

March 24, 2009

Letter of Appeal  
Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743

The Long Branch School District hereby requests a review of the USAC Administrator's Decision on Appeal for the funding request listed below, and requests that the funding for the FRN be restored.

The person who can most readily discuss this with you is the district's E-Rate consultant:

Name:	Dan Riordan	Phone:	732-530-5435
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	Red Bank, NJ 07701	Email:	dan@on-tech.com

Funding information:

Funding Year: 2008  
FRN: 1739360  
Form 471 #: 627407  
BEN: 123015  
Entity Name: Long Branch School District

The above funding request was denied because a Cost-Effectiveness Review the number of data drops and total cost were too high. The district appealed to USAC, requesting that this FRN be approved at a lower amount. The district requested a reduction from \$57,180.00 for 300 drops to \$35,070.40 for 184 drops.

In its appeal decision, USAC gave three reasons for denial: "The cost per student, ratio cable drops per student, and cost of maintenance per cable drop are still not cost effective."

As the district explained in the Cost Effectiveness Review, ratio of students to drops was high because USAC was comparing the number of drops to the current student population for that location. That location is being renovated, and the student population will be increasing. For 2009-2010, the district expects to have more than twice as many

students in that location, and the number will grow over the coming years. The district was prudently planning for future needs, rather than rerunning cable every year, which would result in higher costs.

As the district explained in the Cost Effectiveness Review, the cost of maintenance per cable drop was high because all the drops required repair. In a typical maintenance contract, the service provider can predict that perhaps 5% or 10% of cable runs will require maintenance, since cabling has a very long life if not disturbed, so the typical cable maintenance contract price is based on the cost of repairing perhaps 5% or 10% of the runs. In this case, the service provider knew that 100% of the runs would require repair. As a result, the per-drop cost of this contract is much higher than a typical maintenance contract.

In this case, the district tried to comply with USAC's standards for cost effectiveness, but without knowing what the standards are, we are unable to comply.

The district requests that you approve the funding of FRN 1739360, or direct USAC to inform the district of what levels would be acceptable for cost per student, ratio cable drops per student, and cost of maintenance per cable drop.

Thank you for your attention to this matter.

Sincerely,



Dan Riordan  
President