



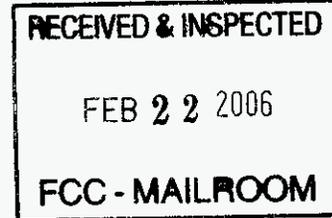
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February 6, 2006

ORIGINAL



Ex Parte Presentation
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45

Dear Ms. Dortch:

Macalester College writes this letter to express our concerns that a number-based contribution mechanism would have a significant detrimental effect on this institution as well as all colleges and universities and non-profit organizations.

We have calculated that our per-year federal universal service obligation would increase from \$1,560 per year to over \$23,000 per year if a number-based approach were adopted, assuming that the per-number fee was \$1.00.

Macalester College does not have resources, nor budgetary flexibility to offset this substantial increase. If implemented, the FCC's action would require significant cuts with respect to institutional programs and services, including, but not limited to:

- The transition of budgeted funding from education and research-based programs to the telecommunications budget
- The elimination of individual telephone service for students in campus housing, and classrooms and laboratories, thus creating major safety and security concerns
- Delays in efforts to upgrade and modernize telecommunications facilities on campus, limiting our ability to invest in research networks, i.e., Internet2, and new innovative services/technologies
- The reconfiguration of the campus network to an extension-based system under which the institution would maintain a single call-in number

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List A B C D E

The Commission must recognize that enterprise customers, which this proposed reform will greatly affect, includes not only Fortune 500 companies, but also many not-for-profit organizations, including colleges and universities, local and state governments, charitable organizations, and medical institutions. These entities do not have the resources to internalize significant increases in regulatory fees. We are particularly concerned with any reform that requires enterprise customers to shoulder a heavier universal service burden than residential customers. The FCC should reject any efforts to establish a residual funding mechanism under which enterprise customers are responsible for all funding above a certain per-number fee for residential customers.

We fully support the goals of universal service, and commend the FCC for their efforts to extend telecommunications services to all Americans. It is, nevertheless, essential that the Commission also address universal service distribution issues by controlling future fund growth and limiting any waste within the program.

Macalester College suggests that no reform proposals be formally adopted by the Commission until the full impact of those proposals is studied and understood. We hope that any modification of the universal service policies reflect the potential impact on the higher education community. We also trust that any reform should not substantially disadvantage any particular class of customers, including enterprise customers and low-volume residential customers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'David Wheaton', with a stylized, cursive flourish.

David Wheaton

Vice President for Administration and Finance