



First Demand Payment Letter

Jason Glass
BELMONT CHARTER SCHOOL
4030 BROWN ST, none
PHILADELPHIA, PA 19104

05/07/2018

DEMAND FOR PAYMENT OF DEBT OWED TO THE UNITED STATES

This letter is to notify you that the Universal Service Administrative Company ("USAC"), acting on behalf of the Federal Communications Commission (FCC or Commission), has determined that BELMONT CHARTER SCHOOL received improper payments of \$41,385.70 from the Universal Service Fund. On 03/06/2018, USAC sent BELMONT CHARTER SCHOOL a Recovery of Improperly Disbursed Funds Letter informing BELMONT CHARTER SCHOOL of the decision to recover funds for the Funding Request Number(s) (FRNs) listed on the Adjustment Report included in this demand letter. A summary of the relevant FRNs with the corresponding recovery amounts and explanations for the recovery sought is as follows:

Total Due: \$41,385.70

Due Date: 06/06/2018

FCC Form 471	FRN	Commitment adjustment	Total amount to be recovered	Explanation(s)	Party to recover from
161047475	1699107310	\$0.00	\$41,385.70		BEN

See Attached Adjustment Report for more information on the specific FRNs and Explanations listed above.

The FCC has determined that the \$41,385.70 overpayment is a debt owed to the United States (the "Debt") and has instructed USAC to collect payment of the Debt pursuant to the Debt Collection Improvement Act, 31 U.S.C. §3701, et seq. ("DCIA"). Accordingly, USAC hereby demands that BELMONT CHARTER SCHOOL immediately pay the Debt, which is due and owing without further demand within thirty (30) days of the date of this letter (the "Due Date"). Payment instructions are provided below.

If BELMONT CHARTER SCHOOL does not pay the Debt in full on or by the Due Date, the Debt will be delinquent on that date and thereafter, may accrue interest, administrative costs and penalties, in accordance with the DCIA. For further information on the DCIA, and the Treasury and FCC debt collection regulations implementing the DCIA, please see 31 U.S.C. § 3701, et seq., 31 C.F.R. § 900, et seq. and 47 C.F.R. § 1.1901, et seq.

Pursuant to the FCC's Red Light Rule, unless an administrative appeal of the Recovery of Improperly Disbursed Funds Letter is pending, neither the FCC nor USAC will act on any BELMONT CHARTER SCHOOL funding application(s) or any payment request(s), until the Debt and all charges which may have accrued are paid in full or resolved. In addition, if all or a portion of the Debt and any accrued charges remain after the Due Date, unless an appeal is pending or other satisfactory arrangements have been made, all BELMONT CHARTER SCHOOL applications and requests for benefits will be dismissed. For more information on the FCC's Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>. In determining whether an entity is delinquent for purposes of the FCC's Red Light Rule, the FCC and USAC match the FCC Registration Number of the Debtor to the FCC's database of debts; the Debtor's FCC Registration Number will be linked to all other FCC Registration Numbers associated with the same Taxpayer Identification Number (TIN).



In addition, if BELMONT CHARTER SCHOOL does not pay the Debt and all accrued charges in full by the Due Date, the FCC may instruct USAC to offset or recoup the Debt and any accrued charges against any monies, including Universal Service Fund disbursements, USAC or the FCC may owe BELMONT CHARTER SCHOOL.

Further, unless an appeal is pending or other satisfactory arrangements have been made, no later than 90 days from the date of this demand letter, USAC will refer the delinquent Debt and any accrued charges to the United States Treasury for further collection action, in which event the United States Treasury will impose an additional surcharge (currently 28% of the Debt). The United States Treasury may offset the Debt and any accrued charges against monies owed to you by the United States. In addition, the United State Treasury may report BELMONT CHARTER SCHOOL's delinquency to credit bureaus and BELMONT CHARTER SCHOOL may be denied federal financial assistance.

BELMONT CHARTER SCHOOL has 15 days from the date of this letter to request a review of the records supporting this Debt. BELMONT CHARTER SCHOOL may also request a written agreement to repay the Debt, but only if it makes the request within 15 days of the date of this letter. An explanation of the process by which BELMONT CHARTER SCHOOL may request a repayment agreement can be found at <http://usac.org/cont/making-payments/payment-plans.aspx>. All payment plan requests are subject to FCC approval.

You previously received information regarding your appeal rights in the Recovery of Improperly Disbursed Funds Letter [a copy of which can be found in the E-rate Productivity Center (EPC)].

Payment of the Debt should be made at www.usac.org/pay.

If you have questions, or believe that you received this notification in error, please [Contact Us](#) or call the USAC Client Service Bureau at (888) 203-8100 for further assistance.



Adjustment Report

FCC Form 471 Application Number:	161047475
Funding Request Number:	1699107310
Commitment Adjustment:	\$0.00
Total Amount to Be Recovered:	\$41,385.70
Explanation(s):	
Party to Recover From:	BEN
Funding Year:	2016
Billed Entity Number:	20193
Services Ordered:	Data Transmission and/or Internet Access
Service Provider Name:	Windstream Communications, LLC
SPIN:	143030766
Original Funding Commitment:	\$71,563.93
Adjusted Funding Commitment:	\$71,563.93
Funds Disbursed to Date:	\$55,573.40

Funding Commitment Adjustment Explanation:

After a thorough investigation, the applicant failed to produce at the request of the Administrator the following documentation pertaining to its invoicing for FRN1699107310: Bill/s received from the service provider showing eligible products and services. FCC rules require schools and libraries as well as service providers to retain all documents related to the application for, receipt, and delivery of discounted telecommunications and other supported services for at least (five or ten) years after the last day of service delivered in a particular Funding Year and to produce such records upon a request of an auditor or other authorized representative. FCC rules further provide that a non-compliance with the FCC's recordkeeping and auditing rules by failure to retain records or to make available required documentation is a rule violation that warrants recovery of any disbursed funds for the time period for which the information/documentation is being sought. Since you failed to produce the above specified documentation upon request of an authorized representative/ an auditor), we were unable to determine if the amount invoiced was for eligible services or products therefore you violated program rules. As a result, USAC will seek recovery of the \$41,385.70 of improperly disbursed funds from the applicant.