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

Sirs:

I would like to comment upon several of the proposed rules in the Federal Communication Commission's Third Report And Order And Second Further Notice Of Proposed Rulemaking, Docket Number **02-6**, dealing with proposed changes to the Universal Service Administrative Company's rules. Specifically, I wish to address paragraphs 63-66, 87, 91 and 94.

First, I must state from where my perspective lies. I am a contract consultant for the Georgia Department of Juvenile Justice (DJJ). As such, I am commenting as a private citizen, and not in any official capacity with the DJJ. The views I express may or may not be the views of the DJJ. However, I did just complete an attempt to file for e-rate funds from USAC, unsuccessfully, and I think I can offer perspective on that process and how it fails.

The GA DJJ is a state agency responsible for the housing and education of youth being held prior to trial or sentenced to serve time post-adjudication. The DJJ operates schools located throughout the state of Georgia, independently of any other school system in the state. It is an authorized school district in the state. The majority of schools are located at Regional Youth Detention Centers (short-term facilities or jails) and Youth Development Centers (longer-term facilities or prisons). There are also residential programs located around the state operated by contracted organizations. In addition, the DJJ operates several alternative schools in several larger communities that serve youth that the local school system no longer desires to serve. There are approximately 3,000 youth enrolled in DJJ schools on any given day. Most schools have between 50-100 students. As you can see, DJJ has a lot of small, widely spread facilities.

For the first time, DJJ decided to apply for e-rate funds during this past filing season. Since this was the first application, DJJ was only applying for telecommunication services and internet access. No internal connections application was being made. It was estimated that if all applications were approved, the DJJ would have received approximately $1 million in discounts, a great savings to the citizens of Georgia.

The reason that the DJJ was unsuccessful in applying for e-rate funds is the inflexibility of the Form 470 process and the inflexibility of the Georgia Technology Authority (GTA). As a state agency, DJJ is required to receive its telecommunication services, including basic telephone service, long distance and internet connectivity, from the GTA. GTA serves not only the DJJ, but most state agencies, most of which have nothing to do with education or libraries. GTA does

competitively bid the services it offers to client agencies. This competition is done through GTA's own processes, and has nothing to do with the Form 470 process. GTA would not want to use the Form 470 process, since it offers services to many more agencies than just the DJJ.

At the same time, DJJ is not free to seek out bids on its own. Even if DJJ found lower prices, DJJ could not use them since it is mandated by state laws and regulations to use GTA as the provider for these services. It is also doubtful that lower prices would be found, since the services provided are primarily tariff services. In addition, most DJJ facilities are in rural areas, where there is only a single service provider available.

This left DJJ in a no-win situation. USAC rules required that Form 470's be completed for all services. Georgia rules would not permit that for the DJJ.

What about State Replacement Contracts? It would seem that they may fit the bill for this situation. But they do not. The information on the USAC website about State Replacement Contracts is very sketchy, and mostly talks about when state contracts expire in the middle of a funding year. It does say that State Replacement Contracts can be used if they are competitively bid, but does not explicitly state that the Form 470 process must be used. DJJ interpreted this to mean that the GTA's contracts could be used, but when it came time to apply, it was discovered that GTA must use the Form 470 process, even though its contracts had already been competitively bid.

GTA interpreted the situation to mean that they would have to apply to be a service provider with USAC, DJJ would then submit a Form 470 and accept the GTA bid for the services. This was a misinterpretation of the situation.

From my reading of paragraphs 63-66 of the proposed rule changes, I think the new rules would alleviate DJJ's problem. If at least telecom services such as Plain Old Telephone Service (POTS) and long distance are moved out from under the Form 470 process, DJJ would be able to apply for e-rate funds and use the GTA State Replacement Contract to provide those services.

As an aside, the USAC people are very insular. I found it very difficult to get real, substantive answers from them about State Replacement Contracts and the process. It was not until very late in the filing period that I finally was allowed to actually talk with someone who really knew the process, even after repeated requests, as opposed to quoting to me what is on the website. By then it was too late to do anything in the last filing period.

Paragraph 87 deals with cost effective funding requests. The paragraph asks several questions about how a test for cost effectiveness could be developed. For either small schools systems, such as DJJ, or large systems, these tests could prove problematic. For example, one question in the paragraph suggests using a per student formula. What about very small schools? DJJ has some schools with regular daily enrollment of five students. Yet it costs about the same to provide telephone service and internet access to that school as it does for a school with more pupils. Any limits set would have to a floor that would allow enough funding to provide minimal services to even the smallest of schools.

Setting ceilings on funding amounts could also negatively affect a system such as the DJJ. How would the ceiling be set? Based on the number of schools? Or the number of students? DJJ has many schools, as many as some of the largest school systems in the state, but has small enrollment at each school. For our students, this is an effective way to provide services, since it allows DJJ to house youth as close to their homes as possible, facilitating visits from their families.

Paragraph 91 deals with consultants needing to register with USAC if they are involved with the application process. As a contractor for the DJJ, I think that this rule would apply to me. The applying for e-rate funding is but a small part of what DJJ has hired me to do. I work on many other projects besides this one. Should I have register? E-rate funding consulting is not how I earn my living. I am one of many contract consults working for DJJ. The use of contractors – outsourcing – is not new t government.

At level of involvement would a consultant have to be involved to be required to register? In developing the technology plan for the DJJ Education Department, I consulted with other consultants who work with the Education Department, working on grants, Title I, vocational education, testing, etc. Would each of these consultants have to register, since they had a hand in the total application process?

I do think that it would make sense to register those consultants who do make a living out of helping entities apply for e-rate funding, but how do you determine who those are?

Paragraph 94 is about technology plans. I found this to be one of the most nebulous areas of the entire process. There are very few guidelines about the technology plans, and even fewer available examples of good plans. In DJJ's case, application was being made for basic services for which most schools systems have already received funding – telephone services and internet access. There was no application for internal connections, but months were spent building a technology plan, which was approved by the state Department of Education.

The questions asked in the paragraph 94 are:

- ✓ *We seek comment on whether we should codify USAC's current guidelines regarding technology plans.*

  Yes, but these guidelines need to be made more concrete, and examples of good technology plans (for individual schools, school systems, consortia, etc) need to be made available to use as guidelines.

- ✓ *Should we require that, as part of the technology plan process, applicants analyze the cost of leasing versus purchasing E-rate eligible products and services?*

  NO! When writing a three-year plan, it is not possible to know if leasing or purchasing two or three years out will be best. This should be addressed as part of the actual procurement process when it comes time to actually install or upgrade a particular service.

- ✓ *Should we require the applicant to consider the most cost-effective way to meet its educational objectives?*

  Again, NO! A technology plan is a high level document that should not address specific methods of implementing technology. Instead of saying that a T1 line should be provided for internet access at a school X, the technology plan should state that high speed internet access should be provided at school X. When it comes time to actually install the access, a determination can be made if a T1, ISDN, DSL or Cable modem or some other service not currently available is the best and most cost effective means for meeting the stated need.

- ✓ *In addition, we seek comment on whether the Commission's technology planning requirements should be amended to be made more consistent with the technology planning goals and requirements of the U.S. Department of Education and the U.S. Institute for Museum and Library Services.*

  Yes. Anything that streamlines the process will be preferable. As it stands now, a system may need more than one technology plan to meet different needs.

- ✓ *We also seek comment on whether the Commission's technology planning requirements could be strengthened through additional or different qualifications for entities, including states, which approve technology plans.*

  Yes. There should be some minimum requirements for being able to review and approve technology plans, and not just be the person who hold a particular position at the state Department of Education.

Thank you for allowing me the opportunity to comment about these proposed regulations. I appreciate your time and attention. If you have questions or need further clarification, I can be reached at (404) 508-4084 or at TimAumann@djj.state.ga.us.

Cordially,

Tim Aumann
Tim Aumann