

**ColemanGroup**  
MANAGEMENT CONSULTING

134 North LaSalle Street, Suite 1400  
Chicago, Illinois 60602

P 312.850.4134 F 312.893.2038  
www.colemangroupconsulting.com

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

Attached is an Application for Review by the Federal Communications Commission for St Ethelreda School [BEN: 70370].

The purpose of this document is seek consideration of the Wireline Competition Bureau's decision DA No. 12-711, released May 3<sup>rd</sup>, 2012. In this decision, the Universal Service Administrative Company (USAC) denied St Ethelreda School's request to Review delinquent bill #10US014181 in the amount of \$340,479.74 on the grounds that the school did not submit its request for Review or Waiver either to The Commission or USAC within 60 days.

Electronic Code of Federal Regulations C.F.R. 47 §1.3 states that The Commission may waive any provision of its rules for good cause shown. We will demonstrate (i) special circumstances that warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.

Please note: We have located the checks that document payment made to the Service Provider (Martin & Associates) for the 10% of the ERate project that St Ethelreda School was responsible for. The images of these checks (Attached to this document as EXHIBIT 1) satisfy the rationale of the Notification of Improperly Disbursed Funds Recovery Letter issued on February 22<sup>nd</sup> 2010.

Please let me know if you have any questions, or if there is any additional information I can provide. We greatly appreciate your consideration of our appeal. Thank you for your time, effort, patience, and continued support of St Ethelreda School.

*Stephen Weiss*  
ON BEHALF OF  
ST ETHELREDA SCHOOL

Stephen Weiss  
312-850-4134 x107 (w)  
630-430-7342 (cl)  
sweiss@colemangroupconsulting.com

①

## TABLE OF CONTENTS

- I) Application For Review By The Federal Communications Commission
  - (1) A Statement setting forth St Ethelreda School's interest in the matter presented for review. [Page 3]
  - (2) A full statement of relevant, material facts with supporting affidavits and documentation. [Pages 4 – 7]
  - (3) The question presented for review, with reference, where appropriate, to the relevant Federal Communications Commission rule, Commission order, or statutory provision. [Page 7]
  - (4) A statement of the relief sought and the relevant statutory or regulatory provision pursuant to which such relief is sought. [Page 8]
- II) Description of St Ethelreda School's ERate Project [Pages 9-10]
- III) Documentation of Prior Appeals and Correspondence [In Reverse Chronological Order]
  - (1) EXHIBIT 1 [Pages 11 - 13] – The checks that document payment made to the Service Provider (Martin & Associates) for the 10% of the ERate project that St Ethelreda School was responsible for.
  - (2) EXHIBIT 2 [Pages 14 – 18] – Federal Communications Commission DA 12-711, Released May 3<sup>rd</sup>, 2012.
  - (3) EXHIBIT 3 [Page 19] – The Administrator's Decision on Appeal for the original appeal filed directly with USAC on behalf of St Ethelreda School
  - (4) EXHIBIT 4 [Page 20] – Email Correspondence between St Ethelreda School and Martin & Associates
  - (5) EXHIBIT 5 [Page 21] – A copy of the letter we sent into the FCC describing the intent to appeal the original decision for St Ethelreda School
  - (6) EXHIBIT 6 [Pages 22 - 26] – Documentation of the checks that verify St Ethelreda School did pay their 10% of the project with Martin & Associates
  - (7) EXHIBIT 7 [Pages 27 – 30] – Documentation of the official Invoice from the FCC for the balance due by St Ethelreda School that has placed them into Red Light Status
  - (8) EXHIBIT 8 [Pages 31 - 34] – Demand Payment Letter [SECOND REQUEST]
  - (9) EXHIBIT 9 [Pages 35 – 37] – Demand Payment Letter
  - (10) EXHIBIT 10 [Pages 38 - 41] – The original Notification of Improperly Disbursed Funds Recovery Letter and Funding Disbursement Recovery Report

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
Request for Review by St Ethelreda School	)	
Of Decision Of	)	
Universal Service Administrator	)	
	)	
St Ethelreda School	)	SLD No. 428628
Chicago, Illinois	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	CC Docket No. 96-45

**(1) A Statement setting forth St Ethelreda School's interest in the matter presented for review.**

In this matter presented for review, St Ethelreda School is the sole appellant organization. St Ethelreda School is seeking an Application for Review by the Federal Communications Commission. St Ethelreda School wishes to seek consideration of the Wireline Competition Bureau's decision DA No. 12-711, released May 3rd, 2012.

**(2) A full statement of relevant, material facts with supporting affidavits and documentation.**

Appellant / Organization Name: St Ethelreda School  
Consultant Name: Coleman Group Consulting  
Consultant Registration Number: 16062788  
Contact Person Name: Stephen Weiss  
Contact Mailing Address: 134 North LaSalle Street Suite 1400  
Contact Phone Number: 312-850-4134  
Contact Fax Number: 312-893-2038  
Contact Email Address: [sweiss@colemangroupconsulting.com](mailto:sweiss@colemangroupconsulting.com)

Funding Year: 2004  
Date of FCDL Decision: 1/11/2005  
Billed Entity Name: St Ethelreda School  
Billed Entity Number: 70370  
FCC Registration Number: 0071057886  
Form 471 Application Number: 428628

Form 471 Identifier Number: SER471020404-1

**Funding Request**

Funding Request Number: 1200832

SPIN Code: 143016325

Service Provider Name: Martin & Associates

Service Provider Contact: Roderick Martin

Contract Number: SES-20404-01

Billing Account Number: 773-238-1757

Site Identifier: 70370

Original Commitment Amount: \$334,455.30

Actual Funds Disbursed: \$321,207.30

Interest on Funds Disbursed: \$19,272.44

Amount to be Either Documented or Recovered: \$340,479.74

---

**Comments from Roderick Martin**

**Martin & Associates**

[This email was sent on June 28, 2011]

Stephen,

Per our discussion, this email is to confirm complete payment in full of approximately \$35,690.00 paid directly to Martin & Associates for the matching 10% of the E-Rate funding award. Based upon the amount disbursed by USAC, the amount St Ethelreda School was responsible for approx. \$35,690.00 for FRN 1200832 and 471 App # 1200832.

I remember specifically because the school had to follow specific board meeting and approval requirements to tender payment. Although records were in fact maintained for 5 years, due to moving and a divorce in which documents were destroyed recently, we do not have a copy of the check and have attempted to get an image of the check deposited by Martin & Associates. The bank has not been able to produce that image yet, however, I can confirm with absolute certainty that the payment was made by the principal, Mrs. Denise Spells, and parish head at the time, Fr. James Nallen.

It is also my understanding that the school has also sought an image of the payment as well and has met the same obstacle with the banks' archiving. Please let me know if I may help further with this matter.

Thank you,

Roderick Martin  
Martin & Associates  
312-869-0200

---

4

St Ethelreda School's request to Review delinquent bill<sup>1</sup> #10US014181 in the amount of \$340,479.74 was denied on the grounds that the school did not submit its request for Review or Waiver either to The Commission or USAC within 60 days<sup>2</sup>.

Electronic Code of Federal Regulations C.F.R. 47 §1.3 states that The Commission may waive any provision of its rules for good cause shown. We will demonstrate (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.

**(i) Special circumstances that warrant a deviation from the general rule**

Upon receipt of the Notification of Improperly Disbursed Funds Recovery Letter<sup>3</sup> asking for the return of (at the time) \$321,207.30, St Ethelreda School experienced a great deal of confusion. Although the Appeal was suggested as a potential course of action, St Ethelreda School reacted naturally and continued to search for the missing check that caused the Notification of Improperly Disbursed Funds Recovery Letter to be generated in the first place. The shock of the volume of funding that was being asked to be repaid was so large that St Ethelreda School immediately tried to resolve the source of the problem by locating a scanned image of a check that they knew had already been paid several years ago. They spent the 60 days after they received the letter trying to find the check and did not realize that the 60 day window for filing the appeal was actually the more time-constrained task. The banks that handled the physical check that paid for St Ethelreda School's portion of the project no longer had record of the check. The service provider, Martin and Associates, was unable to locate the check due to recent move, along with a divorce where records were destroyed. All of these factors contributed to the delay in filing the appeal.

We have located the checks that document payment made to the Service Provider (Martin & Associates) for the 10% of the ERate project that St Ethelreda School was responsible for<sup>4</sup>. The images of these checks (Attached to this document as EXHIBIT 1) satisfy the rationale of the Notification of Improperly Disbursed Funds Recovery Letter issued on February 22nd 2010.

---

<sup>1</sup> EXHIBIT 7 - Documentation of the official Invoice from the FCC for the balance due by St Ethelreda School that has placed them into Red Light Status.

<sup>2</sup> EXHIBIT 2 - Federal Communications Commission DA 12-711, Released May 3<sup>rd</sup>, 2012.

<sup>3</sup> EXHIBIT 10 - The original Notification of Improperly Disbursed Funds Recovery Letter and Funding Disbursement Recovery Report.

<sup>4</sup> EXHIBIT 1 - Documentation of payment made to the Service Provider (Martin & Associates) for the 10% of the ERate project that St Ethelreda School was responsible for.

**(ii) Deviation from the general rule will serve the public interest.**

St. Ethelreda School has 289 students in the Brainerd and Auburn Gresham neighborhoods on Chicago's South Side, and the school is literally an anchor and a safe haven for the entire neighborhood. The future growth and prosperity of these neighborhoods will directly reflect that of St Ethelreda School.

St Ethelreda School gives their students a safe, nurturing and spiritual place to learn and grow.

St Ethelreda School is directly responsible for developing students that will become the future of this community. In 2009, St Ethelreda School was chosen to participate in UIC Early Reading First-Developing Centers of Preschool Literacy Excellence....an exclusive project between the University of Illinois at Chicago and the Archdiocese of Chicago. One of their 3<sup>rd</sup> grade students recently won a citywide essay competition with her essay on growing vegetables in an energy efficient manner. The 4<sup>th</sup> graders at St Ethelreda School are leading a recycling initiative. They are working to convince their families to purchase products in environmentally friendly recyclable packaging. St Ethelreda School is in the process of transitioning their focus to a Science, Technology, Engineering, & Math (STEM) Curriculum. Their Science Club's Lego Robotics team has won three awards in competition: Midwest Rookie Team (2007), Robot Design (2008), Research Award (2009). St Ethelreda School has established a five-year partnership with Benedictine University that will provide the students with a wealth of academic opportunities, including a unique in-class college educational experience to inspire junior high students to pursue a higher education. A four year scholarship is available for St. Ethelreda graduates who attend a Catholic high school, maintain a 3.0 GPA and enter Benedictine University as an Education major.

St Ethelreda School's Before/After Care Service attends to children during the Morning Hours (M-F) between 6:30 am and 8:00 am, as well as the After School Hours (M-F) of 3:00 pm - 6:00 pm. On certain days when school is out, all day care is available from 6:30 am to 6:00 pm. For these children having a safe place to go during the day can to a large extent determine their future.

St Ethelreda School's students regularly participate in Community Service; learning the importance of giving from the heart by participating in their monthly food pantry, winter coat drive and holiday toy drive programs for families in need. There is a Women and Children's Shelter next door to the school in their prior convent building, and the students at St Ethelreda School consistently participate in Drives to obtain donations to help the families in the shelter. Providing a safe haven at school is more important than ever for children today. St Ethelreda School looks out for their children's well-being.

On January 6th 2012, St Ethelreda School received an Administrator's Decision on Appeal<sup>5</sup> [for an appeal we originally filed directly for USAC] on behalf of St Ethelreda School. The decision states as follows:

---

<sup>5</sup> EXHIBIT 3 – The Administrator's Decision on Appeal for the original appeal filed directly with USAC .

- Our records show that your appeal was postmarked more than 60 days after the date your Notification of Improperly Disbursed Funds Letter was issued, as shown above. Federal Communications Commission (FCC) rules require applicants to postmark appeals within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Universal Service Administrative Company (USAC) to consider your appeal.

The date of the postmark on our original appeal with USAC was December 15<sup>th</sup>, 2011. Please note: Although St Ethelreda School was not initially successful in locating the documentation, we have successfully located scanned images of this payment<sup>6</sup>.

**(3) The question presented for review, with reference, where appropriate, to the relevant Federal Communications Commission rule, Commission order, or statutory provision.**

St Ethelreda School is seeking an Application for Review by the Federal Communications Commission. St Ethelreda School wishes to seek consideration of the Wireline Competition Bureau's decision DA No. 12-711, released May 3rd, 2012. In this decision, the Universal Service Administrative Company (USAC) denied St Ethelreda School's request to Review delinquent bill #10US014181 in the amount of \$340,479.74 on the grounds that the school did not submit its request for Review or Waiver either to The Commission or USAC within 60 days.

Electronic Code of Federal Regulations C.F.R. 47 §1.3 states that The Commission may waive any provision of its rules for good cause shown. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest<sup>7</sup>. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis<sup>8</sup>. Consistent with precedent<sup>9</sup>, we have demonstrated (i) special circumstances that warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.

---

<sup>6</sup> EXHIBIT 1 - Documentation of payment made to the Service Provider (Martin & Associates) for the 10% of the ERate project that St Ethelreda School was responsible for. EXHIBIT 6 - Documentation of the checks that verify St Ethelreda School did pay their 10% of the project with Martin & Associates.

<sup>7</sup> *Northeast Cellular Telephone Co. v FCC*, 897 F.2d 1164, 1168

<sup>8</sup> *WAIT Radio v. FCC*, 418 F.2d 1153, 1159

<sup>9</sup> *NetworkIP, LLC v. FCC*, 548 F.3d 116, 125-128

**(4) A statement of the relief sought and the relevant statutory or regulatory provision pursuant to which such relief is sought.**

St Ethelreda School seeks relief from the Wireline Competition Bureau's decision DA No. 12-711, released May 3rd, 2012. In this decision, the Universal Service Administrative Company (USAC) denied St Ethelreda School's request to Review delinquent bill #10US014181 in the amount of \$340,479.74 on the grounds that the school did not submit its request for Review or Waiver either to The Commission or USAC within 60 days.

St Ethelreda School seeks relief from this decision pursuant to Electronic Code of Federal Regulations C.F.R. 47 §1.3 states that The Commission may waive any provision of its rules for good cause shown. We have demonstrated (i) special circumstances that warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.

We now have documentation of St Ethelreda's payment of 2 checks in the amounts of \$25,471.41 and \$12,735.70 (\$38,207.11 total) that were used to pay the non-discounted portion of this project.

St Ethelreda School is currently in a Red Light Status due to delinquent bill #10US014181 in the amount of \$340,479.74. The primary reason for the generation of this invoice was a lack of documentation for St Ethelreda School's payment of the non-funded proportion of a project administered by Martin & Associates for the 2004 ERate Funding Year. Since we have located this documentation, we would like to ask that St Ethelreda School's Red Light Status be removed so that they can file for ERate going forward.

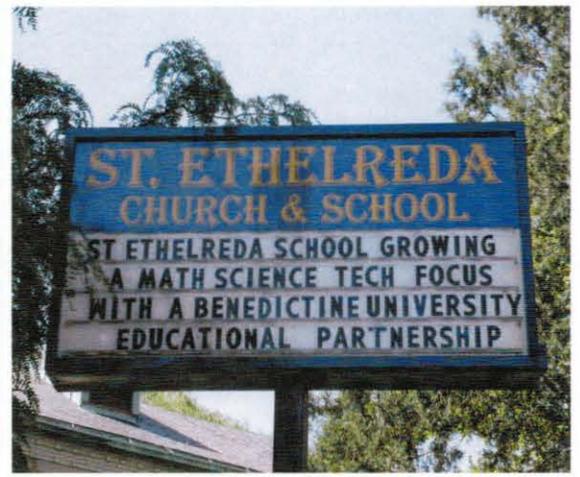
Thank you once again for taking the time to consider this appeal for St Ethelreda School. Please let me know if you have any questions. Thank you very much for all of your help. We greatly appreciate your time, effort, patience and continued support.

JUNE 1, 2012

Stephen Weiss

ON BEHALF OF  
ST ETHELREDA SCHOOL

8

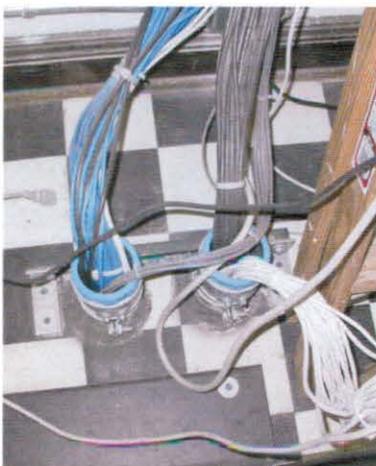
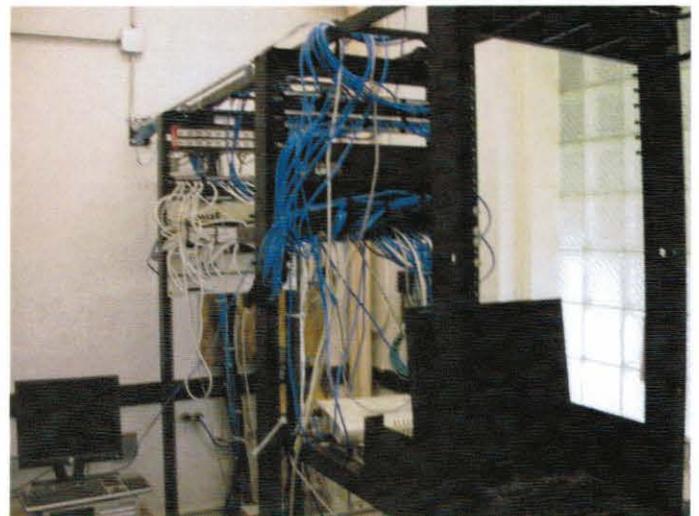


### St Ethelreda School ERate Project Description

The project St Ethelreda sought funding for was to build a new internal telecommunications network for the school, including the following:

- ◆ Main Distribution Frame [MDF]
- ◆ Intermediate Distribution Frame [IDF]
- ◆ Wireless Access Points
- ◆ Network Servers, Administration & Technical Support
- ◆ Conduit & Raceway for 25 Classrooms, The Library, and their Gym
- ◆ Project Management, Installation, Configuration, & Implementation of all of the above

**Main Distribution Frame (MDF)** - A room on the first floor was re-designed to become a completely dedicated space for the entire internal telecommunications infrastructure of St Ethelreda School.



The room connects the internal equipment to their Service Providers' equipment. Demarcation points for their service provider are located in this room, and Martin and Associates installed racks and cabinets for wire management of all of their individual network components including: 1) Web, Email, & Firewall Servers, 2) Surge Protectors, 3) Phone System, 4) Patch Panels, 5) Server KVM Units etc. Martin and Associates did a very thorough and professional job with this room and truly did create a focal point for the entire school's network.





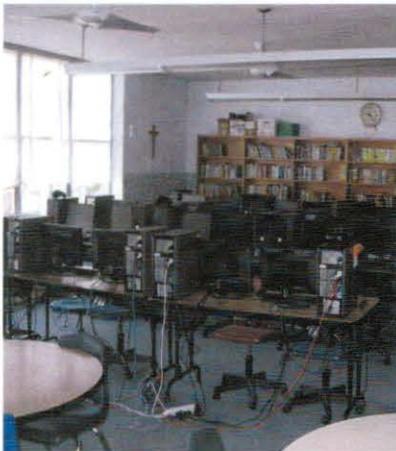
### Intermediate Distribution Frame

(IDF) - St Ethelreda School has 3 floors including the gym in the basement. The Intermediate Distribution Frames are located at 2 points on each floor. They each contain wire managers and Cisco switches that serve as a distribution point for cables from the MDF. The connections between the MDF and the IDF's are 6-strand optical fiber, and then cross-connects link each individual classroom to the overall Local Area Network. Each IDF is set up to distribute Voice and Data traffic, and is capable of managing Video Traffic as well. Delivering each classroom's access to the phone system is of particular importance in case of an emergency. The ability to reach a teacher in each classroom at a moment's notice was one of the primary motivations for the overall project.



**Wireless Access Points** - Raceway was meticulously installed throughout the building to facilitate each connection and manage the: jacks, connectors, clips, patch cables, dividers, and enclosures etc. The optical connections are housed within ceramic enclosures, and Ethernet and phone

connections are contained within fire-preventative wiremold. The access points are strategically located throughout the building to provide maximum access to the internet. The architecture containing the wireless access points is particularly extensive in the Gym, and in the Library.



**The Gym & Library** - In addition to athletic activities the Gym is the location where many of the school meetings and assemblies are held. Teachers and students can bring their laptops to the gym and connect to the internet anywhere in the room (which takes up the entire lower floor of the building). The Library is also the location of the main computer lab. The infrastructure leads from the IDF boxes inside the Library and creates an environment where entire classes can simultaneously access the internet. The Library is located on the complete opposite side of the MDF and its seamless access to the infrastructure is an outstanding example of how thorough of a job Martin and Associates did with this project.



**EXHIBIT 1 - DOCUMENTATION OF PAYMENT TO**  
**MARTIN AND ASSOCIATES FOR THE 10% OF**  
**THE ERATE PROJECT THAT ST ETHELREDA SCHOOL WAS**  
**RESPONSIBLE FOR**

No. 2633

Check Date: 10/22/2004

MARTIN & ASSOCIATES, 2300 N BARRINGTON RD STE 400, HOFFMAN ESTATES IL 60195

Invoice	Date	Amount	Deductions	Net Amount Paid
102104	71220-20100-213 10/21/04	\$25,471.41	\$0.00	\$25,471.41
<b>Totals</b>		\$25,471.41	\$0.00	\$25,471.41

**The Catholic Bishop of Chicago**  
 Page 1 of 1

JPMorgan Chase Bank, N.A.  
 Chicago, Illinois  
 2-1/710

**The Catholic Bishop of Chicago**  
 Construction Account  
 Chicago, Illinois 60690-1979

Check No. 2633

Check Date:  
 10/22/2004

PAY VOID VOID VOID VOID VOID VOID VOID

CHECK AMOUNT  
 \$ \*\*\*\*25,471.41

The Catholic Bishop of Chicago

TO THE ORDER OF  
**MARTIN & ASSOCIATES**  
 2300 N BARRINGTON RD STE 400  
 HOFFMAN ESTATES IL 60195

**NON-NEGOTIABLE**



No. 2826

Check Date: 12/21/2004

MARTIN & ASSOCIATES, 2300 N BARRINGTON RD STE 400, HOFFMAN ESTATES IL 60195

Invoice	Date	Amount	Deductions	Net Amount Paid
121604	71220-20100-213 12/16/04	\$12,735.70	\$0.00	\$12,735.70
<b>Totals</b>		\$12,735.70	\$0.00	\$12,735.70

**The Catholic Bishop of Chicago**  
Page 1 of 1

JPMorgan Chase Bank, N.A.  
Chicago, Illinois  
2-1/710

**The Catholic Bishop of Chicago**  
Construction Account  
Chicago, Illinois 60690-1979

Check No. 2826

12/21/2004

PAY VOID VOID VOID VOID VOID VOID VOID

Check Amount  
\$ \*\*\*\*12,735.70

The Catholic Bishop of Chicago

TO THE ORDER OF  
MARTIN & ASSOCIATES  
2300 N BARRINGTON RD STE 400  
HOFFMAN ESTATES IL 60195

**NON-NEGOTIABLE**

12

DATA RECORD FOR THE CHECKS PAID TO MARTIN AND ASSOCIATES FOR ST ETHELREDA SCHOOL'S 10% OF THEIR ERATE PROJECT

CASH_CODE	BANK_INST_CODE	TRANS_NBR	TRANS_IDENT	COMPANY	VENDOR_GROUP	PAY_GROUP
1016	SYS	2826	126771	1	1	PCPG
1016	SYS	2633	123312	1	1	PCPG
PAID_VENDOR	PAID_NAME	BASE_PMT_AMT	TRAN_PMT_AMT	TRAN_ND	TOT_INV_PAID	CHECK_DATE
107987	MARTIN & ASSOCIATES	\$12,735.70	\$12,735.70	2	\$12,735.70	12/21/2004
107987	MARTIN & ASSOCIATES	\$25,471.41	\$25,471.41	2	\$25,471.41	10/22/2004
PAY_CURRENCY	ACT_CNV_RATE	SERIAL_NUM	BASE_APPL_AMT	BANK_CURR AMT	BNK_CNV_RATE	BANK_APPL AMT
USD	1	0	\$12,735.70	\$12,735.70	1	\$12,735.70
USD	1	0	\$25,471.41	\$25,471.41	1	\$25,471.41



Federal Communications Commission  
Washington, D.C. 20554

EXHIBIT 2 -  
FEDERAL COMMUNICATIONS  
COMMISSION DA 12-711,  
RELEASED MAY 3RD, 2012

## Memo

**To:** Denise Spells  
St. Ethelreda School

**From:** Trent Harkrader, Chief  
Telecommunications Access Policy Division  
Wireline Competition Bureau  
Federal Communications Commission

**Date:** May 4 2012

**Re:** DA No. 12-711, released May 3, 2012

Please find accompanying this memo the Bureau's decision on your appeal. The accompanying decision may be referenced in the future by its proceeding number and release date: DA No. 12-711, Released May 3, 2012.

If the Bureau has granted your appeal, please contact the Universal Service Administrative Company (USAC) at 1-888-201-8100 for more information regarding your application. Please submit any information to USAC that the order may require. Once USAC has reviewed your application related to the issues resolved in the attached letter, you will receive a revised funding commitment decision letter.

If the Bureau has denied your appeal and you choose to seek consideration of the Bureau's decision, you must file either a petition for reconsideration by the Bureau or an application for review by the full Commission with the Commission within 30 days from the released date of this decision. You may file your petition for reconsideration or application for review using the Internet by accessing the Commission's electronic comment filing system (ECFS) at <http://fjallfoss.fcc.gov/ecfs2/>. Please be sure to reference CC Docket No. 02-6 on your filing.

14

Before the  
Federal Communications Commission  
Washington, DC 20554

In the Matter of )

Requests for Waiver and Review of )  
Decisions of the )  
Universal Service Administrator by )

Alex Public School Dist I-56 )  
Alex, Oklahoma, et al. )

SLD Nos. 616014, et al.

Schools and Libraries Universal Service )  
Support Mechanism )

CC Docket No. 02-6

ORDER

Adopted: May 3, 2012

Released: May 3, 2012

By the Chief, Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Consistent with precedent,<sup>1</sup> we deny 10 requests from petitioners<sup>2</sup> seeking review of decisions made by the Universal Service Administrative Company (USAC) under the E-rate program (more formally known as the schools and libraries universal service support program).<sup>3</sup> In each case, USAC denied or reduced funding on the grounds that the applicant failed to submit its requests for review or waiver either to the Commission or to USAC within 60 days as required by the Commission's rules.<sup>4</sup> Based on our review of the record, we deny the 10 requests because the petitioners have failed to show special circumstances necessary for the Commission to waive the deadline.<sup>5</sup>

<sup>1</sup> See *Request for Review of Decisions of the Universal Service Administrator by Agra Public Schools I-134, Schools and Libraries Universal Service Support Mechanism*, File Nos. SLD-363747, et al., CC Docket No. 02-6, Order, 25 FCC Rcd 5684 (Wireline Comp. Bur. 2010); see also *Requests for Review and/or Requests for Waiver of Decisions of the Universal Service Administrator by Bonnie Brae Educational Center School, Schools and Libraries Universal Service Support Mechanism*, File Nos. SID-625470, et al., CC Docket No. 02-6, Order, 27 FCC Rcd 13442 (Wireline Comp. Bur. 2012). (denying 104 appeals on the grounds that the petitioners failed to submit their appeals either to the Commission or to USAC within 60 days as required by the Commission's rules, and the petitioners have failed to show special circumstances necessary for the Commission to waive the deadline).

<sup>2</sup> The requests for waiver and review are listed in the appendix.

<sup>3</sup> Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of USAC may seek review from the Commission. 47 C.F.R. § 54.719(c).

<sup>4</sup> 47 C.F.R. § 54.720.

<sup>5</sup> The Commission may waive any provision of its rules for good cause shown. 47 C.F.R. § 1.3. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166. Waiver of the Commission's rules is appropriate only if both (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest. *NetworkIP, LLC v. FCC*, 548 F.3d 116, 125-128 (D.C. Cir. 2008); *Northeast Cellular*, 897 F.2d at 1166.

15

E-mail: ARINQUIRIES@fcc.gov

Sincerely,

Schools and Libraries Division  
Universal Service Administrative Company

Cc: First Communications, Stephen Weiss COLEMAN GROUP.

16

## APPENDIX

Petitioner	Application Number(s)	Funding Year	Date Request for Review/Waiver Filed
Alex Public School Dist I-56 Alex, Oklahoma	616014	2008	Jan. 30, 2012
Aurora Public Schools Aurora, Colorado	695092	2009	Feb. 16, 2011
El-Hajj Malik El-Shabazz Academy Lansing, Michigan	620984	2008	Mar. 29, 2012
Franklin County School District Louisburg, North Carolina	624121	2008	Nov. 25, 2008
Joan Macy School LaVerne, California	743410	2010	Jan. 31, 2011
St. Ethelreda School Chicago, Illinois	428628	2004	Feb. 2, 2012
State of Minnesota Office of Enterprise Technology St. Paul, Minnesota	407237, 419361, 420194	2004	Sep. 1, 2005
Stetson School Barre, Massachusetts	767835, 768651	2010	Feb. 9, 2012
Timothy Academy South Clayton, Missouri	656309	2009	Jul. 19, 2010
White Shield School Parshall, North Dakota	753211	2010	Apr. 9, 2012

17

**Notice of Withholding of Action**

May 07, 2012

St. Ethelreda Schools  
8734S. Paulina St  
Chicago, Il. 60620-4813  
Attn: Denise Spells

Re: Notification of Withholding of Action Pending Red Light Rule

Application Number: 873321  
Billed Entity: 70370  
Fund Year: 2012

The Schools and Libraries Division received your request, cited above, for a funding for the Schools and Libraries Universal Service Support Mechanism (E-Rate) holding FCC Registration Number 17057886.

As required by 47 C.F.R. § 1.1910(a)(1), we have reviewed our records and determined that as of **05/07/2012**, you or an entity sharing the same Taxpayer Identification Number (TIN) is delinquent on the payment of a debt owed to the Universal Service Administrative Company (USAC):

St. Ethelreda School – Debt \$340,479.74

In addition, the same entity is delinquent on the following debt to the FCC:  
St. Ethelreda School – Debt \$340,479.74

Pursuant to 47 CFR § 1.1910(b), no further disbursements will be made until the complete debt owed to USAC and the FCC is satisfied and/or arrangements have been made to pay the delinquent debt. **If no payment is made within 30 days of the date of this letter, any pending applications and requests for benefits may be dismissed.** This means that any funding requests filed on the Form(s) 471 listed above will be denied.

Please be advised that any additional applications or requests for benefits from the FCC or its reporting components, including but not limited to support from the Universal Service Fund, payments from the Telecommunications Relay Services Fund, or the issuance of telephone numbers from the North American Numbering Plan Administrator, will be reviewed to determine if any delinquent debts are outstanding.

If you have any questions regarding the nature of the debt owed to the FCC, please contact them in writing or send an email using the information below:

Address: Federal Communications Commission  
Attn: Revenue and Receivables Operations Group  
445 – 12th Street S.W., Room 7-A821  
Washington, DC 20554

Schools and Libraries Division - Correspondence Unit  
30 Lanidex Plaza West, PO Box 685, Parsippany, NJ 07054-0685  
Visit us online at: [www.usac.org/sl](http://www.usac.org/sl)

18

EXHIBIT 3  
USAC APPEAL  
DECISION



Universal Service Administrative Company  
Schools & Libraries Division

---

Administrator's Decision on Appeal – Funding Year 2004-2005

January 06, 2012

Stephen Weiss  
Coleman Group Management Consulting  
134 North LaSalle Street  
Suite 1400  
Chicago, IL 60602-1181

Re: Applicant Name: ST ETHELREDA SCHOOL  
Billed Entity Number: 70370  
Form 471 Application Number: 428628  
Funding Request Number(s): 1200832  
Decision Letter Date: February 22, 2010  
Date Appeal Postmarked: December 15, 2011  
Your Correspondence Dated: December 13, 2011

Our records show that your appeal was postmarked more than 60 days after the date your Notification of Improperly Disbursed Funds Letter was issued, as shown above. Federal Communications Commission (FCC) rules require applicants to postmark appeals within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Universal Service Administrative Company (USAC) to consider your appeal.

If you believe there is a basis for further examination of your application, 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 POSTMARKED within 60 days of the above 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.

Schools and Libraries Division  
Universal Service Administrative Company

cc: Denise Spells

**ColemanGroup**EXHIBIT 4 -  
EMAIL CORRESPONDENCE WITH  
Stephen Weiss < sweiss@colemangroupconsulting.com >

MARTIN &amp; ASSOCIATES

**St. Ethelreda 2004 E-Rate****Roderick Martin** < rodmartin@martintechnology.net >  
To: sweiss@colemangroupconsulting.com

Tue, Jun 28, 2011 at 11:46 PM

Stephen,

Per our discussion, this email is to confirm complete payment in full of approximately \$35,690.00 paid directly to Martin & Associates for the matching 10% of the E-Rate funding award. Based upon the amount disbursed by USAC, the amount St Ethelreda School was responsible for approx. \$35,690.00 for FRN 1200832 and 471 App # 1200832.

I remember specifically because the school had to follow specific board meeting and approval requirements to tender payment. Although records were in fact maintained for 5 years, due to moving and a divorce in which documents were destroyed recently, we do not have a copy of the check and have attempted to get an image of the check deposited by Martin & Associates. The bank has not been able to produce that image yet, however, I can confirm with absolute certainty that the payment was made by the principal, Mrs. Denise Spells, and parish head at the time, Fr. James Nallen.

It is also my understanding that the school has also sought an image of the payment as well and has met the same obstacle with the banks' archiving. Please let me know if I may help further with this matter.

Thank you,

Roderick Martin  
Martin & Associates  
312-869-0200

20

Darlene Dawkins  
Federal Communications Commission  
Office of the Managing Director – RROG  
445 12<sup>th</sup> Street, SW – Rm. 1-A626  
Washington, DC 20554  
202-418-7052

EXHIBIT 5 -  
ORIGINAL LETTER  
DESCRIBING THE  
INTENT TO APPEAL

Dear Ms. Dawkins:

On June 9<sup>th</sup> 2011 we briefly discussed delinquent bill #10US014181 in the amount of \$340,479.74 regarding Filer ID BEN 70370 for St Ethelreda School in Chicago. We have been looking into the situation to assist St Ethelreda School with this invoice because they are currently in a Red Light Status, and we want them to be able to file for ERate going forward. The primary reason for the generation of this invoice was a lack of documentation for St Ethelreda School's payment of the non-funded proportion of a project administered by Martin & Associates for the 2004 ERate Funding Year.

On February 22<sup>nd</sup> 2010, St Ethelreda School received a Notification of Improperly Disbursed Funds Recovery Letter along with a Funding Disbursement Recovery Report stating:

- During the course of a review it was determined that the applicant did not pay any of the non-discounted portion.

Upon receipt of this letter St Ethelreda School reached out to several sources to attempt to find documentation of the check they know they had paid for the non-discounted portion of the service, including their bank as well as Martin and Associates. We did speak directly with Martin and Associates, and they are confident that payment was made for the non-discounted portion. Although St Ethelreda School was not initially successful in locating the documentation, we have recently made progress in obtaining scanned images of this payment, and we intend to file an appeal with ERate in the near future.

Thank you again for sending us the information on the delinquent bill. Once we obtained the delinquent invoice we were able to use that information to locate the prior communications listed above. If at all possible please allow us to file our appeal(s) before this invoice is forwarded to Treasury for collection. We greatly appreciate all of your time, effort, patience and continued support with this process.

Stephen Weiss  
ON BEHALF OF ST ETHELREDA SCHOOL  
10/19/2011

Stephen Weiss  
On Behalf of St Ethelreda School

(312) 850-4134 x107 (w)  
(630) 430-7342 (c)

21

Sweiss@colemangroupconsulting.com

**EXHIBIT 6 - DOCUMENTATION OF ST ETHELREDA SCHOOL'S PAYMENT**

Report: CR-CON001

Archdiocese of Chicago  
Renovation Project Maintenance

Print Date: 02/23/2005  
Print Time: 4:30:36PM

Project: C71220SEL02

Facility Type	Site Description	Report Parameters
GRADE SCHOOL	ST. ETHELREDA 8754 S. PAULINA ST., CHICAGO, IL 60620-0000	Project: c71220sel02 Proj Code: ALL Start Date: 01/13/1980 - 01/13/2010

Start Date	End Date	Project Code	Original Cost
10/08/2004	10/08/2009	EL - ELECTRICAL	\$25,471.41

Cost Code	Current Cost
ZZ - BUDGET	\$38,207.11

EL - ELECTRICAL (See Payment Detail by Vendor Below):

Vendor	Vendor Name / Entry Type	Payment Description	Account Category	Posting Date*	Payment Amount
	ACTIVITY MANAGEMENT ENTRY	MARTIN #121604	20100	12/21/2004	12,735.70
				Total Vendor / Entry:	\$12,735.70
107987	MARTIN & ASSOCIATES	INVOICE# 102104	20100	10/21/2004	25,471.41
				Total Vendor / Entry:	\$25,471.41
				Total Cost Code EL:	\$38,207.11
				<b>Total Project:</b>	<b>\$38,207.11</b>

Current Project Costs by Fund Type:

Account Category	Category Description	Current Cost	Spent Amount	Remaining Balance
20199	Other	0.00	0.00	0.00
20100	Savings	38,207.11	38,207.11	0.00
10600	Loans	0.00	0.00	0.00
11000	Pastoral Center Property	0.00	0.00	0.00
61604	Capital Grant	0.00	0.00	0.00
61605	Cemetery Fund Capital Grant	0.00	0.00	0.00
61606	Noise Abatement Grant	0.00	0.00	0.00
61607	Major Gift Capital Grant	0.00	0.00	0.00
61608	Millenium Capital Grant	0.00	0.00	0.00
61609	Florik Estate Grant	0.00	0.00	0.00
61610	Big Shoulders Capital Grant	0.00	0.00	0.00
61611	Chicago Public Schools Grant	0.00	0.00	0.00
61612	Accessibility Grant	0.00	0.00	0.00
61616	Big Shoulders Patron Program	0.00	0.00	0.00
	<b>Total Project:</b>	<b>\$38,207.11</b>	<b>\$38,207.11</b>	<b>\$0.00</b>

\* Posting Date Parameter Range: 01/13/1980 - 01/13/2010

22

\* Attn: Mark Myski  
From: Pamela Gulle

CHANGE ORDER  YES ARCHDIOCESE OF CHICAGO  
Revised GPS  YES Capital Project Summary

PARISH ID: 1220 DEANERY: B

PARISH: St Ethelreda

ADDRESS: 8754 S. Paulina Street  
Chicago, IL 60620

PASTOR: Rev. James Nallen

PROJECT DESCRIPTION:  
Parish E-Rate Technology 10% Fee

TOTAL ESTIMATED COSTS: \$25,471.41

ESTIMATED COMPLETION DATE: \_\_\_\_\_

SOURCE OF FUNDS:

Parish Savings Withdrawals \$25,471.41

Pastoral Center Loan \$

Estimated Interest Rate: \_\_\_\_\_  
Number of months: \_\_\_\_\_  
Estimated Monthly Payments Principal & Interest: \_\_\_\_\_

Construction Loan Yes  No  Interest Rate: \_\_\_\_\_

Grant (Specify) \_\_\_\_\_ \$

FUNDING EVALUATION:

Submitted By: Rev. James F. Nallen

Pastor's Signature

10-5-04  
Date

Revised 3/00 CODE # C171220S1E L021EL1

REVIEW/APPROVALS:

P.M. Mullen  
V.A.C.'s Signature

October 4, 2004  
Date

Vicar's Signature  
(If Over \$100,000)

Date

T. Lubnicki  
Treasurer

10-5-04  
Date

[Signature]  
Manager Facilities & Construction

Manager Facilities & Construction

Date

PROJECT MGR:  
Ron Engel's  
Information Technology

Information Technology

Date

Office for Divine Worship

[Signature]  
Director of Finance

Director of Finance

10-8-04  
Date

Date

\* Revised Project Only

23

20501

**ST. ETHELREDA SCHOOL**  
8794 S. PAULINA  
CHICAGO, IL 60620

DATE Oct. 5, 2004 2-11-08  
710

PAY TO THE ORDER OF The Catholic Bishop of Chicago \$ 25,431.41

Twenty-Five Thousand Four Hundred and Thirty-One 41/100

**Associated Bank**  
Chicago, Illinois  
www.associatedbank.com

FOR E. Grant R. James F. Waller

⑆02050⑆ ⑆071002147⑆ 2120 574 301⑆

24

ARCHDIOCESE OF CHICAGO  
Capital Project Summary

PARISH ID: 1220 DEANERY: B

PARISH: St Ethelreda

ADDRESS: 8754 S. Paulina Street  
Chicago, IL 60620

PASTOR: Rev. James Nellen

PROJECT DESCRIPTION:  
Addition to A14 Parish E-Rate Technology 10% Fee

TOTAL ESTIMATED COSTS: \$12,735.70

ESTIMATED COMPLETION DATE: \_\_\_\_\_

SOURCE OF FUNDS:

<input checked="" type="checkbox"/>	Parish Savings Withdrawals	<u>\$12,735.70</u>
<input type="checkbox"/>	Pastoral Center Loan	<u>\$</u>
	Estimated Interest Rate:	_____
	Number of months:	_____
	Estimated Monthly Payments, Principal & Interest:	_____

Construction Loan Yes  No  Interest Rate: \_\_\_\_\_

Grant (Specify): \_\_\_\_\_ \$ \_\_\_\_\_

FUNDING EVALUATION:

Submitted By: Rev. James F. Nellen  
Pastor's Signature  
12-10-04  
Date

Version 100 CODE # G1711220ISELQ2IEL1

REVIEWS/APPROVALS:

PM Hutter  
V.A.C.'s Signature

December 10, 2004  
Date

Vicar's Signature  
(If Over \$100,000)

Date

Taffie Iwanicki  
Treasurer

12-13-04  
Date

[Signature]  
Manager Facilities & Construction

12-15-04  
Date

PROJECT MGR: Ron Engel

Information Technology  
Date

Office for Divine Worship  
Date

T. Brennan  
Director of Finance

12-15-04  
Date

\*Related Projects Only

25



FEDERAL COMMUNICATION COMMISSIONS  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

OFFICE OF THE MANAGING DIRECTOR

FINANCIAL OPERATIONS  
(Fax) 202-418-2980  
(Office) 202-418-7052

EXHIBIT 7 -  
DOCUMENTATION  
OF THE OUTSTANDING  
FCC INVOICE  
AND RED LIGHT  
STATUS

To: Steven

From: Darlene

Fax: 312-893-2038

Phone: 202-418-7052

Phone: 630-430-7342

..... **facsimile transmittal** .....

**Reference:**

Bill #10US014181-\$340,479.74 dated 8/9/2010 with filer ID 70370.

27

**Darlene Dawkins**

---

**From:** Darlene Dawkins  
**Sent:** Thursday, June 09, 2011 1:29 PM  
**To:** 'sweiss@colemangroupconsulting.com'  
**Subject:** Bill #10US014184 with FRN 0017057886

**Attachments:** 20110609132552.pdf; Forms.HTML:Hidden.1; Forms.HTML:Hidden.1;  
Forms.HTML:Checkbox.1; Forms.HTML:Hidden.1; Forms.HTML:Checkbox.1

Steven,

Per our conversation see below a screen shot of delinquent bill #10US014181, Filer ID BEN 70370. The contract number for USAC is 1.888.641.8722 option 4 or 202-263-1639.



20110609132552.p  
df (63 KB)

*Darlene Dawkins*

Dell | Services, Federal Government

Federal Communications Commission  
Office of the Managing Director - RROG  
445 12th Street, SW - Rm. 1-A626  
Washington, DC 20554  
Direct Dial: 202-418-7052

6/9/2011 1:06 PM **Current Status for FRN 0017057886**

28

**STATUS: Red**

Pay Delinquent Bills		How to read Form 159B	
Bill Number	Original Amount	Amount Paid	Balance Due
Debtor: St. Ethelreda School (FRN: 0017057886)			
			1
			09-0
<input type="checkbox"/>	10US014181	\$340,479.74	\$0.00 \$340,479.74
			8-20
			10
			<b>Red</b> <a href="#">Form 159B</a>

The Red Light Display System checks all FRNs associated with the same Taxpayer Identification Number (TIN). If a FRN owes a delinquent non-tax debt to the Commission, that debt will cause a red light to appear for inquiries made on behalf of all other FRNs sharing that TIN. Therefore, the Debtor FRNs listed above may not be the same as the one used to make this red light inquiry.

The Red Light Display System was last updated on 6/9/2011 at 8:16 AM; it is updated twice each business day at about 9 a.m. and 7 p.m., ET.

To view and print the Form 159B you must have **Adobe Reader®** installed on your machine. Form 159B will open in a new window. If you have a pop-up blocker enabled, please disable it before continuing.

29





EXHIBIT 8 -  
DEMAND PAYMENT  
LETTER [SECOND  
REQUEST]

Schools & Libraries Division

Demand Payment Letter  
SECOND REQUEST

( Funding Year 2004: July 1, 2004 - June 30, 2005 )

May 27, 2010

Denise Spells  
ST ETHELREDA SCHOOL  
8734 S PAULINA ST  
CHICAGO, IL 60620 4815

- PAST DUE NOTICE -

THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR  
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW

Re: Form 471 Application Number: 428628  
Funding Year: 2004  
Applicant's Form Identifier: SER471020404-1  
Billed Entity Number: 70370  
FCC Registration Number: 0071057886  
SPIN: 143016325  
Service Provider Name: Martin & Associates  
Service Provider Contact Person: Roderick Martin  
Payment Due By: 5/27/2010

You were recently sent a Demand Payment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Recovery Report (Report) attached to this letter. Our records indicate that you have not responded to the Demand Payment Letter.

As of 05/27/2010, the debt is past due and delinquent.

THE FOLLOWING PROVISIONS CONTAIN IMPORTANT INFORMATION AND A DESCRIPTION OF LEGAL RIGHTS, OBLIGATIONS, AND OPPORTUNITIES

1. Debtor is cautioned that failure to make the demanded payment or make other satisfactory arrangements will result in further sanctions, including, but not limited to, the initiation of proceedings to recover the outstanding debt, together with any applicable administrative charges, penalties, and interest pursuant to the provisions of the Debt Collection Act of 1982 (Public Law 97-365) and the Debt Collection Improvement Act of 1996 (Public Law 104-134), as amended (the DCIA), as set forth below.

2. If we do not receive full payment of the outstanding debt within 30 days of the date of this Letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Federal Communications Commission (Commission or FCC) and/or the United States Department of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid amount is a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice, you will be

required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury (currently 18% of the debt), and you will be charged an additional penalty of 6% a year for any part of the debt that is more than 90 days past due. Interest on the outstanding debt (DCIA Interest) will be assessed at the published investment rate for the Treasury tax and loan accounts (Treasury Current Value of Funds Rate). If, however, you pay the full amount of the outstanding debt within 30 days of the Demand Date, the DCIA Interest will be waived. These requirements are set out at 31 U.S.C. § 3717.

3. When we transfer the debt (to the Commission or later to the Treasury), you may be subject to other administrative proceedings. Your failure to pay the debt may be reported to credit bureaus (see 31 U.S.C. § 3711(e)), the debt will be considered for administrative offset (see 31 U.S.C. § 3716), the debt may be further transferred to collection agencies (see 31 U.S.C. §§ 3711 & 3718), and also the debt may be referred to the United States Department of Justice or agency counsel for litigation. In that situation, you may be subject to additional administrative costs that result from the litigation. Moreover, pursuant to 31 U.S.C. §3720 (B), a person owing an outstanding non-tax debt that is in delinquent status shall not be eligible for Federal financial assistance. You should be aware that the discharge of any portion of the debt may be reported to the Internal Revenue Service as potential taxable income.

Opportunity of Inspection and Review

4. You have an opportunity to inspect and copy the invoices and the records pertinent to the debt. The Notification of Improperly Disbursed Funds Recovery Letter constituted notice of your opportunity to appeal the validity of the debt.

Opportunity to Request Repayment Agreement

5. You have an opportunity to request a written repayment agreement (which includes a Promissory Note) to pay the full amount of the debt. In that case, however, you must first provide evidence that demonstrates financial inability to pay the debt in one payment. Your claim of financial inability to pay in one payment is subject to verification (see 31 C.F.R. § 901.8). If your request is approved for further processing, you will be required to execute a written agreement suitable to the Commission. You should be aware that repayment agreements regularly impose a number of obligations on the debtor, including additional administrative charges, audit obligations, and surety bond requirements. For more information on the obligations associated with repayment agreements, see "USAC Repayment Request Procedure"  
<http://www.usac.org/fund-administration/contributors/paying-your-invoice/payment-extension-plans.aspx>.

If you desire to exercise any of the above described rights, you must do so in writing which must be delivered to and received at the address below within 30 (thirty) days of the Demand Date. Any required evidence must be submitted at the same time that you submit your request. Failure to provide the written request (and, as appropriate, the required evidence) within the stated time is a waiver of these opportunities.

You may notify us in writing by mail or facsimile transmission at the following address and telephone number:

Schools and Libraries Division - Program Compliance II,  
Dept. 125 - Correspondence Unit,  
100 South Jefferson Road,  
Whippany, NJ 07981  
Phone Number: 973-581-5395  
Fax Number: 973-599-6582

If USAC has determined that both the applicant and the service provider are responsible for a program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181) (Fourth Report and Order), USAC will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If USAC has determined that both the applicant and the service provider are responsible for a program rule violation, this was indicated in the Disbursed Funds Recovery Explanation on the Funding Disbursement Recovery Report.

If USAC is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with your service provider to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full Funds to be Recovered from Applicant amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Bank of America  
c/o Universal Service Administrative Company (105056)  
1075 Loop Road  
Atlanta, GA 30337  
Phone 404-209-6377

If you are located in the Atlanta area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company  
P.O. Box 105056  
Atlanta, GA 30348-5056  
Phone 404-209-6377

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

**PAYMENT MUST BE RETURNED IMMEDIATELY.**

Complete program information is posted to the SLD section of the USAC web site at [www.usac.org/sl/](http://www.usac.org/sl/). You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company  
Schools and Libraries Division

cc: *Roderick Martin*  
*Martin & Associates*

Funding Disbursement Recovery Report  
for Form 471 Application Number: 428628

Funding Request Number: 1200832  
Services Ordered: INTERNAL CONNECTIONS  
SPIN: 143016325  
Service Provider Name: Martin & Associates  
Contract Number: SES-20404-01  
Billing Account Number: 773-238-1757  
Site Identifier: 7037C  
Funding Commitment: \$334,455.30  
Funds Disbursed to Date: \$321,207.30  
Funds to be Recovered from Applicant<sup>1</sup>: \$321,207.30  
Disbursed Funds Recovery Explanation:

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of review, 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.

PLEASE SEND A COPY OF THIS PAGE WITH YOUR  
CHECK TO ENSURE TIMELY PROCESSING

<sup>1</sup> Please note that if the Funds to be Recovered from the Applicant is less than what was reported on the Notification of Improperly Disbursed Funds Recovery Letter or the 1st Demand Payment Letter, it's because you have partially repaid the debt or because the service provider has partially repaid the debt.

34



EXHIBIT 9 -  
DEMAND PAYMENT  
LETTER

Schools & Libraries Division

Demand Payment Letter  
Funding Year 2004: July 1, 2004 - June 30, 2005

April 26, 2010

Denise Spells  
ST ETHELREDA SCHOOL  
8734 S PAULINA ST  
CHICAGO, IL 60620 4815

Re: Form 471 Application Number:	428628
Funding Year:	2004
Applicant's Form Identifier:	SER471020404-1
Billed Entity Number:	70370
FCC Registration Number:	0071057886
SPIN:	143016325
Service Provider Name:	Martin & Associates
Service Provider Contact Person:	Roderick Martin
Payment Due By:	05/26/2010

You were recently sent a Notification of Improperly Disbursed Funds Letter informing you of the need to recover funds from you for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Recovery Report (Report) of that letter. A copy of that Report is also attached to this letter.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this 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 "Information Notice to All Universal Service Fund Contributors, Beneficiaries, and Services Providers" posted on the FCC website at [http://www.fcc.gov/debt\\_collection/faq.html](http://www.fcc.gov/debt_collection/faq.html).

If the Universal Service Administrative Company (USAC) has determined that both the applicant and the service provider are responsible for a Program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181), the USAC will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If USAC has determined that both the applicant and the service provider are responsible for a Program rule violation, this was indicated in the Disbursed Funds Recovery Explanation on the Funding Disbursement Recovery Report.

If USAC is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with your service provider to determine who will be repaying the debt to avoid duplicate payment.

Schools and Libraries Division - Chicago-based Unit  
110 South Dearborn Street, P.O. Box 301, Chicago, IL 60661  
Phone: 312.424.2000 Fax: 312.424.2001

35

Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full "Funds to be Recovered from Applicant" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company  
1259 Paysphere Circle  
Chicago, IL 60674  
Phone: 877-994-7272

If you are located in the Chicago area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company  
Lockbox 1259  
540 West Madison 4th Floor  
Chicago, IL 60661  
Phone: 877-994-7272

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

Payment is due within 30 days from the date of this letter.

Complete Program information is posted to the SLD section of the USAC website at [www.usac.org/sl/](http://www.usac.org/sl/). You may also contact the SLD Client Service Bureau by email using the "Submit a Question" link on the SLD website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company  
Schools and Libraries Division

cc: *Roderick Martin*  
*Martin & Associates*

Funding Disbursement Recovery Report  
Form 471 Application Number: 428628

---

Funding Request Number: 1200832  
Services Ordered: INTERNAL CONNECTIONS  
SPIN: 143016325  
Service Provider Name: Martin & Associates  
Contract Number: SES-20404-01  
Billing Account Number: 773-238-1757  
Site Identifier: 70370  
Funding Commitment: \$334,455.30  
Funds Disbursed to Date: \$321,207.30  
Funds to be Recovered from Applicant: \$321,207.30  
Disbursed Funds Recovery Explanation:

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of review, 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.

PLEASE SEND A COPY OF THIS PAGE WITH YOUR  
CHECK TO ENSURE TIMELY PROCESSING

37



EXHIBIT 10 -  
NOTIFICATION OF  
IMPROPERLY DISBURSED  
FUNDS RECOVERY LETTER  
Schools & Libraries Division

**Notification of Improperly Disbursed Funds Recovery Letter**  
**Funding Year 2004: July 1, 2004 - June 30, 2005**

February 22, 2010

Denise Spells  
ST ETHELREDA SCHOOL  
8734 S PAULINA ST  
CHICAGO, IL 60620 4815

Re: Form 471 Application Number: 428628  
Funding Year: 2004  
Applicant's Form Identifier: SER471020404-1  
Billed Entity Number: 70370  
FCC Registration Number: 0071057886  
SPIN: 143016325  
SPIN Name: Martin & Associates  
Service Provider Contact Person: Roderick Martin

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were disbursed 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 recover these improper disbursements. The purpose of this letter is to inform you of the recoveries as required by Program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the Program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error.

This is NOT a bill. The next step in the recovery of improperly disbursed funds 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](http://www.fcc.gov/debt_collection/faq.html).

Schools and Libraries Division - Correspondence Unit  
100 North Jefferson Road, P.O. Box 400, Whippany, NJ 07981  
Visit us on the net: [www.usac.fcc.gov](http://www.usac.fcc.gov)

38

TO APPEAL THIS DECISION:

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

If you wish to appeal the Notification of Improperly Disbursed Funds 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 Improperly Disbursed Funds Recovery Letter and the funding request numbers 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 Funding Disbursement Recovery Report included with this 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 USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org). USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

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 DISBURSEMENT RECOVERY REPORT

On the pages following this letter, we have provided a Funding Disbursement Recovery Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from the application for which recovery is 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 the service provider for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action. The Report explains the exact amount the applicant is responsible for repaying.

Schools and Libraries Division  
Universal Services Administrative Company

cc:Roderick Martin  
Martin & Associates

**Funding Disbursement Recovery Report  
for Form 471 Application Number: 428628**

---

Funding Request Number: 1200832  
Services Ordered: INTERNAL CONNECTIONS  
SPIN: 143016325  
Service Provider Name: Martin & Associates  
Contract Number: SES-20404-01  
Billing Account Number: 773-238-1757  
Site Identifier: 70370  
Funding Commitment: \$334,455.30  
Funds Disbursed to Date: \$321,207.30  
Funds to be Recovered from Applicant: \$321,207.30

**Disbursed Funds Recovery Explanation:**

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of review, 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.