

EXHIBIT F



**FUNDING COMMITMENT DECISION LETTER**  
(Funding Year 2008: 07/01/2008 - 06/30/2009)

March 24, 2009

Anthony Martin  
CHEROKEE COUNTY SCHOOL DIST  
911 ANDREWS ROAD  
MURPHY, NC 28906

Re: Form 471 Application Number: 624508  
Billed Entity Number (BEN): 127111  
Billed Entity FCC RN: 0014660914  
Applicant's Form Identifier: CCS471Y11

Thank you for your Funding Year 2008 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$2,157,346.83 is "Approved."
- The amount, \$98,624.90 is "Denied."

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

**NEXT STEPS**

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

**TO APPEAL THIS DECISION:**

You have the option of filing an appeal with the SLD or directly with the Federal Communications Commission (FCC).

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
  - Appellant name,
  - Applicant name and service provider name, if different from appellant,
  - Applicant BEN and Service Provider Identification Number (SPIN),
  - Form 471 Application Number 624508 as assigned by USAC,
  - "Funding Commitment Decision Letter for Funding Year 2008," AND

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

To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org). USAC will automatically reply to incoming emails to confirm receipt.

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

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

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

If you wish to appeal a decision in this letter to 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 by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

#### NOTICE ON RULES AND FUNDS AVAILABILITY

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

Schools and Libraries Division  
Universal Service Administrative Company

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1723230  
Funding Status: Not Funded  
Category of Service: Telecommunications Service  
Form 470 Application Number: 11650000657246  
SPIN: 143004007  
Service Provider Name: Lightyear Network Solutions, LLC  
Contract Number: MTM  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: 06/30/2009  
Contract Award Date: N/A  
Contract Expiration Date: N/A  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$87,934.20  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$87,934.20  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Selective - Bidding Violation  
Funding Commitment Decision Explanation: FRN is denied for failure to advise bidders that an RFP was issued. An RFP was issued and the Form 470 advised potential bidders that no RFP existed.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1723249  
Funding Status: Not Funded  
Category of Service: Telecommunications Service  
Form 470 Application Number: 116500000657246  
SPIN: 143000677  
Service Provider Name: Verizon Wireless  
Contract Number: MTM  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: 06/30/2009  
Contract Award Date: N/A  
Contract Expiration Date: N/A  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$8,745.60  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$0.00  
Pre-discount Amount: \$8,745.60  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Selective - Bidding Violation  
~~Funding Commitment Decision Explanation: DR1: ERN is denied for failure to advise  
bidders that an RFP was issued. An RFP was issued and the Form 470 advised potential  
bidders that no RFP existed.~~

FCDL Date: 03/24/2009

Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1723306  
Funding Status: Funded  
Category of Service: Internet Access  
Form 470 Application Number: 522740000611516  
SPIN: 143023519  
Service Provider Name: Blue Ridge Mountain Membership Corporation  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/06/2007  
Contract Expiration Date: 06/30/2010  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$225,420.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$ .00  
Pre-discount Amount: \$225,420.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$202,878.00 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The establishing Form 470 Application Number was changed at the request of the applicant. <><><><><> MR2: The FRN monthly amount was modified from \$19,885.00 to \$18,785.00 to agree with the applicant documentation.

*Deposited 5/22/09  
6/15/09  
6/29/09*  
*4,590.50  
4,891.50  
4,891.50*

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

*Jan. 2009 Inv = 1056589 # 169066*

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1723343  
Funding Status: Funded  
Category of Service: Internet Access  
Form 470 Application Number: 116500000657246  
SPIN: 143026430  
Service Provider Name: Midwest Internet Consulting Group, Inc (School Center)  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$15,051.00  
Pre-discount Amount: \$15,051.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$13,545.90 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The dollars requested were reduced to remove the ineligible portion of the requested webhosting. <><><><><> MR2: The FRN one-time cost was modified from \$17,300 to \$15,051 to agree with the applicant documentation.

*Revised 5/26/09*

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1723403  
Funding Status: Not Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143015434  
Service Provider Name: VisiCom Systems Inc.  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$0.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$10,937.62  
Pre-discount Amount: \$10,937.62  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Applicant request  
Funding Commitment Decision Explanation: FRN canceled in consultation with the applicant.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1757554  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143004007  
Service Provider Name: Lightyear Network Solutions, LLC  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$5,600.00  
Pre-discount Amount: \$5,600.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$5,040.00 - FRN approved as submitted

*Not purchased  
in 2008/09*

FCDL Date: 03/24/2009

Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1757834  
Funding Status: Funded  
Category of Service: Basic Maintenance of Internal Connection  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$345,304.68  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$345,304.68  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$310,774.21 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><><> MR2: The dollars requested were reduced to remove ineligible portion of ASA 5520 AIP10-KP, Cisco 3825 SRST/K9, and Cisco 2821 SRST/K9. <><><><><> MR3: The FRN was modified from \$31,200.00 to \$28,775.39 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1758563  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30322  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$285,796.76  
Pre-discount Amount: \$285,796.76  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$257,217.08 - FRN approved as submitted  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation. <><><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 3825 SRST/K9 and 2 units of Redundant CISCO Catalyst 6500 supervisor 32 and associated costs. <><><><><> MR3: The FRN one-time cost was modified from \$313,632.00 to \$285,796.76 to agree with the applicant documentation. <><><><><> MR4: In consultation with the applicant, FRN was split to conduct an independent review of these respective product(s)/service(s). Your new FRN is 1832913. The remaining services in this FRN are 1 unit of Redundant CISCO Catalyst 6500 supervisor 32 and associated costs.  
ECDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1758668  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30326  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$149,000.37  
Pre-discount Amount: \$149,000.37  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$134,100.33 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was  
changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><><> MR2: The dollars requested were reduced to remove ineligible portion of  
CISCO 2851-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time amount was  
modified from \$150,472.00 to \$149,000.37 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1758759  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30323  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$109,409.35  
Pre-discount Amount: \$109,409.35  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$98,468.42 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 2851-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time cost was modified from \$110,437.00 to \$109,409.35 to agree with the applicant documentation.

ECDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1758846  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30328  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$129,857.37  
Pre-discount Amount: \$129,857.37  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$116,871.63 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation. <><><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 2851-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time amount was modified from \$131,329.00 to \$129,857.37 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759589  
Funding Status: Not Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Site Identifier: 30327  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$78,458.00  
Pre-discount Amount: \$78,458.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Applicant request  
Funding Commitment Decision Explanation: FRN canceled in consultation with the applicant.

FCDL Date: 03/24/2009

Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759670  
Funding Status: Not Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Site Identifier: 205274  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$9.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$70,800.00  
Pre-discount Amount: \$70,800.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Applicant request  
Funding Commitment Decision Explanation: FRN canceled in consultation with the applicant.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759708  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30330  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$0.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$108,559.94  
Pre-discount Amount: \$108,559.94  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$97,703.95 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation. <><><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 2821-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time amount was modified from \$109,643.00 to \$108,559.94 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759746  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30320  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$78,832.94  
Pre-discount Amount: \$78,832.94  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$70,949.65 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation. <><><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 2821-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time amount was modified from \$79,916.00 to \$78,832.94 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759787  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30313  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$34,401.00  
Pre-discount Amount: \$34,401.00  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$30,960.90 - ERN approved; modified by SLD  
Funding Commitment Decision Explanation: The Contract Expiration Date was changed  
from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759840  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30314  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$102,922.94  
Pre-discount Amount: \$102,922.94  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$92,630.65 - ERN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was  
changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><> MR2: The dollars requested were reduced to remove ineligible portion of  
CISCO 2821-SRST/K9 and associated costs. <><><><> MR3: The FRN one-time amount was  
modified from \$104,006.00 to \$102,922.94 to agree with the applicant documentation.

FCDL Date: 03/24/2009

Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759871  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30316  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$5.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$150,188.37  
Pre-discount Amount: \$150,188.37  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$135,169.53 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation. <><><><> MR2: The dollars requested were reduced to remove ineligible portion of CISCO 2851-SRST/K9 and associated costs. <><><><> MR3: The FRN one-time amount was modified from \$151,660.00 to \$150,188.37 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759911  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 118500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Site Identifier: 30329  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$98,931.94  
Pre-discount Amount: \$98,931.94  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$89,038.75 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><><> MR2: The dollars requested were reduced to remove: ineligible portion of CISCO 2821-SRST/K9 and associated costs. <><><><><> MR3: The FRN one-time amount was modified from \$100,015.00 to \$98,931.94 to agree with the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1759991  
Funding Status: Funded  
Category of Service: Basic Maintenance of Internal Connection  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$49,359.96  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$49,359.96  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$44,423.96 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was  
changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><><> MR2: This FRN includes Basic Maintenance of Internal Connections and is  
being moved to that service category at the applicant's request. <><><><><> MR3: The  
dollars requested were reduced to remove: ineligible portion of maintenance cost of  
CISCO 3825-SRST/K9, CISCO 2821-SRST/K9, CISCO 2851-SRST/K9. <><><><><> MR4: The FRN  
annual amount was modified from \$50,970.00 to \$49,359.96 to agree with the applicant  
documentation.

FCDL Date: 03/24/2009  
Wave Number: 044  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/20.

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1760182  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$ .00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$74,280.94  
Pre-discount Amount: \$74,280.94  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$66,852.85 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was  
changed from 06/30/2009 to 06/30/2011 to agree with the applicant  
documentation. <><><><><> MR2: The dollars requested were reduced to remove  
ineligible portion of CISCO 2821-SRST/K9 and associated costs. <><><><><> MR3: The  
FRN one-time amount was modified from \$75,364.00 to \$74,280.94 to agree with the  
applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1760217  
Funding Status: Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: CCS&PNC  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2011  
Shared Worksheet Number: 1000822  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$ .00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$434,134.47  
Pre-discount Amount: \$434,134.47  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$390,721.02 - FRN approved; modified by SLD  
Funding Commitment Decision Explanation: MR1: The Contract Expiration Date was  
changed from 06/30/2009 to 06/30/2011 to agree with the applicant documentation.  
<><><><> MR2: The dollars requested were reduced to remove: Redundant Cisco  
Catalyst 6500 Supervisor 32 Engine, Care Pack: 5 Year Onsite 9x5xNBD HW HP Proliant  
DL380, Cisco Unity Failover Server, Sharepoint Server and associated costs.  
<><><><> MR3: The FRN was modified from \$488,658.00 to \$434,134.47 to agree with  
the applicant documentation.

FCDL Date: 03/24/2009  
Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2009

FUNDING COMMITMENT REPORT  
Billed Entity Name: CHEROKEE COUNTY SCHOOL DIST  
BEN: 127111  
Funding Year: 2008

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 624508  
Funding Request Number: 1832913  
Funding Status: Not Funded  
Category of Service: Internal Connections  
Form 470 Application Number: 116500000657246  
SPIN: 143025074  
Service Provider Name: Professional Network Consultants, Inc.  
Contract Number: N/A  
Billing Account Number: N/A  
Multiple Billing Account Numbers: N  
Service Start Date: 07/01/2008  
Service End Date: N/A  
Contract Award Date: 02/04/2008  
Contract Expiration Date: 06/30/2009  
Site Identifier: 30322  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$12,903.42  
Pre-discount Amount: \$12,903.42  
Discount Percentage Approved by the USAC: 90%  
Funding Commitment Decision: \$0.00 - Ineligible Services/Products  
Funding Commitment Decision Explanation: DR1: 30% or more of this FRN includes a request for redundant Cisco Catalyst 6500 Supervisor Engine 32 and associated cost {which is an ineligible product(s)/service(s) based on program rules; which is an ineligible use based on program rules}.

FCDL Date: 03/24/2009

Wave Number: 044

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2010

EXHIBIT G

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington D.C. 20554**

In the Matter of	)	
	)	
Request for Review of the	)	CC Docket No. 02-6
	)	CC Docket No. 96-45
Decision of the	)	
Universal Service Administrative Company	)	File No. _____
	)	
By	)	
	)	
<b>Cherokee County School District</b>	)	
	)	

**AFFIDAVIT OF JEANA C. HARDIN**

Jeana C. Hardin states as follows for her Affidavit in the above-captioned proceeding:

1. I am the Director of Instructional Technology and Public Relations for Cherokee County School System ("Cherokee"). Prior to my current position, I was employed by Cherokee as the Principal of Andrews Elementary School. I have worked for Cherokee at all times relevant to this case and it is in my capacities of Director and Principal that I have personal knowledge of the matters set forth in this Affidavit.
2. I am over the age of eighteen.
3. In early 2008, Cherokee utilized a survey instead of federal Free and Reduced Lunch data to compute its E-rate discount. At that time, I was the Principal of Andrews Elementary School.
4. As the Principal of Andrews Elementary School, I was familiar with the surveys and survey campaign because Andrews Elementary had distributed and collected surveys for the technology department. Surveys were distributed from January 23, 2008, to February 6, 2008, by Anthony Martin ("Martin"), Cherokee's Wide Area Network ("WAN") Engineer and Interim Technology Director.

5. On or about February 6, 2008, I visited Cherokee's Network Operations Center (the "NOC") to pick up a key and bring some additional surveys that had been turned in at Andrews Elementary School.

6. When I entered the NOC, I observed Martin, Colvard, and three computer technicians for Cherokee, Randy Starnes ("Starnes"), David Cornwell ("Cornwell"), Dean Bateman ("Bateman"), seated at a conference table, surrounded by surveys and laptop computers.

7. I recognized Colvard immediately because he was part of the PNC team that helped migrate Andrews Elementary School to Voice over Internet Protocol ("VoIP") in August, 2006. I also knew Colvard as an alumnus of my high school.

8. When I saw Colvard working with the surveys, I was concerned. The surveys contained confidential information regarding local families, and only Cherokee employees were authorized to review them because of their sensitive nature. Plus, Colvard was from the area and likely knew several of the families that completed surveys.

9. Because of my concern, I called Terelle Beaver, Cherokee's Chief Financial Officer, and reported my observations. I also asked Ms. Beaver if I was within my authority to ask Colvard to leave and she authorized me to do so.

10. After my telephone conversation with Ms. Beaver, I approached Colvard and asked him to speak with me privately. We stepped into the hallway and I expressed my concerns to him. Colvard stated that his involvement with the surveys was not improper because, as he said, "PNC" was the only bid." Colvard nevertheless agreed to leave the NOC. At that time, I did not understand the significance of Colvard's statement -- my primary concern was the confidentiality of the information contained in the surveys.

11. At least one other vendor, SDI, requested information about Cherokee's project from Martin, but never received a return e-mail or call. I know this because I have reviewed e-mails that Andy White of SDI sent to Martin. Mr. White made me aware of Martin's unresponsiveness on November 24, 2009, in an e-mail that contained files of SDI's e-mail inquiries. Mr. White stated that he called Martin on several occasions, but never received a return call or e-mail. The next year (Funding Year 12), I arranged for SDI and another vendor, CSI, to visit Cherokee and to tour its facilities. Both vendors ultimately bid on the project in addition to PNC. Cherokee evaluated the submitted bids and chose SDI to receive the E-rate contract award.

12. I began my current position as Director of Instructional Technology and Public Relations for Cherokee on March 1, 2008. When I interviewed, I was informed that the job description included administering the E-rate program; however, after I began, Martin remained in charge of the program and did not allow me to help him. As the WAN Engineer, Martin was also the technical point of contact and Cherokee's representative with PNC. My interactions with PNC personnel during the rest of 2008 were minimal. Martin was in charge of the E-rate program until May of 2009.

13. At his request, I met with Jeff Gaura ("Gaura"), the President of PNC, on February 24, 2009. Gaura wanted to discuss Cherokee's selection of SDI for the 2009 application. During that meeting, I explained that Cherokee was concerned that the 90% E-rate discount was not accurate because Cherokee had doubts regarding Martin's abilities in his roles as WAN Engineer and E-rate coordinator.

14. Also at that meeting, Gaura addressed Cherokee's selection of another vendor for the Funding Year 11 Form 471. Gaura stated that Cisco, a vendor supplying equipment and licenses to Cherokee, would soon require the return of its Call Manager equipment and that Cherokee's

VoIP licenses with Cisco would soon run out, interrupting Cherokee's phone service at the Mountain Youth and Peachtree schools. Gaura requested that Cherokee file a SPIN change and stated that if such a change were made, interruption of Cherokee's phone service at the Mountain Youth and Peachtree schools could be avoided – that PNC “would work with” Cherokee.

15. Representatives from Cherokee and PNC met on April 16, 2009. During the time leading up to that meeting, Colvard had attempted to pressure Cherokee staff, including myself, into filing the Form 486 for Funding Year 11. At that meeting, I informed Colvard that Cherokee doubted its 90% E-rate discount and that Cherokee had requested an E-rate expert from the North Carolina Department of Public Instruction (the “NCDPI”) to perform a simulated audit.

16. Also at that meeting, Ms. Beaver and I asked Colvard and Dan Whitt (“Whitt”), the Chief Financial Officer of PNC, to “hold off” on the project until Cherokee could verify its discount rate.

17. At the April 16 meeting, Colvard and Whitt agreed to delay work and billing on the project until further advised. Cherokee received no invoices from PNC for internal connections for Funding Year 11 until September 15, 2009, other than the installation quote for Call Manager equipment, which PNC representatives had told us was necessary to maintain phone service.

18. Colvard echoed Gaura's statement that delaying the filing of the Form 486 was jeopardizing the renewal of Cherokee's Call Manager licenses at the Mountain Youth and Peachtree schools, thereby causing phone service to be disconnected at those sites until such time as Cherokee filed a Form 486 for Funding Year 11.

19. Based on my conversations with Gaura on February 24, 2009, and Colvard on April 16, 2009, I believed that the Mountain Youth and Peachtree schools would lose phone service unless Cherokee filed a Form 486. I also believed that PNC would neither order equipment nor draw

down E-rate funds until Cherokee had verified its 90% E-rate discount and equipment and services were requisitioned through the process Cherokee had implemented with PNC when it first began ordering from them. I would not have agreed to file the Form 486 if Gaura and Colvard had not continually asserted both that phone service at those schools would be lost otherwise and that PNC would halt the project otherwise.

20. Cherokee asked the NCDPI to conduct an "attestation examination" in April 2009. NCDPI was unable to verify the 90% E-rate discount through this examination. After receiving the results of the examination, I informed Colvard that Cherokee may not qualify for Priority II funding, and Colvard stated that PNC would not move forward with the project until questions regarding the discount were answered.

21. Both Colvard and Whitt offered E-rate support through the New Hope Foundation and a consultant named Marty Williams. PNC directed Marty Williams to call and offer her support. Cherokee did not accept any help or support from this foundation or from Ms. Williams.

22. Based on the representations made by PNC at the April 16 meeting, Cherokee filed a Form 486 on April 20, 2009. It is my understanding that, unbeknownst to Cherokee at the time, PNC filed a Form 474 to draw down E-rate funds on Cherokee's contract on April 23, 2009. I was not aware that any monies were drawn until June when the NCDPI E-rate specialist who had conducted Cherokee's simulated audit contacted me to ask if I was aware of the draw down and asked if Cherokee had decided to move forward with the project.

23. As of April 23, 2009, to the best of my knowledge, PNC had delivered no equipment, performed no services, and submitted no invoices to Cherokee.

24. On May 28, 2009, alarmed at an amount of Cisco equipment that had arrived without explanation at several Cherokee locations, Ms. Beaver and I met with Whitt and PNC engineers

Mike Kelly and Vitale Grueben and explained that Cherokee had serious concerns regarding its 90% E-rate discount and that the project could not continue without that discount. At that meeting, I asked Whitt whether PNC and Cherokee could work together, or if I would be forced to file a Form 500 to cancel the funding requests. Whitt assured me that the Form 500 was not necessary. He said that that was the last thing Cherokee should do; that PNC would support and work with Cherokee.

25. Cherokee hired Funds for Learning ("FFL") on June 11, 2009, to conduct a review of its 90% E-rate discount. I informed Colvard that Cherokee had hired FFL to conduct this review during the first week of June 2009.

26. On September 15, 2009, I began receiving invoices for internal connections from Whitt via e-mail attachment.

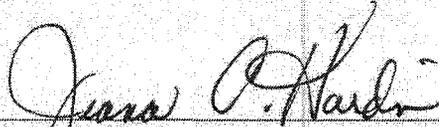
27. Because PNC had promised to "hold off" on the project until the discount rate was verified and because I had received multiple assurances that PNC would work with Cherokee to ensure Cherokee was not paying for things that would not be funded under the E-rate program, I was very surprised to receive these invoices. At this point, I was aware that PNC had drawn down most of the money under Form 471 #624508, only leaving the portion that the services certification letter that Cherokee filed in June had stopped. I was confused as to why PNC had not retrieved its equipment. I assumed PNC had a plan to repurpose the equipment for another job.

28. On November 6, 2009, an envelope containing a year of basic maintenance invoices for the period July 1, 2008, through June 30, 2009, was dropped off in the lobby of the NOC. I was very angry and called Colvard immediately to ask why PNC had invoiced Cherokee for services that were never rendered. Colvard asked me "not to kill the messenger," that he, like I, was just

trying to do his job and was "caught between a rock and hard place." He offered no further explanation.

I SOLEMNLY AFFIRM UNDER PENALTIES OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Dated: 04-12-10

  
Jeana C. Hardin

Sworn to and subscribed before me  
this the 12<sup>th</sup> day of April, 2010.

  
Notary Public

My commission expires: 11/12/11

EXHIBIT H

From: Phillip Colvard  
Sent: Friday, November 16, 2007 9:39 AM  
To: 'lfadok@fundsforlearning.com'  
Cc: Dan Whitt  
Subject: FW: E-rate stuff

Lori,

I got this email from a man up in Western Carolina where some of my schools are. He sent this email to me saying that we did our erate forms wrong for Cherokee County Schools.

Dan wanted you to take a look at this email and give us a call back to discuss and see if we did anything wrong. I have talked to Doris Sparks and she has been doing this for over three years and has never had a problem with using Alternative Discount Methods.

I am heading to the mountains to deliver some equipment to our Engineers so my phone signal may be bad sometimes. If so, please call Dan at 980-297-7141 for more discussion concerning this.

Thanks

Phillip Colvard

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

From: Leonard Winchester [mailto:lwinches@verizon.net]  
Sent: Thursday, November 15, 2007 4:24 PM  
To: Phillip Colvard  
Subject: E-rate stuff

Phillip,

At a meeting we had today we were discussing how to make the best case on our e-rate applications. The topic came up as to how to get our reimbursement percentage up. One suggestion was to indicate on the 471 the number of students getting free or reduced lunches should be compared to the number of applications returned rather than the total student population.

I have reviewed the erate regulations and they are clear that this is a violation of their rules.

[http://www.universalservice.org/res/documents/sl/pdf/471i\\_fy05.pdf](http://www.universalservice.org/res/documents/sl/pdf/471i_fy05.pdf)  
page 14. I also verified this through e-rate; Case # 21-659779.

If the district utilizes the Alternative Discount Method and creates, distributes, collects, tabulates and analyzes a totally separate survey, not the school lunch survey, then the calculation methods are different and increases may be seen.

PNC and Doris Sparks were mentioned as helping districts raise their reimbursement percentage (Cherokee & Graham) using the school lunch program data but comparing it to the number of forms returned instead of the total student population. That is the method that SLD says is a violation.

I thought I ought to let you know about this.

Leonard