements and future requirements issued by the FCC and USAC for participation in the E-rate program throughout the contractual period of any contract entered into with CENIC as a result of this RFP.

CENIC prefers that any awarded contractors bill and receive a portion of the payment for the provisions of goods and services described herein directly from the Universal Service Administrative Company via the FCC Form 474 Service Provider Invoice (SPI). Should CENIC, at the time of project implementation, decide that it is in the interest of the CENIC to file a FCC Form 472, CENIC will inform the bidder of E-rate program requirements.

In addition, high speed telecommunications services may also be eligible for, and receive, the applicable discounts funded through the California Teleconnect Fund (CTF) which is administered by the California Public Utilities Commission (CPUC). In accordance to CPUC resolution T-16763 all E-rate program discounts delivered to eligible entities such as K-12 schools and libraries must be posted via the Service Provider Invoice Form 474, if applicable.

It will be the contractor’s responsibility to invoice USAC for the E-rate discounted amount by all USAC and FCC established deadlines and extension periods. Should the contractor fail to file the Form 474 by the allotted deadline(s), CENIC shall only be responsible for paying its non-discounted share of costs.

If CENIC chooses to pursue E-rate discounts on awarded circuits, awarded contractors may be required to perform the following: (a) provide a valid SPIN (Service Provider Identification Number), (b) provide documentation that shows the annual FCC Form 473 SPAC (Service Provider Annual Certification) has been filed and will continue to be filed, (c) remain in good standing with the E-rate authorities (FCC, USAC/SLD) throughout the life of any contract awarded as a result of this RFP, and (d) notify CENIC if the Bidder has any unresolved delinquent debt with the E-rate authorities that might invoke the “red light” rule barring Bidder from full participation in the E-rate program.

Bidders may obtain a SPIN (Service Provider Identification Number), although it is not required to submit a proposal under this RFP. More information about obtaining a SPIN may be found at this website: <https://www.usac.org/e-rate/service-providers/step-1-obtain-a-spin/>

Bidders may be responsible for providing a valid Federal Communications Commission (FCC) Registration Number (FRN) if awarded a contract. More information about obtaining an FRN may be found at this website:

<https://www.fcc.gov/licensing-databases/commission-registration-system-fcc>

Bidders may be required to provide evidence of FCC Green Light Status if awarded a contract. Any potential bidder found to be in Red Light Status may be subject to disqualification of contract award. More information about FCC Red and Green Light Status may be found at this website: [http://www.fcc.gov/debt\\_collection/welcome.html](http://www.fcc.gov/debt_collection/welcome.html)

Contractors must include the following required elements in their invoices or billings to CENIC in order to meet USAC's minimum processing requirements for invoicing:

- Bill Date
- Service Provider Name
- Bill-To Entity
- Current Charges
- Description of Products / Services Delivered
- Period of Service (for Digital Transmission and/or Internet Access)

CENIC has additional required elements for billings:

- Payment terms are net 60 days
- Any fees or surcharges not mandated by federal or state laws will be waived
- The annual E-rate funding request number(s) must appear on the associated invoices or the Contractor must provide a reconciliation of accounts and funding request numbers on an annual basis
- A location and Z locations must be invoiced on the same bill
- Contractors agree to invoice USAC for approved annual funding requests starting on July 1 of the funding year or within 30 days of the approved FCC Form 486 Notification Letter(s), whichever is later
- Contractors will apply California Teleconnect Fund discounts within 60 days of CENIC's acceptance of each eligible service

Each awarded contractor shall provide, in addition to its normal invoicing or billing statements, specialized reports that document E-rate and CTF discounts if CENIC pursues such discounts. These reports shall provide CENIC a clear and comprehensive accounting of the cost for contracted services and the federal (E-rate) and/or state (CTF) discounts applicable to those services. The specifications, contents, format and frequency of such reports shall be mutually discussed but ultimately decided by CENIC. Bidders are also required to work with CENIC on reconciliation of both E-rate and CTF credits to the complete satisfaction of CENIC. All specialized reports shall include at least the following elements or their functional equivalents:

- Date(s) or period(s) covered
- Billed Telephone Number (BTN)
- Circuit ID number
- Full pre-discounted cost for service, including taxes and surcharges

- State (CTF) discounts
- Federal (E-rate) discounts
- Sum of state and federal discounts or credits
- Adjustments for taxes and surcharges
- Adjustments for other causes, to be stipulated
- Post-discount (net) owed by CENIC
- Date that sum of state and federal discounts (credit) was converted into a check to CENIC
- Check number for all credits converted into checks to CENIC
- Summary of all discount checks issued to CENIC by date

In the event of questions during the E-rate audit processes, the contractor is expected to reply within three (3) days to questions associated with its proposal, contract, services, invoicing, discounting processes, and any other questions that may arise during the audit.

Adjustments made to the funding requests by the E-rate authorities may result in a subsequent reduction in the scope of the project and services, in which case CENIC reserves the right to reduce the number or type of services without penalty. CENIC reserves the right to proceed or not to proceed with any of the services outlined in this RFP or the posted Form 470 irrespective of whether CENIC receives E-rate funding or not, or whether the K12HSN LEA receives state funding.

In addition to the above requirements, the qualified respondent must agree to, and incorporate into any agreement, all the conditions listed on the FCC Form 470 posted in association with this RFP.

The above specifications and conditions become part of any contract signed as a result of this solicitation for responses or proposals.