

96-45

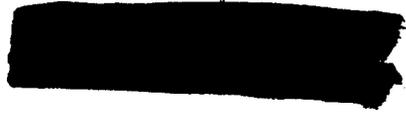


**HOUSTON INDEPENDENT SCHOOL DISTRICT**

HATTIE MAE WHITE ADMINISTRATION BUILDING  
3830 RICHMOND AVENUE · HOUSTON, TEXAS 77027-5838

**ROD PAIGE**  
Superintendent of Schools

**Daryl Ann Borel**  
Assistant Superintendent, Technology and Information Systems  
TEL (713) 892-6222 · FAX (713) 892-6749



**FCC: URGENT LETTER OF APPEAL**

August 18, 2000

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Room TW-A325  
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

RECEIVED  
AUG 21 2000  
FCC MAIL ROOM

Re: **Funding Commitment Letter of Appeal  
Form 471 Application Number: 203737**

**Applicant: Houston Independent School District  
Funding Request Numbers: 455722**

Based upon the discussions Houston Independent School District (HISD) employees have had with Universal Service Administrative Company's (USAC) Schools and Libraries Division (SLD) representative, Richard Mason, we are submitting a new appeal to the FCC. The basis of this new appeal is in response to the USAC Administrator's Decision on Appeal (see ATTACHMENT 6). Our belief is that the USAC Administrator's decision was arrived at in error. We conclude that our Letter of Appeal was not reviewed by SLD personnel. The Administrator's Decision on Appeal states that because our appeal was received more than thirty days after the date our Funding Commitment Decision Letter was issued, our appeal could not be considered. Although USAC states that our appeal letter was received on 7/18/00, we have verification that it was received on 7/13/00 (per Airborne Airbill # 8425248661-ATTACHMENT 5), which was prior to USAC's specified thirty-day deadline.

The funding year has already begun, and we need your assistance in getting this decision reversed as soon as possible. Please review the attached documentation. We at the Houston Independent School District firmly believe that we have grounds for appeal, and Funding Request Numbers 455722 and 455725 should be approved for funding. If you need further clarification, we will be happy to answer any questions that you may have.

Sincerely,

Daryl Ann Borel  
Assistant Superintendent, Technology and Information Systems

Cc: Kate L. Moore, President, Schools and Libraries Division, USAC

- Attachments: Funding Commitment Decision Letter (Attachment 1)
- Letter of Inquiry (Attachment 2)
- Shipment Tracking Report (Attachment 3)
- Funding Commitment Letter of Appeal (Attachment 4)
- Shipment Tracking Report (Attachment 5)
- Administrator's Decision on Appeal (Attachment 6)

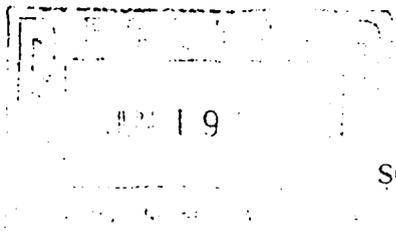


No. of Copies rec'd 0+1  
List A B C D E



UNIVERSAL SERVICE  
ADMINISTRATIVE CO

Box 125 - Correspondence Unit  
80 South Jefferson Road  
Whippany, NJ 07981



SCHOOLS AND LIBRARIES DIVISION

FUNDING COMMITMENT DECISION LETTER

(Funding Year 3: 07/01/2000 - 06/30/2001)

June 16, 2000

HOUSTON INDEP SCHOOL DISTRICT  
DARYL ANN BOREL  
3830 RICHMOND AVENUE  
HOUSTON, TX 77027-5802

Re: Form 471 Application Number: 203737  
Funding Year 3: 07/01/2000 - 06/30/2001  
Billed Entity Number: 141223

Thank you for your 2000-2001 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (FRN) to each Block 5. The enclosed report includes a list of the FRNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved. The Form 486 will be mailed to you under separate cover and is also available on the SLD web site at [www.sl.universalservice.org](http://www.sl.universalservice.org). If you are filing a Form 486 for Funding Year 3 services (July 1, 2000 through June 30, 2001), there are certain circumstances under which you will be able to file your Form 486 before the receipt of services. These circumstances are detailed in the letter being sent to you under separate cover and on the web site. As you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you.

TO APPEAL THESE FUNDING COMMITMENT DECISIONS

If you wish to appeal the Funding Commitment Decision(s) (FCD) indicated in this letter, your appeal must be made in writing and RECEIVED BY THE SLD at the address below WITHIN 30 DAYS OF THE ABOVE DATE ON THIS LETTER. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.

ATTACHMENT 1

2. Identify which FCD Letter you are appealing. Your letter of appeal must include the applicant name, the Form 471 Application Number, and the Billed Entity Number from the top of your FCD Letter.
3. Identify the particular Funding Request Number (FRN) that is the subject of your appeal. When explaining your appeal, include the precise language or text from the Funding Commitment Decision Letter that is at the heart of your appeal. By pointing us to the exact words that give rise to your appeal, the SLD will be able to more readily understand and respond appropriately to your appeal. Please keep your letter brief and to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an original authorized signature on your letter of appeal.

Please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Appeals submitted by fax, phone call, and e-mail CANNOT be processed. While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC): FCC, Office of the Secretary, 445-12th Street SW, Room TW-A325, Washington, DC 20554. Further information regarding filing an appeal directly with the FCC can be found in the "How to Apply, Step-by-Step" area of the SLD web site [www.sl.universalservice.org](http://www.sl.universalservice.org).

#### 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 universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously 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.

We look forward to continuing our work with you on connecting our schools and libraries through advanced telecommunications services.

Sincerely,

Kate L. Moore  
President, Schools and Libraries Division, USAC

Enclosures

## A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each E-rate funding request from your application. We are providing the following definitions.

- \* **FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.
- \* **FUNDING STATUS:** Each FRN will have one of three definitions: "Funded," "Not Funded," or "As Yet Unfunded."
  1. An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
  2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules or, that the total amount of funds in the Universal Service Fund was insufficient to fund all requests.
  3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for internal connections at a particular discount level. For example, if your application included requests for discounts on both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications funding requests and a message that your internal connections requests are "As Yet Unfunded." You would receive a subsequent letter(s) regarding the funding decision on your internal connections requests.
- \* **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support programs. A SPIN is also used to verify delivery of services and to arrange for payment.
- \* **SERVICE PROVIDER NAME:** The legal name of the service provider.
- \* **CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- \* **SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.
- \* **EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT:** The first possible date of service for which the SLD will reimburse service providers for the discounts for the service. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- \* **CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- \* **SITE IDENTIFIER:** The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.
- \* **BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.
- \* **PRE-DISCOUNT AMOUNT:** Amount in Block 5, Item 23, Column I, Form 471, as determined through the application review process.
- \* **DISCOUNT PERCENTAGE APPROVED BY THE SLD:** This is the discount rate that the SLD has approved for this service.
- \* **FUNDING COMMITMENT DECISION:** This represents the total amount of funding that the

SLD has reserved to reimburse service providers for the approved discounts for this service through June 30, 2001. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

- \* FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 203737

\_\_\_\_\_ Funding Request Number: 455722 Funding Status: Not Funded  
\_\_\_\_\_ SPIN: 143005228 Service Provider Name: Fujitsu Business Communications System, Inc.  
\_\_\_\_\_ Contract Number: 99-12-15  
\_\_\_\_\_ Services Ordered: Internal Connections  
\_\_\_\_\_ Earliest Possible Effective Date of Discount: 07/01/2000  
\_\_\_\_\_ Contract Expiration Date: 06/30/2001  
\_\_\_\_\_ Billing Account Number: NA  
Pre-Discount Amount: \$6,051,847.91  
Discount Percentage Approved by the SLD: N/A  
Funding Commitment Decision: \$0.00 - Ineligible use(s)  
Funding Commitment Decision Explanation: The service/product requested is not being used in accordance with program rules.

Funding Request Number: 455725 Funding Status: As Yet Unfunded  
SPIN: 143005228 Service Provider Name: Fujitsu Business Communications System, Inc.  
Contract Number: 99-12-15  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/2000  
Contract Expiration Date: 06/30/2001  
Billing Account Number: NA  
Pre-Discount Amount:  
Discount Percentage Approved by the SLD:  
Funding Commitment Decision:



## HOUSTON INDEPENDENT SCHOOL DISTRICT

HATTIE MAE WHITE ADMINISTRATION BUILDING  
3830 RICHMOND AVENUE · HOUSTON, TEXAS 77027-5838

**ROD PAIGE**  
Superintendent of Schools

**Daryl Ann Borel**  
Assistant Superintendent, Technology and Information Systems  
TEL (713) 892-6222 · FAX (713) 892-6749

June 21, 2000

Schools and Libraries Division  
Box 125 – Correspondence Unit  
80 S. Jefferson Road  
Whippany, NJ 07981

Re: **Funding Commitment Decision Inquiry**      Applicant: **Houston Independent School District**  
**Form 471 Application Number: 203737**      **Funding Request Numbers: 455722 and 455725**

Houston Independent School District received a funding commitment decision letter, dated 6/16/00, regarding the application and FRN numbers listed above. We have itemized below specific questions that we have about this letter.

**Funding Request Number: 455722**

- 1) In the funding commitment decision explanation, please explain "the service/product requested is not being used in accordance with program rules."
- 2) When corresponding with Richard Nyquist from PIA, he indicated that there should be no problem with most of these locations. Why were all of the locations denied? If it was determined that some locations were ineligible, why didn't the SLD delete only those and approve the remaining locations?
- 3) All schools access the Public Switched Network through the administrative sites. This design maximizes bandwidth between schools for voice, data, and video applications, while also reducing the total number of trunks required to the PSTN. Since this is a district-wide design to provide a seamless network for shared learning throughout the district, why would the administrative locations be declined when they are necessary for communications among the schools?

**Funding Request Number: 455725**

- 1) In the funding status, please explain "as yet unfunded". What does that mean?
- 2) When will we be notified of final funding status?
- 3) Why was the Pre-Discount Amount left blank? We requested \$18,185,392.78.

We would greatly appreciate your assistance in expediting our inquiry. The reason we are requesting a prompt response is that this is a very large project, and we will need the entire funding fiscal year to implement. Thank you in advance for your quick reply.

Sincerely,

Daryl Ann Borel  
Assistant Superintendent, Technology and Information Systems

DAB/jd/lc

**ATTACHMENT 2**

**SHIPMENT TRACKING REPORT**



Airbill Number: 05403503232

07/27/00 at 09:54:52 AM PT

**Shipment Status**

**Picked Up:** Shippers Door  
**Status:** Delivered 06/23/00 11:27 am  
Note: Status times reflect the time zone where the update took place.  
**Delivered To:** Left at Mail Room  
**Signatory:** M GREEN

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**Shipper**  
H I S D  
HOUSTON, TX 77027  
USA

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**Receiver**  
SCHOOLS AND LIBRARIES  
WHIPPANY, NJ 07981  
BOX 125-CORRESPON 888-203

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**Shipment Detail**

<b>Service:</b> Express Delivery	<b>Ship Type:</b> Letter Express
<b>Weight:</b> 1	<b>Description:</b>
<b>Pieces:</b> 1	<b>Billing Ref:</b>
<b>Doc/Pkg:</b>	<b>Special:</b>



## HOUSTON INDEPENDENT SCHOOL DISTRICT

HATTIE MAE WHITE ADMINISTRATION BUILDING  
3830 RICHMOND AVENUE · HOUSTON, TEXAS 77027-5838

**ROD PAIGE**  
Superintendent of Schools

**Daryl Ann Borel**  
Assistant Superintendent, Technology and Information Systems  
TEL (713) 892-6222 · FAX (713) 892-6749

### URGENT LETTER OF APPEAL

July 10, 2000

Schools and Libraries Division  
Box 125 – Correspondence Unit  
80 S. Jefferson Road  
Whippany, NJ 07981

Re: **Funding Commitment Letter of Appeal**  
**Form 471 Application Number: 203737**

Applicant: **Houston Independent School District**  
**Funding Request Numbers: 455722 and 455725**

The decision letter, dated 6/16/00 and received on 6/19/00, with a "Not Funded" verdict was a major surprise to the Houston Independent School District. We submitted a Letter of Inquiry on June 22, 2000, and it was at SLD on June 23, 2000. To date, our inquiry has gone unanswered. For the sake of time since the funding year has already begun, we felt that we must proceed with this Letter of Appeal.

This project is of significant importance to HISD to improve communications throughout the district and to enhance student performance. We believe that the "Not Funded" decision was caused by a misunderstanding or miscommunication. **Consequently, we feel that the decision made on FRN 455722 is incorrect for the following reasons:**

- 1) The FRN 455722, which refers to the shared services locations, is integral to the seamless network designed for shared learning throughout the district. The equipment at the locations described in the documentation of this FRN is **ESSENTIAL** to provide the schools with dialtone to the Public Switched Network. In addition, the equipment for these locations is also required to provide communication between each of the schools as well as between classrooms within the district.
- 2) **PBX eligibility** - The discounts we are seeking is for eligible equipment, PBX systems and associated components, according to the List of Eligible Equipment per the SLD and documented on the SLD website.
- 3) **Telecommunications services** needed to support the District-wide Voice Network have already been funded completely in Form 471 Application No. 164577. This application, with FRN # 422506 and 422682, provide funding necessary for the operation of this district-wide shared services voice network. It is important to note that the approved application is irrelevant without the approval of FRN 455722 and 455725.
- 4) When corresponding with Richard Nyquist, member of the SLD Program Integrity Assurance Team, he indicated that after reviewing our application, he determined that our funding request qualifies as eligible equipment.
- 5) This district has learned that the same design with similar scope represented in the above FRN numbers has been approved in previous funding years, which proves that our request is consistent with qualifying eligibility requirements by the SLD.

We would greatly appreciate your assistance in expediting our appeal. The reason we are requesting a prompt response is that this is a very large project, and we will need the entire funding fiscal year to implement it. Thank you in advance for your repeal and approval.

Sincerely,

**Daryl Ann Borel**  
Assistant Superintendent, Technology and Information Systems

**ATTACHMENT 4**

**SHIPMENT TRACKING REPORT**



Airbill Number: 0008425248661

07/27/00 at 07:43:21 AM PT

Shipment Status

**Picked Up:** 07/12/2000 Shippers Door

**Status:** Delivered  
ESSEX, NJ 07/13/00 10:18 am  
Left Airborne  
DOWNTOWN HOUSTON, TX 07/12/00 07:49 pm  
Note: Status times reflect the time zone where the update took place

**Delivered To:** Left at Mail Room

**Signatory:** M GREEN

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**Shipper**  
H I S D  
HOUSTON, TX 77027  
USA

**Receiver**  
LETTER OF APPEAL SCHOOLS  
WHIPPANY, NJ 07981

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Shipment Detail

**Service:** Express Delivery

**Ship Type:** Letter Express

**Weight:** 1

**Description:**

**Pieces:** 1

**Billing Ref:**

**Doc/Pkg:**

**Special:**

**ATTACHMENT 5**

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## Administrator's Decision on Appeal

July 20, 2000

Daryl Ann Borel  
Houston Independent School District  
Hattie Mae White Administration Bldg  
3830 Richmond Avenue  
Houston, TX 77027-5838

Re:   Application Number:       203737  
      Funding Year               2000 - 2001  
      Date of Issuance of Funding  
      Commitment Decision Letter: 6/16/00  
      Date Appeal Received:     7/18/00 P.M.

Our records show that your appeal was received more than 30 days after the date your Funding Commitment Decisions Letter was issued (see dates above). The Federal Communications Commission (FCC) rules require applicants to submit appeals so USAC/SLD receives them within 30 days of the date that the relevant Funding Commitment Decision Letter was issued. (See "SLD Procedure for Post-Commitment Appeals" at <http://www.sl.universalservice.org/apply/10procpost.asp>.) The FCC rules do not permit the SLD to consider your appeal. If you wish to continue this process, you may submit a new appeal, stating the impediment to your filing your appeal within the original time, to the FCC at the following address:

Federal Communications Commission  
Office of the Secretary  
445 12th Street, S.W.  
Room TW-A325  
Washington, DC 20554

Schools and Libraries Division  
Universal Services Administrative Company

