

5/15/15

Letter of Appeal
Federal Communications Commission
Office of the Secretary 445 12th Street, SW
Washington, DC 20554 CC Docket No. 02-6

Re: Letter of Appeal of the Administrator's Decision On Appeal - Funding Year 2012 - 2013, issued February 19, 2015.

Dear Sir or Madam:

I am submitting this letter of appeal regarding denial of a Service Substitution Request for E-rate FY 2012 funding request for Internal Connections, on the grounds that it was not submitted prior to 9/30/2014. USAC did not notify the proper parties involved, which prevented this deadline from being met. I am asking for a waiver of this deadline.

Appellant Name:	Erate Exchange, LLC
Applicant Name:	Edison Charter Academy
471 Application Number:	840079
Billed Entity Number:	108203
FRN:	2355834
Service Provider:	CDW Government. LLC

SLD Explanation for denial: *"To be eligible for program support, eligible services must be received during a specific period of time related to the particular funding year for which discounts are requested. An FCDL was issued for FRN 2355834 on October 31, 2013, and the allowable date to receive services was set to be September 30, 2014. A service substitution request must be postmarked by the last day to receive services for that FRN. The record shows that your request for a service substitution was postmarked on November 5, 2014. You have not demonstrated on appeal that USAC's determination was incorrect. Consequently, USAC denies your appeal."*

The issue in this case boils down simply to this: USAC provided no notification to the applicant that disbursements were being denied; no email, fax, phone call, or mailed notification letter was sent. This is a clear mistake on the part of USAC. By the time the applicant and I were made aware of the denial and were able to determine its cause, the last date to receive services had passed. If USAC had directly notified me, or my client instead of merely contacting the service provider, this service substitution request could and would have been submitted prior to the deadline. The decision to deny this request deprives the school of a large amount of funding, for reasons that were beyond their control.

During the *18 months* that it took for USAC to fund this application the service provider, CDW Government LLC, discontinued a number of their model numbers and adjusted their pricing model. These items were replaced with new models that have *the exact same functionality and eligibility* as the originals. This action was taken solely by the provider, and was completely out of the applicant's hands. This change lead to a number of *what seem to be* differences between the items listed on the Item 21 and the items listed on the official work order. However, these are *actually the same items*, just with new/updated model numbers and costs. They are entirely e-rate eligible and should be entirely approved for disbursement. I believe that the Service Substitution Request reflected this fact.

Upon submitting the Service Substitution request, an in-depth review was conducted by USAC. I was working in good faith with the assigned USAC reviewer (Ivan Rushfield), answering all his questions and information requests. The fact that he was working so diligently to confirm the eligibility of the items lead me to believe that the Service Substitution Request would be approved. Conducting such a detailed review gives the impression that the request is being legitimately considered. To then issue a sweeping denial without considering the submitted and reviewed material is unreasonable, and contradictory to the overall intent of the E-rate program. I am not asking for an increase in the requested or funded amount, but simply for all eligible items to be rightfully deemed as such, and appropriate disbursements be awarded.

Based on the USAC's failure to notify the applicant and the inconsistencies in their review practices, I request a waiver of the 9/30/2014 deadline and the approval of the Service Substitution Request for FRN 2355834 with

disbursements awarded accordingly. Included with this letter, is a copy of the original quote from CDWG, the updated order form with the new model numbers, a signed letter from the service provider explaining the situation, a copy of the Service Substitution Request, and the subsequent denial letter. Given that the denial of funding in this case was based on circumstances beyond the control of the applicant, the Parties respectfully request that the FCC process this Letter of Appeal and reinstate the full eligibility of the items listed on the Service Substitution Request. The denial of disbursements for an error like this places a particular hardship on a small school such as Edison Charter Academy that otherwise would have already received rightful E-rate disbursements for its approved application.

I respectfully request that you overturn the denial and restore full eligibility to the items on this FRN. Thank you for reviewing this appeal. Please use the contact information below.

Mike Gibson, E-rate Exchange, LLC, PO Box 451, Syracuse, NY 13206, Tel. 315.422.7608, Fax 866.283.9332, msg@erateexchange.com

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Gibson", with a long horizontal flourish extending to the right.

Mike Gibson
Project Team Specialist
E-rate Exchange, LLC

CC:

Enclosures – Letter from CDWG, Original Order, Updated Order, Service Substitution Request, Service Substitution Denial Letter