



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2006-2007

June 24, 2011

Donald Kidwell
Diversified Computer Solutions, Inc.
3800 Fernandiana Road, Suite 170
Columbia, SC 29210

Re: Applicant Name: ORANGEBURG COUNTY SCH DIST 3
Billed Entity Number: 127124
Form 471 Application Number: 536972
Funding Request Number(s): 1486215
Your Correspondence Dated: March 15, 2011

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 appeal of USAC's Funding Year 2006 Notification of Improperly Disbursed Funds Letter for the Application Number indicated above. This letter explains the basis of USAC'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 Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1486215
Decision on Appeal: **Denied**
Explanation:

- USAC had been invoiced for maintenance services. During an audit and COMAD review, the opportunity was given to substantiate the invoice submissions to USAC. The service provider bills, activity logs and equipment list failed to provide sufficient information to delineate between what services were eligible or ineligible. Therefore, the billed services were not substantiated and the erroneously disbursed funds must now be recovered. You failed to provide evidence on appeal that USAC's determination was incorrect. Consequently, the appeal is denied.

USAC improperly disbursed funding for services that were not provided or equipment that was not installed as approved on the applicant's FCC Form 471. FCC rules authorize

USAC to disburse funds to service providers for providing supported services to eligible entities. See 47 C.F.R. secs. 54.501(a), 54.517. These rules are violated if the service provider receives payment for services and/or products that were not delivered to the eligible entity. In the Fifth Report and Order, the Commission stated that it would not be appropriate "for a beneficiary to retain an overpayment if, for some reason, USAC has mistakenly disbursed an amount in excess of that which the entity is allowed under our rules." See Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Fifth Report and Order and Order, 19 FCC 15817-18, FCC 04-190 para. 29 (rel. Aug. 13, 2004). The FCC further states that "the service provider is likely to be the entity that fails to deliver supported services within the relevant funding year, fails to properly bill for supported services" and therefore, in such cases the service provider should be a party to whom recovery should be directed. See Federal-State Joint Board on Universal Service, Changes to the Board of Directors for the National Exchange Carrier Association, Inc., Schools and Libraries Universal Service Support Mechanism, CC Docket Nos. 96-45, 97-21, 02-6, Order on Reconsideration and Fourth Report and Order, 19 FCC Rcd 15252, 15257, FCC 04-181 para. 15 (rel. Jul. 30, 2004).

If your appeal has been denied in full, partially approved, dismissed, or canceled, 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 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 SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: Daphne Walley

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Billed Entity Number: 127124
Form 471 Application Number: 536972
Form 486 Application Number: