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November 19, 2012

AMENDED Request for Review TO APPROVE ERATE FUNDS FOR 2012-2013 for 80%

CC Docket No. 02-6
CC Docket No. 96-45

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

To whom it may concern;

Appellant Name: Richard Senturia, consultant for applicant.
Applicant: The Neighborhood Academy, PA
Applicant BEN #: 16040701
Applicant Form 471 #: 832296

We appreciate the phone contact from the FCC on November 16, 2012. That conversation indicated the need for additional background information and explanation which we will provide here. We are appreciative that the idea of “administrative efficiency” is given such emphasis. Additionally, in the process, we have also discovered that this appeal should be for the purpose of increasing the discount rate to 80%.

We filed for The Neighborhood Academy for funding year in 2011 and again this year for 2012. Funding year 2011 was the first year that The Neighborhood Academy had participated in the program. During the PIA review for the funding year 2011 we forwarded documentation that supported the 80% discount rate.

For the funding year 2012, we filed for 40% discount rate. This was an error. It was an error in the sense that the filing was based upon information provided to us by The Neighborhood Academy. Each fall we send an Information Sheet to clients. We file our 471 forms based largely upon these completed forms. When information looks suspicious, this is routinely checked against other documentation that we have on file.

In this case the documentation (a copy of this documentation is provided as an attachment) indicated that the enrollment had increased to 66 and that 3 were eligible. *Those numbers should have sent up red flags and we should have known that this was incorrect.*

For one thing, we should have seen that this contradicted the documentation for the 2011 filing, which was a survey. For another, most of us in the office are quite aware of the nature of this institution. Namely, the academy targets students from low income homes. As the mission statement indicates (www.theneighborhoodacademy.org) the academy “exists to provide a holistic college-prep education for students in grades 8 – 12 who demonstrate financial need.” The goal of the academy is to “break the cycle of generational poverty...”

During the PIA review for 2012 the issue of discount documentation did not arise. Upon receipt of the Funding Commitment Decision Letter one person in the office immediately recognized the mistake that we had not recognized previously.

In light of intimations that arose during the telephone conversation, please allow me to emphasize two aspects of this consultancy that also bear upon this error. First, this consultancy devotes considerable resources to insuring that the 470 and 471 filings are accurate. It is true that this consultancy increased the number of clients to nearly 1,000 for the 2012 filing. At the same time, we modified our internal procedures to better insure correct filings. In the late fall, we send information sheets to clients for the purpose of providing us the information that we will use to file the 471. One person in the office with five years experience completing 470 and 471 forms submits but does not certify the 471. A second person in the office with six years experience handling all aspects of E-rate filing then double-checks the accuracy of the 471, making any necessary corrections before finally certifying the 471s online. In this case, as explained above, for some reason, this one slipped by at 40%.

We have a couple of measures of “error rate” but we feel our process is very effective. It is not especially efficient from the perspective of the high level of resources devoted to these tasks.

Second, the great majority of our clients are private, independent, usually religiously affiliated institutions. Our principal, Richard Senturia, is committed to helping independent schools regardless of their size. Consequently, many of our clients, like The Neighborhood Academy are small. In addition, almost 70% of these received 40% discount or less. Because many of these small schools do not participate in the school lunch program and do not wish to impose costs of third-party vendor upon parents in order to handle financial assistance, it is often difficult to extract adequate discount documentation. Because of that obstacle, around 7.5% of our clients receive 20% because they cannot provide documentation. We consider it a success that around 61% of our schools receive 40% discount rates. Thus, 40% is the default for our filings. This may provide an explanation for why the filing at 40% did not raise the appropriate red flag. Fewer than 14% of our clients receive 80% discount rates or higher, rather unusual for this office.

Our appeal is based upon the idea that we have done our due diligence and we want to acquire the discount rate that the school actually deserves, based upon the evidence.

Respectfully,

John Danley for
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