Before the

Federal Communications Commission

Washington, D.C. 20554

In the Matter of

Federal-State Joint Board on Universal Service ) CC Docket No. 96-45

)

Schools and Libraries Universal Service )

Support Mechanism ) CC Docket No. 02-6

**Request for Review and Petition for Waiver For USD 456 Marais des Cygnes Valley**

On behalf of USD 456, Marais des Cygnes Valley, I respectfully submit this request for review and petition for waiver related to the Administrator’s Decision on Appeal issued by the Universal Service Administrative Company (“USAC” or “Administrator”) on January 4, 2018. In that decision, USAC denied the appeal of USD 456, Marais des Cygnes Valley (or “applicant”) related to one funding request from E-rate Fund Year 2017. USD 456 believes that the Schools and Libraries Division (SLD) of USAC failed to take into account all of the facts related to this case, as outlined below. We request that the Commission review the evidence presented herein and in our previous correspondence with USAC and reverse the decision of the Administrator with respect to funding request numbers (FRN) 1799054751.

Background

USD 456 Marais des Cygnes Valley is a small school district serving the Northeastern part of Osage County in Kansas with 3 buildings located in two towns. Based upon the NSLP data for the 2017 school year (and Erate funding year), USD 456 had a student enrollment of 245 and a NSLP enrollment of 158, qualifying them for an 80% Erate discount for both Category One and Category Two services. The Erate program, as it does for so many poor, rural school districts, serves as the cornerstone of USD 456’s technology efforts. USD 456 views technology as a critical component in its efforts to bring educational opportunities to its students. Familiarity with and fluency in technology is the key to bringing new opportunities to students living in rural areas. USD 456 has used the E-rate program to put technology tools into the hands of hundreds of students who currently attend and have attended school at USD 456.

Unfortunately, as is often the case with schools that are on an extremely limited budget, staff at USD 456 serve in a variety of roles and capacities.

In Fund Year 2017, USD 456 applied for E-rate funding to cover their Internet service (FRN 1799054751) . After evaluating all the bids received, using price as a primary factor, this FRN was awarded to KanRen, a local telecommunications vendor located in Lawrence, KS. Unfortunately, a ministerial error was made in completing the Form 471, and rather than including the prediscount cost in the funding request, the post-discount amount was entered into the application. Thus, instead of receiving the 80% discount it should have off the prediscount price, the district would receive a discount of 80% -- but only on 20% of the prediscount price (effectively, only a 16% discount)[[1]](#footnote-1). This error went unnoticed by both responsible parties for the applicant and PIA staff (both of whom had copies of the documentation showing the proper discount amount), and a funding commitment was issued for the inaccurate amount.

Once the FCDL was received, KanRen staff contacted the District’s Erate consultant expressing concern that the dollar amount requested was significantly less than the monthly/yearly amount paid by USD 456 to KanRen. After researching the issue, the consultant discovered the ministerial error that had been made, and worked with the applicant to timely file an appeal with the Administrator.

The SLD denied the appeal, citing the following reason *“On appeal you are requesting that additional funding be approved for the above listed FCC Form 471. Program procedures allow applicants to amend their applications and correct ministerial and clerical errors on their FCC Forms (including adding a funding request) until a Funding Commitment Decision Letter (FCDL) is issued. Additional funding requests cannot be submitted through the appeals process and after the issuance of the FCDL. Consequently, USAC denies your appeal.”*

Since USAC claims it is unable to restore the proper funding to the funding commitment, we ask that the FCC do so. This is clearly a simple ministerial error made on the Form 471, rather than an attempt to increase funding beyond what should have been included in the Form 471 originally.

In addition, we request that the Commission waive the usual deadline for filing such an appeal because there was a change in district personnel resulting in the discrepancy in funding going unnoticed by incoming district staff who had no prior knowledge of Erate.

Conclusion

As this appeal makes clear, it is entirely possible – even probable – that the applicant may have made mistakes related to this particular application. The mistakes and errors present in this application are clearly ministerial and/or clerical in nature, however, rather than malicious or fraudulent. Given that the lack of funding for FY2017 has caused serious hardship for the District, we strongly believe that it is in the public interest for the FCC to overturn the Administrator’s decision on the appeal and restore funding to the district at the proper level so that USD 456 can continue to provide a quality educational experience for its rural student body.

Respectfully Submitted,

Denise Grasso, Erate consultant

Southeast Kansas Education Service Center and USD 456, Marais des Cygnes Valley



1. [↑](#footnote-ref-1)