



### Reimbursement Process

#### *How does an LPTV/translator station request reimbursement?*

To request reimbursement for eligible expenses, an eligible LPTV/translator station must file two FCC forms and related supporting documents: 1) FCC Form 2100, Schedule 399 (Reimbursement Form or Form 399), accessible in the Commission's Licensing and Management System (LMS), and associated documentation/invoices; and 2) a signed, notarized FCC Form 1876 (Banking Form or Form 1876), which is accessible in the Commission Registration System (CORES) Incentive Auction Financial Module (CIAFM), so the Commission knows where to send payments. **The deadline for filing an initial Form 399 is October 15, 2019.** There is no deadline for filing a Form 1876, but one must be filed and reviewed by Commission staff before any reimbursement payments can be made.

**Form 399** is used both to establish eligibility and to request reimbursement for eligible expenses incurred as a result of the television channel repack. You must establish eligibility by completing a one-time certification demonstrating that you meet the eligibility criteria (Eligibility Certification). You must include the following, and we strongly encourage that you include a cover letter to further explain any elements of your Eligibility Certification and supporting documentation:

- Construction Permit from the Commission's Special Displacement Window (April 10, 2018—June 1, 2018);
- License or pending application for license (FCC Form 2100 Schedule D) prior to April 13, 2017;
- Evidence that the station was licensed and transmitting for at least nine of the months between April 12, 2016, and April 13, 2017. Submit one or more of the following documents to meet minimum operating requirement (first 4 strongly preferred):
  - Master control automation system logs (referencing the station);
  - Programming/operating logs, transmission logs (referencing the station);
  - Commercial logs (referencing the station);
  - Program guides (referencing the station and including indication that the programs listed were aired);
  - Tower/facility rental/leasing agreement (specifying site location);
  - Broadcast agreement;
  - Third-party affidavits (Examples might include advertisers, content providers, Electronic Program Guide (EPG) services, or, in the case of translators, associated stations. The supplying third party should explicitly affirm the affiant's first-hand knowledge of the station's operations and that it met the minimum operating requirement, describe the affiant's relationship to the station and the basis for his or her knowledge, such as payments made for running advertisements during the required time period, and



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- include a statement that no monetary or other compensation was received in exchange for the affidavit);
- Electric bills (specifying site location);
- The Commission will consider other forms of documentation on a case-by-case basis;
- Information about the station's existing broadcasting equipment; and
- Estimates and/or actual cost documentation for eligible expense items. You may use the Cost Catalog embedded in Schedule 399 for estimates.

**Form 1876** includes banking and payment instructions for each station. The station must create an FCC Username Account in the FCC User Registration System. The FCC Username Account must be associated with the entity's FCC Registration Number (FRN). Each FRN must have at least one FCC Registration Number Administrator (FRN Administrator).

- The FRN Administrator must log in to the CIAFM and enter all requested information. The CIAFM will then generate a Form 1876 in PDF format for signature. The CIAFM will not allow the Form 1876 to be printed unless all required fields are completed.
- A person with authority to bind the station (e.g. a corporate officer or owner) must sign the completed, printed Form 1876, have it notarized, and **mail the original signed and notarized Form 1876 to the Commission, together with a bank account verification letter or a redacted bank statement** (dated within six months of the signature on the Form 1876) that confirms ownership of the account for each FIN/File Number receiving reimbursement.
- After FCC staff has determined that all required information has been provided on the Form 1876, an email notification will be sent to the station stating that the station has 10 business days to review and verify bank account information for that FIN/File Number in the CIAFM. If the information is incorrect, the station must submit a new Form 1876.
- No reimbursement payment will be made if the bank account information in the CIAFM is not verified.

### *Must the Licensee of an LPTV/Translator station complete a new Form 1876 if the Licensee already has an 1876 on file with the Commission?*

Yes. Each eligible entity will have to submit a Form 1876 and follow the procedures outlined in the LPTV/Translator/FM Banking PN to receive reimbursement payments. The Commission Registration System (CORES) Incentive Auction Financial Module (CIAFM) creates a separate reimbursement account for each eligible entity based on an eligible station's facility identification number (FIN) and FCC registration number (FRN).

### *What is the Reimbursement Fund claims process for LPTV/translator stations?*

- Submit Eligibility Certification by **October 15, 2019**, using Form 399 in LMS.
- Submit estimates and/or invoices for incurred expenses by **October 15, 2019**, using Form 399 in LMS.



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- Submit banking information in CIAFM, mail in the signed, notarized 1876, and confirm account information in CIAFM after receiving direction to do so from Commission staff.
- Receive an allocation from the Commission, viewable in CIAFM.
- Submit additional invoices for incurred expenses using Form 399 in LMS, as necessary.
- Respond to Requests for Information (RFI) (if the FCC or its Fund Administrator needs more information in order to process an eligibility certification or a payment request, you will receive an RFI via email).
- Receive electronic payment(s).
- Close out your project when complete using Form 399 in LMS. You must submit a final Form 399 to notify the Commission that you have submitted all requests for reimbursement and associated supporting documentation.
- Receive a financial reconciliation statement that specifies verified, estimated amounts; allocated amounts; amounts requested for reimbursement; and amounts disbursed by the Commission.
- The final account close-out for each entity will occur no later than July 3, 2023.

### Reimbursement Eligibility

#### *What is the Reimbursement Act (REA)?*

In March 2018, Congress adopted the REA, which provides additional funding for the TV Broadcaster Relocation Fund (Reimbursement Fund). The REA also directs the FCC to reimburse costs reasonably incurred by an eligible LPTV/translator station to relocate its television service from one channel to another channel or otherwise modify its facilities as a result of displacement due to the reorganization of broadcast television spectrum.

#### *What LPTV/translator stations are eligible for reimbursement?*

Low power television (LPTV) and television translator (TV translator) stations (together LPTV/translator stations) that were displaced by the post-incentive auction repacking process and satisfy all of the following criteria:

- Station filed an application during the Commission's Special Displacement Window (April 10, 2018—June 1, 2018);
- Station obtained construction permit following the Commission's Special Displacement Window (April 10, 2018—June 1, 2018);
- Station was licensed or had a pending application for license (FCC Form 2100 Schedule D) prior to April 13, 2017;
- Station was transmitting for at least 9 of 12 months between April 12, 2016 and April 13, 2017, and for at least two hours per day, and not less than 28 hours per calendar week;
- Station incurred costs because of the post-incentive auction broadcast transition; and
- Station was not and will not be reimbursed for costs by another entity.

#### *When is the Eligibility Certification due?*

The Eligibility Certification is due by October 15, 2019.



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### ***What should I do if I've already purchased equipment?***

Eligible LPTV and translator stations may submit requests for reimbursement for expenses they have incurred, along with required supporting documentation, at the same time they submit estimates. Stations should collect and retain all transition-related documentation including invoices, quotes, and receipts. These documents will be used to request reimbursement and should be retained by the LPTV/translator station to support its claims for reimbursement in the event of future verifications and audits.

### ***Do I need a construction permit to be eligible for reimbursement?***

Yes. Stations will be deemed eligible for the reimbursement fund only if they have obtained a valid construction permit in the Special Displacement Window.

### ***What was the Special Displacement Filing Window?***

The FCC held the Special Displacement Filing Window from April 10, 2018 – June 1, 2018, to offer operating LPTV/translator stations that were displaced because of the television broadcast spectrum reorganization, an opportunity to apply for a new channel. LPTV/translator stations are only eligible for reimbursement if they applied for a construction permit during the Special Displacement Filing Window and were granted the permit.

### ***What if my station was displaced before the Special Displacement Filing Window opened?***

Any LPTV/translator station that was displaced as a result of the incentive auction before the Special Displacement Window opened and filed prior to the window with grant of a waiver, is treated as if it filed its construction permit application on the last day of the Special Displacement Window and is therefore eligible for reimbursement under the REA if it meets all of the other eligibility requirements.

### ***What forms of documentation should I submit to support my certification that my LPTV/translator station was transmitting for at least 9 of 12 months for at least two hours per day, and not less than 28 hours per calendar week between April 12, 2016, and April 13, 2017?***

Submit one or more of the following documents pertaining to the station seeking reimbursement to meet minimum operating requirement (first 4 strongly preferred). We strongly encourage that you include a cover letter to further explain any elements of your Eligibility Certification and supporting documentation:

- Master control automation system logs (referencing the station);
- Programming/operating logs, transmission logs (referencing the station);
- Commercial logs (referencing the station);
- Program guides (referencing the station and including indication that the programs listed were aired);
- Tower/facility rental/leasing agreement (specifying site location);
- Broadcast agreement;
- Third-party affidavits (Examples might include advertisers, content providers or, in the case of translators, associated stations. The supplying third party should explicitly affirm the affiant's first-hand knowledge of the station's operations and that it met the minimum operating requirement, describe the affiant's relationship to the station and the basis for



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his or her knowledge, such as payments made for running advertisements during the required time period, and include a statement that no monetary or other compensation was received in exchange for the affidavit);

- Electric bills (specifying site location);
- The Commission will consider other forms of documentation on a case-by-case basis.

### *Can I still seek reimbursement if I've already been reimbursed from another entity?*

No. Any LPTV/translator station that has received – or expects to receive – reimbursement for costs associated with the broadcast television spectrum reorganization from another entity will not be eligible to receive funds from the Reimbursement Fund for the same costs. Duplicative payments are prohibited under the REA.

## Estimates and Allocations

### *When are cost estimates due?*

Initial cost estimates are due no later than **October 15, 2019**.

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

LPTV/translator stations must identify both their existing equipment and the equipment and services they intend to purchase (or have already purchased) to relocate their television service from one channel to another channel, or to otherwise modify their facilities as a result of displacement due to the reorganization of broadcast television spectrum. A station's estimated transition cost will serve as the basis for an initial allocation of funds, against which the station can begin to draw down as its reimbursement requests for incurred costs are approved.

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

Stations submit estimates using Form 399 in LMS. A station may either submit an amount within the price range specified in the Cost Catalog (which is embedded in Form 399 in LMS) for equipment or services, or the station may 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.

In situations where actual costs have already been incurred for some or all of the station's anticipated expenses, stations should utilize the actual cost value as their estimate and should provide the actual cost invoice and other relevant documentation in lieu of vendor quotes or other estimate documents.

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

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

### *How will initial allocations be calculated by the Commission?*

It is the Commission's goal to ensure that reimbursement funds are allocated fairly and consistently across all eligible entities. Reimbursement funds will be allocated by the Media Bureau in tranches, with the allocation amounts calculated based on:



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- The amount of repacking expenses reported on the estimated cost forms by all eligible entities; and
- The amount of money available in the Reimbursement Fund available for use by LPTV/translator stations.

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

Yes. The station's reimbursement contact (as identified on its Reimbursement Form 399) will receive an email indicating review of the station's cost estimates is complete.

## Reimbursable Expenses

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

Stations must submit FCC Form 2100, Schedule 399 (Reimbursement Form or Form 399) accessible via LMS.

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

The reimbursement approval process is designed to ensure that a station's reasonably incurred expenses are paid, while at the same time guarding against fraud, waste, and abuse associated with the disbursement of federal funds. Equipment and other costs necessary for an eligible LPTV/translator station to construct facilities authorized by the grant of the station's Special Displacement Window application will be considered "reasonably incurred," subject to the following:

- we will not provide reimbursement for optional features beyond those already present in the station's existing facilities. However, we understand that some stations may not be able to replace older, legacy equipment with equipment that is precisely comparable in functionality because of advances in technology. If the cost to replace certain equipment is reasonably incurred in order to construct facilities consistent with the station's Special Displacement Window construction permit, we will consider reimbursing the cost of such equipment, recognizing that the equipment may include some improved functionality.
- LPTV/translators should reuse their own equipment to the extent possible. If a station seeks reimbursement for new equipment, it must provide a justification when submitting cost estimates as to why the cost to purchase new equipment – rather than modify current equipment to conform to the station's displacement construction permit – is "reasonably incurred."

### *Does the FCC reimburse for equipment upgrades?*

LPTV/translator stations should repurpose their equipment to the extent possible. The Commission will not reimburse stations for new features not already present in equipment being replaced; however, as discussed above, the Commission recognizes that some technological advances may mean some features are now standard in equipment, and therefore some upgrades may be inevitable.

### *Are lost revenues reimbursable under the REA?*

No. The REA explicitly prohibits reimbursement of lost revenues.



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

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

No. While an invoice may contain several discrete line items, or cost components, for various reimbursable expenses billed by 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?***

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 expense. For each additional cost component 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 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?***

If possible, 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 obtain the EIN or TIN number from the vendor (e.g., the materials were purchased at a retail store), you may use your station’s EIN/TIN number.

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

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

### ***What do I do once construction on my project is complete?***

You should click the Construction Complete button in Form 399. The construction complete button alerts the Fund Administrator that you have completed construction. Clicking this button will not lock your account. You will still be able to upload invoices and receive reimbursement. Once you have submitted all invoices and are ready to close out your account, click the Project Complete button. When you have clicked both the Construction Complete and Project Complete buttons, you will trigger the close-out procedures. Close-out procedures start with a reconciliation of your account (but will not prevent additional allocations if your station is entitled to more money).

### ***What does the Close-Out stage entail?***



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Close-out is triggered when the station clicks both the Construction Complete and the Project Complete buttons, indicating to the Fund Administrator that the project is complete and all invoices have been submitted. The following steps will then occur:

- After the station indicates the project is complete, the Reimbursement Form will be locked and the station will not be able to submit additional supporting documentation via LMS;
- The Fund Administrator processes any pending invoices and produces a Financial Reconciliation Statement and sends it to the station for review and concurrence;
- FCC will review the statement;
- The Fund Administrator may request a sampling of proof of payments;
- Any remaining eligible reimbursement amounts above the existing allocation amount will be held until further allocation of funds, if any; and
- When the Fund is exhausted or the reimbursement program is completed for all stations, a Final Close-out Letter will be sent to the station.

### ***Are funds received through the Reimbursement Fund subject to audit?***

Yes. Participants in the reimbursement program are subject to a variety of audits that could be conducted by various oversight bodies, including but not limited to, the FCC Office of Inspector General (OIG), Government Accountability Office (GAO), or U.S. Treasury. A station has an ongoing obligation to retain documentation supporting its requests for reimbursement for a period that extends 10 years after the date it receives its final payment from the Reimbursement Fund.

### ***Should I submit an eligibility certification if I do not have a good-faith basis to believe my station is eligible to receive Reimbursement Funds?***

No. The Eligibility Certification requires an authorized agent of the licensee to attest that statements in the form and attached documentation are true, complete, and correct. Willfully false, fraudulent, or fictitious statements are punishable by fine and/or imprisonment, and/or revocation of a station license or construction permit. False and/or fraudulent statements could subject an entity to liability under the false claims act.

### ***Is there a federal domestic assistance code associated with payment from the Reimbursement Fund?***

No. For the purposes of accounting for disbursements made for repack, the funding provided to stations is treated as an exchange transaction as opposed to a non-exchange transaction, such as a grant or a subsidy/Federal assistance. Accordingly, disbursements from the Reimbursement Fund are not associated with a federal domestic assistance code. We suggest that stations consult with their auditors about a station's audit obligations.





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

Procedures governing the LPTV/translator reimbursement process are located at section 73.3701 of the Commission's rules. 47 CFR § 73.3701. You can find additional information at [www.fcc.gov/incentiveauctions/reimbursement](http://www.fcc.gov/incentiveauctions/reimbursement), to include public notices that address in detail the uses of Form 1876 and FCC Form 2100, Schedule 399, as well as the LPTV/translator cost catalog. You also can submit questions to [reimburse@fcc.gov](mailto:reimburse@fcc.gov) or call 202-418-2009.