

**Kerri Dillon**

---

**From:** no-reply@fcc.gov  
**Sent:** Tuesday, January 03, 2017 12:33 PM  
**To:** kdillon@e-ratecentral.com  
**Subject:** FCC ECFS Filing Confirmation

Thank you for your submission to the FCC Electronic Comment Filing System (ECFS).  
Please Note that your filing will not be available for searching until it has been reviewed and posted by the FCC.

Confirmation Number: 20170103211179087

Proceeding(s): 02-6 : In the Matter of Schools and Libraries Universal Service Support Mechanism

Filer(s): Kerri Dillon

Author(s):

Law firm(s):

Type of Filing: APPEAL

File Number:

Report Number:

Bureau ID Number:

Documents(s) Attached: Aurora Public Library Appeal (472).pdf, Aurora Public Library- BEAR NL.pdf

Address: 400 Post Ave Ste 410, Westbury, NY 11590

December 30, 2016

**Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, DC 20554**

**In the Matter of**

Request for Review of a Decision of the	)	Administrator Correspondence Dated
Universal Service Administration Corp. for	)	November 4, 2016
Aurora Public Library	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	

**Request For Review**

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.

**Form 471 Application Number: 1049458**

**Funding Request Numbers: 2866024, 2866536**

**Billed Entity Number: 135665**

**FCC Registration Number: 0023958291**

**Background**

Aurora Public Library filed their Category 2 E-rate application for eligible equipment and services in April of 2015. They ordered the equipment and services listed on the application in April as well, taking advantage of the new rule allowing entities to order and purchase equipment before the new funding year usually begins on July 1, laid out by the E-rate Modernization Order. The equipment and services were delivered by the service provider, Information Systems Group (ISG) and the entity paid the invoices in full. Later, the application was committed for the equipment and services purchased. Unfortunately, upon submitting the Form 472 for reimbursement discounts of these invoices, we noticed that Information Systems Group (ISG) was out of business and hadn't filed a Service Provider Annual Certification Form (SPAC) required to approve and move a Form 472 forward for reimbursement to the applicant. Consequently, Aurora Public Library received a BEAR Notification Letter paying out "\$0.00" on the two funding requests in question citing the following as the explanation: "Service Provider No Certified; Ship Date Outside of Funding Year; Ship Date Before 486 Service-Start Date." (*Exhibit A*)

**Discussion**

In the past entities facing the same situation as Aurora Public Library were able to utilize the Good Samaritan process. The Good Samaritan process as described by USAC is:

"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>

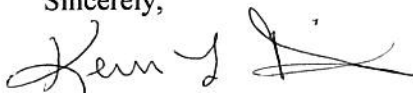
With the advent of direct BEAR payments, applicants no longer require a Good Samaritan service provider to receive payment for the purpose of passing payment to the applicant. This process designed to facilitate payment of eligible services to applicants who have complied with program rules has not yet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

In regards to the denial reason concerning dates outside of funding year windows and Form 486 dates, this is a system error. The Modernization Order states that applicants were permitted to purchase Category 2 services and equipment up to three months prior to the start of the "funding year". While Aurora Public Library received the Category 2 equipment within that three month timeframe, they correctly waited to not invoice USAC until after the "funding year" began on July 1, 2015. The system correctly allows for the date entry of a service delivery date prior to July 1st of the "fund year" but the system has a limitation that contradicts the time allowance given by the Modernization Order by not allowing applicants to select a service start date prior to July 1st of the "fund year". How can an applicant be held accountable for an antiquated system that does not support modernized rules?

### **Conclusion**

To conclude, we ask that you overturn the Administrator's decision allowing Aurora Public Library the opportunity to collect the discounts they rightfully deserve to support the eligible services they had applied for and were approved for through the E-rate application process. The explanations provided for denial were of no fault to the library system and they should not be penalized for it. We respectfully submit this appeal and emphasize that Aurora Public Library has not committed any waste, fraud, or abuse with the associated funding requests.

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>