

**&KELLOGG
& SOVEREIGN[®]**
CONSULTING, LLC

P O Box 130, Allen, OK 74825 · office: 580.332.1444 · fax: 580.332.2532 · email: dsovereign@kelloggllc.com

October 20, 2008

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, NW
Washington, DC 20554

CC Docket No. 02-6

RE: Petition for Review of Notification of Commitment Adjustment Letters dated August 21, 2008.

Contact Name:

Deborah J. Sovereign, Consultant
P.O. Box 130
Allen, OK 74825
Phone: 580.332.1444, Fax: 580.332.2532
Email: dsovereign@kelloggllc.com

Applicant:

Dallas County Schools
Form 471 Application Number: 502116
Funding Year 2006: 07/01/2006 – 06/30/2007
Billed Entity Number: 231309
FCC RN: 0011875499

We are appealing the "Notification of Commitment Adjustment Letters" dated August 21, 2008 (See Attachment A) for the following funding requests:

1414252, 1414164, 1414245, 1414200, 1414151, 1414221, 1457614, 1414209, 1635677,
1414186, 1414193

According to the Commitment Adjustment Letters, the reason for the request for funds to be recovered is as follows:

"On the original Form 471 the applicant was approved at a 64% discount. ... During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. ... The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system."

"The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77% 83%, 82%, 68%, and 67% respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%,

82%, 77%, 66% and 64% respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 had been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. "

This correction was due to an error by USAC in their Block 4 upload tool. Apparently the Block 4 upload did not correctly calculate the shared discount. This "computer glitch" resulted in a 2% increase in the shared discount for Dallas County Schools' Form 471 Application # 502116.

After receiving the notification, we calculated the shared discount for each consortium member and we agree with the corrected calculations. See Attachment B. We are appealing the request for the funding on the grounds that this was a minor correction that was an error on USAC's system and should not penalize the applicant. The applicant filed their application properly according to USAC guidelines and procedures. The application was reviewed and approved for funding. In good faith that the funding that was issued was indeed the funding, the applicant filed for reimbursement for the charges incurred for eligible services during the period July 1, 2006 - June 30, 2007. The applicant received payment from USAC for their reimbursement requests with the last payment being received December 7, 2007. The applicant closed their funding year and all budgets and funds were properly reported to the reporting authorities for Dallas County Schools including the governing board, auditors, and other authorities. This notification of Commitment Adjustment Letter was received almost two full years AFTER the original funding commitment decision letter and 13 months after the close of the funding year.

The delay in notification creates an undue hardship on the applicant. In the normal course of business, the applicant cannot make a payment for charges after their year is closed. The applicant's budgeting process, board policies, and state statutes require that the fiscal year be closed and reporting finalized. To require the applicant to make payment for a minor error on USAC's part seems unreasonable. This process of going after the applicant when USAC made a minor mistake in their computer program also creates uncertainty in the program. The applicants who choose to participate in the Universal Services Discount Mechanism for Schools & Libraries ("E-Rate") must be able to trust that the funding issued is actually the funding. To take back funds at a later date when the program administrator made an error and the applicant had no indication that such funds would be requested back creates a large amount of uncertainty. The program's purpose is to provide access to advanced telecommunications and Internet

Access for schools & libraries who could not otherwise afford the advanced services. Therefore, to take funds away from an applicant when they in good faith received approved discounts for eligible goods and services is like giving a charitable donation to a kidney patient for a transplant, then telling them a year after surgery is completed, that they need to return the kidney due to the fact that the donation was calculated incorrectly. Obviously, the kidney patient would not have undergone surgery if they knew they would have to return the kidney a year later.

The USAC error is very minor and certainly there is an administrative budget that can cover mistakes in the program. We all know that minor errors can be made in computer programming, but to pass the cost to the applicant affected a year later does not make sense.

Additionally, to add "salt to an open wound" this particular applicant, Dallas County Schools ("DCS"), is victim to the latest change in USAC program guidelines to hold ALL funding for a consortium if any member is involved in an USAC review of any kind . Dallas County Schools' funding requests for 2007-08 and 2008-09 (Form 471 Application # 575675 requesting \$804,669.30 and Form 471 Application # 634253 requesting \$1,480,512.25) are currently on hold due to the fact that one of the consortium member districts' application(s) are under USAC review. DCS has no administrative authority over the member district applications that are under USAC review and has no control or responsibility over the E-Rate applications that have been filed separately by the member district. Additionally, DCS has incurred costs that it would never have done without E-Rate funding. Now they are financially strapped due to this new and unreasonable procedure to withhold funding based on the actions of a third party completely outside of DCS' control. We understand this new procedure is wreaking havoc with the funding for statewide consortiums and is creating a great deal of uncertainty for schools and libraries who have chosen to participate in the program and install advanced technologies they cannot otherwise afford without E-Rate funding. We have included the sample letter that is being sent by consortium members to their Congressional representatives who will in turn forward to USAC as Attachment C.

The E-Rate program is a very valuable and much needed source of funding for schools and libraries. Over the years, schools and libraries have become dependent on E-Rate funding to pay for the advanced telecommunications and Internet services they could not otherwise afford. However, by implementing guidelines and procedures that undermine the trust applicants place in the program, and that penalize applicants who follow the rules and procedures to the very best of their ability, the administrator creates

undue uncertainty in the program. Uncertainty in the program and the fear that funds will be taken back or withheld from eligible entities for eligible products and services can eventually result in the breakdown and failure of an otherwise beneficial program for our students and library patrons across the United States.

In this particular case, due to the undue financial hardship imposed by this request and the fact that the 2% calculation error was due to a computer glitch and not due to any actions by the applicant, we respectfully request that the shared discount remain at 64% and the funding remain as originally approved.

Respectfully submitted,



Deborah J. Sovereign, CPA
Consultant

Attachments:

- A. Notification of Commitment Adjustment Letters
- B. Shared discount calculations for affected districts
- C. Sample Letter to Congressional representatives regarding holding funding for consortiums
- D. Funding Commitment Decision Letter
- E. Letter of Agency

ATTACHMENT A

Notification of Commitment Adjustment Letters

DALLAS COUNTY SCHOOLS, BEN 231309
 FORM 471 Application # 502116
 ATTACHMENT A - SUMMARY

| Request Number | SPIN | Service Provider Name | Billing Account Number | Recovered from |
|----------------|-----------|---|------------------------|----------------|
| 1414252 | 143005581 | Department of Information Resources- Telecommunication Svcs. | DCS OC3 Internet | \$196.36 |
| 1414164 | 143004611 | SBC Internet Services, Inc. dba AT&T Internet Services | 12297802, 6609262 | \$0.00 |
| 1414245 | 143004611 | SBC Internet Services, Inc. dba AT&T Internet Services | 638415 | \$3,722.40 |
| 1414200 | 143004789 | Verizon Southwest Inc. | S15 SAP-6923 117 | \$375.96 |
| 1414151 | 143004662 | Southwestern Bell Telephone Company | 214 A30 0076-562 | \$0.00 |
| 1414221 | 143004662 | Southwestern Bell Telephone Company | 214 A73 0017 728 5 | \$3,990.16 |
| 1457614 | 143004662 | Southwestern Bell Telephone Company | | \$0.00 |
| 1414209 | 143022137 | SBC Advanced Solutions, Inc. | 214 A73 0017 728 5 | \$0.00 |
| 1635677 | 143001192 | AT&T Corporation | | \$0.00 |
| 1414186 | 143008823 | SBC Long Distance, LLC | 214 A03 0076-562 | \$0.00 |
| 1414193 | 143027542 | TouchTone Communications Inc. | 214-944-4545, -4570 | \$0.00 |

Total \$8,284.88

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1414252

Notification of Commitment Adjustment Letter
Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: Department of Information Resources- Telecom
Service Provider Contact Person: Dale Butler

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

Funding Request Number: 1414252
Services Ordered: INTERNET ACCESS
SPIN: 143005581
Service Provider Name: Department of Information Resources-
Telecommunication Svcs.
Contract Number: TEL 12-12-03-04
Billing Account Number: DCS OC3 Internet
Site Identifier: 231309
Original Funding Commitment: \$58,343.68
Commitment Adjustment Amount: \$1,823.24
Adjusted Funding Commitment: \$56,520.44
Funds Disbursed to Date: \$56,716.80
Funds to be Recovered from Applicant: \$196.36

Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$1,823.24. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

- Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
- Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST
- Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD
- Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
- Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result,

the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$1,823.24 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1414164
FRN 1414245

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

**Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130**

**Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: SBC Internet Services, Inc. dba AT&T Internet S
Service Provider Contact Person: Alice Martinez**

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

Funding Request Number: 1414164
Services Ordered: INTERNET ACCESS
SPIN: 143004611
Service Provider Name: SBC Internet Services, Inc. dba AT&T Internet Services
Contract Number: MTM
Billing Account Number: 12297802, 6609262
Site Identifier: 231309
Original Funding Commitment: \$1,064.83
Commitment Adjustment Amount: \$33.28
Adjusted Funding Commitment: \$1,031.55
Funds Disbursed to Date: \$567.81
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 \$33.28. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result,

the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$33.28 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Funding Request Number: 1414245
Services Ordered: INTERNET ACCESS
SPIN: 143004611
Service Provider Name: SBC Internet Services, Inc. dba AT&T Internet Services
Contract Number: MTM
Billing Account Number: 638415
Site Identifier: 231309
Original Funding Commitment: \$119,116.80
Commitment Adjustment Amount: \$3,722.40
Adjusted Funding Commitment: \$115,394.40
Funds Disbursed to Date: \$119,116.80
Funds to be Recovered from Applicant: \$3,722.40

Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$3,722.40. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST

Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST

Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD

Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD

Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced

in this correspondence. Accordingly, the commitment has been reduced by \$3,722.40 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
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Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1414200

Notification of Commitment Adjustment Letter
Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: Verizon Southwest Inc.
Service Provider Contact Person: Kim Spadaro

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|------------------------|
| Funding Request Number: | 1414200 |
| Services Ordered: | TELCOMM SERVICES |
| SPIN: | 143004789 |
| Service Provider Name: | Verizon Southwest Inc. |
| Contract Number: | T |
| Billing Account Number: | S15 SAP-6923 117 |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$12,642.59 |
| Commitment Adjustment Amount: | \$395.08 |
| Adjusted Funding Commitment: | \$12,247.51 |
| Funds Disbursed to Date: | \$12,623.47 |
| Funds to be Recovered from Applicant: | \$375.96 |

Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$395.08. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST

Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST

Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD

Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD

Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$395.08 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 141 4151

FRN 145 7614

FRN 141 4221

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

**Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130**

**Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: Southwestern Bell Telephone Company
Service Provider Contact Person: Carmela Trevino**

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 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).

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**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|-------------------------------------|
| Funding Request Number: | 1414151 |
| Services Ordered: | TELCOMM SERVICES |
| SPIN: | 143004662 |
| Service Provider Name: | Southwestern Bell Telephone Company |
| Contract Number: | T |
| Billing Account Number: | 214 A30 0076-562 |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$50,308.92 |
| Commitment Adjustment Amount: | \$1,572.15 |
| Adjusted Funding Commitment: | \$48,736.77 |
| Funds Disbursed to Date: | \$32,925.65 |
| 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 \$1,572.15. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL
DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT
SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL
DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$1,572.15 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Funding Request Number: 1414221
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: T
Billing Account Number: 214 A73 0017 728 5
Site Identifier: 231309
Original Funding Commitment: \$127,684.99
Commitment Adjustment Amount: \$3,990.16
Adjusted Funding Commitment: \$123,694.83
Funds Disbursed to Date: \$127,684.99
Funds to be Recovered from Applicant: \$3,990.16

Funding Commitment Adjustment Explanation:

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$3,990.16. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL
DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT
SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL
DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$3,990.16 (pre-

discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Funding Request Number: 1457614
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: ICB 119462-1
Billing Account Number:
Site Identifier: 231309
Original Funding Commitment: \$19,776.00
Commitment Adjustment Amount: \$618.00
Adjusted Funding Commitment: \$19,158.00
Funds Disbursed to Date: \$0.00
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 \$618.00. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST

Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST

Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD

Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD

Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT

Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application # 502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$618.00 (pre-

discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 141 4209

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

**Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130**

**Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: SBC Advanced Solutions, Inc.
Service Provider Contact Person: Melvin Clemmer**

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|------------------------------|
| Funding Request Number: | 1414209 |
| Services Ordered: | TELCOMM SERVICES |
| SPIN: | 143022137 |
| Service Provider Name: | SBC Advanced Solutions, Inc. |
| Contract Number: | T |
| Billing Account Number: | 214 A73 0017 728 5 |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$263,017.42 |
| Commitment Adjustment Amount: | \$8,219.29 |
| Adjusted Funding Commitment: | \$254,798.13 |
| Funds Disbursed to Date: | \$203,722.45 |
| 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 \$8,219.29. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL
DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT
SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL
DIST

The discounts calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$8,219.29 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1635677

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

**Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130**

**Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: AT&T Corporation
Service Provider Contact Person: Laura Roe**

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|------------------|
| Funding Request Number: | 1635677 |
| Services Ordered: | INTERNET ACCESS |
| SPIN: | 143001192 |
| Service Provider Name: | AT&T Corporation |
| Contract Number: | MTM |
| Billing Account Number: | |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$88,296.96 |
| Commitment Adjustment Amount: | \$2,759.28 |
| Adjusted Funding Commitment: | \$85,537.68 |
| Funds Disbursed to Date: | \$59,558.40 |
| 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 \$2,759.28. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL
DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT
SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL
DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$2,759.28 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1414186

Notification of Commitment Adjustment Letter
Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: SBC Long Distance, LLC
Service Provider Contact Person: Geralene King

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|------------------------|
| Funding Request Number: | 1414186 |
| Services Ordered: | TELCOMM SERVICES |
| SPIN: | 143008823 |
| Service Provider Name: | SBC Long Distance, LLC |
| Contract Number: | T |
| Billing Account Number: | 214 A03 0076-562 |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$765.77 |
| Commitment Adjustment Amount: | \$23.93 |
| Adjusted Funding Commitment: | \$741.84 |
| Funds Disbursed to Date: | \$105.20 |
| 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 \$23.93. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL
DIST
Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT
SD
Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL
DISTRICT
Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL
DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$23.93 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130

FRN 1414193

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

August 21, 2008

**Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825 0130**

**Re: Form 471 Application Number: 502116
Funding Year: 2006
Applicant's Form Identifier: DCSCY9-1
Billed Entity Number: 231309
FCC Registration Number: 0011875499
SPIN Name: TouchTone Communications Inc.
Service Provider Contact Person: Neil DeRiggi**

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 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 USAC 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 <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 502116**

| | |
|---------------------------------------|-------------------------------|
| Funding Request Number: | 1414193 |
| Services Ordered: | TELCOMM SERVICES |
| SPIN: | 143027542 |
| Service Provider Name: | TouchTone Communications Inc. |
| Contract Number: | T |
| Billing Account Number: | 214-944-4545, -4570 |
| Site Identifier: | 231309 |
| Original Funding Commitment: | \$124.95 |
| Commitment Adjustment Amount: | \$3.90 |
| Adjusted Funding Commitment: | \$121.05 |
| Funds Disbursed to Date: | \$0.00 |
| 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 \$3.90. On the original Form 471, the applicant was approved at a 64% discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of review, it was determined that the applicant is eligible to receive only a 62% discount. This determination was based on a recalculation of the discount on Prep. Worksheet A and/or B based on the Student Count and NSLP students provided by the applicant which were used to calculate the discount for shared Worksheet C # 761636. The shared discount calculation on the following Prep Worksheet A and/or B #(s) were incorrectly transferred by our system:

- Prep. Worksheet No: 761644; Entity # 140488; Name: CEDAR HILL INDEP SCHOOL DIST
- Prep. Worksheet No: 761645; Entity # 140494; Name: DE SOTO INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761646; Entity # 140506; Name: DUNCANVILLE INDEP SCHOOL DIST
- Prep. Worksheet No: 761641; Entity # 140461; Name: GARLAND INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761642; Entity # 140464; Name: GRAND PRAIRIE INDEPENDENT SD
- Prep. Worksheet No: 761639; Entity # 140448; Name: IRVING INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761647; Entity # 140514; Name: LANCASTER INDEPENDENT SD
- Prep. Worksheet No: 761648; Entity # 140521; Name: MESQUITE INDEP SCHOOL DISTRICT
- Prep. Worksheet No: 761643; Entity # 140477; Name: RICHARDSON INDEP SCHOOL DIST

The discounts incorrectly calculated by our system were 62%, 68%, 72%, 59%, 77%, 83%, 82%, 68%, and 67%, respectively. The shared discounts for these Prep Worksheets have been corrected to 60%, 65%, 70%, 57%, 74%, 82%, 77%, 66%, and 64%, respectively. As a result, the shared discount for Worksheet C # 761636 for Fund Year 2006 Form 471 Application #

502116 has been corrected from 64% to 62%. Your post discount funding will be decreased for all funding requests whose discount is determined by the Block 4 Worksheet C referenced in this correspondence. Accordingly, the commitment has been reduced by \$3.90 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and, if recovery is required, USAC will seek recovery from the applicant.

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

ATTACHMENT B

Block 4 Worksheet Calculations

Cedar Hill Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|-------------------------------|----------|----------------|-------------------|---------------|----------------|------------|--------------------------|------------------|
| | BELT LINE INTERMEDIATE SCHOOL | 85828 | U | 340 | 340 | 157 | 46.18% | 60% | 204.0 |
| | BRAY ELEMENTARY SCHOOL | 85827 | U | 306 | 306 | 115 | 37.58% | 60% | 183.6 |
| | CEDAR HILL HIGH SCHOOL | 85829 | U | 1801 | 1801 | 497 | 27.60% | 50% | 900.5 |
| | HIGH POINTE ELEMENTARY SCHOOL | 85832 | U | 597 | 597 | 280 | 46.90% | 60% | 358.2 |
| | HIGHLANDS ELEMENTARY SCHOOL | 85826 | U | 536 | 536 | 291 | 54.29% | 80% | 428.8 |
| | JOE WILSON INTERMEDIATE | 16021289 | U | 436 | 436 | 198 | 45.41% | 60% | 261.6 |
| | LAKERIDGE ELEMENTARY | 16021290 | U | 321 | 321 | 92 | 28.66% | 50% | 160.5 |
| | PERMENTER MIDDLE SCHOOL | 85833 | U | 869 | 869 | 350 | 40.28% | 60% | 521.4 |
| | PLUMMER ELEMENTARY SCHOOL | 85835 | U | 610 | 610 | 312 | 51.15% | 80% | 488.0 |
| | WATERFORD OAKS ELEM SCHOOL | 85834 | U | 549 | 549 | 228 | 41.53% | 60% | 329.4 |
| | WEST INTERMEDIATE SCHOOL | 85831 | U | 457 | 457 | 181 | 39.61% | 60% | 274.2 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | TOTALS | | | 6822 | 6822 | 2701 | | | 4110.2 |
| | | | | | | | | WEIGHTED DISCOUNT | 60% |

DeSoto Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|-------------------------------|--------|----------------|-------------------|---------------|----------------|------------|--------------------|------------------------------|
| | AMBER TERRACE INTER SCHOOL | 85864 | U | 674 | 674 | 325 | 48.22% | 60% | 404.4 |
| | COCKRELL HILL ELEM SCHOOL | 85860 | U | 658 | 658 | 301 | 45.74% | 60% | 394.8 |
| | DE SOTO HIGH- FRESHMAN CAMPUS | 85861 | U | 809 | 809 | 380 | 46.97% | 60% | 485.4 |
| | DESOTO HIGH SCHOOL | 85863 | U | 1834 | 1834 | 606 | 33.04% | 50% | 917.0 |
| | EAST JUNIOR HIGH SCHOOL | 85859 | U | 637 | 637 | 336 | 52.75% | 80% | 509.6 |
| | MEADOWS INTERMEDIATE SCHOOL | 85856 | U | 575 | 575 | 297 | 51.65% | 80% | 460.0 |
| | MOATES ELEMENTARY SCHOOL | 85997 | U | 709 | 709 | 484 | 68.27% | 80% | 567.2 |
| | NORTHSIDE ELEMENTARY SCHOOL | 85854 | U | 474 | 474 | 292 | 61.60% | 80% | 379.2 |
| | P A S S LEARNING CENTER | 226414 | U | 23 | 23 | 9 | 39.13% | 60% | 13.8 |
| | WEST JUNIOR HIGH SCHOOL | 85857 | U | 827 | 827 | 376 | 45.47% | 60% | 496.2 |
| | YOUNG ELEMENTARY SCHOOL | 85858 | U | 524 | 524 | 274 | 52.29% | 80% | 419.2 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | TOTALS | | | 7744 | 7744 | 3680 | | | 5046.8 |
| | | | | | | | | | WEIGHTED DISCOUNT 65% |

Duncanville Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|-------------------------------|--------|----------------|-------------------|---------------|----------------|------------|--------------------------|------------------|
| | ACTON ELEMENTARY SCHOOL | 86405 | U | 416 | 416 | 307 | 73.80% | 80% | 332.8 |
| | ALEXANDER ELEMENTARY SCHOOL | 85907 | U | 512 | 512 | 236 | 46.09% | 60% | 307.2 |
| | BRANDENBURG INTERMEDIATE SCH | 85908 | U | 552 | 552 | 308 | 55.80% | 80% | 441.6 |
| | BYRD MIDDLE SCHOOL | 85870 | U | 735 | 735 | 342 | 46.53% | 60% | 441.0 |
| | CENTRAL ELEMENTARY SCHOOL | 85871 | U | 524 | 524 | 368 | 70.23% | 80% | 419.2 |
| | DANIEL INTERMEDIATE SCHOOL | 85906 | U | 597 | 597 | 341 | 57.12% | 80% | 477.6 |
| | DUNCANVILLE HIGH SCHOOL | 85867 | U | 3736 | 3736 | 1506 | 40.31% | 60% | 2241.6 |
| | FAIRMEADOWS ELEMENTARY SCHOOL | 85865 | U | 546 | 546 | 425 | 77.84% | 90% | 491.4 |
| | HARDIN INTERMEDIATE SCHOOL | 85872 | U | 629 | 629 | 410 | 65.18% | 80% | 503.2 |
| | HASTINGS ELEMENTARY SCHOOL | 85868 | U | 391 | 391 | 267 | 68.29% | 80% | 312.8 |
| | HYMAN ELEMENTARY SCHOOL | 231868 | U | 587 | 587 | 328 | 55.88% | 80% | 469.6 |
| | MERRIFIELD ELEMENTARY SCHOOL | 85905 | U | 580 | 580 | 409 | 70.52% | 80% | 464.0 |
| | P A C E | 226418 | U | 92 | 92 | 44 | 47.83% | 60% | 55.2 |
| | P A S S LEARNING CENTER | 226419 | U | 16 | 16 | 5 | 31.25% | 50% | 8.0 |
| | REED JUNIOR HIGH SCHOOL | 85873 | U | 605 | 605 | 354 | 58.51% | 80% | 484.0 |
| | SMITH ELEMENTARY | 85903 | U | 490 | 490 | 222 | 45.31% | 60% | 294.0 |
| | | | | | | | | | 0.0 |
| | TOTALS | | | 11008 | 11008 | 5872 | | | 7743.2 |
| | | | | | | | | WEIGHTED DISCOUNT | 70% |

Grand Prairie Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|---------------------------------|--------|----------------|-------------------|---------------|----------------|------------|--------------------------|------------------|
| | ADAMS MIDDLE SCHOOL | 85570 | U | 718 | 718 | 498 | 69.36% | 80% | 574.4 |
| | AUSTIN ELEMENTARY SCHOOL | 85574 | U | 485 | 485 | 367 | 75.67% | 90% | 436.5 |
| | BARBARA BUSH ELEMENTARY SCHOOL | 85607 | U | 518 | 518 | 367 | 70.85% | 80% | 414.4 |
| | BONHAM ELEMENTARY SCHOOL | 85597 | U | 586 | 586 | 492 | 83.96% | 90% | 527.4 |
| | BOWIE ELEMENTARY SCHOOL | 85593 | U | 510 | 510 | 442 | 86.67% | 90% | 459.0 |
| | COLIN POWELL ELEMENTARY SCHOOL | 85603 | U | 555 | 555 | 105 | 18.92% | 40% | 222.0 |
| | CROCKETT ELEMENTARY SCHOOL | 85595 | U | 586 | 586 | 494 | 84.30% | 90% | 527.4 |
| | DANIELS ELEMENTARY SCHOOL | 85592 | U | 488 | 488 | 407 | 83.40% | 90% | 439.2 |
| | DICKINSON ELEMENTARY SCHOOL | 85601 | U | 619 | 619 | 295 | 47.66% | 60% | 371.4 |
| | EISENHOWER ELEMENTARY SCHOOL | 85573 | U | 438 | 438 | 201 | 45.89% | 60% | 262.8 |
| | ERVIN C WHITT ELEMENTARY SCHOOL | 231224 | U | 532 | 532 | 257 | 48.31% | 60% | 319.2 |
| | FANNIN ELEMENTARY SCHOOL | 85583 | U | 399 | 399 | 345 | 86.47% | 90% | 359.1 |
| | FLORENCE HILL ELEM SCHOOL | 85600 | U | 546 | 546 | 161 | 29.49% | 50% | 273.0 |
| | GARCIA ELEMENTARY | 172871 | U | 520 | 520 | 453 | 87.12% | 90% | 468.0 |
| | GARNER ELEMENTARY SCHOOL | 85604 | U | 482 | 482 | 140 | 29.05% | 50% | 241.0 |
| | GRAND PRAIRIE HIGH SCHOOL | 85576 | U | 2960 | 2960 | 1740 | 58.78% | 80% | 2368.0 |
| | JACKSON MIDDLE SCHOOL | 85587 | U | 994 | 994 | 518 | 52.11% | 80% | 795.2 |
| | JOHNSON ELEMENTARY SCHOOL | 85588 | U | 523 | 523 | 409 | 78.20% | 90% | 470.7 |
| | KENNEDY MIDDLE SCHOOL | 85599 | U | 896 | 896 | 637 | 71.09% | 80% | 716.8 |
| | LAMAR ELEMENTARY SCHOOL | 8578 | U | 124 | 124 | 75 | 60.48% | 80% | 99.2 |
| | LEE MIDDLE SCHOOL | 85594 | U | 780 | 780 | 631 | 80.90% | 90% | 702.0 |
| | MILAM ELEMENTARY SCHOOL | 85596 | U | 509 | 509 | 408 | 80.16% | 90% | 458.1 |
| | SALLYE MOORE | 231225 | U | 564 | 564 | 271 | 48.05% | 60% | 338.4 |
| | SAM HOUSTON ELEMENTARY SCHOOL | 85579 | U | 569 | 569 | 506 | 88.93% | 90% | 512.1 |
| | SAM RAYBURN ELEMENTARY SCHOOL | 85589 | U | 518 | 518 | 394 | 76.06% | 90% | 466.2 |
| | SOUTH GRAND PRAIRIE HIGH SCH | 85590 | U | 3277 | 3277 | 1070 | 32.65% | 50% | 1638.5 |
| | TRAVIS ELEMENTARY SCHOOL | 85581 | U | 507 | 507 | 420 | 82.84% | 90% | 456.3 |
| | TRUMAN MIDDLE SCHOOL | 85602 | U | 609 | 609 | 287 | 47.13% | 60% | 365.4 |
| | ZAVALA ELEMENTARY SCHOOL | 85591 | U | 525 | 525 | 285 | 54.29% | 80% | 420.0 |
| | | | | | | | | | |
| | TOTALS | | | 21337 | 21337 | 12675 | | | 15701.7 |
| | | | | | | | | WEIGHTED DISCOUNT | 74% |

Irving Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|---------------------------------|--------|----------------|-------------------|---------------|----------------|--------------------------|--------------------|------------------|
| | ACADEMY OF IRVING ISD | 221942 | U | 1433 | 1433 | 824 | 57.50% | 80% | 1146.4 |
| | BARTON ELEMENTARY SCHOOL | 85644 | U | 791 | 791 | 654 | 82.68% | 90% | 711.9 |
| | BOWIE MIDDLE SCHOOL | 85632 | U | 1007 | 1007 | 769 | 76.37% | 90% | 906.3 |
| | BRANDENBURG ELEMENTARY SCHOOL | 85660 | U | 819 | 819 | 583 | 71.18% | 80% | 655.2 |
| | BRITAIN ELEMENTARY SCHOOL | 85634 | U | 840 | 840 | 735 | 87.50% | 90% | 756.0 |
| | CLIFTON EARLY CHILDHOOD | 226441 | U | 602 | 602 | 521 | 86.54% | 90% | 541.8 |
| | CROCKETT JUNIOR HIGH SCHOOL | 85640 | U | 985 | 985 | 614 | 62.34% | 80% | 788.0 |
| | DAVIS ELEMENTARY SCHOOL | 85648 | U | 915 | 915 | 638 | 69.73% | 80% | 732.0 |
| | ELLIOTT ELEMENTARY SCHOOL | 85638 | U | 885 | 885 | 545 | 61.58% | 80% | 708.0 |
| | FARINE ELEMENTARY SCHOOL | 85656 | U | 766 | 766 | 505 | 65.93% | 80% | 612.8 |
| | GILBERT ELEMENTARY SCHOOL | 85650 | U | 788 | 788 | 645 | 81.85% | 90% | 709.2 |
| | GOOD ELEMENTARY SCHOOL | 85647 | U | 852 | 852 | 738 | 86.62% | 90% | 766.8 |
| | HANES ELEMENTARY SCHOOL | 85662 | U | 739 | 739 | 438 | 59.27% | 80% | 591.2 |
| | IRVING HIGH SCHOOL | 85645 | U | 2356 | 2356 | 1328 | 56.37% | 80% | 1884.8 |
| | JOHN HALEY ELEMENTARY SCHOOL | 85629 | U | 886 | 886 | 769 | 86.79% | 90% | 797.4 |
| | JOHNSTON ELEMENTARY SCHOOL | 85661 | U | 609 | 609 | 455 | 74.71% | 90% | 548.1 |
| | KEYES ELEMENTARY SCHOOL | 85643 | U | 845 | 845 | 772 | 91.36% | 90% | 760.5 |
| | KINKEADE EARLY CHILDHOOD | 226442 | U | 634 | 634 | 557 | 87.85% | 90% | 570.6 |
| | LAMAR JUNIOR HIGH SCHOOL | 85628 | U | 1084 | 1084 | 614 | 56.64% | 80% | 867.2 |
| | LEE ELEMENTARY SCHOOL | 85653 | U | 685 | 685 | 452 | 65.99% | 80% | 548.0 |
| | LIVELY ELEMENTARY SCHOOL | 85641 | U | 863 | 863 | 671 | 77.75% | 90% | 776.7 |
| | LORENZO DE ZAVALA MIDDLE SCHOOL | 221945 | U | 967 | 967 | 694 | 71.77% | 80% | 773.6 |
| | MACARTHUR HIGH SCHOOL | 85654 | U | 2363 | 2363 | 1038 | 43.93% | 60% | 1417.8 |
| | NIMITZ HIGH SCHOOL | 85639 | U | 2111 | 2111 | 1101 | 52.16% | 80% | 1688.8 |
| | OTIS BROWN ELEMENTARY SCHOOL | 85631 | U | 779 | 779 | 574 | 73.68% | 80% | 623.2 |
| | PIERCE EARLY CHILDHOOD | 226443 | U | 623 | 623 | 558 | 89.57% | 90% | 560.7 |
| | SAM HOUSTON JUNIOR HIGH SCHOOL | 85505 | U | 1018 | 1018 | 717 | 70.43% | 80% | 814.4 |
| | SCHULZE ELEMENTARY SCHOOL | 85637 | U | 695 | 695 | 577 | 83.02% | 90% | 625.5 |
| | STEPHEN AUSTIN MIDDLE SCHOOL | 85646 | U | 892 | 892 | 768 | 86.10% | 90% | 802.8 |
| | THOMAS HALEY ELEMENTARY SCHOOL | 85651 | U | 766 | 766 | 539 | 70.37% | 80% | 612.8 |
| | TOWNLEY ELEMENTARY SCHOOL | 85636 | U | 825 | 825 | 485 | 58.79% | 80% | 660.0 |
| | TRAVIS JUNIOR HIGH SCHOOL | 85655 | U | 1028 | 1028 | 586 | 57.00% | 80% | 822.4 |
| | UNION BOWER CENTER | 85649 | U | 277 | 277 | 190 | 68.59% | 80% | 221.6 |
| | TOTALS | | | 31728 | 31728 | 21654 | | | 26002.5 |
| | | | | | | | WEIGHTED DISCOUNT | 82% | |

Lancaster Indep School District

| Site Code | SCHOOL | BEN | Urban or Rural | Low Income Enroll | Accred Enroll | Total Eligible | % Eligible | Disc % From Matrix | Weighted Product |
|-----------|----------------------------------|-------|----------------|-------------------|---------------|----------------|------------|--------------------|------------------------------|
| | HOUSTON ELEMENTARY SCHOOL | 85932 | U | 348 | 348 | 279 | 80.17% | 90% | 313.2 |
| | LANCASTER HIGH SCHOOL | 85934 | U | 1707 | 1707 | 809 | 47.39% | 60% | 1024.2 |
| | LANCASTER INTERMEDIATE SCHOOL | 85935 | U | 825 | 825 | 581 | 70.42% | 80% | 660.0 |
| | LANCASTER JUNIOR HIGH SCHOOL | 85940 | U | 917 | 917 | 576 | 62.81% | 80% | 733.6 |
| | ROSA PARKS/MILLBROOK ELEM SCHOOL | 85936 | U | 404 | 404 | 302 | 74.75% | 90% | 363.6 |
| | PLEASANT RUN ELEMENTARY SCHOOL | 85937 | U | 420 | 420 | 348 | 82.86% | 90% | 378.0 |
| | ROLLING HILLS ELEM SCHOOL | 85938 | U | 479 | 479 | 387 | 80.79% | 90% | 431.1 |
| | WEST MAIN ELEMENTARY SCHOOL | 85939 | U | 302 | 302 | 242 | 80.13% | 90% | 271.8 |
| | | | U | | | | | | 0.0 |
| | | | U | | | | | | 0.0 |
| | | | U | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | | | | | | | | | 0.0 |
| | TOTALS | | | 5402 | 5402 | 3524 | | | 4175.5 |
| | | | | | | | | | WEIGHTED DISCOUNT 77% |

ATTACHMENT C

Sample Letter being sent by Congressional
Representatives on behalf of Consortium members

<current date>

Mel Blackwell
Vice President, Schools & Libraries Division
USAC
2000 L Street NW, Suite 200
Washington, DC 20036

Re: Dallas County Schools,
Billed Entity # 231309
Erate 2007-08 Form 471 application # 575675

Dear Mr. Blackwell,

Dallas County Schools ("DCS") is a county-wide district servicing the school districts located in Dallas County, Texas. DCS decided to provide advanced telecommunications services and Internet Access services for the 14 member districts when they realized the services could be affordable with the assistance of the E-Rate program. Since DCS cannot provide these services without E-Rate discounts, they file for E-Rate discounts for the telecommunications and Internet access services they provide for the 14 member districts.

This year (FY 2007-08) DCS found out that their funding would be significantly delayed due to a new USAC procedure. According to the USAC Ombudsman, although DCS' application has been properly filed for eligible services and eligible locations, and the application has cleared all review, it is being held because one of the member districts, Dallas Independent School District, is under review for their E-Rate applications filed with USAC. DCS was informed that this is a new procedure within the USAC processes that requires all consortium members to have cleared all issues related with their own individual applications prior to approving the consortium application.

It is the opinion of both my office and our constituents, that this new level of review will cause undue hardship and further complicate the E-Rate funding process which is not the intent of the program. The USAC administrative procedures including review processes should "promote the statutory requirements of section 254(h) of the Communications Act of 1934, as amended (the Act), by helping to ensure that eligible schools and libraries actually obtain access to discounted telecommunications and information services. (47 U.S.C. § 254(h). *The Telecommunications Act of 1996, Pub. L. No.*

ATTACHMENT # C-1

104-104, 110 Stat. 56, amended the Communications Act of 1934.) If USAC's reviews of the individual member's applications were timely and DCS only had to wait an additional month or so for funding, they may be able to afford the additional wait time. However, this is not the case and DCS is deeply concerned that funding may be delayed well past the current funding year. Dallas County Schools is providing advanced telecommunications and Internet Access services which they cannot afford to provide without E-Rate funding. By delaying their funding until well after the funding year, they will have serious budget problems and legal issues with their providers.

To hold funding on the consortium application based on additional reviews for an application for which DCS has no authority is unreasonable. This process does not provide any benefit to the program as the organization who is filing the consortium application must follow all of the rules and guidelines and should not be held responsible for filings for which they have no authority.

Furthermore, in order to apply this new procedure to DCS, USAC must also apply this procedure to all other consortiums which will significantly delay funding for applications where the applying organization has no control over the individual applications of the members. Consortiums are typically set up in order to purchase services at volume discounts. By adding this new process, USAC will deter schools and libraries from forming consortiums since it will make more economic sense to pay the higher individual costs instead of risk funding delays at the consortium level.

In conclusion, as a representative of not only Dallas County Schools, but also in consideration of all other consortiums who may be adversely affected, I would appreciate a second review of this new procedure as it adds undue hardship on the consortiums and results in further complicating the E-Rate process with no positive benefits to any of the parties involved.

Sincerely,

ATTACHMENT D

Funding Letter



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 2006: 07/01/2006 - 06/30/2007)

September 19, 2006

Debi Sovereign or Jane Kellogg
DALLAS COUNTY SCHOOLS
P.O. Box 130
Allen, OK 74825-0130

Re: Form 471 Application Number: 502116
Billed Entity Number (BEN): 231309
Billed Entity FCC RN: 0011875499
Applicant's Form Identifier: DCSCY9-1

Thank you for your Funding Year 2006 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$741,142.91 is "Approved."

Please refer to the Report on the page following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file Form 486 (Receipt of Service Confirmation Form). A guide that provides a definition for each line of the Report precedes the Report.

A List of Important Reminders and Deadlines is included with this letter to assist you throughout the application process.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity) - as products and services are being delivered and billed

TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by USAC 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 (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 502116 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2006," AND
 - The exact text or the decision that you are appealing.

3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981

While we encourage you to resolve your appeal with USAC 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 by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our website. 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.

NOTICE ON RULES AND FUNDS AVAILABILITY

An applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each funding request in your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by USAC.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by USAC to each Block 5 of your Form 471. This number is used to report to applicants and service providers the status of individual funding requests submitted.

FUNDING STATUS: Each FRN will have one of the following statuses:

1. "Funded" - the FRN is approved for support. The funding level will generally be the level requested unless USAC determined during the application review process that some adjustment is appropriate.
2. "Not Funded" - the FRN is one for which no funds were committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for the Funding Year was insufficient to fund all requests.
3. "As Yet Unfunded" - a temporary status assigned to an FRN when USAC is uncertain at the time the letter is sent about whether sufficient funds exist to make commitments for requests for Internal Connections Other than Basic Maintenance or Basic Maintenance of Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and with an "As Yet Unfunded" status on your Internal Connections requests. You would receive one or more subsequent letters regarding the funding decisions on your Internal Connections requests.

CATEGORY OF SERVICE: The type of service ordered from the service provider, as shown on your Form 471.

FORM 470 APPLICATION NUMBER: The Form 470 Application Number associated with this FRN from Block 5, Item 12 of the Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by USAC to service providers seeking payment from the Universal Service Fund Programs. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider, if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes, if a Billing Account Number was provided on your Form 471.

SERVICE START DATE: The Service Start Date for this FRN from Block 5, Item 19 of your Form 471.

CONTRACT EXPIRATION DATE: The Contract Expiration Date for this FRN from Block 5, Item 20b of your Form 471, if a contract expiration date was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a for "site specific" FRNs only.

NUMBER OF MONTHS RECURRING SERVICE PROVIDED IN FUNDING YEAR: The number of months of service that has been approved for the funding year, for recurring services.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service approved for the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY USAC: The discount rate that USAC approved for this service.

FUNDING COMMITMENT DECISION: The total amount of funding that USAC has reserved to reimburse your service provider for the approved discounts for this service for this funding year. It is important that both you and your service provider recognize that USAC should be invoiced and that disbursement of funds will be made only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry provides an explanation of the amount in the "Funding Commitment Decision."

FCDL DATE: The date of this Funding Commitment Decision Letter (FCDL).

WAVE NUMBER: The wave number assigned to FCDLs issued on this date.

LAST ALLOWABLE DATE FOR DELIVERY AND INSTALLATION FOR NON-RECURRING SERVICES: The last date approved by the FCC for delivery and installation of eligible non-recurring services (e.g., equipment). (The last allowable date for delivery and installation of recurring services is always the last day of the fund year, that is, June 30, 2007 for Funding Year 2006.)

FUNDING COMMITMENT REPORT
Billed Entity Name: DALLAS COUNTY SCHOOLS
BEN: 231309
Funding Year: 2006

Form 471 Application Number: 502116
Funding Request Number: 1414151
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 238970000554092
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone, L.P.
Contract Number: T
Billing Account Number: 214 A30 0076-562
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$78,607.68
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$78,607.68
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$50,308.92 - ERN approved; modified by SLD
Funding Commitment Decision Explanation: The ERN was modified to agree with the applicant documentation. The dollars requested were also reduced to remove: the ineligible product(s)/service(s) - one time & additional listings charges.

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1414164
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 238970000554092
SPIN: 143004611
Service Provider Name: SBC Internet Services, Inc. (Successor in interest
Contract Number: MTM
Billing Account Number: 12297802, 6609262
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$1,663.80
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$1,663.80
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$1,064.83 - ERN approved; modified by SLD
Funding Commitment Decision Explanation: The ERN was modified from \$140 to \$138.65 to agree with the applicant documentation.

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: DALLAS COUNTY SCHOOLS
BEN: 231309
Funding Year: 2006

Form 471 Application Number: 502116
Funding Request Number: 1414186
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 238970000554092
SPIN: 143008823
Service Provider Name: SBC Long Distance
Contract Number: T
Billing Account Number: 214 A03 0076-562
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$1,196.52
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$1,196.52
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$765.77 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1414193
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 238970000554092
SPIN: 143027542
Service Provider Name: TouchTone Communications Inc.
Contract Number: T
Billing Account Number: 214-944-4545, -4570
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$195.24
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$195.24
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$124.95 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: DALLAS COUNTY SCHOOLS
BEN: 231309
Funding Year: 2006

Form 471 Application Number: 502116
Funding Request Number: 1414200
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 23897000554092
SPIN: 143004789
Service Provider Name: Verizon Southwest Inc.
Contract Number: T
Billing Account Number: S15 SAP-6923 117
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$19,754.04
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$19,754.04
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$12,642.59 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1414209
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 23897000554092
SPIN: 143022137
Service Provider Name: SBC Advanced Solutions, Inc.
Contract Number: T
Billing Account Number: 214 A73 0017 728 5
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$410,964.72
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$410,964.72
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$263,017.42 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: DALLAS COUNTY SCHOOLS
BEN: 231309
Funding Year: 2006

Form 471 Application Number: 502116
Funding Request Number: 1414221
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 238970000554092
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone, L.P.
Contract Number: T
Billing Account Number: 214 A73 0017 728 5
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$199,507.80
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$199,507.80
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$127,684.99 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1414245
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 238970000554092
SPIN: 143004611
Service Provider Name: SBC Internet Services, Inc. (Successor in interest
Contract Number: MTM
Billing Account Number: 638415
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$324,084.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$324,084.00
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$207,413.76 - ERN approved as submitted

FCDL Date: 09/19/2006
Wave Number: 022
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

FUNDING COMMITMENT REPORT
Billed Entity Name: DALLAS COUNTY SCHOOLS
BEN: 231309
Funding Year: 2006

Form 471 Application Number: 502116
Funding Request Number: 1414252
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 238970000554092
SPIN: 143005581
Service Provider Name: Department of Information Resources- Telecommunica
Contract Number: TEL 12-12-03-04
Billing Account Number: DCS OC3 Internet
Service Start Date: 07/01/2006
Contract Expiration Date: 09/06/2008
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$90,912.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$250.00
Pre-discount Amount: \$91,162.00
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$58,343.68 - FRN approved as submitted

FCDL Date: 09/19/2006

Wave Number: 022

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

Funding Request Number: 1457614
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 238970000554092
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone, L.P.
Contract Number: ICB 119462-1
Billing Account Number: N/A
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2011
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$30,900.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$30,900.00
Discount Percentage Approved by the USAC: 64%
Funding Commitment Decision: \$19,776.00 - FRN approved as submitted

FCDL Date: 09/19/2006

Wave Number: 022

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

ATTACHMENT E

Letter of Agency

KELLOGG & SOVEREIGN CONSULTING, LLC
LETTER OF AGENCY
E-Rate Funding Years 2004, 2005, 2006

I authorize Jane Kellogg, Don Kellogg, Debi Sovereign, and/or Tacy Olivo, representatives of Kellogg & Sovereign Consulting, LLC (formerly Kellogg Consulting, LLC), to submit the E-rate Forms 470, 471, 486, 500, 472 (BEAR form), and other forms requested by the Schools and Libraries Division of the USAC on behalf of Dallas County Schools. We also authorize the aforementioned representatives to act as our agents in soliciting, receiving, and preparing comparisons of proposals from service providers.

Name of Applicant (School/Library): DALLAS COUNTY SCHOOLS

As such, they are authorized to conduct the following on our behalf to:

- Prepare and submit all paperwork requested by the Schools and Libraries Division of the USAC (SLD)
- Act as our agent in working with representatives of SLD to resolve any questions or problems with applications
- Prepare Requests for Proposal (RFPs) to be posted to the Kellogg & Sovereign Consulting, LLC website and distributed to appropriate vendors
- Provide information to vendors as needed to clarify information in RFPs
- Receive bids for requested services from vendors
- Notify vendors of their selection to provide services once the authorized school contact has analyzed comparisons of bids submitted to us through Kellogg & Sovereign Consulting, LLC and we have notified Kellogg & Sovereign Consulting, LLC of our selections
- Complete contracts as specifically directed by the authorized contact person for eligible E-rate services

I also understand that in submitting these forms on our behalf, representatives of Kellogg & Sovereign Consulting, LLC are making certifications for Dallas County Schools and the member school districts we represent. By signing this letter of agency, I make the following certifications as required by the Schools and Libraries Division:

1. I certify that the school(s) I represent are eligible for support because they are schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. Secs 7801(18) and (38), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million.
2. I authorize Kellogg & Sovereign Consulting, LLC to post my Form 470 and (if applicable) make my RFP available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted will be carefully considered and the bid selected will be for the most cost-effective service or equipment offering, with price being the primary factor, and will be the most cost-effective means of meeting educational needs and technology plan goals.
3. I certify that I will retain required documents for a period of at least five years after the last day of service delivered. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts. I acknowledge that I may be audited pursuant to participation in the schools and libraries program.
4. I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. Sec. 54.500(k). Additionally, I certify that the entity or entities listed will not receive anything of value or a promise of anything of value, other than services and equipment sought by means of applications submitted with the Schools & Libraries Division, from the service provider, or any representative or agent thereof or any consultant in connection with the FY 2006-07 Form 471 request for services.

KELLOGG & SOVEREIGN CONSULTING, LLC

Letter of Agency-E-Rate FY 2004, 2005, 2006

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- 5. I acknowledge that support under this support mechanism is conditional upon the school(s) and/or library(ies) I represent securing access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity necessary to use the services purchased with E-Rate discounts effectively. I recognize that some of the aforementioned resources are not eligible for support.
- 6. I certify that the entities I represent will secure access to all of the resources to pay the discounted charges for eligible services from funds to which access will be secured in the 2006-07 funding year. I certify that the Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s). I certify that the non-discount portion of the costs for eligible services will not be paid by the service provider. The pre-discount costs of eligible services requested on our Form 471 application will be net of any rebates or discounts offered by the service provider. I acknowledge that the provision of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.
- 7. I certify that I have reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that I will comply with them. I acknowledge that persons willfully making false statements on E-Rate applications can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.
- 8. I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.
- 9. I certify that all of the individual school(s) I represent are covered by written technology plans that cover all 12 months of the funding years represented and the technology plan(s) has (have) been or will be approved by an SLD-certified technology plan approver prior to the commencement of service.
- 10. I understand that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service receive an appropriate share of benefits from those services.
- 11. I certify that prior to the commencement of service, the school(s) I represent will be in compliance with the requirements of the Children's Internet Protection Act, as codified at 47 U.S. C. Sec. 254(h) and (l).
- 12. I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies). I certify that I am authorized to sign this Letter of Agency and to the best of my knowledge, information, and belief, all information provided to Kellogg & Sovereign Consulting, LLC for the E-Rate submission are true.

Applicant Name (School/Library): DALLAS COUNTY SCHOOLS

Signature of Authorized Person: *Rick D. Sorrells* Date: 12/13/05

Printed Name of Authorized Person: RICK D. SORRELLS Title: Superintendent

PLEASE SIGN AND RETURN TO:
Kellogg & Sovereign Consulting, LLC P.O. Box 130, Allen, OK 74825