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DR. JEFFREY SMITH  
Superintendent

FILED/ACCEPTED

OCT - 1 2009

Federal Communications Commission  
Office of the Secretary

CC: 02-6

September 30, 2009

Request for Appeal - CC Docket No. 02-6  
Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743

**APPEAL and REQUEST FOR WAIVER- YEAR 10 - SLD Administrator's Decision on Implementation Extension Request**

Dear Secretary Dortch:

We are appealing USAC/SLD's denial of our appeal to approve an Implementation Extension for the 471 listed below and the 17 FRNs that are part of this 471. Our initial request to the SLD to allow for a Service Delivery Request was submitted on June 5, 2009. Our request was denied and we filed an appeal with the SLD on July 22, 2009. Our appeal was denied on July 29, 2009, a PDF of that letter is attached. In addition, we are 1 day late in filing our appeal with the FCC and request a waiver of the 60 day rule.

**Regarding:** CC Docket No. 02-6

- Billed Entity Number: 142897
- Name of BEN: Balsz Elementary Distriet
- Contact person name: Vern Schimpf
- Contact information: [vsehimpf@balsz.k12.az.us](mailto:vsehimpf@balsz.k12.az.us)  
4825 E. Roosevelt Street  
Phoenix, AZ 85008  
(602) 629-6400  
FAX (602) 629-6470
- Form 471 Application Number: 547589
- Funding Request Numbers (FRNs): 1554386, 1554525, 1554553, 1554708, 1554729, 1554786, 1554809, 1554832, 1554858, 1554877, 1554920, 1554945, 1554967, 1554984, 1555002, 1555014, 1555044
- SLD Action Appealed: Letter Dated June 17, 2009 - Administrator's Decision on Implementation Extension Request - Denied in full, July 29, 2009
- Reason for denial: *FRNs are for recurring services only and are not subject to an Implementation Extension.*

**SLD'S REASON FOR THE DENIAL :**

**Decision on Appeal:** Denied in full  
**Explanation:**

FCC Rules related to the payment of support for discounted services establish deadlines for service providers to deliver services/products to the applicant. The FCC provides an extension of this deadline under certain conditions. Those conditions are documented in the Reference area on the USAC website. (See Service Delivery Deadlines and Extension Requests for more information.). In accordance with FCC Report and Order (FCC 01-195) released on June 29, 2001, in order to provide additional time to implement contracts or agreements with service providers for non-recurring services, applicants must submit documentation to the Administrator requesting relief on or before the original non-recurring services deadline.

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**Your appeal has not brought forth clear information establishing that application for relief was made prior to this deadline. Therefore, your appeal is denied.**

**HISTORY:** Balsz School District applied in yr 10 for all service categories. The FCDL for Year 10 was not issued until August 6, 2008. The Form 500 was filed and the FRN's were extended to 10/1/2009.

Service Provider Invoices were filed and rejected before we discovered that the problem was with the Internal Connections being erroneously requested as recurring monthly services, rather than non-recurring services. The school, not understanding the instructions, made a clerical error when completing their 471 by entering the FRNs for Internal Connections as monthly recurring. The SLD, during PIA reviews, failed to catch the error.

The SLD, in their PIA review, failed to see that the services for these FRNs, as supported by the paperwork such as Item 21 Attachments, bids and contracts, were listed one-time non-recurring charges for these Internal Connections. Late funding for our school district in Funding Years 8 (still in process), Year 9, and Year 10 have further complicated the minimum processing standards established by USAC. These FRNs should never have been approved as recurring charges – the paperwork and Item 21 Attachments supported that they were one time charges for Internal Connections and could have been corrected during PIA process.

Invoice deadline extensions were approved on June 2, 2009 for these 17 FRNs, via email notification from [deadline@sl.universalservice.org](mailto:deadline@sl.universalservice.org).

**The Spin Change from Extreme to NIC was approved on 6/10/2009 by USAC, requested because the applicant's original service provider was unable to complete implementation.**

On 6/23/2009 we opened case # 21-915783 with Jackie Creel in Client services regarding the SPI rejections mentioned above – *“Jackie at the SLD, same case # as yesterday's 21-915-783 says at this point it should not be a problem. Any FRNs in which services were provided for during that funding year (7/1/2005 to 6/30/2006) can be invoiced using the start date of 7/1/2005 in Column 12 of the Bear - or in the case of the SPI, Column 13 should have the service end date of 6/30/2006. The recurring and non-recurring can both be used for Internal Connections - so the system does allow for both. The fact that these FRNs were filed that way should not be a problem at this late date”*. Obviously it was a problem because the SPIs were rejected and the non-recurring issue was part of the reason for the denial of our appeal.

**SUPPORTING FCC RULINGS PERTAINING TO THIS APPEAL:** There are FCC orders that allow for clerical and ministerial errors to be corrected and allowing for waiver of minimum processing standards. We request that we be allowed to correct our Forms 471 to correct these FRNs from monthly recurring charges to non-recurring charges as per supporting Item 21 attachments.

In support for our appeal, the FCC 06-54 *Bishop Perry Order*, Bishop Perry Middle School, New Orleans, LA, et al. File Nos. SLD-487170, et al. following are extractions and highlighted text which support our Appeal:

*4. “We have under consideration 13 appeals of decisions by USAC denying funding under the E-rate program due to certain clerical or ministerial errors in completing the FCC Forms 471 or the associated Item 21 attachments (such as entering the wrong dollar amount, term of service, or discount level. In their requests for review, the petitioners generally request that the Commission allow them to modify their FCC Forms 471 or Item 21 attachments to correct their errors.”*

*11. “Based on the facts and circumstances of these specific cases, we find that good cause exists to waive the minimum processing standards established by USAC. Minimum processing standards are necessary to ensure the efficient review of the thousands of applications requesting funding that USAC receives. In these circumstances, applicants committed minor errors in filling out their application forms. For example, among other problems, applicants inadvertently forgot to fill in a box, had computer problems, used an outdated form that requests primarily the same information as the current one, or misread the instructions.”*

23. "Additional Processing Directives for USAC. As of the effective date of this Order, we require USAC to provide all E-rate applicants with an opportunity to cure ministerial and clerical errors on their FCC Form 470 or FCC Form 471, and an additional opportunity to file the required certifications."

CC Docket No. 02-6 - Support Mechanism )

**ORDER Adopted: May 2, 2006 Released: May 19, 2006**

4. "The Commission has vested in USAC the responsibility of administering the application process for the schools and libraries universal service support mechanism.<sup>13</sup> Pursuant to this authority, USAC has established procedures, including "minimum processing standards," to facilitate its efficient review of the thousands of applications requesting funding that it receives.<sup>14</sup> These minimum processing standards are designed to require an applicant to provide at least the minimum data necessary for USAC to initiate review of the application under statutory requirements and Commission rules. When an applicant submits an FCC Form 470 or FCC Form 471 application that omits information required by the minimum processing standards, USAC automatically returns the application to the applicant without considering it for discounts under the program, without inquiring into the cause of the omission or without providing the applicant with the opportunity to cure the error.<sup>15</sup> For example, if an applicant failed to answer all blocks 1-6 on the FCC Form 471 or failed to submit a properly signed signature certification, the applicant's FCC Form 471 would be rejected and returned to the applicant, without further consideration.<sup>16</sup>"

11. "Based on the facts and circumstances of these specific cases, we find that good cause exists to waive the minimum processing standards established by USAC. Minimum processing standards are necessary to ensure the efficient review of the thousands of applications requesting funding that USAC receives. In these circumstances, applicants committed minor errors in filling out their application forms. For example, among other problems, applicants inadvertently forgot to fill in a box, had computer problems, and used an outdated form that requests primarily the same information as the current one, or misread the instructions. We do not believe that such minor mistakes warrant the complete rejection of each of these applicants' E-rate applications, especially given the requirements of the program and the thousands of applications filed each year.<sup>32</sup> Importantly, applicants' errors could not have resulted in an advantage for them in the processing of their application. That is, the applicants' mistakes, if not caught by USAC, could not have resulted in the applicant receiving more funding than it was entitled to. In addition, at this time, there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements. Furthermore, we find that the denial of funding requests inflicts undue hardship on the applicants. In these cases, we find that the applicants have demonstrated that rigid compliance with the application procedures does not further the purposes of section 254(h) or serve the public interest.<sup>33</sup> We therefore grant these appeals and remand them to USAC for further processing consistent with this Order."

In support for our appeal, the **FCC DA 06-486A1 File Nos. SLD-399355, 408239, 408707, 415257 Pasadena Unified School District** following are extractions and highlighted text which support our Appeal:

"If the services are tariffed or month-to-month, a signed contract is unnecessary under program rules; applicants can instead submit copies of their standard monthly bills as proof that they have binding, legal arrangements with service providers. In addition, the FCC Form 471 instructions state that if services are provided on a month-to-month basis, the applicant should indicate that such a situation exists by filling in the abbreviation "MTM" in Item 15 of the FCC Form 471"

"Pasadena then filed appeals with USAC, arguing that the services in question were not under contract, but were month-to-month services. On August 25, 2005, USAC denied Pasadena's appeals, noting that the agreement between Pasadena and SBC had all of the characteristics of a contract, and stating that the contract was signed prior to the November 3, 2003, allowable contract date. For reasons explained herein, we grant Pasadena's Requests for Review."

"As an initial matter, we note that reasonable inquiry by USAC and better communication between USAC and the applicant could have resolved the issues that we now face in these Requests for Review. While we have previously noted that the burden of timely and accurately filing rests with the applicant, we are

*compelled to remind USAC that it retains an obligation to conduct a reasonable inquiry into the filings and materials that USAC itself has in its possession."*

*"As we have recently noted, the E-rate program is fraught with complexity from the perspective of beneficiaries, resulting in a significant number of applications for E-rate support being denied."*

In support for our appeal, the DA-07-1187A1, File Nos. SLD-247568, *et al*, California Youth Authority, *et al* following are extractions and highlighted text which support our Appeal:

*"Applicants, however, have until September 30 following the close of the funding year to complete installation of non-recurring services. The Commission provides applicants additional time to implement non-recurring services because they typically involve the installation of equipment or wiring, which may occur during the summer months when classes are not in session."*

1. *"An applicant may obtain an extension of the deadline to implement non-recurring services from the Universal Service Administrative Company (USAC) if it satisfies one of four criteria set forth in section 54.507(d) of the Commission's rules:*

*(1) the applicant's funding commitment decision letter (FCDL) is issued by USAC on or after March 1 of the funding year for which discounts are authorized;*

*(2) the applicant receives a service provider change authorization or service provider substitution authorization from USAC on or after March 1 of the funding year for which discounts are authorized;*

*(3) the applicant's service provider is unable to complete implementation for reasons beyond the service provider's control; or*

*(4) the applicant's service provider is unwilling to complete installation because funding disbursements are delayed while USAC investigates its application for program compliance."*

*"As noted above, section 54.507(d) states that "applicants will qualify for an extension of the implementation deadline for non-recurring services if they satisfy one of the ... criteria."*

In support for our appeal, the DA-08-2381A1, File Nos. SLD-140961, *et al*, Archer Public Library, Archer City, TX, *et al*. following are extractions and highlighted text which support our Appeal:

*"In this order, we grant 13 appeals of decisions by the Universal Service Administrative Company (USAC) denying funding to the petitioners due to certain clerical or ministerial errors in completing their FCC Forms 471 or the associated Item 21 attachments under the schools and libraries universal service support mechanism, also known as the E-rate program."*

*"We grant these 13 appeals because the petitioners have demonstrated that special circumstances justify a waiver of section 54.504(c) of the Commission's rules to allow them to amend their original FCC Form 471 applications or the Item 21 attachments submitted to USAC."*

*"In all 13 cases, the petitioners attempted to modify their FCC Form 471 applications or the Item 21 attachments to correct their errors, albeit after the close of the relevant filing window."*

In support for our appeal, the DA-06-2462A1, File Nos. SLD--314307, Friendship House, following are extractions and highlighted text which support our Appeal:

*"Appeal Deadline. Commission rules provide that any person aggrieved by a decision of USAC may file an appeal with the relevant Committee governing the USAC Division or directly with the Commission. Section 54.720 of the Commission's rules establishes deadlines for affected parties to seek review of funding decisions issued by USAC. For those requests seeking review of decisions issued on or after August 13, 2001, the appeal must be filed with the Commission or USAC within 60 days of the issuance of the*

*decision that the party seeks to have reviewed. The time period for filing an appeal commences on the issuance date of the decision. The Commission's rules treat appeals filed with USAC or with the Commission as having been filed on the date the appeal is postmarked."*

*"Friendship House filed an appeal of USAC's decision, which USAC dismissed because the appeal was filed one day after the appeal deadline."*

*"We grant the Request for Review filed by Friendship House. Based on the facts and circumstances of this specific case, we find that special circumstances warrant a waiver of the deadline for filing an appeal of USAC's decision."*

*"First, we waive the Commission's appeal filing deadline.<sup>1</sup> In general, the Commission has strictly enforced its appeal filing deadlines. Unlike other deadlines, filing deadlines for appeals, in particular, are needed to provide finality in the decision-making process. We have strictly enforced the appeals deadlines established for the schools and libraries universal service support mechanism, allowing waivers of deadlines only in limited, compelling situations."*

*"In this case, missing the appeal filing deadline by one day is akin to a ministerial error. We do not believe that such a minor mistake warrants the complete rejection of the application, particularly where, as discussed below, the denial of funds was based on a substantive error in applying the then-relevant program rules. In addition, we find that strict compliance with the appeal filing deadline in this case would be inconsistent with the public interest."*

## CONCLUSION:

Our district staff misread the instructions when filing the 471 for Year 10. But the SLD failed to catch this error even through supporting documents such as the Item 21 Attachments, bids and contracts specifically were for non-recurring costs for Internal Connections for these 17 FRNs. Late funding for our school district in Funding Years 8 (still in process), Year 9, and Year 10 have further complicated the minimum processing standards established by USAC.

Denial of our appeal in allowing the Service Implementation Delivery Deadline to be extended to allow for the service providers to invoice for these non-recurring charges for Year 10 will have an adverse impact on our district. Some of the concerns are:

- (a) The equipment (Internal Connections) requested support already failing/crippled network and phone system equipment posing a Health/Life safety issue for students and staff of the district.
- (b) The USAC denial is improper and ignores the root or purpose of the appeal – to correct a simple re-occurring Form 471 entry to non-re-occurring entry. Even under the SLD case # 21-915783 the SLD gave incorrect information.
- (c) This is causing undue hardship on the applicant (a 90% discount district) during severe economic times.
- (d) The USAC denial does not serve the public interest.
- (e) The appeal to the FCC was delayed due to the SLD/USAC website being closed during September and then limited access once the site was up. This prevented further research for this case prior to the submission of the appeal. The consulting firm handling the appeal had the specific individuals responsible for appeals available during the outage but then was out of state and unavailable until the end of this month.

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<sup>1</sup> 47 C.F.R. § 54.720(b).

Thank you for processing our appeal.

Sincerely,

A handwritten signature in black ink, appearing to read "Vern Schimpf". The signature is fluid and cursive, with the first name "Vern" being more prominent than the last name "Schimpf".

Vern Schimpf  
Director of Business/Personnel  
4825 E. Roosevelt Street  
Phoenix, AZ 85008  
(602) 629-6400  
FAX (602) 629-6470  
[vschimpf@balsz.k12.az.us](mailto:vschimpf@balsz.k12.az.us)

*Attachments –*

*USAC Extension denial  
Balsz yr10 appeal internals ext denial usac*

***COPY OF Administrator's Decision on Implementation Extension Request follows:***



Universal Service Administrative Company

Schools & Libraries Division

**Administrator's Decision on Implementation Extension Appeal**

July 29, 2009

Vern Schimpf  
Baise School District #1  
4825 E. Roosevelt Street  
Phoenix, AZ 85008

**Re:** Your appeal of the denial of your implementation extension request

**471 Application Number:** 547589  
**Funding Request Number(s)** 1554386, 1554525, 1554553, 1554708, 1554729  
1554786, 1554809, 1554832, 1554858, 1554877  
1554920, 1554945, 1554967, 1554984, 1555002  
1555014, 1555044  
**Correspondence Dated:** July 22, 2009

After thorough review and investigation of all relevant facts, the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal.

**Funding Request Number(s):** 1554386, 1554525, 1554553, 1554708, 1554729  
1554786, 1554809, 1554832, 1554858, 1554877  
1554920, 1554945, 1554967, 1554984, 1555002  
1555014, 1555044

**Decision on Appeal:** Denied in full  
**Explanation:**

FCC Rules related to the payment of support for discounted services establish deadlines for service providers to deliver services/products to the applicant. The FCC provides an extension of this deadline under certain conditions. Those conditions are documented in the Reference area on the USAC website. (See Service Delivery Deadlines and Extension Requests for more information.). In accordance with FCC Report and Order (FCC 01-195) released on June 29, 2001, in order to provide additional time to implement contracts or agreements with service providers for non-recurring services, applicants must submit documentation to the Administrator requesting relief on or before the original non-recurring services deadline.

100 South Jefferson Road, P.O. Box 992, Whippany, NJ 07981  
Visit us online at [www.usac.fcc.gov](http://www.usac.fcc.gov)

Your appeal has not brought forth clear information establishing that application for relief was made prior to this deadline. Therefore, your appeal is denied.

If you believe there is a basis for further examination of your application, you may file an appeal with the 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 above date on 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 USAC/Schools and Libraries web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

Thank you for your continued support of and participation in the E-rate program.

Schools and Libraries Division  
Universal Service Administrative Company

cc:

Ruth Poppers  
Wilson Electric Services Corp.  
1305 W 1<sup>st</sup> Street  
Tempe, AZ 85281

Carrie Jansón  
Network Infrastructure Cooperation  
1131 West Warner Road  
Suite 111  
Tempe, AZ 85284





Universal Service Administrative Company

Schools & Libraries Division

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**Administrator's Decision on Implementation Extension Request**

June 17, 2009

Vern Schimpf  
Balsz School District 31  
4825 E. Roosevelt Street  
Phoenix, AZ 85008

471 Application Number: 547589  
Funding Request Number(s): 1554386, 1554525, 1554553, 1554708, 1554729,  
1554786, 1554809, 1554832, 1554858, 1554877,  
1554920, 1554945, 1554967, 1554984, 1555002,  
1555014, 1555044  
Your Correspondence Dated: May 21, 2009

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your implementation extension request. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your request included more than one 471 Application, please note that for each application you will receive a separate determination letter.

FRN(s): 1554386, 1554525, 1554553, 1554708, 1554729, 1554786, 1554809, 1554832, 1554858, 1554877, 1554920, 1554945, 1554967, 1554984, 1555002, 1555014, 1555044

**Decision on Appeal: Denied in full**

Explanation: FRNs are for recurring services only and are not subject to an Implementation Extension.

In accordance with the FCC Report and Order (FCC 01-195) released on June 29, 2001, the Administrator may grant an extension of time for the implementation of non-recurring services if the implementation is delayed for circumstances beyond the named service provider's control. You have been unable to establish such circumstances.

## TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by the SLD 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 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 decision letter and the decision you are appealing:
  - appellant name,
  - applicant or service provider name,
  - BEN and/or SPIN,
  - Form 471 and FRN
  - invoice number as assigned by the SLD,
  - “Administrator’s Decision on Invoice Deadline Extension Request” dated 06/17/2009, **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 an applicant, please provide a copy of your appeal to the service provider(s) affected by the SLD’s decision. If you are a service provider, please provide a copy of your appeal to the applicant affected by the SLD’s decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to the SLD by e-mail, use the “Submit a Question” feature on the web site at [www.usac.org/sl/](http://www.usac.org/sl/). Click “Continue,” choose “Appeals” from the Topics Inquiry on the lower portion of your screen, and click “Go” to begin your appeal submission. The system will prompt you through the process. The SLD will automatically reply to incoming e-mails to confirm receipt.

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

To submit your appeal to the SLD on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Division  
100 South Jefferson Road  
P.O. Box 902  
Whippany, NJ 07981

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 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 web site. 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.

Schools and Libraries Division  
Universal Service Administrative Company

cc: Ruth Peppers, Wilson Electric Services Corp  
Carrie Jarecki, Network Infrastructure Corporation



4825 E. Roosevelt Street  
Phoenix, AZ 85008  
(602) 629-6400  
FAX (602) 629-6470

DR. JEFFREY SMITH  
*Superintendent*

July 22, 2009

Letter of Appeal  
Schools and Libraries Division  
100 S. Jefferson Rd  
P.O. Box 902  
Whippany, NJ 07981

**Administrator's Decision on Implementation Extension Request - Denied**

Dear Sir or Madam:

We are appealing your decision not to grant a Service Delivery Extension to the FRNs listed below. The school made a clerical error when completing their 471 by entering the FRNs for Internal Connections as monthly recurring. The SLD, during reviews, failed to catch the error. Supporting documents, such as Item 21 Attachments, bids and contracts, listed one-time non-recurring charges for these Internal Connections. Late funding for our school district in Funding Years 8 (still in process), Year 9, and Year 10 have further complicated the minimum processing standards established by USAC.

- Billed Entity Number: 142897
- Name of BEN: Balsz Elementary District
- Contact person name: Vern Schimpf
- Contact information: [vschimpf@balsz.k12.az.us](mailto:vschimpf@balsz.k12.az.us)  
4825 E. Roosevelt Street  
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- Form 471 Application Number: 547589
- Funding Request Numbers (FRNs): 1554386, 1554525, 1554553, 1554708, 1554729, 1554786, 1554809, 1554832, 1554858, 1554877, 1554920, 1554945, 1554967, 1554984, 1555002, 1555014, 1555044
- SLD Action Appealed: Letter Dated June 17, 2009 - **Administrator's Decision on Implementation Extension Request – Denied in full.**
- Reason for denial: *FRNs are for recurring services only and are not subject to an Implementation Extension.*

**Reason for the Appeal:**

The FCDL for this 471 was not issued until August 6, 2008. Several Form 500s and extensions, spin changes, etc. were filed before discovering that the problem was with the Internal Connections being

erroneously requested (due to a clerical error on the part of the school district not understanding the instructions) in the 471 as recurring monthly services, rather than non-recurring services.

The Spin Change from Extreme to NIC was approved on 6/10/2009 by USAC, requested because the applicant's original service provider was unable to complete implementation.

Further complications occurred when the SLD, in their PIA review, failed to see that the services for these FRNs, as supported by the paperwork and Item 21 attachments submitted were for non-recurring charges. **These FRNs should never have been approved as recurring charges – the paperwork and Item 21 attachments supported that they were one time charges for Internal Connections and should have been corrected during PIA.**

There are FCC orders that allow for clerical and ministerial errors to be corrected and allowing for waiver of minimum processing standards. We request that we be allowed to correct our Forms 471 to correct these FRNs from monthly recurring charges to non-recurring charges as per supporting Item 21 attachments.

In support for our appeal, the **FCC 06-54 *Bishop Perry Order*, Bishop Perry Middle School, New Orleans, LA, et al. File Nos. SLD-487170, et al.** following are extractions and highlighted text which support our Appeal:

*4. We have under consideration 13 appeals of decisions by USAC denying funding under the E-rate program due to certain clerical or ministerial errors in completing the FCC Forms 471 or the associated Item 21 attachments (such as entering the wrong dollar amount, term of service, or discount level. In their requests for review, the petitioners generally request that the Commission allow them to modify their FCC Forms 471, or Item 21 attachments to correct their errors.*

*11. Based on the facts and circumstances of these specific cases, we find that good cause exists to waive the minimum processing standards established by USAC. Minimum processing standards are necessary to ensure the efficient review of the thousands of applications requesting funding that USAC receives. In these circumstances, applicants committed minor errors in filling out their application forms. For example, among other problems, applicants inadvertently forgot to fill in a box, had computer problems, used an outdated form that requests primarily the same information as the current one, or misread the instructions.*

*23. Additional Processing Directives for USAC, As of the effective date of this Order, we require USAC to provide all E-rate applicants with an opportunity to cure ministerial and clerical errors on their FCC Form 470 or FCC Form 471, and an additional opportunity to file the required certifications.*

CC Docket No. 02-6 - Support Mechanism )  
**ORDER Adopted: May 2, 2006 Released: May 19, 2006**

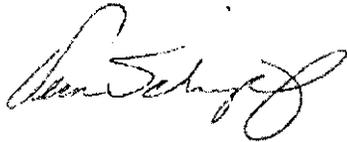
*4. The Commission has vested in USAC the responsibility of administering the application process for the schools and libraries universal service support mechanism.<sup>13</sup> Pursuant to this authority, USAC has established procedures, including "minimum processing standards," to facilitate its efficient review of the thousands of applications requesting funding that it receives.<sup>14</sup> These minimum processing standards are designed to require an applicant to provide at least the minimum data necessary for USAC to initiate review of the application under statutory requirements and Commission rules. When an applicant submits an FCC Form 470 or FCC Form 471 application that omits information required by the minimum processing standards, USAC automatically returns the application to the applicant without considering it for*

discounts under the program, without inquiring into the cause of the omission or without providing the applicant with the opportunity to cure the error.<sup>15</sup> For example, if an applicant failed to answer all blocks 1-6 on the FCC Form 471 or failed to submit a properly signed signature certification, the applicant's FCC Form 471 would be rejected and returned to the applicant, without further consideration.<sup>16</sup>

11. Based on the facts and circumstances of these specific cases, we find that good cause exists to waive the minimum processing standards established by USAC. Minimum processing standards are necessary to ensure the efficient review of the thousands of applications requesting funding that USAC receives. In these circumstances, applicants committed minor errors in filling out their application forms. For example, among other problems, applicants inadvertently forgot to fill in a box, had computer problems, and used an outdated form that requests primarily the same information as the current one, or misread the instructions. We do not believe that such minor mistakes warrant the complete rejection of each of these applicants' E-rate applications, especially given the requirements of the program and the thousands of applications filed each year.<sup>32</sup> Importantly, applicants' errors could not have resulted in an advantage for them in the processing of their application. That is, the applicants' mistakes, if not caught by USAC, could not have resulted in the applicant receiving more funding than it was entitled to. In addition, at this time, there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements. Furthermore, we find that the denial of funding requests inflicts undue hardship on the applicants. In these cases, we find that the applicants have demonstrated that rigid compliance with the application procedures does not further the purposes of section 254(h) or serve the public interest.<sup>33</sup> We therefore grant these appeals and remand them to USAC for further processing consistent with this Order.

**Appeal Request** - We believe that our district staff misread the instructions when filing the 471 for Year 10. The supporting documents such as the Item 21 attachment bids and contracts specifically were for non-recurring costs for Internal Connections for these 17 FRNs. We further believe that this clerical error should have been caught during SLD's PIA review, but was not. We request the opportunity to correct our 471 Internal Connections from Recurring to Non-Recurring for these FRNs.

Sincerely,



Vern Schimpf  
Director of Business/Personnel  
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**COPY OF Administrator's Decision on Implementation Extension Request follows:**



Universal Service Administrative Company

Schools & Libraries Division

**Administrator's Decision on Implementation Extension Request**

June 17, 2009

Vern Schimpf  
Balsz School District 31  
4825 E. Roosevelt Street  
Phoenix, AZ 85008

471 Application Number: 547589  
Funding Request Number(s): 1554386, 1554525, 1554553, 1554708, 1554729,  
1554786, 1554809, 1554832, 1554858, 1554877,  
1554920, 1554945, 1554967, 1554984, 1555002,  
1555014, 1555044  
Your Correspondence Dated: May 21, 2009

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your implementation extension request. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your request included more than one 471 Application, please note that for each application you will receive a separate determination letter.

FRN(s): 1554386, 1554525, 1554553, 1554708, 1554729, 1554786, 1554809, 1554832, 1554858, 1554877, 1554920, 1554945, 1554967, 1554984, 1555002, 1555014, 1555044

Decision on Appeal: **Denied in full**

Explanation: FRNs are for recurring services only and are not subject to an Implementation Extension.

In accordance with the FCC Report and Order (FCC 01-195) released on June 29, 2001, the Administrator may grant an extension of time for the implementation of non-recurring services if the implementation is delayed for circumstances beyond the named service provider's control. You have been unable to establish such circumstances.