

**Before the
Federal Communications Commission
Washington, D.C.**

In the Matter of:

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| Application for Review of decisions |) | |
| of the Schools and Libraries Division |) | |
| of the Universal Service Administrative |) | |
| Company for Hanover County |) | Funding Request Numbers |
| Schools, Virginia |) | 1413607 |
| |) | |
| Joint Board on Universal Service |) | CC Docket No. 02-6 |

Application For Review
Hanover County Public Schools Entity Number 126488
Form 471 Number 513799
Funding Request Number 1413607

In accordance with Sections 54.719 through 54.721 of the Commission's rules, now comes Hanover County Public Schools (Hanover) before the Commission requesting review of action by the Schools and Libraries Division of the Universal Service Administrative Company (Administrator).

Hanover contends the Administrator has improperly denied funding for service provided by Verizon Virginia in the above referenced Funding Request Number (FRN). In accordance with numerous Federal Communications Commission decisions, the Administrator must continue review of applications until all uncertainties for that application are resolved.¹ The application information in the Administrator's possession at the time the funding denial was made should have on its face generated additional questions. Upon review of the initial appeal of the funding denial, the Administrator should have considered additional information provided during the appeal because the underlying denial issues were unresolved during review. We ask the Commission to overturn this denial and remand the application to the Administrator for further review.

Background and statement of facts

Hanover county applied for E-Rate discounts for Funding Year 2006 requesting discounts for services contracted by the Commonwealth of Virginia under a State Master Contract negotiated by the Department of

¹ Fayette West Virginia, DA 05-2176 Released July 27, 2005; Bishop Perry LA, DA 06-54 Released May 19, 2006.

Information Technology (DIT), now the Virginia Information Technologies Agency. Hanover used the Form 470 number filed by DIT in 1998. Under E-Rate regulations of the time, contracts existing prior to implementation of the E-Rate program could be made eligible for the life of the contract by filing a Form 470. Form 470 number 915120000073811 was filed by DIT for this purpose.

Subsequently, the underlying contract expired and DIT extended the contract without benefit of a Form 470 posting. All Virginia Schools and libraries seeking services from this contract were required to file individual Forms 470, consider all responses and use the DIT state master contract as a response.

During PIA review, Ronnie Rodgers, Administrator reviewer requested an explanation for the discrepancy between the Allowable Contract Date of in 1998 and the contract award in 2006. Hanover had filed several Forms 470 during the Year 2006 filing window. Two were filed with allowable contract dates after the closing of the Year 2006 filing window. Hanover mistakenly responded to Mr. Rogers request with the Form 470 number of one of the two. Mr. Rogers made no subsequent clarification requests.

In correspondence dated August 15, 2006 the Administrator denied funding for this FRN noting a contract was signed before the expiration of the 28 day Form 470 posting period. Hanover appealed the decision providing another Form 470 number, 391510000550364, with an allowable contract date prior to January 11, 2006, the date Hanover requested services under the state master contract.

In correspondence dated December 5, 2006 the Administrator denied the appeal citing an inability to accept new information on appeal except when the applicant was not given an opportunity to provide the information or the Administrator made a mistake during review.

Discussion

The Administrator should have continued to dialogue with Hanover after the initial response to the reviewer's inquiry was a Form 470 number with an allowable contract date after the close of the filing window. The allowable contract date for the Form 470 Hanover initially provided was March 13, 2006. When Hanover selected the state contract on January 11, the Form 470 had not even been posted. A discrepancy of this magnitude should have raised questions with the reviewer.

The Commission has ruled in several decisions that the Administrator should continue working with applicants until all questions concerning an application have been resolved.

The reviewer in this instance, noting that the Form 470 supplied had not been written when the service selection was made, should have requested additional information from Hanover.

Upon review, the Administrator should have accepted the revised Form 470 number and provided discounts for this telecommunications service. The service in question is telephone service provided by Verizon through a state master contract available to all state agencies, schools and libraries without the need for competitive bid. Although several Form 470s were filed by Hanover, no responses for this service were received.

Hanover asks the commission to overturn this decision and remand the funding request to the Administrator for further consideration. Alternatively, we ask the commission to waive an relevant minor rule violations and remand this funding request to the Administrator for processing.

Respectfully submitted this fifth day of February, 2007,

Stephanie Koren
Accounting Specialist
(804) 365-4521