



# IOSCO REGIONAL EDUCATIONAL SERVICE AGENCY

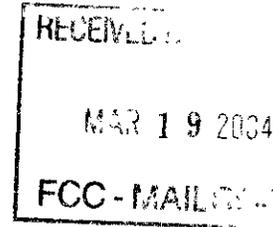
27 NORTH REMPERT ROAD, TAWAS CITY, MI 48763

PHONE: (989) 362-3006 • FAX: (989) 362-9076

## “Request For Review”

March 17, 2004

Federal Communications Commission  
Office of the Secretary  
445-12<sup>th</sup> St , SW  
Washington, DC 20554



|    |                             |                      |
|----|-----------------------------|----------------------|
| Re | Form 471 Application Number | 125105               |
|    | Funding Year 1              | 1999-2000            |
|    | Billed Entity Number        | 131160               |
|    | Our Correspondence Dated    | 05-29-2003           |
|    | FRN                         | 183760               |
|    | Funds to be Recovered       | \$32,113.39          |
|    | CC Docket No                | <del>02-6</del> 02-6 |

This letter is to appeal the Administrator’s Decision on Appeal given the Iosco RESA in Tawas City, MI dated January 20, 2004

It stated that “Jeff Hathaway is associated with Local Internet Service, Inc , a service provider Jeff Hathaway is also the contact person on the form 470 which violates the competitive bidding process ” It then stated that “as a result of these violations the commitment amount was rescinded in full”

The service provider was also our consultant on USF funding During that time period, they made numerous calls to the USF support line and were told that as long as they were authorized by the schools to do so, they were not in violation of any USF regulations Once they were told they could not do that, (two years later) they discontinued that practice

At no time did the Iosco RESA purchase equipment or services that were not allowed under USF guidelines We are an extremely small organization and at the onset of the e-rate discounts we followed the rules and regulations to the best of our ability We feel we are being penalized unfairly due to erroneous information by a disgruntled employee of the Iosco RESA and uninformed staff of the SLC as to information provided that was not correct by USF staff

Any questions in this matter may be directed to Ron Stec, Business Manager, Iosco RESA, 27 N Rempert Rd , Tawas City, MI 48763, (989-362-3006 ext 126), fax (989-362-9076), email (rstec@iresa.k12.mi.us)

Thank you for your consideration of this appeal

Sincerely,

Ronald A. Stec  
Business Manager

Enclosures

*The Iosco Regional Educational Service Agency does not discriminate in any activity, program, or employment on the basis of race, color, disability, national origin, gender, religion, age, height, weight or marital status*



losco RESA USF Breakdown  
1998-1999 Funding Year  
USF funding year 1

| App No.                      | Description | 471 Appl# | FRN #  | Total Budgeted      | USF% | USF Amount          | losco Amount        |
|------------------------------|-------------|-----------|--------|---------------------|------|---------------------|---------------------|
| IOS1001                      | Equipment   | 108813    | 123405 | \$ 29,175.00        | 71%  | \$ 20,714.25        | \$ 8,460.75         |
| IOS1002                      | Equipment   | 108998    | 123518 | \$ 11,640.00        | 71%  | \$ 8,264.40         | \$ 3,375.60         |
| IOS1003                      | Equipment   | 108653    | 136486 | \$ 24,441.62        | 71%  | \$ 17,353.55        | \$ 7,088.07         |
| IOS1004                      | Equipment   | 108654    | 137241 | \$ 16,274.00        | 70%  | \$ 11,391.80        | \$ 4,882.20         |
| <b>Total Equipment Price</b> |             |           |        | <b>\$ 81,530.62</b> |      | <b>\$ 57,724.00</b> | <b>\$ 23,806.62</b> |
| <b>**Amount Received</b>     |             |           |        |                     |      | <b>\$ 46,333.00</b> | <b>\$ 5,329.83</b>  |
| <b>Trade in value</b>        |             |           |        |                     |      | <b>\$ -</b>         | <b>\$ 5,000.00</b>  |
| <b>*Amount Received</b>      |             |           |        |                     |      | <b>\$ -</b>         | <b>\$ 3,814.36</b>  |
| <b>Balance Due</b>           |             |           |        | <b>\$ 81,530.62</b> |      | <b>\$ 11,391.00</b> | <b>\$ 9,662.43</b>  |
| IOS1005                      | Labor       | 108656    | 123488 | \$ 9,000.00         | 70%  | \$ 6,300.00         | \$ 2,700.00         |
| IOS1001                      | Labor       | 108813    | 123407 | \$ 6,126.75         | 71%  | \$ 4,349.99         | \$ 1,776.76         |
| IOS1002                      | Labor       | 108998    | 123519 | \$ 2,444.40         | 71%  | \$ 1,735.52         | \$ 708.88           |
| <b>Total Labor Hours</b>     |             |           |        | <b>\$ 17,571.15</b> |      | <b>\$ 12,385.51</b> | <b>\$ 5,185.64</b>  |
| <b>*Amount Received</b>      |             |           |        |                     |      | <b>\$ 12,385.51</b> | <b>\$ 5,185.64</b>  |
| <b>Balance Due</b>           |             |           |        | <b>\$ 17,571.15</b> |      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Total Budgeted Amount</b> |             |           |        | <b>\$ 99,101.77</b> |      | <b>\$ 70,109.51</b> | <b>\$ 28,992.26</b> |
| <b>Amount Received</b>       |             |           |        |                     |      | <b>\$ 58,718.51</b> | <b>\$ 19,329.83</b> |
| <b>Balance Due</b>           |             |           |        | <b>\$ 99,101.77</b> |      | <b>\$ 11,391.00</b> | <b>\$ 9,662.43</b>  |

\*  
Check  
#27532

#23184

\* Amount received (\$3814.36 + 5185.64) is from the \$9000.00 losco paid LIS on a bulk labor contract during funding year one.

\*Amount received (\$5329.83) is down payment losco paid on equipment.

IOSCO REGIONAL EDUCATIONAL SERVICE AGENCY

5800 SKEEL AVE.  
OSCODA, MICHIGAN 48750  
REVOLVING FUND

INDEPENDENT BANK  
OSCODA, MICHIGAN

74-2652  
724

27532

23184

27532

Exactly\*\*\$5,329.83\*\*

DATE

AMOUNT

04-28-99

\$5,329.83

PAY  
TO THE  
ORDER  
OF

02088888 15-0001001 03-03-99 10  
Inc. Local Internet Services  
PO Box 160  
Ludington, MI 49431



083WSBE 525 43099#258 \$5329.83 AUTHORIZED SIGNATURE

⑈0 2753 2⑈ ⑆07240 265 2⑆ 2590008 5⑈

⑈0000532983⑈

IOSCO INTERMEDIATE SCHOOL DISTRICT

5800 SKEEL AVE.  
OSCODA, MICHIGAN 48750

REVOLVING FUND

INDEPENDENT BANK  
OSCODA, MICHIGAN

74-2652  
724

Exactly\*\*\$9,000.00\*\*

CHECK NO. 023184 \$9,000.00

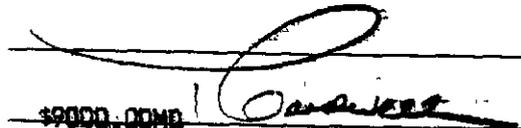
Inc. Local Internet Services  
PO Box 160  
Ludington, MI 49431

CHECK DATE CONTROL NO.

AMOUNT

050970290 88888888 01-05-98 10

PAY TO  
THE  
ORDER  
OF



011WSBE 214 10298#013 \$9000.00

⑈0 23184⑈ ⑆07240 265 2⑆ 2590008 5⑈

⑈0000900000⑈