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# Cherokee Independent School District

**CHRIS PERRY, SUPERINTENDENT**  
BOX 100  
CHEROKEE, TEXAS 76832-0100  
www.centex-edu.net/cherokee  
PHONE 325/622-4298  
FAX 325/622-4430

**TAX ASSESSOR &  
COLLECTOR**  
Randy Henderson  
**SCHOOL PRINCIPAL**  
Shannon Jensen

November 5, 2007

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

RE: CC Docket No. 02-06

**Entity appealing:**

Cherokee ISD  
Billed Entity Number: 141156  
Contact: Chris Perry PO Box 100, Cherokee, Texas 76832  
Phone: 325-622-4298  
Fax: 325-622-4430  
Email: perry@cisd.centex-edu.net

**Decision appealed:**

Administrator's Decision On Appeal - Funding Year 2003-2004  
Date of document: 09/24/2007  
471 Application # 352696  
FRN's: 949303; 949314; & 949322

Cherokee ISD is seeking a Request for Review from the FCC.

Regarding funding year 2003-2004, FRN's 949303; 949314; & 949322 were approved in full. However, approximately four years passed and Cherokee ISD received a Notification of Commitment Adjustment Letter dated April 24, 2007. This letter stated that Cherokee ISD failed to post a new FCC Form 470 before extending its existing contract and failed to comply with the competitive bidding requirements therefore funding for FRN's 949303; 949314; & 949322 is being rescinded. Follow-up letters from USAC dated August 15, 2007 and August 21, 2007 stated that Cherokee ISD did not post for the requested category of service (Internet Access).

In response to the USAC letters, Cherokee ISD submitted three letters dated June 18, 2007; August 20, 2007; and September 5, 2007. These letters clearly outline and document how Cherokee ISD posted a new FCC 470, requested a category of service for Internet Access

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"STRIVING TO MAKE THE BEST BETTER" No. of Copies rec'd 041  
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Service and complied with competitive bidding requirements. However, we received a denial letter on September 24, 2007 regarding our appeal followed by a Demand Payment Letter.

Considering that Cherokee ISD has shown a good faith effort to comply with all competitive bidding requirements this is not a case of waste, fraud or abuse but a clerical error. For that reason Cherokee ISD is respectfully requesting the FCC to review the attached documents and direct USAC to restore full funding for FRN's 949303; 949314; & 949322.

Questions concerning this request can be directed to Chris Perry at 325-622-4298.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Perry".

Chris Perry  
Superintendent  
Cherokee ISD

Attachments: Form 470, Block 2 Item #8  
Form 471, Block 5  
Response letters to USAC dated June 18; 2007; August 20, 2007; and September 5, 2007.

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# Cherokee Independent

## School District

CHRIS PERRY, SUPERINTENDENT

BOX 100

CHEROKEE, TEXAS 76832-0100

[www.centex-edu.net/cherokee](http://www.centex-edu.net/cherokee)

PHONE 325/622-4298

FAX 325/622-4430

TAX ASSESSOR &

COLLECTOR

Randy Henderson

SCHOOL PRINCIPAL

Shannon Jensen

June 18, 2007

Letter of Appeal  
Schools and Libraries Division  
Dept. 25 – Correspondence Unit  
100 South Jefferson Road  
Whippany, NJ 07981

RE: Appeal

**Entity appealing:**

Cherokee Independent School District  
BEN: 141156  
Chris Perry  
PO Box 100  
Cherokee, Texas 76832  
Phone: 325-622-4298  
Fax: 325-622-4430  
Email address: [perry@cisd.centex-edu.net](mailto:perry@cisd.centex-edu.net)

**Decision appealed:**

Notification of Commitment Adjustment Letter  
Date of Document: April 24, 2007  
Funding Year 2003  
471 Application #: 352696  
FRN: 949303, 949314, & 949322  
SPIN: 143004099

**Subject of the Appeal:**

According to the Commitment Adjustment Letter, FRN 949303, 949314, & 949322 are denied because Cherokee ISD failed to post a new FCC Form 470 before extending its existing contract and therefore failed to comply with the competitive bidding requirements.

**Explanation:**

“STRIVING TO MAKE THE BEST BETTER”

The explanations and documents presented below clearly show the intent and good faith effort of Cherokee ISD and their E-rate consultant to comply with all rules and guidelines for Funding Year 2003.

It is the opinion of Cherokee ISD that they clearly:

- (1) Established an Internet Access contract in Funding Year 2001 that would be renewed annually;
- (2) Cited their intent for Internet Access services by posting a new Form 470 for Funding Year 2003 before extending the existing contract;
- (3) Complied with competitive bidding requirements; and
- (4) Cited their intent to renew the existing Internet Contract by referencing the establishing Form 470 Application Number 495710000296562 on Form 471 Block 5 for Funding Year 2003 FRN's 949303, 949314, & 949322.

The above-mentioned explanations are supported by the following Form 470 & Form 471 facts:

#### Funding Year 2001

For Funding Year 2001 the E-rate consultant on behalf of Cherokee ISD posted a Form 470 (Application # 495710000296562) on 09/26/2000 on the USAC website and, after waiting 28 days, Cherokee ISD entered into a contract for Internet Access with Central Texas Communications (SPIN 143004099). According to the contract, "the term will be from July 1, 2001 and continue through June 30, 2002 and will be renewed annually;" Specifically, the contract will be renewed for another year and does not convert to a month-to-month contract. Furthermore, according to the Cherokee E-rate consultant, this is the establishing Form 470 for Internet Access and is to be referenced on future Forms 471 until a new contract is signed. It is important to note that no new contract was signed during the 2001-2006 E-rate Funding Years.

#### Funding Year 2003

For Funding Year 2003 the E-rate consultant on behalf of Cherokee ISD posted a new Form 470 Application Number 802970000422717 on 10/28/2002.

Form 470 Block 2, Item #7:

- The Cherokee E-rate consultant read this statement: *"Note: Services that are covered by a signed, written contract executed pursuant to posting of a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract do NOT require filing of a Form 470"* and interpreted it to mean that no new contract was needed because a contract for Internet Access was previously executed pursuant to posting of new a Form 470 and an existing contract was in place and is to be renewed annually.
- Specifically, The contract extension was not reported on Block 2 Item #7  
- written contract executed pursuant to posting of a Form 470 in a

previous program year (specifically Funding Year 2001) was in place AND the Funding Year 2003 Form 470 did NOT list multi-year or voluntary extensions as an option for the applicant to check (✓). As a result, Cherokee was not able to cite voluntary contract extensions for Funding Year 2003 on Form 470.

Form 470 Block 2 Item #8:

- The establishing contract as cited on Form 470 Application # 495710000296562 was extended each year for an additional year with the extension being indicated on the cited Funding Year 2003 Form 470 Block 2 Item #8 as the E-rate consultant listed Internet services. Cherokee then waited 28 days to comply with competitive bidding requirements before they submitted Form 471.

Form 471 Application Number 352696 was submitted and cited the establishing Form 470 Application Number: 495710000296562 for Internet access on the following Block 5's.

- Block 5, FRN: 949303
  - Category of Service: Internet Access
  - 470 Application Number: 495710000296562
  - Contract Award Date: 12/13/2000
  - Service State Date: 07/01/2003
  - Contract Expiration Date: 06/30/2004
  -
- Block 5, FRN: 949322
  - Category of Service: Internet Access
  - 470 Application Number: 495710000296562
  - Contract Award Date: 12/13/2000
  - Service State Date: 07/01/2003
  - Contract Expiration Date: 06/30/2004
- Block 5, FRN: 949314
  - Category of Service: Internet Access
  - 470 Application Number: 495710000296562
  - Contract Award Date: 12/13/2000
  - Service State Date: 07/01/2003
  - Contract Expiration Date: 06/30/2004

It is important to note that Cherokee ISD established a pattern of referencing the establishing Form 470 Application number for Internet Access on Form 471 Block 5 for these consecutive Funding Years: 2001, 2002, 2003, 2004, 2005 and 2006.

The following forms are attached are attached to support the above-mentioned statements.

- Copy of the original contract establishing Internet Access with Central Texas Communications is attached which clearly documents the language that the contract will be renewed annually.
- Copy of the Funding Year 2001 Form 470 (Application Number 495710000296562), which clearly documents this form as the establishing Form 470 for the Internet Access contract.
- Copy of Form 470 & Form 471 for Funding Year 2003 to support and document the intent and good faith effort of Cherokee ISD to post a new Form 470 and cite the request for Internet access on Form 470 before extending the existing contract; comply with bidding requirements; and to reference the establishing Form 470 Application Number on Form 471 Block 5 for FRN's 949303, 949314, & 949322.

Because these documents show that Cherokee ISD posted a new FCC Form 470 before extending the existing contract; they referenced the establishing Form 470 for the Internet Access and complied with the competitive bidding requirements, Cherokee ISD is respectfully requesting USAC to dismiss the Funding Commitment Adjustments for FRN's 949303, 949314, & 949322.

Sincerely,



Chris Perry  
Superintendent  
Cherokee ISD

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Peggy York

325-938-5768

p. 2

August 20, 2007

Scott Donnelly 973-599-6525  
Program Compliance Unit

RE: Cherokee ISD, Application Number: 352696, FRN's 949303, 949314, & 949322

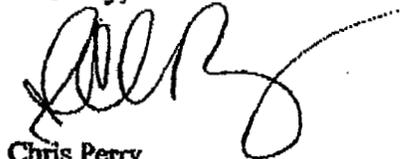
The establishing Form 470 for Internet Access is Application # 495710000296562. This contract was extended for Funding Year 2003 on Form 470 Application # 802970000422717. Cherokee ISD listed Internet Access on Block 2 Item #8 under the Telecommunications Services category of Service. Cherokee then waited 28 days to comply with competitive bidding requirements before they submitted Form 471.

Attached is the October 18, 2002 archived document that lists the eligible services for Funding Year 2003. Please refer to Telecommunication Services Section, specifically, page 6. You will find where Internet Access is listed as an eligible service under the Telecommunications Services category of service.

Also attached is page 2 of FY 2003 Form 470 Application # 802970000422717, which clearly documents the request for Internet Access under the category of Telecommunications Services.

It is the opinion of Cherokee ISD that they clearly documented their intent to extend an existing Internet contract by posting a new Form 470 for FY 2003 and requesting Internet Access under the service category of Telecommunications Service on Block 2 #8 in order to comply with competitive bidding requirements. Therefore their appeal should be approved.

Sincerely,



Chris Perry  
Cherokee ISD  
Superintendent

September 5, 2007

Scott Donnelly 973-599-6525  
Program Compliance Unit

RE: Cherokee ISD, Application Number: 352696, FRN's 949303, 949314, & 949322

**Cherokee complied with competitive bidding requirements, specifically,**

- Cherokee ISD opened a competitive bidding process for Funding Year 2003 when they posted Form 470 application # 802970000422717;
- Cherokee then described specific services for support. For example, they listed Internet Access as a service requested for Funding Year 2003;
- Cherokee then identified the Telecommunications category of service and listed Internet Access under this category of service;
- Internet Access is an eligible service under the Telecommunications category of service;
- Cherokee identified all recipients of services for support;
- Followed all applicable state and local procurement laws; and
- Waited 28 days after the Form 470 is posted to the USAC website before selecting a vendor.

It is important to note that Cherokee did not receive one single bid in response to posting Funding Year 2003 Form 470 for any of the services requested. The reason Cherokee received no bids is because Cherokee ISD is located in a rural location of Texas in which there is no competition for telecommunication services such as basic phone service and Internet access. Central Texas Telephone is the one and only provider for local phone service in Cherokee and Central Texas Communications is the one and only provider for Internet Access in Cherokee.

**Cherokee Requested a Category of Service**

When Cherokee ISD posted Funding Year 2003 Form 470 application # 802970000422717 they specified Internet Access as a Telecommunications category of service; however, FRN's 949303, 949314, & 949322 on Block 5 of Form 471 listed Internet Access as the Service Category for the Internet Access service. Because of the change in category of service for Internet access it would appear that a category of service wasn't posted for Internet Access; however, Internet Access was indeed posted on Form 470 under the Telecommunications category of Service. It is important to note that According to Step 8 regarding Form 471 -- "If applicants make errors in specifying the proper category of service, USAC may adjust the category" and in this situation because Internet Access was posted on Form 470 and Form 471 and Item 21 attachments for FRN's 949303, 949314, & 949322 were attached, the USAC reviewers could have adjusted the category of service.

**Request for Appeal to be Approved**

It is purely an error that Internet Access is specified as a Telecommunications category of service on Form 470 and is specified as an Internet Access category of service on Form 471 Application # 352696. The technical error however, doesn't warrant the three FRN's to be denied when it is clear that Cherokee posted a Form 470 for Internet Access and requested Internet Access service on Form 471 for FRN's 949303, 949314, & 949322 and provided supporting Item 21 Attachments.

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Peggy York

325-938-5768

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The situation in which the service category for Internet Service is posted on both Form 470 and Form 471 clearly shows the intent of Cherokee ISD to request and receive discounts on Internet Access services and does not warrant the denial of FRN's 949303, 949314, & 949322. This is not a case of fraud or abuse, but an error in specifying the proper category of service. Therefore, Cherokee ISD is respectfully requesting their appeal to be approved.

Sincerely,



**Chris Perry**  
Superintendent  
Cherokee ISD

6b. Street Address, P.O.Box, or Route Number

211 Harper Rd. #39

City

Kerrville

State

TX

Zip Code

78028

6c. Telephone Number (830) 895- 5711

6d. Fax Number (830) 895- 1584

6e. E-mail Address jobenson@ktc.com

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):

- a.  Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.
- b.  Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.
- c.  Services for which a new written contract is sought for the funding year in Item 2.
- d.  A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.

NOTE: Services that are covered by a signed, written contract executed pursuant to posting of a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract do NOT require filing of a Form 470.

What kinds of service are you seeking: Telecommunications Services, Internet Access, or Internal Connections? Refer to the Eligible Services List at [www.sl.universalservice.org](http://www.sl.universalservice.org) for examples. Check the relevant category or categories (8, 9, and/or 10 below), and answer the questions in each category you select.

8  Telecommunications Services

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

- a.  YES, I have an RFP. It is available on the Web at or via (check one):
  - the Contact Person in Item 6 or  the contact listed in Item 11.

- b.  NO, I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity(e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at [www.sl.universalservice.org](http://www.sl.universalservice.org) for examples of eligible Telecommunications Services. Remember that only eligible telecommunications providers can provide these services under the universal service support mechanism. Add additional lines if needed.

Service or Function:

POTS and Long Distance Service

Internet Access Service

Distance Learning Service

Quantity and/or Capacity:

6 existing lines & at least 2 additional lines

1 existing T-1 line & 0 additional needed

1 existing T-1 line & 0 additional needed

<b>13. SPIN: 143002416</b>		<b>14. Service Provider Name: Central Texas Telephone Co-op. Inc.</b>	
<b>15. Contract Number: T</b>		<b>16. Billing Account Number: 915-111-5006</b>	
<b>17. Allowable Contract Date: 11/25/2002</b>		<b>18. Contract Award Date:</b>	
<b>19a. Service Start Date: 07/01/2003</b>		<b>19b. Service End Date: 06/30/2004</b>	
<b>20. Contract Expiration Date:</b>			
<b>21. Attachment #: CHE0601</b>		<b>22. Block 4 Worksheet No.: 448691</b>	
<b>23a. Monthly Charges: \$2,372.32</b>		<b>23b. Ineligible monthly amt.: \$0.00</b>	
<b>23c. Eligible monthly amt.: \$2,372.32</b>		<b>23d. Number of months of service: 12</b>	
<b>23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d): \$28,467.84</b>			
<b>23f. Annual non-recurring (one-time) charges: 0</b>		<b>23g. Ineligible non-recurring amt.: 0</b>	
<b>23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g): \$0.00</b>			
<b>23i. Total program year pre-discount amount ( 23e + 23h): \$28,467.84</b>			
<b>23j. % discount (from Block 4): 80</b>			
<b>23k. Funding Commitment Request ( 23i x 23j): \$22,774.27</b>			

<b>FRN: 949303 FCDL Date: 06/30/2003</b>			
<b>11. Category of Service: Internet Access</b>		<b>12. 470 Application Number: 495710000296562</b>	
<b>13. SPIN: 143004099</b>		<b>14. Service Provider Name: Central Texas Communications, Inc.</b>	
<b>15. Contract Number: N/A</b>		<b>16. Billing Account Number: 915-555-2431</b>	
<b>17. Allowable Contract Date: 10/24/2000</b>		<b>18. Contract Award Date: 12/13/2000</b>	
<b>19a. Service Start Date: 07/01/2003</b>		<b>19b. Service End Date:</b>	
<b>20. Contract Expiration Date: 06/30/2004</b>			
<b>21. Attachment #: CHE0602</b>		<b>22. Block 4 Worksheet No.: 448691</b>	
<b>23a. Monthly Charges: \$300.00</b>		<b>23b. Ineligible monthly amt.: \$0.00</b>	
<b>23c. Eligible monthly amt.: \$300.00</b>		<b>23d. Number of months of service: 12</b>	
<b>23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d): \$3,600.00</b>			
<b>23f. Annual non-recurring (one-time) charges: 0</b>		<b>23g. Ineligible non-recurring amt.: 0</b>	
<b>23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g): \$0.00</b>			
<b>23i. Total program year pre-discount amount ( 23e + 23h): \$3,600.00</b>			
<b>23j. % discount (from Block 4): 80</b>			
<b>23k. Funding Commitment Request ( 23i x 23j): \$2,880.00</b>			

<b>FRN: 949314 FCDL Date: 06/30/2003</b>			
<b>11. Category of Service: Internet Access</b>		<b>12. 470 Application Number: 495710000296562</b>	
<b>13. SPIN: 143004099</b>		<b>14. Service Provider Name: Central Texas Communications, Inc.</b>	
<b>15. Contract Number: N/A</b>		<b>16. Billing Account Number: 915-555-2431</b>	
<b>17. Allowable Contract Date: 10/24/2000</b>		<b>18. Contract Award Date: 12/13/2000</b>	
<b>19a. Service Start Date: 07/01/2003</b>		<b>19b. Service End Date:</b>	
<b>20. Contract Expiration Date: 06/30/2004</b>			
<b>21. Attachment #: CHE0602</b>		<b>22. Block 4 Worksheet No.: 448691</b>	
<b>23a. Monthly Charges: \$18.95</b>		<b>23b. Ineligible monthly amt.: \$0.00</b>	

23c. Eligible monthly amt.: \$18.95	23d. Number of months of service: 12
23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d): \$227.40	
23f. Annual non-recurring (one-time) charges: 0	23g. Ineligible non-recurring amt.: 0
23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g): \$0.00	
23i. Total program year pre-discount amount ( 23e + 23h): \$227.40	
23j. % discount (from Block 4): 80	
23k. Funding Commitment Request ( 23i x 23j): \$181.92	

FRN: 949322 FCDL Date: 06/30/2003	
11. Category of Service: Internet Access	12. 470 Application Number: 495710000296562
13. SPIN: 143004099	14. Service Provider Name: Central Texas Communications, Inc.
15. Contract Number: N/A	16. Billing Account Number: 915-555-1001
17. Allowable Contract Date: 10/24/2000	18. Contract Award Date: 12/13/2000
19a. Service Start Date: 07/01/2003	19b. Service End Date:
20. Contract Expiration Date: 06/30/2004	
21. Attachment #: CHE0602	22. Block 4 Worksheet No.: 448691
23a. Monthly Charges: \$31.00	23b. Ineligible monthly amt.: \$0.00
23c. Eligible monthly amt.: \$31.00	23d. Number of months of service: 12
23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d): \$372.00	
23f. Annual non-recurring (one-time) charges: 0	23g. Ineligible non-recurring amt.: 0
23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g): \$0.00	
23i. Total program year pre-discount amount ( 23e + 23h): \$372.00	
23j. % discount (from Block 4): 80	
23k. Funding Commitment Request ( 23i x 23j): \$297.60	

FRN: 949338 FCDL Date: 06/30/2003	
11. Category of Service: Telecommunications Service	12. 470 Application Number: 281620000019523
13. SPIN: 143004099	14. Service Provider Name: Central Texas Communications, Inc.
15. Contract Number: N/A	16. Billing Account Number: 915-622-4430
17. Allowable Contract Date: 03/09/1998	18. Contract Award Date: 03/23/1998
19a. Service Start Date: 07/01/2003	19b. Service End Date:
20. Contract Expiration Date: 06/30/2004	
21. Attachment #: CHE0602	22. Block 4 Worksheet No.: 448691
23a. Monthly Charges: \$248.51	23b. Ineligible monthly amt.: \$0.00
23c. Eligible monthly amt.: \$248.51	23d. Number of months of service: 12
23e. Annual pre-discount amount for eligible recurring charges ( 23c x 23d): \$2,982.12	
23f. Annual non-recurring (one-time) charges: 0	23g. Ineligible non-recurring amt.: 0
23h. Annual pre-discount amount for eligible non-recurring charges ( 23f - 23g): \$0.00	
23i. Total program year pre-discount amount ( 23e + 23h): \$2,982.12	
23j. % discount (from Block 4): 80	
23k. Funding Commitment Request ( 23i x 23j): \$2,385.70	