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**FUNDING COMMITMENT DECISION LETTER**  
(Funding Year 2013: 07/01/2013 - 06/30/2014)

February 23, 2015

Bonnie S. Clark  
NC DIVISION OF JUVENILE JUSTICE  
3010 HAMMOND BUSINESS PLACE  
RALEIGH, NC 27603-0000

Re: **FCC Form 471 Application Number: 903594**  
**Billed Entity Number (BEN): 232555**  
**Billed Entity FCC Registration Number (FCC RN): 0011899481**  
**Applicant's Form Identifier: Internet 13-14**

Thank you for your Funding Year 2013 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the FCC Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$339,031.44 is "Denied."

Please refer to the Report following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation Form. A guide that provides a definition for each line of the Report is available in the Guide to USAC Letter Reports in the Reference Area of our website.

**NEXT STEPS**

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full.
- Review technology planning approval requirements.
- Review Children's Internet Protection Act (CIPA) requirements.
- File FCC Form 486.
- Invoice USAC using the FCC Form 474, Service Provider Invoice (SPI) Form, or FCC Form 472, Billed Entity Applicant Reimbursement (BEAR) Form, - as products and services are being delivered and billed.

**TO APPEAL THIS DECISION:**

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Include the following to identify the USAC decision letter (e.g., FCDL) and the decision you are appealing:
  - Appellant name,
  - Applicant name and service provider name, if different from appellant,
  - Applicant BEN and Service Provider Identification Number (SPIN),
  - FCC Form 471 Application Number 903594 and the Funding Request Number (FRN) or Numbers as assigned by USAC,
  - "Funding Commitment Decision Letter for Funding Year 2013," AND
  - The exact text or the decision that you are appealing.
3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Division - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, please see "Appeals" in the Schools and Libraries section of the USAC website.

#### OBLIGATION TO PAY NON-DISCOUNT PORTION

Applicants are required to pay the non-discount portion of the cost of the products and/or services to their service provider(s). Service providers are required to bill applicants for the non-discount portion. The FCC stated that requiring applicants to pay their share ensures efficiency and accountability in the program. If USAC is being billed via the FCC Form 474, the service provider must bill the applicant at the same time it bills USAC. If USAC is being billed via the FCC Form 472, the applicant pays the service provider in full (the non-discount plus discount portion) and then seeks reimbursement from USAC. If you are using a trade-in as part of your non-discount portion, please refer to Disposal or Trade-in of Equipment posted in the Reference Area of our website for more information.

#### NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division  
Universal Service Administrative Company

FUNDING COMMITMENT REPORT  
Billed Entity Name: NC DIVISION OF JUVENILE JUSTICE  
BEN: 232555  
Funding Year: 2013

Comment on RAL corrections: The Richmond JDC #16020269 and Buncombe Regional JDC #16020263 have closed as school sites and they have been removed from Block 4. The student counts associated with the closed school sites have been removed from the application. Removal of these students did not result in a change to your shared discount percentage. Lenoir YTDC #16056574 was closed for 9 months of the year and will remain on Block 4. The funding request was modified from \$31,391.80 per month to \$25,704.36 per month to remove the cost associated with the closed school sites.

FCC Form 471 Application Number: 903594  
Funding Request Number: 2482546  
Funding Status: Not Funded  
Category of Service: Internet Access  
FCC Form 470 Application Number: 500850001060910  
SPIN: 143004930  
Service Provider Name: NC Office of Information Technology Services  
Contract Number: INTERNET ACCESS 2013  
Billing Account Number: 919-733-3388  
Multiple Billing Account Numbers: Y  
Service Start Date: 07/01/2013  
Service End Date: N/A  
Contract Award Date: 02/22/2013  
Contract Expiration Date: 06/30/2014  
Shared Worksheet Number: 1544799  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$376,701.60  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$376,701.60  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Selective - Bidding Violation  
Funding Commitment Decision Explanation: MR1: The Contract Award Date was changed from 2/8/2013 to 2/22/2013 to agree with the documentation provided during the review of the FCC Form 471. <><><><><> MR2: The amount of the funding request was changed from \$31,391.80 per month to \$25,704.36 per month to remove: the ineligible entities Richmond JDC #16020269 at \$1,617.16 per month, Buncombe Regional JDC #16020263 at \$2,367.56 per month and Lenoir YTDC #16056574 for 9 months at \$1,702.72 per month for a total of \$5,687.44 per month. <><><><><> MR3: The FRN was modified from to \$25,704.36 per month to \$17,294.38 per month to agree with the applicant documentation. <><><><><> DR1: FCC Rules require applicants to carefully consider all bids submitted by service providers and to choose the most cost effective solution. Documentation provided demonstrates that the applicant did not consider all of the bids that were submitted. In addition, the service provider may not be involved in the competitive bidding process except as a bidder. Therefore, the applicant has violated the competitive bidding program rules.

FCDL Date: 02/23/2015  
Wave Number: 082  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2015  
Consultant Name:  
Consultant Registration Number (CRN):  
Consultant Employer: