



Trillion Partners, Inc.
9208 Waterford Centre Blvd., Suite 150
Austin, Texas 78758

June 24, 2010

Ms. Pina Portanova
USAC Schools and Library Division
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, D.C. 20036
pportan@sl.universalservice.org

Delivered via email

Federal Communications Commission
Attention: Gina Spade, Deputy Division Chief
Telecommunications Access Policy Division *Delivered via Electronic Comments Filing System*
445 12th Street SW
Washington, DC 20554

RE: Response to USAC and Appeal to FCC: Woodward Independent School District 1 dated June 4, 2010

Dear Ms. Portanova and Ms. Spade,

On behalf of the Board, investors and management team of Trillion Partners, Inc., please accept this response to the Intent to Deny Letter from USAC to Woodward Independent School District 1 dated June 4, 2010. Additionally, please accept this letter as a simultaneous appeal to the FCC of the Intent to Deny, requesting that all of the applications as referenced in such letter be approved for funding.

Due to the magnitude of the proposed denial and the substantial delay in the issuance of USAC's currently proposed intent to deny, Trillion and all of its affected customers are under a severe hardship and request expedited resolution of this matter.

Trillion Partners is responding to this letter because thousands of students in a rural and under-served portion of Oklahoma will likely be denied crucial educational access. The approval of this application is needed in order to continue to support these children who rely every school day on Trillion's embedded investment of this broadband asset.

During a phone conference on June 9, 2010, Mr. Scott Barash indicated that our comments would be accepted and included as part of USAC's review of the application. This must in no way be considered a delay in the FCC's immediate consideration of this urgent appeal.

Background

Woodward Independent School District 1 has been a customer of Trillion's for over five years and is located in rural Woodward, OK.

Responses to Questions

Date: June 4, 2010

Kyle Reynolds/Bryan Stephenson
Woodward Independent School District 1
Application Number(s): 571179,615343,680677,765953

Response Due Date: <Due Date>

We are in the process of reviewing Funding Year 2007, 2008, 2009, and 2010 Form(s) 471 to ensure that they are in compliance with the rules of the Universal Service program. Application 663643, FRNs 1811986, and FRN 1812042 will be denied for the following reasons:

1. Based on the documentation provided, the services requested on your Forms 471 are substantially different than those specified on the Form 470. Program rules require applicants to make a bona fide request for services by filing an FCC Form 470. The services requested on your Form 470 do not describe Woodward's planned services requirements requested on the Forms 471.

Woodward ISD posted a Form 470 (947090000590240) for Telecom services to include POTS, cellular, T-1 Digital Transmission Circuits, Toll/long distance, homework hotline, paging and inside wiring maintenance. No RFP was used. Woodward ISD signed a multi-year contract with Trillion Partners for Trillion Centrex VoIP service. The Trillion Centrex VOIP service is for voicemail only licenses. Woodward ISD submitted an Item 21 Attachment for digital transmission circuits for FY 2007 FRN 1583374.

Woodward ISD used the same Form 470 and multi-year contract for E-Rate FYs 2008, 2009, 2010. In FY 2008, Woodward ISD submitted an invoice from Trillion for Item 21 Attachment for FRN 1694520. The invoice is for Annual VoIP Service. In FY 2009 (FRN 1859126) and 2010 (FRN 2070661), an Online Item 21 was submitted. Item 21 Attachment listed digital transmission services.

Please explain how the services listed on the Form 470 are the same as the services Woodward ISD is seeking E-rate discount on Forms 471 and the contract signed with Trillion Partners for FY 2007 (FRN 1583374), FY 2008 (FRN 1694520), FY 2009 (FRN 1859112), and FY 2010 (FRN 2070661).

If the services are not the same or you fail to respond, the FRNs will be denied.

Regarding the FRN's listed in the third paragraph above, FY 2009 (FRN 1859112) is incorrect as it relates to a different contract associated with 470 # 183060000568052 which the reviewer does not question. This FRN should be adjusted to read FY 2009 (FRN 1859126) as is stated in the second paragraph above.

Trillion had no involvement in the development of the customer's Form 470 so can not comment on the comparison between the services as listed on the Form 470 and the final Form 471.

2.

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or FY 2007 Form 471 application 571179, we determined that Woodward ISD requested additional services that were not in the original terms of the contract. The rules of the Program require that new Form 470 be posted for 28 days prior to changing the terms of the contract to allow all potential bidders to participate in the competitive bidding process. You failed to post a Form 470 for these services. This FRN (1583374) is denied

The contract was renegotiated to request additional 112 Centrex VOIP services for voicemail only. In February 2007, Mr. Reynolds, from Woodward ISD, had email exchanges with Ms. Hahn, from Trillion Partners, discussing if a new Form 470 should be posted because additional voicemail was needed. They determined that Woodward ISD is not required to post a new Form 470 for these services. (See enclosures) On February 5, 2007 Woodward ISD signed *Amendment One- Exhibit B* to add more voicemail extensions and did not post a new Form 470. The voicemail extensions were not originally included in the contract. Woodward ISD did not conduct an fair and open competition for the voicemail extension.

Trillion would like to address a number of inaccuracies from the summary above:

- The customer did in fact file a Form 470 for FRN 1583374, #947090000590240 on 11/21/2006.
- No contract between Trillion and the customer was renegotiated. However, Trillion and the customer did execute an amendment to an existing contract as a result of this bid process. The Amendment was dated February 6, 2007 (77 days after the posting of the Form 470)
- The email between Mr. Reynolds and Ms. Hahn did not discuss whether or not a 470 should be posted. Ms. Hahn confirmed that "Woodward filed a 470 for Cycle 10" and provided pricing and a proposed amendment in response to the bid process. Please see email below which clearly supports this position:

From: Renee Hahn [mailto:renee.hahn@trillion.net]
Sent: Friday, February 02, 2007 3:21 PM
To: Reynolds, Kyle B.
Cc: Jennifer Carter; Tim McCulley; Andy Pilarcik
Subject: RE: Woodward

Hi Kyle,

There seemed to be a misunderstanding on whether or not Woodward filed a 470 for Cycle 10. Since there is one out there, we are able to create an E-Rate amendment to your existing agreement to add the additional voicemail extensions.

I've attached that Amendment.

Thanks!

If you disagree with our determinations, and you have alternative information, please provide the supporting documentation.

You have **15 days** to respond to this request. Your response is due by the close of business June 21, 2010. Please reply via e-mail or fax. Please provide complete responses and documentation to the questions listed above. It is important that you provide complete responses to ensure the timely review of your applications. If you do not respond, or provide incomplete responses, your funding request(s) (FRNs) may be reduced or denied, or in the case of committed FRNs subjected to commitment adjustment.

If the applicant's authorized representative completed the information in this document, please attach a copy of the letter of agency or consulting agreement between the applicant and the consultant authorizing them to act on the school or library's behalf. If you receive assistance outside of your organization in responding to this request, please indicate this in your reply.

Should you wish to cancel your Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s). Include in any cancellation request the Form 471 application number(s) and/or funding request number(s). The cancellation request should be signed and dated and including both the name and title of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

Pina Portanova
USAC, Schools and Libraries Division
Phone: 973-581-5016
Fax: 973-599-6552
E-mail: pportan@sl.universalservice.org

Sincerely,

Trillion Partners, Inc.

Attachments:

- [Trillion Account Summary and Review June 8, 2009 – Woodward Independent School District 1](#)



Trillion Account Summary and Review

Customer Information

Name WOODWARD INDEP SCHOOL DIST 1
Address 1023 10th Street, Woodward, OK, 73801
Billed Entity Number (BEN) 139991
Lead Sales Representative Terry Hawthorne, Andy Pilarcik
Customer of:
 (Direct Sales Communications) Gary Gaessler No Roger Clague No Steve Davis No
Trillion/E-Rate Consultant Communication None
Customer Status Active

Contract Information

ContractNumber	Award Date	End Date	470 Number	470 Date	FRN Number	471 Number
n/a	02/10/05	06/30/10	585410000508782	11/15/04	1269768	457618

Extensions/Renewals/Upgrades

ContractNumber	Award Date	End Date	470 Number	470 Date	FRN Number	471 Number
N/A	02/16/06	06/30/13	183060000568052	01/10/06	1482274	529786
N/A	02/16/06	06/30/13	183060000568052	01/10/06	1577391	541600
n/a	02/16/06	06/30/13	183060000568052	01/10/06	1694498	615343
NA	02/16/06	06/30/13	183060000568052	01/10/06	1859112	680677
N/A	02/05/07	06/30/13	947090000590240	11/21/06	1583374	571179
n/a	02/05/07	06/30/13	947090000590240	11/21/06	1694520	615343
NA	02/05/07	06/30/13	947090000590240	11/21/06	1859126	680677

Expense Summary

Governing State Oklahoma
Business Meals In compliance with state guidelines
Gifts & Entertainment None

Customer Communications

Communications Provided **Begin Date** 9/8/2005 **End Date** 2/5/2007
Customer Communications Summary Typical customer communications

Trillion Value System

Integrity & Ethics ♦ Professionalism & Respect ♦ Customer Driven ♦ Having Fun!

9208 Waterford Centre Blvd, Suite 150 Austin, Texas 78758 (512) 334-4100



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