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MICHAEL K. NOWAK*
ALAN G. PIRTLE*
SEAN K. CRONIN*

* ILLINOIS AND MISSOURI

SENT VIA: Electronic Filing

April 23, 2012

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Re: CC Docket No. 02-6
REQUEST FOR REVIEW/WAIVER
Concerning November 3, 2010 Universal Service Administrative Company Schools & Library Division (SLD) Notification of Commitment Adjustment Letter
Funding Request Number: 1426403
Billed Entity Name: East St. Louis School District No. 189
Billed Entity Number: 136412
Applicant's Form Identifier: 471_07189_t
FCC Registration Number: 0012736567
Form 471 Application Number: 511426
Funding Year: 2006 (7/1/2006 – 6/30/2007)
Service Provider Name: Illinois Bell Telephone Company
Service Provider Identification Number (SPIN): 143001912
Services Ordered: TELLCOM SERVICES
Contract Number: MTM
Site Identifier: 136412
Original Funding Commitment: $210,741.84
Adjusted Funding Commitment Claimed: $193,785.60
Funds Disbursed to Date: $210,741.84
Funds Sought to be Recovered from Applicant: $16,956.24

Secretary Dortch:

Our law firm represents East St. Louis School District No. 189 (District). I write at the direction of the District Board of Education pursuant to its Resolution No. 042312A authorizing and instructing me to seek appeal and request a waiver in the above-referenced matter. (See Attachment 1). The District hereby appeals the November 3, 2010 Universal Service Administrative Company Schools & Library Division (SLD) Notification of Commitment Adjustment Letter for Funding Request Number 1426403 (as more fully described above), and requests a waiver of the rules applicable thereto.

Initially, the District simply does not have the funds to satisfy this alleged debt in order to be removed from "red light status". The District is an urban school district serving approximately six

thousand seven hundred (6,700) students with high poverty, homelessness and urban decay. Currently, while all District students qualify for free breakfast and lunch, the District is experiencing significant annual funding declines from the State of Illinois of approximately Eight Million Dollars ($8,000,000.00) due to declining enrollment and the State's dire financial conditions. Therefore, the District's projected operating fund balance is anticipated to be negative by fiscal year 2013 (July 1, 2012 to June 30, 2013).

Furthermore, the alleged violations will not recur because the individual formerly responsible for the District's participation in the E-Rate program is no longer a District Administrator. Indeed, the District has since hired a new administrative team headed by District Superintendent Arthur Culver, with District CFO Adil Khan now responsible for the District's participation in the E-Rate program. Mr.Culver and Mr. Khan have been working diligently to clear-up all outstanding District issues with USAC/FCC and restore the District's eligibility for E-Rate funding.

For the foregoing reasons, East St. Louis School District No. 189 respectfully requests that the FCC grant its appeal, reverse the November 3, 2010 Universal Service Administrative Company Schools & Library Division (SLD) Notification of Commitment Adjustment Letter for Funding Request Number 1426403 and waive the rules applicable thereto, and order such other relief as FCC deems just and proper.

The District may supplement this appeal, as necessary. In the meantime, if you have any questions or comments, please contact me at your convenience at the contact information below.

BECKER, PAULSON, HOERNER & THOMPSON, P.C.

By: Garrett P. Hoerner

Attorney for East St. Louis School District No. 189
5111 West Main Street
Belleville, Illinois 62226
phone: (618) 235-0020
fax: (618) 235-8558
e-mail: gph@bphlaw.com

enclosures: Attachment 1

cc: Mr. Arthur Culver (w/ enclosures via E-Mail to arthur.culver@estl189.com)
Mr. Adil Khan (w/ enclosures via E-Mail to adil.khan@estl189.com)
Mr. Lonzo Greenwood (w/o enclosures via U.S. Mail)
Illinois Bell Telephone Company (w/ enclosures via U.S. Mail)

BOARD OF EDUCATION
EAST ST. LOUIS SCHOOL DISTRICT NO. 189

RESOLUTION NO. 042312A

RESOLUTION AUTHORIZING AND DIRECTING APPEAL AND REQUEST FOR WAIVER OF UNIVERSAL SERVICE ADMINSTRATIVE COMPANY SCHOOLS & LIBRARIES DIVISION NOTIFICATION OF COMMITMENT OF ADJUSTMENT LETTERS

WHEREAS, East St. Louis School District No. 189 (District) has participated in the E-Rate Grant Program administered by Universal Service Administrative Company (USAC) Schools & Libraries Division (SLD), pertinently receiving grants for Funding Year 2006 for Funding Request Nos. 1421765, 1422315 and 1426403;

WHEREAS, SLD has served on Notification of Commitment Adjustment Letters seeking repayment of disbursed funds related to Funding Request Nos. 1421765, 1422315 and 1426403 for alleged violations of Program rules (see Exhibit A attached);

WHEREAS, this Board of Education disputes the Notification of Commitment Adjustment Letters, including but not limited to its basis and conclusions, and desires to appeal that SLD decision to the Federal Communications Commission (FCC) and further seek a waiver of such rules from the FCC in accordance with applicable rules, regulations and laws, and further desires to authorize and direct its legal counsel, Attorney Garrett P. Hoerner and the law firm of Becker, Paulson, Hoerner & Thompson, P.C. to take any and all actions necessary to pursue and perfect such an appeal and waiver request on behalf of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of East St. Louis School District No. 189, St. Clair County, Illinois, as follows:

Section 1. This Board of Education hereby authorizes and directs its legal counsel, Attorney Garrett P. Hoerner and the law firm of Becker, Paulson, Hoerner & Thompson, P.C., to take any and all actions necessary to pursue and perfect an appeal and waiver request of such SLD Notification of Commitment Adjustment Letters to the FCC on behalf of the District, including but not limited to drafting and executing a Letter of Appeal on behalf of the District, along with such exhibits as legal counsel deems necessary and appropriate;

Section 2. That this Resolution shall be in full force and effect upon its adoption.

ADOPTED this 23rd day of April, 2012 by the following roll call vote:

AYES: Greenwood, Galliday, Clay, Pritchard

NAYS: -0-

ABSENT: Neely, Officer, Williams

Board of Education President

Board of Education Secretary

EXHIBIT A

USAC
Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: July 1, 2006 - June 30, 2007

December 17, 2010

Thomas Edwards
EAST ST LOUIS SCHOOL DIST 189
1005 STATE ST
E SAINT LOUIS, IL 62201 1907

Re: Form 471 Application Number:	516729
Funding Year:	2006
Applicant's Form Identifier:	fy07lin_ic
Billed Entity Number:	136412
FCC Registration Number:	0012736567
SPIN:	143004812
Service Provider Name:	AT&T DataComm, Inc.
Service Provider Contact Person:	Brett Behrens

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received 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 email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. 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 an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a 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 us on paper, send your appeal to:

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

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

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 on 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.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Brett Behrens
AT&T DataComm, Inc.

Funding Commitment Adjustment Report for
Form 471 Application Number: 516729

Funding Request Number:	1421765
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143004812
Service Provider Name:	AT&T DataComm, Inc.
Contract Number:	fy07-sbc
Billing Account Number:	
Site Identifier:	136412
Original Funding Commitment:	$158,977.93
Commitment Adjustment Amount:	$158,977.93
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date	$65,694.19
Funds to be Recovered from Applicant:	$65,694.19

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that USAC erroneously committed funds for FRN 1421765. On the original Form 471 the applicant was approved at a 90 percent discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course an audit it was determined that the applicant is only eligible to receive an 80 percent discount. This determination was based on the beneficiary including all schools in the shared discount calculation, which resulted in a higher discount. Pursuant to the FCC rules, requests for internal connections are given second priority and, when demand for discounts for internal connections exceeds available support, funding should be awarded first to applicants eligible for an 86 percent discount level and then at each descending single discount percentage level until funds are depleted. Since it was determined that your FY 2006 request for funding was for internal connections and approved for 80 percent, and taking into account a fact that there were not sufficient funds for FY 2006 to provide internal connections to applicants at your discount rate, your funding commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant.

Additionally, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that the applicant did not pay any of the non-discounted portion. FCC rules require applicants to pay the non-discount portion of the products or services purchased with universal service discounts. Applicants that do not pay the non-discount portion more than 90 days after completion of services have violated this rule. Consequently, the program rules have been violated. Accordingly, USAC is seeking recovery of any disbursed funds. Funds will be recovered under the violation above.

Lastly, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that the following equipment purchased with the Universal Service funds for FY 2006, FRN 1421765, could not be located: 1 Catalyst 4500 10/100/1000, 8 Wireless access points, and 28 8-Port switches. FCC rules require that the equipment purchased with program discounts be located at an eligible entity and be utilized effectively for educational purposes. The rules require that applicants retain asset and inventory records of equipment purchased and components of supported internal connections services sufficient to verify the location of such equipment for five years. Since the equipment purchased with Universal Service funds could not be located, the above FCC rules were violated. USAC will seek recovery of $28,298.00 of improperly disbursed funds from the applicant. Funds will be recovered under the violation above.

USAC
Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: July 1, 2006 - June 30, 2007

December 21, 2010

Thomas Edwards
EAST ST LOUIS SCHOOL DIST 189
1005 STATE ST
E SAINT LOUIS, IL 62201 1907

Re: Form 471 Application Number:	511431
Funding Year:	2006
Applicant's Form Identifier:	471_07189_ia_ic
Billed Entity Number:	136412
FCC Registration Number:	0012736567
SPIN:	143004812
Service Provider Name:	AT&T DataComm, Inc.
Service Provider Contact Person:	Brett Behrens

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received 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 email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. 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.

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5. Provide an authorized signature on your letter of appeal.

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

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FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Brett Behrens
AT&T DataComm, Inc.

Funding Commitment Adjustment Report for
Form 471 Application Number: 511431

Funding Request Number:	1422315
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143004812
Service Provider Name:	AT&T DataComm, Inc.
Contract Number:	fy07-sbc
Billing Account Number:	
Site Identifier:	136412
Original Funding Commitment:	$287,474.76
Commitment Adjustment Amount:	$287,474.76
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date	$242,446.07
Funds to be Recovered from Applicant:	$242,446.07

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that USAC erroneously committed funds for FRN 1422315. On the original Form 471 the applicant was approved at an 87 percent discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course an audit it was determined that the applicant is only eligible to receive an 80 percent discount. This determination was made because the beneficiary included all schools in the shared discount calculation which resulted in a higher discount. Pursuant to the FCC rules, requests for internal connections are given second priority and, when demand for discounts for internal connections exceeds available support, funding should be awarded first to applicants eligible for 86 percent discount level and then at each descending single discount percentage level until funds are depleted. Since it was determined that your FY 2006 request for funding was for internal connections and approved for 80 percent, and taking into account a fact that there were not sufficient funds for FY 2006 to provide internal connections to applicants at your discount rate, your funding commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant.

Additionally, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that the applicant did not pay any of the non-discounted portion. FCC rules require applicants to pay the non-discount portion of the products or services purchased with universal service discounts. Applicants that do not pay the non-discount portion more than 90 days after completion of services have violated this rule. Consequently, the program rules have been violated. Accordingly, USAC is seeking recovery of any disbursed funds.

Lastly, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that the equipment for which you requested discounts in your funding request has not been utilized in accordance with program rules. FCC rules require that applicants have secured all the necessary resources to make effective use of the equipment and that the equipment is utilized for an educational purpose. 2 Supervisor Engines, 26 24-port switches, 11 Cisco gigabit interface converters, 14 wireless access points, 1 SFP connector transceiver, 1 1000base T SFP, 4 Cisco input/output device plugs, and 2 routers were not utilized. Two Catalyst 6500 could not be located. Since a review has revealed that equipment has not be utilized according to program rules, USAC must seek recovery of all funds improperly disbursed that are associated with the equipment not being utilized. Accordingly, USAC is seeking recovery of $147,677.00 (included in recovery for above violations) which was improperly disbursed.

USAC
Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: July 1, 2006 - June 30, 2007

November 03, 2010

Thomas Edwards
EAST ST LOUIS SCHOOL DIST 189
1005 STATE ST
E SAINT LOUIS, IL 62201 1907

Re: Form 471 Application Number:	511426
Funding Year:	2006
Applicant's Form Identifier:	471_07189_t
Billed Entity Number:	136412
FCC Registration Number:	0012736567
SPIN:	143001912
Service Provider Name:	Illinois Bell Telephone Company
Service Provider Contact Person:	Michael Swisher

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

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- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. 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 an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

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

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

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FUNDING COMMITMENT ADJUSTMENT REPORT

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Schools and Libraries Division
Universal Services Administrative Company

cc: Michael Swisher
Illinois Bell Telephone Company

Funding Commitment Adjustment Report for
Form 471 Application Number: 511426

Funding Request Number:	1426403
Services Ordered:	TELCOMM SERVICES
SPIN:	143001912
Service Provider Name:	Illinois Bell Telephone Company
Contract Number:	MTM
Billing Account Number:	618-646-3000
Site Identifier:	136412
Original Funding Commitment:	$210,741.84
Commitment Adjustment Amount:	$16,956.24
Adjusted Funding Commitment:	$193,785.60
Funds Disbursed to Date	$210,741.84
Funds to be Recovered from Applicant:	$16,956.24

After a thorough review, it was determined that the funding commitment for this request must be reduced by $16,956.24. On the original Form 471 the applicant was approved at an 87 percent discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of an audit it was determined that the applicant is only eligible to receive an 80 percent discount. This determination was based on the total student counts on the applicant?s Form 471, not matching the supporting documentation provided by the applicant during the audit. Accordingly, the commitment has been reduced by $16,956.24 (pre-discount commitment amount*(discount percentage approved on the Form 471 less the discount rate the applicant is actually eligible to receive)) and if recovery is required, USAC will seek recovery from the applicant.