



SCHOOL BOARD DIRECTORS

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"HOME OF THE WARRIORS"

White Shield School- District 85
2 Second Ave W.
Roseglen, ND 58775
Phone: (701) 743-4350 Fax: (701) 743-4501

Received & Inspected

JUL 11 2018

FCC Mailroom

DOCKET FILE COPY ORIGINAL

July 6, 2018

Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, D.C. 20554

CC Wocket
No. 02-6

Dear Sir,

I am writing this letter to request an appeal to a decision that USAC has brought against White Shield School. We feel that this decision is unfair for the fact the company that was involved in this action has since gone out of business and the principles of the company are in prison. We would appreciate a fair review of this request. I am enclosing my contact information so that if you need to contact me you can.

Sincerely,

Keith Mollenhauer
E-rate coordinator
White Shield School
22nd Ave W
Roseglen, ND 58775
(701) 743-2223
Keith.mollenhauer@k12.nd.us

attachment

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091

**In the Matter of Request for Review
by
White Shield School
of
Notice of Withholding Action
CC Docket No. 02-6**

ATTN:

**Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, D.C. 20554**

Re: Notice of Withholding Action

Notice Date:	March 30, 2018
Applicant:	White Shield School
Billed Entity:	67090
Application number pending commitment:	181002441
Fund Year:	2018

I. INTRODUCTION

Pursuant to 47 C.F.R. § 54.719(b) and (c), the White Shield ("School") requests that the Federal Communications Commission ("Commission") review the March 30, 2018, Notification of Withholding Action Pending Red Light Rule (Notice") by the Administrator of the Universal Service Administrative Company, Schools & Libraries Division ("USAC") to deny the School's funding request (Funding Request Number ("FRN") 181002441) and waive the 60-day deadline pursuant to 47 C.F.R. § 54.720 and grant the School an additional 30-days to file supporting documentation of its appeal.

The School respectfully requests that the Commission review and reverse the decision of the USAC Administrator to apply the Red Light Rule per the Notice issued on March 30, 2018, directing the School to reimburse USAC \$19,800.00.

As set forth below, good cause exists for reversal of the Administrator's Notice.

II. STATEMENT OF FACTS

White Shield School is a small, rural Bureau of Indian Education ("BIE") funded school located in the state of North Dakota serving approximately 120 students. The School qualifies for a 90-percent discount under the universal services Schools and Library Program ("E-rate Program"). In 2004 School submitted a request for funding request form 471 number 413293. This funding request had several funding requests ("FRN"). One FRN was a request for 8 servers. The request totaled \$116,266.64. With the discount applied \$104,639.98 was the resulting funding commitment. Of this \$79,200 was disbursed.

Part of this FRN was later determined to be ineligible. USAC began to initiate the process for the recovery of the funds expended for the ineligible items.¹ The letter identified that the funds were to be recovered from the Service Provider.² Subsequent letters received January 5, 2009³ and August 11, 2011⁴ indicate the vendor as the party required to reimburse the funds.

The vendor for this action is Global Networking Technologies (#143024074) ("Vendor"). The vendor selected the Service Provider Invoice Form ("SIPI") to receive payment from the E-rate Program. The monies paid were paid directly to the vendor both by the School and the E-rate Program. The Vendor was an approved E-rate vendor until 2007. In 2011 the owner of the company pled guilty to charges of defrauding the E-rate program⁵. These charges were unrelated to the White Shield School. The vendor is no longer in business.

The school has continued to receive funding from the E-rate Program. The School's 2017 request for funds Form 471 number 171003571 was funded.

III. DISCUSSION

The School's 2004 funding request contained items that were ineligible for funding. The SPI method of receiving the discount was selected so the E-rate Program funds were paid directly to the Vendor. This means the E-rate funding for the ineligible items was paid directly to the vendor. Therefore the E-rate Program needed to attempt to obtain the reimbursement from the vendor. The Vendor is no longer in business and the proprietor plead guilty to defrauding the E-rate Program.

The School continued to apply for E-rate Program funding. These funding requests received funding commitments from the E-rate Program through 2017. There has been no indication that the School would be required to reimburse the money as the Recover From has indicated Service Provider.

The School is located in a rural area with 84-percent participation in the National School Lunch Program (NSLP). NSLP participation is used as a measure of poverty in a community for the purpose of the E-rate Program. Reimbursing the E-rate program \$19,800 would cause severe financial hardship on the School to the detriment of the students. Such an outcome is clearly inconsistent with the public interest.

IV. CONCLUSION

The Commission may waive any provision of its rules for good cause. Though the USAC Administrator's determination was not incorrect, strict adherence to the rule, in this case, would cause severe financial hardship on an already vulnerable community, resulting in an outcome wholly inconsistent with the public interest to educate students. Therefore, the School respectfully requests that the Commission reverse the decision of the USAC Administrator to apply the Red Light Rule per the Notice issued on March 30, 2018.

¹ Appendix A – "During a site visit, applicant indicated that they used two Dell Poweredge servers for "disaster backup". According to Solix Services Team, the functionality of the servers is ineligible. The amount disbursed was \$79,200.00 for 8 servers which equal \$9,900/server. Thus the amount improperly disbursed for the two ineligible servers is \$19,800.00. Therefore, we will seek recovery of 19,800.00 of improperly disbursed funds".

² Id.

³ Id.

⁴ Id.

⁵ USA v. Pipkin et al; U. S. District Court for the District of North Dakota (Southwestern)
CRIMINAL DOCKET FOR CASE #: 1:07-cr-00089-DLH-3,4

Appendix A

Debt Collection Correspondence

PROGRAM DEBT RECOVERY

Program: SL
Date: 7/1/2015
FRN # 1135489
471 # 413293
Fund Year 2004
BEN # 67090
BEN Name WHITE SHIELD SCHOOL
SPIN # 143024074
SPIN Name Global Networking Technologies
Recover From Service Provider
Origin Site Visit

Amount to Recover **\$19,800.00**

Reason for Recovery:

During a site visit, applicant indicated that they used two Dell Poweredge servers for "disaster backup". According to Solix Services Team, the functionality of the servers is ineligible. The amount disbursed was \$79,200.00 for 8 servers which equal \$9,900/server. Thus the amount improperly disbursed for the two ineligible servers is \$19,800.00. Therefore, we will seek recovery of 19,800.00 of improperly disbursed funds

Support Documentation

Attachment A	COMAD Letters	

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue, Suite 14-201

Gurnee, IL 60031-1877



Schools & Libraries Division

**Notification of Improperly Disbursed Funds Letter Funding Year 2004:
7/01/2004 - 6/30/2005**

November 4, 2008

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue, Suite 14-201

Gurnee, IL 60031-1877

Re: SPIN: 143024074

Form 471 Application Number: 413293

Funding Year: 2004

FCC Registration Number: 0012086534

Applicant Name: WHITE SHIELD SCHOOL

Billed Entity Number: 67090

Applicant Contact Person: Max O. Dickens

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were disbursed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) must now recover these improper disbursements. The purpose of this letter is to inform you of the recoveries as required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the service provider is responsible for all or some of the program rule violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error.

This is NOT a bill. The next step in the recovery of improperly disbursed funds process is for SLD to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at

<http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

TO APPEAL THIS DECISION

If you wish to appeal the Notification of Improperly Disbursed Funds decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Improperly Disbursed Funds Letter and the Funding Request Numbers you are appealing. Your letter of appeal must also include the applicant name, the Form 471 Application Number, Billed Entity Number, and the FCC Registration Number from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Improperly Disbursed Funds Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using the organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site or by calling the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals option.

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The SLD is also sending this information to the applicant for informational purposes. If

USAC has determined the applicant is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the applicant detailing the necessary applicant action. The Report explains the exact amount the service provider is responsible for repaying.

Schools and Libraries Division

Universal Services Administrative Company

cc: Max O. Dickens

WHITE SHIELD SCHOOL

A GUIDE TO THE FUNDING DISBURSEMENT REPORT

Attached to this letter will be a report for each funding request from the application cited at the top of this letter for which a Recovery of Improperly Disbursed Funds is required. We are providing the following definitions.

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DISBURSED FUNDS RECOVERY EXPLANATION: This entry provides the reason the adjustment was made.

Funding Disbursement Report for Form 471 Application Number: 413293

Funding Request Number:	1135489
Contract Number:	N/A
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Funding Commitment:	\$104,639.98
Funds Disbursed to Date:	\$79,200.00

Funds to be Recovered from Service Provider: \$19,800.00 Disbursed

Funds Recovery Explanation:

After a thorough review, it was determined \$19,800.00 was improperly disbursed for this funding request. During the course of review it was determined that funding was disbursed for the following ineligible items: (2) Dell Poweredge 6650 Servers that function as a "disaster backup". The pre-discount cost associated with these items is \$11,000.00 each, for a total ineligible amount of \$22,000.00. At the applicant's 90 percent discount rate this resulted in an improper disbursement of \$19,800.00. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, www.universalservice.org/sl/about/eligible-serviceslist.aspx for the Eligible Services List. On the SPAC Form, the authorized person certifies at Item 10 that the service provider has billed its customer for services deemed eligible for support. Therefore, USAC has determined that the service provider is responsible for this rule violation. Accordingly, USAC is seeking recovery of \$19,800.00 of improperly disbursed funds from the service provider.

Max O. Dickens

WHITE SHIELD SCHOOL

2ND. AVENUE WEST

ROSEGLEN, ND 58775



Schools & Libraries Division

**Notification of Improperly Disbursed Funds Letter Funding Year 2004:
7/01/2004 - 6/30/2005**

November 4, 2008

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue, Suite 14-201

Gurnee, IL 60031-1877

Re: SPIN: 143024074
Form 471 Application Number: 413293
Funding Year: 2004
FCC Registration Number: 0012086534
Applicant Name: WHITE SHIELD SCHOOL
Billed Entity Number: 67090
Applicant Contact Person: Max O. Dickens

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Schools and Libraries Division

Universal Services Administrative Company

cc: Max O. Dickens

WHITE SHIELD SCHOOL

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Funding Disbursement Report for Form 471 Application Number: 413293

Funding Request Number:	1135489
Contract Number:	N/A
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Funding Commitment:	\$104,639.98
Funds Disbursed to Date:	\$79,200.00

Funds to be Recovered from Service Provider: \$19,800.00 Disbursed

Funds Recovery Explanation:

After a thorough review, it was determined \$19,800.00 was improperly disbursed for this funding request. During the course of review it was determined that funding was disbursed for the following ineligible items: (2) Dell Poweredge 6650 Servers that function as a "disaster backup". The pre-discount cost associated with these items is \$11,000.00 each, for a total ineligible amount of \$22,000.00. At the applicant's 90 percent discount rate this resulted in an improper disbursement of \$19,800.00. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, www.universalservice.org/sl/about/eligible-serviceslist.aspx for the Eligible Services List. On the SPAC Form, the authorized person certifies at Item 10 that the service provider has billed its customer for services deemed eligible for support. Therefore, USAC has determined that the service provider is responsible for this rule violation. Accordingly, USAC is seeking recovery of \$19,800.00 of improperly disbursed funds from the service provider.

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue, Suite 14-201

Gurnee, IL 60031-1877



Schools & Libraries Division

Demand Payment Letter

Funding Year 2004: 7/01/2004 - 6/30/2005

January 5, 2009

Tyrone Pipkin

Global Networking Technologies

**5250 Grand Avenue, Suite 14-201 Gurnee,
IL 60031-1877**

Re: SPIN:	143024074
Form 471 Application Number:	413293
Funding Year:	2004
FCC Registration Number:	0012086534
Applicant Name:	WHITE SHIELD SCHOOL
Billed Entity Number:	67090
Applicant Contact Person:	Max O. Dickens

You were recently sent a Notification of Improperly Disbursed Funds Letter informing you of the need to recover funds from you for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Report of that letter. A copy of that Report is also attached to this letter. Immediately preceding the Report is a guide that defines each line of the Report.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the

"Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at <http://www.universalservice.org/fund-administration/tools/latestnews.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

If the Schools and Libraries Division (SLD) has determined that both the applicant and the service provider are responsible for a program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181), the SLD will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If the SLD has determined that both the applicant and the service provider are responsible for a program rule violation, this was indicated in the Disbursed Funds Recovery Explanation on the Funding Disbursement Report.

If the SLD is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the applicant to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full "Funds to be Recovered from Service Provider" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company
1259 Paysphere Circle
Chicago, IL 60674

If you are located in the Chicago area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
Lockbox 1259
540 West Madison 4th Floor
Chicago, IL 60661

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

Payment is due within 30 days from the date of this letter.

Complete program information is posted to the SLD section of the USAC web site at www.universalservice.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Services Administrative Company Schools
and Libraries Division

cc: Max O. Dickens

WHITE SHIELD SCHOOL

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Max O. Dickens
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ROSEGLEN, ND 58775



Schools & Libraries Division

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January 5, 2009

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If the SLD is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the applicant to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full "Funds to be Recovered from Service Provider" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company
1259 Paysphere Circle
Chicago, IL 60674

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Lockbox 1259
540 West Madison 4th Floor
Chicago, IL 60661

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Payment is due within 30 days from the date of this letter.

Complete program information is posted to the SLD section of the USAC web site at www.universalservice.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Services Administrative Company Schools
and Libraries Division

cc: Max O. Dickens

WHITE SHIELD SCHOOL

A GUIDE TO THE FUNDING DISBURSEMENT REPORT

Attached to this letter will be a report for each funding request from the application cited at the top of this letter for which a Recovery of Improperly Disbursed Funds is required. We are providing the following definitions.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in a Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on the Form 471.

SERVICES ORDERED: The type of service ordered by the applicant, as shown on Form 471.

BILLING ACCOUNT NUMBER: The account number that you established with the applicant for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.

FUNDING COMMITMENT: This represents the amount of funding that SLD had reserved to reimburse for the approved discounts for this service for this funding year.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to you for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM SERVICE PROVIDER: This represents the amount of Improperly Funds Disbursed to Date for which the service provider has been determined to be primarily responsible. These improperly disbursed funds will have to be recovered from the service provider.

DISBURSED FUNDS RECOVERY EXPLANATION: This entry provides the reason the adjustment was made.

Funding Disbursement Report Form 471 Application Number: 413293

Funding Request Number:	1135489
Contract Number:	N/A
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Funding Commitment:	\$104,639.98

Funds Disbursed to Date: \$79,200.00

Funds to be Recovered from Service Provider: \$19,800.00 Disbursed

Funds Recovery Explanation:

After a thorough review, it was determined \$19,800.00 was improperly disbursed for this funding request. During the course of review it was determined that funding was disbursed for the following ineligible items: (2) Dell Poweredge 6650 Servers that function as a "disaster backup". The pre-discount cost associated with these items is \$11,000.00 each, for a total ineligible amount of \$22,000.00. At the applicant's 90 percent discount rate this resulted in an improper disbursement of \$19,800.00. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, www.universalservice.org/sl/about/eligible-serviceslist.aspx for the Eligible Services List. On the SPAC Form, the authorized person certifies at Item 10 that the service provider has billed its customer for services deemed eligible for support. Therefore, USAC has determined that the service provider is responsible for this rule violation. Accordingly, USAC is seeking recovery of \$19,800.00 of improperly disbursed funds from the service provider.

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue

Suite 14-201

Gurnee, IL 60031-1877



Schools and Libraries Division

~~Demand Payment Letter~~
SECOND REQUEST

(Funding Year 2004: July 1, 2004 - June 30, 2005)

August 11, 2011

Tyrone Pipkin
Global Networking Technologies
5250 Grand Avenue
Suite 14-201
Gurnee, IL 60031-1877

- PAST DUE NOTICE -

**THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW**

Re: SPIN:	143024074
Form 471 Application Number:	413293
Funding Year:	2004
FCC Registration Number:	0012086534
Applicant Name:	WHITE SHIELD
Billed Entity Number:	SCHOOL
Applicant Contact Person:	67090
Payment Due By:	Max O. Dickens 8/11/2011

You were recently sent a Demand Payment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Recovery Report (Report) attached to this letter. Our records indicate that you have not responded to the Demand Payment Letter. As of 8/11/2011, the debt is past due and delinquent.

**THE FOLLOWING PROVISIONS CONTAIN IMPORTANT INFORMATION AND A DESCRIPTION OF LEGAL
RIGHTS, OBLIGATIONS, AND OPPORTUNITIES**

1. Debtor is cautioned that failure to make the demanded payment or make other satisfactory arrangements will result in further sanctions, including, but not limited to, the initiation of proceedings to recover the outstanding debt, together with any applicable administrative charges, penalties, and interest pursuant to the provisions of the Debt Collection Act of 1982 (Public Law 97-365) and the Debt Collection Improvement Act of 1996 (Public Law 104-134), as amended (the DCIA), as set forth below.
2. If we do not receive full payment of the outstanding debt within 30 days of the date of this letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Federal Communications Commission (Commission or FCC) and/or the United States Department of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and

47 U.S.C. § 254. Because the unpaid amount is a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen

Schools and Libraries Division - Correspondence Unit
100 South Jefferson Road, P.O. Box 902, Whippany, NJ 07981
Visit us online at: www.usac.org/sl

if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice, you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury (currently 18% of the debt), and you will be charged an additional penalty of 6% a year for any part of the debt that is more than 90 days past due. Interest on the outstanding debt (DCIA Interest) will be assessed at the published investment rate for the Treasury tax and loan accounts (Treasury Current Value of Funds Rate). If, however, you pay the full amount of the outstanding debt within 30 days of the Demand Date, the DCIA Interest will be waived. These requirements are set out at 31 U.S.C. § 3717.

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4. You have an opportunity to inspect and copy the invoices and the records pertinent to the debt. The Notification of Improperly Disbursed Funds Recovery Letter constituted notice of your opportunity to appeal the validity of the debt.

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If you desire to exercise any of the above described rights, you must do so in writing which must be delivered to and received at the address below within 30

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You may notify us in writing by mail or facsimile transmission at the following address and telephone number:

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Dept. 125 - Correspondence Unit,
100 South Jefferson Road,
Whippany, NJ 07981

Phone Number: 973-581-5395

Fax Number: 973-599-6582

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Phone 404-209-6377

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Atlanta, GA 30348-5056
Phone 404-209-6377

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Universal Service Administrative Company
Schools and Libraries Division

cc: Max O. Dickens
WHITE SHIELD SCHOOL

Funding Disbursement Recovery Report

Form 471 Application Number: 413293

Funding Request Number:	1135489
Contract Number:	N/A
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Funding Commitment:	\$104,639.98
Funds Disbursed to Date:	\$79,200.00
	1
Funds to be Recovered from Service Provider:	\$19,800.00

Disbursed Funds Recovery Explanation:

After a thorough review, it was determined \$19,800.00 was improperly disbursed for this funding request. During the course of review it was determined that funding was disbursed for the following ineligible items: (2) Dell Poweredge 6650 Servers that function as a "disaster backup". The pre-discount cost associated with these items is \$11,000.00 each, for a total ineligible amount of \$22,000.00.

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PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING

Please note that if the Funds to be Recovered from the Service Provider is less ¹ than what was reported on the Notification of Improperly Disbursed Funds Letter or the 1st Demand Payment Letter, it's because you have partially repaid the debt or because the applicant has partially repaid the debt.

Max O. Dickens

WHITE SHIELD SCHOOL

2ND. AVENUE WEST

ROSEGLEN, ND 58775



Schools and Libraries Division

~~Demand Payment Letter~~
SECOND REQUEST

(Funding Year 2004: July 1, 2004 - June 30, 2005)

August 11, 2011

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue

Suite 14-201

Gurnee, IL 60031-1877

- PAST DUE NOTICE -

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ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW

Re: SPIN:	143024074
Form 471 Application Number:	413293
Funding Year:	2004
FCC Registration Number:	0012086534
Applicant Name:	WHITE SHIELD
Billed Entity Number:	SCHOOL
Applicant Contact Person:	67090
Payment Due By:	Max O. Dickens
	8/11/2011

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Communications Commission (Commission or FCC) and/or the United States Department of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid amount is a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen

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Universal Service Administrative Company
Schools and Libraries Division

cc: Max O. Dickens
WHITE SHIELD SCHOOL

Funding Disbursement Recovery Report

Form 471 Application Number: 413293

Funding Request Number: 1135489
Contract Number: N/A
Services Ordered: INTERNAL CONNECTIONS
Billing Account Number:
Funding Commitment: \$104,639.98
Funds Disbursed to Date: \$79,200.00

1

Funds to be Recovered from Service Provider: \$19,800.00

Disbursed Funds Recovery Explanation:

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Loren Vannest

WHITE SHIELD SCHOOL

2 SECOND AVENUE WEST

ROSEGLEN, ND 58775



Schools and Libraries Division

**Demand Payment Letter
SECOND REQUEST**

(Funding Year 2004: July 1, 2004 - June 30, 2005)

August 11, 2011

Tyrone Pipkin

Global Networking Technologies

5250 Grand Avenue

Suite 14-201

Gurnee, IL 60031-1877

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If USAC is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the applicant to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full Funds to be Recovered from Service Provider amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Bank of America
c/o Universal Service Administrative Company (105056)
1075 Loop Road
Atlanta, GA 30337
Phone 404-209-6377

If you are located in the Atlanta area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
P.O. Box 105056
Atlanta, GA 30348-5056
Phone 404-209-6377

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

PAYMENT MUST BE RETURNED IMMEDIATELY.

Complete program information is posted to the SLD section of the USAC web site at www.usac.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company
Schools and Libraries Division

cc: Max O.
Dickens
WHITE SHIELD
SCHOOL

Funding Disbursement Recovery Report
Form 471 Application Number: 413293

Funding Request Number:	1135489
Contract Number:	N/A
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	

Funding Commitment: \$104,639.98
Funds Disbursed to Date: \$79,200.00

Funds to be Recovered from Service Provider: \$19,800.00

Disbursed Funds Recovery Explanation:

After a thorough review, it was determined \$19,800.00 was improperly disbursed for this funding request. During the course of review it was determined that funding was disbursed for the following ineligible items: (2) Dell Poweredge 6650 Servers that function as a "disaster backup". The pre-discount cost associated with these items is \$11,000.00 each, for a total ineligible amount of \$22,000.00.

At the applicants 90 percent discount rate this resulted in an improper disbursement of \$19,800.00. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site,

www.universalservice.org/sl/about/eligible-services-list.aspx for the Eligible

Services List. On the SPAC Form, the authorized person certifies at Item 10 that the service provider has billed its customer for services deemed eligible for support. Therefore, USAC has determined that the service provider is responsible for this rule violation. Accordingly, USAC is seeking recovery of \$19,800.00 of improperly disbursed funds from the service provider.

PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING

Please note that if the Funds to be Recovered from the Service Provider is less ¹ than what was reported on the Notification of Improperly Disbursed Funds

Letter or the 1st Demand Payment Letter, it's because you have partially repaid the debt or because the applicant has partially repaid the debt.