USAC
Universal Service Administrative Company

Schools and Libraries Division

Demand Payment Letter

(Funding Year 2012: July 1, 2012 - June 30, 2013)

December 16, 2014

Cathy Benham
GREEN DOT PUBLIC SCHOOLS
3130-C Inland Empire Blvd.
Ontario, CA 91764

Re:	**Form 471 Application Number:**	**826680**
	Funding Year:	**2012**
	Applicant's Form Identifier:	**GREENDOT471Y15P1**
	Billed Entity Number:	**16021229**
	FCC Registration Number:	**0016789414**
	SPIN:	**143000891**
	Service Provider Name:	**Nextel of California Inc.**
	Service Provider Contact Person:	**Christina Halley**
	Payment Due By:	**1/15/2015**

You were previously sent a Notification of Commitment Adjustment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the Notification of Commitment Adjustment Letter. A copy of that Report is attached to this letter.

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." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

If the Universal Service Administrative Company (USAC) 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), USAC 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 USAC has determined that both the applicant and the service provider are responsible for a Program rule violation, this was indicated in the Funding Commitment Adjustment Explanation on the Funding Commitment Adjustment Report.

If USAC is attempting to collect all or part of the debt from both the applicant and the servic provider, then you should work with your service provider 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 Applicant" 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, FedEx, and UPS) please send check payments to:

Universal Service Administrative Company
Lock Box 105056
1075 Loop Road
Atlanta, GA 30337
Phone: 404-209-6377

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 website at www.usac.org/sl/. You may also contact the SLD Client Service Bureau by email using the "Submit a Question" link on the SLD website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company
Schools and Libraries Division

cc: Christina Halley
Nextel of California Inc.

Funding Commitment Adjustment Report
Form 471 Application Number: 826680

Funding Request Number:	2368681
Services Ordered:	INTERNET ACCESS
SPIN:	143000891
Service Provider Name:	Nextel of California Inc.
Contract Number:	MTM
Billing Account Number:	
Site Identifier:	16021229
Original Funding Commitment:	$15,480.94
Commitment Adjustment Amount:	$15,480.94
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$15,480.94
Funds to be Recovered from Applicant:	$15,480.94

Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. Funds were erroneously committed for FRN 2368681, which was not justified as cost effective. Specifically, you sought E-rate funding for (cellular and data service) from multiple service providers for the same locations and time periods on its FCC Form 471 Application No. 826680. The documents that you provided to USAC indicate that you selected AT&T and Sprint to each provide the requested (cellular and data service) to the same locations during the same time periods. In addition, the documents provided to USAC do not indicate that AT&T and Sprint were unable to provide all of the requested cellular and data services to Green Dot Public Schools. Therefore, because Sprint services were more expensive than AT&T services, Sprint services were not the most-cost effective offering as required by the FCCs rules and the Macomb Order. FCC rules require that, in selecting the service provider, the applicant must select the most cost effective service or equipment offering, with price being the primary factor, which will result in it being the most effective means of meeting educational needs and technology plan goals. Additionally, the applicants technology plans for requested services should be based on an assessment of their reasonable needs. Applicants that request services that are beyond their reasonable needs and thus not cost effective have violated the above rules. Since FRN 2368681 exceeded the applicants reasonable needs, this funding commitment is rescinded in full and USAC will seek recovery of any improperly disbursed funds from the applicant.

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