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## Post-Auction Repacking Process

### *How will the repacking process work?*

“Repacking” involves reorganizing television stations in the broadcast television bands so that the stations that remain on the air after the incentive auction occupy a smaller portion of the Ultra High Frequency (UHF) band, thereby freeing up a portion of that band for new wireless services uses.

The process includes the following steps:

1. Stations receive a confidential letter from the Federal Communications Commission (FCC) with their new station channel assignment and assigned transition phase in the repacking plan. The FCC releases the list of all stations that are repacked and their assigned channels in the Auction Closing and Channel Reassignment Public Notice (CCRPN).
2. The Media Bureau assigns each station a transition deadline and stations coordinate their move with other broadcasters to ensure a coordinated effort and limit interference by others.
3. Stations estimate the costs they will likely incur to move to their post-auction channel on FCC Form 2100, Schedule 399 (Form 399 or Reimbursement Form) and submit this to the FCC no later than 90 days after the Closing and Channel Allocation PN is released (CCRPN).
4. Stations submit a Construction Permit (CP) for their post-auction channel no later than 90 days after the Channel Allocation PN is released. The CP does not have to be submitted at the same time as the Reimbursement Form.
5. The Media Bureau reviews estimates and calculates an initial allocation for each eligible station. There may be more than one allocation, depending on demand and the availability of funds.
6. Repacked stations use the Reimbursement Form to submit cost documentation for reimbursement as they incur expenses.
7. Stations complete construction, file final cost documentation for reimbursement and file a License to Cover.
8. Stations must maintain adequate records in case of an audit.



### ***What steps must a station take to prepare for reimbursement?***

Prior to claiming reimbursement, a station must complete the following:

1. *Submit banking information.* Mail a notarized FCC Form 1876, along with a letter from the bank or redacted bank statement, to the FCC. This form contains bank information and will be used for direct deposit of reimbursement funds. Upon receipt, the FCC will notify the broadcaster via email, at which time it can complete the Form 1876 submission process in the CORES system within 10 days.
2. *File a Construction Permit.* Complete the electronic application for CPs (Form 2100, Schedule A or E) for any main ~~and auxiliary~~ licenses in Licensing and Management System (LMS) and submit to it to the FCC (no later than 90 days after CRPN release). R and O – 610 and PN DA-17-106, paragraph 17. Here is a link to the instructions for Form 2100:  
[https://apps.fcc.gov/edocs\\_public/attachmatch/DOC-332131A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DOC-332131A1.pdf).
3. *Submit cost estimates.* Electronically enter information into Form 399 (Reimbursement Form in LMS) for estimated construction costs for equipment and services. Certify and submit this no later than 90 days after the CRPN release.

Form 399 is used to file estimates and also to submit reimbursement requests throughout the reimbursement period.

### ***When must auxiliary construction permits be filed? <sup>2</sup>***

Construction permits (Form 2100, Schedule A) for auxiliary facilities may be filed on as add needed basis.

### ***What is a Service Rule Waiver?***

A repacked station can seek a waiver to have flexible use of its licensed spectrum in exchange for forgoing reimbursement for expenses associated with its channel reassignment. One requirement is always to provide one broadcast television stream at no charge to the public.

The waiver request must be filed within 30 days of the CRPN and will be considered on a case-specific basis. If a waiver request is granted, the station has 10 days to accept the terms of the waiver.

### ***How can a station receive a flexible use license?***

The Media Bureau will evaluate and act on service rule waiver requests based on general waiver standards and will consider whether a request complies with the statutory requirements pertaining to interference protection and the provision of one broadcast television program stream at no charge to the public. This will require a case-specific analysis of each waiver. If a service rule waiver is granted, a broadcaster must comply with Part 27 rules and is prohibited from receiving reimbursement from the TV Broadcaster Relocation Fund.



## Payment Process

### *How will stations receive reimbursement payments?*

Stations will receive reimbursement Automated Clearing House (ACH) payments from the U.S. Treasury into the bank account they identify on Form 1876.

### *How do I know how much was allocated for my station or MVPD? <sup>3</sup>*

An entity can view its allocation through the FCC's Commission Registration System (CORES) (available at: <https://www.fcc.gov/licensing-databases/fcc-registration-commission-registration-system>). The entity's Authorized Agent(s) will see the exact amount allocated in the "Auction Payments" component of the CORES Incentive Auction Financial Module.

### *How does a station submit bank account information in order to receive payments?*

Each repacked station must file FCC Form 1876 to provide bank account information prior to receiving reimbursement payments by completing the following steps:

1. Receive a paper copy of Form 1876 in the mail, or download a copy from LMS.
2. Provide contact information and background information about the station.
3. Designate up to two authorized agents who will be the only people allowed to enter bank account information in the CORES Incentive Auction Financial Module.
4. Provide the following financial institution information: name, address and telephone number of the financial institution; routing transit number account title; and the account number.
5. Provide written verification that the bank account listed on the form belongs to the payment recipient by one of the following options: letter from the bank or redacted bank statement that confirms ownership of the bank account (to verify ownership of the bank account).
6. Get a notarized signature of a person, such as an owner or officer of the entity, with authority to bind the reimbursable party.
7. Send the original signed and notarized Form 1876, along with bank letter or redacted statement, to the FCC (stations may wish to use a trackable delivery method).
8. Input banking information into CORES within 10 days of receiving an email confirming receipt of Form 1876 from the FCC.
9. Receive confirmation from the FCC upon account validation.

### *Can stations elect to have reimbursement payments sent directly to their vendors?*

No, payments from the TV Broadcaster Relocation Fund can be made only to repacked broadcasters and MVPDs that incur expenses associated with continuing to carry the signal of repacked stations. Those entities must have a completed Form 1876 on file with information about the bank account into which the reimbursement payments will be made. Equipment vendors and service providers cannot be paid directly from the TV Broadcaster Relocation Fund.



### ***How quickly will a station receive a reimbursement payment?***

After the Media Bureau makes an initial allocation for each relocating station, a station can draw down against its individual allocation amount. Invoices for expenses incurred submitted using Form 399 will be reviewed by the Media Bureau's Fund Administrator and approved payment requests will be sent from the Commission to the U.S. Treasury for disbursement. There are many variables that affect the timing of receipt of payments. Stations can facilitate efficient processing by ensuring any required justification accompanies cost documentation and completing the Form 1876 process so that approved payments can be transferred to the station's bank account.

### ***What information must a vendor invoice submitted for reimbursement contain? <sup>1</sup>***

Invoices submitted by stations and MVPDs for reimbursement must include the following information:

- Name of the vendor providing the service or equipment;
- Invoice number (assigned by the vendor);
- Invoice date;
- Payment due date;
- EIN (employer identification number) or TIN (taxpayer identification number) of the vendor;
- Description of the service provided or equipment purchased;
- Total amount due; and
- Name of the station licensee and call sign or facility ID, or name of the MVPD incurring the expense.

### ***If a submission is deemed reasonable after the estimate review phase, will it also be considered reimbursable when the station or MVPD files an actual reimbursement claim? <sup>1</sup>***

During the estimate review phase, the Fund Administrator will conduct a detailed review of all estimates submitted. If the Fund Administrator identifies any missing required documentation or has any questions, it will send an email to the station or MVPD, which will have five business days to provide a response. The Fund Administrator will also send an email notification when the review is complete. This notification will inform the entity whether any estimated expenses were determined to be unreasonable and, thus, not reimbursable, or whether any estimate that exceeds the cost catalog prices was not justified.

If a station later submits an invoice requesting reimbursement for an expense that was included in its estimate submission and was deemed reasonable, that expense will be reviewed for sufficiency of documentation (*e.g.*, invoice) and consideration of whether the station or MVPD made any changes in transition plan, station construction or equipment or service purchased.

If the actual cost of the equipment or service has increased above what the station estimated, or the station purchases equipment or services that are different from what it reported when it submitted its cost estimates, the station may be asked to revise and resubmit its estimate to reflect its updated understanding of its expenses. The Fund Administrator will review this documentation and recommend payment for those revised expenses deemed reasonable. Payments for reasonably incurred expenses that have sufficient documentation will be made subject to availability of funding.



### ***Must my invoices be paid in full prior to my submitting them?***<sup>3</sup>

No, an invoice does not need to be paid in order for you to submit it with Form 399. The invoice must show that a valid payment is *owed* and *due* by a particular date. All invoices must contain a payment *due date* in addition to the other metadata requested in the Costs section of the Form 399.

Many reimbursable expenses will be billed and owed in installments. You can submit invoices and other cost documentation as payment of each installment is requested by the vendor. (**Note:** this scenario is illustrated in the “Documenting Actual Reimbursement Costs & Uploading Invoices to Your Form 399” tutorial video.) The Add Component page permits you to specify the portion of the invoice – by percentage or dollar amount – for which you are requesting reimbursement. For example, if 10% of the total amount of the sales order is reflected on the invoice with a specific date due, the Form 399 allows you to request reimbursement for only that 10% that is due, and to return to the expense to add further cost documentation to the same line item when additional installments become due. You can add subsequent invoices to the particular expense line item at a later date.

### ***Do professional services need to be performed prior to being submitted for reimbursement?***<sup>3</sup>

Yes. All professional services, including legal, engineering, and project management services, must be performed before the associated costs can be submitted for reimbursement. Professional services billed in advance or on retainer may not be submitted for reimbursement.

## **Estimates and Allocations**

### ***When are cost estimates due?***

Repacked stations must submit cost estimates no later than 90 days after the release of the Closing and Channel Reassignment PN. Stations will submit cost estimates on FCC Schedule 2100, Form 399 (“Reimbursement Form”), which is found on-line in the Media Bureau’s Licensing and Management System (LMS), available at <https://enterpriseefiling.fcc.gov/dataentry/login.html>.

Stations that have been granted a waiver of the 90-day construction permit filing deadline because they are “unable to construct” facilities and, thus, will file construction permit applications in the first priority window are not required to file cost estimates at the 90-day deadline.

### ***What is the purpose of submitting cost estimates?***

Repacked stations must identify both their existing equipment and the equipment and services they intend to purchase in order to complete the post-auction channel transition. A station’s estimated transition cost will serve as the basis for an initial allocation, or amount of money set aside from the \$1.75 billion TV Broadcaster Relocation Fund against which the station can begin to draw down as it submits reimbursement requests for incurred costs.



### ***How should stations estimate their costs?***

A station may either submit an amount within the price range in the Cost Catalog for equipment or services, or rely on a price quote from a vendor. For any expenses not listed in the Cost Catalog, the station must submit supporting documentation to justify its cost estimate.

If a station intends to purchase upgraded equipment, it should check the “upgrade” box and provide an estimate for both the comparable and the upgraded equipment.

### ***When must a station or MVPD check the upgrade box on the Reimbursement Form? <sup>1</sup>***

A station or MVPD must check the upgrade box on the Reimbursement Form when submitting its cost estimates and filing reimbursement requests for upgraded, or alternative, equipment as compared to its pre-auction equipment. Stations and MVPDs will be responsible for paying the difference between the cost of the upgraded equipment and the equipment comparable to their pre-auction equipment. If the upgraded equipment is less expensive than the comparable equipment, the entity will be reimbursed for the lower cost option. Reimbursement-eligible stations or MVPDs must still check the upgrade box when the upgraded equipment is less expensive than the non-upgraded equipment, to indicate they are purchasing a different type of equipment than they had pre-auction.

### ***Must a station or MVPD purchasing an upgrade obtain a price quote for comparable equipment? <sup>1</sup>***

Yes, an entity that checks the upgrade box must submit a price quote that shows the cost of equipment that is comparable to its existing pre-auction equipment. The price for the comparable equipment will be used at the estimated cost phase to calculate the entity’s initial allocation. Once the entity purchases the upgraded equipment, it will submit the vendor invoice for the actual, upgraded equipment purchased, but will be reimbursed for the price of the comparable equipment (unless the price of the upgraded or alternate equipment is less). The price quote for the comparable equipment should be from the same vendor that is providing the upgraded equipment the entity is actually purchasing.

### ***In addition to checking the upgrade box, what should a station or MVPD enter on the Reimbursement Form for upgraded equipment? <sup>1</sup>***

Enter only the equipment the entity intends to purchase, check the upgrade box, and provide an estimated cost for the comparable pre-auction equipment.

### ***How will cost estimates be evaluated?***

The Fund Administrator will review each cost estimate for reasonableness and may contact the station for clarification or additional information.

### ***Will stations be notified when review of their cost estimates is complete?***

Yes, the reimbursement contact (as identified on the Reimbursement Form) for the stations will receive an email indicating review of the station’s cost estimates are complete.

<sup>1</sup> Added June 30, 2017

<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



### ***How will the initial allocation be calculated?***

The initial allocation for each station will be based on a percentage of its estimated costs, with the initial allocation for commercial stations and MVPDs accounting for up to 80 percent of their estimated costs and the initial allocation for non-commercial stations accounting for up to 90 percent of their estimated costs. Whether stations will receive the maximum percentage in the initial allocation, however, will depend on the total estimated expenses and the amount of funding available to the Commission at the time it makes the initial allocation. The Media Bureau will release a Public Notice announcing the percentage of cost estimates allocated for each entity type and stations will be able to view the dollar amount allocated to their individual station in CORES. Subsequent allocations will follow the initial allocation and those will be announced by Public Notice as well.

### ***Is an entity's allocation applied as a percentage that entity's total verified estimated cost or is it applied on a line item level? For instance, can an entity only draw down a percentage of its total antenna cost even if the cost is fully incurred?***<sup>3</sup>

Through the allocation, entities have access to a certain percentage of their total verified estimated cost. Approved invoices may be paid in full until eligible expenses until such expenses exhaust the allocation amount. Thereafter, additional expenses will be paid after subsequent allocations are made.

## **Reimbursable Expenses**

### ***How does a station submit claims for reimbursement of expenses?***

After a station incurs an expense related to its channel transition, it will log in to LMS to access its reimbursement form (previously submitted information, including cost estimates, will be visible) and upload cost documentation (such as an invoice). The station will then certify and submit the request for payment. The station will be able to view approved payments by amount and date submitted to Treasury for disbursement in the Commission's Registration System (CORES).

### ***What standard will be applied to determine whether a cost is reimbursable?***

The Spectrum Act provides that stations reassigned to new channels following the Incentive Auction be reimbursed from the \$1.75 billion TV Broadcaster Relocation Fund for costs "reasonably incurred" as a result of the mandatory channel change. The Media Bureau developed the Cost Catalog, with the input of the industry, to provide guidance on a range of market prices for expenses that many stations will incur as they move to a new channel. A station's request for payment will be evaluated based on whether the expense was "reasonably incurred" using comparison to the price ranges in the Cost Catalog, comparison to similarly situation stations, and considering any justification or explanation provided by the station. The approval process is designed to ensure reasonably incurred expenses are paid while at the same time guarding against waste, fraud and abuse associated with the disbursement of \$1.75 billion in federal funding.

Specifically, with regard to equipment costs, the Commission also found that stations should be reimbursed for equipment that is comparable to their pre-auction equipment. Stations may choose to upgrade equipment and pay the difference between the cost of reimbursable comparable equipment and



the cost of upgraded equipment.

### ***Can equipment upgrades be paid for by the TV Broadcaster Relocation Fund?***

No, stations will be reimbursed only for the cost of modifying or purchasing equipment that is comparable to their pre-auction equipment. The difference between the cost of comparable equipment and upgraded equipment is not reimbursable.

### ***What is the process for purchasing upgraded equipment?***

Stations may purchase whatever type of equipment they choose to operate on their post-auction channel. Reimbursement from the TV Broadcaster Relocation Fund is available only for the purchase of comparable equipment, however. Therefore, a station upgrading its equipment (such as purchasing a solid state transmitter instead of replacing or retuning an IOT transmitter, or adding elliptical polarization to an antenna) must indicate this by checking the “upgrade” box on the Reimbursement Form for each applicable equipment category.

For simple upgrades (i.e., adding polarization to an antenna), calculating the price difference between comparable equipment and upgraded equipment will be completed by comparing a vendor’s invoice (or price quote, when submitting cost estimates) for the upgraded equipment with a vendor price quote or Cost Catalog price for the comparable equipment. More complex scenarios will be assessed on a case-by-case basis, and the Fund Administrator may seek clarification or additional supporting documentation (e.g., review engineering and station plan).

### ***Can a station be reimbursed for the cost of in-house labor?***

Reimbursement for the cost of the salary of an internal employee for the time he or she works exclusively on tasks directly related to the station’s channel change may be available. A station will have to submit documentation showing hourly rates, time spent on channel transition work and other information that will allow the Fund Administrator and any program auditors to substantiate the cost incurred by the station.

### ***What documentation is required when seeking reimbursement for in-house labor?***<sup>1</sup>

For internal labor costs to be reimbursable, they must be entirely related to the station or MVPD’s transition related efforts, *i.e.*, the costs would not have been incurred “but for” the repacking process. Normal system maintenance and administration activities are not reimbursable. All internal labor costs that an entity expects to incur in conjunction with the repack and for which it intends to seek reimbursement must be included in its cost estimate.

When filing cost estimates, internal labor costs should be estimated on a “per hour” basis for each repacking task. The cost estimate for each task will equal the estimate of the total hours per task multiplied by the “per hour” internal labor rate, which may include salary, benefits and overhead allocations.

If a station or MVPD’s cost estimate includes internal labor costs, it should upload the following supporting documentation to its estimate:

- A listing of the tasks it expects to perform during the repack, including the estimated hours per task, the internal labor rate to be applied, and the total dollar amount for the task;

<sup>1</sup> Added June 30, 2017

<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



- A breakdown of how each internal labor rate is calculated, showing the salary, benefits, and overhead amounts.

In its review and assignment of an allocation, the Media Bureau will exercise its discretion in determining the reasonableness of hours and/or labor rates.

When submitting actual costs for reimbursement for internal labor, a station or MVPD should provide the following documents (in place of an invoice from a third-party vendor):

- A report listing the hours incurred for each repacking task, the applicable labor rate, and the resulting dollar cost.
- Copies of employee timesheets showing hours worked on each repacking task, by day. Timesheet hours must match the totals reported by task above. Timesheets may come from either the station's time and expense reporting systems or can be manually prepared using spreadsheets or other means.

During the reimbursement period or at account closing, the Fund Administrator and/or Media Bureau may request additional supporting information for internal labor costs, such as payroll, human resources, or financial records.

### ***Are interim facilities reimbursable?***

Yes, if a station requires interim facilities (e.g., interim transmitter, transmission line, antenna) in order to meet its construction deadline or avoid prolonged off-air periods during the transition to its assigned post-auction channel, the interim facilities are reimbursable. Interim facilities may be used on either a station's pre- or post-auction channel. Stations using interim facilities must file a Special Temporary Authority (STA) for the interim facility. By way of example, stations might use interim facilities in the following situations:

- A station with a top-mounted antenna may need to run a side-mounted antenna.
- A station with an antenna at "X" feet on a tower may need to operate at "Y" feet temporarily.
- A station may need to operate with an antenna mounted on a different tower while it finishes mounting final facilities on its current tower or a new tower.
- A station may need to operate on a different channel with different facilities than its final channel or facilities.
- A station should use its licensed auxiliary or backup facility as its main facility while it finishes final facilities.

### ***If the increased load of an interim antenna requires that a tower be modified, are the tower modifications reimbursable?***

If the interim facilities are otherwise deemed reimbursable, the reasonably incurred costs associated with tower modifications required to support an interim antenna will also be reimbursable.



***Can a station convert its interim facility into a licensed auxiliary facility?***

Yes, interim facilities used during a station’s channel transition can be used as auxiliary, or back up, facilities following the transition. The station will be responsible for the cost of filing any licensing documentation needed to convert the interim facility into a licensed auxiliary.

***Is construction of a new tower reimbursable?***

If a structural analysis of a tower concludes that the tower cannot be reinforced to support a new antenna, the station should determine whether there are other options available besides constructing a new tower that will allow it to complete its channel move by its transition deadline. Any repacked station seeking reimbursement for tower construction will be required to submit documentation, such as a statement signed and with the seal of an accredited structural engineer certifying the results of the tower study, with the cost to erect a new tower. All claimed expenses are subject to review and documentation to ensure that each expense is consistent with the “reasonably incurred” standard.

***Are incidental items or materials that have residual value that are purchased by a station or MVPD reimbursable?***<sup>3</sup>

Entities may request reimbursement for items that have a residual value or useful life that exceeds the repack construction timeline if those items relate directly to the installation of the new plant necessary to transmit on the new frequency. Otherwise, incidental items and materials are not reimbursable.

***Can I be reimbursed for vendor travel expenses? If so, how should I submit travel expenses for reimbursement?***<sup>4</sup>

Vendor travel expenses (*e.g.*, meals, airfare, mileage, etc.) not included in a vendor’s rates are eligible for reimbursement provided that they are reasonable. All stand-alone travel expenses submitted for reimbursement must be itemized. Consistent with IRS guidelines, you must also submit *receipts* for any travel expense greater than \$75.00. As such, please include receipts for travel expenses as an attachment to the particular cost component on the Form 399 with which the travel expense is associated, in addition to the underlying invoice for the service rendered.

Alternatively, expenses for meals and incidentals can be billed on a per diem basis. The per diem amount should be in accordance with the approved government per diem rates (available at the [GSA website](#)) for the location where the work was completed.

<sup>1</sup> Added June 30, 2017

<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



***Can co-tenants sharing a tower with a repacked station, such as FM stations or non-repacked television stations, receive reimbursement for any expenses they incur as a result of the repacked station's transition?***

Non-repacked stations, television stations, FM stations and other tenants affected by the repack generally are not eligible to be reimbursed from the TV Broadcaster Relocation Fund. An exception will be made if the repacked station has contractual obligations to pay for those types of expenses.

***Are costs associated with digital replacement translators (DRTs) reimbursable?***

No, costs associated with digital replacement translators and standard, low-power translators and boosters are not reimbursable as part of the repacking process.

***Are costs associated with distributed transmission systems (DTS) reimbursable?***

A repacked station using distributed transmission system (DTS) technology on its pre-auction channel will be eligible for reimbursement for a DTS. How should stations submit reimbursement claims for shared costs?

***How should stations submit reimbursement claims for shared costs?***

Any time a station shares equipment with another entity it must indicate on the Reimbursement Form that the equipment (such as a tower or a broadband antenna) is shared and must provide the Facility ID of the sharing station or stations. If the co-sharing stations are all reimbursement-eligible, the stations must indicate the percentage of the cost attributed to each station on their respective Reimbursement Form submissions. If a reimbursement-eligible station is sharing equipment with a non-eligible entity (i.e., non-repacked television station or FM radio station), it must indicate the percentage of the expense for which it owes the vendor. Eligible stations may not claim reimbursement for costs attributed to non-reimbursement-eligible entities unless the eligible station has a contractual obligation to pay such expenses and the contract was entered into on or before June 2, 2014.

***How should a station account for replacing an Inductive Output Tube (IOT) transmitter with a solid state transmitter?***

A station that chooses to replace an IOT transmitter with a solid state transmitter should indicate that it is purchasing upgraded equipment on its Reimbursement Form. If the station can demonstrate that modifying or replacing all or part of its existing IOT system is more expensive than purchasing a replacement solid state transmitter, the station can submit the lower-priced solid state option for reimbursement. In that case, as required when requesting an upgrade, documentation demonstrating the cost differential for each option must also be submitted with the reimbursement request.

***What type of documentation is required to replace an IOT transmitter with a solid state transmitter?***<sup>1</sup>

First, a station must determine whether its transmitter can be retuned. Some IOT transmitters and many solid state transmitters can be retuned to the station's post-auction channel. If retuning is possible, the Reimbursement Fund will pay only for costs associated with retuning. A station with a retunable

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<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



transmitter may purchase a new IOT or solid state transmitter, but must pay for the difference between the retuning costs and the new transmitter, unless it can demonstrate that purchasing a new transmitter is less expensive than retuning the existing transmitter.

If a station's transmitter cannot be retuned to its post-auction channel, reimbursement is available for the purchase of a new transmitter.

A repacked station that has an IOT transmitter but chooses to purchase a new solid state transmitter must check the upgrade box and provide a price quote showing the price of an IOT transmitter. If the cost of the IOT is less than a new solid state, the station must pay the difference between the two costs. If the cost of the IOT is more than a new solid state, the lower-priced solid state transmitter is reimbursable, but the station must still check the upgrade box to indicate it is purchasing equipment different from what it used on its pre-auction channel.

### ***How much transmitter power is reimbursable? <sup>1</sup>***

Stations can be reimbursed for expenses reasonably incurred in the construction of the technical facility identified for the station in the CCRPN. A station seeking reimbursement for a new transmitter should file an estimate for a transmitter sized to accommodate the transmitter power output (TPO) required to achieve the ERP and coverage specified in the CCRPN. Manufacturers specify solid state transmitter capacity based on various combinations of power amplifier modules. The transmitter for which a station will be reimbursed is the minimum standard combination of power amplifier modules offered by the manufacturer necessary to achieve the power output identified for the station in the CCRPN. In some circumstances, stations with excess power capacity can request reimbursement for a higher power level transmitter (see below).

### ***If a station currently has more transmitter capacity (headroom) than is required for its licensed transmitter power output (TPO) can it be reimbursed for a new transmitter with extra headroom? <sup>1</sup>***

If a station can demonstrate that it has pre-auction excess transmitter capacity (headroom), and this headroom can't be accommodated within the minimum standard combination of power amplifier modules offered by the manufacturer necessary to achieve the power output identified for the station in the CCRPN, the station may request a one power-level step increase in transmitter size.

Requests for a one power-level step increase in transmitter size will be evaluated on a case-by-case basis to determine whether they meet the "reasonably incurred" standard.

### ***How should a station request a power-level step increase on its Reimbursement Form? <sup>1</sup>***

A station seeking reimbursement for a new transmitter with capacity above its post-auction licensed TPO should report the TPO and power rating of its pre-auction transmitter in the justification field in the "Transmitter" section of the Reimbursement Form. Stations can also upload an explanation as an attachment to explain why reimbursement for additional headroom is appropriate based on their pre-auction transmitter capacity.

### ***Can a station buy a transmitter with more power than is necessary to satisfy the parameters of the CCRPN assigned facility and pay the excess cost differential? <sup>1</sup>***

Yes. As with any request for upgraded equipment, stations can purchase additional capacity above that

<sup>1</sup> Added June 30, 2017

<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



considered reimbursable. Stations requesting additional transmitter power capacity must indicate they are purchasing upgraded equipment and must submit a quote for the equivalent reimbursable transmitter as well as a quote for the upgraded transmitter. Both quotes must be from the same manufacturer to be adequately compared.

A station with pre-auction excess headroom moving from an IOT transmitter to a solid state transmitter that wishes to purchase additional capacity is making two upgrades (IOT to solid state and transmitter power beyond the next step power level) and therefore must provide supporting price quotes for the comparable equipment related to both upgrades (*i.e.*, a price quote for the cost of an IOT transmitter and a price quote for the solid state transmitter at the TPO power level required to achieve the ERP and coverage specified in the CCRPN).

### ***Under what circumstances is new transmission line reimbursable?***<sup>1</sup>

New transmission line is reimbursable if a broadcaster's existing rigid line section length is a prohibited length on the new channel. See the updated Catalog of Potential Expenses and Estimated Costs (Cost Catalog) in DA-17-154A2 for Prohibited Line Lengths. In addition, reimbursement for new transmission line may be warranted if it is needed to connect a transmitter to an interim antenna, if the existing transmission line will not accommodate the rated power output of the broadcaster's transmitter on the new channel, or if additional transmission line is needed to add to existing line to extend it if a new antenna is mounted higher on the tower than the original antenna.

Ordinarily, new replacement transmission line would not be reimbursed if a broadcaster's current transmission line will accommodate the rated power output of the new transmitter, or because the existing transmission line is aged and needs replacing as a normal course of business.

### ***Is moving from a side-mounted antenna to a top-mounted antenna considered an upgrade?***<sup>1</sup>

Generally, yes, stations that currently have their main antenna side-mounted but wish to purchase a top-mounted antenna should indicate that they are making an upgrade by checking the upgrade box in the antenna section of the Reimbursement Form. The difference between the cost of the top-mounted antenna and a comparable side-mounted antenna is the upgrade amount, which is not reimbursable but must be paid for by the station. The station must provide a price quote from the antenna vendor that shows what a comparable side-mounted antenna would cost in order to calculate the upgrade amount.

If, however, a station can demonstrate that the total cost of purchasing and installing a top-mounted antenna is lower than purchasing and installing a side-mount antenna, the lower-priced option can be reimbursed. In this situation, the Fund Administrator may request additional documentation to support approving reimbursement for the full cost of a top-mounted antenna.

### ***Can stations and MVPDs include contingency amounts to their estimates?***<sup>1</sup>

No, contingency amounts will not be accepted as part of a station or MVPD's cost estimate submission. Entities can revise their cost estimates if they learn of additional expenses or higher costs than previously submitted.

<sup>1</sup> Added June 30, 2017

<sup>4</sup> Added February 12, 2018

<sup>2</sup> Added July 10, 2017

<sup>3</sup> Added December 20, 2017



## ***Where Can I Find More Information About the Reimbursement Process?***

Additional information can be found at [www.fcc.gov/incentiveauctions/reimbursement](http://www.fcc.gov/incentiveauctions/reimbursement). Questions can be submitted to [reimburse@fcc.gov](mailto:reimburse@fcc.gov).

## **Submitting Invoices**

### ***I received notice of my allocation amount. What do I do now?***<sup>3</sup>

Following an allocation, an entity has access to a certain percentage of its total verified estimated cost.

The entity may draw down on the allocation as it incurs reimbursable costs by uploading financial documentation to the same Form 399 previously used to submit estimated reimbursement costs. Within the FCC Licensing and Management System (LMS), Form 399 will be located under either under the “Submitted” or “Saved” applications tab.

Entities may submit reimbursement requests in the “Costs” section of the Form 399. To do so, simply access the previously submitted Form 399, navigate directly to the Costs section using the sidebar index on the right-hand side of Form 399, and click “Add” under the “Actuals” column that corresponds to the item for which you are adding financial documentation. You will be prompted by the Form to provide all of the necessary information.

### ***Can I still revise my Cost Estimate(s)?***<sup>3</sup>

Yes, you may — and indeed should — revise your Cost Estimate(s) on the Form 399 as many times as necessary during the reimbursement period to accurately reflect your plans and incurred expenses.

Revise the submitted Form 399 in the same manner that you originally completed the Form 399. Simply access and edit the same Form 399 that you previously completed at the estimates stage and (re)certify and (re)submit the Form 399 when you’ve finished.

### ***When can I submit actuals?***<sup>3</sup>

Submit documentation for your actual costs at any time after you *incur* a reimbursable expense.

### ***Do I need to revise my Cost Estimate if my actual cost exceeds the previously verified amount?***<sup>3</sup>

In some cases, entities may be required to submit a revised Cost Estimate documenting the rationale for increased costs before a claim in excess of a previously verified amount will be considered. Entities will be notified by the Fund Administrator if a revision is required. Reimbursement will not be made in excess of an entity’s available allocation amount. Any subsequent revision(s) will be evaluated and, if assessed as reasonable, reflected in future allocations. Claims exceeding the available allocation will still be reviewed for reasonableness but will be held for payment until a subsequent allocation is made.



You may also be asked to provide details on the variance and rationale for increased costs.

***If an element of the verified cost estimate (transmitter, antenna, professional services, etc.) was based on the cost catalog price, does the entity need to submit a copy of the vendor quote when requesting reimbursement?***<sup>3</sup>

In general, the entity should submit a copy of the vendor quote, or a copy of its purchase order to the vendor, when requesting reimbursement for any repack related cost for which the estimated cost was based on the cost catalog. If the entity does not or cannot provide a copy of the vendor quote or a copy of its purchase order to the vendor, the entity should provide an explanation along with its request for reimbursement.

***What supporting detail is required for reimbursement of expenses?***<sup>3</sup>

All requests for reimbursement must be accompanied by documentation of the expense incurred, such as an invoice, receipt or other supporting documentation that explains the nature and cost of the expense. Vendor equipment and services must be accompanied by an invoice. Note that the Cost Catalog (and its associated prices) may not be used as documentation of an incurred expense.

***What supporting detail is required for reimbursement of professional services?***

Requests for reimbursement for professional services must be accompanied by a supporting vendor invoice that clearly identifies the period of time over which services were performed.

- ***Time and Material Billing.*** For services performed on a “time and materials” basis, the invoice must specify the hours worked by resource, the associated rate(s) per hour, and a description of the activities performed by each resource included in the invoice. Note that project management services must be billed as time and materials and not as fixed fee.
- ***Fixed Fee Billing.*** For professional services in which the underlying vendor invoice is billed to an entity as a fixed fee, in addition to the vendor invoice the entity must submit a copy of the vendor quote that provides a cost and activity “build-up” to support the fixed fee. Fixed fee invoices must specify the time period covered by the invoice, a description of the services rendered, and the amount due. Note that project management services must be billed as time and materials and not as fixed fee



## **Navigating LMS and Form 399, Troubleshooting, and Invoice Issues**

A [tutorial video](#) was recently posted to the reimbursement website that illustrates how to upload cost documentation and describe actual expenses on the Form 399. The video, entitled “*Documenting Actual Reimbursement Costs & Uploading Invoices to Your Form 399*,” walks through two examples, submitting Form 399 using an invoice for a reasonably incurred cost pertaining to two separate line items. It is available on the reimbursement [website](#) under the “Tutorial Videos” tab, along with several other instructional videos about the Form 399. <sup>3</sup>

### ***How do I access a previously submitted Form 399?*** <sup>3</sup>

- *Via the “Submitted” Applications Tab in LMS:* To access a submitted Form 399, either for the first time since the estimates stage or after having previously submitted a batch of invoices, simply log in to LMS and click the “Submitted” tab. Next, click on the file number associated with the Form 399 for which you will be documenting expenses. On the next screen, click on the blue “File an Application” button. From the drop-down menu click “Continue your 399.” You will then be taken to your previously submitted Form 399 and can make edit and attach cost documentation.
- *Via the “Saved” Applications Tab in LMS:* If you have already accessed, but not submitted, Form 399, it will be listed under the “Saved” applications tab in LMS. Click on the “Saved” application tab. After clicking on the Form 399’s file number, you will be taken directly to it.

Make sure that you confirm the application you are working with corresponds to the correct Facility ID. If not, simply select the correct Facility ID from the dropdown menu. For troubleshooting, please call the reimbursement line at (202) 418-2009, or e-mail the Reimbursement Team at [reimburse@fcc.gov](mailto:reimburse@fcc.gov).

### ***Why am I receiving a red error message in the Cost Section when I hit the “Save and Continue” button to navigate to the next page of the Costs Section?*** <sup>3</sup>

The red error message itself will generally tell you exactly what information needs to be corrected. The most common error message indicates that you cannot advance to the next costs section because certain “estimates are missing.” To resolve this problem, make sure that every entry under the “Estimates” column in the Costs Section has a numeric value entered (and does not still say “Add”). You can enter the “Predetermined Cost Estimate” value, an individual cost estimate, or you can enter “\$0.00” in that field (and revise it later with a specific value) to continue. After you confirm that no entry says “Add,” you will be able to proceed to the next equipment category in the Cost Section page by clicking the “Save and Continue” button.

### ***Why am I receiving a red error message in the Add Component Section saying that I have entered an “Invalid Value?”*** <sup>3</sup>

The “Invalid Value Entered” error message indicates punctuation or symbols such as the ampersand (&) have been entered in the “Vendor Name” field. Spell out the symbol (e.g., “&” as “and”) instead of using a symbol, or remove all of the punctuation. For troubleshooting, please call the Reimbursement Team for assistance at (202) 418-2009, or e-mail us [reimburse@fcc.gov](mailto:reimburse@fcc.gov).



### ***Can I verify that my Form 399 was properly submitted?***<sup>3</sup>

To ensure that you have properly submitted and certified your Form 399 search for the application filing in the public LMS system, which is available here:

<https://enterpriseefiling.fcc.gov/dataentry/public/tv/publicAppSearch.html>

From the Application Search page, indicate the purpose of the application you are searching for (*i.e.*, “FORM 399”) and search for your submitted Form 399 by Facility ID, Call Sign, or Date Range, among others. See screenshot below.

The screenshot displays the 'Application Search' interface of the FCC's Licensing and Management System. The page includes a header with the FCC logo and navigation links for 'Search' and 'Log In'. The search criteria are organized into several sections: 'Call Sign', 'File Number', 'FRN', and 'Facility ID' each have a text input field. 'Submitted Date Range' features 'From' and 'To' date pickers. 'Status' is a dropdown menu currently showing 'Select Status'. 'Purpose' is a dropdown menu with 'FORM 399' selected. Below these are two checkboxes: 'Include Amendments' and 'Include Only Active'. 'Service' is a dropdown menu showing 'Select Services'. 'Community State' is a dropdown menu with 'Select...' selected. 'Community City' is a text input field with 'Enter City' placeholder. 'Applicant Name' is a text input field. At the bottom, there are three buttons: 'Search' (highlighted in blue), 'Cancel', and 'Clear Form'.

### ***Can I add all of my invoices as one attachment and refer to the same attachment for every cost component?***<sup>3</sup>

No. While any one invoice may contain several discrete line items, or cost components, for the various reimbursable expenses you have incurred from a vendor, each invoice attached to a particular cost component must pertain to that cost component.



### ***Can I use the same invoice across multiple cost categories?***<sup>3</sup>

Yes, you can use the same invoice for line items across multiple cost categories. To do this, add the invoice to the cost component and note what percentage or dollar amount of the invoice applies to that discrete cost component on the “Add Component” page pertaining to the particular expense. For each additional cost components listed on the same invoice, select the invoice that you previously uploaded from the dropdown list in the “Add Component” screen and indicate what percentage or dollar amount of the invoice is represented by that particular cost component.

### ***What should I put in the “Vendor EIN” field if my invoice or receipt does not have an EIN or TIN number associated with it and I can’t easily obtain one for the vendor?***<sup>3</sup>

To the extent practicable, obtain a vendor’s EIN or TIN number to expedite the invoice review process. If the invoice or receipt does not identify the vendor’s EIN or TIN number and you cannot readily obtain the vendor’s EIN or TIN number, as can occur when materials are purchased at a store, you may use your station’s or MVPD’s EIN/TIN number.

### ***Under what circumstances should I provide the dollar amount of the invoice that I am requesting reimbursement for rather than the percentage, and vice versa, on the “Add Component” page within the Cost Section?***<sup>3</sup>

This feature exists to facilitate your identification of the particular reimbursement amount you are requesting and the manner of presenting the amount is up to you. This feature may be particularly useful when submitting invoices containing multiple line items or when specifying the reimbursable cost on an invoice for upgraded equipment.

### ***My Saved Form 399 is incorrect and/or inconsistent with what I previously submitted—what happened, and how do I fix it?***<sup>3</sup>

If your saved Form 399 (accessed via the “Saved” Applications tab in LMS) is inaccurate and you would like to continue your last submitted Form 399, delete the Form 399 located under the “Saved” tab in LMS, and then access the Submitted Form 399 to start anew. Deleting the saved Form 399 is a necessary predicate to accessing the previously submitted Form 399. Before doing so, make sure that your submitted Form 399 has the accurate information. For troubleshooting, please call the Reimbursement Team for assistance at (202) 418-2009, or e-mail us [reimburse@fcc.gov](mailto:reimburse@fcc.gov).

### ***Why didn’t I receive correspondence that I expected regarding my reimbursement submission?***<sup>3</sup>

To ensure that you receive all correspondence relating to your entity’s reimbursement be that your “Reimbursement Contact” information in the Form 399 is accurate and up-to-date.

If you are still missing correspondence, check your spam, junk, and/or clutter folders to see if an e-mail was mistakenly diverted. If it was, you’ll want to add the sender to your “Safe Sender” list. Please consult your IT consultant for further assistance with this process.



If you believe you should have received reimbursement correspondence, but have not, you can check with the Reimbursement Team by calling the reimbursement line at (202) 418-2009, or e-mailing [reimburse@fcc.gov](mailto:reimburse@fcc.gov).

***How can I avoid potentially disclosing attorney-client privileged information when submitting invoices for eligible legal expenses for reimbursement?***<sup>4</sup>

If an invoice for legal expenses contains attorney-client privileged information, you may redact the privileged information contained in billing narratives before submitting the invoice for reimbursement. Please provide an explanation that the redacted material consists of attorney-client privileged information. If a redaction renders the billing narrative insufficient for the Commission to evaluate the reasonableness of the charge, please also include a description of the work performed. If reviewers from the Fund Administrator or the FCC have any questions, they will contact your reimbursement contact for further information.