

MAIL ROOM  
 Before the  
 Federal Communications Commission  
 Washington, DC 20554

In the Matter of	)	2001 MAR 15 A 11: 59
	)	
Request for Review of the	)	
Decision of the	)	
Universal Service Administrative Company by	)	RECEIVED
	)	
Caddo Parish School Board	)	File No. SLD-139572
Shreveport, Louisiana	)	
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45 ✓
Universal Service	)	
	)	
Changes to the Board of Directors of the	)	CC Docket No. 97-21
National Exchange Carrier Association, Inc.	)	

**ORDER**

**Adopted: March 5, 2001**

**Released: March 6, 2001**

By the Common Carrier Bureau:

1. This order addresses Requests for Review filed by the Caddo Parish School Board (Caddo Parish), Shreveport, Louisiana, on November 9, 1999 and November 12, 1999,<sup>1</sup> seeking review of a decision issued by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator) on October 12, 1999, regarding Funding Request Numbers (FRNs) 216602 and 252147, respectively.<sup>2</sup> Under section 54.720 of the Commission's rules any such appeal must be filed within 30 days of the issuance of the decision as to which review is sought.<sup>3</sup> Documents are considered to be filed with the Commission only upon receipt.<sup>4</sup> Because the Request for Review regarding FRN 252147 was not filed within the specified 30-day period, it will be dismissed without further consideration. The remainder of this order addresses Caddo Parish's Request for Review relating to FRN 216602, which was timely filed on November 9, 1999.

<sup>1</sup> Letter from Joe Brown, Caddo Parish School Board, to the Federal Communications Commission, filed November 12, 1999 (November 12, 1999, Request for Review); Letter from Joe Brown, Caddo Parish School Board, to the Federal Communications Commission, filed November 9, 1999 (November 9, 1999, Request for Review).

<sup>2</sup> See Letter from Schools and Libraries Division, Universal Service Administrative Company, to Joe Brown, Caddo Parish School District, issued October 12, 1999 (Funding Commitment Decision Letter).

<sup>3</sup> See 47 C.F.R. § 54.720.

<sup>4</sup> See 47 C.F.R. § 1.7.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for discounts for eligible telecommunications services, Internet access, and internal connections.<sup>5</sup> In order to receive discounts on eligible services, the Commission's rules require that the applicant submit to the Administrator a completed FCC Form 470, in which the applicant sets forth its technological needs and the services for which it seeks discounts.<sup>6</sup> Once the applicant has complied with the Commission's competitive bidding requirements and entered into an agreement for eligible services, it must file an FCC Form 471 to notify the Administrator of the services that have been ordered, the carrier with whom the applicant has entered into an agreement, and an estimate of funds needed to cover the discounts to be given for eligible services.<sup>7</sup> This information is generally provided in Block 5 of FCC Form 471. Among other information, Block 5 requires the applicant to indicate services requested, the name of the service provider, the type of service or product for which support is sought, the contract award and expiration dates, and the estimated total annual pre-discount cost. Using information provided by the applicant in its FCC Form 471, the Administrator determines the amount of discounts for which the applicant is eligible. Approval of the application is contingent upon the filing of FCC Form 471, and funding commitment decisions are based on information provided by the school or library in this form.

3. Caddo Parish's November 9, 1999, Request for Review arises from SLD's reduction of Caddo Parish's Year 2 application for discounted internal connections, FRN 216602, on the grounds that Caddo Parish's funding request included a Cisco 2514 remote access router,<sup>8</sup> which was a product ineligible for discounts.<sup>9</sup> In this appeal, Caddo Parish requests permission to amend its FCC Form 471 to substitute the Cisco 2514 router with a Cisco 2610 router.<sup>10</sup> According to Caddo Parish, the substitution of a Cisco 2514 remote access router with a Cisco 2610 router would qualify it for unreduced discounts.

4. Consistent with our decision in *White Sulphur Springs*, we remand FRN 216602 to SLD for further review to determine whether Caddo Parish is using its Cisco 2514 remote access

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<sup>5</sup> 47 C.F.R. §§ 54.502, 54.503.

<sup>6</sup> 47 C.F.R. § 54.504 (b)(1), (b)(3).

<sup>7</sup> 47 C.F.R. § 54.504(c).

<sup>8</sup> Remote access routers allow access to the Internet from any location by any individual knowing the dial-in telephone number. Access routers, with no remote capabilities, cannot provide dial-in access to the Internet from remote locations.

<sup>9</sup> See Funding Commitment Decision Letter at 5; see also *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9021-22, paras. 459-460 (1997) (*Universal Service Order*), as corrected by *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Errata, FCC 97-157 (rel. June 4, 1997), *affirmed in part*, *Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393 (5th Cir. 1999) (*affirming Universal Service Order in part and reversing and remanding on unrelated grounds*), *cert. denied*, *Celpage, Inc. v. FCC*, 120 S. Ct. 2212 (May 30, 2000), *cert. denied*, *AT&T Corp. v. Cincinnati Bell Tel. Co.*, 120 S. Ct. 2237 (June 5, 2000), *cert. dismissed*, *GTE Service Corp. v. FCC*, 121 S.Ct. 423 (Nov. 2, 2000). The Schools and Libraries Eligibility List is located on the SLD web site, <<http://www.sl.universalservice.org>>.

<sup>10</sup> See November 9, 1999, Request for Review at 1.

router to support remote access connections.<sup>11</sup> In *White Sulphur Springs*, the 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.<sup>12</sup> 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.<sup>13</sup> In light of our decision in *White Sulphur Springs*, we conclude that it is appropriate to remand Caddo Parish's application to SLD for further review. We direct SLD to review Caddo Parish's use of its remote access router to determine whether such use is eligible for discounts.

5. We decline to grant Caddo Parish's request that the Commission allow it to amend its FCC Form 471 to substitute the Cisco 2514 remote access router with a Cisco 2610 router.<sup>14</sup> SLD has established a policy that applicants are not permitted to amend completed FCC Form 471s to remove ineligible service requests after the closure of the filing window.<sup>15</sup> This policy imposes upon applicants the responsibility of preparing their applications carefully and obtaining appropriate assistance to avoid including ineligible expenses.<sup>16</sup> If applicants were permitted to correct their applications after SLD has denied them, it would eliminate any incentive for them to avoid including ineligible expenses in their funding requests. This would significantly increase the

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<sup>11</sup> *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).

<sup>12</sup> See *White Sulphur Springs* at 3398, para. 7.

<sup>13</sup> See SLD website, <[http://www.sl.universalservice.org/whatsnew/052000.asp#052500\\_2](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.

<sup>14</sup> See November 9, 1999, Request for Review at 1.

<sup>15</sup> The Commission's rules require that applicants file a completed Form 471 by the filing window deadline to be considered pursuant to the funding priorities for "in-window" applicants. 47 C.F.R. §§ 54.504(c), 54.507(c).

<sup>16</sup> Assistance is available to applicants from many sources, including SLD's website.

administrative burden SLD would face while carrying out its obligation to guard against the occurrence of errors and fraud. In light of the thousands of applications that SLD reviews and processes each funding year, administrative necessity requires that each applicant be responsible for clearly and accurately describing its funding request and for understanding all applicable program rules. The applicant must act to ensure that its request for discounts satisfies program rules, which limit universal service mechanism funds to eligible services only.<sup>17</sup> Allowing applicants who fail to follow program rules to amend their applications prejudices other applicants who properly completed their applications and sought only eligible services.

6. 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 on November 12, 1999, by Caddo Parish School Board, Shreveport, Louisiana, IS DISMISSED.

7. IT IS FURTHER 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 Caddo Parish School Board, Shreveport, Louisiana on November 9, 1999, IS GRANTED to the extent provided herein. We direct the Administrator to review Caddo Parish's funding application and, if warranted, issue a revised Funding Commitment Decision Letter.

FEDERAL COMMUNICATIONS COMMISSION



Carol E. Matthey  
Deputy Chief, Common Carrier Bureau

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<sup>17</sup> 47 C.F.R. §54.504 *et seq.*