



FORM 471 RECEIPT ACKNOWLEDGMENT LETTER
(Funding Year 5: 07/01/2002 - 06/30/2003)

February 6, 2002

OKLAHOMA CITY SCHOOL DIST I-89
Steve Finch
900 N KLEIN AVE
OKLAHOMA CITY, OK 73106-7036

Re: Form 471 Application Number: 315578
Funding Year 5: 07/01/2002 - 06/30/2003
Applicant's Form Identifier: OKCPS YR 5
Billed Entity Number: 139831

NOTICE: This notification is an acknowledgment of RECEIPT and SUCCESSFUL DATA ENTRY of your FCC Form 471, Services Ordered and Certification Form, reflecting \$49,869,592.00 in total program year pre-discount costs for services. This letter confirms that the Form 471 and signed Form 471 Certification have been received.

This letter does NOT contain any decisions concerning your requests for discounts. Note, however, the three-week response deadline described below.

Please keep this letter for your records. The Form 471 application number cited above is critical for you to link your application to future Schools and Libraries Division (SLD) communications.

Please be advised that the last of your Form 471 application materials identified above was postmarked or received by the SLD on 01/17/2002 and successfully entered into our data system. SLD's Program Integrity Assurance (PIA) Team will now review your application for compliance with program rules. Once the review of your application has been completed, you will receive a Funding Commitment Decision Letter(s) to inform you of the disposition of your application. Until you receive a Funding Commitment Decision Letter from the SLD, you cannot assume that you will receive the discounts for which you are applying.

Your application will be considered within the application filing window wherein all applications that meet the Minimum Processing Standards are treated as though they were received on the same day.

HOW TO USE THIS 471 RECEIPT ACKNOWLEDGMENT LETTER TO CORRECT INFORMATION ON YOUR FORM 471 (ACT WITHIN 3 WEEKS!)

If you find data entry errors on this letter, or you previously identified errors on your Form 471, these can be corrected using this Form 471 Receipt Acknowledgment Letter. Examples of the errors that can be corrected are:

- * Block 1 information (such as contact person or street address);
- * Reductions to Block 5 Funding Requests (Reductions to Block 5 Funding Requests are allowable except for those that would increase your discount percentage due to a change in recipients of that Block 5 service.);
- * Correction of an incorrect SPIN because of a data entry error or because the company has merged with or been acquired by another company (Requests to change service providers for other reasons cannot be accommodated through the Receipt Acknowledgment Process.);

* If on your Form 471 you incorrectly combined or "bundled" into one Funding Request Number (ERN) two or more services from different service providers (for example, local phone service from one company and long distance service from another) or from different eligible service categories (such as internal connections and Internet access), you may request us to "split" or "unbundle" the ERN.

NOTE: The total dollar amount represented by the newly divided ERN must not exceed the amount you requested for the original combined ERN. On the photocopy of your Receipt Acknowledgment Letter, cross out the original bundled ERN, then write in the SPIN, Service Provider Name, Services Ordered category, Total Program Year Pre-Discount \$ Amount, and Discount for each distinct service you have now "unbundled," making sure that the total dollars requested add up to no more than the ORIGINAL request.

To notify us of the allowable corrections you wish to make, please note that the SLD must receive these corrections within 3 weeks of the date of this letter. Follow these simple steps to make corrections:

1. Photocopy your Receipt Acknowledgment Letter.
2. Draw a line through each incorrect item, and mark clearly next to it what the correct information should be.
3. Please write the name of the contact person and telephone number on the first page of the RAL copy that will be sent to the SLD so that we can contact you if we have questions about your requested changes.
4. Make a photocopy of your marked-up letter to keep for your files.
5. Send your marked-up letter to arrive within three weeks of the date of this Form 471 Receipt Acknowledgment Letter to: Data Entry Corrections, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. (Please no e-mail.) We recommend that you send your marked-up letter via certified mail or another mode of delivery that will provide you with proof of delivery. Alternatively, you may fax your marked-up letter within three weeks of the date of this Form 471 Receipt Acknowledgment Letter. Please fax your marked-up letter with a Fax Cover Page to: Data Entry Corrections, fax # (973) 884-8217 and indicate the number of pages you are faxing. When faxing, save your confirmation page from sending the fax as your receipt of completed transmission.
6. Allowable corrections received in a timely fashion will be reflected in your Funding Commitment Decision Letter. We will not make corrections that do not fall into the categories defined as Allowable Corrections, above. Please note: the SLD will not advise you that we have received your "change request."
7. Please notify your service provider of any corrections to the Receipt Acknowledgment Letter that you submit to the SLD. Your service provider has also received a copy of the original Form 471 RAL letter. This correction will help your service provider keep your records updated.

EXPLANATION OF LINE ITEM INFORMATION

Certain information from each Block 5 of Form 471 Application Number 315578 that passed Minimum Processing Standards and that could be entered into our data system is shown below. There are six important components of information shown for each Block 5:

1. ERN (Funding Request Number): The ERN is the Funding Request Number that the SLD assigned to each Block 5 funding request that is entered into our data system. This number will be cited in relation to the SLD's funding decision contained in the Funding Commitment Decision Letter. The ERN information will also be shared with service providers so that they can provide discounted bills and invoice the SLD for the approved discount amount.
2. SPIN (Service Provider Identification Number): This is the Service Provider Identification Number that you provided. This is a unique identification number assigned to each service provider.
3. Service Provider Name: This is the legal name in our database that is associated with the Service Provider Identification Number that you provided.
4. Category of Service: This is the type of service for which you have requested discounts from Block 5, Item 11. The categories of services are: Telecommunications Services (Telc Svc); Internet Access (Inet Acc); Internal Connections (Intr Con).
5. Pre-discount Dollar Amount: This is the total annual pre-discount cost for each ERN. This amount is taken from Block 5, Item 23, Column I.
6. Discount Percentage: This is the discount percentage from Block 5, Item 23, Column J.

MISSING ERNs

If information about a particular ERN is not included in the itemized list of Block 5 ERNs set forth above, this is because the ERN did not pass Minimum Processing Standards. If this is the case, you will receive a separate letter from the SLD informing you that

these ERNs have been rejected, with an explanation of the reason for rejection. If you believe that there were ERNs included in your Form 471 which are not listed in this letter AND you have not received a letter informing you that those ERNs are rejected, please write to us at the address listed at the bottom of this letter. See also "QUESTIONS ABOUT THIS LETTER" below.

Please note that the SLD Client Service Bureau may not have the information necessary to respond to your inquiry; therefore, your letter should be sent to the New Jersey address featured below.

FUTURE CONTACTS WITH PIA

It may be important for us to contact you as our PIA (Program Integrity Assurance) Team reviews the funding requests contained in your Form 471. Our requests for clarification and/or additional documentation will require a prompt response. The due date for such responses will be established at the time that the PIA Team may contact you. Please make sure that the contact person on your application is available to speak with the PIA Team, or that a surrogate is available. In addition, you should monitor on a daily basis the fax and e-mail locations that you may have cited in your Form 471 for the applicant and for the contact person for the applicant.

COMMUNICATIONS WITH YOUR SERVICE PROVIDERS

The SLD is also sharing this ERN information with service providers whose SPINs are listed on Form 471 applications. This information is provided so that service providers can undertake the preparatory steps of identifying their potential customers for whom discounts may be issued. NO DISCOUNTS will be provided until after:

- * the SLD issues the Funding Commitment Decision Letter for a particular application; AND
- * technology plans, if applicable, have been approved; AND
- * the applicant submits a Form 486 with a valid service start date.

The SLD encourages Form 471 applicants to contact their service providers to inform the service providers of the funding requests submitted to the SLD. Service providers may request additional information concerning the specific services contained within each funding request in order to facilitate discounted billing. Applicants are encouraged to share this information with service providers in order for the service providers to begin the preparatory billing steps.

QUESTIONS ABOUT THIS LETTER

If you have any questions regarding the above information, please write to us at SLD, Box 125-Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981.

Thank you for your interest in the Schools and Libraries Universal Service Program.

Schools and Libraries Division
Universal Service Administrative Company

Funding Request Number: 851657
SPIN: 143000893 Service Provider Name: Nextel West Corp.
Category of Services: Telc Svc(s)
Pre-discount \$ Amount: \$33,336.00
Discount Percentage: 84%

Funding Request Number: 855497
SPIN: 143000465 Service Provider Name: Southwestern Bell Wireless Inc.
Category of Services: Telc Svc(s)
Pre-discount \$ Amount: \$98,820.00
Discount Percentage: 84%

Funding Request Number: 855518
SPIN: 143001192 Service Provider Name: AT&T Corp.
Category of Services: Telc Svc(s)
Pre-discount \$ Amount: \$12,024.00
Discount Percentage: 84%

Funding Request Number: 855588
SPIN: 143004662 Service Provider Name: Southwestern Bell Telephone Company
Category of Services: Telc Svc(s)
Pre-discount \$ Amount: \$576,000.00
Discount Percentage: 84%

Funding Request Number: 855634
SPIN: 143002395 Service Provider Name: Pioneer Tel. Coop. Inc.
Category of Services: Telc Svc(s)
Pre-discount \$ Amount: \$20,250.00
Discount Percentage: 84%

Funding Request Number: 856873
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$19,527,603.00
Discount Percentage: 90%

Funding Request Number: 856918
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$2,456,908.00
Discount Percentage: 90%

Funding Request Number: 857000
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$724,337.00
Discount Percentage: 90%

Funding Request Number: 857038
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$5,141,508.00
Discount Percentage: 90%

Funding Request Number: 857097
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$952,554.00
Discount Percentage: 90%

Funding Request Number: 857134
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Inet Acc(s)
Pre-discount \$ Amount: \$3,829,000.00
Discount Percentage: 84%

Funding Request Number: 857185
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$2,785,341.00
Discount Percentage: 90%

Funding Request Number: 857238
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$4,616,908.00
Discount Percentage: 90%

Funding Request Number: 857270
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$7,754,281.00
Discount Percentage: 90%

Funding Request Number: 857296
SPIN: 143005607 Service Provider Name: IBM Corporation
Category of Services: Intr Con
Pre-discount \$ Amount: \$1,340,722.00
Discount Percentage: 90%



E-RATE SELECTIVE REVIEW INFORMATION REQUEST

To:	Steve Finch	From:	Andy Gruber
Your Phone Number	405-297-6430	My Phone Number	973-884-8557
Your Fax Number	405-297-6773	My Fax Number	973-599-6515
Organization	Oklahoma City School Dist.	My Email Address	agruber@sl.universalservice.org
Today's Date	12/23/02	Number of Pages:	4

Please respond by: Monday, January 20, 2003

Form 471 315578
Application
Numbers:

PLEASE CALL TO CONFIRM THAT THIS FAX HAS BEEN RECEIVED IN ITS ENTIRETY

Time Sensitive – Timely Response Expected

It is important that we receive all of the information requested by Monday, January 20, 2003 so that we may complete our review of your funding request(s).

Who can respond to this request for information?

This fax requests information that must be provided by the applicant, or by the applicant's authorized representative. If the applicant is responding to this fax, it must return the enclosed certification (the last page of this fax) to SLD along with the requested material. If the applicant's authorized representative is responding to this fax, the authorized representative must sign and return the enclosed certification (the last page of this fax) to SLD along with the requested material AND a letter of agency or other agreement between the applicant and consultant authorizing them to act on the applicant's behalf.

How to respond

Please send your responses to the questions outlined on the following pages to:

Via Fax:	Via Expedited Mail:	Via email:
Andy Gruber PIA Selective Review (973) 599-6515 (fax)	Andy Gruber SLD 80 S. Jefferson Road Whippany, NJ 07981	agruber@sl.universalservice.org

Thank you for your assistance as we work to assure the integrity of the Schools and Libraries Universal Service Fund. It is important that we receive all of the information requested by January 17, 2003. A checklist of the items requested in this fax is included on the last page.

If you have any questions with regard to this request or these worksheets, please contact the reviewer at the phone number or email address listed above.

Dear E-Rate Applicant:

In order to ensure that applicants are following certain program rules you have been selected for a review regarding your competitive bidding and vendor selection processes.

Information Regarding the Competitive Bidding Process and Vendor Selection

1. Please provide signed and dated copies of any and all agreements related to the FCC Form 471 funding request, including any and all contracts, agreements, Statements of Work etc. associated with each funding request on your Funding Year 2002 Form(s) 471, and any and all agreements between the applicant and the service provider related in any way to the applicant's funding request and/or provision of E-rate related services. If contracts, etc. are not provided, please explain why you have not provided them. If the price on the contract is different from the pre-discount price on your Form(s) 471 please explain the difference and account for the difference. (For example, if the dollar amount on the contract is higher than the dollar amount on your Form(s) 471 indicate which services have been backed out, if that is the case. If the dollar amount on the contract is lower than the dollar amount on your Form(s) 471, explain why.)
2. Please provide a copy of any and all requests for proposals (RFPs, invitation to bid, request for bids, etc.) or other documentation of bid requests for services and/or products requested or other solicitations in any way associated with the applicant's funding request(s) and/or the selection of the service provider(s) that appear(s) on the applicant's funding request(s) (FCC Forms 471). You do not need to provide copies of Form(s) 470 that were posted to the website. If RFPs, etc are not provided, please explain why you have not provided them.
3. Please provide complete copies of any and all proposals, bid responses etc. received in response to the FCC Form 470 and/or any RFP or other solicitation in any way associated with the applicant's funding request and/or with the selection of the service provider that appears on the applicant's funding requests (FCC Form 471).
4. Please provide complete documentation indicating how and why you selected the service provider(s) selected [FOR ALL FRN's, including your month to month FRN's]. This documentation should include a description of your evaluation process, the factors you used to determine the winning contract(s) and attendance sheets for any meetings regarding the Form 470 and/or RFP or other solicitation vehicles.
5. Please provide a complete copy of any consulting agreement(s) relating to the planning, implementation and support of your E-rate funding request(s).
6. Please provide a copy of all correspondence between your service providers and consultants and the school regarding the competitive bidding process and the application process.
7. Please provide a copy of your technology plan.

8. Please provide an explanation of how you conformed to applicable local and state procurement regulations and your organization's procurement and bidding policies.

If any of the information requested above is not available, please explain why it is not available.

Selective Review Information Request Summary Checklist:

Remember to include all of the following in your response:

- ✓ Copies of contracts, agreements, etc. relating to the Form(s) 471.
- ✓ Copies of all requests for proposals.
- ✓ Complete copies of all bids that were received.
- ✓ Complete documentation regarding the process used for selecting your service provider(s).
- ✓ Copies of any consulting agreements.
- ✓ Correspondence between the consultant/service provider and the school/library regarding the competitive bidding process and the application process.
- ✓ Copy of technology plan.
- ✓ Explanation of your conformance with applicable procurement requirements.
- ✓ Selective Review Information Request Completion Certification (Page 4 of this fax)
- ✓ Letter of agency or agreement if responder is authorized representative of the eligible entity, if required.



900 N. Klein, P.O. Box 25428 ★ Oklahoma City, OK 73125-0428

January 17, 2003

Andy Gruber
SLD
80 South Jefferson Road
Whippany NJ 07981

RE: Information Regarding the Competitive Bidding Process and Vendor Selection
Form 471: 315578

Dear Mr. Gruber:

Please find the documents which you have requested. We have compiled as much as possible for you, but not all of the information is available. You will find an index in the notebooks provided outlining the documents requested. Please see the responses below for further explanations:

1. There are no contracts associated with FRN 851657 – Nextel, FRN 855497 – Southwestern Bell Wireless, Inc., and FRN 855518 – AT&T. These services are provided month to month. The services between OKCPS and Southwestern Bell Wireless (Cingular) are purchased off of a contract negotiated by The City of Oklahoma City.

Finally, *Item 1* contains Letters of Agreement that have been implemented between October 28, 2002 and December 31, 2002. These letters were executed as part of IBM's good faith effort to provide necessary services to the District in spite of USAC funding uncertainty.

2. OKCPS issued an RFP for a *Strategic Technology Solutions Provider* which is included in this presentation. The Form 470 was used as our bid document for all other services, including month to month. The only respondent to our Form 470 was Pioneer Paging and their bid documents are included in item 3.

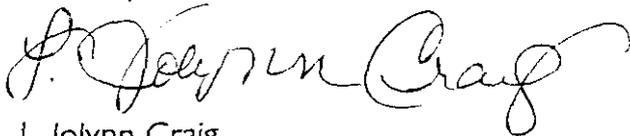
Upon reviewing both the Form 470 and the RFP, we noticed that the date on the RFP is October 15, 2001 and the Form 470 is October 16, 2001. The Form 470 clearly states that there is not an RFP for any of our services. However, the scope of the RFP included both E-rate and non E-rate eligible services for the entire district, including both eligible and non-eligible buildings. It is clearly stated that contingent upon negotiations with the selected vendor, a specific price quote would be required containing only E-rate eligible services for use with the 471 applications. There has been a change in management at OKCPS and Steve Finch, the individual who prepared and submitted the Form 470 and whose name appears on that document, is no longer employed by the District. Although we believe that the date issues surrounding the Form 470 and the RFP was an error, he is unavailable and we are not able to determine his intentions

3. There were 8 companies that responded to our RFP for a Strategic Technology Solutions Provider. Of those, the only bid documentation retained were the evaluation tabulations of three of the five bid evaluation committee members and the winning bid. OKCPS has contacted as many respondents as possible and has secured copies of three additional bids. We are unable to locate or contact the appropriate personnel within the remaining respondents to obtain a second copy of their proposals.
4. Please find enclosed the three evaluation tabulations for all bid respondents. As indicated by the tabulations, each of the 8 competitive bids was thoroughly examined. The individual requirements were weighted according to the specifications required in the bid document. The company with the highest score was selected. Also included is the correspondence between the Chief Technology Officer, the Superintendent, and the Board of Education where the selection of the Strategic Technology Solutions Provider was awarded.
5. When the original Form 470 was posted and the RFP for the Strategic Technology Solutions Provider was issued, the position of Chief Technology Officer for OKCPS was vacant and those duties were being performed by Steve Finch as an independent consultant. By the time the Form 471 was posted, Mr. Finch's employment status had changed from a consultant to an employee of the District. We have included a copy of the consulting agreement between OKCPS and Mr. Finch.
6. To our knowledge there is no available correspondence.
7. Please see the enclosed Technology Plan.
8. The State's Competitive Bidding Act of 1974 requires us to comply with the State's competitive bidding procedures only when we are attempting to award construction contracts. Since we were attempting to obtain contracts for telephone and technology services, the State law was inapplicable. I have, however, enclosed a copy of the law for you review. You may also see <http://www.lsb.state.ok.us/>

We complied with the District's purchasing policies in that we put the Strategic Technology Solutions Provider out for bid in the event the dollar amount for the contract were to go over the Board allowed \$7,500 limit. I have enclosed a copy of the policy for your review

We have answered all of the questions to best of our knowledge and belief. However, after reviewing the above statements and other provided documents, should you have any questions, please do not hesitate to call me at (405) 587-0300.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Jolynn Craig". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

L. Jolynn Craig
Director, IT Business Operations
Oklahoma City Public Schools



Universal Service Administrative Company

Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER

(Funding Year 2002: 07/01/2002 - 06/30/2003)

March 10, 2003

OKLAHOMA CITY SCHOOL DIST I-89
Steve Finch
900 N KLEIN AVE
OKLAHOMA CITY, OK 73106-7036

Re: Form 471 Application Number: 315578
Funding Year 2002: 07/01/2002 - 06/30/2003
Billed Entity Number: 139831
Applicant's Form Identifier: OKCPS YR 5

Thank you for your Funding Year 2002 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (FRN) to each Block 5. The enclosed report includes a list of the FRNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

NEXT STEPS

FILE FORM 486. Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved by an SLD certified Technology Plan Approver. The Form 486 and instructions and the list of SLD certified Technology Plan Approvers can be found on the SLD web site at <www.sl.universalservice.org> or you can call the SLD Client Service Bureau at 1-888-203-8100 and ask that the form be sent to you. The Form 486 dated July, 2001 in the lower right corner MUST be used for Funding Year 2002 and for any previous funding years. Submissions of earlier versions of the Form 486 will be returned to you and will not be able to be processed. As you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can process invoices for services that have been provided to you.

DEADLINE FOR FORM 486. Form 486 must be postmarked within 120 days of the Service Start Date featured on the Form 486 or within 120 days of the date of the Funding Commitment Decision Letter, whichever is later. If the Form 486 is postmarked after the later of those two dates, the date 120 days before the Form 486 postmark date will become the start date for discounted services. If the service start date is moved, your funding commitment may be reduced. You are advised to keep proof of the date of mailing of your form(s).

REVIEW CIPA REQUIREMENTS. On December 21, 2000, the Children's Internet Protection Act (CIPA) was signed into law. That law requires schools and libraries that receive Universal Service discounts for certain services to adopt an Internet safety policy incorporating the use of filtering or blocking technology on computers with Internet access as a condition of receiving those discounts. Funding Year 2002 may be the Second Funding Year for purposes of CIPA for one or more schools and/or libraries represented on your Form 486. (Funding Year 2002 is the Second Funding Year for purposes of CIPA for a school or library if a Form 486 for internet access or internal connections was successfully data entered for Funding Year 2001. See the section of the Form 486 Instructions entitled "Impact of CIPA Requirements on Form 486" for more information on First, Second and Third Funding Years.) If Funding Year 2002 is the Second Funding Year for purposes of CIPA for one or more schools and/or libraries represented on your Form 486, those school(s) and/or library(ies) must certify that they are in compliance with CIPA unless state or local procurement rules or regulations or competitive bidding requirements prevent the making of the certification otherwise required. A school or library so prevented may request a waiver for Funding Year 2002. Certification(s) for purposes of CIPA and CIPA waiver request(s) must be made on the Form 486 or the Form 479, whichever is appropriate. See the Form 486 Instructions and the Form 479 Instructions for more information. You may also refer to the SLD web site at <www.sl.universalservice.org> or call the Client Service Bureau at 1-888-203-8100 for more information about Form 486, Form 479, and the requirements of CIPA.

FILE FORM 472 (APPLICANT) or FORM 474 (SERVICE PROVIDER). After a Form 486 has been properly filed, the SLD must receive an invoice from either the applicant or the service provider in order to make payments for approved discounts on eligible services. Form 472, Billed Entity Applicant Reimbursement (BEAR) Form, is filed by the applicant; Form 474, Service Provider Invoice Form, is filed by the service provider.

NEW DEADLINES FOR INVOICES. Invoices must be postmarked within 90 days of the last date to receive service or within 90 days of the date of the Form 486 Notification Letter, whichever is later. If an invoice is postmarked after the later of those two dates, payment will be denied.

TO APPEAL THESE FUNDING COMMITMENT DECISIONS

If you wish to appeal the Funding Commitment Decision(s) (FCD) indicated in this letter, your appeal must be RECEIVED BY THE SCHOOLS AND LIBRARIES DIVISION (SLD) WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which FCD Letter you are appealing. Indicate the relevant funding year and the date of the Funding Commitment Decision Letter. Your letter of appeal must also include the applicant name, the Form 471 Application Number, and the Billed Entity Number from the top of your FCD Letter.
3. Identify the particular Funding Request Number (ERN) that is the subject of your appeal. When explaining your appeal, include the precise language or text from the Funding Commitment Decision Letter that is at the heart of your appeal. By pointing us to the exact words that give rise to your appeal, the SLD will be able to more readily understand and respond appropriately to your appeal. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by calling the Client Service Bureau.

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). You should refer to CC Docket Nos. 96-45 and 97-21 on the first page of your appeal to the FCC. Your appeal must be RECEIVED BY THE FCC WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by calling the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options because of continued substantial delays in mail delivery

to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

We look forward to continuing our work with you on connecting our schools and libraries through advanced telecommunications services.

Sincerely,

Schools and Libraries Division
Universal Service Administrative Company

Enclosures

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each 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 Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.

FUNDING STATUS: Each FRN will have one of three definitions: "Funded," "Not Funded," or "As Yet Unfunded."

1. An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the 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." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for this Funding Year was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" reflects a temporary status that is 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 requests for internal connections at a particular discount level. For example, if your application included requests for discounts on both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications funding requests and a message that your internal connections requests are "As Yet Unfunded." You would receive a subsequent letter(s) regarding the funding decision on your internal connections requests.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. 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.

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.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided 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.

CONTRACT EXPIRATION DATE: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service provided in the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23, Column I, as determined through the application review process.

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 has reserved to reimburse service providers for the approved discounts for this service for this funding year. 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 only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 315578
Funding Request Number: 851657 Funding Status: Funded
Services Ordered: Telecommunications Service
SPIN: 143000893 Service Provider Name: Nextel West Corp.
Contract Number: MTM
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$33,336.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-Discount Amount: \$33,336.00
Discount Percentage Approved by the SLD: 84%
Funding Commitment Decision: \$28,002.24 - FRN approved as submitted

Funding Request Number: 855497 Funding Status: Not Funded
Services Ordered: Telecommunications Service
SPIN: 143000465 Service Provider Name: Southwestern Bell Wireless Inc
Contract Number: MTM
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$97,396.80
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-Discount Amount: \$97,396.80
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Bidding Violation
Funding Commitment Decision Explanation: Documentation provided demonstrates that price was not the primary factor in selecting this service provider's proposal.

Funding Request Number: 855518 Funding Status: Funded
Services Ordered: Telecommunications Service
SPIN: 143001192 Service Provider Name: AT&T Corp.
Contract Number: MTM
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$12,024.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-Discount Amount: \$12,024.00
Discount Percentage Approved by the SLD: 84%
Funding Commitment Decision: \$10,100.16 - FRN approved as submitted

Funding Request Number: 855588 Funding Status: Not Funded
Services Ordered: Telecommunications Service
SPIN: 143004662 Service Provider Name: Southwestern Bell Telephone Cor
Contract Number: OK99016
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2005
Annual Pre-discount Amount for Eligible Recurring Charges: \$550,782.24
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-Discount Amount: \$550,782.24
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Contract Violation
Funding Commitment Decision Explanation: The contract expiration date on Form 471 for the current funding year has changed from what was reported on the previous year's Form 471.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 315578
Funding Request Number: 855634 Funding Status: Not Funded
Services Ordered: Telecommunications Service
SPIN: 143002395 Service Provider Name: Pioneer Tel. Coop. Inc.
Contract Number: MTM
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$20,250.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-Discount Amount: \$20,250.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Inel. svcs./ or product(s)
Funding Commitment Decision Explanation: 30% or more of this ERN includes a request for Pager Care which is an ineligible service based on program rules.

Funding Request Number: 856873 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$19,527,603.00
Pre-Discount Amount: \$19,527,603.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 856918 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$2,456,908.00
Pre-Discount Amount: \$2,456,908.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857000 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$724,337.00
Pre-Discount Amount: \$724,337.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 315578
Funding Request Number: 857038 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$5,141,508.00
Pre-Discount Amount: \$5,141,508.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857097 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$952,554.00
Pre-Discount Amount: \$952,554.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857134 Funding Status: Not Funded
Services Ordered: Internet Access
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$3,804,000.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$25,000.00
Pre-Discount Amount: \$3,829,000.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857185 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$2,785,341.00
Pre-Discount Amount: \$2,785,341.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 315578
Funding Request Number: 857238 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$4,616,908.00
Pre-Discount Amount: \$4,616,908.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857270 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$7,754,281.00
Pre-Discount Amount: \$7,754,281.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.

Funding Request Number: 857296 Funding Status: Not Funded
Services Ordered: Internal Connections
SPIN: 143005607 Service Provider Name: IBM Corporation
Contract Number: N/A
Billing Account Number: N/A
Earliest Possible Effective Date of Discount: 07/01/2002
Contract Expiration Date: 06/30/2003
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$1,340,722.00
Pre-Discount Amount: \$1,340,722.00
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Program Rule Violations
Funding Commitment Decision Explanation: Vendor selected by RFP, not 470; 470 said no RFP; services for which funding sought not defined when vendor selected; price of services not a factor in vendor selection; price of services set after vendor selection.