

FCC Appeal-category change denied-Washburn, Mellen

Proceedings: 02-6

Appeal for Washburn School District

Billed Entity Number 133448

Submitted by:

Mary Maderich, erate consultant #16062644

Cooperative Educational Service Agency #12

618 Beaser Avenue

Ashland, WI 54806

Phone: (715) 682-2363 Ext. 126

Email: marym@cesa12.org

This is an appeal of the USAC Revised Funding Commitment Decision Letter. We filed for category 2 funding, and the 471 application was approved, and we got our Funding Commitment Decision Letter. The school district proceeded with their purchases and we filed for refund at the end of the fiscal year. We didn't know that there was an error on the approved form where services were filed under the wrong sub-category for firewall licensing, category 2 funding. We invoiced USAC and was reimbursed for these purchases. USAC didn't notify us of this error until after we had received the reimbursement. We received a Commitment Adjustment Letter asking our school to return funds already spent. We filed an appeal to change the sub-category, but our appeal was denied, again, because the window for filing an appeal was closed. The process to be notified by USAC of clerical errors is way past the date in which we can make the change through the appeals process. All documents mentioned are attached.

We would like to change our service to the correct sub-category and invoice USAC for this service.

Sincerely,

Mary Maderich

A handwritten signature in cursive script that reads "Mary Maderich".



Funding Commitment Decision Letter

Funding Year 2018

Contact Information:

Mary Maderich
WASHBURN SCHOOL DISTRICT
305 E 4TH ST
WASHBURN, WI 54891
marym@cesa12.org

FCC Form 471: 181032750

BEN: 133448

Wave: 8

Application Nickname: WashCat2

Totals

Total Committed	\$6,742.18
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What is in this letter?

Thank you for submitting your application for Funding Year 2018 Schools and Libraries Program (E-rate) funding. Attached to this letter, you will find the funding statuses for the FCC Form(s) 471, Services Ordered and Certification Form, that you submitted and referenced above.

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

1. Work with your service provider(s) to determine if your bills will be discounted or if you will request reimbursement from USAC after paying the full cost for the services you receive.
2. Review the Children's Internet Protection Act (CIPA) requirements and file the FCC Form 486 (Service Confirmation and CIPA Certification Form). **The deadline to submit this form is 120 days from the date of this letter or from the service start date (whichever is later).**



BEN Name: WASHBURN SCHOOL DISTRICT
BEN: 133448

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3. Invoice USAC

- **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.
- **To request a waiver of the FCC's rules,** 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 to assure that committed funds 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 of 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: WASHBURN SCHOOL DISTRICT
BEN: 133448

FCC Form 471: 181032750
Wave: 8

Funding Commitment Decision Overview

Funding Year 2018

Application Comments for FCC Form 471: #181032750

The applicant did not submit any RAL corrections.

Funding Commitment Decision Overview

Funding Request Number (FRN)	Service Provider Name	Amount Requested	Amount Committed	Status
1899062868	SHI International Corpo.	\$16,165.80	\$4,880.18	Funded
1899062906	SHI International Corpo.	\$1,862.00	\$1,862.00	Funded



BEN Name: WASHBURN SCHOOL DISTRICT
BEN: 133448

FCC Form 471: 181032750
Wave: 8

FRN 1899062868	Service Type Internal Connections	Status Funded
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Dollars Committed			
Monthly Cost		One-time Cost	
Months of Service	1		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$6,971.69
Total Pre-discount Charges		\$6,971.69	
Discount Rate		70.00%	
Committed Amount		\$4,880.18	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2018	Service Provider	SHI International Corpo.
Contract Expiration Date	7/31/2018	SPIN (498ID)	143012572
Contract Award Date	3/20/2018	Contract Number	14835953, 15042351, 14835960
Service Delivery Deadline	9/30/2019	Account Number	14835960, 15042152, 14835953
Expiration Date (All Extensions)		Establishing FCC Form 470	180024083

Consultant Information	
Consultant Name	Mary Maderich
Consultant's Employer	Cooperative Educational Service Agency 12
CRN	16062644

Funding Commitment Decision Comments

MR1: The amount of the funding request was changed from \$23,094.00 to remove the ineligible product(s) or service(s): 6 license/academic Part ST6-VSAN-A, Support & subscription & to bring BEN 63168 within budget.
◇◇◇◇◇ MR2: Based on the applicant's request, the One-time Eligible Cost of the FRN's Product and Service Detail was changed from \$23,094.00 to \$6,971.69.



BEN Name: WASHBURN SCHOOL DISTRICT
BEN: 133448

FCC Form 471: 181032750
Wave: 8

FRN 1899062906	Service Type Internal Connections	Status Funded
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Dollars Committed			
Monthly Cost		One-time Cost	
Months of Service	1		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$2,660.00
Total Pre-discount Charges		\$2,660.00	
Discount Rate		70.00%	
Committed Amount		\$1,862.00	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2018	Service Provider	SHI International Corpo.
Contract Expiration Date	7/31/2018	SPIN (498ID)	143012572
Contract Award Date	3/20/2018	Contract Number	14835953, 15042351, 14835960
Service Delivery Deadline	9/30/2019	Account Number	14835960, 15042152, 14835953
Expiration Date (All Extensions)		Establishing FCC Form 470	180024083

Consultant Information	
Consultant Name	Mary Maderich
Consultant's Employer	Cooperative Educational Service Agency 12
CRN	16062644

Funding Commitment Decision Comments

MR2: Approved as submitted.



Universal Service
Administrative Co.

Washburn

Commitment Adjustment Letter

Janet Kozeneski
WASHBURN SCHOOL DISTRICT
305 E 4TH ST
WASHBURN, WI 54891

10/03/2018

Our review of your Schools and Libraries Universal Service Support Program (or E-rate) funding request has determined funds were committed in violation of Federal Communications Commission (FCC) rules. You have 60 days from the date of this letter to appeal the following decision(s). For more detailed information see below.

Total commitment adjustment: \$1,846.60

Total amount to be recovered: \$1,846.60

FCC Form 471	FRN	Commitment adjustment	Total amount to be recovered	Explanation(s)	Party to recover from
171025101	1799053292	\$306.60	\$306.60	Failure to post a FCC Form 470 for the category of service for which the applicant sought funding on the FCC Form 471	BEN
171025101	1799053337	\$1,540.00	\$1,540.00	Failure to post a FCC Form 470 for the category of service for which the applicant sought funding on the FCC Form 471	BEN

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

Commitment Adjustment

FCC rules require the Universal Service Administrative Company (USAC) to rescind commitments and recover funding when it is determined that funding was committed and disbursed in violation of the rules. This letter notifies you that USAC will be adjusting your funding commitment(s) and provides information on how to appeal this decision.

This is NOT a bill. If disbursed funds need to be recovered, USAC will issue a Demand Payment Letter. The debt referenced in the Demand Payment Letter will be due within 30 days of that letter's date. Failure to pay the debt may result in interest, late payment fees, and administrative charges and will invoke the FCC's "Red Light Rule."

FCC's Red Light Rule

The FCC Red Light Rule requires USAC to dismiss pending FCC Form 471 applications, appeals, and invoices or to net disbursements offsetting the debt if the entity responsible for paying the outstanding debt owed to the FCC has not paid the debt or made satisfactory arrangements to pay the debt within 30 days of the Demand Payment Letter. For information on the Red Light Rule, see

<https://www.fcc.gov/licensing-databases/fees/debt-collection-improvement-act-implementation>.



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To Appeal This Decision

If you wish to contest any part of this letter, you must first file an appeal with USAC to seek review of the decision. Parties that have filed an appeal with USAC and received an adverse decision may, if they choose, appeal USAC's decision to the FCC. Parties seeking a waiver of a codified FCC rule should file a request for waiver directly with the FCC because USAC cannot waive FCC rules. Your appeal to USAC or waiver request to the FCC must be filed within 60 days of the date of this letter.

All appeals filed with USAC must be filed in EPC by selecting "Appeal" from the menu in the top right hand corner of your landing page and providing the requested information.

Your appeal should include the following information. (Because you file the appeal through your EPC account, the system will automatically fill in some of these components for you).

- 1) Name, address, telephone number, and email address for the contact person for this appeal.
- 2) Indicate specifically that your letter is an appeal. Include the following to identify the USAC decision letter (e.g., Commitment Adjustment Letter) and the decision you are appealing:
 - a. Appellant name;
 - b. Applicant name and service provider name, if different from appellant;
 - c. Applicant BEN and Service Provider Identification Number (SPIN);
 - d. FCC Form 471 Application Number and the Funding Request Number (FRN) or Numbers as assigned by USAC;
 - e. "Commitment Adjustment Letter," AND the exact text of the decision that you are appealing.
- 3) Identify the problem and the reason for the appeal and explain precisely the relief sought. Please keep your appeal to the point, and provide supporting documentation. Be sure to keep a copy of your entire appeal, including any correspondence and documentation. A copy will automatically be saved for you in EPC. USAC will reply to your appeal submission to confirm receipt.

For more information on submitting an appeal to USAC including step by step instructions on how to file the appeal through EPC, please see "Appeals" in the Schools and Libraries section of the USAC website.

As mentioned, parties seeking a waiver of FCC rules or that have filed an appeal with USAC and received a decision may file a request for waiver or appeal USAC's decision to the FCC. Waiver requests or appeals to the FCC must be made within 60 days of the issuance of USAC's decision and include all of the information referenced above for appeals to USAC.

The FCC recommends filing appeals or waiver requests with the Electronic Comment Filing System (ECFS) to ensure timely filing. Electronic waiver requests or appeals will be considered filed on a business day if they are received at any time before 11:59 PM ET. If you have questions or comments about using the ECFS, please contact the FCC directly at (202) 418-0193.

For more information about submitting waiver requests or appeals to the FCC, including options to submit the waiver request or appeal via U.S. mail or hand delivery, visit the FCC's website.

Schools and Libraries Division



Adjustment Report

FCC Form 471 Application Number:	171025101
Funding Request Number:	1799053292
Commitment Adjustment:	\$306.60
Total Amount to Be Recovered:	\$306.60
Explanation(s):	Failure to post a FCC Form 470 for the category of service for which the applicant sought funding on the FCC Form 471
Party to Recover From:	BEN
Funding Year:	2017
Billed Entity Number:	133448
Services Ordered:	Basic Maintenance of Internal Connections
Service Provider Name:	SHI International Corpo.
SPIN:	143012572
Original Funding Commitment:	\$306.60
Adjusted Funding Commitment:	\$306.60
Funds Disbursed to Date:	\$306.60

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. USAC will seek recovery of any improperly disbursed funds from the applicant. FCC Form 470 did not include the service(s) for which funding was sought in the FCC Form 471 application, which is a violation of the FCC's competitive bidding rules. Applicant posted for BMIC but services requested is Internal Connections. FCC rules require that, except under limited circumstances, all eligible schools and libraries shall seek competitive bids for all services eligible for support by submitting a complete FCC Form 470 to USAC web site for potential service providers to evaluate. Since the services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full.



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Adjustment Report

FCC Form 471 Application Number:	171025101
Funding Request Number:	1799053337
Commitment Adjustment:	\$1,540.00
Total Amount to Be Recovered:	\$1,540.00
Explanation(s):	Failure to post a FCC Form 470 for the category of service for which the applicant sought funding on the FCC Form 471
Party to Recover From:	BEN
Funding Year:	2017
Billed Entity Number:	133448
Services Ordered:	Basic Maintenance of Internal Connections
Service Provider Name:	SHI International Corpo.
SPIN:	143012572
Original Funding Commitment:	\$1,540.00
Adjusted Funding Commitment:	\$1,540.00
Funds Disbursed to Date:	\$1,540.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. USAC will seek recovery of any improperly disbursed funds from the applicant. FCC Form 470 did not include the service(s) for which funding was sought in the FCC Form 471 application, which is a violation of the FCCs competitive bidding rules. Applicant posted for BMIC but services requested is Internal Connections. FCC rules require that, except under limited circumstances, all eligible schools and libraries shall seek competitive bids for all services eligible for support by submitting a complete FCC Form 470 to USAC web site for potential service providers to evaluate. Since the services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full.

Wash. 2017



Universal Service
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July 2, 2019

Appeal Denied

Revised Funding Commitment Decision Letter

Funding Year 2017

Smoothwall

Contact Information:

Mary Maderich
WASHBURN SCHOOL DISTRICT
305 E 4TH ST
WASHBURN, WI 54891
marym@cesa12.org

BEN: 133448

Post Commitment Wave: 63

FRN 1799 053 239

237

Totals

Original Commitment Amount	\$3,742.20
Revised Commitment Amount	\$3,742.20

What is in this letter?

Thank you for submitting your post-commitment request for Funding Year 2017 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

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

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).



BEN Name: WASHBURN SCHOOL DISTRICT
BEN: 133448
Post Commitment Wave: 63

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.

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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: WASHBURN SCHOOL DISTRICT

BEN: 133448

Post Commitment Wave: 63

Post Commitment Request Number: 124923	Post Commitment Request Type: Appeals	Post Commitment Decision: Denied
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FRN: 1799053239	Service Type: Basic Maintenance of Internal Connections	Original Status: Funded	Revised Status: Funded
FCC Form 471: 171025101			

Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	12		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$2,496.00
Total Pre-Discount Charges		\$2,496.00	
Discount Rate		70.00%	
Revised Committed Amount		\$1,747.20	

Dates		Service Provider and Contract Information	
Service Start Date	7/1/2017	Service Provider	SmoothWall, Inc.
Contract Expiration Date	6/30/2018	SPIN (498ID)	143033475
Contract Award Date	4/27/2017	Contract Number	00015465
Service Delivery Deadline	9/30/2018	Account Number	
Expiration Date (All Extensions)		Establishing FCC Form 470	170058969

Consultant Information	
Consultant Name	Mary Maderich
Consultant's Employer	Cooperative Educational Service Agency 12
CRN	16062644

Revised Funding Commitment Decision Comments:

Post Commitment Rationale:

Our records show that your appeal was filed more than 60 days after the date your decision letter was issued. Your appeal was filed on 10/02/2018. The FCDL was issued on 8/25/2017. Federal Communications Commission (FCC) rules require appeals to be filed within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Universal Service Administrative Company (USAC) to consider your appeal.