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CED change denial - #90779

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Funding Year 2017

Submitting Organization [WHITLEY COUNTY CONS SCHOOLS \(BEN: 130416\)](#)

Created By Darsey Carnal

Created On 3/1/2018 12:45 PM EST

Main Contact

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Narrative

See the attached appeal letter for details

Appeal Details

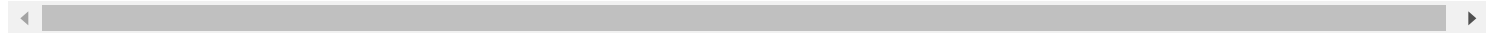
Decision appealed by applicant Revised Funding Commitment Decision Letter

If you wish to modify or cancel your appeal, or, if you have any questions about your appeal, please contact the E-rate Program's Client Service Bureau (CSB) at (888) 203-8100.

[View Supporting Documentation \(-\)](#)

Supporting Documentation

Document ID	Document	Description	Upload Stage	Uploaded By	Uploaded On
27358	DRT Oct 24 2017.xlsx	attachment	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
27357	Form 500-79473.xlsx	attachment	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
27356	Original FCDL.xlsx	attachment	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
27355	PIA cut over date reply.pdf	attachment	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
27359	Post Commit Request - 74321.xlsx	attachment	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
27354	usac appeal of CED and funding.pdf	letter of appeal	Intake	Darsey Carnal	3/1/2018 12:46 PM EST
					6 items



Appeal of Denial of Contract Expiration Date Change for Funding Year 2017

Billed Entity Name: Whitley County Consolidated Schools
Billed Entity Number: 130416
471 Number: 171024922
FRNs: 1799052723
SPIN: 143030857

Contact: Darsey Carnal, E-Rate Contact
AdTec, Inc
14614 Warner Trail
Westfield, IN 46074
317-581-0169
darsey@adtecerate.com

TEXT OF DECISION WE ARE APPEALING:

You requested a Contract Expiration Date change for FRN 1799052723 to 11/30/2017. Since the new Contract Expiration Date will increase the number of months of service and the funding commitment for this FRN, your request is not allowable and is therefore denied.

We are appealing a recent denial of a contract expiration date and the changes to the funding in this FRN that were made by USAC that resulted in this denial.

BACKGROUND

The Whitley County Consolidated Schools (Whitley) posted an FCC Form 470 for FY 2017-2018 requesting bids for leased lit fiber circuits to provide WAN services to their buildings. Up to this point Whitley had been leasing these circuits through the State Master Contract (SMC) with ENA Services. As a result of their competitive bidding process, Whitley entered into a contract with WANRack for these circuits. Funding for this service was applied for under FCC Form 171003363, under FRN 1799005467. Knowing that initiation of any new service can be delayed, Whitley also filed for funding for the existing service under the SMC in FRN 1799052723 to be used as a transition service. It was never the intent to have duplicative service, but because this service is a vital part of Whitley's educational environment and this funding is a vital part of Whitley's budget it was important to ensure adequate funding was available for whichever service was in use. The circuits covered by these FRNs are a backbone of the educational opportunities in Whitley's buildings and securing adequate funding for them allows Whitley to dedicate as much local funding to the education of our students, creating the greatest possible public benefit within our district.

At the time the new contract was signed, it was clear that WANRack would need to do extensive preparatory work in order to provide these circuits. They began work as soon as the contract was signed. Unfortunately, some circuits run across railroad rights of way and required permits to move forward. The already time consuming RR permit process was delayed longer than expected. Due to these delays, the new circuits were not available for Whitley's use until December 1, 2017.

ANALYSIS

Transition Service is a term used in the E-Rate program when it is clear that the intent is to use the service provider that was found to be most cost effective through the competitive process, but that physical conditions will not allow for a complete and immediate switch, requiring a transition period with the previous provider. In June of 2017 both FCC Form 471s entered PIA review and the two FRNs were reviewed to ensure that they were not duplicative. In order to address the overlap of funding, PIA requested cutover dates from the FRN for the existing service to the FRN for the new service. Unfortunately, in June of 2017 there was no firm cutover date because WANRack was still experiencing extensive railroad permitting delays. To satisfy PIA, an estimate was made that the new service would be in place by the first of October (see the answers to question II on "PIA cut over date reply"). Based on this estimate, FRN 1799052723 received a funding commitment of \$78,840 on July 8, 2017.

Permitting issues continued and service was not cutover until December 1, 2017. Once the firm cut over date was established, Whitley filed FCC Form 500 #79473 (filed October 24, 2017) to correct the contract end date for FRN 1799052723 to 11/30/2017. At the time this Form 500 was filed the funding commitment for this FRN was \$78,840. This was verified by the FRN Status Tool on October 24, 2017 (see attached "DRT Oct 24 2017 cell T4). Funding necessary to cover services for this service through 11/30/2017 was projected to be \$32,850. At the time the Form 500 was filed there was sufficient funding in this FRN to cover the extended contract.

On January 16, 2018 a RFCDL was received through EPC informing Whitley that USAC had identified an issue regarding the funding for these two FRNs and the funding for them had been reduced to match the number of months under contract. For FRN 1799052723, the contract term listed was July 1, 2017 – 9/30/2017. Because we had already filed a Form 500 to correct that contract end date, we anticipated that the funding would be corrected when the Form 500 was processed. The creation of this appeal in EPC by USAC created the conditions that caused the denial of the Form 500 request AFTER the Form 500 was filed. Whitley had no knowledge of the appeal that USAC had set up in EPC. Further, Whitley had no way to know that this appeal would make it impossible for USAC to approve the Form 500 that Whitley had submitted.

ACTION REQUESTED

We have demonstrated that there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements in our request that the contract expiration date be extended for FRN 1799052723. We have demonstrated that an FRN for a transition service was necessary to provide a vital service to Whitley's buildings while issues beyond the control of the new service provider delayed the start of their contracted service. We have demonstrated that at the time the Form 500 was filed, there was sufficient funding in the FRN to cover the two additional months of service and that USAC itself later removed that funding leading directly to the denial of the Form 500 request that this contract end date be corrected. Because Whitley had no way to know that RR permitting issues would continue delays and that USAC would take action in EPC to remove committed funding, we request that the contract expiration date be corrected to match the actual date that the service ended and that funding for the two additional months be returned to the FRN.

Attached

PIA cut over date reply

Original FCDL

Form 500 – 79473

DRT Oct 24 2017

Post Commit Request - 74321

	A	B	C	D	E	F
1	BEN	BEN Name	Post-Commitment Request Type	Post-Commitment Application/Request Number	FRN	Post-Commitment Decision (FRN Level)
2	130416	WHITLEY COUNTY CONS SCHOOLS	Appeals	90779	17990527 23	Denied

	G
1	Post-Commitment Rationale (FRN Level)
2	<p>Your appeal has been denied - During Program Integrity Assurance (PIA) review, the Contract Expiration Date (CED) for FRN 1799052723 was modified from 6/30/2018 to 9/30/2017, which reduced the funding commitment. The Funding Commitment Decision Letter was issued on 7/8/2017. Federal Communications Commission (FCC) rules require appeals to be filed within 60 days of the date on the decision letter being appealed. No appeal of this decision letter was received. On your FCC Form 500, you requested that the CED be modified to 11/30/2017, which would increase the funding commitment. New funding requests cannot be submitted through the FCC Form 500 process.</p>

	H	I	J	K	L	M	N	O	P	Q	R	S
1	Original FRN Funding Decision	Revised FRN Funding Decision	RFCDL Comments (FRN Level)	FCC Form 471	Service Type	Establishing FCC Form 470	SPIN	Service Provider	Contract Number	Account Number (for SPIN)	Service Start Date	Contract Expiration Date (Original)
2	Funded	Funded		17102492 2	Data Transmission and/or Internet Access	20920000 0768676	14303085 7	ENA Services, LLC	A58-0- 10IT-050	N/A	01-Jul- 2017	30-Sep- 2017

	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE
1	Contract Award Date	Contract Expiration Date (After Extension Exercised)	Months Of Service In Funding Year	Total Eligible Recurring Charges	Total Eligible One Time Charges	Total Pre-Discount Charges	Discount Rate	Revised Commitment Amount	Invoice Deadline Date	Wave Number	Service Delivery Deadline	Consultant Name
2	05-Jan-2010	30-Jun-2018	30	\$32,850.00	\$0.00	\$32,850.00	60.00%	\$19,710.00		21	30-Jun-2018	Darsey Carnal

	AF	AG
1	CRN	Consultant Employer Name
2	16024741	AdTec- Administrative and Technical Consulting