

6/4/2019

Letter of Appeal – Request for Waiver of USAC 60 Day Appeal Deadline

To Whom It May Concern:

Entity & BEN	Hackensack School District, 122884
Contact Person	Tiffany Bullion
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Funding Year	2018
Application Type & Application Number	181026817
FRN	1899049849; 1899049842 ; Appeal #148008
Appeal Reason	EPC Portal Errors
Proceeding No.	02-6

Appeal Explanation:

We are requesting a waiver of the USAC 60 day appeal deadline. We request that the FCC grant FCC Waivers regarding the USAC 60 day appeal deadline for the 2018 FRNs identified in this submission. A USAC appeal was submitted in the EPC portal on 11/19/18 in response to the FCDL issued 10/19/18, well within the 60 day deadline. However, there is now no record of such an appeal and therefore is being resubmitted in the EPC portal on 6/4/19. The appeal is to counter the blatant mishandling of the application by the USAC reviewer after they incorrectly processed the responses to the Program Integrity Assurance review inquiries.

The USAC reviewer incorrectly processed the entire application during the Program Integrity Assurance review. No reductions were requested on application #181026817 and instead a cost allocation correction spreadsheet was submitted. The modifications were improperly completed by the USAC reviewer. Furthermore, the USAC reviewer removed \$33,093.78 for “ineligible charges” but which are 100% eligible.

SLD Explanation: *“MR1: Based on the applicant’s request, the One-time Eligible Cost of the funding request was changed from \$204,562.09 to \$96,064.74. MR1: Based on the applicant’s request, the One-time Eligible Cost of the funding request was changed from \$44,625.00 to \$35,658.98.”*

The first Program Integrity Assurance (PIA) review inquiry regarding the Category Two budget was issued on 6/28/2018. The last one was issued on 9/17/2018 and responded to on 9/18/2018. For all responses a cost allocation correction spreadsheet was submitted. Jackson Avenue Elementary, Fairmount Elementary, Hillers Elementary and Parker Elementary had costs associated with Hackensack High School. The spreadsheets submitted to correct this ministerial error accurately showed the reduction of the cost allocations for Jackson, Fairmount, Hillers and Parker, while accurately showing the increased cost allocation for Hackensack High School. The USAC reviewer performed most of the changes to the application EXCEPT correcting (increasing) the cost allocation for Hackensack High School.

Furthermore, nowhere on the FCDL does it state that ineligible costs or charges were identified and removed. However when using the tool “View/Download FCC Forms 471 for FY2016 and forward” (<https://data.usac.org/publicreports/Forms/Form471Detail/Index>) a total amount of \$33,093.78 is identified in the one-time Ineligible Unit Costs column, attached here for reference. All make/models and SKUs are 100% eligible and no costs should have been removed due to ineligibility. Service provider documentation on eligibility can be found here <https://www.arubanetworks.com/eratetool/>. No modification notices were issued during the PIA review indicating the ineligibility of these items and therefore none of these decisions were agreed upon. Once more, these “ineligible” reductions are not mentioned on the issued FCDL either.

Please see attached the correct cost allocation for application #181026817. All child entities are within their available budget. The only remaining modifications to be done are to entity #7666 Hackensack High School, restoring \$117,463.37 pre-discount eligible costs for this application. To reiterate, these changes were requested in response to the PIA review inquiries but were not properly handled by the USAC reviewer. This is a clear example of what Chairman Pai describes in his April 18, 2017 letter addressed to Chris Henderson as “serious flaws in USAC’s administration of the E-Rate program – flaws that relate to the process by which schools and libraries apply for E-Rate funding and that are preventing many schools and libraries from getting their funding”.

The issue in this case boils down simply to this: The USAC reviewer responsible for this application grossly mishandled the changes required and outlined in the responses. Perhaps this negligence is the result of the USAC decision to transition from using Solix to Maximus for the review of all forms, possibly affecting the reviewers work. In the case of Hackensack School District, the responses to the PIA inquiries were submitted well within their deadlines, no outside communication from the reviewer was received indicating the reviewer needed clarification - the only issue at hand here has been caused by USAC’s inability to sort out their own processes. These procedural issues which have led to USAC’s incorrect application reductions is extremely detrimental to applicants as they cause complicated budget issues. This is a procedural issue created by the convoluted and complex nature of the E-Rate program. FCC order 06-54 waives the rules for procedural errors, such as in this instance where the application has been improperly handled.

Given that the reduction of funding in this case was based on gross administrative error on the part of the reviewer, the Parties respectfully request that the SLD process this Letter of Appeal and restore the full eligible funding commitment for Hackensack School District. The reduction of funding due to a USAC personnel error places a particular hardship on a school district such as Hackensack SD that otherwise should have been approved for and received full E-Rate funding for its application.

This issue has been further compounded by the problems still associated with the EPC portal and the frequent errors that seem to occur when creating submissions. Chairman Pai describes this specific issue of “repeated problems and various outages with the EPC portal input system, during which users could not access or upload necessary data and forms” in the 4/18/17 letter addressed to Chris Henderson of USAC.

We request that the FCC grant FCC Waivers regarding the USAC 60 day appeal deadline for the 2018 FRNs identified in this submission.

Sincerely,
Tiffany Bullion
Director of Operations
E2e exchange, LLC