

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
Application for Review of Decision of) CC Docket No. 02-6
The Schools and Libraries Division of the)
Universal Service Administrative Company)
)
Appeal of Commitment Adjustment)
Funding Year: 2004)
Form 471 Application Number: 421005)
Applicant: Pineview Elementary School)

**APPEAL OF
SPRINT LOCAL TELEPHONE DIVISION**

Sprint Local Telephone Division (“Sprint”), pursuant to Section 54.719 of the Commission’s Rules, and on behalf of Pineview Elementary School (“Pineview”), hereby respectfully appeals the above-referenced Commitment Adjustment (“COMAD”) request letter dated January 9, 2006 from the Universal Service Administrative Company (“USAC”) to William Piotrowski of Pinewood Elementary School.¹ In this letter, USAC has requested that Pineview return \$3,021.83 in internal connections funds for Norstar Remote Utilities software and hardware (referenced as “remote admin multi-site” in the COMAD letter), on the grounds that these items were ineligible. As discussed below, USAC’s decision should be reversed, and the instant COMAD appeal granted, because the equipment and software at issue are in fact eligible for E-rate funding.

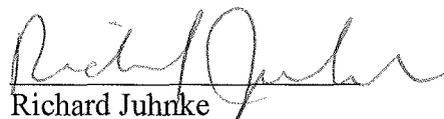
¹ The January 9 letter is included as Attachment 1.

USAC has apparently misconstrued the purpose of “remote admin multi site” service. The Norstar Remote Utilities operating system software and related hardware (RAD NT8B80) allow remote maintenance, diagnostics, and programming of multiple Norstar key systems from a central, eligible, location. This allows a school district technician to make any required changes to all of the key systems in the district from one location, rather than going from site to site. The RAD NT8B80 is a device installed on a Norstar digital port which allows remote programming of the Norstar over a standard telephone line. This software and hardware do not enable remote use of the school telephone system (such as access from homes or other ineligible locations).

Basic maintenance services for eligible services and products are eligible.² There is no dispute that the Norstar key system itself is eligible; therefore, the software and hardware associated with remote maintenance of this system clearly fall within the eligible maintenance category, and USAC’s COMAD demand for these charges should be reversed.

Respectfully submitted,

SPRINT LOCAL TELEPHONE DIVISION



Richard Juhnke
401 9th St., NW, Suite 400
Washington, DC 20004
(202) 585-1912

March 10, 2006

²See ESL dated October 10, 2003 (in effect for Funding Year 2004), p. 20.



Universal Service Administrative Company
Schools & Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2004: 7/01/2004 - 6/30/2005

January 9, 2006

**William D. Piotrowski
PINEVIEW ELEMENTARY SCHOOL
520 South Appleyard Drive
Tallahassee, FL 32304 6062**

**Re: Form 471 Application Number: 421005
Funding Year: 2004
Applicant's Form Identifier: pineviewkey07
Billed Entity Number: 35281
FCC Registration Number: 12302592
SPIN Name: Sprint - Local Telephone Division
Service Provider Contact Person: Doris Rivera**

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Schools Libraries Division (SLD) of the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the adjustments to your funding commitment required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for SLD to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at www.universalservice.org/new/2004.asp#083104 for more information regarding the consequences of not paying the debt in a timely manner.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. Immediately preceding the Report, you will find a guide that defines each line of the Report.

The SLD is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the service provider detailing the necessary service provider action.

Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Doris Rivera
Sprint - Local Telephone Division

**Funding Commitment Adjustment Report for
Form 471 Application Number: 421005**

Funding Request Number:	1160273
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143019614
Service Provider Name:	Sprint - Local Telephone Division
Contract Number:	SRC730310991
Billing Account Number:	850 599 1707
Site Identifier:	35281
Original Funding Commitment:	\$25,906.50
Commitment Adjustment Amount:	\$3,069.86
Adjusted Funding Commitment:	\$22,836.64
Funds Disbursed to Date:	\$22,397.53
Funds to be Recovered from Applicant:	\$0.00

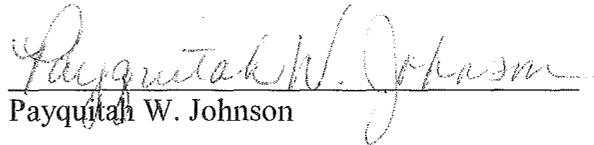
Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$3069.86. During the course of review it was determined that funding was provided for the following ineligible items: 3 Power Bars and Remote Admin Multi Site. The pre-discount cost associated with these items is \$53.37 and \$3,357.59, respectively, for a total ineligible amount of \$3,410.96. At the applicant's 90 percent discount rate this resulted in an improper commitment of \$3,069.86. FCC rules provide that funding may be approved only for eligible products and/or services. The USAC web site contains a list of eligible products and/or services. See the web site, www.sl.universalservice.org, Eligible Services List. Accordingly, the commitment has been reduced by \$3,069.86.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **APPEAL OF SPRINT LOCAL TELEPHONE DIVISION** was filed electronically on this 10th day of March 2006 to the below-listed parties.


Payquith W. Johnson

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