



Administrator's Decision on Appeal – Funding Year 2011-2012

November 10, 2011

Richard Bernstein
Northside School
E-rate Consulting LLC
P.O. Box 527
Woodmere, NY 11598

Re: Applicant Name: NORTHSIDE SCHOOL
Billed Entity Number: 11396
Form 471 Application Number: 820279
Funding Request Number(s): 2232596, 2232635, 2232667
Your Correspondence Dated: October 16, 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 2011 Funding Commitment Decision 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): 2232596, 2232635, 2232667

Decision on Appeal: **Denied**

Explanation:

- Upon thorough review of the appeal letter and the relevant documentation, the USAC has determined that Northside School is in violation of the Schools and Libraries Support Mechanism competitive bidding rules. USAC records reveal that this is a request for Month-to-Month discounted services. Northside School cited Form 470 application number 176430000923927, Allowable Contract Date of March 24, 2011. USAC records also show that the Form 471 was signed on March 23, 2011 and postmarked on March 24, 2011. Since the signature date precedes the allowable contract date, the Northside School is in violation of this support mechanism 28-day competitive bidding requirements. Additionally, the record shows that Program Integrity Assurance (PIA) contacted Northside School and made them aware of the program violation. Northside School was requested

to verify if the referenced Form 470 was the establishing Form 470 for these services. Northside School was also given an opportunity to cite an alternate Form 470 in order to cure the program's violation. In an email dated August 9, 2011, Northside School stated that the Form 470 establishing the bidding requirement for the requested services is Form 470 application number 176430000923927. As this information was the same as the original input, the program violation was not cured and the request was denied. On appeal, Northside School failed to provide evidence that Northside School has complied with this support mechanism competitive bidding requirement, or that USAC has erred in its initial decision. Consequently, USAC denies the appeal.

- You signed and/or submitted your FCC Form 471 prior to the expiration of the 28 day posting period. FCC rules require that except under limited circumstances, all FCC Forms 470 received be posted on the USAC website for 28 days, and that applicants carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting an FCC Form 471. *See* 47 C.F.R. secs. 54.503 (b)-(c), 54.511(a) and (c). FCC rules further require that the Administrator send the applicant a confirmation when the FCC Form 470 has been posted, and inform the applicant of the earliest date upon which they may sign a contract with the vendor it selects. *See* 47 C.F.R. sec. 54.503(c)(4). These competitive bidding requirements help to ensure that applicants receive the lowest pre-discount price from vendors. *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098, FCC 97-246 para. 9 (rel. Jul. 10, 1997).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have 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: David Esfrani

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Billed Entity Number: 11396
Form 471 Application Number: 820279
Form 486 Application Number: