

## Universal Service for Schools and Libraries

### Receipt of Service Confirmation Form

Please read instructions before completing. Estimated Average Burden Hours Per Response: 1.5 hours  
To be completed by Schools and Libraries or Consortia.)

Form 486 Application Number \_\_\_\_\_  
(unique identifying number assigned by applicant)

#### Block 1: Applicant Information

1. Name of Billed Entity Applicant (required) <u>WESTERN HEIGHTS SCHOOL DIST 41</u>	2. Billed Entity Number (required) <u>139844</u>	3. Funding Year (required) <u>1998</u>
--	---	---

4. Complete Mailing Address of Billed Entity Applicant (required)			
Street Address, P. O. Box or Route Number	City	State	Zip Code
10-Digit Phone Number	Fax Telephone Number	E-Mail Address	

#### 5. Contact Person Information

Contact Person Name (required)			
Mailing Address (required if different from Item 4)			
Street Address, P. O. Box or Route Number	City	State	Zip Code
10-Digit Phone Number	Fax Telephone Number	E-Mail Address	

**Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.**

**NOTICE TO INDIVIDUALS:** Section 54.504 of the Federal Communications Commission's (FCC) rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Receipt of Service Confirmation Form (FCC Form 486) with the Universal Service Administrator, themselves or as part of a consortium. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254. The data in the form will be used to inform the Schools and Libraries Corporation that a billed entity, and/or the schools and libraries that it represents, has begun to receive service after receiving a funding commitment approval pursuant to FCC Form 471.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the personal information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government, is a party in a proceeding before the body or has an interest in the proceeding.

If you owe a past due debt to the federal government, the taxpayer identification number and other information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide this information to these agencies through the matching of computer records when authorized.

If you do not provide the information requested on the form, your application may be returned without action or your application may be delayed.

The foregoing Notice is required by the Privacy Act of 1974, Pub. L. No. 93-579, December 31, 1974, 5 U.S.C. § 552, and the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, *et seq.*

Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden, to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, D.C. 20554.

**Billed Entity Applicant's 486 Number (to be assigned by Fund Administrator)**

**EXHIBIT 2**

---

District Correspondence to SLD (February 25, 1999)

SERIAL 2-20-11

# WESTERN HEIGHTS SCHOOL DISTRICT NO. I-41

8401 S.W. 44th  
Phone (405) 745-6300

Oklahoma City, OK 73179  
FAX (405) 745-6322

Office of the Superintendent

COPY

February 25, 1999

Letter of Inquiry  
Schools and Libraries Division  
Box 125-Correspondence Unit  
100 South Jefferson Road  
Whippany, NJ 07981

**Applicant Name:** Western Heights School District  
**Billed Entity Number:** 139844

- 1) **Problem:** Because of an error in recording the end date of a telecommunications contract, the related FRN for that contract does not include all of the funding that USAC/SLD would have approved if the date had been entered correctly.

**Application Number:** 42040  
**FRN:** 0000041568

**Service Provider:** Southwestern Bell Telephone Co.  
**SPIN:** 143004662  
**Services Ordered:** Telecommunications Services  
**Effective date of Discount:** 1/1/98  
**Contract Expiration Date:** 9/28/98  
**Est. Annual Pre-Discount Cost:** \$45,000.  
**Discount Percentage Approved:** 78%  
**Funding Commitment Decision:** \$35,100.00 – 471 approved; modified by SLC

In Form 471 Application Number 42040, our school district requested E-rate funding for our local telephone service contract with Southwestern Bell Telephone Co. On the Form 471, we made an inadvertent, but costly, clerical error. The contract dates were recorded as follows: September 29, 1997 to September 28, 1998. The correct contract termination date, however, is September 28, 2002, and it should have been recorded that way on the Form 471. (Attachment A: Southwestern Bell contract). We apologize for the error and, quite frankly, are at a loss to explain it.

The district's contract for local telephone service was effective throughout the entire 1998 calendar year. Thus, the FCC's amended regulations entitle it to a full 18 months worth of E-rate support. Because of the incorrect contract date on the Form 471, however, we mistakenly applied for only nine months of E-rate discounts -- January 1, 1998 through September 28, 1998—rather than for the full twelve months -- January 1,

1998 through December 31, 1998. Then, of course, the adverse effect of the error was compounded when the FCC extended the 1998 funding year for an additional six months, as our school district did not receive the additional funding that the SLD would have approved, had our form simply contained the correct contract date in the first place

Accordingly, we respectfully request that the SLD take the following actions:

- (1) correct its database by recording September 28, 2002 as the termination date for our local telephone service contract with Southwestern Bell Telephone Co;
- (2) amend the entry on the district's Form 471 for the estimated annual pre-discount cost of the Southwestern Bell Telephone Co. to reflect twelve, rather than nine, months of eligible service at \$5,000/month for an annual total of \$60,000; and
- (3) issue an amended FRN with approved funding for 18 months worth of discounted service at 88% (see problem #2 below), consistent with the FCC's ruling on the extension of funding for priority one services.

2) **Problem:** The discount rate for "shared" services set forth on the funding commitment decision letter fails to reflect the correct district-wide discount rate, which the school district submitted to the SLC, along with supporting documentation, in a July 1998 memorandum.

**Application Number:** 42040  
**FRN's:** 0000041568 (shared);  
0000041621 (shared);  
0000041653 (shared/denied-appealed 2/24)  
0000041703 (shared)  
0000041710 (shared/denied-appealed 2/24)  
0000041765 (site specific/middle school)  
0000041770 (site specific/high school)

**Application Number:** 54054  
**FRN's:** 0000116954 (high school)  
0000125513 (middle school)  
0000125525 (shared)  
0000125533 (shared)  
0000125538 (shared)  
0000125548 (shared)  
0000156635 (shared)

**Application Number:** Wave 9 FCDL not yet received

In a July 13, 1998 letter to NECA(SLC) (Attachment B), I advised the SLC that we had examined more closely all of the data that our school district had collected in connection with the National School Lunch Program ("NSLP"). Our conclusion, as a result of that review, was that our district had under-reported on our Form 471s the total number of students enrolled in our middle and high schools who were eligible for free and reduced

lunches. (Attachment C: Eligibility Analysis). The more accurate eligibility figures resulting from our study increased our shared services or district-wide discount from 78% to 88%. Along with my letter, therefore, I included a revised version of the Item 14, Shared Services Discount Calculation Worksheet. I fully expected the SLC to enter the corrected data and to modify our Forms 471 accordingly (Attachment C/Exhibit 1). Unfortunately, that did not prove to be the case, even though the SLC never gave us any reason to believe that it would not make the change.

Please note that in addition to our data and analysis, I included in our submission a copy of a letter addressed to NECA from Dee Baker, who is the Executive Director of Child Nutrition Programs for the Oklahoma State Department of Education. (Attachment D). Ms. Baker stated, in pertinent part, that she was “convinced” that our report, which was based on the U.S. Department of Education’s Feeder Method, “accurately depict[ed] the potential number of eligible free and reduced students in attendance at both Western Heights Middle School and Western Heights High School.”

We know that the mission of the E-rate program is to fund eligible services and products first for those schools and libraries whose populations are the most economically disadvantaged and to ensure that they get the full benefit of the discount rate to which they are entitled. This is what we are trying to accomplish by providing you with accurate NSLP data. As you can see from our attachments and as your own records will confirm, we submitted our correction to the SLC over six months ago. The NSLP methodology we employed to reach our conclusions regarding eligibility has been validated by both the federal government and the State of Oklahoma and relied upon successfully, to the best of our knowledge, by other E-rate applicants.

We understand that it may have been difficult, and at times even impossible, for USAC to match-up with the appropriate Form 471s all of the corrected data that so many applicants were submitting after the filing deadline. Thus, we have to assume that as a practical matter USAC simply could not correct certain erroneous information on 471 forms before issuing its funding commitment letters – even if the correct information was on file somewhere within the USAC system. As it is never too late to set the record straight, we submit that this is the time to do just that.

Accordingly, we respectfully request the SLD to take the following actions:

- 1) data-enter our corrected NSLP information;
- 2) issue amended FRNs to reflect the correct shared services discount rate for our school district, which is 88%;
- 3) issue amended FRNs to reflect the correct site specific discount rate for Western Heights Middle School, which is 90%; and
- 4) issue amended FRNs to reflect the correct site specific discount rate for Western Heights High School, which is 90%.

As of today, we have not yet received one of our Funding Commitment Decision Letters. We will be pleased to provide the additional application number and FRN information once we receive it.

If you have any questions or need additional information, please contact John Harrington at the address and telephone number below.

Sincerely,

Joe Kitchens  
Superintendent

cc: John D. Harrington  
Funds For Learning, LLC  
2709 Lancaster Court (Suite 1100)  
Edmond, OK 73003  
405-341-7003  
[jharrington@fundsforlearning.com](mailto:jharrington@fundsforlearning.com)

Attachment A

Southwestern Bell Telephone Contract

III file

CONTRACT OF SERVICE AGREEMENT

This Agreement, between Southwestern Bell Telephone Company (SWBT) and the undersigned Customer, authorizes SWBT to place business access lines, Plexar simulated access lines or analog trunks ("the services") under a term pricing arrangement at the location(s), telephone number(s) and rates described on Schedule I, attached, incorporated herein by reference. These services are offered pursuant to the provisions of SWBT's tariffs and such rules and regulations are hereby made a portion of this Agreement.

- 1) Customer selects a service term of either 2 3 or  5 (select term) consecutive years. This Agreement shall become effective on \_\_\_\_\_, and expire on \_\_\_\_\_.
- 2) Customer's selected service term cannot be changed by Customer for the duration of this agreement. Business Access Line, Plexar Simulated Access Line and Analog Trunk rates are not subject to rate increases initiated by SWBT during the course of this Agreement.
- 3) Customer's billing arrangement must be group billed or under a consolidated billing arrangement. All discounted lines must be for the same end-user customer. Aggregation of end-user lines is not permitted. Service is intended for the administrative use by the end-user customer and should not be resold to any other entity by such end-user customer; provided, however, supercedures will be allowed with a signed Transfer of Service Agreement.
- 4) This Agreement shall be subject to all applicable Federal, State and Local laws, ordinances, and regulations, and shall be construed in accordance with the laws of the State in which services are furnished. If Federal or State law prohibits a customer from executing any agreement for more than a one (1) year term, then the term of this agreement shall be deemed to be one (1) year. This Agreement is subject to the provisions of the Oklahoma Constitution pertaining to public indebtedness, and Title 15 O.S. SS213, 214, and 215. The rates and charges, terms and conditions of this Agreement are subject to the review and/or approval by the regulatory authorities of the State in which services are furnished.
- 5) If Customer disconnects any or all Lines prior to the expiration of the service term, Customer agrees to pay a charge equal to 65% of the monthly recurring charges for such Line(s) as identified in Schedule I for the remaining term of this agreement. However, this charge will be waived for customers who move their contracted service to another SWBT served location within the Oklahoma City and Tulsa wide-area calling scopes as defined by Rate Schedule 6, and if the service terms are continued at the new location and the installation charges are paid, or for customers who convert to another SWBT exchange access service term agreement for a term that equals or exceeds the number of months remaining on this agreement.
- 6) Customer's telephone number(s) will not be ported, transferred, forwarded or a recorded announcement provided if termination charges are outstanding.
- 7) This Agreement, including any attachments, constitutes the entire Agreement of the parties for the provision and use of the services.

IN WITNESS WHEREOF, the foregoing Agreement has been executed by the parties hereto, as of the dates set forth below.

Accepted:  
 Southwestern Bell Telephone Company  
 By: Jan Blaney  
 Title: Sr. Account Mgr.  
 Date: 9-29-97

Accepted:  
 Western Heights Public Schools  
 By: [Signature]  
 Title: President  
 Date: 9/29/97

**WESTERN HEIGHTS**  
9-15-97

<u>Telephone Service</u>		<u>3 Yr. Savings</u>	<u>5 Yr. Savings</u>
Western Heights			
West Winds			
Plexar II	10 Access Paths		
	<u>12 Business Lines</u>		
Total	22	\$78.82	\$96.34
Council Grove	5 Business Lines	\$13.93	\$17.91
Greenvale	4 Business Lines	\$11.14	\$14.33
John Glenn	6 Business Lines	<u>\$16.72</u>	<u>\$21.49</u>
	<b>Total Savings</b>	<b>\$120.61</b>	<b>\$150.07</b>
 <b>OR</b>  			
	<b>37 Lines / One Bill</b>	<b>\$132.56</b>	<b>\$162.02</b>

- \* Volume Discount offering is available 9-22-97.
- \* This discount offer is for a promotional time period ending 3-31-98.

**Monthly Savings \$162.02**  
**Annual Savings \$1,944.24**  
**5 Year Savings \$9,721.20**





Attachment B

July 13, 1998 Letter to NECA (SLC)

# WESTERN HEIGHTS SCHOOL DISTRICT NO. I-41

8401 S.W. 44th  
Phone (405) 745-6300

Oklahoma City, OK 73179  
FAX (405) 745-6322

Office of the Superintendent

July 13, 1998

Heather Wi  
NECA 100 South Jefferson Road  
Whippany, New Jersey 07981

**RE: WESTERN HEIGHTS SCHOOL DISTRICT (D005858, D005859, D005860)**

Ms. Wi:

Western Heights School District has reviewed the National School Lunch Program ("NSLP") eligibility as reported in the Forms 471 the District has filed with the SLC.

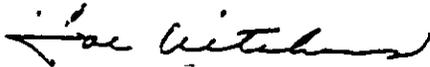
Upon review of the NSLP eligibility information, the district has determined that the number of students reported as being eligible for free and reduced-price lunches at Western Heights Middle School and Western Heights High School is lower than the actual number of eligible students. Using the U. S. department of Education's Feeder Pattern Method, the middle school and high school should have 623 and 634 students eligible for free and reduced-price lunches, respectively.

Attached is a report that outlines the methodology used to calculate the revised eligibility figures. The report also includes a revised version of the Item 14, Shared Services Discount Calculation Worksheet.

I have also attached a letter of support for the revised figures from Dee Baker, Executive Director of Child Nutrition Services with the Oklahoma State Department of Education.

If you have any questions about this report, feel free to contact me.

Sincerely,



Joe Kitchens  
Superintendent of Schools

Attachment C

Eligibility Analysis

ANALYSIS OF NATIONAL SCHOOL LUNCH ELIGIBILITY

WESTERN HEIGHTS SCHOOL DISTRICT

8401 SW 44<sup>TH</sup> ST,

OKLAHOMA CITY, OK 73179

(405) 745-6300

JULY 7, 1998

## Introduction

Western Heights School District, Oklahoma City, Oklahoma believes that the number of students eligible for the NSLP is underreported at the district's middle school and high school. The purpose of this report is to more accurately calculate the district's NSLP eligibility by using the Department of Education's Feeder Pattern method.

## Data

For each school, the table below shows the total number of students and the number of students that are eligible for free and reduced-price lunches under the NSLP as of December 1, 1997.

<b>Name of Individual School or Library</b>	<b>Number of Students</b>	<b>Number of Students Eligible for National School Lunch Program</b>	<b>Percentage of Students Eligible for National School Lunch Program</b>
Council Grove Elementary	298	254	85.2%
John Glenn Elementary	597	431	72.2%
Greenvale Elementary	373	336	90.1%
Winds West Elementary	313	244	78.0%
Western Heights Middle School	779	559	71.8%
Western Heights High School	793	350	44.1%
<b>TOTAL</b>	<b>3153</b>	<b>2174</b>	

## Feeder Pattern

The U.S. Department of Education recognizes the Feeder Pattern method as a legitimate method to compensate for the under reporting of NSLP eligibility that typically occurs at middle schools and high schools. The Feeder Pattern is based on the assumption that middle schools and high schools should have NSLP eligibility rates similar to the elementary schools that feed into them. The middle school and high school NSLP eligibility rates can then be calculated based on a student-weighted average of the eligibility rates at a district's elementary schools.

**Calculation**

The average NSLP eligibility at Western Heights' four elementary schools is 80%. This average is calculated in the table below by multiplying columns (2) and (3), summing column (4), and dividing the sum of column (4) by the sum of column (2).

(1) Name of Individual School or Library	(2) Number of Students	(3) Percentage of Students Eligible for National School Lunch Program	(4) Column (2) Multiplied by Column (3)
Council Grove Elementary	298	85.2%	254
John Glenn Elementary	597	72.2%	431
Greenvale Elementary	373	90.1%	336
Winds West Elementary	313	78.0%	244
<b>TOTAL</b>	<b>1581</b>		<b>1265</b>
	Sum of Column (4)	1265	
	Divided by Sum of Column (2)	1581	
	Equals	80%	

**Revised Data**

Based on the Feeder Pattern method, 80% of the students at the middle school and high school are eligible for free and reduced-price lunches. The following table shows the district's revised number of NSLP eligible students. The revised eligibility information at the middle school and high school affects Western Heights' Universal Service Funding ("e-rate") discount level. The district's revised discount calculation is attached as an exhibit to this report.

<b>Name of Individual School or Library</b>	<b>Number of Students</b>	<b>Percentage of Students Eligible for National School Lunch Program</b>	<b>Number of Students Eligible for National School Lunch Program</b>
Council Grove Elementary	298	85.2%	254
John Glenn Elementary	597	72.2%	431
Greenvale Elementary	373	90.1%	336
Winds West Elementary	313	78.0%	244
Western Heights Middle School	779	80.0%	623
Western Heights High School	793	80.0%	634
<b>TOTAL</b>	<b>3153</b>		<b>2523</b>

EXHIBIT 1 – REVISED SHARED SERVICES DISCOUNT CALCULATION

Contact Person's Name: Joe Kitchens, Superintendent  
 Section 14 Shared Services Discount Calculation Worksheet

and Phone Number: (405) 745-6300

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Name of Individual School or Library	NCES Comparable Code for School or Library (Obtain from Administrator)	Urban or Rural	For Schools:	For Schools:	Discount Calculated from Discount Matrix	Column (4) Multiplied by Column (6)
			Number of Students	Number of Students Eligible for National School Lunch Program		
			For Libraries: NCES Code of a School in its District			
Council Grove Elementary	40-32370-01789	urban	298	254	90%	268
John Glenn Elementary	40-32370-29717	urban	597	431	80%	478
Greenvale Elementary	40-32370-29718	urban	373	336	90%	336
Winds West Elementary	40-32370-29719	urban	313	244	90%	282
Western Heights Middle School	40-32370-29720	urban	779	623	90%	701
Western Heights High School	40-32370-29721	urban	793	634	90%	714
<b>TOTAL</b>			<b>3153</b>			<b>2,778</b>

**Shared Services Discount Calculation**

Total of Column 7	2,778
	÷ = 88%
Total of Column 4	3,153

Attachment D

- Letter to NECA from Dee Baker, Executive Director of Child Nutrition Programs for the Oklahoma State Department of Education



COPY

**SANDY GARRETT**  
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION  
OKLAHOMA STATE DEPARTMENT OF EDUCATION

July 13, 1998

Heather Wi  
NECA  
100 South Jefferson Road  
Whippany, New Jersey 07981

RE: Western Heights School District (D005858, D005859, D005860)

Dear Ms. Wi:

I have reviewed the revised free and reduced lunch eligibility data submitted for Western Heights High School and Middle School. Using the U. S. Department of Education's Feeder Pattern Method, I am convinced that the attached report accurately depicts the potential number of eligible free and reduced students in attendance at both Western Heights Middle School and Western Heights High School. Thank you very much for consideration of this issue.

Sincerely,

A handwritten signature in cursive script that reads "Dee Baker".

Dee Baker, Executive Director  
Child Nutrition Programs

lh

**EXHIBIT 3**

---

SLD Decision Letter Received July 21, 1999 (Dated May 11, 1999)



UNIVERSAL SERVICE  
ADMINISTRATIVE CO.

Box 125 - Correspondence Unit  
100 South Jefferson Road  
Whippany, New Jersey 07981

SCHOOLS AND LIBRARIES DIVISION

### Administrator's Decision on Appeal

May 11, 1999

Joe Kitchens  
Western Heights School  
8401 SW 44<sup>TH</sup> Street  
Oklahoma City, OK 73179

Re: Billed Entity Number: 139844  
Application Number: 42040  
Funding Request Number(s): 41568, 41621, 41653, 41703,  
41710, 41765, 41770  
Your Correspondence Dated: February 24, 1999 and February 25, 1999

After thorough review and investigation of your appeal, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has resolved your appeal which seeks approval of additional discounts for the first program year. This letter addresses our decision concerning each Funding Request Number that was included in your letter of appeal for the above referenced Application Number. If your letter of appeal addressed more than one Application Number, a separate letter will be issued to inform you of our decision on the appeal of each Application Number included in your appeal.

Funding Request Number(s): 41653, 41710  
Decision on Appeal: Denied in Full.

The following explanation is provided to inform you of the reason for our decision on appeal of this Funding Request Number, for those appeals that are denied in full or partially approved.

Denial Reason(s):

- Ineligible service - Your funding request includes ineligible services which resulted in the denial of the entire amount of the FRN. PIX Firewall and the configuration are not eligible products to receive funding.

Funding Request Number(s): 41568, 41621, 41703, 41765, 41770  
Decision on Appeal: Denied in Full.

- The discount percentage change that you requested cannot be granted. The revised discounts that you have brought to our attention now and in July 1998 cannot be applied to these funding request numbers. According to program rules the Feeder Method of determining free and reduced lunch eligibility is not a legitimate method of determining discount percentages. The Feeder Method is based on the assumption that one school in the district should have eligibility

Home Page: <http://www.universalservice.org/>

rates similar to the higher percentage schools in the district that feed into them. Under program rules, each school building's free and reduced lunch eligibility must be based on the actual students currently enrolled in that building; a district's shared discount is based on the weighted average discount of its schools.

- On Funding Request Number 41568, both Form 470 and Form 471 indicate the same contract dates, which is an important part of the review process. You provided no other documentation with your application to indicate a different expiration date. For this program year, the expiration date for this contract will remain 9/28/98. However, a recent ruling by the FCC will soon make six months worth of additional funding available to those contracts with original contract expiration dates prior to 12/31/98. Please watch for a separate communication from SLD on this issue.

If you feel further examination of your application is in order, you may file an appeal with the Federal Communications Commission, Office of the Secretary, 445 12<sup>TH</sup> Street, SW, Room TW-A325, Washington, DC 20554. Before preparing and submitting your appeal, please be sure to review the FCC rules concerning the filing of an appeal of an Administrator's Decision, which are posted to the SLD Web Site at [www.sl.universalservice.org](http://www.sl.universalservice.org). You must file your appeal with the FCC no later than 30 days from the date of the issuance of this letter, in order for your appeal to be timely filed.

Once this appeal decision letter is issued to you, we can and will process invoices that may be submitted for Funding Request Numbers approved for discounts in the Funding Commitment Decisions Letter that was originally issued to you.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

