

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

IN THE MATTER OF	)	
	)	
REQUEST FOR REVIEW OF	)	WC DOCKET NO. 02-60
TELEQUALITY COMMUNICATIONS, INC.	)	
OF DECISION OF THE UNIVERSAL	)	
SERVICE ADMINISTRATOR	)	

TO: THE WIRELINE COMPETITION BUREAU

**REQUEST FOR REVIEW**

TeleQuality Communications, Inc. ("TQCI"), by its attorney and pursuant to sections 54.719(b) and 54.722(a) of the Commission's Rules, hereby requests review of the Universal Service Administrator's ("USAC") denial of the appeal of New River Valley Community Health Services ("New River") of USAC's denial of funding under the Rural Health Care (RHC) program.<sup>1</sup>

TQCI seeks review on behalf of New River because New River did not violate the RHC program's competitive bidding rules, as USAC ruled.<sup>2</sup> Rather, New River complied fully with the rules, and particularly the 28-day "waiting period rule,"<sup>3</sup> but USAC either misunderstood the timeline concerning this matter or is mis-applying applicable Commission precedent in its Appeal Denial. TQCI herein demonstrates that the rules and Commission precedent were fully observed, and accordingly the USAC Appeal Denial should be reversed and funding should be duly granted for Funding Year 2016.

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<sup>1</sup> Letter from USAC, Rural Health Care Division, to Mr. Chip Tarbutton, New River (May 18, 2017) ("USAC Appeal Denial"), attached hereto as **Exhibit 1**.

<sup>2</sup> See *id.*

<sup>3</sup> 47 C.F.R. § 54.603(a), (b)(1), (3) (2016).

## **I. FACTUAL SUMMARY**

In summary, as further demonstrated below:

1. As the USAC Appeal Denial correctly states, New River duly posted an FCC Form 465 for Funding Year 2015 on April 6, 2015. Therein, New River stated its needs as follows: “The telecommunications requirements of this location will provide improved data networks (MPLS, T1, Fiber, DSL, Cable as available), redundant internet connections and redundant networks to ensure access to hosted electronic medical records systems for treatment of patients, telemedicine, and communication for staff to other staff in other agency locations.”<sup>4</sup> After the requisite 28-day competitive bidding period, New River selected TQCI, and subsequently New River requested and USAC granted funding under twelve FRNs for multiple Ethernet services provided at multiple New River locations by TQCI. This much is not in dispute, and is set forth in the USAC Appeal Denial.<sup>5</sup>
2. The USAC Appeal Denial also states that on March 28, 2016-- *still in FY 2015*-- New River and TQCI signed an additional service agreement, for Ethernet (50 Mbps) service at a different location. This too is not in dispute.<sup>6</sup>
3. What the USAC Appeal Denial did *not* understand is that this March 28, 2016 contract, executed during FY 2015, was for an additional service encompassed under the FY 2015 Form 465 that was intended to be activated within FY 2015. **Indeed, the contract clearly denotes on its top line (1) that it applied to FY 2015 and (2) the operative allowable contract selection date (ACSD) of**

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<sup>4</sup> See New River FY 2015 FCC Form 465 (Apr. 6, 2015), **Exhibit 2** hereto.

<sup>5</sup> See USAC Appeal Denial at pp. 2-3.

<sup>6</sup> See *id.* at p. 3.

May 4, 2015.<sup>7</sup> New River requested activation by TQCI within FY 2015, and TQCI began performing under the March 28 contract by ordering the circuits from its underlying carrier and initiating other pre-installation services on April 8, 2016.<sup>8</sup> However, due to the lack of carrier facilities and availability of technicians in this rural area, TQCI was unable to activate the circuit before the end of FY 2015. This is attested to in New River's appeal letter to USAC: "Our organization signed this contract based on the 465 we filed in the 2015 funding year. The date of the ACSD 465 was 5/4/2015 (reflected on the contract attached above). Due to an installation delay, the circuit was not able to be installed until the 2016 funding year."<sup>9</sup> It was also described in a TQCI letter to USAC appended thereto ("The intent of TQCI was to have the service installed prior to the end of the 2015FY. Due to the lack of carrier facilities and availability of technicians in this rural area, we were unable to accomplish this.")<sup>10</sup> New River did not submit Form 466 funding requests for this service in FY 2015 for the simple reason that there were no charges to be funded, as no invoices had been issued or received for service that was not activated during the 2015 Funding Year.

4. Because New River wished to continue to obtain the service described in paragraph 3 above in FY 2016, on May 5, 2016 it duly posted a Form 465 for FY 2016. For that reason, this FY 2016 Form 465 gave exactly the same description

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<sup>7</sup> TeleQuality Agreement NRV.VA.030316.0026 (March 28, 2016), attached hereto as Exhibit 3.

<sup>8</sup> See Spreadsheet attached hereto as Exhibit 4.

<sup>9</sup> E-mailed Letter from Mr. Chip Tarbutton, New River, to USAC Rural Health Care Division, Feb. 3, 2017) ("Appeal Letter"), attached hereto as Exhibit 5.

<sup>10</sup> Letter from Tara Nordstrom, TQCI, to USAC Rural Health Care Division, January 10, 2017), appended to Appeal Letter at Exhibit 5.

of its needs that it had in the prior Funding Year.<sup>11</sup> For this Form 465, no bids were received in response by any service provider during the 28-day period that ended on June 2, 2016. Again, because New River desired the same type of service during FY 2016 that it had contracted for under the March 28, 2016 agreement signed for FY 2015 and under which TQCI had already begun performance (although, as explained above, due to the delays the circuits had not been activated), and given that TQCI was the only willing service provider in the absence of other bids, New River elected to take service under the pre-existing contract with TQCI. This election was squarely within the exception to the 28-day waiting period rule articulated by the FCC in the Bureau's *Waukon Order*: namely, that "applicants may use contracts signed before the expiration of the 28-day waiting period if: (i) the applicant is choosing to continue service under an existing contract; (ii) the applicant competitively bid the services for the new funding year; and (iii) the applicant decides, after reviewing the competitive bids, to continue with the existing contract."<sup>12</sup> **New River did all of these things.** Accordingly, on September 1, 2016, New River duly submitted Form 466 for this service, appropriately listing the pre-existing March 28, 2016 contract. This is the service that was denied funding by USAC and which is the subject of this appeal.

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<sup>11</sup> See New River FY 2016 FCC Form 465 (May 5, 2016), **Exhibit 6** hereto. See also *supra* note 4 and accompanying text.

<sup>12</sup> *Request for Review Franciscan Skemp Waukon Clinic*, WC Docket No. 02-60, Order, 29 FCC Rcd 11714, 11715, para. 3 (2014) ("*Waukon Order*"), citing *Request for Review of the Decision of the Universal Service Administrator by Kalamazoo Pub. Schs.*, CC Docket No. 96-45, Order on Reconsideration, 17 FCC Rcd 22154, 22157-58, paras. 6-7 (2002) ("*Kalamazoo Order*").

5. In summary, New River did not violate the competitive bidding rules (*i.e.*, the 28-day rule) by executing a new contract prior to the expiration of the 28-day bidding period for its FY 2016 Form 465, as the USAC Appeal Denial found. Rather, after the 28-day period elapsed on June 2, 2016 with no other bids, New River adopted the pre-existing active contract with TQCI that, by its clear terms,<sup>13</sup> had been executed during and for FY 2015 and under which TQCI had begun performance within FY 2015. Properly construed and in fact, the FY 2016 funding request was for a continuation of service that had been contracted for and begun in the prior funding year, although the circuits had not yet been activated.

As described above and as shown in the USAC Appeal Denial itself in its listing of services provided by TQCI to New River in FY 2015, TQCI provides various types of telecommunications services to different locations for New River. Each contract has a distinct Contract Number. Moreover, each service *location* has a unique Billing Account Number (BA #).<sup>14</sup> The contracts for which New River submitted Forms 466 and for which USAC granted funding in FY 2015 are delineated in the USAC Appeal Denial.<sup>15</sup> **Exhibit 4** hereto is a spreadsheet showing the history of the additional Ethernet (50 Mbps) service ordered by New River during FY 2015 per the March 28, 2016 contract, which TQCI began performing in FY 2015 but which was not actually turned up until August 15, 2016, 45 days after the end of FY 2015.<sup>16</sup>

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<sup>13</sup> TeleQuality March 28, 2016 Agreement, **Exhibit 3** hereto. *See supra* note 7 and accompanying text.

<sup>14</sup> USAC Appeal Denial at p. 2

<sup>15</sup> *Id.*

<sup>16</sup> *See* **Exhibit 4** hereto.

## II. NEW RIVER DID NOT VIOLATE THE COMPETITIVE BIDDING RULES

The essence of USAC's denial of funding and its denial of New River's appeal is its finding that New River entered into a new contract with TQCI for FY 2016 before the expiration of the required 28-day bidding period, and indeed even before New River submitted its Form 465 for FY 2016, in violation of the program's competitive bidding rules. USAC found that the limited exception to the 28-day period rule established in the Bureau's *Kalamazoo Order*<sup>17</sup> and clarified more recently for the RHC program in its *Waukon Order* did not apply, because "those circumstances are not present here."<sup>18</sup> Indeed, the USAC Appeal Denial emphasized (and twice italicized) the *Waukon* exception's language "*to continue service under an existing contract,*" and concluded that "[b]ecause New River was not continuing to receive services through an existing contract, and instead signed a *new contract* with TeleQuality before the start of the 28-day waiting period for [its] FY 2016 FCC Form 465, New River did not comply with the FCC's competitive bidding rules."<sup>19</sup>

But, as shown above, this was not a new contract for FY 2016; *as shown on its first line*, it was a contract executed during FY 2015 that was intended for service during the latter months of FY 2015,<sup>20</sup> and under which ordering and provisioning actually began during FY 2015, which allowed the service to actually be activated 45 days after FY 2015 ended.<sup>21</sup>

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<sup>17</sup> *Kalamazoo Order*, *supra* note 12.

<sup>18</sup> USAC Appeal Denial at p. 4.

<sup>19</sup> *Id.* (italics in original).

<sup>20</sup> See Exhibit 3.

<sup>21</sup> See Exhibit 4, column 9 ("Date Service Installed").

The USAC denial may rely on the fact that the contract at issue stated that “the term shall begin upon circuit completion date”<sup>22</sup> yet the service was not *activated* in FY 2015. This conflates service provisioning date with actual service activation (*i.e.*, “turn-up” date). Although under the contracts TQCI was not to charge New River for the service until it was actually activated, it began to perform its obligations under the contract immediately, in its best efforts to *ready* the services for activation during FY 2015. As TQCI explained in a supportive letter appended to New River’s appeal to USAC:

Once TQCI receives a signed contract, the provisioning process begins and the customer receives weekly updates on the status of the order. In the matter at hand, TQCI received the signed contract on March 28, 2016 and placed an order to the underlying carrier in April, thus beginning the provisioning process. Provisioning a telecommunications network encompasses preparation of the service by the underlying carrier, facility work, configuration and installation of the customer premise equipment (CPE), and finally a test and turn up (TTU) process. The TTU process consists of connecting CPE to the circuit, testing the circuit, and customer acceptance of the circuit upon completion of testing. The intent of both TQCI and New River Valley was to have this service active as quickly as possible, and certainly within the then-active funding year. Due to the lack of carrier facilities and availability of technicians in this rural area, TQCI was unable to accomplish service activation prior to the end of FY 2015. However, TQCI was clearly working diligently on behalf of the customer, and regularly communicating this work to the customer, for the entire duration of time between receipt of signed customer contracts and eventual service activation. Although the underlying service hadn’t been activated, and thus the customer had not started receiving service bills, it is illogical to argue that TQCI was not providing valuable service to its customer. . . .

The fact that a length of time for service provision, and the associated time to be billed for that service, might start at a future date does not nullify an immediate contractual obligation that has been agreed upon and executed by both parties at a date previous to the time when service and billing begins. . . . New River Valley expected to receive telecommunications service as quickly as possible from TQCI, which, in turn, was working diligently to accomplish the task.<sup>23</sup>

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<sup>22</sup> USAC Appeal Denial at p. 3.

<sup>23</sup> Letter from TQCI to USAC Rural Health Care Division, Feb. 3, 2017), appended to Appeal Letter at Exhibit 5.



Thus, in fact the March 28 contract was existing and performance began during FY 2015, and so it was entirely appropriate for adoption by New River in FY 2016 under *Waukon*, especially in the absence of any other bids. TQCI was performing the contracts for nearly three months in FY 2015, with the objective and intention of activating the services during FY 2015.<sup>24</sup> New River and TQCI should not be penalized for making best efforts to activate the service during FY 2015. Nor should New River be penalized for not filing a Form 466 for the contracted service before the end of FY 2015, since the services had not yet been turned on or billed during FY 2015.

It is worth noting that in *Waukon*, wherein the HCP's appeal was denied, the HCP had argued that it adhered to the competitive bidding rules because "*after it signed a service contract with Charter, it took appropriate action to seek competitive bids by posting an FCC Form 465.*"<sup>25</sup> In *Kalamazoo*, where there was an existing contract, the Bureau granted the appeal. And in the *Cochrane-Fountain City School District Order*, the precursor to *Kalamazoo* that established the existing-contract exception, the Bureau ruled that "an applicant with an existing contract that was not previously posted is obligated only to post its requests, carefully consider all bona fide bids submitted, and wait the requisite 28-day time period prior to renewing an existing contract for the funding year for which it is requesting discounts."<sup>26</sup> This is exactly what New River did. In this case, New River and TQCI faithfully followed the competitive bidding rules under all these

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<sup>24</sup> See **Exhibit 4**, column 8 ("Date Provisioning Began").

<sup>25</sup> *Waukon Order* at para. 5 (emphasis added).

<sup>26</sup> *Request for Review by Cochrane-Fountain City School District, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-140683, CC Dockets No. 96-45 and 97-21, Order, 15 FCC Rcd 16628, 16631 para. 7 (Com. Car. Bur. 2000).



precedents, and New River's adoption of the existing TQCI contract falls squarely under *Cochrane*, *Kalamazoo* and the *Waukon* exception.<sup>27</sup>

Finally, it is important to note that neither New River nor TQCI has sought or expects payment for the pre-installation services provided during FY 2015 under the March 28, 2016 contracts. In fact, this is the source of the confusion surrounding this matter: New River did not submit a Form 466 for the service during FY 2015 because there was nothing to fund: billing had not started. Indeed, USAC likely would have denied funding under any such Form 466. TQCI was able to activate the service only on a later date.<sup>28</sup> Therefore, contractually, TQCI did not request payment for the pre-activation work, and New River did not render payment. Rather, the parties recognized that payment, and funding, would be appropriate only upon the activation of the subject service, which occurred in FY 2016.

### **III. PLEA FOR RELIEF AND CONCLUSION**

Failure to reverse USAC's erroneous decision to deny funding for necessary telecommunication services would have a terrible and adverse impact on New River. The budgetary ramifications of New River being denied appropriate and proper funding would be great, and could force New River to make difficult choices, such as whether to scale back the care provided at remote rural facilities, or possibly cut staffing levels, in order to offset the cost of lost RHC program funding. New River followed the program rules, and should not be

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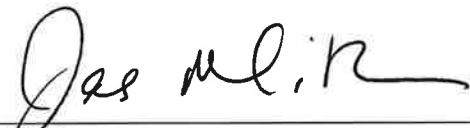
<sup>27</sup> The *Kalamazoo Order* states explicitly that "applicants who, after a bidding process, choose to continue service under an existing contract *need not formally enter into a new contract*," *Kalamazoo* at para. 7 (emphasis added), TCQI recognizes that the Bureau has suggested that it is "advisable" to "memorialize that decision after the bidding process is complete," *Kalamazoo* at 1. See *Waukon* at para. 3 (applicants are "encouraged" to "memorialize, at the conclusion of the 28-day waiting period, its decision to continue under the existing contract and to enter the date of its memorialization as the contract award date"), inasmuch as "such action will help SLD to determine whether the applicant has in fact properly complied with the Commission's competitive bidding requirements" and "will help SLD during application review to recognize instances where an applicant's reliance on an existing contract does not facially violate competitive bidding rules." *Kalamazoo* at para. 7. TQCI will adopt this suggestion as a best practice in any future HCP adoptions of existing contracts for which RHC funding will be sought.

<sup>28</sup> See Exhibit 4.

penalized for doing so simply because the factual situation around its program compliance is complex and confusing. The Bureau should uphold the spirit and purpose of the RHC program-- assisting healthcare providers in rural communities to receive support for the often costly but critical telecommunications services required to provide quality healthcare-- as well as its own precedents in *Cochrane*, *Kalamazoo* and *Waukon*, by reversing the USAC Appeal Denial and granting the appropriately-requested funding.

Respectfully submitted,

TELEQUALITY COMMUNICATIONS, INC.

By 

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Its Attorney

July 17, 2017

**DECLARATION**

I declare under penalty of perjury that the foregoing Request for Review is true and correct to the best of my knowledge and belief.

Executed on this 14 day of July, 2017

A handwritten signature in black ink, appearing to read 'Justin A. Volker', written over a horizontal line.

Justin A. Volker  
Director of Regulatory Affairs  
TeleQuality Communications, Inc.

**EXHIBIT 1**

**USAC Appeal Denial Letter**



Rural Health Care Division

***Administrator's Decision on Rural Health Care Program Appeals***

**Via Electronic and Certified Mail**

May 18, 2017

Mr. Chip Tarbutton  
New River Valley Community Services  
700 University City Blvd  
Blacksburg, VA 24060

Re: New River Valley Community Services' Appeal of USAC Decision for Funding Year (FY) 2016 Funding Request Number (FRN) 1688460

Dear Mr. Tarbutton:

The Universal Service Administrative Company (USAC) has completed its evaluation of the February 3, 2017 letters of appeal submitted on behalf of New River Valley Community Services (New River).<sup>1</sup> The appeals request that USAC reverse the denial of funding for FY 2016 FRN 1688460 in the federal Universal Service Rural Health Care Telecommunications Program (RHC Telecom Program).

USAC has reviewed the appeals and the facts related to this matter, and determined that Federal Communications Commission (FCC) rules do not support reversing the denial of funding for FRN 1688460. Specifically, as discussed in detail below, New River signed a new contract with TeleQuality Communications, Inc. (TeleQuality) on March 28, 2016, prior to posting a FY 2016 FCC Form 465 to initiate the competitive bidding process for FY 2016. Accordingly, New River did not comply with the FCC's competitive bidding rules.

**Appeal Decision Explanation**

FCC rules require health care providers (HCPs) to conduct a competitive bidding process for eligible services by submitting a FCC Form 465, and waiting 28 days before selecting or signing a contract for eligible services.<sup>2</sup> The period after the 28 days sets the allowable contract selection date (ACSD), which is the earliest date that HCPs may enter into a contract with a service provider and receive RHC Telecom Program support for a particular funding year. Under FCC rules, there is a limited exception that permits an HCP to choose to continue to

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<sup>1</sup> Email from Chip Tarbutton, New River, to USAC (Feb. 3, 2017) (*Appeal*). New River included in its *Appeal* a copy of an appeal letter from TeleQuality. See Letter from TeleQuality, to USAC (Feb. 3, 2017) (*TeleQuality Appeal*). Although TeleQuality did not formally submit its appeal to USAC, USAC addresses TeleQuality's arguments herein.

<sup>2</sup> 47 C.F.R. § 54.603(a), (b)(1), (3) (2016).

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receive service under an existing contract signed before the end of the required 28-day period for the applicable FCC Form 465, provided that “(i) the applicant is choosing to continue service under an existing contract; (ii) the applicant competitively bid the services for the new funding year; and (iii) the applicant decides, after reviewing the competitive bids, to continue with the existing contract.”<sup>3</sup> HCPs that consider an existing contract as a bid under these conditions must wait the required 28 days before deciding to continue services under the existing contract.<sup>4</sup>

On April 6, 2015, New River submitted a FY 2015 FCC Form 465 requesting telecommunications services, which resulted in the selection of TeleQuality to provide multiple Ethernet services for FY 2015 on a contract basis.<sup>5</sup> On the corresponding FY 2015 FCC Forms 466 requesting these services, New River indicated that it received no bids in response to its FY 2015 FCC Form 465 and provided the following dates as the “Date Contract Signed or Date HCP Selected Carrier” and contract reference numbers:

FRN	“Date Contract Signed or Date HCP Selected Carrier” noted on FCC Form 466	Contract Reference Number noted on FCC Form 466
1577333	February 4, 2016	NRV.VA.011516.0006
1577334	February 4, 2016	NRV.VA.011516.0006
1578044	February 4, 2016	NRV.VA.011516.0004
1578047	February 17, 2016	NRV.VA.011516.0005
1578049	February 4, 2016	NRV.VA.011516.0006
1578051	February 4, 2016	NRV.VA.011516.0006
1578052	February 4, 2016	NRV.VA.011516.0006
1578053	February 4, 2016	NRV.VA.011516.0007
1578183	February 4, 2016	NRV.VA.011516.0007
1578185	February 4, 2016	NRV.VA.011516.0007
1578186	February 4, 2016	NRV.VA.011516.0007
1578191	February 4, 2016	NRV.VA.011516.0007

<sup>3</sup> *Request for Review Franciscan Skemp Waukon Clinic*, WC Docket No. 02-60, Order, 29 FCC Rcd 11714, 11715, para. 3 (2014) (*Waukon Order*) (citing to *Request for Review of the Decision of the Universal Service Administrator by Kalamazoo Pub. Schs.*, CC Docket No. 96-45, Order on Reconsideration, 17 FCC Rcd 22154, 22157-58, paras. 6-7 (2002)).

<sup>4</sup> *See id.*

<sup>5</sup> FY 2015 FCC Form 465 No. 43153028 (Apr. 6, 2015) (resulting in FY 2015 Funding Commitment Letters (FCLs) for FRNs 1577333, 1577334, 1578044, 1578047, 1578049, 1578051, 1578052, 1578053, 1578183, 1578185, 1578186, and 1578191 for Ethernet services from TeleQuality at 10, 20, 50, 100, and 300 Mbps).

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The contracts submitted in support of the requests noted the same.<sup>6</sup> USAC issued funding commitment letters (FCLs) for these services from TeleQuality.<sup>7</sup>

On March 28, 2016, New River signed a five-year service agreement with TeleQuality for Ethernet (50 Mbps) services.<sup>8</sup> The contract stated that the “[t]erm shall begin upon circuit completion date.”<sup>9</sup>

Subsequently, on May 5, 2016, New River submitted a FY 2016 FCC Form 465 requesting telecommunications services that had an ACSD of June 2, 2016.<sup>10</sup> On September 1, 2016, New River submitted a FCC Form 466 requesting the Ethernet (50 Mbps) services from TeleQuality and provided March 28, 2016 as the “Date Contract Signed or Date HCP Selected Carrier,” which was before the June 2, 2016 ACSD for the FY 2016 FCC Form 465.<sup>11</sup> New River also indicated that it did not receive any bids in response to its FY 2016 FCC Form 465 and provided August 15, 2016 as the service installation date for FRN 1688460.<sup>12</sup> Further, New River noted the contract reference number for its request as “NRV.VA.030316.0026.”<sup>13</sup> The contract submitted in support of the request noted the same.<sup>14</sup> On December 14, 2016, USAC denied FRN 1688460 because New River did not comply with the FCC’s competitive bidding rules.<sup>15</sup> USAC determined that the TeleQuality contract was signed before the June 2, 2016 ACSD for New River’s FY 2016 FCC Form 465.<sup>16</sup>

In its appeal, New River requests that USAC reverse the denial of funding for FRN 1688460, stating that it signed the contract with TeleQuality based on a FCC Form 465 it filed in FY 2015 and that the ACSD was May 4, 2015.<sup>17</sup> Due to an installation delay, however, New River explains that the circuit was not able to be installed until FY 2016.<sup>18</sup> Included in its appeal is a copy of an appeal submitted by TeleQuality for the same FRN, wherein TeleQuality acknowledges that the contract was signed on March 28, 2016 (i.e., before the FY 2016 FCC Form 465 submitted on May 5, 2016 and the ACSD of June 2, 2016), but argues, among other things, that this was an existing contract under which New River Valley elected

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<sup>6</sup> TeleQuality Agreement NRV.VA.011516.0006 (Feb. 4, 2016); TeleQuality Agreement NRV.VA.011516.0004 (Feb. 4, 2016); TeleQuality Agreement NRV.VA.011516.0005 (Feb. 17, 2016); TeleQuality Agreement NRV.VA.011516.0007 (Feb. 4, 2016).

<sup>7</sup> FY 2015 FCL for FRN 1577333 (Apr. 4, 2016); FY 2015 FCL for FRN 1577334 (Apr. 13, 2016); FY 2015 FCLs for FRNs 1578044, 1578047, 1578049, 1578051, 1578053, 1578183, 1578185, 1578186, and 1578191 (Apr. 24, 2016); FY 2015 FCL for FRN 1578052 (May 4, 2016).

<sup>8</sup> TeleQuality Agreement NRV.VA.030316.0026 (Mar. 28, 2016).

<sup>9</sup> *Id.*

<sup>10</sup> FY 2016 FCC Form 465 No. 43164200 (May 5, 2016).

<sup>11</sup> FY 2016 FCC Form 466 for FRN 1688460 (Sept. 1, 2016).

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> TeleQuality Agreement NRV.VA.030316.0026, at 1 (Mar. 28, 2016).

<sup>15</sup> FY 2016 Denial Letter for FRN 1688460 (Dec. 14, 2016).

<sup>16</sup> Email from USAC, to New River (Dec. 14, 2016).

<sup>17</sup> *Appeal* at 1-2.

<sup>18</sup> *Id.* at 1-2.



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to continue service.<sup>19</sup>

Based on the documentation provided, we find that New River did not comply with the FCC's competitive bidding rules. As explained above, FCC rules allow HCPs to choose to continue to receive service from a prior funding year under an existing contract signed before the start of the required 28-day period for the applicable FCC Form 465, provided that "(i) the applicant is choosing *to continue service under an existing contract*; (ii) the applicant competitively bid the services for the new funding year; and (iii) the applicant decides, after reviewing the competitive bids, to *continue with the existing contract*."<sup>20</sup> However, those circumstances are not present here.

As noted above, New River requested and received support for multiple Ethernet services from TeleQuality for FY 2015 under three contracts signed on February 4, 2016 (i.e., contracts "NRV.VA.011516.0006," "NRV.VA.011516.0004," and "NRV.VA.011516.0007") and one contract signed on February 17, 2016 (i.e., contract "NRV.VA.011516.0005").<sup>21</sup> New River then submitted a FY 2016 FCC Form 466 requesting Ethernet (50 Mbps) services (FRN 1688460) from TeleQuality based on a new contract (i.e., contract "NRV.VA.030316.0026"), which was signed on March 28, 2016 before the ACSD of June 2, 2016.<sup>22</sup> Thus, New River was not continuing to receive these services through an existing contract when it initiated its competitive bidding process for FY 2016. Rather, contract "NRV.VA.030316.0026" was a new contract for FY 2016 executed 38 days before New River posted its FY 2016 FCC Form 465 and before the June 2, 2016 ACSD. Because New River was not continuing to receive services through an existing contract, and instead signed a *new contract* with TeleQuality before the start of the 28-day waiting period for New River's FY 2016 FCC Form 465, New River did not comply with the FCC's competitive bidding rules.<sup>23</sup>

Further, although New River's FY 2016 FCC Form 466 for FRN 1688460 indicates that New River received no bids in response to its FY 2016 FCC Form 465, the FCC has found that this fact does not cure the failure to wait 28 days before selecting a service provider.<sup>24</sup> Therefore, FY 2016 FRN 1688460 cannot be funded through the RHC Telecom Program.

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<sup>19</sup> *TeleQuality Appeal*, at 1. TeleQuality also states that "[w]hen service activation was not able to be completed prior to the end of FY 2015, New River Valley submitted a 465 for FY 2016 [and]...opted to continue receiving service from [TeleQuality] under the previously-executed contract. *Id.* at 2.

<sup>20</sup> *Waukon Order*, 29 FCC Rcd at 11715, para. 3 (emphasis added).

<sup>21</sup> TeleQuality Agreement NRV.VA.011516.0006 (Feb. 4, 2016); TeleQuality Agreement NRV.VA.011516.0004 (Feb. 4, 2016); TeleQuality Agreement NRV.VA.011516.0005 (Feb. 17, 2016); TeleQuality Agreement NRV.VA.011516.0007 (Feb. 4, 2016).

<sup>22</sup> TeleQuality Agreement NRV.VA.030316.0026 (Mar. 28, 2016).

<sup>23</sup> See *Waukon Order*, 29 FCC Rcd at 11717, para. 9 (affirming USAC's denial of funding based on a violation of the FCC's competitive bidding rules, where the HCP requested FY 2005 funding based on a new contract that it signed one day before posting its FY 2005 FCC Form 465 and stating that "[e]ntering into an agreement with a service provider before the completion of the 28-day bidding period circumvents the competitive bidding process and ultimately damages the integrity of the program.").

<sup>24</sup> See *id.* at 11717, para. 8 (stating "[t]he fact that [the HCP] did not receive bids from any other service provider during the 28-day waiting period does not cure [the HCP's] error in prematurely signing a contract with [the service provider].").

Mr. Chip Tarbutton  
New River Valley Community Services  
May 18, 2017  
Page 5 of 5

If you wish to appeal this decision or request a waiver, you can follow the instructions pursuant to 47 C.F.R. Part 54, Subpart I (47 C.F.R. §§ 54.719 to 725). Further instructions for filing appeals or requesting waivers are also available at:

<http://www.usac.org/about/about/program-integrity/appeals.aspx>

Sincerely,

/s/ Universal Service Administrative Company

## **EXHIBIT 2**

**Funding Year 2015 FCC Form 465**

**Health Care Providers Universal Service**  
**Description of Services Requested & Certification Form**

Estimated time per response: 1 hour

**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

Form 465 Application Number (assigned by RHCD) 43153028					
<b>Block 1: HCP Location Information</b>					
Information required in this block applies to the <b>physical location</b> of the HCP. Do not enter a "PO Box" or "Rural Route" address.					
1 HCP Number <b>34285</b>			2 Consortium Name		
3 HCP Name <b>New River Valley Community Services - Pulaski</b>			4 HCP FCC Registration Number (FCC RN) <b>0023171028</b>		
5 Contact Name <b>Susan Shrewsbury</b>					
6 Address Line 1 <b>1042 East Main Street</b>					
7 Address Line 2			8 County <b>Pulaski</b>		
9 City <b>Pulaski</b>			10 State <b>VA</b>	11 ZIP Code <b>24301</b>	
12 Phone # (540) 994-5023		13 Fax # (540) 994-5028		14 E-mail <b>sshrewbury@nrvc.org</b>	
<b>Block 2: HCP Mailing Contact Information</b>					
15 Is the HCP's mailing address (where correspondence should be sent) different from its physical location described in Block 1?				<input checked="" type="checkbox"/> Yes, complete Block 2 <input type="checkbox"/> No, go to Block 3.	
16 Contact Name <b>James Heath</b>			17 Organization <b>New River Valley Community Services</b>		
18 Address Line 1 <b>1700 University City Blvd</b>					
19 Address Line 2					
20 City <b>Blacksburg</b>			21 State <b>VA</b>	22 ZIP Code <b>24060</b>	
23 Phone # (540) 961-8457		24 Fax # (540) 557-4010		25 E-mail <b>jheath@nrvc.org</b>	
<b>Block 3: Funding Year Information</b>					
26 Funding Year (Check only one box)					
<input type="checkbox"/> Year 2013 (7/1/2013-6/30/2014)		<input type="checkbox"/> Year 2014 (7/1/2014-6/30/2015)		<input checked="" type="checkbox"/> Year 2015 (7/1/2015-6/30/2016)	
<b>Block 4: Eligibility</b>					
27 Only the following types of HCPs are eligible. Indicate which category describes the applicant. (Check only one.)					
<input type="checkbox"/> Post-secondary educational institution offering health care instruction, teaching hospital or medical school			<input type="checkbox"/> Rural health clinic		
<input type="checkbox"/> Community health center or health center providing health care to migrants			<input type="checkbox"/> Consortium of the above		
<input type="checkbox"/> Local health department or agency			<input type="checkbox"/> Dedicated ER of rural, for-profit hospital		
<input checked="" type="checkbox"/> Community mental health center			<input type="checkbox"/> Part-time eligible entity		
<input type="checkbox"/> Not-for-profit hospital					
28 If consortium, dedicated emergency department, or part-time eligible entity was selected in Line 27, please describe the entity.					
29 Please describe the eligible health care provider's telecommunications and/or Internet service needs, so that service providers may bid to provide the services. The description should describe whether video or store and forward consultations will be used, whether large image files or X-rays will be transmitted, the quality of connection needed, or other relevant considerations. See Attached					
<b>Block 5: Request for Services</b>					
30 Is the HCP requesting reduced rates for:					
<input type="checkbox"/> Both Telecommunications & Internet Services		<input checked="" type="checkbox"/> Telecommunications Service ONLY		<input type="checkbox"/> Internet Service ONLY	

**Block 6: Certification**

31 <input checked="" type="checkbox"/> I certify that I am authorized to submit this request on behalf of the above-named entity or entities, that I have examined this request, and that to the best of my knowledge, information, and belief, all statements of fact contained herein are true.	
32 <input checked="" type="checkbox"/> I certify that the health care provider has followed any applicable State or local procurement rules.	
33 <input checked="" type="checkbox"/> I certify that the telecommunications services and/or Internet access charges that the HCP receives at reduced rates as a result of the HCPs' participation in this program, pursuant to 47 U.S.C. Sec. 254 as implemented by the Federal Communications Commission, will be used solely for purposes reasonably related to the provision of health care service or instruction that the HCP is legally authorized to provide under the law of the state in which the services are provided and will not be sold, resold, or transferred in consideration for money or any other thing of value.	
34 <input checked="" type="checkbox"/> I certify that the health care provider is a non-profit or public entity.	
35 <input checked="" type="checkbox"/> I certify that the health care provider is located in a rural area. Visit the RHCD website: ( <a href="http://www.usac.org/rhc/tools/rhcd/Rural/2005/search.asp">http://www.usac.org/rhc/tools/rhcd/Rural/2005/search.asp</a> ) or contact RHCD at 1-800-229-5476 for a listing of rural areas.	
36 <input checked="" type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to funding provided under 47 U.S.C. Sec. 254.	
37 Signature Electronically signed	38 Date 06-Apr-2015
39 Printed name of authorized person James Heath	40 Title or position of authorized person IS Technology Manager
41 Employer of authorized person New River Valley Community Services	42 Employer's FCC RN 0023171028

**Please remember:**

- Form 465 is the **first** step a health care provider must take in order to receive the benefit of reduced rates resulting from participation in this universal service support program.
- After the HCP submits a complete and accurate Form 465, the RHCD will post it on the RHCD web site for 28 days.
- HCPs may not enter into agreements to purchase eligible services from service providers before the **28 days expire**.
- After the HCP selects a service provider, the HCP must initiate the **next** step in the application process, the filing of Form 466 and/or 466A.

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

**FCC NOTICE FOR INDIVIDUALS REQUIRED BY THE PRIVACY ACT AND THE PAPERWORK REDUCTION ACT**

Part 3 of the Commission's Rules authorize the FCC to request the information on this form. The purpose of the information is to determine your eligibility for certification as a health care provider. The information will be used by the Universal Service Administrative Company and/or the staff of the Federal Communications Commission, to evaluate this form, to provide information for enforcement and rulemaking proceedings and to maintain a current inventory of applicants, health care providers, billed entities, and service providers. No authorization can be granted unless all information requested is provided. Failure to provide all requested information will delay the processing of the application or result in the application being returned without action. Information requested by this form will be available for public inspection. Your response is required to obtain the requested authorization.

The public reporting for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PER, Paperwork Reduction Act Project (3060-0804), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to [pra@fcc.gov](mailto:pra@fcc.gov). PLEASE DO NOT SEND YOUR RESPONSE TO THIS ADDRESS.

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0804.

THE FOREGOING NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

This form should be submitted to:

Rural Health Care Division  
30 Lanidex Plaza West, P.O.Box 685  
Parsippany NJ 07054-0685

29 Please describe the eligible health care providers telecommunications and/or Internet service needs, so that service providers may bid to provide the services. The description should describe whether video or store and forward consultations will be used, whether large image files or X-rays will be transmitted, the quality of connection needed, or other relevant considerations.

NRVCS is the legally established local public mental health, intellectual disabilities, and substance abuse authority for the counties of Montgomery, Pulaski, Giles, Floyd, and the city of Radford, and in this capacity, the agency functions as the single point of entry in to the publicly funded mental health, intellectual disabilities, and substance abuse services. The agency serves children, adults, and families by providing community-based programs such as outpatient counseling, psychiatric services, and case management services. NRVCS has been providing these for over 30 years. The telecommunications requirements of this location will provide improved data networks (MPLS, T1, Fiber, DSL, Cable as available), redundant internet connections and redundant networks to ensure access to hosted electronic medical records systems for treatment of patients, telemedicine, and communication for staff to other staff in other agency locations.

**EXHIBIT 3**

**TeleQuality Agreement NRV.VA.030316.0026 (March 28, 2016)**



# TeleQuality HealthNet with Internet


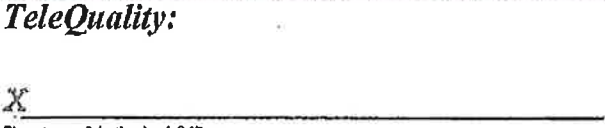
HCP: 34285

Funding Year: 2015

ACSD: 5/4/2015

Customer: New River Valley Community Services

Description ID: REACH Fairlawn 50 Mb Ethernet Healthnet

MAILING CONTACT		BILLING CONTACT	
New River Valley Community Services 700 University Blvd Blacksburg, VA 24060		Holly Carroll hcarroll@nrvc.org 540-961-8300	
Billing Number: NRV.VA.0035		Contract Number: NRV.VA.030316.0026 Term: 60 months Term shall begin upon circuit completion date.	
RATES & FEES			
CIRCUIT PRICE INFORMATION:		TAX INFORMATION:	
Total Monthly Rate: \$6,750.00 Loop: \$6,750.00 Port: \$1,100.00 (waived) Total Installation Charge: \$2,800.00		Tax Exempt: Yes TeleQuality has Received Exempt forms: Yes Taxes, Surcharges and Fees may apply.	
Note: TeleQuality will terminate telecommunications services for this location into the 300 Mb Ethernet circuit which is terminated in Pulaski, VA. Please refer to contract NRV.VA.011516.0005 on ALOC information.			
SERVICE LOCATION INFORMATION			
CIRCUIT LOCATION 540-831		IP INFORMATION	
Site Name: REACH Fairlawn Site Phone #: 540-831 Address 1: 6871 Tara Lane Address 2: City, State, Zip: Radford, VA 24141 DMARC: TBD Access person TBD		Speed: 50 Mb Ethernet Delivery: static Number of IP Addresses: /30 Network service delivered via RJ45 interface	
TECHNICAL PROVISIONING			
Main Customer Contact: Chlp Tarbutton, 540-961-8300, ctarbutton@nrvc.org			
SIGNATURES			
New River Valley Community Services:  Signature of Authorized Officer Name Deborah Whitten-Williams Title: Director, FASS Date of Signature: 3-28-16		TeleQuality:  Signature of Authorized Officer Name Tim Koxlien Title: CEO Date of Signature: _____	

By signing this order form, customer agrees to all charges including monthly recurring and non-recurring charges listed in the Rates and Fees section and the service term listed in the billing section. Should customer cancel the services prior to the expiration of the service term, customer agrees to pay an early termination penalty of the number of months remaining in the term times the monthly recurring charges and additionally rebate any waived non-recurring charges for installation fees, payable on the invoice following the cancellation notice to TeleQuality.

**Please Fax signed contract to: 210-408-1700**

Also send two originals to:  
TeleQuality Communications, Inc  
21232 Gathering Oak, Suite 107  
San Antonio, TX 78260

## **EXHIBIT 4**

### **Document Associations Spreadsheet**



## **EXHIBIT 5**

**New River Appeal Letter to USAC**

**From:** Chip Tarbutton [<mailto:CTarbutton@nrvc.org>]

**Sent:** Friday, February 3, 2017 3:03 PM

**To:** [rhc-appeals@usac.org](mailto:rhc-appeals@usac.org)

**Cc:** Tara Nordstrom <[Tara@telequality.com](mailto:Tara@telequality.com)>

**Subject:** Appeal: HCP 34285 Denial of Funding

RHC Appeals:

I am filing this appeal on behalf of New River Valley Community Services (HCP# 34285) in reference to Funding Request number 1688460 that was denied on December 6, 2016. My name is Chip Tarbutton. My work address is 700 University City Blvd, Blacksburg VA 24060. My email address is [ctarbutton@nrvc.org](mailto:ctarbutton@nrvc.org) and my phone number is 540 443-7505.

We reviewed the bids in 2015 and decided to enter into an agreement with Telequality Communications. NRVCS decided this based on the bid criteria provided. When the FCC form 466 was originally submitted, there was an error in filing and we forgot to include the bids received. When NRVCS realized the error, we proactively provided Jeremy Matkovich with the bids and our evaluation sheet. See the email and attachments from that conversation on the email I sent with letter. The data included the Evaluation form, bids from the two vendors and the contract. This was sent on 11-3-16.

Attached is a copy of the denial letter received on December 6. I asked for clarification of the decision and received the following follow up email from Matthew Squire on January 10, 2017. This response is also attached. According to Matthew, this was the reason for the denial

"The denial of FRN 1688460 was based on FCC rules that prohibit the HCP from entering a new contract without first conducting a fair and open 28-day competitive bidding period for its requested services. In this specific case, the contract with Telequality for 50M of Ethernet to 6871 Tara Lane Radford VA, was signed on 3/28/16, 66 days prior to the Allowable Contract Signed Date - 6/2/16.

The contract is for new services, not a continuation of existing services, and was signed prior to the beginning of the 28-day waiting period and therefore violated FCC rules requiring a fair and open competitive bidding process."

I responded back to Matthew on 1/13/2017 with the following response. I have attached the information that I included in that correspondence as well.

Thank you for your response and the opportunity to clarify what happened.

Our organization signed this contract based on the 465 we filed in the 2015 funding year. The date of the ACSD 465 was 5/4/2015 (reflected on the contract attached above). Due to an installation delay, the circuit was not able to be installed until the 2016 funding year. Our carrier has provided an installation delay letter.

We then refiled the Form 465 for the 2016 Funding Year as required by USAC. (No additional bids were received in this timeframe). This resulted in staying with our current service agreement with Telequality Communications after reconsideration of the bids received in 2015.

The contract was properly bid and the delay was caused by unavoidable technical issues. Based on the precedent stated in the attached letter from the vendor, it is abundantly clear that we followed the proper procedures in this case. I have imbedded this letter here in our letter, as well as attaching a copy to the original email.



NRV - Appeal of  
USAC Decision - 201

#### Relief Sought

Based on criteria provided NRVCS followed the proper procedure. On behalf of NRVCS I would like to have this denial decision reversed and have the site fully funded for this funding year. I appreciate you looking into this matter and look forward to hearing your response. Please feel free to reach out to me or the service provider with any questions.

Sincerely,

Chip Tarbutton

Chip Tarbutton, MA, PMP  
IS Coordinator  
New River Valley Community Services  
Phone: 540 443-7505  
Mobile: 540 589-3753  
Email: [ctarbutton@NRVCS.org](mailto:ctarbutton@NRVCS.org)



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**MONTGOMERY CENTER**

700 University City Boulevard / Blacksburg, VA 24060  
Phone: 540.961.8300 / Emergencies: 540.961.8400  
Fax: 540.961.8465 / [www.nrvcs.org](http://www.nrvcs.org)

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mental health • intellectual disabilities • substance use disorders • prevention services

Proudly serving the counties of Floyd, Giles, Montgomery and Pulaski, and the City of Radford



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700 University City Boulevard / Blacksburg, VA 24060

Phone: 540.961.8300 / Emergencies: 540.961.8400

Fax: 540.961.8465 / [www.nrvcs.org](http://www.nrvcs.org)

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NRV - Appeal of  
USAC Decision - 201

### Relief Sought

Based on criteria provided NRVCS followed the proper procedure. On behalf of NRVCS I would like to have this denial decision reversed and have the site fully funded for this funding year. I appreciate you looking into this matter and look forward to hearing your response. Please feel free to reach out to me or the service provider with any questions.

Sincerely,

Chip Tarbutton

---

From: rhc-assist@usac.org <rhc-assist@usac.org>  
Sent: Tuesday, December 6, 2016 09:00 AM  
To: ctarbutton@nrvc.org; Funding; sshrewbury@nrvc.org  
Subject: RHC Telecommunications Program - FCC Form 466 - Denial Notice - HCP # 34285

Date: 06-Dec-2016  
Program: Telecommunications Program  
Funding Year: 2016  
Health Care Provider (HCP) Name: New River Valley Community Services - Pulaski  
HCP Number: 34285  
Funding Request Number (FRN): 1688460  
FCC Form 465 Application Number: 43164200

The Universal Service Administrative Company (USAC)'s Rural Health Care (RHC) Program reviewed the FCC Form 466 (Funding Request and Certification Form) and supporting documentation submitted by the HCP referenced above. Based on the information provided, USAC is unable to provide support for the following reason(s):

1. The HCP has violated the Telecommunication's Program competitive bidding rules. See 47 C.F.R. Section 54.603.

**Service Provider Name: TeleQuality Communications, Inc.**  
**Service Provider Identification Number (SPIN): 143031579**

**Next Steps**

To appeal this decision, deliver a letter of appeal to USAC within 60 days of the date of this letter. Detailed instructions for filing appeals are available at: <http://www.usac.org/about/about/program-integrity/appeals.aspx>.

## Appeals - About USAC - Universal Service Administrative ...

[www.usac.org](http://www.usac.org)

Appeals. Any party (including, but not limited to entities filing an FCC Form 499, federal universal service program applicants, and service providers) that wishes to ...

**For More Information**

Please do not reply directly to this email, as emails to this account will not be delivered to the RHC Program team. For questions or assistance, contact the Rural Health Care Program Help Desk at (800) 453-1546 or by email at [rhc-assist@usac.org](mailto:rhc-assist@usac.org).

For more information about the Telecommunications Program application process, refer to the Telecom Program Getting Started web page at <http://www.usac.org/rhc/telecommunications/process-overview/default.aspx/>.

For more information about the FCC Form 466, visit the Telecommunications Program Forms web page at <http://www.usac.org/rhc/telecommunications/tools/forms/>.

The HCP mailing contact, all account holders related to this circuit, the contact at the HCP's physical location have been copied on this email. In addition, a copy of this letter has been sent to the entity identified below as your selected telecommunications carrier.

## Justin A. Volker

---

**From:** Matthew Squire <Matt.Squire@usac.org>  
**Sent:** Tuesday, January 10, 2017 8:49 AM  
**To:** Chip Tarbutton; Carolyn McCornac  
**Subject:** RE: Bid Information for HCP# 34285 FRN 1688460

Chip,

The denial of FRN 1688460 was based on FCC rules that prohibit the HCP from entering a new contract without first conducting a fair and open 28-day competitive bidding period for its requested services. In this specific case, the contract with Telequality for 50M of Ethernet to 6871 Tara Lane Radford VA, was signed on 3/28/16, 66 days prior to the Allowable Contract Signed Date - 6/2/16.

The contract is for new services, not a continuation of existing services, and was signed prior to the beginning of the 28-day waiting period and therefore violated FCC rules requiring a fair and open competitive bidding process.

See the following FCC order for reference: [https://apps.fcc.gov/edocs\\_public/attachmatch/DA-14-1435A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DA-14-1435A1.pdf)

Matthew Squire  
Program Analyst  
Rural Health Care Program  
Universal Service Administrative Company  
700 12th Street, NW, Suite 900  
Washington, DC 20005  
202 772 6280

---

**From:** Chip Tarbutton [mailto:CTarbutton@nrvc.org]  
**Sent:** Tuesday, January 10, 2017 8:45 AM  
**To:** Carolyn McCornac  
**Cc:** Matthew Squire  
**Subject:** RE: Bid Information for HCP# 34285 FRN 1688460

Just following up to see if there was more information on why this was rejected?

Chip Tarbutton, MA, PMP  
IS Coordinator  
New River Valley Community Services  
Phone: 540 443-7505  
Mobile: 540 589-3753  
Email: [ctarbutton@NRVCS.org](mailto:ctarbutton@NRVCS.org)



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recipient, is prohibited by law and may subject them to criminal or civil liability. If you receive this communication in error, please contact the NRVCS Privacy Officer at (540) 961-8421. This communication should then be deleted from any computer or network system.

---

**From:** Carolyn McCornac [<mailto:Carolyn.McCornac@usac.org>]  
**Sent:** Wednesday, December 21, 2016 3:29 PM  
**To:** Chip Tarbutton <[CTarbutton@nrvc.org](mailto:CTarbutton@nrvc.org)>  
**Cc:** Matthew Squire <[Matt.Squire@usac.org](mailto:Matt.Squire@usac.org)>  
**Subject:** RE: Bid Information for HCP# 34285 FRN 1688460

Hi Chip,

I'm sorry for the delay.

I have transitioned to the Schools and Libraries Division.

Matt Squire, copied here, will look into the funding request denial and provide more detail.

Thanks,  
Carolyn  
202-263-1607

---

**From:** Chip Tarbutton [<mailto:CTarbutton@nrvc.org>]  
**Sent:** Wednesday, December 21, 2016 3:09 PM  
**To:** Carolyn McCornac <[Carolyn.McCornac@usac.org](mailto:Carolyn.McCornac@usac.org)>  
**Subject:** RE: Bid Information for HCP# 34285 FRN 1688460

I wanted to follow up and see if you had had a chance to review this?

Chip Tarbutton, MA, PMP  
IS Coordinator  
New River Valley Community Services  
Phone: 540 443-7505  
Mobile: 540 589-3753  
Email: [ctarbutton@NRVCS.org](mailto:ctarbutton@NRVCS.org)



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---

**From:** Chip Tarbutton  
**Sent:** Monday, December 12, 2016 1:57 PM  
**To:** 'Carolyn.McCornac@usac.org' <[Carolyn.McCornac@usac.org](mailto:Carolyn.McCornac@usac.org)>  
**Subject:** FW: Bid Information for HCP# 34285 FRN 1688460

Carolyn,

We recently had our funding refused because of a problem with the competitive bid for this site. We had two sites that we asked for a bid for and one we did not receive a bid back for.

I mixed up the two sites and incorrectly picked the wrong button around the competitive bid when submitting the information on the USAC site. I quickly realized my mistake and reached out to Jeremy via the site. He then asked for the information which is included here with a copy of the email string.

I believe I submitted the proper information and I am trying to understand why this was rejected. I would like to appeal but I need to understand the basis of the rejection so I can properly respond. I would much appreciate it if you could review this and let me know what is the issue here so I can then rectify this situation. I made a good faith effort to try and rectify my error, so I am confused as to the issue.

Any help you can provide would be greatly appreciated.

Chip Tarbutton, MA, PMP  
IS Coordinator  
New River Valley Community Services  
Phone: 540 443-7505  
Mobile: 540 589-3753  
Email: [ctarbutton@NRVCS.org](mailto:ctarbutton@NRVCS.org)



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**From:** Chip Tarbutton  
**Sent:** Thursday, November 03, 2016 9:29 AM  
**To:** 'Jeremy Matkovich' <[Jeremy.Matkovich@usac.org](mailto:Jeremy.Matkovich@usac.org)>  
**Subject:** RE: Bid Information for HCP# 34285 FRN 1688460

Attached is the Matrix and the bids we received from NSS and Rural Telecom. Please let me know if you have any further questions. I apologize again for the confusion.

Chip Tarbutton, MA, PMP  
IS Coordinator  
New River Valley Community Services  
Phone: 540 443-7505  
Mobile: 540 589-3753  
Email: [ctarbutton@NRVCS.org](mailto:ctarbutton@NRVCS.org)



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**From:** Jeremy Matkovich [<mailto:Jeremy.Matkovich@usac.org>]  
**Sent:** Wednesday, November 02, 2016 1:16 PM  
**To:** Chip Tarbutton <[CTarbutton@nrvc.org](mailto:CTarbutton@nrvc.org)>  
**Subject:** Bid Information for HCP# 34285 FRN 1688460

Chip,

I got your message about bids that HCP# 34285 received. Please attach all bid and matrix to this email, including Telequality's bid for services.

Thanks,

Jeremy Matkovich  
USAC Program Analyst  
202-772-6290  
[jeremy.matkovich@usac.org](mailto:jeremy.matkovich@usac.org) | [www.usac.org](http://www.usac.org)

*This message is for information purposes only, and is neither a guarantee nor commitment for eligibility or funding in any of the Rural Health Care programs.*

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# TeleQuality HealthNet with Internet



HCP: 34285

Funding Year: 2015

ACSD: 5/4/2015

Customer: New River Valley Community Services

Description ID: REACH Fairlawn 50 Mb Ethernet Healthnet

MAILING CONTACT		BILLING CONTACT	
New River Valley Community Services 700 University Blvd Blacksburg, VA 24060		Holly Carroll hcarroll@nrvc.org 540-961-8300	
Billing Number: NRV.VA.0035		Contract Number: NRV.VA.030316.0026 Term: 60 months Term shall begin upon circuit completion date.	
RATES & FEES			
CIRCUIT PRICE INFORMATION:		TAX INFORMATION:	
Total Monthly Rate: \$6,750.00 Loop: \$6,750.00 Port: \$1,100.00 (waived) Total Installation Charge: \$2,800.00		Tax Exempt: Yes TeleQuality has Received Exempt forms: Yes Taxes, Surcharges and Fees may apply.	
Note: TeleQuality will terminate telecommunications services for this location into the 300 Mb Ethernet circuit which is terminated in Pulaski, VA. Please refer to contract NRV.VA.011516.0005 on ALOC Information.			
SERVICE LOCATION INFORMATION			
CIRCUIT LOCATION 540-831		IP INFORMATION	
Site Name: REACH Fairlawn Site Phone #: 540-831 Address 1: 6871 Tara Lane Address 2: City, State, Zip: Radford, VA 24141 DMARC: TBD Access person TBD		Speed: 50 Mb Ethernet Delivery: static Number of IP Addresses: /30 Network service delivered via RJ45 interface	
TECHNICAL PROVISIONING			
Main Customer Contact: Chlp Tarbutton, 540-961-8300, ctarbutton@nrvc.org			
SIGNATURES			
New River Valley Community Services:		TeleQuality:	
 Signature of Authorized Officer		 Signature of Authorized Officer	
Name Deborah Whitten-Williams Title: Director, FASS		Name Tim Koxlien Title: CEO	
Date of Signature: 3-28-16		Date of Signature:	

By signing this order form, customer agrees to all charges including monthly recurring and non-recurring charges listed in the Rates and Fees section and the service term listed in the billing section. Should customer cancel the services prior to the expiration of the service term, customer agrees to pay an early termination penalty of the number of months remaining in the term times the monthly recurring charges and additionally rebate any waived non-recurring charges for installation fees, payable on the invoice following the cancellation notice to TeleQuality.

**Please Fax signed contract to: 210-408-1700**

Also send two originals to:  
TeleQuality Communications, Inc  
21232 Gathering Oak, Suite 107  
San Antonio, TX 78260



January 10, 2017

USAC  
Rural Health Care Program  
Telecommunications and Internet Access  
30 Lanidex Plaza West, PO Box 685  
Parsippany, NJ 07054-0685

To Whom This May Concern:

Response to the My Portal inquiry, regarding all circuits for HCP 34285:

The intent of TQCI was to have the service installed prior to the end of the 2015FY. Due to the lack of carrier facilities and availability of technicians in this rural area, we were unable to accomplish this and service will be installed in the 2016FY.

Please let us know if any further information is needed.

Thanks,

**Tara Nordstrom**  
Funding Specialist  
TeleQuality Communications, Inc.  
210-408-0388 Ext. 106  
[tara@telequality.com](mailto:tara@telequality.com)



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phone 210-408-0388 • fax 210-408-1700 • www.telequality.com

February 3, 2017

USAC  
Rural Health Care Program  
Telecommunications and Internet Access  
30 Lanidex Plaza West, PO Box 685  
Parsippany, NJ 07054-0685

To Whom It May Concern:

This is an appeal of the RHC Telecommunications Program - FCC Form 466 - Denial Notice<sup>1</sup> (Denial) denying support for the following FRN:

- HCP 34285, FRN 1688460 - BA# NRV.VA.0035

### **Background**

On April 6, 2015 New River Valley submitted a Funding Year 2015 FCC Form 465 requesting telecommunications service. On March 28, 2016 New River Valley Community Services (New River Valley) signed a service agreement with TeleQuality Communications, Inc. (TQCI) for 50 Mbps Ethernet service (FRN 1688460, BA# NRV.VA.0035).<sup>2</sup>

On May 5, 2016 New River Valley submitted an additional FCC Form 465 for FY 2016. New River Valley elected to continue service under their existing contract with TQCI. On August 22, 2016 the service governed by that existing contract was officially activated for the customer. On September 1, 2016 New River Valley submitted an FCC Form 466 relating to that service.

### **Discussion**

The FRN in question should have been approved per FCC rules, which provide an exception to the cited violation of competitive bidding rules when “(i) the applicant is choosing to continue service under an existing contract; (ii) the applicant competitively bid the services for the new funding year; and (iii) the applicant decides, after reviewing the competitive bids, to continue with the existing contract.”<sup>3</sup>

Once TQCI receives a signed contract, the provisioning process begins and the customer receives weekly updates on the status of the order. In the matter at hand, TQCI received the signed contract on March 28, 2016

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<sup>1</sup> RHC Telecommunications Program - FCC Form 466 - Denial Notice (*Denial*).

<sup>2</sup> Contract NRV.VA.030316.0026.

<sup>3</sup> *Request for Review Franciscan Skemp Waukon Clinic*, WC Docket No. 02-60, Order, 29 FCC Rcd 11714, 11715, para. 3 (2014) (*Waukon Order*) (citing to *Request for Review of the Decision of the Universal Service Administrator by Kalamazoo Pub. Schs.*, CC Docket No. 96-45, Order on Reconsideration, 17 FCC Rcd 22154, 22157-58, paras. 6-7 (2002)).



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and placed an order to the underlying carrier in April, thus beginning the provisioning process. Provisioning a telecommunications network encompasses preparation of the service by the underlying carrier, facility work, configuration and installation of the customer premise equipment (CPE), and finally a test and turn up (TTU) process. The TTU process consists of connecting CPE to the circuit, testing the circuit, and customer acceptance of the circuit upon completion of testing. The intent of both TQCI and New River Valley was to have this service active as quickly as possible, and certainly within the then-active funding year. Due to the lack of carrier facilities and availability of technicians in this rural area, TQCI was unable to accomplish service activation prior to the end of FY 2015. However, TQCI was clearly working diligently on behalf of the customer, and regularly communicating this work to the customer, for the entire duration of time between receipt of signed customer contracts and eventual service activation. Although the underlying service hadn't been activated, and thus the customer had not started receiving service bills, it is illogical to argue that TQCI was not providing valuable service to its customer.

Further, it is illogical to argue that TQCI and New River Valley did not have a binding contract for service as of the contract execution date because the billing section of said contract states that "term shall begin upon circuit completion date." The fact that a length of time for service provision, and the associated time to be billed for that service, might start at a future date does not nullify an immediate contractual obligation that has been agreed upon and executed by both parties at a date previous to the time when service and billing begins. It is common, practical, and in many cases necessary, for contracts to be executed months prior to expected performance of some of the obligations contained therein. Mutuality of obligation is not voided simply because full performance has not yet taken place. In fact, arguing such a point would go against the basis of established contract law. Therefore, New River Valley clearly had a valid and enforceable, existing contract under which it chose to continue receiving service from TQCI at the time it ultimately submitted the FRN in question. New River Valley expected to receive telecommunications service as quickly as possible from TQCI, which, in turn, was working diligently to accomplish the task.

When service activation was not able to be completed prior to the end of FY 2015, New River Valley submitted a 465 for FY 2016. New River Valley opted to continue receiving service from TQCI under the previously-executed contract. Additionally, there is no evidence indicating New River Valley did not carefully consider all available proposals based on the FY 2016 Form 465. Thus, it is reasonable in this case, as was done in *Cochrane-Fountain City School District Order*<sup>4</sup> to conclude that such consideration was given.<sup>5</sup> Further, by posting the FY 2016 Form 465 and waiting over 3 months before submitting an FRN for the service selected thereunder, New River Valley clearly waited the minimum 28 days required by the FCC rules. Again, this is the same standard applied in *Cochrane-Fountain City School District Order*.<sup>6</sup>

It's clear that New River Valley's behavior falls within the FCC rules discussed above. However, it is also clear that the confusion could have been further avoided by taking different action in a couple places. First,

<sup>4</sup> Request for Review by Cochrane-Fountain City School District, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc., File No. SLD-140683, CC Dockets No. 96-45 and 97-21, Order, 15 FCC Rcd 16628 (Com. Car. Bur. 2000) (*Cochrane-Fountain City School District Order*).

<sup>5</sup> *Id.* at 16631, n. 24.

<sup>6</sup> *Id.* at para. 7.





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New River Valley could have filed Forms 466 in FY 2015 with full knowledge that they would be denied, since billing had not yet started. Doing so would have caused unnecessary work for all parties involved, but would have preserved the record that the applicant was under contract for service and was attempting to seek support for that service. In doing so, the following funding year's Forms 466 would not be deemed, as they were in this case, to be requests for support of brand new contracts. This adverse funding decision could have been precluded by knowingly creating extra work for everyone involved, which is a perverse incentive that should be avoided.

Second, New River Valley could have memorialized the selection of its existing, prior contracts with TQCI for FY 2016 and entered the dates of memorialization on the FRNs, rather than the underlying contract dates, as noted in the *Kalamazoo Order*.<sup>7</sup> While this action would have been helpful, and will likely be the process followed in this type of situation moving forward now that the parties are aware of such guidance, doing so is not a program requirement for which the failure to comply is grounds for funding denial. Neither is the unfamiliarity with this guidance itself, grounds for funding denial.

In this case, all parties involved had a clear intent, which was manifested by the documents provided with this letter, and followed program rules in carrying out that intent. It's the unfortunate truth that program timelines and technical requirements sometimes result in edge-cases like this where bad luck can create friction between "natural-world" realities and "artificial-world" requirements. Here, the logistics of procuring the facilities and personnel in a rural area caused service activation timing issues that resulted in the denial of this FRN. However, all parties followed program rules and did their best to achieve the desired intent as quickly as possible. The fact that the intent of the parties was carried out in a way that is confusing or could be argued, albeit incorrectly, on a technical basis to be non-compliant with program rules speaks to the complexity of the program itself. Thus, we are left with a situation where the underlying spirit of the program, assisting healthcare providers in rural communities to receive support for the costly, yet necessary, telecommunications service required to provide quality healthcare today, finds itself at odds with the program rules governing that spirit. Likewise, the intent of the parties is being challenged on technical grounds, using impractical expectations for real world behavior and performance. We would be remiss if we didn't note that situations like this may become more numerous in the future, given recent changes in the program to implement different funding windows, thus causing more opportunity for edge-cases where unforeseen timing issues cause friction with program requirements.

It's clear that program rules are needed to ensure that no waste, fraud, and abuse of limited fund resources occurs. However, it's also clear that these rules sometimes create new problems that do not exist in traditional transactions of a similar nature. There is a duty to protect taxpayers and the fund itself, but not at the expense of program participants that are navigating a complex and confusing set of rules which sometimes finds itself in conflict with the underlying mission of the program. While we must be vigilant in protecting those resources from bad actors, we must be equally vigilant in protecting our rural healthcare providers from draconian punishment when action that may be confusing, but is clearly not improper, has occurred. While we hope that

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<sup>7</sup> *Request for Review of the Decision of the Universal Service Administrator by Kalamazoo Pub. Schs.*, CC Docket No. 96-45, Order on Reconsideration, 17 FCC Rcd 22154, 22157-58, para. 7 (2002) (*Kalamazoo Order*).



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this example serves as the starting place for larger-scale review and revision of program rules and procedures in the future, in the immediate term we request that the FRN at issue in this case be approved.

If you require additional information in support of the requested FRN approval, please let us know.

Sincerely,

Tara Nordstrom  
Funding Specialist  
TeleQuality Communications, Inc.  
210-408-0388 Ext. 106  
[tara@telequality.com](mailto:tara@telequality.com)

**EXHIBIT 6**

**Funding Year 2016 FCC Form 465**



Health Care Providers Universal Service  
Description of Services Requested & Certification Form**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

Form 465 Application Number (assigned by RHCD) 43164200

**Block 1: HCP Location Information**Information required in this block applies to the **physical location** of the HCP. Do not enter a "PO Box" or "Rural Route" address.

1 HCP Number	34285	2 Consortium Name	
3 HCP Name	New River Valley Community Services - Pulaski	4 HCP FCC Registration Number (FCC RN)	0023171028
5 Contact Name	Susan Shrewsbury		
6 Address Line 1	1042 East Main Street		
7 Address Line 2		8 County	Pulaski
9 City	Pulaski	10 State	VA
		11 ZIP Code	24301
12 Phone #	(540) 994-5023	13 Fax #	(540) 994-5028
		14 E-mail	sshrewbury@nrvc.org

**Block 2: HCP Mailing Contact Information**

15 Is the HCP's mailing address (where correspondence should be sent) different from its physical location described in Block 1?	<input checked="" type="checkbox"/> Yes, complete Block 2 <input type="checkbox"/> No, go to Block 3.		
16 Contact Name	Chip Tarbutton	17 Organization	New River Valley Community Services
18 Address Line 1	1700 University City Blvd		
19 Address Line 2			
20 City	Blacksburg	21 State	VA
		22 ZIP Code	24060
23 Phone #	(540) 443-7505	24 Fax #	
		25 E-mail	ctarbutton@nrvc.org

**Block 3: Funding Year Information**

26 Funding Year (Check only one box)	<input checked="" type="checkbox"/> Year 2016 (7/1/2016-6/30/2017)	<input type="checkbox"/> Year 2017 (7/1/2017-6/30/2018)	<input type="checkbox"/> Year 2018 (7/1/2018-6/30/2019)
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**Block 4: Eligibility**

27 Only the following types of HCPs are eligible. Indicate which category describes the applicant. (Check only one.)	
<input type="checkbox"/> Post-secondary educational institution offering health care instruction, teaching hospital or medical school	<input type="checkbox"/> Rural health clinic
<input type="checkbox"/> Community health center or health center providing health care to migrants	<input type="checkbox"/> Consortium of the above
<input type="checkbox"/> Local health department or agency	<input type="checkbox"/> Dedicated ER of rural, for-profit hospital
<input checked="" type="checkbox"/> Community mental health center	<input type="checkbox"/> Part-time eligible entity
<input type="checkbox"/> Not-for-profit hospital	

28 If consortium, dedicated emergency department, or part-time eligible entity was selected in Line 27, please describe the entity.

29 Please describe the eligible health care provider's telecommunications and/or Internet service needs, so that service providers may bid to provide the services. The description should describe whether video or store and forward consultations will be used, whether large image files or X-rays will be transmitted, the quality of connection needed, or other relevant considerations. See Attached

**Block 5: Request for Services**

30 Is the HCP requesting reduced rates for:	<input type="checkbox"/> Both Telecommunications & Internet Services	<input checked="" type="checkbox"/> Telecommunications Service ONLY	<input type="checkbox"/> Internet Service ONLY
---------------------------------------------	----------------------------------------------------------------------	---------------------------------------------------------------------	------------------------------------------------

**Block 6: Certification**

31 <input checked="" type="checkbox"/> I certify that I am authorized to submit this request on behalf of the above-named entity or entities, that I have examined this request, and that to the best of my knowledge, information, and belief, all statements of fact contained herein are true.	
32 <input checked="" type="checkbox"/> I certify that the health care provider has followed any applicable State or local procurement rules.	
33 <input checked="" type="checkbox"/> I certify that the telecommunications services and/or Internet access charges that the HCP receives at reduced rates as a result of the HCPs' participation in this program, pursuant to 47 U.S.C. Sec. 254 as implemented by the Federal Communications Commission, will be used solely for purposes reasonably related to the provision of health care service or instruction that the HCP is legally authorized to provide under the law of the state in which the services are provided and will not be sold, resold, or transferred in consideration for money or any other thing of value.	
34 <input checked="" type="checkbox"/> I certify that the health care provider is a non-profit or public entity.	
35 <input checked="" type="checkbox"/> I certify that the health care provider is located in a rural area. Visit the RHCD website: ( <a href="http://www.usac.org/rhc/tools/rhcd/Rural/2005/search.asp">http://www.usac.org/rhc/tools/rhcd/Rural/2005/search.asp</a> ) or contact RHCD at 1-800-229-5476 for a listing of rural areas.	
36 <input checked="" type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to funding provided under 47 U.S.C. Sec. 254.	
37 Signature Electronically signed	38 Date 05-May-2016
39 Printed name of authorized person Leslie Chip Tarbutton	40 Title or position of authorized person IS Coordinator
41 Employer of authorized person New River Valley Community Services	42 Employer's FCC RN 0023171028

**Please remember:**

- Form 465 is the **first** step a health care provider must take in order to receive the benefit of reduced rates resulting from participation in this universal service support program.
- After the HCP submits a complete and accurate Form 465, the RHCD will post it on the RHCD web site for 28 days.
- HCPs may not enter into agreements to purchase eligible services from service providers before the **28 days expire**.
- After the HCP selects a service provider, the HCP must initiate the **next** step in the application process, the filing of Form 466 and/or 466A.

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

**FCC NOTICE FOR INDIVIDUALS REQUIRED BY THE PRIVACY ACT AND THE PAPERWORK REDUCTION ACT**

Part 3 of the Commission's Rules authorize the FCC to request the information on this form. The purpose of the information is to determine your eligibility for certification as a health care provider. The information will be used by the Universal Service Administrative Company and/or the staff of the Federal Communications Commission, to evaluate this form, to provide information for enforcement and rulemaking proceedings and to maintain a current inventory of applicants, health care providers, billed entities, and service providers. No authorization can be granted unless all information requested is provided. Failure to provide all requested information will delay the processing of the application or result in the application being returned without action. Information requested by this form will be available for public inspection. Your response is required to obtain the requested authorization.

The public reporting for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PER, Paperwork Reduction Act Project (3060-0804), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to [pra@fcc.gov](mailto:pra@fcc.gov). PLEASE DO NOT SEND YOUR RESPONSE TO THIS ADDRESS.

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0804.

THE FOREGOING NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

This form should be submitted to:

Rural Health Care Division  
30 Lanidex Plaza West, P.O.Box 685  
Parsippany NJ 07054-0685

29 Please describe the eligible health care providers telecommunications and/or Internet service needs, so that service providers may bid to provide the services. The description should describe whether video or store and forward consultations will be used, whether large image files or X-rays will be transmitted, the quality of connection needed, or other relevant considerations.

NRVCS is the legally established local public mental health, intellectual disabilities, and substance abuse authority for the counties of Montgomery, Pulaski, Giles, Floyd, and the city of Radford, and in this capacity, the agency functions as the single point of entry in to the publicly funded mental health, intellectual disabilities, and substance abuse services. The agency serves children, adults, and families by providing community-based programs such as outpatient counseling, psychiatric services, and case management services. NRVCS has been providing these for over 30 years. The telecommunications requirements of this location will provide improved data networks (MPLS, T1, Fiber, DSL, Cable as available), redundant internet connections and redundant networks to ensure access to hosted electronic medical records systems for treatment of patients, telemedicine, and communication for staff to other staff in other agency locations.