

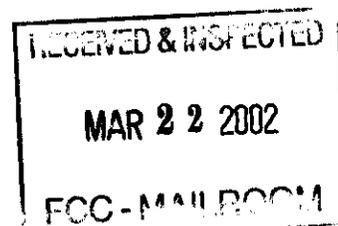
The Radford City Schools

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February 13, 2002

Federal Communications Commission
Office of the Secretary
445 - 12th Street SW
Washington, DC 20554



CC Docket Nos. 96-45 and 97-21

Re: USAC Administrator's Decision on Appeal – Funding Year 2001 – 2002
Billed Entity Number 126586
471 Application Number 267616

Funding Request Numbers 698806, 708672, 708673, and 708678

USAC Correspondence dated January 21, 2002 in response to appeal dated October 1, 2001

On January 24, 2002, we received notification from the Schools and Libraries Division (SLD) of the Universal Service Administration Company that it had denied Radford City Schools' appeal of SLD's Year Four Funding Commitment Decision for the above referenced Funding Request Numbers (FRNs). These FRNs represent Radford City Schools' month-to-month Internet and telephone services which are currently procured through state contract.

The SLD decision states that, "While these types of services [month-to-month] may not be subject to a contract, they do need to be competitively bid each year. Since our records indicate that your Form 470 Certification did not meet this requirement, it cannot be used to establish the bidding for this service. Consequently the SLD denies your appeal because your application did not comply with the competitive bidding requirement that your Form 470 be posted on the website for 28 days."

While we did commit a technical error in filing the 470 Form (#563960000334530) – by not submitting the signed certification page by the January 18, 2001 deadline – we believe the FCC should remand the SLD's decision for these reasons:

- 1) The eligible services corresponding to Funding Request Numbers 698806, 708672, 708673 and 708678 are all procured providers on the Commonwealth of

Virginia's statewide master contracts, for which the Commonwealth filed certified Forms 470 either as existing contracts or when issuing RFPs for new services.

- Specifically, Internet Access services are obtained from Network Virginia, a joint service provided by Verizon-Virginia Incorporated, (FRN 708673) SPIN # 143001422 and Sprint Communications Company L.P. (FRN 708678) SPIN # 143005695. The Network Virginia contract is well known to Virginia PIA representatives and has successfully passed several years of scrutiny. The Universal Service Control Number for the Network Virginia contracts is: 330430000028880. We could have used this USCEN for the contracts. We were also mistaken in qualifying the services as Month-to-Month, as they are actually contractual agreements. This important point was never brought out during the PIA process because of the discrepancy with our submitted Form 470.
- Local telephone service is obtained through Verizon-Virginia Incorporated, (FRN 698806) SPIN # 143001422. This service is also obtained through a statewide master contract, USCEN: 915120000073811, from which schools may obtain service. We ask that the statewide USCEN be substituted for the USCEN listed on our funding request.
- Long distance service (FRN 708672) is obtained by WorldCom, Incorporated (SPIN #143001123). Finally, This service too is obtained from a state contract USCEN 195440000121779. We ask that the statewide USCEN be substituted for the USCEN listed on our funding request.

These providers have been under Virginia's statewide master contract for several years and have been recognized as such under numerous 470 filings by other entities. Network Virginia offers Internet Access to over 650 Virginia school districts while WorldCom and Verizon offer local and long-distance telephone to numerous school districts across the state. In each of these cases, the Commonwealth of Virginia has ensured that we have complied with the required bidding process for these services. In addition, since the bidding process does not occur at the level of the individual school district, our failure to certify the Form 470 did not in any way impact the competitive bidding process for these services.

- 2) A deviation from the rules would best serve the public interest since the Radford City School System is a small district serving a rural, Appalachian population, with very limited funding. Failure to secure the above referenced e-rate funds would cripple our limited budget.

We understand the need for stringent rules and regulations with the E-Rate entitlement program to prevent waste, fraud and abuse. We also understand that the SLD receives thousands of discount requests each year and has limited time to review each application. We ask the Commission to review our appeal in the context of being legitimate requests for clearly E-Rate eligible services. Indeed, these requests would have been funded, but for a different number in a box on the Block 5 of the Form 471, as outlined above.

Radford City Schools has never attempted to defraud the E-Rate program, has never abused the program, and has never sought to waste E-Rate resources. In Year Three of the E-Rate program, Radford City schools received only \$25,236 in E-Rate commitments for our four schools. In Year two the commitments totaled only \$19,572. The record is clear that we only seek discounts for which we are entitled under program rules.

While we recognize our mistake in not certifying our 470 Form and intend to comply fully with SLD's regulations regarding online filing and certification in the future, we request that you remand the SLD's current decision based on these facts. If you have any questions regarding this appeal, you may contact me at the following:

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Thank you for considering this appeal. I trust you will agree that Radford City Schools' application for e-rate funding is in the spirit of the enabling legislation and that these particular FRNs are for legitimate services, properly procured through a competitive bidding process conducted by the Commonwealth of Virginia and posted by numerous institutions of education across Virginia.

Sincerely,



B. Keith Rowland, Director
Elementary Education and Instructional Technology

cc: Congressman Rick Boucher
Senator John Warner
Senator George Allen
Greg Weisiger, Virginia Department of Education
Universal Services Administration Company