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**Before the**
**Federal Communications Commission**
**Washington, D.C. 20554**

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| In the Matter of | ) | |
| | ) | |
| Request for Review of the Decision of the Universal Service Administrator by | ) | |
| | ) | |
| Acadia Parish School Board Crowley, Louisiana | ) | File No. SLD-138914 |
| | ) | |
| Federal-State Joint Board on Universal Service | ) | CC Docket No. 96-45 |
| | ) | |
| Changes to the Board of Directors of the National Exchange Carrier Association, Inc. | ) | CC Docket No. 97-21 |

## ORDER

**Adopted: February 15, 2001** **Released: February 16, 2001**

By the Accounting Policy Division, Common Carrier Bureau:

1. The Accounting Policy Division has under consideration a Request for Review filed by Acadia Parish School Board (Acadia Parish), Crowley, Louisiana, on May 26, 2000, pursuant to section 54.719(c) of the Commission's rules.[1] Acadia Parish seeks review of a decision of the Schools and Libraries Division (SLD) of the Universal Service Administrative Company, denying Acadia Parish's request for funding of internal connection services. For the reasons discussed below, we grant the Request for Review in part and remand to SLD.

2. Acadia Parish requests review of a decision by SLD to deny its funding request because SLD concluded that more than 30 percent of the components of the request included support for ineligible Cisco 2500 series remote access routers.[2]

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[1] Letter from Mary Robbins, Technology Supervisor, Acadia Parish School District, Crowley, Louisiana, to the Federal Communications Commission, filed May 26, 2000 (Request for Review). Section 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).

[2] Letter from Schools and Libraries Division, Universal Service Administrative Company, to Mary Robbins, Technology Supervisor, Acadia Parish School Board, Crowley Louisiana, dated October 12, 1999 (Funding Commitment Decision Letter); Letter from Schools and Libraries Division, Universal Service Administrative Company, to Mary Robbins, Technology Supervisor, Acadia Parish School District, dated April 26, 2000 (Administrator's Decision on Appeal). The "30-percent policy" is not a Commission rule, but rather is an SLD operating procedure established pursuant to FCC policy. *See Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21 and 96-45, Third Report and Order in CC Docket No. 97-21 and Fourth Order on Reconsideration in CC Docket No. (continued....)

3. Consistent with our decision in *White Sulphur Springs*, we remand Acadia Parish's application to SLD for further review to determine whether the remote access routers will be used to support remote access connections.[3] In *White Sulphur Springs*, the Common Carrier Bureau (Bureau) found that, although White Sulphur Springs' remote access router was capable of supporting wide area network (WAN) connections, White Sulphur Springs was not using the router to connect to any facilities other than to its Internet service provider in order to receive Internet access.[4] Accordingly, the Bureau granted White Sulphur Springs' appeal and remanded White Sulphur Springs' funding application to SLD for further determination. Applying *White Sulphur Springs* to the instant situation, remote access routers may be considered for discounts if they are not being used to provide remote access.[5] In light of our

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97-21 and Eighth Order on Reconsideration in CC Docket No. 96-45, 13 FCC Rcd 25058 (1998). This operating procedure, used during SLD's application review process, enables SLD to efficiently process requests for funding for services that are eligible for discounts but that also include some ineligible components. If 30 percent or less of the request is for funding of ineligible services, SLD normally will consider the application and issue a funding commitment for the eligible services. If more than 30 percent of the request is for funding of ineligible services, SLD will deny the funding request in its entirety. The 30 percent policy allows SLD to efficiently process requests for funding that contain only a small amount of ineligible services without expending significant fund resources working with applicants that are requesting funding of ineligible services.

[3] *Request for Review of the Decision by the Universal Service Fund Administrator by White Sulphur Springs School District, White Sulphur Springs, Montana,* CC Docket Nos. 96-45 and 97-21, Order, 15 FCC Rcd 3396, 3398, para. 7 (1999) (*White Sulphur Springs*). Under section 54.500 of the Commission's rules, a wide area network is defined as "a voice or data network that provides connections from one or more computers within an eligible school . . . to one or more computers or networks that are external to such eligible school." 47 C.F.R. § 54.500(l). Section 54.518 of the Commission's rules states that "[t]o the extent that states [or] schools . . . build or purchase a wide area network to provide telecommunications services, the cost of such wide area networks shall not be eligible for universal service discounts." 47 C.F.R. § 54.518. *See also Request for Review by the Department of Education of the State of Tennessee of the Decision of the Universal Service Administrator, Request for Review by Integrated Systems and Internet Solutions, Inc., of the Decision of the Universal Service Administrator, Request for Review by Education Networks of America of the Decision of the Universal Service Administrator, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket Nos. 96-45 and 97-21, Order, 14 FCC Rcd 13734, para. 28 (1999) (discussing the Commission's rules regarding the eligibility of internal connections for discount funding, and the ineligibility of wide area network facilities for discount funding).

[4] *See White Sulphur Springs* at 3398, para. 7.

[5] *See* SLD website, <http://www.sl.universalservice.org/whatsnew/052000.asp#052500_2>, clarifying SLD's policy regarding the eligibility of remote access routers. Applicants must certify that the requested remote access routers will not be used to provide remote access in the funding year or, if the product is to be used remotely, applicants must ensure that only entities eligible for support under the Schools and Libraries program have the capability to access it. If a router is to be used for remote access, such access must only be from sites for which services would be eligible for discount under the program. Acadia Parish submitted its FCC Form 471 before SLD changed its remote access router eligibility policy.[5] Thus Acadia Parish's application did not include information or certifications regarding the use of the Cisco 2500 series routers which SLD could have relied on to determine whether the applicant's request for discount on the purchase and installation of Cisco 2500 series routers was consistent with its new policy. Accordingly, we shall remand to SLD for further consideration of whether the Cisco 2500 series routers are eligible for support.

decision in *White Sulphur Springs*, we conclude that it is appropriate to remand Acadia Parish's application to SLD for further review. We direct SLD to review Acadia Parish's use of its remote access router to determine whether such use is eligible for discounts.

4. 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 Request for Review filed by the Acadia Parish School Board 5, Crowley, Louisiana, on May 26, 2000 IS GRANTED to the extent provided herein. We direct the Schools and Libraries Division to review Acadia Parish's funding application and, if warranted, to issue a revised Funding Commitment Decision Letter in accordance with the above-stated decision.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert

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