



HUSCHBLACKWELL
SANDERS LLP

Maxwell Carr-Howard
Partner

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January 7, 2009

VIA FEDERAL EXPRESS & ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, Maryland 20743

Re: The Hickman Mills C-1 School District's Request for Waiver of the Rule Requiring Board Approval of All E-Rate Contracts at the Time of Submission of the Form 471
BEN - 137154
FCC Registration Number - **0012033163**
2004-2005 471 Application Number - **430831** for FRN - **1196218**
2005-2006 471 Application Number - **486714** for FRNs - **1487997** and **1631568**
2006-2007 471 Application Number - **537490** for FRN - **1350420**
2007-2008 471 Application Number - **574958** for FRNs - **1589024, 1589072, 1589084,**
and 1589120
CC Docket No. 02-6
CC Docket No. 96-45

REQUEST FOR WAIVER

I am counsel for the Hickman Mills C-1 School District (the "School District"). By this letter, the School District respectfully requests that the Federal Communications Commission ("FCC") waive the rule that requires a contract be in place at the time of the submission of the Form 471. In support of its request for waiver, the School District states as follows:

I. SLD Decision for Which a Waiver of the Applicable Rule is Requested

On November 14, 2008, the Schools and Libraries Division ("SLD") issued a Notification of Commitment-Adjustment Letter ("CAL") in which the SLD stated that it was rescinding funding for FRNs **1589024, 1589072, 1589084, and 1589120** for funding year 2007-2008 "because the [School District] did not have a contract in place at the time of submission of

the Form 471.”¹ Importantly, the SLD’s determination and the investigation that led to this determination were sparked by the School District’s self-disclosure of the underlying facts to the SLD.² The School District is awaiting the SLD’s determination on FRNs **1196218, 1350420, 1487997, and 1631568**. Although the SLD has not yet issued its CAL for those FRNs, the School District anticipates that the SLD will also rescind funding for them because they were included in the School District’s self-disclosure.³

II. Background Facts

During the 2004-2005 through 2007-2008 funding years, the School District’s then IT Director and E-Rate Consultant, eRate Solutions, LLC, were responsible for securing E-Rate funding for the School District. The School District and the IT Director relied on eRate Solutions’ interpretation and understanding of E-Rate rules. E-Rate rules require all E-Rate contracts comply with state contractual law.⁴ Pursuant to Mo. Rev. Stat. § 162.301.3, a majority of the School Board must approve a contract for that contract to be binding on the School District. eRate Solutions, however, failed to apprise the IT Director of this requirement and the relationship between E-Rate rules and Missouri law. As a result, the School District did not comply with this procedural state law requirement.

The School District realized its mistake only after it terminated its relationship with eRate Solutions and retained the law firm Husch Blackwell Sanders, LLP (“HBS”) and its E-Rate Compliance Officer, Ms. Ronda Davis, to advise the School District on E-Rate compliance. Once Ms. Davis reviewed the School District’s E-Rate records, she relayed her findings to me, an HBS attorney, and I, with the consent of the School District, notified the SLD of this deficiency on March 3, 2008. The SLD’s review and subsequent decision to rescind funding resulted from the School District’s self disclosure.

III. Legal Basis for Waiver of the Rule

The FCC has repeatedly ruled that rigid adherence to technical procedural rules does not further the statutory goal of the E-Rate program, which is to ensure access to discounted telecommunications and information services to school and libraries.⁵ The FCC has the

¹ Copies of the SLD’s CALs are attached to this letter as Tab 1.

² Copies of the School District’s self-disclosure letters are attached to this letter as Tab 2.

³ Copies of all correspondence between the SLD and HBS regarding the SLD’s determination on these FRNs are attached to this letter as Tab 3.

⁴ 47 C.F.R. § 54.504(c); *see also* Instructions for Completing Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (November 2001) (FCC Form 471 Instructions) at 19.

⁵ *See* FCC Order 07-35 (March 28, 2007) at ¶ 10; *see also* FCC Order 06-54 (May 2, 2006) at ¶ 11.

discretion to waive any provision of its rules for good cause shown.⁶ Previously, the FCC granted waivers where any of the following apply: 1) the mistakes, if not caught, could not have resulted in the applicant receiving money it was not entitled to; 2) there is no evidence of an engagement in activity to defraud or abuse the E-Rate program; and (3) denying the funding requests would result in an undue hardship to the school and would prevent an otherwise eligible school from receiving E-Rate funding.⁷

The FCC has granted waivers of the rule requiring a legally binding agreement be in place at the time of submission of the Form 471 under circumstances substantially similar to the School District's situation.⁸ For instance, in its *Adams County Order*, the FCC granted a waiver to petitioners who "did not have a legally binding agreement in place when their FCC Forms 471 application was submitted"⁹ The FCC concluded that this mistake "did not warrant the complete rejection of petitioners' applications for E-Rate funding" because the petitioners "had some form of an agreement with their service providers before submitting their FCC Forms 471."¹⁰

Here, the School District's failure to obtain the School Board's approval of its E-Rate contracts prior to submitting its Form 471 does not rise to the level justifying a complete rescission of its E-Rate funding for the 2004-2005 through 2007-2008 funding years. Neither the IT Director nor the E-Rate Consultant employed by the School District at the time these FRNs and the relevant Form 471 were filed are still employed by the School District. Yet, even during their employment, the School District and its vendors have consistently entered into written agreements and carried on as though binding contracts existed. The School District has paid for and its vendors have provided the services agreed to in the underlying documents substantiating these funding requests. The School District has complied with all other core E-Rate requirements, both procedural and substantive, to the sole exclusion of this procedural violation. Practically speaking, contracts existed for these services.

Additionally, the School District has at all times made a good faith attempt to be knowledgeable of and to comply with E-Rate rules, which is evidenced by the School District having retained an E-Rate consultant to assist it with compliance throughout its participation in

⁶ FCC Order 06-54 at ¶ 6.

⁷ FCC Order 07-35 at ¶¶ 10 and 12; FCC Order 06-54 at ¶ 11.

⁸ See FCC Order 07-35 at ¶ 8.

⁹ FCC Order 07-35 at ¶¶ 7 and 12.

¹⁰ FCC Order 07-35 at ¶¶ 9 and 10.

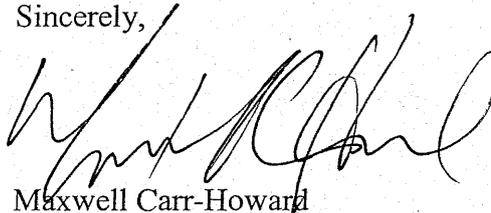
the E-Rate program. Furthermore, subsequent to the School District's engagement of HBS to assist it with E-Rate compliance, the School District has made repeated proactive and good faith efforts to comply with all E-Rate rules and to clarify any misgivings with the SLD. The FCC should encourage this sort of forthright participation in the E-Rate program and self-disclosure of mistakes in the application process.

Lastly, the School District does not have the money to repay the rescinded funding requests. The total amount for all of the FRNs subject to rescission is \$976,266.78 – an amount that if the School District is required to repay will certainly cripple the School District's budget and necessitate drastic cutbacks on the services it provides to its students and to the public. This amount includes both the FRNs for which the CAL was issued on November 14, 2008, and the FRNs for which the CAL is pending. If the School District must repay nearly one million dollars for these rescinded funding requests, the School District will suffer an undue hardship, with the students and general public feeling the brunt.

Under these circumstances, a complete rescission of the School District's funding requests will work a disservice on the public interest. The School District asks that the FCC waive the rule requiring a contract exist at the time of submission of the Form 471. Although Ms. Davis is listed as an appropriate E-Rate contact person for the School District, please address any correspondence related to this request to both me and Ms. Davis. We can both be reached using the contact information on the first page of this letter.

Thank you for your consideration of this request. Please do not hesitate to contact me if you have any questions.

Sincerely,



Maxwell Carr-Howard

MCH/sm
Enclosures

cc: Alicia Bentley, Staff Attorney, United States Department of Justice
Jennifer Chorpening, Staff Attorney, United States Department of Justice
Board of Education of the Hickman Mills C-1 School District
Dr. Marge Williams, Superintendent, Hickman Mills C-1 School District

TAB 1

Maxwell Carr-Howard

DIRECT (816) 983-8345 · FAX (816) 983-9345 · max.carr-howard@huschblackwell.com
4801 MAIN STREET, SUITE 1000 · KANSAS CITY, MO 64112
www.huschblackwell.com

CONFIDENTIAL: FOR SETTLEMENT PURPOSES ONLY

March 3, 2008

Jennifer Chorpening
Staff Attorney
United States Department of Justice
Commercial Litigation Branch
Civil Division
601 D St., N.W.
Washington, D.C. 20004

Mel Blackwell
Vice President, Schools and Libraries
Division
Universal Service Administrative
Company
2000 L St., N.W.
Washington, D.C. 20036

Re: Hickman Mills C-I School District
Our File No.: 1897-38

Dear Ms. Chorpening and Mr. Blackwell:

I write on behalf of the Hickman Mills C-I School District ("Hickman Mills"), regarding issues that have recently come to the attention of Hickman Mills concerning its participation in the E-Rate program.

Between 2003 and 2006, Hickman Mills engaged eRate Solutions, LLC, as an E-Rate consultant, working with both Eddie Holt and Aaron Butell of that company. During that time, Hickman Mills relied heavily on its E-Rate consultant for advice concerning E-Rate rules and regulations. My firm was not involved at that time. Hickman Mills has never been investigated by USAC, DOJ, or any other entity for its participation in the E-Rate program.

In 2006, it became apparent to Hickman Mills personnel that Hickman Mills was not receiving the service it expected from its E-Rate consultant. Specifically, in 2006, during the PIA Review process, the E-Rate consultant simply failed to respond to questions directed to Hickman Mills, and as a result, Hickman Mills' funding request was denied in May 2006. Due to this incident, Hickman Mills decided to terminate its relationship with eRate Solutions, LLC, and determined that it would proceed without an E-Rate consultant in the future. In November

2007, Hickman Mills engaged our firm to review its 2007 E-Rate filings and identify any potential problems so that they could be remedied for 2008.

During the course of that review, it came to the attention of Hickman Mills that its WAN contract with Sprint, as well as several of its 2007 contracts with AT&T, were never approved by the School Board. As you now know, under Missouri law, in order to have a legally binding agreement pursuant to Mo. Rev. Stat. § 162.301.3, a majority of the School Board must approve the contract. The contracts and funding requests at issue are:

1. WAN Services with Sprint

- a. FRN 1196218 (2004: \$152,366.09 paid by USAC/SLD);
- b. FRN 1350420 (2005: Not Funded);
- c. FRN 1487997 (2006: \$54,573.48 paid by USAC/SLD);
- d. FRN 1631568 (2006: \$272,867.40 paid by USAC/SLD);
- e. FRN 1589120 (2007: \$351,392.80 committed by USAC/SLD – not paid).

2. Services with AT&T

- a. FRN 1589024 (T1/Smart Trunks: \$71,493.41 committed by USAC/SLD – not paid);
- b. FRN 1589072 (Long Distance: \$60,664.29 committed by USAC/SLD – not paid); and
- c. FRN 1589081 (Digital Services: \$909.31 committed by USAC/SLD – not paid).

By this letter, Hickman Mills hereby makes this disclosure to you in good faith and respectfully requests that no adjustment of funds be made for funds disbursed under the WAN contract with Sprint. In addition, Hickman Mills requests an authorization to request the remaining amounts under the above-listed contracts for Funding Year 2007. It is my understanding that the FCC in 2007 granted waivers of the “legally binding agreement” rule in numerous cases where – as here – there was no evidence of bad faith. *See, e.g.*, FCC Order 07-35 (March 28, 2007). Hickman Mills is self-disclosing this information in an effort to fully comply with E-Rate program rules and requirements and hopes that this self-disclosure will be taken into consideration.

Jennifer Chorpene
Mel Blackwell
March 3, 2008
Page 3

You should also be aware that based on its discovery late last year of these contract issues, Hickman Mills issued new RFPs for the services at issue. Hickman Mills conducted an open and fair competitive bid process and entered into Board-approved contracts for the services by the February 7, 2008 deadline. There will be no funding requests in 2008 based on the contracts at issue in this letter.

As I mentioned, Hickman Mills previously relied heavily on an E-Rate consultant. Personnel at Hickman Mills are eager to learn more to administer Hickman Mills' participation in the E-Rate program and would welcome a visit by representatives of USAC in conjunction with the HATS program.

I would be happy to discuss this disclosure in greater detail with you at your convenience. Please contact me at (816) 983-8345. I look forward to hearing from you.

Sincerely,

Maxwell Carr-Howard

MCH/jbw

cc: Chris Gahagan, General Counsel, Hickman Mills C-I School District

Jennifer Chorpening
Mel Blackwell
March 3, 2008
Page 4

bcc: Hayley Hanson
Jennifer Wieland
McClain Bryant

Maxwell Carr-Howard

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March 3, 2008

Jennifer Chorpening
Staff Attorney
United States Department of Justice
Commercial Litigation Branch
Civil Division
601 D St., N.W.
Washington, D.C. 20004

Mel Blackwell
Vice President, Schools and Libraries
Division
Universal Service Administrative
Company
2000 L St., N.W.
Washington, D.C. 20036

Re: Hickman Mills C-I School District
Our File No.: 1897-38

Dear Ms. Chorpening and Mr. Blackwell:

Pursuant to Applicable Federal Law and Regulations, I hereby request on behalf of the Hickman Mills C-I School District ("Hickman Mills"), for reasons of business confidentiality and personal privacy, that the accompanying letter of today's date, and any other information or documents that Hickman Mills provides to the Department of Justice ("DOJ") and the Federal Communications Commission ("FCC") in connection with the above-referenced inquiry not be disclosed in response to a request under the Freedom of Information Act, 5 U.S.C. § 552 ("FOIA"), or otherwise.

The foregoing request for confidentiality also applies to any transcripts, notes, memorandums, or other materials of any sort which are made by any employee of the Commission or any other government agency which incorporate, refer or relate to any of the matters (1) contained in any material furnished by Hickman Mills to the DOJ or the FCC or (2) refer to any conference, meeting, telephone conversation or interview between (a) directors, officers, employees, or former employees, representatives, agents or counsel to Hickman Mills and employees of the DOJ or FCC (or any government agency).

If this letter or any of the materials described above is or becomes subject to a request under FOIA, please contact me at (816) 983-8345.

Jennifer Chorpening
Mel Blackwell
March 3, 2008
Page 2

Sincerely,

Maxwell Carr-Howard

MCH/jbw

cc: Chris Gahagan, General Counsel, Hickman Mills C-I School District

Jennifer Chorpene
Mel Blackwell
March 3, 2008
Page 3

bcc: Hayley Hanson
Jennifer Wieland
McClain Bryant

TAB 2

Ronda Davis
Husch Blackwell Sanders LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112



**SCHOOLS AND LIBRARIES DIVISION
CAL / DPL / RIDF
Second Delivery Attempt**

Date: November 14, 2008

To: Hickman Mills School Dist C1
Carol Stump
9000 Old Santa Fe Rd.
Kansas City, MO 64138 3913
FCC Form 471 Application #574958

Important Notice

Enclosed you will find your **Notification of Commitment Adjustment Letter (CAL)**. The letter was deemed 'un-deliverable' according to your statement that you have not received this letter due to the change of the contact person. It is important to note that the date of the original **CAL** has been modified by SLD to accommodate the delivery delay. A new 'Letter Date' has been added to the letter which is enclosed in this mailing.

This advisory is especially important if you are considering filing an appeal. Appeals must be filed within 60 days of the date on the **Notification of Commitment Adjustment Letter**. Please note the new 'Letter Date'. For further information on filing appeals, see the "Appeals Procedure" in the SLD Reference Area of USAC's web site <www.sl.universalservice.org> for more information on appeal deadlines and how to file your appeal.

Sincerely,

Schools and Libraries Division

Toll-Free: (888) 203-8100

Fax Toll-Free: (888) 276-8736



Notification of Commitment Adjustment Letter
Funding Year 2007: 7/01/2007 - 6/30/2008

November 14, 2008

Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 Old Santa Fe RD
Kansas City, MO 64138 3913

Re: Form 471 Application Number: 574958
Funding Year: 2007
Applicant's Form Identifier: HICKMAN MILLS-07
Billed Entity Number: 137154
FCC Registration Number: 0012033163
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).

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.

TO APPEAL THIS DECISION:

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

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

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

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

FUNDING COMMITMENT ADJUSTMENT REPORT

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

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

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

Schools and Libraries Division
Universal Services Administrative Company

cc: Carmela Trevino
Southwestern Bell Telephone Company

A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. 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 applicant and the service provider. This will be present only 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. This will be present only if a Billing Account Number was provided on your Form 471.

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

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM APPLICANT: This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 574958**

Funding Request Number: 1589024
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: T
Billing Account Number: 816-A08-0082 010 0
Site Identifier: 137154
Original Funding Commitment: \$71,493.41
Commitment Adjustment Amount: \$71,493.41
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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

Funding Request Number: 1589072
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 110 082-1393 891
Site Identifier: 137154
Original Funding Commitment: \$60,664.29
Commitment Adjustment Amount: \$60,664.29
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00
Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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

Funding Request Number: 1589081
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 120 169-2009 551
Site Identifier: 137154
Original Funding Commitment: \$909.31
Commitment Adjustment Amount: \$909.31
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00
Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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

Carmela Trevino
Southwestern Bell Telephone Company
406 North Carancahua, Room 450
Corpus Christi, TX 78401 3913



**SCHOOLS AND LIBRARIES DIVISION
CAL / DPL / RIDF
Second Delivery Attempt**

Date: **November 14, 2008**

To: **Hickman Mills School Dist C1
Carol Stump
9000 Old Santa Fe Rd.
Kansas City, MO 64138 3913
FCC Form 471 Application #574958**

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Sincerely,

Schools and Libraries Division

Toll-Free: **(888) 203-8100**

Fax Toll-Free: **(888) 276-8736**



Notification of Commitment Adjustment Letter

Funding Year 2007: 7/01/2007 - 6/30/2008

November 14, 2008

**Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 Old Santa Fe RD
Kansas City, MO 64138 3913**

**Re: Form 471 Application Number: 574958
Funding Year: 2007
Applicant's Form Identifier: HICKMAN MILLS-07
Billed Entity Number: 137154
FCC Registration Number: 0012033163
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.

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TO APPEAL THIS DECISION:

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1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
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Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Carmela Trevino
Southwestern Bell Telephone Company

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FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 574958**

Funding Request Number: 1589024
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: T
Billing Account Number: 816-A08-0082 010 0
Site Identifier: 137154
Original Funding Commitment: \$71,493.41
Commitment Adjustment Amount: \$71,493.41
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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

Funding Request Number: 1589072
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 110 082-1393 891
Site Identifier: 137154
Original Funding Commitment: \$60,664.29
Commitment Adjustment Amount: \$60,664.29
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00

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Funding Request Number: 1589081
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 120 169-2009 551
Site Identifier: 137154
Original Funding Commitment: \$909.31
Commitment Adjustment Amount: \$909.31
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00
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Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 OLD SANTA FE RD
KANSAS CITY, MO 64138 3913



**SCHOOLS AND LIBRARIES DIVISION
CAL / DPL / RIDF
Second Delivery Attempt**

Date: **November 14, 2008**

To: **Hickman Mills School Dist C1
Carol Stump
9000 Old Santa Fe Rd.
Kansas City, MO 64138 3913
FCC Form 471 Application #574958**

Important Notice

Enclosed you will find your ***Notification of Commitment Adjustment Letter (CAL)*** The letter was deemed 'un-deliverable' according to your statement that you have not received this letter due to the change of the contact person. It is important to note that the date of the original **CAL** has been modified by SLD to accommodate the delivery delay. A new 'Letter Date' has been added to the letter which is enclosed in this mailing.

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Sincerely,

Schools and Libraries Division

Toll-Free: **(888) 203-8100**

Fax Toll-Free: **(888) 276-8736**



Notification of Commitment Adjustment Letter

Funding Year 2007: 7/01/2007 - 6/30/2008

November 14, 2008

**Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 Old Santa Fe RD
Kansas City, MO 64138 3913**

**Re: Form 471 Application Number: 574958
Funding Year: 2007
Applicant's Form Identifier: HICKMAN MILLS-07
Billed Entity Number: 137154
FCC Registration Number: 0012033163
SPIN Name: Southwestern Bell Telephone Company
Service Provider Contact Person: Carmela Trevino**

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Schools and Libraries Division
Universal Services Administrative Company

cc: Carmela Trevino
Southwestern Bell Telephone Company

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**Funding Commitment Adjustment Report for
Form 471 Application Number: 574958**

Funding Request Number: 1589024
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: T
Billing Account Number: 816-A08-0082 010 0
Site Identifier: 137154
Original Funding Commitment: \$71,493.41
Commitment Adjustment Amount: \$71,493.41
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00
Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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Funding Request Number: 1589072
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 110 082-1393 891
Site Identifier: 137154
Original Funding Commitment: \$60,664.29
Commitment Adjustment Amount: \$60,664.29
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00

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Funding Request Number: 1589081
Services Ordered: TELCOMM SERVICES
SPIN: 143004662
Service Provider Name: Southwestern Bell Telephone Company
Contract Number: MTM
Billing Account Number: 120 169-2009 551
Site Identifier: 137154
Original Funding Commitment: \$909.31
Commitment Adjustment Amount: \$909.31
Adjusted Funding Commitment: \$0.00
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Ronda Davis
Husch Blackwell Sanders LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112



**SCHOOLS AND LIBRARIES DIVISION
CAL / DPL / RIDF
Second Delivery Attempt**

Date: **November 14, 2008**

To: **Hickman Mills School Dist C1
Carol Stump
9000 Old Santa Fe Rd.
Kansas City, MO 64138 3913
FCC Form 471 Application #574958**

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Schools and Libraries Division

Toll-Free: **(888) 203-8100**

Fax Toll-Free: **(888) 276-8736**



Notification of Commitment Adjustment Letter
Funding Year 2007: 7/01/2007 - 6/30/2008

November 14, 2008

Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 Old Santa Fe RD
Kansas City, MO 64138 3913

Re: Form 471 Application Number: 574958
Funding Year: 2007
Applicant's Form Identifier: HICKMAN MILLS-07
Billed Entity Number: 137154
FCC Registration Number: 0012033163
SPIN Name: Embarq Corporation
Service Provider Contact Person: Doris Roman

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Universal Services Administrative Company

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FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 574958**

Funding Request Number: 1589120
Services Ordered: TELCOMM SERVICES
SPIN: 143019614
Service Provider Name: Embarq Corporation
Contract Number: MTM
Billing Account Number: 13156298
Site Identifier: 137154
Original Funding Commitment: \$351,392.80
Commitment Adjustment Amount: \$351,392.80
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$0.00
Funds to be Recovered from Applicant: \$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full because the applicant did not have a contract in place at the time of submission of the Form 471. This determination was based on the disclosure by the applicant that the contract was not approved by the school board, therefore it was not valid. FCC rules require applicants to have a valid contract as defined by the applicants' state laws at the time they submit the Form 471. Since at the time of submission of the Form 471, the applicant was unable to demonstrate that they had a contract in place that meets the state laws' definition of a valid contract, the commitment has been rescinded in full.

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

Doris Roman
Embarq Corporation
151 Southhall Ln, FLMTDD0401-4128
Maitland, FL 32751-7176 3913



**SCHOOLS AND LIBRARIES DIVISION
CAL / DPL / RIDF
Second Delivery Attempt**

Date: November 14, 2008

To: Hickman Mills School Dist C1
Carol Stump
9000 Old Santa Fe Rd.
Kansas City, MO 64138 3913
FCC Form 471 Application #574958

Important Notice

Enclosed you will find your **Notification of Commitment Adjustment Letter (CAL)**. The letter was deemed 'un-deliverable' according to your statement that you have not received this letter due to the change of the contact person. It is important to note that the date of the original **CAL** has been modified by SLD to accommodate the delivery delay. A new 'Letter Date' has been added to the letter which is enclosed in this mailing.

This advisory is especially important if you are considering filing an appeal. Appeals must be filed within 60 days of the date on the **Notification of Commitment Adjustment Letter**. Please note the new 'Letter Date'. For further information on filing appeals, see the "Appeals Procedure" in the SLD Reference Area of USAC's web site <www.sl.universalservice.org> for more information on appeal deadlines and how to file your appeal.

Sincerely,

Schools and Libraries Division

Toll-Free: (888) 203-8100

Fax Toll-Free: (888) 276-8736



Notification of Commitment Adjustment Letter

Funding Year 2007: 7/01/2007 - 6/30/2008

November 14, 2008

**Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
9000 Old Santa Fe RD
Kansas City, MO 64138 3913**

**Re: Form 471 Application Number: 574958
Funding Year: 2007
Applicant's Form Identifier: HICKMAN MILLS-07
Billed Entity Number: 137154
FCC Registration Number: 0012033163
SPIN Name: Embarq Corporation
Service Provider Contact Person: Doris Roman**

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.

TO APPEAL THIS DECISION:

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

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

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

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

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

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

Schools and Libraries Division
Universal Services Administrative Company

cc: Doris Roman
Embarq Corporation

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CAL / DPL / RIDF
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November 14, 2008

**Carol Stump
HICKMAN MILLS SCHOOL DIST C 1
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Schools and Libraries Division
Universal Services Administrative Company

cc: Doris Roman
Embarq Corporation

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Service Provider Name:	Embarq Corporation
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CHECK TO ENSURE TIMELY PROCESSING**

TAB 3

Bryant, McClain

From: Davis, Ronda
Sent: Monday, January 05, 2009 12:39 PM
To: 'Sewdat, Adrian'
Cc: Hanson, Hayley; Bryant, McClain; Carol Stump; Lisa walters
Subject: RE: Hickman Mills School District

Thank you for your quick response. I will probably calendar this for a follow up in a couple of months - just to make sure we don't miss something again.

Thanks for your help in resolving these issues. We look forward to working with you in the future.



Ronda J. Davis
Compliance Analyst/Paralegal
Husch Blackwell Sanders LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112
Direct Phone: 816.983.8691
Direct Fax: 816.983.8080
E-Mail: ronda.davis@huschblackwell.com
Website: www.huschblackwell.com

-----Original Message-----

From: Sewdat, Adrian [<mailto:ASEWDAT@sl.universalservice.org>]
Sent: Monday, January 05, 2009 8:24 AM
To: Davis, Ronda
Cc: Hanson, Hayley; Bryant, McClain; Carol Stump; Lisa walters; Sewdat, Adrian
Subject: RE: Hickman Mills School District

Hi Ronda,

The decision for these FRNs is still pending. We do not expect a decision anytime soon, but we will inform you if there is any impact such as a commitment adjustment or recovery of funds on these FRNs.

Thanks,
Adrian

From: Davis, Ronda [<mailto:Ronda.Davis@huschblackwell.com>]
Sent: Tuesday, December 30, 2008 11:27 AM
To: Davis, Ronda; Sewdat, Adrian
Cc: Hanson, Hayley; Bryant, McClain; Carol Stump; Lisa walters
Subject: Hickman Mills School District
Importance: High

Dear Mr. Sewdat:

I am writing to follow up on a review that was initiated by USAC on May 13, 2008 for the following FRNs: 1196218, 1350420, 1487997, 1631568, 1589024, 1589072, 1589081 and 1589120.

We have received a commitment adjustment letter for FRNs 1589024, 1589072, 1589081 and 1589120 and the District is in the process of appealing this decision with the FCC.

However, we have not received any determination relating to **1196218, 1350420, 1487997, and 1631568**. We followed up with you on October 28, 2008 with regard to these FRNs but have not heard anything since that time. Will you please confirm the status of these FRNs at your earliest convenience?

Thank you for your assistance in this regard.



Ronda J. Davis
Compliance Analyst/Paralegal
Husch Blackwell Sanders LLP
4801 Main Street, Suite 1000
Kansas City, MO 64112
Direct Phone: 816.983.8691
Direct Fax: 816.983.8080
E-Mail: ronda.davis@huschblackwell.com
Website: www.huschblackwell.com

Pursuant to IRS requirements, we inform you that any federal tax advice contained in this message (including all constituent email correspondence, attachments, enclosures and/or exhibits) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. ~#13f

Confidentiality Notice: *The information in this e-mail and any attachments thereto is intended for the named recipient(s) only. This e-mail, including any attachments, may contain information that is privileged and confidential and subject to legal restrictions and penalties regarding its unauthorized disclosure or other use. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action or inaction in reliance on the contents of this e-mail and any of its attachments is **STRICTLY PROHIBITED**. If you have received this e-mail in error, please immediately notify the sender via return e-mail; delete this e-mail and all attachments from your e-mail system and your computer system and network; and destroy any paper copies you may have in your possession. Thank you for your cooperation.*