Erate Consulting Specialists, Inc.
7422 Foster Creek Dr.
Richmond, TX 77406

8/20/12

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

FCC LETTER OF APPEAL CC Docket No. 02-6

Contact Information:

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Appellant Name – Amigos Por Vida-Friends for Life Charter School
Service Provider – All-Tex Networking Solutions, Inc.
BEN – 228676
471 application # - 797175
FRN – 2214914

Funding Commitment Adjustment Decision:

Funding Request Number: 2214914
Services Ordered: INTERNAL CONNECTIONS MNT
SPIN: 143016695

Service Provider Name: All-Tex Networking Solutions, Inc

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Contract Number: ER14 11/12 ICM Amigos
Billing Account Number:
Identifier: 228676

Site
Original Funding Commitment: $82,687.50

Commitment Adjustment Amount: $82,687.50
Adjusted Funding Commitment: $0.00
Funds Disbursed to Date: $7256.25
Funds to be Recovered from Applicant: $7256.25

Decision from USAC:

"After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During a review, it was determined that funds were erroneously committed for FRN 2214 914, which was not justified as cost effective. FCC rules require that, in selecting the service provider, the applicant must select the most cost effective service or equipment offering, with price being the primary factor, which will result in it being the most effective means of meeting educational needs and technology plan goals. Additionally, the applicant's technology plans for requested services should be based on an assessment of their reasonable needs. Applicants that request services that are beyond their reasonable needs and thus not cost effective have violated the above rules. Since FRN 2214914 exceeded the applicants reasonable needs, this funding commitment is rescinded in full and USAC will seek recovery of any improperly disbursed funds from the applicant".
Also attached is the appeal decision.

We are appealing this decision based on the following facts:

On August 5, 2011, Mr. Benjamin Kramer reached out to us regarding this FRN saying that it would be denied because the request has not been justified as cost effective as required by FCC rules. He said it was being denied because the cost per piece of equipment for maintenance was $2,187.50, which was excessive and not cost effective **(please see attached correspondence with Mr. Kramer)**.

I sent Mr. Kramer a contract, which had been corrected by the service provider because the network maintenance cost listed on the original contract stated an

hourly charge of $250/hour, which was a typo and should have been $150/hour. This brought the total of the maintenance contract to $56,875.00 not $91,875.00 originally asked for and the cost per piece of equipment was reduced to $56.88 which hardly seems excessive according to SLD rules **(see attached equipment list)**. Apparently Mr. Kramer did not correct this nor did he ever respond to my PIA response and the entire amount of $91,875.00 was approved and funded in wave 26 of FY 2011. Now almost one year later after the funding commitment USAC-SLD is rescinding the funding as not cost effective and wants their funding back. This whole FY 2011 the school has gone on the premise that the funding was in place and

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never was informed that there was a problem. I have attached invoices from the service provider sent to SLD, some of which were paid, some not, that total to $$28,087.50 which is all the maintenance that was done in FY 2011 based on the apparent misconception that they were funded.

Yes, the school received the services but USAC-SLD is asking the school to pay back monies sent to the service provider. If this FRN was not cost effective, it should have never been funded in the first place, but as you can see by the documentation attached, it is cost effective. USAC-SLD is also claiming that the contract was changed to make it cost effective which is not true and they have no proof of that, it was a typo on the Service Providers part and was brought to the attention of the reviewer. USAC-SLD is supposed to help these poor schools with their telecomm, internet access, and internal connection needs so they can educate their students in a fashion similar to larger, more monetarily supported schools but in this case, USAC-SLD has helped this school by funding their maintenance request and then when the funding year is almost over they decide they made a mistake and want the funding back? This seems to be negligence on the USAC-SLD reviewer's part, not the school, so why is USAC-SLD trying to punish the school by asking for funds that were dispersed and approved by SLD in the first place.

We are asking the FCC to reverse this decision because we have proven that the FRN is cost effective and based on the fact that USAC-SLD made a mistake and

almost a year later, after the FRN was funded, they decide they want a redo.

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This is not ethical or professional and does not represent what USAC and the SLD are trying to do for schools.

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