Before the
Federal Communications Commission

In the Matter of the	)	File No. SLD -
	)	
Appeal of the Decision of the	)	
	)	
Universal Service Administrator by	)	
	)	
MEL BLOUNT YOUTH HOME	)	
		CC Docket No. 02-6

AMENDMENT
to
Appeal
Request for Expedited Relief

May 1, 2011

Ms. Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, S.W., Washington, D.C. 20554

The Appeal Now reads at page 8:

(5) Law and Argument

To determine cost effectiveness, the USAC made a computation based on dollars per student. This is simply not relevant. A better method is to make an evaluation based on dollars per "equipment" serviced. USAC had all the data required to make this computation.

THE APPEAL CHANGED TO READ at page 8:

(5) Law and Argument:

To determine cost effectiveness, the USAC made a computation based on dollars per student. This is simply not relevant. A better method is to make an evaluation based on dollars per "equipment" serviced. USAC had all the data required to make this computation.

Students aren't being maintained with E-rate funds, but rather equipment is being maintained. This is why the "dollars per student" method of measuring cost effectiveness is not the best way to assess the value provided by the chosen vendor in this case.

What's more, Mel Blount, the applicant, chose the vendor who offered the lowest price for the IC maintenance service for which they sought funding. Regardless of whether cost effectiveness is measured by dollars per student or dollars per equipment, the price offered by the chosen vendor provides the basis for the most cost effective ratio, because that vendor, Progressive, offered the lowest price for the service requested. Typically, dollars per equipment is the standard used in the E-rate context.

Even if the process an applicant uses to determine which vendors are most cost effective is defective, this error may be cured by choosing the lowest cost vendor. See, FCC Order DA 11-723 p. 7 On page 7 of Order DA 11-723, Gina Spade, the Deputy Chief of the Telecommunications Access Policy Division of the Wireline Competition Bureau writes, "We agree with USAC's determination that the petitioners did not comply with the Commission's rule to assign the highest weight to price when evaluating bids. Nevertheless, the record shows that for seven petitioners, the winning vendor's cost proposal was lower than the competing bids and therefore the applicants selected the least expensive service offering."

See, also, fn 42 of the Order, which outlines seven situations where E-rate applicants failed to make price the heaviest weighted factor in their vendor evaluation process, **but** this Commission determined that the applicants' choice of vendors was "...consistent with policy goals underlying the Commission's competitive bidding rules***", as stated on p.8 of the Order, because the vendors chosen offered the lowest price amongst other competing proposals for given products or services.

The Deputy Chief determined on page 7 of the Order that the USAC was wrong to reject applications for E-rate funding where

applicants failed to assign the highest weight to the price category during their respective bid evaluations, thus violating the Commission's competitive bidding requirements, but chose cost proposals that were the lower than competing bids.

Here, in the case of Mel Blount, not only did the applicant give proper consideration and weight to price and other factors used to determine the cost-effectiveness of the maintenance vendor chosen, but the Applicant ultimately selected the lowest cost vendor.

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Respectfully submitted,

/S/Nathaniel Hawthorne

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