

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Request for Review of a Decision of the)	Administrator Correspondence Dated
Universal Service Administrative Co. for)	October 2, 2018
Blackhawk School District)	
)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	

**REQUEST FOR REVIEW OF DECISION OF THE UNIVERSAL SERVICE
ADMINISTRATION COMPANY, SCHOOLS AND LIBRARIES DIVISION BY THE
BLACKHAWK SCHOOL DISTRICT**

Appellant/Organization Name	Blackhawk School District
Funding Year	2016
Entity Number	125146
FCC Form 471 Number	161022572
Funding Request Number	1699053957

The Blackhawk School District (“BSD” or “Applicant”) requests a Federal Communications Commission’s (“FCC” or “Commission”) review of a decision of the Schools and Libraries Division of the Universal Service Administrative Company (“USAC” or “Administrator”).¹ BSD respectfully petitions the Commission consider the information set forth in this appeal that supports BSD’s compliance with the Program rules, and given USAC’s full reinstatement of the funding associated with this funding request that the Commission also extend the ‘Last Date to Invoice’ (LDTI) that enables BSD to re-apply for the reimbursement they have failed to collect through no fault of their own.

OVERVIEW

Blackhawk Schools District is a rural school district comprised of 5 schools and 2,800 students, of which 28% are eligible for free and reduced priced meals.² Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for discounts on eligible Telecommunications Services, Internet Access, Internal Connections, and Basic Maintenance of Internal Connections³. Under this regulatory authority, BSD annually submits E-rate application(s) for discounts on eligible products and services.

BACKGROUND and REQUEST FOR REVIEW

Given the Fund Administrator’s approval of BSD’s Appeal to remove the Notification of Recovery of Improperly Disbursed Funds Letter (RIDF Letter) for Funding Year 2016 FRN # 1699053959 we are petitioning the Commission see it fit to extend the Last Date to Invoice that allows BSD to re-apply for a reimbursement of their Cellular Voice service costs.

The decision to seek full recovery of funds outlined in the Recovery of Improperly Disbursed Funds Letter included on page 3 of the RIDF Letter read:

¹ October 2, 2018 Administrator's Decision on Appeal

² Statistics available at: https://portal.usac.org/suite/tempo/records/item/IYBDUvg2DtnG8p1r6dDkTVfs7HcdVWZ-z0lFPZtEylj6-9vpnR6Xk0nsE1YaykWomTCde1gVUrWZyFh5QdQKGzSHFR2NPDTe4KOIO7zsYQj5EsySpPEEw/view/_GE1PGg

³ 47 C.F.R. §§ 54.502, 54.503

Funding Commitment Adjustment Explanation:

During USACs review, it was determined that funds were improperly disbursed for funding request 1699053957. Based on an internal review, the funding amount was confirmed to be \$956.59, which is less than the amount that was disbursed. Therefore, USAC will seek recovery of \$849.71 in improperly disbursed funds from the applicant.

Blackhawk School District (BSD) respectfully requested USAC to reverse their decision to seek the full recovery of funds that were determined to be improperly disbursed. It is was BSD's belief that System glitches and miscommunication between EPC and legacy platforms, coupled with further miscommunication between departments at the Fund Administrator had led us to that point. We also explained that the \$849.71 identified in that letter was both an erroneous disbursement amount and that BSD never received a payment in this amount. Please note that all documents referenced in the Timeline of Events can be located in Appeal # 122616, Documents ID# 42429 - 42434 in the E-Rate Productivity Portal.

Timeline of Events Related to FRN# 1699053957:

1. Funding Request # 1699053957 is created as part of FCC Form 471 # 161022572 for the District's FY2016/17 Category 1 services. Subsequent to filing, the service's MRC was increased via RAL which was completed during the PIA review for this application. This is the original FRN Calculation off 471# 161022572:

FRN Calculation for FRN #1699053957 -Sprint-CellularVoice

Monthly Charges	
Total Monthly Recurring Charges	\$607.23
Total Monthly Ineligible Charges	- \$237.12
Total Monthly Eligible Charges	= \$370.11
Total Number of Months of Service	x 12
Total Eligible Pre-Discount Recurring Charges	= \$4,441.32

One-Time Charges	
Total One-Time Charges	\$0.00

Total Requested Amount	
Total Eligible Pre-Discount Recurring Charges	\$4,441.32
Total Eligible Pre-Discount One-Time Charges	+ \$0.00
Total Pre-Discount Charges	= \$4,441.32
Discount Rate	20%
Funding Commitment Request	= \$888.26

2. Funding Decision Commitment Letter (FCDL) generates on 7/15/2016. The 'Total Committed Amount' was noted as \$46,310.60 which was a discrepancy from our post-RAL calculations. Upon review of the accompanying csv file a system generated discrepancy was detected for FRN# 1699053957. See attachments:

471#161022572_FCDL_071616.pdf - Appeal #122616, DocID # 42430

FCC Form 471 - 161022572 – B'HAWK SCH DISTRICT.xlsx - Appeal #122616, DocID # 42431

Note that cell U5 in the attached FCDL worksheet shows \$0.00 under 'Committed funding' when the PIA Reviewer notes (cell W5) reads:

MR1: The amount of the funding request was changed from \$4,441.32 to \$4,782.96 pursuant to RAL request from applicant (updated monthly amount from \$46.71 to \$50.30, monthly ineligible costs from \$18.24 to \$19.64 which updated the yearly costs from \$4,441.32 to \$4,782.96).

Also; the accompanying csv file further support this is as cell V5 indicates that the applicant filed a RAL change to adjust the Funding request's Monthly cost:

FRN(s) modified in accordance with a RAL request.

3. The Customer Service Bureau (CSB) was contacted in an effort to bring this discrepancy to light. It was pointed out the funding request was for \$4,782.96 at 20% discount (due to FY2016 40% phase down) resulting in a \$956.59 commitment. The CSB Contact charted the call and explained this matter would require escalation to the USAC IT Unit to research/correct.
4. The matter remained open and unresolved without updates from the Fund Administrator for many months. As the 'Last Date to Invoice' (LDTI) approached for this committed Funding Request on 10/28/2017 a case was created to petition an extension to the LDTI.

5. IDER Case # 22-955699 was subsequently created seeking an Invoicing Deadline Extension request on behalf of Blackhawk Schools District. Blackhawk's FRN# 1699053957 is the 2nd. Item on this list of FRNs. Case creation date: 10/17/2017. See attachments titled:

IDER Case # 22-955699.docx - Appeal #122616, DocID # 42432

Y17 CSM IDER Case# 22-955699.xlsx - Appeal #122616, DocID # 42434

FW SLD Inquiry # 22-955699 Received.txt - Appeal #122616, DocID # 42433

6. Believing the Fund Administrator had reviewed and approved our Invoicing Deadline Extension request for FRN# 1699053957 (as all the other FRNs included in the IDER request listed in Point #5); on December 18, 2017, a FCC Form 472, Form Blackhawk472FY2016Sprint, BEAR Invoice # 2733490 for a total of \$611.94 was filed on the USAC Legacy database. This invoicing request was the sole attempt to obtain committed funding for this funding request.
7. As part of Post Commitment Wave # 52 on July 17, 2018, USAC generates a Revised Funding Decision Commitment Letter (RFCDL) correctly setting the commitment amount for FRN# 1699053957 at \$956.59. This modification now makes it consistent with the PIA reviewer notes as described in point #1. The Post Commitment Decision Rationale reads:

Your post-commitment request for Funding Year 2016 Schools and Libraries Program (E-rate) funding commitment has been revised to reflect the correct commitment amount.

8. On July 18, 2018, we noted that EPC shows a 'Commitment Correction Appeal' created by Andre.Loh@sl.universalservice.org (Appeal # 110344). We believe this appeal was initiated by USAC personnel to correct the issues described in point #1 that CSM staff brought to USAC's attention during our original call to the CSB. We believe that during

the time USAC was investigating FRN# 169999063957's technical issue, USAC failed to act upon our Invoice Deadline extension request as per Case# 22-955699 described in point #3.

Records / Applicant Entities

#125146 - BLACKHAWK SCHOOL DISTRICT



Summary Customer Service Modifications Additional Information Discount Rate Contracts FCC Forms **FRN Appeals** News Related Actions

Appeals

Appeal Number	Request Status	Nickname	Created On	Created By
110344	Complete	Commitment Correction	6/20/2018 4:50 PM EDT	andre.loh@sl.universalservice.org
116364	In Review	FY2016-17_COMAD Appeal_1699055444_CDWG	7/23/2018 1:09 PM EDT	aarauz@csmcentral.com

- Concurrent to the RFCDL, USAC also issued a RIDF requesting the District return \$849.71. It is important to note BSD has never received a payment for this funding request, never mind one for the amount indicated on the RIDF Letter as Blackhawk Schools District did not incur that level of Cellular Voice services charges during the period July 2016 to June 2017. Below we include USAC's own FRN Status Tool dated September 12, 2018 supporting BSD has not received a BEAR reimbursement payment from the Administrator to date.

FRN	FRN Nickname	FRN Status	Application Num	471 Nickname	Application St	1 Review Stat	Committed Am	invoicing Mode	Total Authorized Disbursement
1699053957	Sprint-CellularVoice	Funded	161022572	BlackhawkSD471Y19C1-PRIWANCelVoice	Committed	FCDL Issued	\$956.59	BEAR	\$0.00

REQUEST FOR WAIVER

Since the adoption of the 2nd. Modernization Order USAC has been forced to focus much attention and resources to correct scores of technical issues related to its internal databases - chiefly the E-Rate Productivity Centre (EPC). We understand these fixes take time and progress is being made across the board - we have ample evidence of this and Post Commitment Wave #52 RFCDL restoring Blackhawk Schools of its due \$956.59 commitment is a prime example. However it is only right that the

Fund Administrator complete the correction of this unfortunate systems glitch by adjusting the 'Last Date to Invoice' as is common practice when issuing Revised Funding Commitment Letters (RFCDL).

The Fund Administrator ultimately believed BSD's Appeal (filed 9/15/2018) brought forward persuasive information to rescind the RDIF in its entirety for FRN 1699053957. However the Fund Administrator stopped short of correcting the 'Last Date to Invoice' to pave the way for the district to access their FY2016/17 committed funds. It is not just for system errors or technical glitches to remain a barrier after an applicant successfully navigates an already tortuous filing process. We appreciate your consideration of our request, any additional questions, concerns or request for additional documentation related to this appeal should be directed to:

Al Arauz
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aaarauz@csmcentral.com

Regards

/s/

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