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Claiborne County Public Schools

APPEAL FOR REIMBURSEMENT OF ERATE FUNDS

**Before the  
Federal Communications Commission  
Washington, DC 20554**

DOCKET FILE COPY ORIGINAL

In the Matter of )  
)  
Request for Review of the )  
Decision of the )  
Universal Service Administrator )  
)  
Claiborne County Public Schools )  
Port Gibson, MS 39150 )  
)  
Bell South Communications )  
Roanoke, VA 24012 )

CC Docket No. 96-45  
CC Docket No. 02-6

Re: SLD Invoice Number: 586553  
SLD Invoice Line: 2106711  
Vendor Invoice #: 51848222  
471 Application Number: 372033  
Funding Request Number(s): 1016972

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**I. INTRODUCTION and BACKGROUND**

1. In this Appeal, we are petitioning the Federal Communications Commission to review and reverse the decision issued by Schools and Libraries Universal Service Support Mechanism, denying reimbursement to Bell South Communications due to certain clerical or ministerial errors such as Schools and Libraries claim of failure to comply with minimum processing standards as result of the submission history, invoice 586553 received on September 9, 2005. According to the Administrator's Decision on Invoice Appeal from Schools and Libraries, it was communicated that the invoice deadline for FRN 1016972 was September 6, 2005. They contend that a second invoice deadline extension was granted through March 3, 2006 for this FRN. They also stated their records show no invoices were received within this second extension. Consequently, USAC denied the appeal for reimbursement to Bell South Communications, thereby affecting the posture of Claiborne County Schools in this funding program. It was further stated that all services for FRN 1016972 were delivered after the service expiration date of September 30, 2004 for which discounts applied July 1, 2004 to September 30, 2004. Hence, the Administrator determined under program rules these services are not eligible for reimbursement. It is our belief that there is a basis for further examination of this application.

2. The Claiborne County Public School District is a small entity and a 90% funded E-rate program beneficiary and relies on funding from Schools and Libraries to support educational technology and services to students in the district. We hope the actions you take will provide relief to this process to continue to allow small entities such as ourselves to receive access to discounted telecommunications and information services by assisting us in working through these ministerial errors. We believe by petitioning review of this decision on the part of SLD, that we will receive equitable consideration in this matter in realizing the intended benefits of the E-rate program. We have been frugal in our participation thus far in ensuring there is no waste, fraud, or abuse of program funds and have taken steps in a manner to foster program integrity and program participation. In this reimbursement issue, the funds had already been set aside to fund this FRN and according to the funding history of Requested Amounts, Committed Amounts, Pending Amounts, and Rejected Amounts, it is not noted that the amount of 190,127.24 was rejected.

## **DISCUSSION**

3. The decision at issue involves the denial of reimbursement based on the Service Provider failure to timely submit an Invoice according to a second extension that the Billed Entity has not knowledge of its presence. The Billed Entity was not notified that a second Invoice Extension had been granted through March 3, 2006, thereby providing the opportunity for contact to be made with the Service Provider to ensure timely submission of the Invoice, as well as the Billed Entity having the opportunity to respond or comply with any extensions granted. With funding being such an important part of this program, the Billed Entity nor the Service Provider would have deliberately ignored this important notification had it been received. The Billed Entity can assure the Federal Communication Commission that no such notices were forwarded to the District Contact, thereby, not affording the District Contact with the issue at hand and the opportunity to respond in a timely manner.

4. In a rural District such as ours, we rely on critical funding from Schools and Libraries to bridge the digital divide in our community. Otherwise, funds are not readily available to us to support instruction, telecommunications to our schools to provide equity in learning. Denial of any reimbursement for any reason will seriously impede our financial status. The 90% discount reflects the financial profile of our district and that we cannot afford to lose important funding such as the amount in question in this reimbursement denial.

5. The argument at hand is contingent upon the premise that the funding decision of this FRN was awarded and contractual timeline expiration disputed due to requested extensions. We also argue that ministerial or procedural errors resulted in rejection of this reimbursement. We ask that the Commission waive the rules in this petition and grant the reimbursement request pertaining to the decision of Schools and Libraries in denying funding due to a failure to comply with minimum processing standards, a failure to timely file an Invoice due to a presumed extension notification that neither the Billed

Entity or Service Provider can verify was received. The interest in this decision is also in lieu of not having the opportunity for correction with proper notice and having a funding rejection for reimbursement denied based upon an imposed order which does not ensure that universal service support was given to the Billed Entity, which is most in need of this assistance.

6. Some of the rules for award and contractual dates are complicated based upon notification of award from Schools and Libraries and the applicable dates to end contracts when late notifications are received are sometimes vague and unclear that results in misunderstandings that can lead to minor mistakes. The Billed Entity and Service Provider proceeded with good cause in executing SLD minimum processing standards that have been established by USAC. We realize these minimum standards are necessary to ensure the efficient review of an application in requesting needed funding. There was a slight delay in submitting the invoices in September of 2005 which we contend does not warrant the complete rejection of the reimbursement request.

7. Extenuating circumstances were also a factor in this process due to the resignation of the Technology Coordinator in the middle of this project and the timely appointment of personnel to serve as the Acting Administrator in this process. A volume of paperwork had to be reviewed that was left by the exiting Technology Coordinator and time to train a novice person to this process. Because this is a complicated process and not easy for the average person to pick up and implement, accounts for procedural errors in this process. In this small school district, a replacement for the regular Technology Coordinator was not readily available, whose primary job assignment was not technology and the E-rate process. The only official knowledgeable of the full E-rate process was unavailable to complete the timely orchestration of this process. Thus, the district was handicapped in the full scope of pending contractual issues and timelines. These were circumstances beyond our control which resulted in a delay in the process, thus affecting the timely submission of invoices from Bell South Communications. If any or additional extensions were needed, it was not the perception of the parties in this appeal.

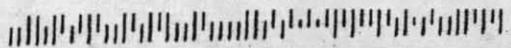
8. The ultimate issue is more of a procedural issue that should not result in denial of reimbursement to the Service Provider which is perceived as being passed back to the Billed Entity, Claiborne County Schools. Our rural district cannot withstand incurring this financial obligation since we were of the opinion that this funding was in place and in order following the documentation of the exiting Technology Coordinator. Denial of this funding would inflict undue hardship on our district which would ultimately deny critical services to needy students in our district.

9. The Billed Entity, Claiborne County Schools, was of the opinion that we had complied with USAC requirements and that the necessary documentation was in place for completion of this project. According to the facts in this appeal, it is perceived that the violation at issue in this instance is procedural, not substantive, and therefore, rejection is not warranted.

10. Based on the facts and circumstances of this case, rigid compliance with USAC's reimbursement procedures will not further the purposes of section 54.507 and 254(h) or serve the public interest in denial of these services to needy children. The public and this community, share in the funding contributions for services provided through Schools and Libraries, and therefore, the reference to not serving the public interest is very applicable in this request. Therefore, on behalf of the Billed Entity and the Service Provider, we are asking that the Federal Communications Commission remand this request to USAC for further processing and funding approval for reimbursement to the Service Provider, Bell South Communications. Thus, relieving the Billed Entity, Claiborne County Schools from incurring the hardship of this funding denial which the Service Provider has informed them will have to be incurred if the funding denial is upheld. The Billed Entity has honored, in good faith, its 10% contribution with the Service Provider, and was of the opinion that no further expenses or contributions were required until recent notification that this funding request had been denied by USAC.

11. In summary, if this denial by USAC is upheld, it would place a tremendous hardship on the Claiborne County School District. If the district had had the opportunity to amend procedural requirements that may have resulted in procedural errors, in lieu of the unavailability of the regularly employed Technology Coordinator, and the benefit of outreach efforts at that time on the part of USAC, there would be no issue here and thereby, no cause to have petitioned USAC and the Federal Communications Commission. We realize that procedural deadlines and minimum processing standards are necessary for the efficient administration of the E-rate program. It is not our intent to circumvent any procedural requirements in this program or lessen the importance of adhering to timelines. We have been committed to ensuring that we are not wasteful or abusive in carrying out the intent of the E-rate program as a small entity.

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