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**ATTACHMENT 5**



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal - Funding Year 2000-2001**

May 1, 2001

Robert F. Nero  
Bassett Unified School District  
904 N. Willow Ave  
La Puente, CA 91746-1696

**DISTRIBUTED**

*5401 P. Silva + R. Speed*

Re: Billed Entity Number: 143593  
471 Application Number: 167641  
Funding Request Number(s): 356779  
Your Correspondence Dated: July 12, 2000

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Three Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 30-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

**Funding Request Number: 356779**

**Decision on Appeal: Denied in full**

**Explanation:**

- You have stated on appeal that the above funding request does include some ineligible amounts requested. These ineligibles are less than 30% of the total funding request. The funding request has been adjusted on appeal to reflect only the eligible portion, which is equal to \$11,184.20 per month (\$134,210.40 annual pre-discount amount). This is excluding the charges related to Flanner Adult School, which you have deemed ineligible on the original support documentation included for this funding request. You would like the SLD to approve this new eligible amount on appeal.
- Upon review of the appeal, it was determined from your original support documentation (attachment twenty-one), that this funding request includes charges related to SMON licenses, telephone equipment maintenance, modem maintenance and funding being requested for the Administrative District Office. The original

amount requested is \$14,972.07 per month (179,664.84 annual pre-discount amount). The ineligible services: SMON licenses, telephone equipment maintenance (modems are now considered to be eligible as per the program procedures and have not been included in the ineligible amount) and the services requested for the ineligible entity (District Office) are equal to greater than 30% of the total funding request.

- Your Form 471 application included costs for the following ineligible services: **SMON licenses, telephone equipment maintenance, PBX and wireless equipment maintenance requested for the District Office.** FCC rules provide that discounts may be approved only for eligible services. See 47 C.F.R. §§ 54.502, 54.503. The USAC website contains a list of eligible services. See USAC website, <http://www.universalservice.org>, Eligible Services List. Program procedures provide that if 30% or more of an applicant's funding request includes ineligible services, the funding request must be denied. Greater than 30% of your funding request was for ineligible services. Therefore, your funding request was denied. You did not demonstrate in your appeal that your request included less than 30% for ineligible services. Consequently, SLD denies your appeal.

If you believe there is a basis for further examination of your application, 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. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. 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 on the website at <[www.universalservice.org](http://www.universalservice.org)>. You must file your appeal with the FCC no later than 30 days from the date on this letter for your appeal to be filed in a timely fashion.

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

Schools and Libraries Division  
Universal Service Administrative Company

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**ATTACHMENT 6**

# **Avaya Inc.**

*Enterprise Voice & Data Networks*  
**One Civic Plaza  
Suite 350  
Carson, CA 90745**

May 21, 2001

Siran Grigorian  
Networks Operations Administrator  
**Bassett Unified School District**  
904 N. Willow Ave.  
La Puente, CA 91746

Dear Mrs. Grigorian:

We understand that Bassett Unified School District is appealing to the Federal Communications Commission the Universal Service Administrator's denial of its discount request (Funding Request Number 356779), which concerns the internal connections, PBX network systems, and maintenance services provided to Bassett Unified School District pursuant to a June 30 Agreement. We understand that the Administrator's decision to Bassett Unified School District's appeal is based upon a determination that the request included greater than 30% of ineligible services:

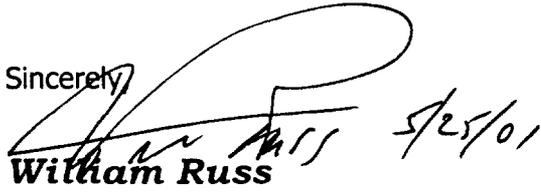
"Services requested under Funding Request Number 356779 were denied because Bassett Unified School District's Form 471 included costs for the following ineligible services: SMON licenses, telephone equipment maintenance, PBX and wireless equipment maintenance for the District Office."

The Administrator's conclusion may need more information. First we are not aware of any wireless services provided. Second the statements regarding 'greater than 30%' requires a closer examination. The District office is part of a total shared network consisting of schools Torch, BHS, Sunkist, Erwin, Van Wig, Don Julian, Flanner, and Edgewood. The primary purpose of the services, for which support is sought, is the delivery of services to the classrooms and other places of instruction in the schools and libraries of the Bassett Unified School District, and to gain access to the internet from the classrooms.

We understand that support for the administrative functions of library or education programs is permitted so long as the services are part of the network of shared services for learning. The main PBX switch equipment is centrally located at the District Office and provides a centralized control of this shared network and should eligible for E-rate, in that it is necessary to support the shared network. All services not excluded above, are listed as eligible services. (See eligibility list)

We hope that this letter clarifies some of the factual issues concerning your appeal to the FCC. If you are in further need of assistance, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "William Russ", with a large, stylized flourish above it. To the right of the signature, the date "5/25/01" is handwritten.

**William Russ**

Global Account Manger, K-12

[wruss@avaya.com](mailto:wruss@avaya.com)

☎ (310) 847-3651 (v)

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**ATTACHMENT 7**



May 22, 2001

Siran Grigorian  
Networks Operations Administrator  
Bassett Unified School District  
904 N. Willow Ave.  
La Puente, CA 91746

Dear Mrs. Grigorian:

We understand that Bassett Unified School District is appealing to the Federal Communications Commission the Universal Service Administrator's denial of its discount request (Funding Request Number 356779), which concerns the Network Technical services provided to Bassett Unified School District. We understand that the Administrator's decision to Bassett Unified School District's appeal is based upon a determination that the request included greater than 30% of ineligible services:

Services requested under Funding Request Number 356779 were denied because Bassett Unified School District's Form 471 included costs for the following ineligible services: SMON licenses, telephone equipment maintenance, PBX and wireless equipment maintenance for the District Office.

We believe that a more succinct description of the utilization of the equipment will explain why the equipment and its maintenance should be covered:

In regards to the equipment located at the District/Erwin site, the connectivity of the equipment is shared among all of the schools in the District, and is not for the exclusive use of the District office. The location acts as a shared communications switching location for all schools in the District and also provides connection to the Internet. The shared equipment was located at the District location for several reasons, primarily because the support personnel are located there and also to alleviate having any one school have to bear the burden of hosting the shared services/equipment utilized by all the schools.

We hope that this letter clarifies some of the factual issues concerning your appeal to the FCC. If you are in further need of assistance, please feel free to contact me.

Sincerely,

Bruce North  
President

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**ATTACHMENT 8**

**USAC**  
UNIVERSAL SERVICE  
ADMINISTRATIVE CO.

SCHOOLS AND LIBRARIES DIVISION  
Box 125 - Correspondence Unit  
100 South Jefferson Road  
Whippany, NJ 07981

BASSETT UNIF SCHOOL DISTRICT  
Bill Crowe  
904 WILLOW AVE  
LA PUENTE CA 91746-1615

July 20, 1999

Re: Form 471 Application Number: 122128  
Funding Year: 07/01/1999 - 06/30/2000  
Billed Entity Number: 143593

Thank you for your 1999-2000 E-rate application and for any assistance you provided throughout our review. We have completed processing of your Form 471. This letter is to advise you of our decisions.

**FUNDING COMMITMENT REPORT**

From your Form 471, we reviewed row-by-row discount requests in Items 15 and 16. We assigned each row a Funding Request Number (FRN). On the pages following this letter, we have provided a Funding Commitment Report for each FRN in your application.

Attached to this letter you will find a guide that defines each line of the Funding Commitment Report and a complete list of FRNs from your application. The SLD is also sending this information to your service provider(s) so arrangements can be made to begin implementing your E-rate discount(s). We would encourage you to contact your service providers to let them know your plans regarding these services.

**FOR QUESTIONS**

If you have questions regarding our decisions on your E-rate application, please notify us in writing. Your questions should be sent to: Questions, Schools and Libraries Division, Universal Service Administrative Company, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981.

**FOR APPEALS**

If you wish to appeal to the SLD, your appeal must be made in writing and received by us within 30 days of issuance of this letter as indicated by its postmark. In your letter of appeal, please include: correct contact information for the appellant, information on the Funding Commitment Decision you are appealing and the specific Funding Request Number in question, and an original authorized signature. Appeals sent by fax, e-mail or phone call cannot be processed. Please mail your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. You may also call our Client Service Bureau at 888-203-8100. 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-A 325, Washington, D.C. 20554.

**NEXT STEPS**

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step is to complete and submit the enclosed FCC Form 486. This Form notifies the SLD that you are currently receiving or have begun receiving services approved for discounts and provides certified indication that your technology plan(s) has been approved. As you complete your Form 486, you should also contact your service provider to verify they have received notice from the SLD of your 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. For further detailed information on next steps, please review all enclosures.

POST-COMMITMENT REMINDER

We would like to remind you that all approved applicants are subject to post-funding commitment audits and other reviews by the SLD to assure that the discounts are being used in compliance with the program rules. Any applicant that is found to have violated program rules will be subject to enforcement activities and other means of recourse by the SLD and other appropriate Federal, State and local authorities.

We look forward to continuing our work with you on connecting our schools and libraries together through communications.

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

Enclosures

## EXPLANATION OF A FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each approved 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 line completed in Items 15 and 16 of your Form 471 once an application has been processed. This number is used to report to applicants and vendors the status of individual discount requests submitted on a Form 471. Applicants and vendors learned about FRNs when they received their Receipt Acknowledgement Letter and must use these numbers when completing the Form 486 and Invoices. An FRN will never be longer than 10 digits. If a FRN is shorter than 10 digits, applicants are advised to add zeroes to the front of the numbers to reach 10 digits when filing post-commitment forms.
- \* **FUNDING STATUS:** Each FRN will have one of six definitions: "Funded", "Denied", "Partially Funded", "Funds Exhausted", "Unfunded", or "As Yet Unfunded". An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. That will generally be the level requested by you unless the SLD determines during the application review process that some adjustment is appropriate, for example, a different discount percentage for that FRN than the Form 471 featured. A "Denied" FRN is one for which no funds will be committed, and the reason for that 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". In accordance with FCC program rules, FRNs are "Partially Funded" or "Unfunded", if the total amount of funds in the Universal Service Fund is insufficient to fully fund or fund all approved requests. If the Form 471 was received after all the funds in the Universal Service Fund were allocated and it was processed, the status will indicate "Unfunded - Funds Exhausted". "As Yet Unfunded" is a temporary status that would be 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 a particular service type at a particular discount level. For example, if your application included both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications requests and a message that your internal connections requests are "As Yet Unfunded". You would then receive a later letter regarding our funding decision on your internal connections requests.
- \* **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to vendors seeking payment from the Universal Service Fund for participating in the universal service support programs. A SPIN contains 9 digits and should be included by applicants on their completed Form 471 applications. 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.
- \* **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. This is not applicable for tariff services.
- \* **SITE IDENTIFIER:** This will appear only for FRNs listed in Item 16 of your Form 471. For public schools, the 12-digit NCES code you listed in Item 14 for this school site will appear here. If there is no NCES Code for an FRN in Item 16, the SLD-assigned entity number will appear here.
- \* **PRE-DISCOUNT COST:** Amount in Column 10 of Item 15/16, Form 471, as determined through the application review process. Please note that, during the Problem Resolution process at SLD, the amount in Col. 10 of Item 15/16 may have been corrected to conform to the information provided about Service Start Date and

Monthly Costs.

- \* 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 is now reserving to reimburse service providers for the discounts for this service through June 30, 2000. This figure may be different from the Estimated Total Annual Pre-Discount Cost (Col. 10 of Item 15/16) times the Percentage Discount (Col. 11 of Item 15/16) in the 471 application. It may be lower because of an adjustment determined appropriate by the SLD, such as of the discount percentage, or a denial of discounts and, if so, the accompanying comment will explain this difference. The difference may also reflect a reduction from the request level made necessary by overall funding limitations, in which case the "Funding Status" above will indicate "Partially Funded" or "Unfunded". Whatever amount is listed here, 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 on only eligible, approved services actually rendered.
- \* FUNDING COMMITMENT DECISION EXPLANATION: This entry may appear to amplify the comment in the "Funding Commitment Decision", if the discount request for this service is denied for reasons other than "Unfunded" or if the SLD determined that some adjustment to the request level was appropriate.

FUNDING COMMITMENT REPORT FOR APPLICATION NUMBER: 0000122128

Funding Request Number: 0000175734      Funding Status: Funded  
SPIN: 143004769      Service Provider Name: GTE California Incorporated  
Provider Contract Number: GF99C167  
Services Ordered: Telecommunications Services  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2002  
Pre-discount Cost: \$244,012.00  
Discount Percentage Approved by the SLD: 86%  
Funding Commitment Decision: \$209,850.32 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The shared discount was corrected.

Funding Request Number: 0000175788      Funding Status: Funded  
SPIN: 143006363      Service Provider Name: Office of the Los Angeles Cty Office Superinte  
Provider Contract Number: GF99C168  
Services Ordered: Internet Access  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2002  
Pre-discount Cost: \$27,960.00  
Discount Percentage Approved by the SLD: 86%  
Funding Commitment Decision: \$24,045.60 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The shared discount was corrected.

Funding Request Number: 0000175801      Funding Status: Funded  
SPIN: 143013616      Service Provider Name: Brand X Internet  
Provider Contract Number: GF99C169  
Services Ordered: Internet Access  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2002  
Pre-discount Cost: \$30,756.00  
Discount Percentage Approved by the SLD: 86%  
Funding Commitment Decision: \$26,450.16 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The shared discount was corrected.

Funding Request Number: 0000175810      Funding Status: Funded  
SPIN: 143005198      Service Provider Name: Lucent Technologies, Inc.  
Provider Contract Number: BF99C175  
Services Ordered: Internal Connections (Shared)  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2002  
Pre-discount Cost: \$141,084.00  
Discount Percentage Approved by the SLD: 86%  
Funding Commitment Decision: \$121,332.24 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The shared discount was corrected.

Funding Request Number: 0000175816      Funding Status: Funded  
SPIN: 143013616      Service Provider Name: Brand X Internet  
Provider Contract Number: GF99C169  
Services Ordered: Internal Connections (Shared)  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2002  
Pre-discount Cost: \$8,560.00  
Discount Percentage Approved by the SLD: 86%  
Funding Commitment Decision: \$7,361.60 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: The shared discount was corrected.

FUNDING COMMITMENT REPORT FOR APPLICATION NUMBER: 0000122128

Funding Request Number: 0000175826      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00371  
Pre-discount Cost: \$24,000.00  
Discount Percentage Approved by the SLD: 80%  
Funding Commitment Decision: \$19,200.00 - FRN approved as submitted

Funding Request Number: 0000175832      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 07263  
Pre-discount Cost: \$12,000.00  
Discount Percentage Approved by the SLD: 90%  
Funding Commitment Decision: \$10,800.00 - FRN approved as submitted

Funding Request Number: 0000175836      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00372  
Pre-discount Cost: \$8,000.00  
Discount Percentage Approved by the SLD: 80%  
Funding Commitment Decision: \$6,400.00 - FRN approved as submitted

Funding Request Number: 0000175843      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00376  
Pre-discount Cost: \$9,000.00  
Discount Percentage Approved by the SLD: 90%  
Funding Commitment Decision: \$8,100.00 - FRN approved as submitted

Funding Request Number: 0000175858      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00378  
Pre-discount Cost: \$7,000.00  
Discount Percentage Approved by the SLD: 90%  
Funding Commitment Decision: \$6,300.00 - FRN approved as submitted

FUNDING COMMITMENT REPORT FOR APPLICATION NUMBER: 0000122128

Funding Request Number: 0000175954      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00373  
Pre-discount Cost: \$13,000.00  
Discount Percentage Approved by the SLD: 90%  
Funding Commitment Decision: \$11,700.00 - FRN approved as submitted

Funding Request Number: 0000175961      Funding Status: Funded  
SPIN: 143009952      Service Provider Name: Network Installation Corporation  
Provider Contract Number: BF99C176  
Services Ordered: Internal Connections  
Earliest Possible Effective Date of Discount: 07/01/1999  
Contract Expiration Date: 06/30/2000  
Site Identifier: 06 04110 00377  
Pre-discount Cost: \$7,205.00  
Discount Percentage Approved by the SLD: 90%  
Funding Commitment Decision: \$6,484.50 - FRN approved as submitted

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# CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that I have on this 30th day of May, 2001, caused the foregoing document to be sent by first-class mail to Administrator at the following address:

Service of Appeal to FCC  
Schools and Libraries Corporation  
USAC  
Box 125-Correspondence Unit  
100 South Jefferson Road  
Whippany, NJ 07981

Dorothy Attwood, Chief  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554



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David B. Lieb

Law Offices of:  
Spiegel & McDiarmid  
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Suite 1100  
Washington, DC 20005-4798  
(202) 879-4000