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Before the
Federal Communications Commission
Washington, DC 20554

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In the Matter of)
)
Request for Review of the)
Decision of the)
Universal Service Administrator by)
)
Raytown Quality Schools)
Raytown, Missouri)
)
Federal-State Joint Board on)
Universal Service)
)
Changes to the Board of Directors of)
the National Exchange Carriers Association, Inc.)

File No. SLD-113698

CC Docket No. 96-45

CC Docket No. 97-21 ✓

ORDER

Adopted: January 22, 2001

Released: January 23, 2001

By the Accounting Policy Division, Common Carrier Bureau:

1. The Common Carrier Bureau has under consideration a Letter of Appeal filed by Raytown Quality Schools (Raytown), Raytown, Missouri, on April 14, 2000, seeking review of a decision issued by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC or Administrator).¹ Raytown seeks review of the SLD's denial of requests for discounted services under the schools and libraries universal service support mechanism and requests a waiver of the Commission's competitive bidding requirements.² For the reasons set forth below, we deny the Letter of Appeal and affirm the SLD's denial of Raytown's requests.

2. Upon review of the record, the Bureau concludes that SLD correctly denied Raytown's requests for support. To receive support for discounted services, the Commission's rules provide that, with limited exceptions for existing, binding contracts, an applicant must comply with the Commission's competitive bidding requirements, including the posting of a

¹Letter from R.G. Kirby, Raytown Quality Schools, to Federal Communications Commission, filed April 14, 2000 (Letter of Appeal).

²Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c).

request for services (FCC Form 470) on SLD's website for 28 days.³ Because Raytown checked Item 10, in Block 3 of its FCC Form 470, indicating that it sought support only for services provided pursuant to existing, binding contracts, SLD did not post Raytown's request for services to SLD's website.⁴ The contracts for which Raytown seeks support, however, do not meet either of the limited exceptions for existing, binding contracts permitted by the Commission's rules. Two of Raytown's requests were for tariffed services, and the other requests were based on contracts signed on Sept. 10, 1997 and June 5, 1998. None of these requests were subject to existing, binding agreements as defined by the Commission's rules for Year 2 and were thus subject to the competitive bidding requirement. Accordingly, consistent with prior Bureau decisions, SLD correctly denied Raytown's requests for support.⁵

3. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the April 14, 2000, Letter of Appeal filed by Raytown Quality Schools, Raytown, Missouri, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION



Mark G. Seifert
Deputy Chief, Accounting Policy Division
Common Carrier Bureau

³ 47 C.F.R. §§ 54.504, 54.511(c)(1) (exempting from competitive bidding requirements (1) contracts signed before July 10, 1997, for the life of the contract; and (2) in Year 1 only, contracts signed between July 10, 1997, and the opening of the Administrator's website on January 30, 1998); *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, DA 99-1773, 1999 WL 680424 (Com. Car. Bur. 1999), para. 10 (permitting support for contracts signed in a prior funding year pursuant to the Commission's competitive bidding requirements).

⁴ By checking Item 10, an applicant indicates that the services it is requesting are not subject to competitive bidding because the applicant has an existing, binding contract, as defined in the Commission's rules. Accordingly, SLD will not post those services on its website for competitive bidding.

⁵ See footnote 3; *Cochrane-Fountain City School District*, CC Docket Nos. 96-45 and 97-21, Order, DA 00-1045, para. 4 (rel. May 17, 2000) (discussing the exceptions to the Commission's competitive bidding requirements for certain existing, binding contracts). The instructions for Item 10 state: "DO NOT CHECK THIS BOX if you are purchasing telephone services at tariffed rates and have not signed a binding contract, you cannot treat this arrangement as an existing contract." Instructions for Completing the Schools and Libraries Universal Service Description of Services Requested and Certification Form (FCC Form 470) (December 1998) (Form 470 Instructions).