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

In the Matter of the)	File No. SLD -
)	
Appeal of the Decision of the)	
)	
Universal Service Administrator by)	
the)	
)	
Penn Cambria School District)	
)	
)	
)	CC Docket No. 96 - 45
Federal-State Joint Board on)	
Universal Service)	
Changes to the Board of Directors of)	
The National Exchange Carrier)	
Association, Inc.)	CC Docket No. 97 - 21

Appeal
and
Request for Expedited Relief
on behalf of the
Penn Cambria

June 2, 2003

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W. Suite TW-A325
Washington, D.C. 20554

No. of copies 349
DATE 6/2

This is an appeal from a decision by the Schools and Libraries Division of the USAC.

Enclosed are the original and four copies of the Appeal. An extra copy is also enclosed.

Please time stamp the extra copy and return it to me in the enclosed self addressed-stamped envelope.

(1) **Funding Commitment Decision Letter Appealed**

Form 471 Application Number: 340427
Funding Year 2003: 07/01/2003-06/30/2004
Billed Entity Number: 125594

Date of Funding Denial Notice: May 1, 2003
Date of Appeal: June 2, 2003

(2) **SLD Contact Information**

(a) Cathy Crytzer
27600 Chagrin Blvd., Ste 260
Cleveland, OH 44122
Tel. (216) 682.0169
Fax. (216) 514-3337

(b) Nathaniel Hawthorne, Attorney (To discuss this Appeal)
27600 Chagrin Blvd., Ste 265
Cleveland, OH 44122
Tel. (216) 702.8800

(3) **Funding Request Numbers Appealed**

FRN -917281

(4) **SLD's Reason for Funding Denial**

The SLD stated that funding is denied because:

“30% or more of this FRN includes a request for unsubstantiated charges which are ineligible per program rules.”

(5) **The “30% rule” was incorrectly applied by the SLD.**

- a) On January 1, 2003 the Penn Cambria School District (Penn Cambria) prepared and filed a FCC Form 471 for local telecommunications service with Verizon-Pennsylvania as the vendor. The service had an “estimated” monthly charge of \$5,029.00.
- b) On April 5, 2003 the SLD had the opinion that “the documentation provided in Item 21 Attachments is not sufficient to determine the eligibility of [Penn Cambria’s] request. The documentation does not clearly identify the products/services being requested in this FRN...The vendor should be able to provide [Penn Cambria] with a detailed documentation identifying the specific products and services being provided. ...It is unclear if the following items are included in [Penn Cambria’s] request - voice mail, additional white page listings, and alarm transport services. Please read the following certification: ‘I certify that any charges associated with voice mail, additional white page listings, and alarm transport services were coast allocated out of the funding request, or I certify that these services are not being provided.’”
- Exhibit A** Penn Cambria provided a certification that these items were not included in the funding request. **Exhibit B**
- c) Verizon – Pennsylvania provided Penn Cambria with its customer records from the vendor’s Customer Records Information System (CRIS). **Exhibit C** These Penn Cambria customer records list all accounts billed to the SLD by the vendor (Verizon). Penn Cambria sent this document to the SLD since the

Verizon bill does not detail all charges, the bill only lists the total amount due.

- d) **Exhibit D** is attached. **Exhibit D** sets forth historical Verizon charges to the District. This Exhibit was not available at the time the FCC Form 471 was prepared. Exhibits C and D reflect rates and usage; no ineligible services are included. No Exhibit has any item that is 30% of the total request for telecommunications service.
- e) While the District's request for funding was based on anticipated telecommunications usage, Penn Cambria requested that the FRN be reduced in accordance with the SLD's instructions. **Exhibit A**
- f) The 30% rule provides, *in relevant part*, "[if] 30% or more of the dollar amount of the request in Form 471 Block 5 Item 23K is for ineligible services (including services for ineligible entities or uses), the PIA team will deny the entire Block 5 funding request, even if eligible components are part of the request. If less than 30% of the dollar amount of the request in Form 471 Block 5 Item 23K is for ineligible services, the PIA team will reduce the request by the cost of the ineligible components, and the Funding Commitment Decision Letter will cite the ineligible services for which funds were not committed. If the request is reduced, applicants and service providers must ensure that the SLD is not invoiced for the ineligible items. "
[Emphasis added.]

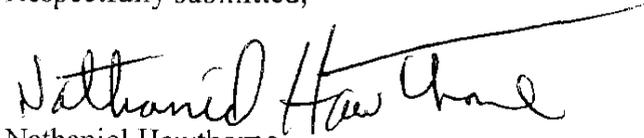
Based on the factual history of this FRN, the 30% rule and the attached exhibits, there is no basis for the denial.

Conclusion:

Penn Cambria is Requesting the Following Action by the FCC:

- (a) Within 90 days or less Order funding for the telecommunications services requested in the 471 Application, specifically FRN 917281;**
- (b) Set aside funds to totally fund Penn Cambria's request.**

Respectfully submitted,


Nathaniel Hawthorne

District of Columbia Bar No. : 237693
27600 Chagrin Blvd., Ste. 265
Cleveland, OH 44122
tel.: 216/702.8800
e-mail: nhawthorne@earthlink.net

Attorney for
Penn Cambria School District

Exhibit A



Universal Service Administrative Company
Schools & Libraries Division

Date: April 5, 2003

Dear Cathy Crytzer
Penn Cambria School District
216-682-0169
Application Number(s) 340427

Program Integrity Assurance (PIA) is in the process of reviewing all Form 471 Applications for schools and libraries discounts to ensure that they are in compliance with the rules of the federal universal service program. I am currently in the process of reviewing your Funding Year 2003 Form 471 Application. To complete my review I need some additional information. The information needed to complete the review is listed below.

For FRN(s) 917281 & 917297, the documentation provided in the Item 21 Attachments is not sufficient to determine the eligibility of your request. The documentation does not clearly identify the products/services being requested in this FRN. Please provide more detailed documentation that identifies the actual products and services being requested. If your documentation does not identify the specific products and services being delivered, you will need to contact your vendor and request such documentation. The vendor should be able to provide you with a detailed documentation identifying the specific products and services being provided.

Any documentation provided should clearly identify any ineligible charges that were cost allocated out of your request. If you are unable to justify the eligibility charges requested on your Form 471, the request may be reduced or denied.

For FRN(s) 917281, the documentation provided in the Item 21 Attachments is not sufficient to determine the eligibility of your request. It is unclear if the following items are included in your request voice mail, additional white page listings, directory listings, and alarm transport services. Please read the following certification:

"I certify that any charges associated with voice mail, additional white page listings, directory listings, and alarm transport services were cost allocated out of the funding request, or I certify that these services are not being provided."

If the statement above is correct, please certify to such in writing. If the statement above is not correct, please provide more detailed documentation, such as the portion of the bill that identifies the actual products and services relating to the charges identified above. If the bill you receive does not identify the specific products and services being delivered, you will need to contact your vendor and request such documentation. The vendor should be able to provide you with a detailed bill identifying the specific products and services being provided, which is sometimes called a C.R.I.S. Report.

Any documentation provided should clearly identify any ineligible charges that were cost allocated out of your request. If you are unable to justify the charges requested on your Form 471, the request may be reduced or denied.

Please fax or e-mail the requested information to my attention. If you have any questions please feel free to contact me.

It is important that we receive all of the information requested so PIA can complete its review.

.Failure to do so may result in a reduction or denial of funding.

Please send the requested information within seven calendar days.

Thank you for cooperation and continued support of the Universal Service Program.

Sincerely,

Jaime L. Terraciano

Initial Reviewer

Schools And Library

Program Integrity Assurance

Phone: 973-884-8260

FAX: 973-599-6523

E-mail: JTERRAC@sl.universalservice.org



80 South Jefferson Road
Whippany, New Jersey 07981
Fax: 973-599-6523

Universal Service Administrative Company
Schools & Libraries Division

FAX TRANSMISSION COVER SHEET

To: Cathy Crytzer
Fax: 12165143337
Subject: Erate program: App #340427
From: Jaime L. Terraciano (PIA Team5)
Date: April 05, 2003
Time: 11:12:48 AM

YOU SHOULD RECEIVE 3 PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL THE CONTACT SPECIFIED BELOW.

Dear Ms. Crytzer:

Please see the attached letter.

Privilege and Confidentiality Notice

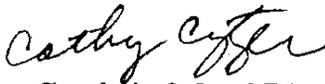
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Exhibit B

4-11-03

Jamie L. Terraaciano
PIA

FRN 917281 Please reduce this FRN to the amount supported by the bills submitted to you.

Name: Cathy Crytzer 
Contact Person for Penn Cambria School District
Date: 4-11-03

4-08-03

Jamie L Terraciano
Initial Reviewer
Schools and Library
Program Integrity Assurance

FRN917281 Page 4

I certify that any charges associated with voice mail, additional white page listings, directory listings, and alarm transport services were cost allocated out of the funding request, or I certify that these services are not being provided.

Dianne Corte

Dianne Corte
Computer Coordinator

TRANSMISSION VERIFICATION REPORT

TIME : 04/11/2003 14:05
NAME :
FAX :
TEL :

DATE, TIME	04/11 14:05
FAX NO./NAME	19735996523
DURATION	00:00:27
PAGE(S)	02
RESULT	OK
MODE	STANDARD ECM

FAX COVER SHEET

**To: Jamie L. Terraaciano
PIA**

Fax: 973-599-6523

From: Cathy Crytzer *Cae*

Date: 4-11-03

Pages: 2 (Including Cover)

Re: Penn Cambria School District/Application #340427

Per your request, attached is additional information for the Year 6, 471 Application review.

27600 Chagrin Blvd., Ste. 260; Cleveland, OH 44122; Tel: 216.682.1206; Fax: 216.514.3337/

This information contained in this facsimile message may be confidential and /or legally privileged information intended only for use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that copying, dissemination, or distribution of confidential or privileged information is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone, and we will arrange for the return of the facsimile

FAX COVER SHEET

**To: Jamie L. Terraaciano
PIA**

Fax: 973-599-6523

From: Cathy Crytzer *Cse*

Date: 4-11-03

Pages: 2 (Including Cover)

Re: Penn Cambria School District/Application #340427

Per your request, attached is additional information for the Year 6, 471 Application review.

**27600 Chagrin Blvd., Ste. 260; Cleveland, OH 44122; Tel: 216.682.1206; Fax:
216.514.3337/**

This information contained in this facsimile message may be confidential and /or legally privileged information intended only for use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that copying, dissemination, or distribution of confidential or privileged information is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone, and we will arrange for the return of the facsimile

Exhibit C

verion ESG Central - Operations v3.2.4g Signed In: Nicc
 CUSTOMER TOOL CALLED MONITORING APPLICATION TOOL BUSINESS TOOL

Account View System

Page 1

FRN 917281

- Operations Home > AVS
- General Tools
- Account Summary <
- Last Search List <
- Search New Customer <
- Online Help <
- NCE Level Reports <
- Summary Reports
- CRIS TIE Summary <
- CABS TIE Summary <
- Usage History <
- CRIS Reports
- BTN List <
- Products & Services <
- Usage Detail <
- Lines of Bill <
- ETN List <
- CABS Reports
- BAN List <
- CABS Products <
- CABS Lines of Bill <
- Tools
- Custom Queries <
- Zero-rated USOCs <
- Select State <
- Printable Version <
- Circuit Inventory

PENN CAMBRIA SCHOOL DISTRICT PENN CAMBR

South CRIS Products & Services by TIE
Billing Month: 02/2003 - Showing all states

TIE Code : 73
NCE C

Items per page:

◀ Page 1 of 1 ▶

Go to p

BTN: (814) 693-9230.241

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
9PZB1	NOT AVAILABLE	3	\$ 1.52	
9ZRB1	NOT AVAILABLE	3	\$ 6.08	
DTLBX	Dial tone line	3	\$ 15.63	
LSN1X	ISDN-Basic Access-2B Channel and ID Channel-2 Wire	3	\$ 10.50	
LTG8X	Logical Terminal-Ckt Switched Data B Channel	6	\$ 4.50	
QURBR	NOT AVAILABLE	3	\$ 0.62	

BTN Total:

BTN: (814) 884-8480.467

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
MBJ1S	Answer Call Standard Mailbox - Mitple Password - Multiple 30	1	\$ 8.50	
NPU	Non published listing	1	\$ 1.75	
RCFVL	Remote Call Forwarding-first arrangement	1	\$ 16.50	

BTN Total:

BTN: (814) 886-2151.915

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
1FB	Business line-main-unlimited service	1	\$ 19.20	
1MB	Business line-main-message service	2	\$ 8.90	
9ZR	Federal Subscriber Line Charge Multi-line Business	4	\$ 6.08	
B1M	Local calling with Valu-Pak allowance	1	\$ 13.80	
DTLBX	Dial tone line	4	\$ 15.63	
NDF	Caller ID Deluxe	1	\$ 9.50	
QURBM	FEDERAL UNIVERSAL SERVICES FUND	4	\$ 0.62	

BTN Total:

BTN: (814) 886-4181.732

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
1FB	Business line-main-unlimited service	2	\$ 19.20	

QURBM FEDERAL UNIVERSAL SERVICES FUND 11 \$ 0.62

FRN 917281 **BTN Total:**
Page 3

BTN: (814) 886-8188.263

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
1FB	Business line-main-unlimited service	2	\$ 19.20	
1MB	Business line-main-message service	2	\$ 6.90	
9ZR	Federal Subscriber Line Charge Multi-line Business	10	\$ 6.08	
DTLBX	Dial tone line	10	\$ 15.63	
ESM	Call Forwarding-variable	1	\$ 6.00	
NDF	Caller ID Deluxe	1	\$ 9.50	
POR2X	LNP END USER SURCHARGE	1	\$ 0.23	
QURBM	FEDERAL UNIVERSAL SERVICES FUND	10	\$ 0.62	

BTN Total:

BTN: (814) 886-8532.904

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
1FB	Business line-main-unlimited service	2	\$ 19.20	
1MB	Business line-main-message service	2	\$ 6.90	
9ZR	Federal Subscriber Line Charge Multi-line Business	6	\$ 6.08	
DTLBX	Dial tone line	6	\$ 15.63	
NDF	Caller ID Deluxe	1	\$ 9.50	
POR2X	LNP END USER SURCHARGE	6	\$ 0.23	
QURBM	FEDERAL UNIVERSAL SERVICES FUND	6	\$ 0.62	

BTN Total:

BTN: (814) 886-9308.870

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
1MB	Business line-main-message service	2	\$ 6.90	
9ZR	Federal Subscriber Line Charge Multi-line Business	2	\$ 6.08	
DTLBX	Dial tone line	2	\$ 15.63	
NSD	Custom Calling Services-Caller ID	1	\$ 6.50	
QURBM	FEDERAL UNIVERSAL SERVICES FUND	2	\$ 0.62	

BTN Total:

BTN: (814) 886-9320.111

CPNI: 9

CAM ID: 132405

USOC	Description	Qty	Unit Rate	Bill
9ZR	Federal Subscriber Line Charge Multi-line Business	1	\$ 6.08	
DTLBX	Dial tone line	1	\$ 15.63	
NPU	Non published listing	1	\$ 1.75	
POR2X	LNP END USER SURCHARGE	1	\$ 0.23	
QURBM	FEDERAL UNIVERSAL SERVICES FUND	1	\$ 0.62	

BTN Total:

Exhibit D

PENN CAMBRIA SCHOOL DISTRICT PENN CAMBR TIE Code:

73702540001

NCE Code: 7370

South CRIS BTN Detail
Bill Month: 03/2003

BTN: (814) 693-9230.241

CPNI: 9

CAM ID: 113404

STATE: PA

Description	Total Billed Revenue	YTD Billed Revenue	Last Year Revenue
Monthly Service	\$ 0.00	\$ 0.00	\$ 0.00
Additional Message Units	\$ 0.00	\$ 0.00	\$ 0.00
Tolls	\$ 0.00	\$ 0.00	\$ 15,605.00
Fed Subscriber Line Charge	\$ 25.00	\$ 75.00	\$ 293.00
Other Charges & Credits	\$ 0.00	\$ 0.00	\$ 0.00
WATS/800	\$ 0.00	\$ 0.00	\$ 0.00
Private Line	\$ 105.00	\$ 315.00	\$ 1,260.00
Fractionals	\$ 0.00	\$ 0.00	\$ 0.00
Lines of Bill Total:	\$ 130.00	\$ 390.00	\$ 17,158.00

USOC Description	Qty	Avg. Rate	Billed Revenue
9FZBI NOT AVAILABLE - Local Number Portability	3	\$ 1.52	\$ 4.56
9ZRBI NOT AVAILABLE - Federal Line Cost Charge	3	\$ 6.08	\$ 18.24
DTLEX Dial tone line	3	\$ 15.63	\$ 46.89
LSN IX ISDN-Basic Access-2B Channel and ID Channel-2 Wire	3	\$ 10.50	\$ 31.50
LTG6X Logical Terminal-Ckt Switched Data B Channel	6	\$ 4.50	\$ 27.00
QURBR NOT AVAILABLE - Federal USF Surcharge	3	\$ 0.62	\$ 1.86
		\$ 1.18	\$ 3.54
	Usoc Total:		\$ 120.00

ETN/Circuit ID No. of ETN(s)/Circuit ID(s): 9

7.IBZD.588786..PA

7.IBZD.588787..PA

7.IBZD.588788..PA

(814) 693-7745

(814) 693-7754

(814) 693-7755

(814) 693-9230

(814) 693-9233

(814) 693-9253

\$ 131.73

ISDN-BRI USAGE RATES

Circuit-Switched Data Usage,
Per minute or fraction thereof
Per B Channel

\$.02/minute

Volume Discount Options:

Option 1: 20 Hours of B Channel Data Usage.
Any usage over the 20 hrs is billed at
\$.008 per minute per channel.

\$9.60/month

Option 2: 140 Hours of B Channel Data Usage.
Any usage over the 140 hrs is billed at
\$.004 per minute per channel.

\$33.60/month

Virtual Flat Rate

\$70.00/month/circuit

- Covers all Local data usage
- Contracts are available through the customer's account manager.