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CABLING SERVICES, INC.

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July 12, 2004

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Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
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Ms. Carol E. Matthey
Deputy Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Schools and Libraries Division
Box 125 – Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07891

RE: **SECOND STATUS REQUEST**; In the Matter of: Request for Review by
Spectrum Communications Cabling Services Inc. in Decision of Universal
Service Administrator CC Dockets NO. 96-45 and 97-21.

Title of Decision being Appealed: Administrator's Decision on Appeal –
Funding Year 2002-2003 (dated April 22, 2003)

Applicants Name:

Application No.

El Monte Unified High School District	311437
Hemet Unified High School District	295589
Inglewood Unified School District	313520
Lucerne Valley Unified School District	314228
Romoland Elementary School District	305956
Rosemead Elementary School District	303357

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Ms. Dortch:

Thirteen months ago, on June 19, 2003 Spectrum Communications Cabling Services Inc. ("Spectrum"), properly submitted to the Federal Communications Commission ("Commission") a Request for Review on the Decision of the Universal Service Administrator regarding El Monte Unified High School District, Hemet Unified School District, Inglewood Unified School District, Lucerne Valley Unified School District, Romoland Elementary School District, Rosemead Unified School District ("The Districts") applications and subsequent denials for E-Rate funding for Program Funding Year 2002-2003. (Attachments 1)

Ten months ago, On September 29, 2003, the Federal Communications Commission 'Extended By an additional thirty (60) days' the Districts request for review. (Attachments 2)

As of this day our appeal to the Federal Communications Commission, none of the Districts have had the opportunity for Review. This undermines the 'due process' which the Districts and Spectrum have for the right to review, and is unfair to both the Districts and Spectrum.

Other appeals at the Federal Communications Commission seem to have priority for review. For example, Winston-Salem/Forsyth County School District which was filed by IBM on behalf of the County School District on June 20, 2003 (SLD No. 302305) which was decided on December 8, 2003. This District only waited 6 months to have its appeal heard by the FCC, (Attachments 3) even though this District was part of the same extension that the six Districts were included.

The disparity of who is selected and when for review is unfair, and we are left to wonder why IBM and its clients (applicants) gain favor with the FCC while other Schools and Service Providers are left waiting.

In light of the recent State and Local budget constraints that these Districts have endured, I ask that the FCC review and decide on these appeals in a timely fashion so that these six Districts can receive their fair opportunity to participate in the School and Library program.

Spectrum had responded and provided proposals to the Districts in response to their multiple filings of the Forms 470. Subsequently Spectrum was awarded several of the Internal Connection projects for each of the six Districts.

All six Districts received a Selective Review by the SLD, and were asked to respond to questions related to their selection process of their particular vendors, in this case Spectrum. Their subsequent response was found by the SLD to be 'similar'. This resulted in the SLD denial of all of the District's E-Rate applications for Funding Year 2002-2003.

Status Request of Appeal filed for El Monte Unified School District, et al.
Page 2.

At issue is the question 'did Spectrum interfere with the competitive bidding process'? Our appeal of January 19, 2003 clearly shows the answer was and is '**No**'.

While we agree that some of the applicant's answers appear to be similar, there was no rule at the time which would prohibit a vendor from providing assistance to an applicant in responding to the selective review. Further, the assistance in these instances was provided only **after the applicant had completed the vendor selection process**. Consequently, it is impossible for our assistance in responding to the selective review process to have tainted the competitive bidding process. It is, therefore, our contention that the SLD wrongfully denied the applications referenced above.

I write this letter to ask that you please make an immediate decision in this appeal. This decision has adversely affected 6 sizable school districts, with an approximate attendance of 180,000 students. Each of these six Districts and as well as my company Spectrum Communications have been harmed by this erroneous decision.

I thank you for your prompt attention to this matter.

Respectfully Submitted,



Robert Rivera
President/CEO
Spectrum Communications

RR;ah

Attachments

Attachments 1

STAMP-IN

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

RECEIVED

JUN 19 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Request for Review of the Decisions of the)	
Universal Service Administrator)	
)	
El Monte Unified High School District)	Application No. 311437
Hemet Unified School District)	Application No. 295589
Inglewood Unified School District)	Application No. 313520
Lucerne Valley Unified School District)	Application No. 314228
Romoland Elementary School District)	Application No. 305956
Rosemead Elementary School District)	Application No. 303357
)	
Schools and Libraries)	CC Docket No. 02-6
Universal Service Support Mechanism)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Changes to the Board of Directors of the)	CC Docket No. 97-21
National Exchange Carrier Association, Inc.)	

**JOINT CONSOLIDATED REQUEST FOR REVIEW
OF DECISIONS OF THE UNIVERSAL SERVICE ADMINISTRATOR**

EL MONTE UNIFIED HIGH SCHOOL DISTRICT
HEMET UNIFIED SCHOOL DISTRICT
INGLEWOOD UNIFIED SCHOOL DISTRICT
LUCERNE VALLEY UNIFIED SCHOOL DISTRICT
ROMOLAND ELEMENTARY SCHOOL DISTRICT
SPECTRUM COMMUNICATIONS CABLING
SERVICES, INC.

June 19, 2003

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Attachments 1-5

Spectrum Communications Cabling Systems, Inc. Declaration

El Monte Unified High School District Declaration and Exhibits

Hemet Unified School District Declaration and Exhibits

Inglewood Unified School District Declarations and Exhibits

Lucerne Valley Unified School District Declaration and Exhibits

Romoland Elementary School District Declaration and Exhibits

Rosemead Elementary School District Exhibits

SUMMARY

SLD denied Funding Year 2002 requests for internal connections services for six California school districts based on purported "similarities" in the Applicants' Form 470 service descriptions and in their responses to Selective Review Information Request questions, from which SLD concluded that there was "improper vendor involvement." The cited similarities, to the extent they exist, do not indicate a violation of any E-Rate Program rule or policy. Vendor involvement with applicants during the funding process is encouraged and in some instances required. The assistance provided by the Applicants' vendor, Spectrum, was entirely consistent with program rules and guidelines.

On May 13, 2003, SLD announced a new policy specifically prohibiting vendor assistance with Information Request responses – one of the bases for the denials that are the subject of this Request for Review. The May 13 announcement of the new policy, which contradicts prior SLD guidance concerning vendor assistance, confirms that application of that new policy to the Applicants constitutes an unlawful retroactive penalty, which exceeds SLD's authority to adopt, and must be reversed.

The Applicants serve student populations that are overwhelmingly low income and primarily rural. Their students have been and continue to be substantially harmed by the funding denials. The parties respectfully request expedited consideration of this Request for Review in order to promptly reverse the SLD's decisions and grant the Applicants' Funding Year 2002 requests.

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	
Request for Review of the Decisions of the Universal Service Administrator)	
)	
El Monte Unified High School District)	Application No. 311437
Hemet Unified School District)	Application No. 295589
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Rosemead Elementary School District)	Application No. 303357
)	
Schools and Libraries Universal Service Support Mechanism)	CC Docket No. 02-6
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Changes to the Board of Directors of the National Exchange Carrier Association, Inc.)	CC Docket No. 97-21
)	

To: The Chief, Wireline Competition Bureau

**JOINT CONSOLIDATED REQUEST FOR REVIEW
OF DECISIONS OF THE UNIVERSAL SERVICE ADMINISTRATOR**

The El Monte Unified High School District (the "El Monte District"), the Hemet Unified School District (the "Hemet District"), the Inglewood Unified School District (the "Inglewood District"), the Lucerne Valley Unified School District (the "Lucerne District"), and the Romoland Elementary School District (the "Romoland District"), and Spectrum

Communications Cabling Services, Inc. d/b/a Spectrum Communications ("Spectrum"),¹ pursuant to Sections 54.719(c) and 54.722 of the Commission's rules,² hereby jointly request expedited review and reversal of the April 22, 2003 Funding Commitment Decisions (the "Decisions") and the April 22, 2003 Further Explanation Letters ("Further Explanations") issued by the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") in connection with the above-referenced applications.³

I. PRELIMINARY STATEMENT

The Parties jointly request consolidated review of the decisions denying the Applicants' requests for E-Rate funding. Consolidated review is appropriate because the denials are based on SLD's identical determinations and conclusions as to each Applicant, and the bases for this Request for Review are the same for each Applicant. Consolidated review of the denials will conserve limited resources for the Applicants, for Spectrum, and for the Commission, and will result in administrative efficiency.

After spending more than one year reviewing the Applications, SLD denied the Applicants' requests for E-Rate funding for internal connections based solely on limited factual "similarities" that violate no applicable rule or policy. Unable to cite any action by the Applicants or Spectrum that violated Commission or SLD rules or precedent, SLD determined

¹ The El Monte District, Hemet District, Inglewood District, Lucerne District, Romoland District, and Spectrum are referred to herein collectively as the "Parties". The El Monte District, Hemet District, Inglewood District, Lucerne District, Romoland District, and Rosemead Elementary School District ("Rosemead District") are referred to herein individually as an "Applicant" and collectively as the "Applicants".

² 47 C.F.R. §§ 54.719(c), 54.722.

that those "similarities" warranted a conclusion that Spectrum was "improperly involved" in the competitive bidding and vendor selection process. This conclusion, which is based on findings that are not consistent with the facts or applicable E-Rate Program rules, results in the retroactive application of a new standard of which the Applicants and Spectrum had no notice, and which SLD is without authority to implement.

Any party aggrieved by an action taken by a division of USAC may seek review from the Commission.⁴ Each Applicant, and Spectrum, as parties aggrieved by the Decisions and Further Explanations, thus has standing to seek review of the funding denials.

Applicant El Monte District is located in East Los Angeles County and is comprised of seven high schools (grades 9-12). Two of the seven campuses are "continuation" or alternative education schools. Demographically, the District's 9,700 students are overwhelmingly Hispanic (76.9%), with students of Southeastern Asian descent comprising the next largest ethnic group (15.9%). Many of these students are from families that have recently immigrated to America and for whom English is not the primary language. The District's percentage of students participating in the free and reduced priced school lunch program is 64.5%.

El Monte District's physical facilities are extremely old, and adding internal connections to the buildings is an extremely expensive endeavor. The District is fortunate to have been the recipient of previous E-Rate discounts which were used to begin the installation of communications backbones and related network infrastructure. Yet, not every classroom has the

(footnote continued from previous page)

Each Further Explanation states that the Funding Commitment Decision is "the official action" by SLD and USAC. Nonetheless, in light of certain statements contained in the Further Explanations, review is requested of both the Decision and the Further Explanation as applicable to each Applicant.

same degree of Internet access and there still remains a significant amount of work to be done to provide all students with adequate internet access in the classroom.

Without E-Rate funding, many El Monte District students would not have access to computers or the Internet, and therefore could not develop the skills that are gained with the continued use of such technology. The El Monte District seeks E-Rate Year 5 funding in order to provide access and endow its students with both a desire to learn and the professional skills that will assist them with fully integrating in society.

Applicant Hemet District is located in a rapidly developing, former agricultural region of central Riverside County, California. Until recently, dairy and produce farming was the primary industry of the Hemet Valley. Currently, the major employment opportunities for the residents of Hemet are either with public sector employers such as the Hemet Valley Hospital District and the Hemet Unified School District, or with the few private sector employers in the valley, most notably the local Target retail store and the local Home Depot store. The median annual household income for residents of Hemet is \$24,024.

Hemet District serves a student population of approximately 18,169 students in grades K-12 on 20 campuses. Hemet District has a substantial number of students from low income families with nine of the school campuses qualifying for a 90% E-Rate discount (75% or more of the students receiving a free or reduced priced school lunch) and eight of the campuses qualifying for an 80% E-Rate discount (50%-74.9% of the students receiving a free or reduced

(footnote continued from previous page)
47 C.F.R. § 54.719(c).

priced school lunch). Of the entire student population, 68.5% are recipients of a free or reduced price school lunch.⁵

Hemet District has experienced a sustained and explosive growth rate (9.6%) in student enrollment since fiscal year 2000. This is primarily caused by families relocating to the area in an effort to flee urban blight or to find affordable housing. This rate of growth has placed a significant strain on all educational resources. Inadequate classroom space, an insufficient number of teachers for all subject areas, inadequate books supplies and insufficient access to the Internet are just a few of the problems that have been exacerbated by the recent growth in student population. The District's goal of ensuring adequate access to technology and the Internet for all students was severely limited in its prior fiscal year (E-Rate program year 2001) when the SLD denied the District's entire E-Rate application for discounts, including all requests for telecommunications, internet access, and internal connections reimbursements. These efforts have been further debilitated by the denial of the Hemet District's Year 2002 Application, which sought funds needed to complete the installation of a communications backbone and related network infrastructure on school campuses.⁶

The Inglewood District is located in South Central Los Angeles, approximately one mile from Los Angeles International Airport. The Inglewood District is a comprehensive school district serving students in grades K-12, with a total enrollment of approximately 17,723 students. Demographically, the District's students are almost evenly divided between students

⁵

This data may be skewed, however, as it is the tendency of some students in the middle and high school age range to not apply for meal benefits, as they perceive a stigma associated with being classified as poor or needy.

with a Hispanic ethnic background (57.6%) and an African American ethnic background (41.2%). A significant number of students (61.1%) receive a free or reduced priced school lunch.

The Inglewood District's buildings and facilities were constructed between the early 1900s and 1961. Consequently, a significant amount of work is required to install basic telecommunications infrastructure in order to provide Internet access to classrooms and other learning areas. Denial of the Inglewood District's E-Rate discounts for Funding Year 2002 has left it unable to expand Internet access and the level and quality of technology available to the students.

Lucerne Valley is a remote limestone mining area (total population 6,357) located in the Mojave Desert of San Bernardino County, California. The Lucerne District has approximately 1,509 students enrolled in five schools. Two of the District's schools are "continuation" schools (also known as "alternative education programs") designed for students who do not meet the guidelines of a normal educational environment. The other three campuses consist of one elementary school (grades K-6), one middle school (7-8), and one high school (9-12). The current free and reduced lunch program participation for the District is 61.7%.⁷

(footnote continued from previous page)

Ironically, Hemet District's ability to use a service that was approved for funding by SLD – a high speed Internet Access circuit to provide a connection to the Digital California Project and the Internet in the classrooms – cannot be used without the internal connections for which funding has been denied.

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Lucerne District believes that this rate does not demonstrate the actual level of poverty within the Lucerne Valley. The District believes that the participation rate of the entire District should directly correlate to the rate of the elementary school, as the students at the elementary school are from the same families as the students in the District's other schools. Older students who do not participate in the free and reduced price lunch program are most likely afraid that they will be ostracized by their peers if they are seen receiving free or reduced priced meals. Nevertheless, the reported participation rate of 61.7% is still indicative of a relatively high level of poverty in the Lucerne Valley.

One of the Lucerne District's educational goals is to expose students to ideas and cultures outside the cultural and geographical boundaries of the Valley. The District feels this will help foster positive attitudes and provide for students' continued achievement at the upper-grade levels and, hopefully, to college and beyond. As a result of the denial of funding for internal connections, the Lucerne District has been forced to significantly delay, if not abandon altogether, the installation of classroom network connections that is part of the plan to obtain this goal.

Applicant Romoland District is located in a rural farming area of central Riverside County, California, and is comprised of two school campuses serving grades K-8. The District has approximately 1,614 students who are predominantly Hispanic, with English rarely spoken in their homes. An overwhelming number of the students come from families that are living at or below the national poverty level, as evidenced by 74.6% of the students receiving a free or reduced priced school lunch. As a result of their poverty many, if not most, of these students do not have computers at home. Access to technology is even further limited by the decrease in expenditures by Riverside County for public services that has resulted in a severe reduction in the service hours of the library nearest to the students' homes. The library is now open only 22 hours per week, spread over just three days.

For Romoland District students, school is the primary source of a safe, stable environment with exposure to outside cultures and ideas that they would not otherwise receive. This exposure to outside cultures as well as Internet-based educational curricula is, to a large degree, dependent on a technology literacy program that can barely exist without the help of the E-Rate Program. As a result of the denial of both the District's Year 4 and now the Year 5 E-

Rate applications, the Romoland district has been severely hindered in its efforts to provide technology access in the classroom.

Rosemead District is located in East Los Angeles County and has approximately 3,421 students enrolled in grades K-8. The District has four elementary schools (K-6) and one middle school (7-8). Approximately 80% of all students receive a free or reduced priced school lunch. Very little technology has been installed in Rosemead District primarily because its needs generally have been subordinated to the demands of much larger school districts located in the area surrounding the District. The District also has had difficulty staffing and maintaining an IT department because of its small size. Consequently, efforts to plan, integrate, and support technology within the District's schools have been severely hindered. The E-Rate discounts would greatly increase the District's ability to address these problems.

Spectrum, a privately held corporation located in Corona, California, is a provider of information technology products and services. Founded in 1985, Spectrum started out primarily installing communications cabling for organizations seeking to upgrade their communications capabilities, and later began selling and installing the devices and software that are eventually connected to that wiring.⁸ These products include routers, switches, multiplexers, servers, workstations, phone systems, operating systems, application software and security software. Spectrum also designs and installs wireless networks.

⁸

Spectrum now has 120 employees, comprised primarily of minorities and women. Spectrum has been listed on Inc. Magazine's annual list of the 500 fastest growing companies in the U.S. for each of the past five years. Its founder and CEO, Robert Rivera, was named Hispanic Business Magazine's Entrepreneur of the Year for 2000, and twice has been the Ernst & Young Inland Empire Entrepreneur of the Year first runner-up. Mr. Rivera also serves on the USAC Board of Directors.

Spectrum's customer base is primarily the education market, public sector agencies, and large healthcare facilities. The company has participated in the E-Rate Program since 1998. Since then, Spectrum has acted as a service provider for approximately 38 different school districts, and has successfully completed E-Rate related contracts valued at approximately \$100,000,000. Based on Spectrum's experience with the E-Rate Program, the California Department of Education invited the company to serve as a Voluntary E-Rate Trainer.⁹ In its capacity as a State trainer, Spectrum develops and creates training program materials and reference documents, makes presentations at State-hosted applicant training workshops, and supplies advice to applicants through California's E-Rate ListServe (Electronic Forum). As part of the agreement between Spectrum and the State, marketing activities and supply of non-neutral vendor information is strictly prohibited and Spectrum provides its expertise with no expectation of remuneration. Topics covered by Spectrum at workshops include filing of FCC Form 470 (a sample is filed with the attendees); filing of FCC Form 471 (a sample is filed with the attendees); discussion of Eligible Services, including newly eligible items; common carrier issues (billing, documentation, etc.); procurement strategies and the use of the California Multiple Awards Schedule ("CMAS"), CALNET, master agreements, and piggyback bids; documentation (what

⁹ The California E-Rate Training Collaborative, formally known as VETs (Volunteer E-Rate Trainers), is an *ad hoc* committee formed under the direction of the California Department of Education (CDE). The VETs' membership is comprised of (1) state employees from the CDE, California Public Utilities Commission, and California Department of General Services; (2) School District and Local Educational Agency employees; (3) common carrier representatives (Pacific Bell/SBC and Verizon); and (4) representatives of providers of internal connections services, such as Spectrum and others. The purpose of the VETs collaborative is to provide information and neutral advice to California schools and libraries about the federal E-Rate Program and the California Teleconnect Fund (the State's Universal Service Fund). The collaborative conducts one-day workshops throughout the state to provide general program information and updates to the greater applicant community in addition to running an electronic listserv (email server and forum) to provide answers to more specific or situational questions. Only five other private companies in California have received this honor, two of which are, like Spectrum, providers of internal connections services.

must be kept for audits); PIA and Selective Review (types of questions asked and possible answers); audits; and attendee questions and experiences. Workshop attendees receive a copy of the presentation on a CD-Rom as well as copies of the sample Form 470 and 471 with workshop instructions.¹⁰

Spectrum has attained the information technology industry's most highly regarded certifications including Registered Communications Distribution Designer (RCDD), Cisco Certified Internetwork Expert (CCIE), Microsoft Certified Systems Engineer (MSCE), Certified Novell Engineer (CNE) and 3Com certification. The company holds a General Contractor (B1) license, an Electrical Contractor (C10) license, and a Low Voltage and/or Communications Systems Contractor License (C7), which is required in order to install communications cabling.

II. REQUEST FOR EXPEDITED REVIEW

Commission rules allow the Wireline Competition Bureau 90 days to take action in response to a request for review of an SLD decision, but allow both the Bureau and the Commission routinely to extend this 90-day period.¹¹ The Parties respectfully request that the Bureau respond to this Request for Review within 90 days from the date hereof and, to the extent possible, to expedite its review.

The circumstances warrant expedited review of this request. The Decisions are based not on any violation of any Commission or SLD rule or precedent, but rather on a new standard, which SLD has attempted to enforce retroactively. Each Applicant's students are being

¹⁰ Spectrum understands that many E-Rate Program service providers conduct similar training. *See, e.g.*, Statement of Margaret Greene, BellSouth Corporation, before the FCC's Forum on the E-Rate Program, May 8, 2003, at 6-7.

¹¹ 47 C.F.R. § 54.724(a).

substantially harmed by the continuing delay in approval and receipt of funding for Funding Year 2002.¹² Moreover, the amount of time elapsed between the filing of each Applicant's Form 471 and the SLD's issuance of the Decisions was excessive – well over one year – and far longer than the average time for SLD decisions on Funding Year 2002 applications.

III. THE DECISIONS AND FURTHER EXPLANATIONS

On April 22, 2003, the SLD issued Decisions denying 16 FRNs associated with El Monte District's Application, 54 FRNs associated with Hemet District's Application, nine FRNs associated with Inglewood District's Application, four FRNs associated with Lucerne District's Application, five FRNs associated with Romoland District's Application, and 20 FRNs associated with Rosemead District's Application.¹³ For each FRN that was denied, the service provider was Spectrum.¹⁴ The "Funding Commitment Decision" and the "Funding Commitment Decision Explanation" for all of the denials (except the Inglewood District Denials) are identical, and state:

Funding Commitment Decision: \$0.00 – Bidding Violation

Funding Commitment Decision Explanation: Similarities in Internal Connections description on Forms 470 and in description provided to SLD of the vendor

¹² See pp. 4-8, *supra*; see also El Monte District Declaration of Nicasio J. Salerno ("El Monte District Declaration") at 4; Hemet District Declaration of Richard Hartline ("Hemet District Declaration") at 4; Inglewood District Declaration of George Beckwith ("Inglewood District Beckwith Declaration") at 4-5; Inglewood District Declaration of Alan Henderson ("Inglewood District Henderson Declaration"); Lucerne District Declaration of Jason Buchanan ("Lucerne District Declaration") at 4; Romoland District Declaration of David Guckert ("Romoland District Declaration") at 4.

¹³ Copies of the El Monte District Decisions, Hemet District Decisions, Inglewood District Decisions, Lucerne District Decisions, Romoland District Decisions, and Rosemead District Decisions are attached as El Monte District Exhibit 1, Hemet District Exhibit 1, Inglewood District Exhibit 1, Lucerne District Exhibit 1, Romoland District Exhibit 1, and Rosemead District Exhibit 1, respectively.

¹⁴ Additional FRNs were denied for reasons unrelated to this Request for Review and not involving bidding violations (for example, that the funding cap would not provide for internal connections to be funded at the discount requested).

selection process among applicants associated with this vendor indicate that vendor was improperly involved in the competitive bidding and vendor selection process.¹⁵

The Further Explanations also are identical.¹⁶ They state:

During the review of your application, USAC became aware of the fact that there were striking similarities in the description of the internal connection services sought on FCC Forms 470 among various applicants later associated with the same service provider. USAC further ascertained that the responses provided by various applicants associated with this particular service provider to the portion of the Selective Review questions described above seeking a description of the factors that the applicant used to determine the winning contracts contained identical language. Thus, USAC concluded that these responses had been prepared by the service provider and provided to the applicant, and were not prepared by the applicant as required under the Schools and Libraries Support Mechanism.

... Based on the evidence described above, USAC reasonably has concluded that the description of [the competitive bidding] process that you provided to USAC appears to have been prepared by your service provider.... It is inappropriate for a service provider to answer questions regarding the competitive bidding process, vendor selection, or the applicant's ability to pay the non-discount share as required by the Schools and Libraries Support Mechanism rules.

... USAC has concluded that the evidence described indicates that the service provider was improperly involved in the competitive bidding process and vendor selection process and that the applicant did not provide the answers to these questions. Consequently, USAC has denied all funding requests from this applicant associated with this service provider.¹⁷

As shown below, the Decisions and Further Explanations must be reversed, and the funding requests granted.

¹⁵ See *id.* The Inglewood District Decisions do not refer to "Internal Connection description on Forms 470." See Inglewood District Ex. 1.

¹⁶ Copies of the Further Explanations are attached as El Monte District Exhibit 2, Hemet District Exhibit 2, Inglewood District Exhibit 2, Lucerne District Exhibit 2, Romoland District Exhibit 2, and Rosemead District Exhibit 2, respectively.

¹⁷ El Monte District Ex. 2 at 2-3; Hemet District Ex. 2 at 2-3; Lucerne District Ex. 2 at 2-3; Romoland District Ex. 2 at 2-3; Rosemead District Ex. 2 at 2-3. As with the Decisions, the Inglewood District

(footnote continued to next page)