LEMON GROVE SUMMARY (REVISED)

In January 2010, Sun Microwave, Inc. dba Sun Wireless (hereinafter “Sun”) entered into an Agreement (Exhibit 1) with Lemon Grove School District (hereinafter “District”). For $19,548.13 per month ($234,577.56 annually), the District would receive Internet Access at seven of its schools from Sun.

For the Funding Year 2013, the District’s Form 471 (Exhibit 2) again showed an Annual Pre-Discount Amount for Eligible Recurring Charges of $234,577.56. The Funding Commitment Request was for $190,007.82 (based upon 81% discount rate). USAC issued a Funding Commitment Report (Exhibit 3) agreeing to pay that amount.

From July 1, 2013 until June 30, 2014, Sun continued to provide service to all seven of the facilities. However, in reviewing the actual 471, Sun has learned that the District only requested financial support for six of its entities. Regardless of the number of students in a school, the monthly rate for Internet Access was the same for each, eligible facilities -- $2,792.59. With only six schools being provided service, the monthly and annual charge for the District should have been $16,755.54 and $201,066.48, respectively. Since the District’s Discount Rate was 81%, USAC should have been obligated to fund $162,863.85.

Throughout the Funding Year 2013 and beyond, Sun has attempted to collect upon this debt. Sun submitted nine Form 474’s (Exhibit 4). Sun has never been compensated the amount requested; the invoiced amount has always been short funded or not approved. On numerous occasions Sun has had discussions with USAC but has never been able to ascertain why it was being short paid and/or how much it was still due.

At this juncture, Sun has received a total of $111,433.37. Based upon the services provided to the District’s six schools and the committed funding from USAC, Sun feels that the company is still owed $51,430.48 ($162,863.85{calculated, revised USAC obligation} less $111,433.37 {amount paid by USAC}).