

# **Revised Funding Commitment Decision Letter**

## **Funding Year 2016**

**Contact Information:**

Louis Fox  
CENIC-CORPORATION FOR EDUCATION  
NETWORK INITIATIVES IN CALIFORNIA  
16700 VALLEY VIEW AVENUE, SUITE 400  
LA MIRADA, CA 90638  
[lfox@cenic.org](mailto:lfox@cenic.org)

**BEN:** 225495**Post Commitment Wave:** 83

## **Totals**

Original Commitment Amount	\$0.00
<b>Revised Commitment Amount</b>	<b>\$0.00</b>

## **What is in this letter?**

**Thank you for submitting your post-commitment request for Funding Year 2016 Schools and Libraries Program (E-rate) funding.** Attached to this letter, you will find the revised funding statuses and/or post commitment changes to the original Funding Commitment Decision Letter (FCDL) you received. Below are the changes that were made:

- Appeals
- Appeals
- Appeals
- Appeals

The Universal Service Administrative Company (USAC) is providing this information to both the applicant(s) and the service provider(s) so that all parties are aware of the post-commitment changes related to their funding requests and can work together to complete the funding process for these requests.

## **Next Steps**



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

1. **File the FCC Form 486**, Service Confirmation and Children's Internet Protection Act (CIPA) Certification Form, for any FRNs included in this RFCDL, if you have not already done so. Please review the CIPA requirements and file the form(s).
  - o **If USAC approved funding on an FRN in your original FCDL**, the deadline to submit the FCC Form 486 is 120 days from the date of the original FCDL or from the service start date (whichever is later).
  - o **If a new FRN was created for this RFCDL or funding was not approved on an FRN in your original FCDL but is approved in this RFCDL**, the deadline to submit the FCC Form 486 is 120 days from the date of this RFCDL or from the service start date (whichever is later).
2. **Invoice USAC**, if you or your service provider have not already done so. Work with your service provider(s) to determine if your bills will be discounted or if you will request reimbursement from USAC after paying your bills in full.
  - **If you (the applicant) are invoicing USAC:** You must pay your service provider(s) the full cost for the services you receive and file the [FCC Form 472](#), the Billed Entity Applicant Reimbursement (BEAR) Form, to invoice USAC for reimbursement of the discounted amount.
  - **If your service provider(s) is invoicing USAC:** The service provider(s) must provide services, bill the applicant for the non-discounted share, and file the [FCC Form 474](#), the Service Provider Invoice (SPI) form, to invoice USAC for reimbursement for the discounted portion of costs. Every funding year, service providers must file an [FCC Form 473](#), the Service Provider Annual Certification Form, to be able to submit invoices and to receive disbursements.
  - **To receive an invoice deadline extension, the applicant or service provider** must request an extension on or before the last date to invoice. **If you anticipate, for any reason, that invoices cannot be filed on time**, USAC will grant a one-time, 120-day invoice deadline extension if timely requested.

## How to Appeal or Request a Waiver of a Decision

You can appeal or request a waiver of a decision in this letter **within 60 calendar days** of the date of this letter. Failure to meet this deadline will result in an automatic dismissal of your appeal or waiver request.

**Note:** The Federal Communications Commission (FCC) will not accept appeals of USAC decisions that have not first been appealed to USAC. However, if you are seeking a waiver of E-rate program rules, you must submit your request to the FCC and not to USAC. USAC is not able to waive the E-rate program rules.

- **To submit your appeal to USAC**, visit the Appeals section in the [E-rate Productivity Center \(EPC\)](#) and provide the required information. USAC will reply to your appeal submissions to confirm receipt. Visit USAC's [website](#) for additional information on submitting an appeal to USAC, including step-by-step instructions.



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

- **To request a waiver of the FCC's rules or appeal USAC's appeal decision**, please submit it to the FCC in proceeding number CC Docket No. 02-6 using the [Electronic Comment Filing System](#) (ECFS). Include your contact information, a statement that your filing is a waiver request, identifying information, the FCC rule(s) for which you are seeking a waiver, a full description of the relevant facts that you believe support your waiver request and any related relief, and any supporting documentation.

For appeals to USAC or to the FCC, be sure to keep a copy of your entire appeal, including any correspondence and documentation, and provide a copy to the affected service provider(s).

## Obligation to Pay Non-Discount Portion

Applicants are required to pay the non-discount portion of the cost of the eligible products and/or services to their service providers. Service providers are required to bill applicants for the non-discount portion of costs for the eligible products and/or services. The FCC stated that requiring applicants to pay the non-discounted share of costs ensures efficiency and accountability in the program. If using the BEAR invoicing method, the applicant must pay the service provider in full (the non-discount plus discount portion) **before** seeking reimbursement from USAC. If using the SPI invoicing method, the service provider must first bill the applicant **before** invoicing USAC.

## Notice on Rules and Funds Availability

The applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program and the FCC's rules. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds.



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

## Revised Funding Commitment Decision Overview

### Funding Year 2016

Funding Request Number (FRN)	Service Provider Name	Request Type	Revised Committed	Review Status
1699145599	Zayo Group, LLC	Appeals	\$0.00	Denied
1699138819	AMS.NET, Inc.	Appeals	\$0.00	Denied
1699138580	Zayo Group, LLC	Appeals	\$0.00	Denied
1699137812	Zayo Group, LLC	Appeals	\$0.00	Cancelled



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

<b>Post Commitment Request Number:</b> 71847	<b>Post Commitment Request Type:</b> Appeals	<b>Post Commitment Decision:</b> Denied
---	---	--

<b>FRN:</b> 1699145599	<b>Service Type:</b> Data Transmission and/or Internet Access	<b>Original Status:</b> Denied	<b>Revised Status:</b> Denied
<b>FCC Form 471: 161059379</b>			

Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$15,695.40	Total Eligible One Time Charges	\$112,059.16
Total Pre-Discount Charges		\$127,754.56	
Discount Rate		58.00%	
Revised Committed Amount		\$0.00	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2016	Service Provider	Zayo Group, LLC
Contract Expiration Date	6/30/2026	SPIN (498ID)	143023855
Contract Award Date	4/14/2016	Contract Number	C00-165
Service Delivery Deadline		Account Number	
Expiration Date (All Extensions)		Establishing FCC Form 470	160008827

Consultant Information	
Consultant Name	Cathy Benham
Consultant's Employer	CSM Consulting Inc.
CRN	16043564

**Revised Funding Commitment Decision Comments:**

DR1: FCC Rules require applicants to evaluate the cost effectiveness of all bids received and to choose the most cost effective solution. Documentation provided failed to demonstrate that the selected Dark Fiber solution from Zayo Group, LLC is the most cost effective option in comparison to Lit Fiber solution offered by Zayo Group, LLC based on the vendor responses to the FCC Form 470 associated with this FRN. This FRN is denied as the applicant did not select the most cost effective solution.

**Post Commitment Rationale:**

USAC denied your funding request because you did not demonstrate that the Dark Fiber solution is more cost effective than the other alternative solution you requested during the competitive bidding process based on total



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

cost. As a result, you did not demonstrate that services requested in FRN 1699145599 were the most cost effective solution as required by competitive bidding rules for this service type. Your appeal did not show that USAC's determination was incorrect. Consequently, your appeal is denied.]To the extent an applicant seeks construction of a network that the applicant will own, the applicant must also solicit bids for both the services provided over third-party networks and construction of applicant-owned network facilities, in the same request for proposals. Similarly, to the extent an applicant seeks bids for special construction associated with dark fiber or bids to lease and light dark fiber, the applicant must also solicit bids to provide the needed services over lit fiber. Additionally, to the extent an applicant seeks bids for equipment and maintenance costs associated with lighting dark fiber, the applicant must include these elements in the same FCC Form 470 as the dark fiber. See C.F.R. secs. 54.503 (c) (iv)-(vi). Furthermore, applicants seeking self-construction option must ensure it will be available only when it is necessary to enable access to fiber at cost-effective rates. Self-construction is allowable only where self-construction is demonstrated to be the most cost-effective option after competitive bidding. Applicants pursuing self-construction must solicit bids for both service and construction in the same FCC Form 470 and must provide sufficient detail so that cost-effectiveness can be evaluated based on the total cost of ownership over the useful life of the facility for applicants who pursue the self-construction option. See Modernizing the E-rate Program for Schools and Libraries, Second Report and Order and Order on Reconsideration, WC Docket No. 13-184, FCC 14-189 para. 48.



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

<b>Post Commitment Request Number:</b> 71847	<b>Post Commitment Request Type:</b> Appeals	<b>Post Commitment Decision:</b> Denied
---	---	--

<b>FRN:</b> 1699138819	<b>Service Type:</b> Data Transmission and/or Internet Access	<b>Original Status:</b> Denied	<b>Revised Status:</b> Denied
<b>FCC Form 471: 161059379</b>			

Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$397,441.75
Total Pre-Discount Charges		\$397,441.75	
Discount Rate		58.00%	
Revised Committed Amount		\$0.00	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2016	Service Provider	AMS.NET, Inc.
Contract Expiration Date	9/30/2017	SPIN (498ID)	143005880
Contract Award Date	4/16/2016	Contract Number	C45-373
Service Delivery Deadline		Account Number	
Expiration Date (All Extensions)		Establishing FCC Form 470	160013050

Consultant Information	
Consultant Name	Cathy Benham
Consultant's Employer	CSM Consulting Inc.
CRN	16043564

**Revised Funding Commitment Decision Comments:**

DR1: This FRN is associated with FRN 1699138580 and 1699145599. FRN 1699138580 and 1699145599 are denied because applicant failed to select the most cost effective option offered. This FRN requests Network Equipment for Dark Fiber associated with the denied FRN. Therefore, this FRN is also denied.

**Post Commitment Rationale:**

USAC denied your funding request because you did not demonstrate that the Dark Fiber solution is more cost effective than the other alternative solution you requested during the competitive bidding process based on total cost. As a result, you did not demonstrate that services requested in FRN 1699138819 were the most cost effective solution as required by competitive bidding rules for this service type. Your appeal did not show that USAC's



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

determination was incorrect. Consequently, your appeal is denied. To the extent an applicant seeks construction of a network that the applicant will own, the applicant must also solicit bids for both the services provided over third-party networks and construction of applicant-owned network facilities, in the same request for proposals. Similarly, to the extent an applicant seeks bids for special construction associated with dark fiber or bids to lease and light dark fiber, the applicant must also solicit bids to provide the needed services over lit fiber. Additionally, to the extent an applicant seeks bids for equipment and maintenance costs associated with lighting dark fiber, the applicant must include these elements in the same FCC Form 470 as the dark fiber. See C.F.R. secs. 54.503 (c) (iv)-(vi). Furthermore, applicants seeking self-construction option must ensure it will be available only when it is necessary to enable access to fiber at cost-effective rates. Self-construction is allowable only where self-construction is demonstrated to be the most cost-effective option after competitive bidding. Applicants pursuing self-construction must solicit bids for both service and construction in the same FCC Form 470 and must provide sufficient detail so that cost-effectiveness can be evaluated based on the total cost of ownership over the useful life of the facility for applicants who pursue the self-construction option. See Modernizing the E-rate Program for Schools and Libraries, Second Report and Order and Order on Reconsideration, WC Docket No. 13-184, FCC 14-189 para. 48.





**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

<b>Post Commitment Request Number:</b> 71847	<b>Post Commitment Request Type:</b> Appeals	<b>Post Commitment Decision:</b> Denied
---	---	--

<b>FRN:</b> 1699138580	<b>Service Type:</b> Data Transmission and/or Internet Access	<b>Original Status:</b> Denied	<b>Revised Status:</b> Denied
<b>FCC Form 471: 161059379</b>			

Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$57,097.95
Total Pre-Discount Charges		\$57,097.95	
Discount Rate		67.00%	
Revised Committed Amount		\$0.00	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2016	Service Provider	Zayo Group, LLC
Contract Expiration Date	6/30/2026	SPIN (498ID)	143023855
Contract Award Date	4/14/2016	Contract Number	C00-165
Service Delivery Deadline		Account Number	
Expiration Date (All Extensions)		Establishing FCC Form 470	160008827

Consultant Information	
Consultant Name	Cathy Benham
Consultant's Employer	CSM Consulting Inc.
CRN	16043564

**Revised Funding Commitment Decision Comments:**

DR1: FCC Rules require applicants to evaluate the cost effectiveness of all bids received and to choose the most cost effective solution. Documentation provided failed to demonstrate that the selected Dark Fiber solution from Zayo Group, LLC is the most cost effective option in comparison to Lit Fiber solution offered by Zayo Group, LLC based on the vendor responses to the FCC Form 470 associated with this FRN. This FRN is denied as the applicant did not select the most cost effective solution.

**Post Commitment Rationale:**

USAC denied your funding request because you did not demonstrate that the Dark Fiber solution is more cost effective than the other alternative solution you requested during the competitive bidding process based on total



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

cost. As a result, you did not demonstrate that services requested in FRN 1699138580 were the most cost effective solution as required by competitive bidding rules for this service type. Your appeal did not show that USAC's determination was incorrect. Consequently, your appeal is denied.]To the extent an applicant seeks construction of a network that the applicant will own, the applicant must also solicit bids for both the services provided over third-party networks and construction of applicant-owned network facilities, in the same request for proposals. Similarly, to the extent an applicant seeks bids for special construction associated with dark fiber or bids to lease and light dark fiber, the applicant must also solicit bids to provide the needed services over lit fiber. Additionally, to the extent an applicant seeks bids for equipment and maintenance costs associated with lighting dark fiber, the applicant must include these elements in the same FCC Form 470 as the dark fiber. See C.F.R. secs. 54.503 (c) (iv)-(vi). Furthermore, applicants seeking self-construction option must ensure it will be available only when it is necessary to enable access to fiber at cost-effective rates. Self-construction is allowable only where self-construction is demonstrated to be the most cost-effective option after competitive bidding. Applicants pursuing self-construction must solicit bids for both service and construction in the same FCC Form 470 and must provide sufficient detail so that cost-effectiveness can be evaluated based on the total cost of ownership over the useful life of the facility for applicants who pursue the self-construction option. See Modernizing the E-rate Program for Schools and Libraries, Second Report and Order and Order on Reconsideration, WC Docket No. 13-184, FCC 14-189 para. 48.



**BEN Name:** CENIC-CORPORATION FOR EDUCATION NETWORK INITIATIVES IN CALIFORNIA

**BEN:** 225495

**Post Commitment Wave:** 83

<b>Post Commitment Request Number:</b> 71847	<b>Post Commitment Request Type:</b> Appeals	<b>Post Commitment Decision:</b> Cancelled
---	---	---

<b>FRN:</b> 1699137812	<b>Service Type:</b> Data Transmission and/or Internet Access	<b>Original Status:</b> Cancelled	<b>Revised Status:</b> Cancelled
<b>FCC Form 471: 161059379</b>			

Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$15,695.40	Total Eligible One Time Charges	\$112,059.16
Total Pre-Discount Charges		\$127,754.56	
Discount Rate		58.00%	
Revised Committed Amount		\$0.00	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2016	Service Provider	Zayo Group, LLC
Contract Expiration Date	6/30/2026	SPIN (498ID)	143023855
Contract Award Date	4/14/2016	Contract Number	C00-165
Service Delivery Deadline		Account Number	
Expiration Date (All Extensions)		Establishing FCC Form 470	160008827

Consultant Information	
Consultant Name	Cathy Benham
Consultant's Employer	CSM Consulting Inc.
CRN	16043564

<b>Revised Funding Commitment Decision Comments:</b>
CR1: FRN canceled in consultation with the applicant.

<b>Post Commitment Rationale:</b>
The appeal of the FRN was canceled in order to change the answer to the Fiber question from Yes and Fiber Maintenance & Operations to No and Dark Fiber IRU. The new FRN for the requested services is 1699145599.