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FCC  
Office of the Secretary  
445 12th Street, SW  
Washington, DC 20554

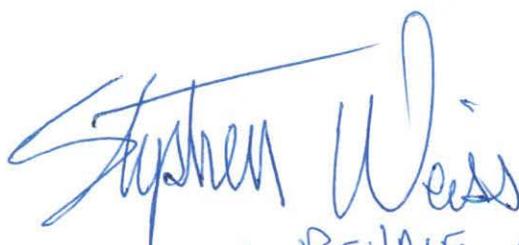
Attached is an Appeal to the Federal Communications Commission for Loyola Academy [BEN: 68605].

The purpose of this document is to appeal the Universal Service Administrative Company's decision to deny our original appeal, released May 4th, 2012. In this decision, the Universal Service Administrative Company (USAC) denied Loyola Academy's request to fund the appropriate eligible charges from FRN 2230925 for web hosting service from Blackbaud, Inc. on the grounds that 30% or more of this FRN includes a request for management software, which is an ineligible product/service based upon Program rules.

The 30% rule subsection of Step 5 of the Application Review section of the Schools and Libraries Program of the USAC website states: If USAC finds during application review that an applicant has included ineligible products and services in an FRN, USAC will contact the applicant to determine the exact cost associated with the ineligible items. The applicant can request that USAC either: 1) Remove the ineligible items from the FRN or 2) Create a new FRN and move the ineligible items from the original FRN to the new FRN. If the applicant does not respond, USAC will remove the ineligible items from the funding request.

Loyola Academy was not notified of any ineligible products / services in the funding request, and a decision was rendered to deny the funding request before Loyola Academy had the opportunity to revise the funding request.

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 Loyola Academy.

  
ON BEHALF OF LOYOLA ACADEMY

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

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

In the Matter of	)	
Request for Review by Loyola Academy	)	
Of Decision Of	)	
Universal Service Administrator	)	
	)	
Loyola Academy	)	
Wilmette, Illinois	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	CC Docket No. 96-45

**(1) A Statement setting forth Loyola Academy's interest in the matter presented for review.**

In this matter presented for review, Loyola Academy is the sole appellant organization. Loyola Academy is seeking an Appeal to the Federal Communications Commission. Loyola Academy wishes to seek consideration of the Universal Administrative Service Company's decision to deny our original appeal, released May 4th, 2012.

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

Appellant / Organization Name: Loyola Academy  
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: 2011  
Date of FCDL Decision: 2/21/2012  
Billed Entity Name: Loyola Academy  
Billed Entity Number: 68605  
FCC Registration Number: 0015289184  
Form 471 Application Number: 822163

## **Funding Request**

Funding Request Numbers: 2239025

SPIN Code: 143035534

Service Provider Name: Blackbaud Inc

Original Commitment Amount: \$20,188.42

Under the 30% Rule<sup>1</sup>, if 30 percent or more of the services included on a single funding request are ineligible, the funding request will be denied.

Within FRN 2239025 there is one line item in the contract<sup>2</sup> that should be considered eligible. This line item is for charges for eligible services related to web hosting for the website and not for the management software as follows:

- Online Community Campus with OLA Subscription – Contract Term (mo) 60 \$17,000

The Online Community Campus Product provides web hosting service for Loyola Academy's Department Pages, Online Directories, Athletics Pages, and Calendars.

After removing the proportionate amount of the discounts, our revised total annual cost would be as follows:  $(\$17,000 - (\$22,579 * (\$17,000 / \$73,050))) = \$11,745.48$ . Therefore our revised requested commitment amount would be  $40\% * \$11,745.48 = \$4,698.19$ .

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**

The 30% Rule for Funding Requests Containing Ineligible Products and Services states as follows:

If USAC finds during application review that an applicant has included ineligible products and services in an FRN, USAC will contact the applicant to determine the exact cost associated with the ineligible items.

The applicant can request that USAC either:

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<sup>1</sup> EXHIBIT 4 - The page from the USAC Schools and Libraries website pertaining to the 30% rule

<sup>2</sup> EXHIBIT 2 - The contract for services provided to Loyola Academy by Blackbaud, Inc under FRN 2239025.

- 1) Remove the ineligible items from the FRN or
- 2) Create a new FRN and move the ineligible items from the original FRN to the new FRN. If the applicant does not respond, USAC will remove the ineligible items from the funding request.

Loyola Academy was not notified of any ineligible products / services in the funding request during the PIA Review<sup>3</sup> or subsequent email correspondence<sup>4</sup>. A decision was rendered to deny the funding request before Loyola Academy had the opportunity to revise the funding request.

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

Founded in 1909, Loyola Academy is a co-educational, private, Catholic, Jesuit college preparatory high school educating over 2,000 students in and around Chicago and the North Suburban Wilmette & Glenview areas. Loyola is the largest Jesuit college preparatory high school in the United States. Loyola is committed to the full development of the whole person. Their curriculum thoughtfully and intentionally integrates the academic, spiritual, emotional and physical development of their students with the experience of service to others.

Loyola students are not required to participate in school sponsored service activities; however, approximately 90% of students participate in voluntary service work. Students regularly donate their time around the Chicagoland area by: working in retirement communities, tutoring, assisting adults and children who have disabilities, working in soup kitchens and food pantries, and working with children in after-school programs to make sure kids have safe places to go until their parents are home. Over the summer many students work in camps for children and young adults with illnesses or physical and mental disabilities. Particularly dedicated students work in hospice programs or communities for adults who have lost their vision, and teach or tutor immigrants their citizenship classes or English as a second language. At different times in the year students will travel to other cities in the United States for weeks at a time serving the communities in soup kitchens, neighborhood outreach and social service centers. Each year students also travel to various destinations in Central America, focusing on community building through service, prayer and education. These endeavors listed above are only a cross section of the depth of service that students from Loyola Academy contribute to their community.

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<sup>3</sup> EXHIBIT 2 - The PIA Review of Loyola Academy conducted by USAC.

<sup>4</sup> EXHIBIT 3 - Email Correspondence pertaining to the PIA Review in EXHIBIT 2

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

On May 4th 2012, Loyola Academy received the Universal Service Administrator's Decision on Appeal<sup>5</sup>. The decision states as follows:

- Your FCC Form 471 application included costs for the following ineligible products and/or services: Blackbaud web hosting.
- FCC rules provide that funding may be approved only for eligible products and services. FCC rules further require that if 30% or more of the applicant's funding request includes ineligible products and/or services, then the funding request must be denied, otherwise the funding request will be reduced accordingly.

The 30% rule subsection of Step 5 of the Application Review section of the Schools and Libraries Program of the USAC website states: If USAC finds during application review that an applicant has included ineligible products and services in an FRN, USAC will contact the applicant to determine the exact cost associated with the ineligible items. The applicant can request that USAC either: 1) Remove the ineligible items from the FRN or 2) Create a new FRN and move the ineligible items from the original FRN to the new FRN. If the applicant does not respond, USAC will remove the ineligible items from the funding request.

The FCC's Aiken County Public Schools Order<sup>6</sup> directed USAC to permit the applicant 15 calendar days from the date of receipt of notice in writing by USAC to revise its funding request to remove the ineligible services or allow the applicant to provide additional documentation to show why the services are eligible.

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<sup>5</sup> EXHIBIT 5 - The decision from USAC on Loyola Academy's original appeal released May 4th, 2012.

<sup>6</sup> *Aiken County Public Schools Aiken, File No. SLD-397612 FCC 07-61*

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.

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

Loyola Academy seeks relief from the Universal Service Administrator's decision, released May 4th, 2012. In this decision, the Universal Service Administrative Company (USAC) denied Loyola Academy's request to fund FRN 2239025 on the grounds that 30% or more of this FRN includes a request for management software, which is an ineligible product/service based upon Program rules.

Loyola Academy 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.

Thank you once again for taking the time to consider this appeal for Loyola Academy. 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.

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<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, 125-12

# Blackbaud.

2000 Daniel Island Drive  
Charleston, SC 29492-7541  
Phone: 800-443-9441 Fax: 843-216-6111

March 8, 2011

## AGREEMENT TO PURCHASE

Loyola Academy  
1100 Laramie Ave  
Wilmette, IL 60091-1021  
Ms. Geryl Cerney  
847-920-2507

Loyola Academy hereby agrees to purchase from Blackbaud, Inc. the following:

<u>SERVICES:</u>	<u>Price</u>
Education Edge - Applications Hosting	\$10,000.00
Education Edge - Consulting Services	\$14,000.00
NetCommunity - Consulting Services	\$5,100.00
Registrar's - Conversion	\$6,000.00
Registrar's - On-Site	<u>\$7,300.00</u>
<b>Services - Subtotal</b>	<b>\$42,400.00</b>
<u>SUBSCRIPTIONS:</u>	
Online Community Campus with OLA Subscription - Contract Term (mo) 60	\$17,000.00
Learn: Education Edge More	\$2,150.00
BB Total School Solution Annual Subscription - Contract Term (mo) 60	<u>\$11,500.00</u>
<b>Subscriptions - Subtotal</b>	<b>\$30,650.00</b>
<b>SUBTOTAL:</b>	<b>\$73,050.00</b>
<b>LESS DISCOUNTS:</b>	<b><u>-\$22,579.00</u></b>
<b>TOTAL COST:</b>	<b><u>\$50,471.00</u></b>

### Services

The Services listed above are described in the Scope of Work attached hereto, and by signing the Agreement to Purchase you accept the terms contained in the Scope of Work. The Scope of Work is part of your agreement with Blackbaud.

### Training

Cancellations, last minute schedule changes, and no-shows may be charged an administrative fee.

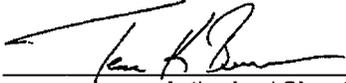
All credits for purchased training, with the exception of onsite BBNC training, will expire twelve (12) months from the date of purchase.

All credits for purchased BBNC training will expire twelve (12) months from the date of purchase, except for onsite training which will expire in eighteen (18) months.

The individual signing below represents that he/she has the necessary authority to execute the Agreement on behalf of Loyola Academy, and that his/her signature is sufficient to make this Agreement the binding and enforceable obligation of such party.

Blackbaud's Internet Solutions Acceptable Use Policy is available on our website at <http://internet.blackbaud.com/eua/aupolicy>.

No returns are permitted more than 30 days after the date of invoice. All permitted returns are subject to a 25% cancellation fee and only the unused, paid portion of services, subscriptions and maintenance will be credited.

  
\_\_\_\_\_  
Authorized Signature

*Terence K Brennan*  
\_\_\_\_\_  
Print Name

*Vice President & CFO*  
\_\_\_\_\_  
Title

*3/9/11*  
\_\_\_\_\_  
Date

ATPID: 473555

Date: January 12, 2012

Contact Name: STEPHEN WEISS  
Applicant Name: LOYOLA ACADEMY – IL  
Contact Phone Number: (312) 850-4134  
Application Number(s): **822163**

**Response Due Date: January 27, 2012**

The Program Integrity Assurance (PIA) team is in the process of reviewing all Funding Year 2011 Form 471 Applications to ensure that they are in compliance with the rules of the Universal Service program. We are currently in the process of reviewing your Funding Year 2011 Form 471 Application. To complete our review, we need some additional information. The information needed to complete the review is listed below.

**I.**

Application Number(s): **822163**

Based upon review of your FY2011 Form 471 application, we were not able to validate your requested discount percentage of 40% for **68605 LOYOLA ACADEMY**. In order to validate this discount percentage, please provide the appropriate documentation as described in the options listed below.

Option 1. If the school participates in the National School Lunch Program (NSLP), please provide a signed copy (preferably by the Principal, Vice-Principal, Superintendent or Director of Food Services) of a Reimbursement Claim Form that the school sends to the state each month as part of their participation in the program. Make sure that the following three items are identified on the claim form:

- a. The entity name
- b. The total number of students enrolled at the entity
- c. The total number of students eligible for participation in the Free or Reduced Lunch Program for the entity

If the school district fills out an aggregate claim form for the school, please provide a signed letter on school letterhead from a school official (preferably the Superintendent or other chief school official) that lists the enrollment and Free/Reduced information for each school in the district. The enrollment and Free/Reduced information provided in your letter should match the information that appears on the claim form.

Option 2. If the discount percentage was determined by information obtained from an income survey or application (NSLP Lunch Application forms cannot be used as survey or application instruments), please provide the following information on school letterhead signed by a chief school official (such as the Principal, Vice Principal, Superintendent or Director of Food Services):

- a. Total number of students enrolled at the school
- b. Total number of surveys/applications sent out

- c. Total number of surveys/applications returned
- d. Total number of students qualified for participation in NSLP based upon the information provided in the returned surveys/applications
- e. Are the surveys/applications and results kept on file?  Yes  No
  - a. If so, for how long are they kept on file?
- f. A statement that confirms that only students who meet the Income Eligibility Guidelines of the National School Lunch Program have been included in Column 5 of Item 9a of Block 4 of the Form 471

Provide a sample copy of a FILLED OUT SURVEY OR APPLICATION with the child's personal information crossed out for confidentiality. **Be advised that in order for a survey to be acceptable it must contain the family's name, student's name, the size of the family and the income level of the family.**

Option 3: (non-public schools):: If the discount percentage was determined by information obtained from a financial aid form, please provide the following information in writing on school letterhead signed by a school official (such as the Principal, Vice Principal, Superintendent, or chief school official):

- a. Total number of students enrolled
- b. A statement that confirms "all students have access to financial aid forms"
- c. A statement that confirms that financial aid applicants are required to submit Federal Tax forms to document family income
- d. A statement that confirms the number of students who meet the NSLP Income Guidelines
- e. A statement that confirms the number and percentage of eligible students that supports the requested E-Rate discount level
- f. A statement that confirms the school keeps all completed financial aid application on file.
- g. A statement that confirms that only students who meet the Income Eligibility Guidelines of the National School Lunch Program have been included in Column 5 of Item 9a of Block 4 of the Form 471

The school must submit one completed financial aid application, with personal information blackened out. The financial aid application must have been completed within two years of the start of the fund year.

Option 4: Provide a letter from your State Department of Education (on state letterhead and signed by a chief official at the State Department of Education) verifying that the total student enrollment and the free and reduced figures you provided are accurate.

Option 5: Provide a letter from your State Food/ or Nutrition Service Authority officials (on state letterhead and signed by a chief official of the State or Nutrition Service Authority) verifying the total student enrollment and the free and reduced figures you provided are accurate.

Option 6: If the discount percentage was determined using a different method than any of the methods identified above, please clearly describe and explain the survey method that was used and provide all relevant data , forms, or other tools that were used during the survey process.

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## II.

Application Number(s): **822163**

Based on the supporting documentation you provided during the review of your FY2011 Form 471 **822163** FRN **2239028**, we have determined that the services in this funding request are being provided under an existing contract. However, we are unable to determine exactly when you decided to remain with your existing contract. In certain situations, an applicant can choose to continue receiving services under an existing contract even after the applicant has posted their Form 470 to the USAC website and waited 28-days before selecting a service provider (often referred to as the "28-day competitive bidding period"). To help us determine if your situation meets these criteria, please respond to the questions below.

1. When was the decision to remain with the existing contract made? Please provide month and date.
2. Was this decision documented in writing (e.g., email, memorandum, letter, etc.)? Yes or No. If Yes, please provide a copy of the documentation verifying your entity's decision to remain with the existing contract. If No, please state so.
3. How many bids were received for this service in response to the Form 470 that was posted to the USAC website AFTER the existing contract was already in place (not in response to the Form 470 that established the original bidding process for the existing contract)?
4. Please provide complete documentation indicating how and why you selected your current service provider. This documentation should include:
  - a. a description of your bid evaluation process,
  - b. the individual factors you used to determine the winning bid, and
  - c. attendance sheets for any meetings regarding the Form 470 and/or RFP or other solicitation vehicles.

5. If more than one factor was used in the evaluation process to determine the winning bid, please indicate how those factors were weighted (in other words, was one factor more important than any of the other factors during the bid evaluation process)?

For further guidance regarding contracts and the process of selecting a service provider, please visit [www.usac.org/sl/applicants/step04/default.aspx](http://www.usac.org/sl/applicants/step04/default.aspx).

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### III.

Application Number(s): **822163**

In connection with the review of your FY 2011 Form 471 application number **822163**, or FRN(s) 2239025, 2239027, 2239028, we have not received the replacement Service Provider Identification Number ("SPIN") for the temporary SPIN 143666666 that you provided when you first filed your Form 471. A valid SPIN is required before a Funding Commitment Decision Letter can be issued for this FRN. The temporary SPIN 143666666 cannot be used on a permanent basis and must be replaced with a valid SPIN.

To assist us in completing the review of your Form 471, please provide signed documentation on appropriate letterhead indicating the following valid SPIN information with this new information:

- FRN(s)
- The new valid SPIN
- The new valid service provider name

This information must match the service provider that was indicated on the Item 21 Attachments or the FRN will be denied

For additional information regarding SPIN changes, please see: <http://www.usac.org/sl/about/changes-corrections/SPIN-change-guidance.aspx>

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### IV.

Application Number(s): **822163**

Based upon our review of your FY 2011 Form 471 application **822163** for the Billed Entity **LOYOLA ACADEMY**, we do not have the associated FCC Registration Number ("FCC RN"). The FCC, in its Fifth

Report and Order (FCC 04-190, released August 13, 2004), requires entities that currently participate in the Schools and Libraries Program to have a 10-digit number FCC RN.

If you already have an FCC RN for your Billed Entity, please provide that FCC RN.

If you do not yet have an FCC RN, you can obtain one by visiting the FCC's website at [www.fcc.gov](http://www.fcc.gov). Click on the link for CORES (Commission Registration System), on the left side of the FCC homepage or go directly to the FCC CORES registration site at <https://svartifoss2.fcc.gov/cores/CoresHome.html>. The entire application process can be done online and normally only takes about 10-15 minutes to complete.

You will need your Taxpayer Identification Number (TIN) to obtain an FCC Registration Number. For some employers, including state and local government agencies and non-profit organizations, the TIN is the IRS-issued Employer Identification Number (EIN).

After obtaining your FCC RN, please provide the number to us.

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Please fax or email the requested information to my attention. If you have any questions or if you require a further explanation of this request, please feel free to contact me.

It is important that we receive all of the information requested **within 15 calendar days** so we can complete our review. **Failure to respond may result in a reduction or denial of funding. If you need additional time to prepare your response, please let me know as soon as possible.**

Should you wish to cancel your Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s). Include in any cancellation request the Form 471 application number(s) and/or funding request number(s), and the complete name, title and signature of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

Robert Herring  
Program Integrity Assurance  
USAC, Schools and Libraries Division  
Phone: 973-581-5083  
Fax: 973-599-6582  
E-mail: [rherring@sl.universalservice.org](mailto:rherring@sl.universalservice.org)



Stephen Weiss &lt;sw Weiss@colemangroupconsulting.com&gt;

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**LOYOLA ACADEMY - E-RATE APPL NUMBER # 822163**

9 messages

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**Helen Kyritsis** <hkyritsis@colemangroupconsulting.com>

Thu, Jan 26, 2012 at 5:26 PM

To: rherring@sl.universalservice.org

Cc: Stephen Weiss &lt;sw Weiss@colemangroupconsulting.com&gt;

Dear Mr. Robert Herring,

I would like to formally ask for an extension for this request for ERate application # 822163 for Loyola Academy . Specifically, we are unable at this time to respond to your questions in PART II. (FRN **2239028**). Please accept my apology for the delay.

Would you please grant me an extension on this review request?

As per your questions in Parts I, III, & IV please see the answers below.

Part I : Please find attached the Loyola Academy Financial Aid Application for your information.

Part II : Requested an extension.

Part III : Please see the PDF Document attached.

Part IV : FCC Registration Number ("FCC RN") requested : 0015289184.

Thank you for your understanding.

Best Regards,

Helen Kyritsis

Coleman Group  
Management Consulting

Helen Kyritsis

E hkyritsis@colemangroupconsulting.com

C (704)-530-9908

134 North Lasalle Street, Suite 1400

Chicago, Illinois 60602

P 312.850.4134 F 312.893.2038

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**2 attachments****LOYOLA ACADEMY FINANCIAL AID DOCUMENTATION 2012-01-12.pdf**

171K

**CCF01272012\_00001.pdf**

23K

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**Herring, Robert** <Robert.HERRING@sl.universalservice.org>

Thu, Jan 26, 2012 at 8:44 PM

To: Helen Kyritsis &lt;hkyritsis@colemangroupconsulting.com&gt;

Cc: Stephen Weiss &lt;sw Weiss@colemangroupconsulting.com&gt;

Robert Herring

Associate Manager, Program Compliance

30 Lanidex Plaza West | Parsippany, NJ 07054

T: 973.581.5083 | F: 973.599.6582

Robert.Herring@sl.universalservice.org

**From:** Helen Kyritsis [mailto:hkyritsis@colemangroupconsulting.com]

**Sent:** Tuesday, January 31, 2012 5:06 PM

**To:** Herring, Robert

**Cc:** Stephen Weiss

**Subject:** Re: LOYOLA ACADEMY - E-RATE APPL NUMBER # 822163

[Quoted text hidden]

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**Stephen Weiss** <sweiss@colemangroupconsulting.com>  
To: "Herring, Robert" <Robert.HERRING@sl.universalservice.org>  
Cc: Helen Kyritsis <hkyritsis@colemangroupconsulting.com>

Sat, Feb 4, 2012 at 8:18 PM

Hi Robert!

We want to keep Application 822163 active, and just close out funding request 2239028.

- FRN 2239027 has a CAD of 2/24/2011
- FRN 2239025 has a CAD of 3/9/2011

If there is anything else you need besides the Financial Aid Documentation, FCC Registration Number, and the new SPIN for Blackbaud just let us know.

Have a great weekend!!

Stephen Weiss  
312-850-4134 x107 (w)  
630-430-7342 (cl)

[Quoted text hidden]

--

Stephen Weiss  
E sweiss@colemangroupconsulting.com  
C 630-430-7342

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**Herring, Robert** <Robert.HERRING@sl.universalservice.org>  
To: Stephen Weiss <sweiss@colemangroupconsulting.com>  
Cc: Helen Kyritsis <hkyritsis@colemangroupconsulting.com>

Mon, Feb 6, 2012 at 8:05 AM

Stephen,

Based upon the reply below, it appears you wish to continue the review of

LOYOLA ACADEMY - E-RATE APPL NUMBER # 822163.

However, I'm also required to ask if the following means

that you wish to cancel Funding Request Number (FRN) 2239028.

Please choose one of the following answers concerning FRN 2239028.

\_\_\_\_\_ YES, I wish to cancel FRN 2239028 (and continue the review of all other FRNs on application # 822163).

\_\_\_\_\_ NO, I do not wish to cancel FRN 2239028 (and continue the review of application # 822163).

**Robert Herring**

Associate Manager, Program Compliance

30 Lanidex Plaza West | Parsippany, NJ 07054

T: 973.581.5083 | F: 973.599.6582

Robert.Herring@sl.universalservice.org

**From:** Stephen Weiss [mailto:sweiss@colemangroupconsulting.com]  
**Sent:** Saturday, February 04, 2012 9:19 PM  
**To:** Herring, Robert  
**Cc:** Helen Kyritsis

[Quoted text hidden]

[Quoted text hidden]

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**Stephen Weiss** <sweiss@colemangroupconsulting.com>  
To: "Herring, Robert" <Robert.HERRING@sl.universalservice.org>  
Cc: Helen Kyritsis <hkyritsis@colemangroupconsulting.com>  
Bcc: erate@archchicago.org

Thu, Feb 16, 2012 at 6:03 AM

Hi Robert!

Please accept my apology for the delayed response. I just noticed that I forgot to respond to the below question  
\_\_X\_\_ YES, I wish to cancel FRN 2239028 (and continue the review of all other FRNs on application # 822163).

Thank you very much for your patience and continued support with this process.

Have a great day!!

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

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**APPLICANTS**

**SERVICE PROVIDERS**

**STEP 5 APPLICATION REVIEW**

STEP 4 | STEP

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<a href="#">Selective Review</a>			

**The 30% Rule**

Under the 30% Rule, if 30 percent or more of the services included on a single funding request are ineligible, the funding request will be denied.

Each FCC Form 471 Block 5 funding request is identified by a Funding Request Number (FRN) assigned by USAC's online system. Only eligible products and services should be included in an FRN. If services to be delivered include both eligible and ineligible components, applicants must subtract the ineligible costs using Item 23B (ineligible monthly charges) and/or Item 23G (ineligible non-recurring charges) of their FRNs.

**Removing Ineligible Items from an FRN**

If USAC finds during application review that an applicant has included ineligible products and services in an FRN, USAC will contact the applicant to determine the exact cost associated with the ineligible items. The applicant can request that USAC either:

1. Remove the ineligible items from the FRN or
2. Create a new FRN and move the ineligible items from the original FRN to the new FRN.

If the applicant does not respond, USAC will remove the ineligible items from the funding request.

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Universal Service Administrative Company  
Schools & Libraries Division

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

May 04, 2012

Stephen Weiss  
Loyola Academy  
134 North LaSalle Street Suite 1400  
Chicago, IL 60602-1181

Re: Applicant Name: LOYOLA ACADEMY  
Billed Entity Number: 68605  
Form 471 Application Number: 822163  
Funding Request Number(s): 2239025, 2239027  
Your Correspondence Dated: April 04, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2011 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2239025, 2239027  
Decision on Appeal: **Denied**  
Explanation:

- Your FCC Form 471 application included costs for the following ineligible products and/or services: Blackbaud web hosting. USAC has given you an opportunity to provide the appropriate additional documentation demonstrating the eligibility of the products and/or services requested and you failed to do so. Accordingly, your funding request was denied. In your appeal, you did not show that USAC's determination was incorrect. Consequently, your appeal is denied.
- FCC rules provide that funding may be approved only for eligible products and services. See 47 C.F.R. secs. 54.502. The USAC website contains a list of eligible products and services. See USAC website, [www.usac.org/sl](http://www.usac.org/sl), Eligible Services List. FCC rules further require that if 30% or more of the applicant's funding request includes ineligible products and/or services, then the funding

request must be denied, otherwise the funding request will be reduced accordingly. *See* 47 C.F.R. sec. 54.504(b). The FCC's Aiken County Public Schools Order directed USAC to permit the applicant 15 calendar days from the date of receipt of notice in writing by USAC to revise its funding request to remove the ineligible services or allow the applicant to provide additional documentation to show why the services are eligible. *See* Requests for Review of the Decisions of the Universal Service Administrator by Aiken County Public Schools Aiken, SC, et al., Schools and Libraries Universal Service Support Mechanism, File No. SLD-397612, et al., CC Docket No. 02-6, Order, 22 FCC Rcd 8735, FCC 07-61 para. 11 (May 8, 2007).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

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

Schools and Libraries Division  
Universal Service Administrative Company