

July 25, 2018

**Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, DC 20554**

**Re: CC Docket No. 02-6: Aurora Public Library Waiver Request for FY 2016 Service Provider  
Annual Certification Requirement**

**Billed Entity Number: 135665  
Form 471 Application Number: 161018485  
Funding Request Number: 1699033810  
Funding Year: 2016**

Dear Ms. Dortch,

In accordance with sections 54.719 through 54.721 of the Commission's rules, Aurora Public Library through its consultant, requests Federal Communications Commission (Commission) review of a decision of the Schools and Libraries Division of the Universal Service Administrative Company (Administrator). Based on the facts presented, Aurora Public Library asks that the Administrator's decision be overturned.

## **Background**

During the procurement of Funding Year 2015 E-rate eligible services, Aurora Public Library decided to purchase a multi-year SKU to support E-rate eligible equipment. The services were to be "delivered" from Funding Year 2015 through Funding Year 2017. Although the library was required to purchase the three-year service upfront, the applicant only applied for the cost of the first year of service on the FY2015 application per FCC rules and USAC guidance. In FY2016, they applied for the second year of service and applied for the last year of service in FY2017. All funding requests pertaining to these services were committed in full. Unfortunately, upon submission of the Form 472 for reimbursement discounts, we discovered that the vendor who originally sold these services to the applicant, Information Systems Group (ISG), went out of business. As such, a Service Provider Annual Certification Form (SPAC) has not been filed which is required to process a Form 472 properly. Consequently, Aurora Public Library received a BEAR Notification Letter paying out "\$0.00" with a reimbursement request decision explanation of "service provider not certified". (*Exhibit A*) The applicant has not been able to receive their reimbursement discounts for both FY2015 and FY2016 of this date. (A request to reconsider the disbursement of "\$0.00" for the same reason was submitted to the FCC on January 3, 2017 for Aurora Public Library's FY2015 funding requests and is still pending. *Exhibit B*)

## **Discussion**

In the past, entities challenged by the same situation as Aurora Public Library were able to utilize the "Good Samaritan" process. The Good Samaritan process as explained by USAC says that:

“In situations where the original service provider (as indicated on the FCC Form 486) has gone out of business or has filed for bankruptcy protection before processing BEAR reimbursements for applicants, USAC can assist applicants in obtaining such BEAR reimbursements through a "Good Samaritan" service provider. The role of the Good Samaritan service provider is simply to receive the BEAR reimbursement from USAC and pass the reimbursement through to the applicant within twenty days of receiving the reimbursement from USAC. The role of the applicant is (1) to confirm that the service was provided, that the service was paid for in full, and that the original service provider is now out of business or in bankruptcy and (2) to designate a Good Samaritan service provider. USAC can assist applicants in locating a Good Samaritan service provider, if necessary.”<sup>1</sup>

With the advent of direct BEAR payments, applicants no longer require a Good Samaritan service provider to receive payment for the purpose of passing payment to the applicant. This process, designed to facilitate payment of eligible services to applicants who have complied with program rules, has not yet accounted for the scenario in which the service provider who has gone out of business and failed to file their SPAC. This service provider failure unfairly punishes applicants who have otherwise complied with all other program rules.

#### **Conclusion**

Aurora Public Library has been denied reimbursements due to circumstances beyond their control. We ask that you consider either an alternative solution to the original Good Samaritan process and/or a waiver of the requirement that a SPAC certification is required in the instance where vendors are no longer in business. We'd also like to seek an automatic invoice deadline extension for the associated FRNs. We respectfully submit this request and ask that you act to ensure all applicants can fully realize their committed E-rate monies.

Sincerely,



Kerri L. Dillon  
E-Rate Coordinator, E-Rate Central

<sup>1</sup> E-rate Good Samaritan Process as outlined on USAC's website- <http://www.usac.org/sl/applicants/before-youre-done/good-samaritan.aspx>