



June 22, 2018

# Revised Funding Commitment Decision Letter

## Funding Year 2016

**Contact Information:**

Joel Novitski  
CITIZENS TEL OF ILLINOIS INC  
180 South Clinton Avenue  
Rochester, NY 14646  
[joel.novitski@ftr.com](mailto:joel.novitski@ftr.com)

**SPIN:** 143022698**Post Commitment Wave:** 50

## Totals

Original Commitment Amount	\$66,371.40
<b>Revised Commitment Amount</b>	<b>\$0.00</b>

## What is in this letter?

Thank you for submitting your post-commitment request for **Funding Year 2016 Schools and Libraries Program (E-rate) funding**. Attached to this letter, you will find the revised funding statuses and/or post commitment changes to the original Funding Commitment Decision Letter (FCDL) you received. Below are the changes that were made:

- Appeals

The Universal Service Administrative Company (USAC) is providing this information to both the applicant(s) and the service provider(s) so that all parties are aware of the post-commitment changes related to their funding requests and can work together to complete the funding process for these requests.

## Next Steps

1. **FCC Form 486.** If your applicant(s) has not already filed the **FCC Form 486**, Service Confirmation and Children's Internet Protection Act (CIPA) Certification Form, for any FRNs included in this RFCDL, please make sure they review CIPA requirements and file the form(s).



## Attachment A

**Service Provider:** CITIZENS TEL OF ILLINOIS INC

**SPIN:** 143022698

**Post Commitment Wave:** 50

2. **Make sure your applicant(s) file the FCC Form 486**, Service Confirmation and Children's Internet Protection Act (CIPA) Certification Form, for any FRNs included in this RFCDL, if they have not already done so. Please make sure they review the CIPA requirements and file the form(s).
  - **If USAC approved funding on an FRN in your original FCDL**, the deadline to submit the FCC Form 486 is 120 days from the date of the original FCDL or from the service start date (whichever is later).
  - **If a new FRN was created for this RFCDL or funding was not approved on an FRN in your original FCDL but is approved in this RFCDL**, the deadline to submit the FCC Form 486 is 120 days from the date of this RFCDL or from the service start date (whichever is later).
3. **Invoice USAC**, if you or your applicant(s) have not already done so. Work with your applicant(s) to determine if you will bill them at a discounted rate or if they will request reimbursement from USAC after paying their bills in full.
  - **If the applicant is invoicing USAC:** They must pay you (the service provider) the full cost for the services they receive and file the [FCC Form 472](#), the Billed Entity Applicant Reimbursement (BEAR) Form, to invoice USAC for reimbursement of the discounted amount.
  - **If you (the service provider) are invoicing USAC:** You must provide services, bill the applicant for the non-discounted share, and file the [FCC Form 474](#), the Service Provider Invoice (SPI) form, to invoice USAC for reimbursement for the discounted portion of costs. Every funding year, you must file an [FCC Form 473](#), the Service Provider Annual Certification Form, to be able to submit invoices and receive disbursements.
  - **To receive an invoice deadline extension, the applicant or service provider** must request an extension on or before the last date to invoice. **If you anticipate, for any reason, that invoices cannot be filed on time**, USAC will grant a one-time, 120-day invoice deadline extension if timely requested.

## How to Appeal or Request a Waiver of a Decision

You can appeal or request a waiver of a decision in this letter **within 60 calendar days** of the date of this letter. Failure to meet this deadline will result in an automatic dismissal of your appeal or waiver request.

**Note:** The Federal Communications Commission (FCC) will not accept appeals of USAC decisions that have not first been appealed to USAC. However, if you are seeking a waiver of E-rate program rules, you must submit your request to the FCC and not to USAC. USAC is not able to waive the E-rate program rules.

- **To submit your appeal to USAC**, visit the Appeals section in the [E-rate Productivity Center \(EPC\)](#) and provide the required information. USAC will reply to your appeal submissions to confirm receipt. Visit USAC's [website](#) for additional information on submitting an appeal to USAC, including step-by-step instructions.



## Attachment A

**Service Provider:** CITIZENS TEL OF ILLINOIS INC

**SPIN:** 143022698

**Post Commitment Wave:** 50

- **To request a waiver of the FCC's rules or appeal USAC's appeal decision**, please submit it to the FCC in proceeding number CC Docket No. 02-6 using the [Electronic Comment Filing System](#) (ECFS). Include your contact information, a statement that your filing is a waiver request, identifying information, the FCC rule(s) for which you are seeking a waiver, a full description of the relevant facts that you believe support your waiver request and any related relief, and any supporting documentation.

For appeals to USAC or to the FCC, be sure to keep a copy of your entire appeal, including any correspondence and documentation, and provide a copy to the affected service provider(s).

## Obligation to Pay Non-Discount Portion

Applicants are required to pay the non-discount portion of the cost of the eligible products and/or services to their service providers. Service providers are required to bill applicants for the non-discount portion of costs for the eligible products and/or services. The FCC stated that requiring applicants to pay the non-discounted share of costs ensures efficiency and accountability in the program. If using the BEAR invoicing method, the applicant must pay the service provider in full (the non-discount plus discount portion) **before** seeking reimbursement from USAC. If using the SPI invoicing method, the service provider must first bill the applicant **before** invoicing USAC.

## Notice on Rules and Funds Availability

The applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program and the FCC's rules. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds.



## Attachment A

**Service Provider:** CITIZENS TEL OF ILLINOIS INC

**SPIN:** 143022698

**Post Commitment Wave:** 50

# Revised Funding Commitment Decision Overview

## Funding Year 2016

Funding Request Number (FRN)	BEN Name	Request Type	Revised Committed	Review Status
1699111110	PATOKA COMM UNIT SCH DIST 100	Appeals	\$0.00	Denied



## Attachment A

**Service Provider:** CITIZENS TEL OF ILLINOIS INC

**SPIN:** 143022698

**Post Commitment Wave:** 50

<b>Post Commitment Request Number:</b> 92525	<b>Post Commitment Request Type:</b> Appeals	<b>Post Commitment Decision:</b> Denied
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<b>FRN:</b> 1699111110	<b>Service Type:</b> Data Transmission and/or Internet Access	<b>Original Status:</b> Funded	<b>Revised Status:</b> Funded
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Dollars Committed			
Monthly Cost		One-Time Cost	
Months of Service	4		
Total Eligible Recurring Charges	\$0.00	Total Eligible One Time Charges	\$0.00
Total Pre-Discount Charges		\$0.00	
Discount Rate		90.00%	
Revised Committed Amount		\$0.00	

Dates	
Service Start Date	3/15/2017
Contract Expiration Date	6/30/2019
Contract Award Date	5/18/2016
Service Delivery Deadline	9/30/2017
Expiration Date (All Extensions)	

Service Provider and Contract Information	
Service Provider	CITIZENS TEL OF ILLINOIS INC
SPIN (498ID)	143022698
Contract Number	S-0000080820
Account Number	618-432-5440
Establishing FCC Form 470	160040476

Billed Entity Information	
BEN Name	PATOKA COMM UNIT SCH DIST 100
BEN	136776
FCC Form 471	161048783

Consultant Information	
Consultant Name	
Consultant's Employer	
CRN	

### Revised Funding Commitment Decision Comments:

### Post Commitment Rationale:

Our records show that your appeal was filed more than 60 days after the date your decision letter was issued. Your appeal was filed on 4/9/2018. The Commitment Adjustment Letter was issued on 2/6/2018. Federal Communications Commission (FCC) rules require appeals to be filed within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Universal Service Administrative Company (USAC) to consider your appeal.

## Attachment B

April 6, 2018

Universal Service Administrative Co.  
Schools and Libraries Program  
700 12th Street, NW, Suite 900  
Washington, DC 20005

*Via EPC and electronic mail at [Appeals@sl.universal.service.org](mailto:Appeals@sl.universal.service.org)*

### **RE: Appeal of Commitment Adjustment Letter**

To Whom It May Concern:

This letter is an appeal of the Administrator's Commitment Adjustment Letter ("COMAD") (Attachment A), dated February 6, 2018. Contrary to the stated reason for denial in the COMAD, Patoka Community Unit School District 100 ("Patoka" or "Applicant") and Citizens Tel of Illinois, Inc. ("Citizens" or "Service Provider") responded to the only request that they received relating to the fiber installation (Attachments B and C). Accordingly, Citizens requests that USAC rescind the COMAD, maintain the original funding commitment of \$66,371.40, and work with Applicant and Service Provider to the extent that any additional paperwork or documentation is needed.

#### *A. Appeal Administrative Details*

The relevant administrative details of the appeal are as follows:

##### Contact Person:

AJ Burton  
Vice President, Federal Regulatory  
FRONTIER COMMUNICATIONS<sup>1</sup>  
1800 M St. NW, Suite 850S  
Washington, DC 20036  
202-223-6807  
[aj.burton@ftr.com](mailto:aj.burton@ftr.com)

Appellant Name: Citizens Tel of Illinois Inc.

Applicant Name and BEN: Patoka Comm. Unit. Sch. Dist. 100 (136776)

Service Provider Name and SPIN: Citizens Tel of Illinois Inc. (143022698)

471 # 161048783

FRN # 1699111110

Funding Year 2016

<sup>1</sup> Citizens, the appellant and service provider here, is a wholly-owned subsidiary of Frontier Communications Corporation.

## Attachment B

### B. Reason for Appeal

Citizens respectfully believes that this COMAD has been issued in error. Although the COMAD states “the applicant failed to produce at the request of the Administrator documentation pertaining to compliance to the rules related to the scope of the fiber installation, when the fiber will be lit, how the fiber will be used and whether any fiber installed will be used at any time by a party other than the applicant,” Citizens responded to the only such request that either Citizens or the Applicant received. Specifically, as reflected in Attachments B and C, the Applicant received “Leased Lit and Dark Fiber Questions” from USAC on April 14, 2017. Denise McIntosh replied to the request on May 1, 2017 and again on May 3, 2017. Citizens never received a response that this form was insufficient; nor did it receive a further request for information. In other words, Citizens provided everything that was requested of it and Applicant, and there was nothing that was failed to be produced at the Request of the Administrator. Thus, the assertion that “the applicant failed to produce at the request of the Administrator” any documentation is untrue, and the COMAD should be rescinded.

To the extent that this COMAD was not issued in error, it is arbitrary and capricious for USAC to revoke funding for the stated reason of failure to respond to a request when Applicant and Service Provider responded to the request and there was no further communication from USAC. At a minimum, due process requires that Applicant and Service Provider be notified of any deficiency of response and be offered an opportunity to correct. To the extent that USAC thought further information was necessary it would be unreasonable not to follow up with Citizens after Citizens supplied the information – particularly in circumstances such as those here where the service provider is the only party with reasonable access to the requested information.

Additionally, as USAC is no doubt aware, the entire fiber questionnaire process has been problematic and has unfortunately delayed deployment of broadband to deserving students across many Applicants and Service Providers. Among other deficiencies, the questionnaire has been misdirected to Applicants, and it has asked the wrong questions in the context of providers of finished services – as compared to Applicants that self-provision services.<sup>2</sup> Since the beginning of the E-Rate program, providers of finished service providers have been authorized to charge upfront non-recurring charges.<sup>3</sup> Nothing changed with respect to finished service providers with the most recent modernizations orders.

<sup>2</sup> Without rehashing all of the shortcomings of the fiber questionnaire here, the questionnaire is titled – “Eligible Products and Services – Leased Lit Fiber or Leased Dark Fiber.” Finished service providers, like Frontier, offer customers bandwidth over shared use facilities – they do not lease fiber, lit or dark. These questions do not recognize how services are offered over shared used facilities.

<sup>3</sup> See *Request for Review by the Department of Education of the State of Tennessee, Federal-State Joint Board on Universal Service; Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket Nos. 96-45, 97-21, Order, FCC 99-216 (1999) (“*Tennessee Order*”); see also *Request for Review by Brooklyn Public Library, Federal-State Joint Board on Universal Service; Changes to the Board of Directors of the National Exchange*

## Attachment B

With the current project at issue here, the E-Rate program's granting of funds is clearly justified, and Applicant and Service Provider would be happy to participate in any further review of the funding. In the current case, the school district sought E-rate support for eligible services – high-speed Ethernet – obtained through a competitive procurement. It selected Citizen's service as their cost-effective option, adhering to program rules. It received USAC funding commitments. Indeed, the project had been funded for over a year before the COMAD was issued. The parties have entered contracts, and Frontier has finished construction of the necessary network upgrades to deliver high-speed connectivity to the school's sites. A COMAD of all funding is entirely out of proportion to any perceived misstep – especially when (a) the Applicant and Service Provider provided all requested information; and (b) the entire fiber questionnaire process has been so problematic.

### *C. Conclusion*

Because (1) Applicant and Service provider provided responses to all requests; (2) in any event, these types of "fiber questionnaire" requests are misdirected at or inapt for service providers, like Citizens, that offer finished services; and (3) a COMAD letter reclaiming all funds is entirely out of proportion to any perceived or alleged shortcoming, Citizens respectfully requests that USAC rescind the COMAD and direct any further questions regarding special construction charges to Citizens and the Applicant.

Thank you for your prompt attention to this matter. Questions regarding this request may be directed to the undersigned.

Sincerely,

/s AJ Burton

AJ Burton  
Vice President, Federal  
Regulatory  
FRONTIER COMMUNICATIONS  
1800 M St. NW, Suite 850S  
Washington, DC 20036  
202-223-6807  
[aj.burton@ftr.com](mailto:aj.burton@ftr.com)

*Carrier Association, Inc.*, CC Docket Nos. 96-45, 97-21, Order, FCC 00-354 (2000) ("*Brooklyn Order*").





## Commitment Adjustment Letter

Joel Novitski  
CITIZENS TEL OF ILLINOIS INC  
180 South Clinton Avenue  
Rochester, NY 14646

02/06/2018

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

**Total commitment adjustment:** \$66,371.40

**Total amount to be recovered:** \$0.00

FCC Form 471	FRN	Commitment adjustment	Total amount to be recovered	Explanation(s)	Party to recover from
161048783	1699111110	\$66,371.40	\$0.00	Failure to timely respond to the Administrator's request for information	BEN

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

### Commitment Adjustment

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

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

### FCC's Red Light Rule

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

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

### To Appeal This Decision

If you wish to contest any part of this letter, you must first file an appeal with USAC to seek review of the decision. Parties that have filed an appeal with USAC and received an adverse decision may, if they choose, appeal USAC's decision to the FCC. Parties seeking a waiver of a codified FCC rule should file a request for waiver directly with the FCC because

## Attachment B



USAC cannot waive FCC rules. Your appeal to USAC or waiver request to the FCC must be filed within 60 days of the date of this letter.

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

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

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

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

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

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

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

Schools and Libraries Division



### Adjustment Report

FCC Form 471 Application Number:	161048783
Funding Request Number:	1699111110
Commitment Adjustment:	\$66,371.40
Total Amount to Be Recovered:	\$0.00
Explanation(s):	Failure to timely respond to the Administrator's request for information
Party to Recover From:	BEN
Funding Year:	2016
Billed Entity Number:	136776
Services Ordered:	Data Transmission and/or Internet Access
Service Provider Name:	CITIZENS TEL OF ILLINOIS INC
SPIN:	143022698
Original Funding Commitment:	\$66,371.40
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$0.00

### Funding Commitment Adjustment Explanation:

After a thorough investigation, the applicant failed to produce at the request of the Administrator documentation pertaining to compliance to the rules related to the scope of the fiber installation, when the fiber will be lit, how the fiber will be used, and whether any fiber installed will be used at any time by a party other than the applicant. FCC rules require schools and libraries as well as service providers to retain all documents related to the application for, receipt, and delivery of discounted telecommunications and other supported services for at least ten years after the last day of service delivered in a particular Funding Year and to produce such records upon a request of an auditor or other authorized representative. FCC rules further provide that a non-compliance with the FCCs recordkeeping and auditing rules by failure to retain records or to make available required documentation is a rule violation that warrants recovery of any disbursed funds for the time period for which the information/documentation is being sought. Since you failed to produce the above specified documentation upon request of an authorized representative, you violated program rules for determining eligible products or services. As a result, your funding commitment has been rescinded in full and USAC will seek recovery any improperly disbursed funds from the applicant.

## Attachment B

**Burton Jr, Alton**

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**From:** McIntosh, Denise  
**Sent:** Wednesday, May 03, 2017 1:55 PM  
**To:** SL-SETeam@usac.org  
**Cc:** Carla Heern  
**Subject:** RE: Patoka School Unit 100 (IL) - Audit due today for FY2016 Fiber Application  
**Attachments:** Patoka - Leased-Lit-and-Dark-Fiber-Questions Response.docx

Good Day USAC,

Please find the Leased Lit Fiber Questions with answers attached.

My apology for the delay.

D~

Regards,

*Denise*

Denise McIntosh  
Federal/USAC Team Leader  
115 E Bow Street  
Thorntown, IN 46071-1101  
Phone: 260-451-8574  
Fax: 585-262-9734 (Secured)  
[www.frontier.com/discountprograms](http://www.frontier.com/discountprograms)

I can help you!



---

**From:** McIntosh, Denise  
**Sent:** Monday, May 01, 2017 2:30 PM  
**To:** SL-SETeam@usac.org  
**Subject:** FW: Patoka School Unit 100 (IL) - Audit due today for FY2016 Fiber Application  
**Importance:** High

Good Day USAC,

I have reached out to our engineering director, as the engineer who original worked up the build, has left the company. We are working on tracking down all the paperwork to answer the questions.

Once I receive notification, I will advise.

Thank you,

D~

Regards,

## Attachment B

*Denise*

Denise McIntosh  
Federal/USAC Team Leader  
115 E Bow Street  
Thorntown, IN 46071-1101  
Phone: 260-451-8574  
Fax: 585-262-9734 (Secured)  
[www.frontier.com/discountprograms](http://www.frontier.com/discountprograms)

I can help you!



---

**From:** McIntosh, Denise  
**Sent:** Monday, May 01, 2017 11:35 AM  
**To:** Huss, Joseph <[Joseph.Huss@FTR.com](mailto:Joseph.Huss@FTR.com)>  
**Subject:** Patoka School Unit 100 (IL) - Audit due today for FY2016 Fiber Application  
**Importance:** High

Good Morning Joe,

We have an audit for Patoka that is due today. I need assistance getting it to the right person to answer the attached questions. It was already approved, so I am not sure why it has just now hit the audit books.

Below is the BDT for the request:

Thank you,  
D~

**Request Detail**Form:  **Business Decision Request**CRT #: 20160302002186 ☒ Use my Approval Privileges

Status: Active

Priority: Normal

Originator (Last, First): Larsen , Gary

Phone: 3094547440

Sales Representative (Last, First): Schwalb , Ted

Sales Manager (Last, First): Garcia , Greg

Region(s): Central

Territory(ies): Illinois

Routing: Customer Build

Product Line: Dedicated Internet

Project Name: 100M EIA ERATE

Customer Name: Patoka CUSD

Capital Amount: 73,000

OSP Capital Amount: 67,139

Equipment Capital Amount: 5,861

Expense Amount: 0

Cash Amount: 65,186

Inventory Amount: 0

WIN/LOSS:

Reason Lost:

Creator/Date: Gary Larsen @ 3/2/2016 10:8:01 AM 69989

Last Modifier/Date: Sheila Wilcox @ 3/9/2016 4:25:52 PM

**WorkBook**

Workbook Last Checked In: Sheila Wilcox @ 3/9/2016 4:25:51 PM

[View](#)[Test Workbook](#)

Checked Out by:

Regards,

*Denise*

Denise McIntosh  
 Federal/USAC Team Leader  
 115 E Bow Street  
 Thorntown, IN 46071-1101  
 Phone: 260-451-8574

Fax: 585-262-9734 (Secured)

[www.frontier.com/discountprograms](http://www.frontier.com/discountprograms)

I can help you!



----- Forwarded message -----

From: USAC Schools and Libraries <[e-rate@lists.universalservice.org](mailto:e-rate@lists.universalservice.org)>

Date: Fri, Apr 14, 2017 at 3:28 PM

## Attachment B

Subject: Important Message Regarding Your FY2016 Fiber Application

To: [cheern@marion.k12.il.us](mailto:cheern@marion.k12.il.us)

[View this message as a web page](#)



### Important Message Regarding Your FY2016 Fiber Application

April 14, 2017

Response Due Date: May 1, 2017

Dear Applicant:

Thank you for your FY 2016 application for fiber services from the E-rate program. As the funding year has progressed, we have concluded that additional information is required to confirm your application is fully compliant with E-rate program rules, specifically with respect to fiber installed in connection with your special construction funding request. We thank you for your continued cooperation with the review of your funding request.

Please note that a response to each question in the linked document below is required even if you have already provided some of the information to USAC.

#### **Leased Lit and Dark Fiber Questions**

Your responses to the attached questions are due by May 1, 2017. To submit your responses, please complete the document and send to [SL-SETeam@usac.org](mailto:SL-SETeam@usac.org).

If you have any questions about this information request, whether related to the process for responding to the questions or the substance of the questions, please do not hesitate to contact the USAC Fiber Team at [202-772-4445](tel:202-772-4445) between the hours of 9:00 am to 6:00 pm EDT or by e-mail at [SL-SETeam@usac.org](mailto:SL-SETeam@usac.org).

USAC is committed to supporting you through this additional process. If you have any questions about this process in general or the status of your FY2016 fiber application, do not hesitate to contact us.

Sincerely,

The Schools and Libraries (E-rate) Program  
Universal Service Administrative Company

FCC Form 471 Application Number	Funding Request Number (FRN)
161048783	1699111110

## Attachment B

This email is intended for [cheern@marion.k12.il.us](mailto:cheern@marion.k12.il.us).  
Please do not reply to this email directly. If you need assistance, please call CSB at [\(888\) 203-8100](tel:(888)203-8100).

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USAC | 700 12th Street NW | Suite 900 | Washington, DC 20005



## Attachment B

### *Eligibility of Products and Services – Leased Lit Fiber or Leased Dark Fiber*

#### Issue

USAC has some additional questions regarding your special construction funding request.

#### *What is the issue?*

FRN requests support for special construction related to leased lit fiber or leased dark fiber. E-rate funding is only available for eligible schools, libraries, and consortia made up of eligible schools and libraries, to purchase eligible services that will be used for an eligible educational purpose. E-rate supported services may not be resold. In addition, special construction charges related to the installation of new fiber are only eligible for E-rate support if the fiber is lit within the same funding year as the funding request (i.e., for fiber strands lit by June 30). To confirm compliance with these rules, we need to verify the scope of the fiber installation associated with the above-referenced FRNs, when the fiber will be lit, how the fiber will be used, and whether any fiber installed will be used at any time by a party other than the applicant.

Please read all of the questions, descriptions, and requests below. Please give enough detail, insight, and clarity to help the reviewers fully understand your specific situation.

Check the boxes for statements that apply, and where applicable, type the information requested into the text boxes. If your information is too detailed for the text box, or if you need to provide additional documentation, click "Browse" to upload relevant files or documentation.

#### Question(s)

Please answer **all** of the following questions and/or provide the documentation requested. For all documentation attached please identify which question it corresponds to.

#	Questions	Response (Required)
1	<p>For FRN <u>1699111110</u> <del>&lt;insert FRN&gt;</del> please indicate the total number of fiber strands that will be installed at the time of construction.</p> <p>Note 1: By "total number of fiber strands," we mean the total number of strands installed as part of the special construction build, irrespective of whether the strands: (a) will be lit for the applicant's use or a potential other purpose; (b) will be lit this funding year or a future funding year; (c) have been cost-allocated out of the funding request; or (d) were not included in the one-time charges quoted to the applicant for the special construction project in the first instance.</p> <p>Note 2: If you do not have access to this information, please contact your service provider to request it.</p>	<u>48</u>
2	<p>Of the total number of strands identified in response to Question 1, how many of the strands will be installed for the applicant's exclusive use <u>and</u> will be lit within this funding year?</p>	<u>2</u>

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## Attachment B

	Note: For the purpose of the questions in this document, "applicant" refers to an applicant's eligible schools and/or libraries. It does not apply to members of a consortium that are ineligible for E-rate support.	
2(a)	How many recipients of service will be served by the strands identified in response to Question 2?  Note: Please state whether multiple recipients of service are located in one building and will be served by the same set of fiber strands.	<u>1</u>
2(b)	What will be the lit date for the fiber strands identified in response to Question 2 (if different segments of the build will be lit at different times prior to June 30, provide the latest lit date)?	<u>11</u> / <u>1</u> / <u>2016</u>
3	Enter the total number of remaining strands here [Answer to Q1 – Answer to Q2 = Answer to Q3] ("Excess Fiber Strands").  If the response to this question is zero (0), you may disregard the remaining questions in this document. Otherwise, proceed to Question 4.	<u>4</u> <u>46</u>
4	Will <u>ALL</u> of the Excess Fiber Strands installed in your project be specifically for the applicant's exclusive future use (e.g., anticipated growth in bandwidth requirements or future expansion)?  If yes, proceed to Question 4(a). If no, proceed to Question 6.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> <del>Yes</del> No
4(a)	Will all of the Excess Fiber Strands installed for the applicant's exclusive future use remain dormant (dark) until lit for the applicant's exclusive use during a future funding year (i.e., no other party will use the Excess Fiber Strands between the time they are installed and the time the applicant is ready to use them in the future)?  If yes, proceed to Question 4(b). If no, proceed to Question 7.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4(b)	Have the Excess Fiber Strands been cost-allocated out of the special construction FRN?  If yes, proceed to Question 4(c). If no, proceed to Question 5.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4(c)	Please state the amount cost-allocated out of the special construction FRN and provide documents showing the	

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## Attachment B

		<p>basis for the cost-allocation. If your documents do not delineate specific costs of fiber installation, explain the tangible basis for the cost-allocation provided. Please contact the service provider for any additional information required to respond to this question.</p> <p>After doing so, you may disregard the remaining questions in this document. You may be contacted in a separate communication regarding your responses to these questions.</p>	
5		<p>An applicant may install Excess Fiber Strands that will not be lit within the same funding year as the funding request if: (i) the strands are installed exclusively for the applicant's future bandwidth needs; and (ii) the strands will remain dormant until lit for the applicant's exclusive future use. The cost of such Excess Fiber Strands must be allocated out of the relevant special construction FRN. Remaining special construction charges do not have to be cost-allocated.</p> <p>Because the above-referenced cost-allocation was not included in your funding request, the amount of the funding request will need to be adjusted. Please provide the information requested by Questions 5(a)-(c). If you do not have the information requested in Questions 5(a)-(c), contact the service provider to obtain it.</p> <p>After providing the requested information, you may disregard the remaining questions in this document. You may be contacted in a separate communication regarding your responses to these questions.</p>	
	5(a)	Please provide the specific cost of the Excess Fiber Strands that: (i) will not be lit this funding year; (ii) are being installed for the applicant's exclusive future use; and (iii) will remain dormant until lit for the applicant.	
	5(b)	Please provide the documentation identifying the cost of the Excess Fiber Strands stated in response to Question 5(a).	
	5(c)	If your documentation does not delineate the cost of the Excess Fiber Strands, please provide the tangible basis for the cost identified in response to Question 5(a) above.	
6	<p>You have stated that Excess Fiber Strands will be installed as part of your project. You have also indicated that the Excess Fiber Strands will not be installed for the exclusive future use of the applicant</p>		<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

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## Attachment B

		<p>Will the Excess Fiber Strands be installed as part of the special construction project <u>solely</u> because using a cable with a higher strand count than what will be lit for the applicant's use within this funding year has been deemed to be more cost effective than installing just the number of strands that will be lit for the applicant's use within this funding year?</p> <p>If yes, proceed to Question 6(a). If no, proceed to Question 7.</p>	
	6(a)	<p>Please provide an explanation and any documents demonstrating that the higher strand solution, resulting in the installation of the Excess Fiber Strands, is the most cost effective option. Please be as specific as possible. For example, if the applicant seeks to light 6 strands for its use this year, but a 12-strand cable was deemed more cost-effective, provide a breakdown of the relative costs of installing 6-strands vs. 12-strands, and provide supporting documentation.</p> <p>Proceed to Question 6(b).</p>	<p><a href="#">Labor costs for installing additional fibers is minimal, i.e. cost of placing 8 fibers is the same as the cost of placing 48 fibers.</a></p>
	6(b)	<p>Will all of the Excess Fiber Strands remain dormant (dark) unless lit for the applicant's exclusive use during a future funding year (i.e., no other party will use the Excess Fiber Strands until used exclusively by the applicant in the future)?</p> <p>If yes, you may disregard the remaining questions in this document. You may be contacted in a separate communication regarding your responses to these questions.</p> <p>If no, proceed to Question 7.</p> <p>Note: Please answer Question 6(b) irrespective of whether the Excess Fiber Strands: (a) would be lit this funding year or a future year by the applicant or any entity other than the applicant; (b) have been cost-allocated out of the funding request; or (c) were not included in the one-time charges quoted to the applicant for the special construction project and stated in the FRN.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b></p>
7		<p>You have indicated that Excess Fiber Strands will be installed as part of your project. You have also indicated that either:</p> <ul style="list-style-type: none"> <li>▪ The Excess Fiber Strands will not be installed for the applicant's exclusive future use;</li> </ul>	<p><a href="#">Fiber strands installed may be used for other customers or for Frontier's own network capacity.</a></p>

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## Attachment B

	<ul style="list-style-type: none"> <li>▪ The Excess Fiber Strands will be installed for the applicant's exclusive future use, but will not remain dormant (dark) until the fiber is used by the applicant in a future year;</li> <li>▪ The Excess Fiber Strands will not be installed solely because installation of a higher strand count than what will be lit for the applicant's use this funding year has been deemed to be the most cost-effective option; or</li> <li>▪ The Excess Fiber Strands will be installed solely because installation of a higher strand count than what will be lit for the applicant's use this funding year has been deemed to be the most cost-effective option, but the Excess Fiber Strands will not remain dormant (dark) until they are used by the applicant in a future year.</li> </ul> <p>Please provide the information requested by Questions 7(a)-(d).</p> <p>Note: Answers to these questions are required irrespective of whether the Excess Fiber Strands: (a) would be lit this funding year or a future year; (b) have been cost-allocated out of the funding request; or (c) were not included in the one-time charges quoted to the applicant for the special construction project and stated in the FRN.</p>	
7(a)	What other party is planning to use the Excess Fiber Strands? If multiple parties plan to use the Excess Fiber Strands, please identify all of them.	<a href="#">No other known customers at this time.</a>
7(b)	On what date does the other party plan to start using the Excess Fiber Strands? If multiple parties plan to use the Excess Fiber Strands, please identify the dates that each party plans to start using them.	____/____/____
7(c)	<p>Is the applicant receiving any compensation in exchange for the planned use of the Excess Fiber Strands by another party (e.g., is the applicant being paid a fee, receiving a gift, receiving services/products in trade, or otherwise being compensated for use of the Excess Fiber Strands)?</p> <p>If so, please describe the compensation that the applicant will receive.</p>	<a href="#">No</a>
7(d)	<p>Please provide any contracts or other documents pertaining to the information provided in response to Questions 7(a)-(c). If you do not know the answers to one or more of the questions above, please contact the service provider to obtain them.</p> <p>Proceed to Question 8.</p>	<a href="#">None</a>

## Attachment B

8	<p>Please provide the specific cost of installing the Excess Fiber Strands for use by another party as described in Question 7. Your response should include the both costs of the Excess Fiber Strands themselves and any additional special construction charges incurred due to the addition of the Excess Fiber Strands to the build (i.e., beyond what would be necessary if only the fiber strands that will be lit for the applicant's use within this funding year were installed).</p>	<p><a href="#">48 fibers is the smallest standard that is placed by Frontier. Cable with a smaller number of fibers is never considered.</a></p>
8(a)	<p>Please provide the documentation substantiating the costs identified in response to Question 8. If you do not have such documents, please contact the service provider.</p> <p>Then proceed to Question 9.</p>	
8(b)	<p>If you are unable to provide the documentation requested by Question 8(a), please explain the tangible basis for the costs you have identified in response to Question 8.</p> <p>Then proceed to Question 9.</p>	
9	<p>Have the costs that you identified in response to Question 8 been identified in your special construction FRN as ineligible costs allocated out of the funding request?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

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## Attachment C

**Burton Jr, Alton**

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**From:** David Rademacher <drademacher@marion.k12.il.us>  
**Sent:** Friday, April 06, 2018 11:50 AM  
**To:** Appeals@sl.universalservice.org  
**Cc:** McIntosh, Denise  
**Subject:** Appeal of Commitment Adjustment Letter  
**Attachments:** DOC040618-04062018103356.pdf; Attachment C - Patoka - Leased-Lit-and-Dark-Fiber-Questions Response.pdf; Attachment B - Frontier Fiber Questionnaire Response.pdf; Attachment A- CITIZENS TEL OF ILLINOIS INC Commitment Adjustment Letter.pdf

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Attachments for Appeal of Commitment Adjustment Letter

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David H. Rademacher, Superintendent  
Patoka CUSD #100  
(618) 432-5200

## Attachment D

### Burton Jr, Alton

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**From:** Burton Jr, Alton  
**Sent:** Friday, April 06, 2018 1:46 PM  
**To:** 'Appeals@sl.universalservice.org'  
**Cc:** McIntosh, Denise  
**Subject:** Citizens COMAD Appeal  
**Attachments:** Citizens Patoka COMAD Appeal 04.06.18.pdf; Attachment A- CITIZENS TEL OF ILLINOIS INC Commitment Adjustment Letter.pdf; Attachment B - Frontier Fiber Questionnaire Response.pdf; Attachment C - Patoka - Leased-Lit-and-Dark-Fiber-Questions Response.pdf

Please find Citizens' appeal attached. This appeal was also just filed in EPC.

AJ Burton  
Vice President, Federal Regulatory  
Frontier Communications  
202.223.6807 O | 202.412.3496 M  
[frontier.com](http://frontier.com)





## Attachment D

**Burton Jr, Alton**

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**From:** Appeals <appeals@sl.universalservice.org>  
**Sent:** Friday, April 06, 2018 1:47 PM  
**To:** Burton Jr, Alton  
**Subject:** Appeal

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## Attachment E

**Burton Jr, Alton**

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**From:** McIntosh, Denise  
**Sent:** Friday, April 06, 2018 1:45 PM  
**To:** Burton Jr, Alton  
**Subject:** FW: USAC Notification: New Customer Service Case Created

[Sharing...](#)

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**From:** portal@usac.org [mailto:portal@usac.org] **On Behalf Of** EPC Application Administrator  
**Sent:** Friday, April 06, 2018 1:43 PM  
**To:** McIntosh, Denise <denise.mcintosh@ftr.com>  
**Subject:** USAC Notification: New Customer Service Case Created

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**WARNING: External email. Please verify sender before opening attachments or clicking on links.**

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Hello,

The USAC Client Service Bureau has created the following case:

Nickname: Patoka Comm. Unit. Sch. Dist. 100 (136776)  
Description: Appeal of Commitment Adjustment Letter from Service provider  
Priority: Medium  
Created By: Denise McIntosh  
Received: 4/6/2018 1:43 PM EDT  
Case Number: 233298

If the details of the case are not correct, you may view/modify the case record [here](#) or contact us by phone at (888) 203-8100.

Thank you.

Universal Service Administration Company

## Attachment E

NOTE: Please do not reply to this email.

This message has been sent by EPC