

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)

Request for Review of Decisions of the)
Universal Service Administrator)

Alexander County School District)
North Carolina)

) CC Docket No. 02-6

) FCC Form 471 Application #: 827833

) FRNs 2376126 & 2376146 (FY 2012)

To: Chief, Wireline Competition Bureau

CONSOLIDATED SUPPLEMENT TO REQUESTS FOR REVIEW

John W. Hughes
Alexander County School District
c/o New Hope Foundation
One Valentine Lane
Chapel Hill, NC 27516
(919) 968-4332
jhughes@newhopetech.org

*Contracted Consultant & Contact for
Alexander County School District*

Dated: January 12, 2012

TABLE OF CONTENTS

SUMMARY..... 1

I. STATEMENT OF THE DISTRICT’S INTEREST IN THE CONSOLIDATED REQUEST3

II. INTRODUCTION – BASIS FOR DENIAL.....3

III. KEY BACKGROUND FACTS.....3

 A. The District..... 3

 B. The Underlying Denial Finding 4

 C. SLD Guidance and Procedures Used by the District to Complete FCC Form 471’s and Make Corrections As a Result of Ministerial and Clerical Errors 4

IV. STANDARD OF REVIEW AND GOVERNING PRECEDENT.....8

VI. ARGUMENT..... 10

 A. The District’s Response to the Denial Finding that the District Did Not Adhere to the Guidance Relative to Ministerial and Clerical Errors..... 10

 B. The District’s Response to the Denial Finding that the District Did Not Provide Requested Documentation 12

 C. The District’s Response to the Denial Finding The the District Requested Additional Funds Not Included in the FCC Form 471. 12

VII. REQUEST FOR WAIVER..... 13

 A. The Law 13

 B. Limited Request for Waiver of the Commission’s Rules, Including Rules Relating to Surveys..... 14

VIII. CONCLUSION AND REQUEST FOR RELIEF..... 16

SUMMARY

This Consolidated Supplement is made to a Request for Review (“Request”) filed on December 21, 2012 by the Alexander County School District (the “District” or “Alexander County”). The Request being supplemented herein involves primarily the propriety of the District’s submission to the Schools and Libraries Division of the Universal Services Administrative Company (collectively, “USAC”) of a request to remove certain billed entities (BEN’s) that were to receive certain eligible services supported under the Schools and Libraries Support Mechanism (“E-Rate Program”) administered by the Schools and Libraries Division of the Universal Services Administrative Company (collectively, “USAC”). USAC contends that the request did not meet the standard for a clerical & ministerial error.

The District respectfully submits that the grounds on which USAC justifies their decision cannot be sustained. The District followed the applicable rules in requesting the removal of the entities and has provided supporting documentation to USAC to support its contention.

Before the

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Request for Review of Decisions of the)	CC Docket No. 02-6
Universal Service Administrator)	
)	
Alexander County School District)	FCC Form 471 Application #: 827833
North Carolina)	

To: Chief, Wireline Competition Bureau

CONDSOLIDATED SUPPLEMENT TO REQUESTS FOR REVIEW

Alexander County School District (the “District” or “Alexander County”), acting through counsel and pursuant to and in accordance with Sections 54.719-54.721 of the Federal Communication Commission’s (“FCC” or “Commission”) rules, hereby supplements its previously-filed Request for Review (“Request”).¹ Therein, the District sought review of USAC’s denial of the District’s appeals (“Appeals”) Funding Years (“FY”) 2012.

¹ On December 21, 2012 the District filed a Request with the Commission (See Exhibit 1) seeking review of the denial of the August 28, 2012 District appeal (See Exhibit 2 and 3) filed with the Schools and Libraries Division of the Universal Service Administrative Company (collectively, “USAC”) relating to the captioned FRNs. The District USAC Appeal contested the USAC Funding Commitment Decision Letter (“FCDL” and See Exhibit 4) relating to those FRNs. The Request was timely filed on December 21, 2012. Section 54.720(b) of the Commission’s rules requires the filing of an appeal with the FCC “within sixty (60) days of issuance” of a decision by USAC. The Denial Letter is dated October 22, 2012, and 60 days thereafter would be December 21, 2012. Since the Request was filed on December 21, 2012, which is 60 days from the date of the Denial Letters, it was timely filed.

I. STATEMENT OF THE DISTRICT'S INTEREST IN THE CONSOLIDATED REQUEST

The District had standing to file its appeal because Section 54.719(c) of the Commission's rules provides that, "[a]ny person aggrieved by an action taken by a division of the Administrator ... may seek review from the Federal Communications Commission."² In this case, the District is directly aggrieved by USAC's Denial Letter, which seeks to deny funding for E-Rate Program funds for FY 2012.

II. INTRODUCTION- BASIS FOR DENIAL

This USAC Denial Letter affirms a decision relating to the captioned FRNs and was based on an exchange of information between USAC and the District.

Based on the Denial Letter the principal reason that became the basis for the denial was "after reviewing the documentation provided, it was determined that the request is not an allowable correction" and that "your request failed to supply the documentation that was used at the time of filing the FCC Form 471 that supports the fact that the entities.....were not intended to receive services." The District respectfully disagrees with the justification for the Denial and requests that it be rescinded in full. The rationale for this disagreement is presented below.

III. KEY BACKGROUND FACTS

A. The District

The District serves over 5,500 students in grades kindergarten through twelfth grade. Alexander County's student population has doubled in the past 15 years. The District enjoys strong community support through funding for new schools, partnerships with business and faith based organizations, and substantial parental involvement. Student achievement ranks among the

² 47 C.F.R. § 54.719(c).

top 30% of all North Carolina school districts. The District has numerous Nationally Board Certified teachers. Diversity in the District is evidenced by the over 20 languages spoken by students and their families. The District's mission is to "foster a flame for learning within each child that will last a lifetime." In order to meet this mission, the District continually updates its educational services. The District's goal is to "empower[] all students to become successful in a global society."

B. The Underlying Denial Finding

Based on the Denial Letter the principal reason that became the basis for the denial was "after reviewing the documentation provided, it was determined that the request is not an allowable correction" and that "your request failed to supply the documentation that was used at the time of filing the FCC Form 471 that supports the fact that the entities.....were not intended to receive services."

C. SLD Guidance and Procedures Used by the District to Complete Form 471's and Make Corrections As a Result of Ministerial & Clerical Errors

The District each year makes a determination of what Erate fundable services it will need for the next school year and completes a FCC Form 470 listing those services. Bids are received in the succeeding twenty-eight (28) day period and at the conclusion of twenty-eight days each bid is scored according to a decision matrix and the winning bidder is awarded a contract for the particular service in question. The District also determines the number of NSLP qualified students using either the number of NSLP participants or the result of an alternative income survey conducted according to USAC guidance. Each school and non instructional entity is listed on a District prepared spreadsheet which lists each school's entity number, its enrollment, its

number of NSLP qualified students, and the method of calculating the school's discount (either NSLP of alternative survey) (See Exhibit 7).

The FCC Form 471 for Priority 1 is then completed by entering the applicable District information in Blocks 1 and 2. Block 4 contains the discount information and calculation for each entity receiving service. The District completes this Block by transferring the discount information for the entire District from Block 4 of the previous year's Priority 1 471 application onto the current year's Priority 1 application and then updating any information needed as per the aforementioned spreadsheet. This saves the district the time of manually re-entering each entity into the Priority 1 Block 4 section of the application.

The FCC Form 471 for Priority 2 is then completed by entering the applicable District information in Blocks 1 & 2. Block 4 contains the discount information and calculation for each entity receiving service. The Priority 2 application usually contains less entities than the Priority 1 application therefore the District completes this Block by transferring the discount information for the entire District from Block 4 of the current year and just completed Priority 1 471 application onto the Priority 2 application and then deleting entities until it balances with the information from the aforementioned spreadsheet. This saves the district the time of manually re-entering each entity into the Priority 2 Block 4 section of the application. Block 5 contains the information about each winning service provider including the contracted amount for which funding will be requested. This information is obtained from the decision matrixes and the service provider quotes or contracts. Block 6 is completed by entering the appropriate information about the District and making the appropriate certifications.

In the instance of FCC Form 471 # 827833 for Priority 2 services the District made two different errors in completing the form. Two entities were entered into Block 4, Worksheet

1403956, which should not have been included. Neither of these entities was listed on the discount spreadsheet (which was prepared prior to the completion of the FCC Form 471) prepared by the district and which was used to complete the Block 4 worksheet. Quite simply, these entities should have been eliminated when the Block 4 data was transferred from the Priority 1 application and were not due to a clerical error.

The second mistake was that on FRN 2376146 the amount of funding was listed incorrectly. It was originally listed as \$42,226.57 and should have been listed as \$23,254.94. The district had sought quotes on a number of entities for the services covered by this FRN including, but not limited to, the two incorrectly listed entities. The quoted totals for these entities were included in the amount requested in error.

The guidance posted to the USAC website (<http://www.universalservice.org/sl/applicants/step02/clerical-errors.aspx>) at the time of the FY 2012 applications relative to ministerial & clerical errors states that:

“Ministerial and clerical (M&C) errors are defined as data entry errors or mistakes applicants made on the FCC Form 470 or FCC Form 471. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error.” (Order FCC 11-60, released April 14, 2011). USAC can process requests to correct M&C errors up until the time that a Funding Commitment Decision Letter (FCDL) is issued.

Allowable Corrections

- Spelling errors
- Simple addition, subtraction, multiplication or division errors
- Transposed letters and/or numbers
- Misplaced decimal points
- Other punctuation marks (hyphens, periods, commas, etc.) included or not included or misplaced
- Failing to enter an item from the source list (e.g., NSLP data, uploaded Block 4 data, FRN, etc.)
- Incorrect citations such as:
 - FCC Form 470 number
 - Discount percent
 - Urban/rural status
 - Contract number
 - Billing Account Number/Multiple Billing Account Numbers
 - FCC Form 471 Block 4 worksheet entries

- Updates or changes to contact person and/or consultant information
- Errors in dollars figures on an FRN
- Adding or removing entities accidentally omitted or included in FCC Form 471 Block 4
- Accidental omission of FRNs from the FCC Form 471
- Changing the amount budgeted for ineligible services (Item 25d, “necessary resources”) in FCC Form 471 Block 6
- Changing the service delivery time period (e.g., month-to-month to contractual, recurring to non-recurring)
- Mis-keying the Service Provider Identification Number (SPIN) or Service Provider Name
- Corrective SPIN changes
- Correcting the annual charges for recurring charges
- Incorrectly identifying ineligible charges and/or services or products

Requests to correct M&C errors should be submitted to USAC as soon as the errors are detected by the applicant. USAC will accept and process requests until an FCDL is issued.”

The District notified USAC on August 1, 2012 of the error in Block 4 of application 827833 and requested that the two entities in question be removed due to a ministerial & clerical error. USAC on that same day confirmed receipt of the notice and request (See Exhibits 5). On August 13, 2012 USAC sent a FCDL to the District denying the funding request (See Exhibit 4). As the District notified USAC of the error before the FCDL was issued, the notice requirement of the guidance was met.

The District then filed a Letter of Appeal on August 28, 2012 with USAC (See Exhibit 3). A USAC Program Compliance reviewer then on September 5, 2012 requested clarification of the appeal in an email to the District’s consultant which was answered via email by the consultant back to the reviewer on September 26, 2012 (see Exhibit 6). In the clarification request the reviewer requested the following:

“please provide a copy of the source documentation used to prepare your FCC Form 471 application. Indicating the entities that were scheduled to receive service on the FRN 2281217. Examples of source documentation are contracts that cite all recipients of service, contract amendments documenting additional service to the entities) in question, vendor quotes citing locations where products will be installed, RFPs etc.”

The District provided copies of the Block 4 input documents in the form of the aforementioned spreadsheets that the district used to complete Block 4, Worksheet 1403956. These spreadsheets clearly demonstrate that the two entities in question were not intended to be included in Worksheet 1403956. Additionally the District also provided copies of contracts and quotes as

requested. The contracts and quotes were not the controlling documents used in the preparation of Block 4, Worksheet 14303956, but rather the spreadsheets prepared by the District were the documents used to prepare the Worksheet. It is not normal practice nor is it a USAC requirement that quotes and contracts detail the entities for which service will be provided. Rather the quotes and contracts are between the service provider and the district as a whole. Requesting and supplying quotes and contracts as part of the review process does not necessarily serve as a determinant as to the entities that were intended to receive service.

IV. STANDARD OF REVIEW AND GOVERNING FCC PRECEDENT

USAC's authority to administer the E-Rate Program is limited to implementing and applying the Commission's rules and the Commission's interpretations of those rules as found in agency adjudications.³ USAC is not empowered to make policy, interpret any unclear rule promulgated by the Commission,⁴ or to create the equivalent of new guidelines.⁵ USAC is responsible for "administering the universal support mechanisms in an efficient, effective, and competitively neutral manner."⁶ The Commission's review of the Denial Letters is *de novo*, without being bound by any findings of USAC.⁷

Furthermore the *de novo* review in this case must consider the following relevant FCC precedents:

³ 47 C.F.R. § 54.702(c).

⁴ *Id.*

⁵ *Changes to the Board of Directors of the Nat'l Exchange Carrier Ass'n, Inc., Third Report and Order*, 13 FCC Rcd 25058, 25066-67 (1998).

⁶ 47 C.F.R. § 54.701(a).

⁷ 47 C.F.R. § 54.723.

- Until an E-Rate Program rule is adopted, an applicant cannot be expected to comply with it.⁸

- Compliance with ministerial and clerical error standards must be measured “as they existed at [the] time” of the alleged violation.⁹

- Clarifications or changes to E-Rate Program rules and policies are normally to be applied prospectively by USAC.¹⁰

- USAC should not be denying funding “where the applicant made a good faith effort to comply with the funding guidelines” and should inform the applicants prior to denying funding of “any errors..., along with a specific explanation of how the applicant can remedy such errors.”¹¹

- The Commission noted that it “has vested in USAC the responsibility of administering the application process for the schools and libraries universal service support mechanism;” pursuant to that authority, USAC developed procedures relating to the application and appeals process and in *Bishop Perry*, the Commission applied the 47 C.F.R. § 1.3 waiver rule to allow a limited waiver of USAC procedures.¹²

⁸ 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, Order*, 23 FCC Rcd 8735, 8737 ¶6 (2007).

⁹ See *In the Matter of Requests for Review of Decisions of the Universal Service Administrator by Colegio Nuestra Senora del Carmen et al., Schools and Libraries Universal Support Mechanism, Order*, 23 FCC Rcd 15568, 15573 ¶12 (Telecom. Access Pol. Div. 2008).

¹⁰ See *Request for Review of the Decision of the Universal Service Administrator by Ysleta, Independent School District, El Paso, Texas, Schools and Libraries Universal Support Mechanism, Order*, 18 FCC Rcd 26406, 26419-23 ¶¶26-38 (2003); *Request for Review of the Decision of the Universal Service Administrator by Winston Salem/Forsyth County School District, Winston-Salem North Carolina, Schools and Libraries Universal Support Mechanism, Order*, 18 FCC Rcd 26457, 26462 ¶13 (2003).

¹¹ *Requests for review of the Decision of the Universal service Administrator Academia Claret, Puerto Rico, et al.*, 21 FCC Rcd 10703, 10709 ¶14 (Wireline Compet. Bur. 2006).

¹² *Request for Review of Decision by the Universal Service Administrator by Bishop Perry Middle School, Order*, 21 FCC Rcd 5316, 5618 ¶4 (2006) (“*Bishop Perry Order*”).

A review of the Requests in light of these standards and precedent will reveal that the Denial Letter was not supported by FCC law or policies. Most fundamentally, USAC failed to explain why it decided to ignore the District's explanation of its ministerial and clerical errors and the guidance posted to the USAC website relative to ministerial and clerical errors. This action flies in the face of repeated Commission admonitions that applicants should have the opportunity to correct their mistakes and that USAC must explain its actions.

VI. ARGUMENT

As previously noted, the Denial is based on the assertions regarding the District's compliance with the ministerial and clerical error procedures, which conclusions are discussed in detail and refuted by Alexander County as follows:

A. The District's Response to the Denial Finding that the District Did Not Adhere to the Guidance Relative to Ministerial and Clerical Errors

Denial Letter Assertion – “On August 1, 2012, Alexander County School District requested to correct a ministerial and clerical error by the removal of [two entities] from Block 4 Worksheet A No: 1430956. During the appeal review process, Alexander County School District was asked to confirm their request to remove [the two schools] from Block 4, and provide supporting documentation to determine whether or not a ministerial and clerical error occurred. According to FCC Order (FCC 11-60) ministerial and clerical errors are defined as follows: “The applicant can amend its forms to correct clerical and ministerial errors on their FCC Forms 470, FCC Form 471 applications, or associated documentations until a FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error.” After reviewing the documentation provided, it was determined that the request is not an allowable correction. Your request failed to supply the documentation that was used at the time of filing the FCC Form 471 that supports the fact that the [two entities] were not intended to receive services. Therefore, your appeal request is denied.”

The District's Response -- As stated earlier, The District determines the number of NSLP qualified students using either the number of NSLP participants or the result of an alternative income survey conducted according to USAC guidance. Each school and non instructional entity

is listed, prior to preparing and completing the FCC Form 471, on a District prepared spreadsheet (See Exhibit 7) which lists each school's entity number, its enrollment, its number of NSLP qualified students, and the method of calculating the school's discount (either NSLP or alternative survey). These items are the necessary elements that have to be entered into each entity's section of the Block 4.

The FCC Form 471 for Priority 1 is then completed by entering the applicable District information in Blocks 1 & 2. Block 4 contains the discount information and calculation for each entity receiving service. The District completes this Block by transferring the discount information for the entire District from Block 4 of the previous year's Priority 1 471 application onto the current year's Priority 1 application and then updating any information needed as per the aforementioned spreadsheet. This saves the district the time of manually re-entering each entity into the Priority 1 Block 4 section of the application.

The FCC Form 471 for Priority 2 is then completed by entering the applicable District information in Blocks 1 & 2. Block 4 contains the discount information and calculation for each entity receiving service. The District completes this Block by transferring the discount information for the entire District from Block 4 of the current year and just completed Priority 1 471 application onto the Priority 2 application and then deleting entities until it balances with the information from the aforementioned spreadsheet. This saves the district the time of manually re-entering each entity into the Priority 2 Block 4 section of the application. Block 5 contains the information about each winning service provider including the contracted amount for which funding will be requested. This information is obtained from the decision matrixes and the service provider quotes or contracts. Block 6 is completed by entering the appropriate information about the District and making the appropriate certifications.

In the instance of FCC Form 471 # 827833 Worksheet A No:1403956 for Priority 2 services, the District made an error in completing the form. The two entities in question were not deleted from Block 4 of the Priority 2 application when the upload was done from the Priority 1 application. Neither of these entities was listed on the discount spreadsheet prepared by the district and which was used to complete the Block 4 worksheet. Quite simply, these entities should have been eliminated when the Block 4 data was transferred from the Priority 1 application and were not due to a clerical error.

Clearly this error meets the standard of the “kinds of errors that a typist might make when entering data from one list to another”.

B. The District’s Response to the Denial Finding that the District Did not Provide Requested Documentation

Denial Letter Assertion – “Your request failed to supply the documentation that was used at the time of filing the FCC Form 471 that supports the fact that the [two entities] were not intended to receive services.”.

The District’s Response – The District respectfully submits that this assertion is simply incorrect. The documentation used to prepare the FCC Form 470 Block 4 Worksheet A No: 1403956 was supplied as a part of the appeal review response on September 26, 2012 (See Exhibit 6).

C. The District’s Response to the Denial Finding that the District Requested Additional Funds That Were Not Included in the FCC Form 471

Denial Letter Assertion – “Your appeal requests additional funds that were not included in the FCC Form 471 that you are appealing.”

The District’s Response – The District respectfully submits that this assertion is simply incorrect. In fact, the opposite is true. For FRN 2376146, the District requested that the amount

of funding be decreased from \$42,226.57 to \$23,254.95 when the District responded to the appeal reviewer on September 26, 2012 (See Exhibit 6). This decrease was not requested on a RAL, but the mistake would have corrected during PIA review had one occurred. The USAC guidance on ministerial and clerical errors states " Program Integrity Assurance (PIA) processes requests for allowable corrections to FCC Forms 470 and 471. In many cases, the PIA reviewer can determine whether the correction is allowable and, if so, complete the correction without requesting additional information. However when the nature of the correction is not apparent to the PIA reviewer, the PIA reviewer may request the appropriate source documentation to determine whether the correction is allowable. Source documentation is the documentation containing the information used to prepare the form (e.g., Item 21 Attachment, contract, vendor quote, NSLP data, etc.).

This application never received PIA review and had that occurred the mistake would have discovered and corrected during that review. The only review that occurred was during the appeal process and when the error was discovered it was brought to the attention of the reviewer and the correction was requested.

VII. REQUEST FOR WAIVER

A. The Law

The Commission's rules allow waiver of a Commission rule "for good cause shown."¹³ The Commission has extended this waiver authority to limited waivers of USAC rules. For example, in the *Bishop Perry Order*, the Commission noted that it "has vested in USAC the

¹³ 47 C.F.R. § 1.3.

responsibility of administering the application process for the schools and libraries universal service support mechanism.”¹⁴ Pursuant to that authority, USAC developed procedures relating to the application and appeals process.¹⁵ Thus, in *Bishop Perry*, the Commission applied the 47 C.F.R. § 1.3 waiver rule to allow a limited waiver of USAC procedures.¹⁶

The FCC has established the following guidance for determining whether waiver is appropriate:

A rule may be waived where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. In sum, waiver is appropriate if special circumstances warrant a deviation from the general rule, and such deviation would better serve the public interest than strict adherence to the general rule.¹⁷

B. Limited Request for Waiver of the Commission’s Rules, Including Rules Relating to Ministerial and Clerical Errors

Strict compliance with the Commission’s rules would not be in the public interest. In *Bishop Perry*, the FCC granted 196 appeals of decisions denying funding due to “clerical or ministerial errors in the application.”¹⁸ In that case, the FCC found good cause to waive the minimum processing standards established by USAC, finding that “rigid compliance with the application procedures does not further the purposes of section 254(h) or serve the public

¹⁴ *Bishop Perry Order*, ¶4.

¹⁵ The *Bishop Perry Order* dealt with USAC application procedures known as “minimum processing standards.” *Id.*

¹⁶ *Id.*

¹⁷ *Requests for Review by Richmond County School District*, 21 FCC Rcd 6570, 6572 ¶5 (2006 (internal references omitted) (citing *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) and *WAIT Radio v. FCC*, 418 F.2d 1153, 1157 (D.C. Cir. 1969), *aff’d*, 459 F.2d 1203 (D.C. Cir. 1972)).

¹⁸ *Bishop Perry Order*, ¶1.

interest.”¹⁹ Many of the appeals in *Bishop Perry* involved staff mistakes or mistakes made as a result of staff not being available.²⁰ The Commission granted the waivers for good cause, noting that:

[T]he primary jobs of most of the people filling out these forms include school administrators, technology coordinators and teachers, as opposed to positions dedicated to pursuing federal grants, especially in small school districts. Even when a school official has learned how to correctly navigate the application process, unexpected illnesses or other family emergencies can result in the only official who knows the process being unavailable to complete the application on time. Given that the violation at issue is procedural, not substantive, we find that the complete rejection of each of these applications is not warranted. Notably, at this time, there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements. Furthermore, we find that denial of funding in these cases would inflict undue hardship on the applicants.²¹

The Commission directed USAC to allow applicants the opportunity to fix ministerial and clerical errors and concluded that such an opportunity would “improve the efficiency and effectiveness of the Fund.”²² The District clearly falls into the same category. A limited waiver of this rule will not adversely affect any other applicant. The Commission may also taken into consideration “hardship, equity, or more effective implementation of overall policy on an individual basis.”²³ In this case, deviation from the Commission’s rules would better serve the

¹⁹ *Id.*, ¶11. The Commission departed from prior Commission precedent, noting that the departure was, “warranted and in the public interest.” *Id.*, ¶9. The Commission noted that many of the rules at issue were procedural, and that a waiver is consistent with the purposes of Section 254, which directs the Commission to “enhance ... access to advanced telecommunications and information services for all public and non-profit elementary and secondary school classrooms, health care providers and libraries.” *Id.*

²⁰ *Id.*, ¶13.

²¹ *Id.*, ¶14.

²² *Id.*, ¶23.

²³ *Request for Waiver of the Decision of the Universal Service Administrator by Owensboro Public Schools, Owensboro, Kentucky, Order*, 21 FCC Rcd 10047, ¶5 (2006).

public interest than strict application of the appeal filing deadline. Moreover, the overwhelming contemporaneous evidence proves that the District took steps to attempt to properly complete Block 4 of the FCC Form 471 application in question. Thus, any errors in this case should not be considered substantive, and there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements.²⁴

VIII. CONCLUSION AND REQUEST FOR RELIEF

First, the District requests the Commission to make a finding that USAC did not properly apply its ministerial and clerical guidance rules and based on the evidence submitted, there has been no rule violation. The District respectfully requests that the Commission grant this the Requests and direct USAC to approve the 471 application within 30 days.

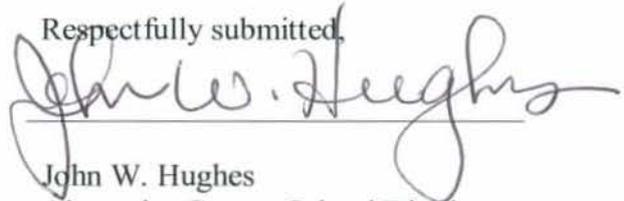
Second, in the alternative, if necessary, the Commission should waive ministerial and clerical rule, because there is no evidence of waste, fraud, or abuse, or failure to comply with the core program requirements, and the District complied with the ministerial and clerical guidance requirements. The mistakes at the heart of this appeal are not substantive errors and, thus, a limited waiver would be in the public interest. At all times the District made a good faith effort to comply with the Commission's rules and there is no evidence of waste, fraud or abuse.

In the spirit of the *Bishop Perry Order*, the Commission should grant the Requests. The District has demonstrated good cause for a limited waiver of the Commission's rules: any

²⁴ Where there is no evidence of any intent to defraud or misuse the funds of the E-Rate program and in such circumstances, when combined with the other factual circumstances, there is not grounds to justify the harsh penalty of a denial of these funds. *See generally Request for Waiver of the Decision of the Universal Services Administrator by Barberton City School, Barberton, Ohio et al., Schools and Libraries Universal Service Support Mechanism, Order*, 23 FCC Rcd 15526, 15530 ¶7 (Telecom. Access Pol. Div. 2008). Considerations of equity and hardship also support such a result. *See generally Requests for Review of Decisions of the Universal Service Administrator by Approach Learning and Assessment Centers et al., Schools and Libraries Universal Service Support Mechanism, Order*, 23 FCC Rcd 15510-15513-14 ¶8 (Telecom. Access Pol. Div. 2008). *See Request for Review of Decision of the Universal Service Administrator by Radford City Schools, Radford, Virginia, Schools and Libraries Universal Support Mechanism, Order*, 23 FCC Rcd 15451, 15453 ¶4 (Telecom. Access Pol. Div. 2008).

mistakes that were made with respect to the Block 4 entries were not substantive and inadvertent; there is no evidence of waste, fraud, or abuse, and the District complied with core program requirements; and the public interest would be served by permitting the District to have this application approved.

Respectfully submitted,

A handwritten signature in black ink, reading "John W. Hughes". The signature is written in a cursive style with a horizontal line underneath it.

John W. Hughes
Alexander County School District
c/o New Hope Foundation
One Valentine Lane
Chapel Hill, NC 27516
(919) 968-4332

*Contracted Consultant & Contact
for Alexander County School
District*

Dated: January 12, 2012

CERTIFICATE OF SERVICE

I, John W. Hughes, certify on this 21st day of January, 2012, a copy of the foregoing Consolidated Supplement to Requests for Review has been served via electronic mail or first class mail, postage pre-paid, to the following:

Priya Aiyar
Legal Advisor to Chairman Genachowski
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554
Priya.Aiyar@fcc.gov

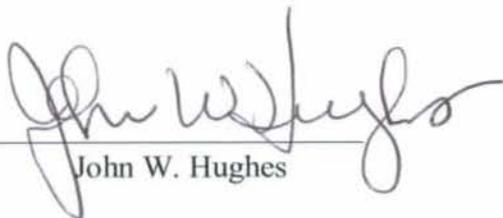
Sharon Gillette
Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554
Sharon.Gillette@fcc.gov

Randy Clarke
Legal Counsel to the Bureau Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554
Randy.Clarke@fcc.gov

Trent Harkrader
Chief
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554
Trent.Harkrader@fcc.gov

Gina Spade
Assistant Division Chief
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554
Gina.Spade@fcc.gov

Letter of Appeal
Schools and Libraries Division-
Correspondence Unit
100 S. Jefferson Road
P.O. Box 902
Whippany, NJ 07981
appeals@sl.universalservice.org



John W. Hughes

New Hope Foundation
One Valentine Lane
Chapel Hill, NC 27516

December 21, 2012

VIA ELECTRONIC FILING

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

**Re: Appeal of USAC Decision On Appeal of Administrators Decision on Appeal in CC
Docket No. 02-6**

Applicant Name:	Alexander County School District
Billed Entity Number:	127066
Funding Year	2012
Form 471 App. Number:	827833
Funding Request Numbers:	2376126 & 2376146

Dear Ms. Dortch:

Alexander County School District of Alexander County, North Carolina ("Alexander County" or "District"), acting through counsel and pursuant to Sections 54.719-54.721 of the Commission's rules¹, hereby timely files this Request for Review or Waiver ("Appeal"). The Appeal requests Commission review of the adverse decision of the Administrator of the Universal Service Administrative Company ("USAC") denying the funding request(s) enumerated above for Funding Year 2012.²

More specifically, on October 22, 2012, USAC's Schools and Libraries Division ("SLD") issued a decision denying an appeal filed by Alexander County with USAC. In its decision on appeal USAC held that its previously-issued determination to deny funds³ was justified based on findings that the District failed to properly provide sufficient evidence that the applicant made a clerical and

¹ 47 C.F.R. §§ 54.719-54.721.

² Administrator's Decision on Appeal - Funding Year 2012 - 2013, Alexander County School District (October 22, 2012), attached as Exhibit 1.

³Funding Commitment Decision Letter, August 13, 2012 ("FCDL").

Ms. Marlene H. Dortch
December 21, 2012
Page 2

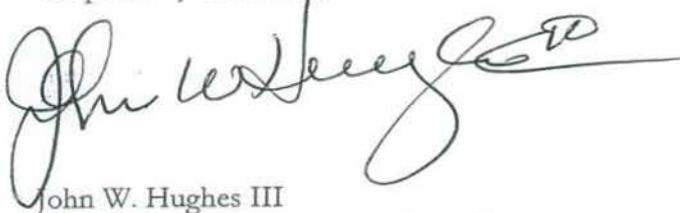
ministerial error in the preparation of its FCC Form 471. Specifically the decision stated that the documentation provided by District to support the fact that a clerical and ministerial error was made at the time of the preparation of the applicant's FCC Form 471 does not support the requested change and that the District "failed to supply the documentation that was used at the time of filing the FCC Form 471." therefore the request to remove entities from the Block 4 of the FCC Form 471 was denied.

We respectively disagree with this decision. We responded upon the request of USAC reviewers on September 26, 2012 and included the documentation that was used to input the list of entities in Block 4 of FCC Form 471 at the time that Form was prepared, submitted, and certified. The documents offer positive proof that indeed a clerical and ministerial error was made at the time of the preparation of the form. Further we submitted to USAC a RAL correction form on August 1, 2012 notifying USAC of the error and requesting that the error be corrected. Such notification was made prior to the issuance of the FCDL.

Alexander County is aggrieved by USAC's October 22, 2012 decision and submits that for various reasons outlined in its original August 28, 2012 appeal to USAC and others that the decision is unjustified and in error. Specifically, the decision regarding the fact of whether a clerical and ministerial error was made in the preparation of the applicant's FCC Form 471 is unwarranted and unjustified under the rules, policies and requirements governing the correction of clerical and ministerial errors.

Alexander County will supplement this Appeal with a full discussion of the facts, the District's position and supporting arguments.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John W. Hughes III", with a long horizontal flourish extending to the right.

John W. Hughes III
Consultant to Alexander County School District
New Hope Foundation
One Valentine Lane
Chapel Hill, NC 2716



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2012-2013

October 22, 2012

John Hughes
Alexander County School Dist
1 Valentine Lane
Chapel Hill, NC 27516

Re: Applicant Name: ALEXANDER COUNTY SCHOOL DIST
Billed Entity Number: 127066
Form 471 Application Number: 827833
Funding Request Number(s): 2376126, 2376146
Your Correspondence Dated: August 28, 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 2012 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): 2376126, 2376146
Decision on Appeal: **Denied**
Explanation:

- A Form 471 Receipt Acknowledgment Letter (RAL) was sent to Alexander County School District on March 28, 2011. The RAL lists allowable clerical and ministerial error corrections to the FCC Form 471 including modifications to Block 4. Corrections may be submitted up to the time that funds are committed. The Funding Commitment Decision Letter was issued on August 13, 2012. On August 1, 2012, Alexander County School District requested to correct a ministerial or clerical error by the removal of Bethlehem Elementary School, BEN: 30074, and Sugar Loaf Elementary School, BEN: 30076, from Block 4 Worksheet A No: 1403956. During the appeal review process, Alexander County School District was asked to confirm their request to remove Bethlehem Elementary School, and Sugar Loaf Elementary School, from Block 4, and provide supporting documentation to determine whether or not a ministerial and

clerical error occurred. According to FCC Order (FCC 11-60), ministerial and clerical errors are defined as follows: "The applicant can amend its forms to correct clerical and ministerial errors on their FCC Forms 470, FCC Form 471 applications, or associated documentation until an FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error." After reviewing the documentation provided, it was determined that the request is not an allowable correction. Your request failed to supply the documentation that was used at the time of filing the FCC Form 471 that supports the fact that the entities Bethlehem Elementary School, and Sugar Loaf Elementary School, were not intended to receive services. Therefore, your appeal request is denied.

- The FCC's Bishop Perry Order directed USAC "to provide all E-rate applicants with an opportunity to correct ministerial and clerical errors on their FCC Form 470 or FCC Form 471, and an additional opportunity to file the required certifications" without posting new FCC Forms 470 and 471. *See* Request for Review of the Decision of the Universal Service Administrator by Bishop Perry Middle School, et al., Schools and Libraries Universal Service Mechanism, File Nos. SLD-487170, et al., CC Docket No. 02-6, *Order*, 21 FCC Rcd 5316-5317, FCC 06-54 para. 23 (May 19, 2006) (Bishop Perry Order). As a result, USAC sends an applicant a Receipt Acknowledgement Letter (RAL) when the FCC Form 471 has been successfully data entered and provides the applicant with an opportunity to make allowable corrections to its FCC Form 471. *See* www.usac.org/sl.
- FCC rules require that where demand for funding exceeds available support, first priority be given to requests for Telecommunications Services and Internet Access. *See* 47 C.F.R. sec. 54.507(g)(1)(i). FCC rules further require that requests for Internal Connections be given second priority and be funded only if funds remain after support has been reserved for Telecommunications and Internet Access through all discount levels in a funding year. *See* 47 C.F.R. sec. 54.507(g)(1)(ii). For schools and libraries that create consortia for the purposes of making funding requests and sharing products and/or services, the discount level is calculated by averaging the applicable discounts of the schools and libraries that are members of the consortia. *See* 47 C.F.R. sec. 54.505(b)(4). Because discount levels for consortia are determined in this manner, the discount levels for shared products and/or services requests are single discount level percentages rather than the broad discount level percentages for individual schools and libraries as determined by the matrix. *See* Federal-State Joint Board on Universal Service, CC Docket Nos. 97-21 and 96-45, Fifth Order on Reconsideration in CC Docket No. 97-21, Eleventh Order on Reconsideration in CC Docket No. 96-45 and Further Notice of Proposed Rulemaking, 14 FCC Rcd 6033, FCC 99-49 (rel. May 28, 1999). Where demand for discounts for Internal Connections exceeds available support, FCC Rules require that funding be allocated to the most economically disadvantaged schools and libraries as determined by the matrix. *See* 47 C.F.R. secs. 54.505(c), 54.507(g)(1)(ii). Consequently, where demand for discounts for Internal Connections exceeds available support, FCC rules require

that funding be awarded first to applicants eligible for a 90 percent discount level and then at each descending single discount percentage until funds are depleted. *See* 47 C.F.R. sec. 54.507(g)(1)(iii).

- Your appeal requests additional funds that were not included in the FCC Form 471 that you are appealing. FCC rules require that funding requests must be submitted via an FCC Form 471. *See* 47 C.F.R. sec. 54.504(a). Considerations for funding requests depend on the date the FCC Form 471 is received and the amount of funds available if it is received after the close of the filing window. *See* 47 C.F.R. sec. 54.507(g)(1)(i)-(v). The FCC directed USAC to allow applicants to amend their forms to correct clerical and ministerial errors on their FCC Forms 470, FCC Form 471 applications, or associated documentation until an FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error. *See* In the Matter of Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Order, FCC 11-60 para. 5 (rel. April 14, 2011).

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

August 28, 2012

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

This letter of appeal is filed on behalf of:

Alexander County School District
BEN 127066

by:

John W. Hughes
Contracted Consultant for Alexander County School District
New Hope Foundation
One Valentine Lane
Chapel Hill, NC 27516
jhughes@newhopetech.org
(919)968-4332

and is an appeal of a FCDL for 471 Application 827833 dated August 13, 2012 for:

FRN 2376126
CDW Government LLC
SPIN 143005588
\$507,106.84 Pre Discount Amount

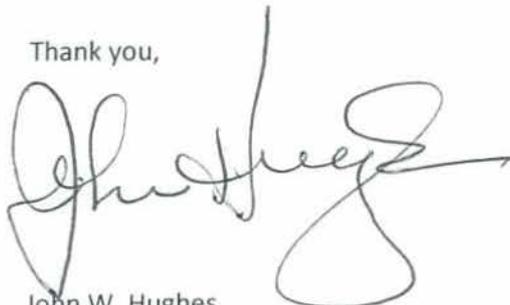
and:

FRN 2376146
SLD Interim
SPIN 143666666
\$42,226.57 Pre Discount Amount

On August 1, 2012 we filed a RAL for this application (attached) and received a receipt confirmation email (attached) from the SLD on August 1, 2012. USAC guidance on the submission of RAL's found on the SLD website at <http://www.universalservice.org/sl/applicants/step02/clerical-errors.aspx> states that an example of a correctable mistake is "Adding or removing entities accidentally omitted or included in FCC Form 471 Block 4". Such was the case in this application. On August 13, 2012 we received a FCDL (attached) for this application stating that the FRN's had been denied as "the funding cap will not provide for Internal Connections at your approved discount level to be funded". The guidance found at <http://www.universalservice.org/sl/applicants/step02/clerical-errors.aspx> further states that "USAC will accept and process (M&C) requests until an FCDL is issued". Our request of

August 1, 2012 was submitted and received by USAC prior to the issuance of the FCDL but never processed. We respectfully ask that the FCDL denial be withdrawn and our request be processed according to USAC guidance.

Thank you,

A handwritten signature in black ink, appearing to read "John W. Hughes". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

John W. Hughes
For Alexander County School District



Universal Service Administrative Company

Schools and Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 2012: 07/01/2012 - 06/30/2013)

August 13, 2012

John Hughes
ALEXANDER COUNTY SCHOOL DIST
1 Valentine Lane
Chapel Hill, NC 27516

Re: Form 471 Application Number: 827833
Billed Entity Number (BEN): 127066
Billed Entity FCC RN: 0007322324
Applicant's Form Identifier: 2012 P2

Thank you for your Funding Year 2012 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount \$483,413.40 is "Denied."

Please refer to the Report following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation Form. A guide that provides a definition for each line of the Report is available in the Reference Area of our website.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity applicant) - as products and services are being delivered and billed

TO APPEAL THIS DECISION

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

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC 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 (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 827833 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2012," AND
 - The exact text or the decision that you are appealing.

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

3. 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 the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the 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. USAC will automatically reply to incoming emails to confirm receipt.

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

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

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 in the Reference Area of 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.

OBLIGATION TO PAY NON-DISCOUNT PORTION

Applicants are required to pay the non-discount portion of the cost of the products and/or services to their service provider(s). Service providers are required to bill applicants for the non-discount portion. The FCC stated that requiring applicants to pay their share ensures efficiency and accountability in the program. If USAC is being billed via the FCC Form 474, the service provider must bill the applicant at the same time it bills USAC. If USAC is being billed via the FCC Form 472, the applicant pays the service provider in full (the non-discount plus discount portion) and then seeks reimbursement from USAC. If you are using a trade-in as part of your non-discount portion, please refer to our website for more information.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

FUNDING COMMITMENT REPORT

Billed Entity Name: ALEXANDER COUNTY SCHOOL DIST

BEN: 127066

Funding Year: 2012

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 827833

Funding Request Number: 2376126

Funding Status: Not Funded

Category of Service: Internal Connections

Form 470 Application Number: 999980000983132

SPIN: 143005588

Service Provider Name: CDW Government, LLC

Contract Number: N/A

Billing Account Number: 828-632-7001

Multiple Billing Account Numbers: N

Service Start Date: 07/01/2012

Service End Date: N/A

Contract Award Date: 03/19/2012

Contract Expiration Date: 09/30/2013

Shared Worksheet Number: 1403956

Number of Months Recurring Service Provided in Funding Year: 12

Annual Pre-discount Amount for Eligible Recurring Charges: \$0.00

Annual Pre-discount Amount for Eligible Non-recurring Charges: \$507,106.84

Pre-discount Amount: \$507,106.84

Discount Percentage Approved by the USAC: 88%

Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded

Funding Commitment Decision Explanation: DR: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal

Connections at your approved discount level to be funded. Please see

<http://www.universalservice.org/sl> for further details.

ECDL Date: 08/13/2012

Wave Number: 006

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013

Consultant Name: New Hope Technology Foundation

Consultant Number (CRN): 16054699

Consultant Employer: New Hope Technology Foundation

FUNDING COMMITMENT REPORT

Billed Entity Name: ALEXANDER COUNTY SCHOOL DIST
BEN: 127066
Funding Year: 2012

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 827833
Funding Request Number: 2376146
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 999980000983132
SPIN: 143666666
Service Provider Name: SLD Interim
Contract Number: N/A
Billing Account Number: 828-632-7001
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2012
Service End Date: N/A
Contract Award Date: 03/19/2012
Contract Expiration Date: 09/30/2013
Shared Worksheet Number: 1403956
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$0.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$42,226.57
Pre-discount Amount: \$42,226.57
Discount Percentage Approved by the USAC: 88%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: DR: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl> for further details.

FCDL Date: 08/13/2012

Wave Number: 006

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013

Consultant Name: New Hope Technology Foundation

Consultant Number (CRN): 16054699

Consultant Employer: New Hope Technology Foundation

Exhibit 5

John Hughes

From: John Hughes
Sent: Wednesday, August 01, 2012 4:47 PM
To: 'sldcaseattachments@sl.universalservice.org'
Subject: RE: SLD Inquiry #: 22-397869 Received
Attachments: RAL for App 827833 Alexander.pdf

John Hughes
 O - (919)968-4332
 M - (919)593-2841
 F - (919)929-9074

Go Heels!

From: sldcaseattachments@sl.universalservice.org [mailto:sldcaseattachments@sl.universalservice.org]
Sent: Wednesday, August 01, 2012 4:25 PM
To: John Hughes
Subject: SLD Inquiry #: 22-397869 Received

Thank you for using Submit a Question. This message serves as a receipt confirmation of your submission.

The case number for your submission is 22-397869.

Please refer to this case number in subsequent contacts regarding this issue. Note that we may need to ask you for additional information to completely answer your question or fulfill your request.

You indicated in your submission that you wish to send us an attachment. To submit an attachment, please reply to this message and attach your attachment to the reply. Any additional information you wish to provide should be included in the attachment, not added to the text of this email.

If you still have questions about this issue after you review our response, please call us at 1-888-203-8100. Please do not reply to this message or to our response, as replies go to an unattended mailbox.

If you have a new question or issue, please submit another question and we will create a new case number to address it.

If you need program information, you can visit the SLD web site at www.usac.org/sl.

Thank you.

Here is the information you submitted:

[FirstName]=John [LastName]=Hughes [JobTitle]=Consultant [EmailAddress]=jhughes@vistatm.com [WorkPhone]=9199684332 [FaxPhone]=9199299074 [PreviousCaseNumber]=0 [FormType]=Other [Owner]=TCSB [DateSubmitted]=8/1/2012 4:24:48 PM [AttachmentFlag]=Y[Question2]=Pls see attached RAL for 471 # 827833

8/28/2012

Alexander

8/28/2012

Please remove the following Entities that we accidentally included in our application due to a clerical error:

Application #	827833
Worksheet #	1403956
Entity Name & #	Bethlehem ES 30074
	Sugar Loaf ES 30076
Applicant Name	Alexander County Schools
Applicant BEN #	127066

Respectively Submitted by



John Hughes, Contracted Consultant
New Hope Foundation
jhughes@newhopetech.org
(919)968-4334

**Schools and Libraries Universal Service Program
Services Ordered and Certification Form 471
Application Display**

Block 1 **Block 2 & 3** **Block 4** **Block 5** **Block 6** **Misc**

471 Application No: 827833
Form Status: CERTIFIED - In Window
Out of Window Letter Date: Not applicable

Funding Year: 7/1/2012 - 6/30/2013 Cert. Postmark Date: 03/20/2012
RAL Date: 03/28/2012

Block 4: Worksheets

Worksheet A No: 1403956 Student Count: 3277
Weighted Product (Sum. Column 8): 2873.1 Shared Discount: 88%

1. Name of School: ALEXANDER COUNTY ALTERNATIVE SCHOOL
2. Entity Number: 16020851 NCES: 37 00090 106
 New School Construction: N Administrative Entity N
3. Urban or Rural: Urban
4. Total # of Students : 0 5. # of Students Eligible for NSLP: 0
6. %Students Eligible for NSLP (#5 / #4):
7. Discount % from Discount Matrix: 84% 8. Weighted Product for Calculating Share Discount (#4 * #7): 0
9. Entity Sub-Type: 10. Alt. Disc. Mech: N

1. Name of School: ALEXANDER COUNTY BOARD OF EDUCATION
2. Entity Number: 16020945 NCES: 37 00090 00102
 New School Construction: N Administrative Entity N
3. Urban or Rural: Urban
4. Total # of Students : 0 5. # of Students Eligible for NSLP: 0
6. %Students Eligible for NSLP (#5 / #4):
7. Discount % from Discount Matrix: 84% 8. Weighted Product for Calculating Share Discount (#4 * #7): 0
9. Entity Sub-Type: 10. Alt. Disc. Mech: N

~~1. Name of School: BETHLEHEM ELEMENTARY SCHOOL
2. Entity Number: 30074 NCES: 37 00090 00029
 New School Construction: N Administrative Entity N
3. Urban or Rural: Urban
4. Total # of Students : 480 5. # of Students Eligible for NSLP: 261
6. %Students Eligible for NSLP (#5 / #4): 54.375%
7. Discount % from Discount Matrix: 80% 8. Weighted Product for Calculating Share Discount (#4 * #7): 384
9. Entity Sub-Type: 10. Alt. Disc. Mech: Y~~

DELETE

1. Name of School: EAST ALEXANDER MIDDLE SCHOOL
2. Entity Number: 29963 NCES: 37 00090 02148
 New School Construction: N Administrative Entity N
3. Urban or Rural: Urban
4. Total # of Students : 674 5. # of Students Eligible for NSLP: 510
6. %Students Eligible for NSLP (#5 / #4): 75.667%
7. Discount % from Discount Matrix: 90% 8. Weighted Product for Calculating Share Discount (#4 * #7): 606.6
9. Entity Sub-Type: 10. Alt. Disc. Mech: Y

1. Name of School: ELLENDALE ELEMENTARY SCHOOL
2. Entity Number: 30075 NCES: 37 00090 00032
 New School Construction: N Administrative Entity N
3. Urban or Rural: Urban

4. Total # of Students : 375
 5. # of Students Eligible for NSLP: 283
 6. %Students Eligible for NSLP (#5 / #4): 75.466%
 7. Discount % from Discount Matrix: 90%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 337.5
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y

1. Name of School: HIDDENITE ELEMENTARY SCHOOL
 2. Entity Number: 29962
 New School Construction: N
 NCES: 37 00090 00031
 Administrative Entity N
 3. Urban or Rural: Urban
 4. Total # of Students : 532
 5. # of Students Eligible for NSLP: 404
 6. %Students Eligible for NSLP (#5 / #4): 75.939%
 7. Discount % from Discount Matrix: 90%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 478.8
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y

1. Name of School: STONY POINT ELEMENTARY SCHOOL
 2. Entity Number: 30067
 New School Construction: N
 NCES: 37 00090 00033
 Administrative Entity N
 3. Urban or Rural: Urban
 4. Total # of Students : 334
 5. # of Students Eligible for NSLP: 252
 6. %Students Eligible for NSLP (#5 / #4): 75.449%
 7. Discount % from Discount Matrix: 90%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 300.6
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y

~~1. Name of School: SUGAR LOAF ELEMENTARY SCHOOL
 2. Entity Number: 30076
 New School Construction: N
 NCES: 37 00090 00034
 Administrative Entity N
 3. Urban or Rural: Urban
 4. Total # of Students : 282
 5. # of Students Eligible for NSLP: 176
 6. %Students Eligible for NSLP (#5 / #4): 62.411%
 7. Discount % from Discount Matrix: 80%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 225.6
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y~~

DELETE

1. Name of School: TAYLORSVILLE ELEMENTARY SCHOOL
 2. Entity Number: 30073
 New School Construction: N
 NCES: 37 00090 00030
 Administrative Entity N
 3. Urban or Rural: Urban
 4. Total # of Students : 251
 5. # of Students Eligible for NSLP: 221
 6. %Students Eligible for NSLP (#5 / #4): 88.047%
 7. Discount % from Discount Matrix: 90%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 225.9
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y

1. Name of School: WITTENBURG ELEMENTARY SCHOOL
 2. Entity Number: 30077
 New School Construction: N
 NCES: 37 00090 00036
 Administrative Entity N
 3. Urban or Rural: Urban
 4. Total # of Students : 349
 5. # of Students Eligible for NSLP: 266
 6. %Students Eligible for NSLP (#5 / #4): 76.217%
 7. Discount % from Discount Matrix: 90%
 8. Weighted Product for Calculating Share Discount (#4 * #7): 314.1
 9. Entity Sub-Type:
 10. Alt. Disc. Mech: Y

[Previous](#)

[Display Entire Application](#)

John Hughes

From: sldcaseattachments@sl.universalservice.org

Sent: Wednesday, August 01, 2012 4:25 PM

To: John Hughes

Subject: SLD Inquiry #: 22-397869 Received

Thank you for using Submit a Question. This message serves as a receipt confirmation of your submission.

The case number for your submission is 22-397869.

Please refer to this case number in subsequent contacts regarding this issue. Note that we may need to ask you for additional information to completely answer your question or fulfill your request.

You indicated in your submission that you wish to send us an attachment. To submit an attachment, please reply to this message and attach your attachment to the reply. Any additional information you wish to provide should be included in the attachment, not added to the text of this email.

If you still have questions about this issue after you review our response, please call us at 1-888-203-8100. Please do not reply to this message or to our response, as replies go to an unattended mailbox.

If you have a new question or issue, please submit another question and we will create a new case number to address it.

If you need program information, you can visit the SLD web site at www.usac.org/sl.

Thank you.

Here is the information you submitted:

[FirstName]=John [LastName]=Hughes [JobTitle]=Consultant [EmailAddress]=jhughes@vistatm.com [WorkPhone]=9199684332 [FaxPhone]=9199299074 [PreviousCaseNumber]=0 [FormType]=Other [Owner]=TCSB [DateSubmitted]=8/1/2012 4:24:48 PM [AttachmentFlag]=Y[Question2]=Pls see attached RAL for 471 # 827833 Alexander

John Hughes

From: John Hughes
Sent: Wednesday, August 01, 2012 4:47 PM
To: 'sldcaseattachments@sl.universalservice.org'
Subject: RE: SLD Inquiry #: 22-397869 Received
Attachments: RAL for App 827833 Alexander.pdf

John Hughes
O - (919)968-4332
M - (919)593-2841
F - (919)929-9074

Go Heels!

From: sldcaseattachments@sl.universalservice.org [mailto:sldcaseattachments@sl.universalservice.org]
Sent: Wednesday, August 01, 2012 4:25 PM
To: John Hughes
Subject: SLD Inquiry #: 22-397869 Received

Thank you for using Submit a Question. This message serves as a receipt confirmation of your submission.

The case number for your submission is 22-397869.

Please refer to this case number in subsequent contacts regarding this issue. Note that we may need to ask you for additional information to completely answer your question or fulfill your request.

You indicated in your submission that you wish to send us an attachment. To submit an attachment, please reply to this message and attach your attachment to the reply. Any additional information you wish to provide should be included in the attachment, not added to the text of this email.

If you still have questions about this issue after you review our response, please call us at 1-888-203-8100. Please do not reply to this message or to our response, as replies go to an unattended mailbox.

If you have a new question or issue, please submit another question and we will create a new case number to address it.

If you need program information, you can visit the SLD web site at www.usac.org/sl.

Thank you.

Here is the information you submitted:

[FirstName]=John [LastName]=Hughes [JobTitle]=Consultant [EmailAddress]=jhughes@vistatm.com [WorkPhone]=9199684332 [FaxPhone]=9199299074 [PreviousCaseNumber]=0 [FormType]=Other [Owner]=TCSB [DateSubmitted]=8/1/2012 4:24:48 PM [AttachmentFlag]=Y[Question2]=Pls see attached RAL for 471 # 827833

8/1/2012

John Hughes

From: sldnoreply@sl.universalservice.org
Sent: Wednesday, August 01, 2012 6:36 PM
Subject: RE: Initial Contact, Case 22-397869

Thank you for your inquiry. Your RAL submission has been forwarded to the appropriate department.

If you have any further questions, please feel free to contact our Schools and Libraries Helpline at 1-888-203-8100. Please remember to visit our website for updates: <http://www.usac.org/sl>

Thank you,
Schools and Libraries Division
Universal Service Administrative Company

-----Original Message-----

From: jhughes@vistatm.com
Subject: Initial Contact

[FirstName]=John
[LastName]=Hughes
[JobTitle]=Consultant
[EmailAddress]=jhughes@vistatm.com
[WorkPhone]=9199684332
[FaxPhone]=9199299074
[PreviousCaseNumber]=0

[FormType]=Other
[Owner]=TCSB
[DateSubmitted]=8/1/2012 4:24:48 PM
[AttachmentFlag]=Y[Question2]=Pls see attached RAL for 471 # 827833 Alexander

Exhibit 6

John Hughes

From: John Hughes
Sent: Wednesday, September 26, 2012 7:30 PM
To: 'Gornstein, David'
Subject: RE: Appeal 827833 #1.0 7-Day Ltr 09-05-12
Attachments: FRN 2376146.pdf; FRN 2376126.pdf; Alexander 471 Data Entry.xlsx

Our response to your questions may be found below in red. Please let me know if you need anything further.

John Hughes
 O - (919)968-4332
 M - (919)593-2841
 F - (919)929-9074

Go Heels!

September 5, 2012

John Hughes
Alexander County School District
 Phone: 919-968-4332
 Fax:
Email: jhughes@newhopetech.org

Application Number(s): 827833

Response Due Date: September 20, 2012

As follow up to my conversation this morning with Sharie Montgomery, the Program Compliance team is in the process of reviewing your Appeal Request of Funding Year 2011 FCC Form 471 application # **827833** to ensure that it is in compliance with the rules of the Universal Service program.

I am currently in the process of reviewing your appeal, in order to complete my review I need some additional information, as detailed below:

Issue #1

For your FCC Form 471 Application #**840843** you are requesting the removal of the entity, Bethlehem Elementary School BEN: 30074 and Sugar Loaf Elementary School BEN: 30076 from Block 4 Worksheet A No. 1403956.

The On-line Item 21s you submitted do not support the entities removal. Is the original Block 4 of your FCC Form 471 correct? Yes or XXXX No?

1. **If yes**, no further information is required and no changes will be made to your FCC Form 471.
2. **If no**, and you wish to request a change please answer the following, is the discrepancy a result of a mistake made while you were completing your FCC Form 471, also known as Ministerial and Clerical (M&C) error?
XXXX Yes or No?
 - According to FCC Order (FCC 11-60), ministerial and clerical errors are defined as follows: "The applicant can amend its forms to correct clerical and ministerial errors until an FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error." Additional correctable errors can be found in the FCC's Order DA-2354.

9/26/2012

- If you answered yes, please provide a copy of the source documentation used to prepare your FCC Form 471 application. Indicating the entities that were scheduled to receive service on the FRN 2281217. Examples of source documentation are contracts that cite all recipients of service, contract amendments documenting additional service to the entities) in question, vendor quotes citing locations where products will be installed, RFPs etc.
- Any documentation provided should clearly identify any ineligible charges that were cost allocated out of your request.
- Source documentation has to be dated on or before the window close date for the funding year or not dated. If source documentation is dated after the window close date, it is not acceptable.

ANSWER:

The requirements for correcting a Ministerial & Clerical Error are very straightforward according to the SLD guidance found at <http://www.universalservice.org/sl/applicants/step02/clerical-errors.aspx>. They are copied in blue below:

Ministerial and clerical (M&C) errors are defined as data entry errors or mistakes applicants made on the FCC Form 470 or FCC Form 471. "Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error." (Order FCC 11-60, released April 14, 2011). USAC can process requests to correct M&C errors up until the time that a Funding Commitment Decision Letter (FCDL) is issued.

Allowable Corrections

- Spelling errors
- Simple addition, subtraction, multiplication or division errors
- Transposed letters and/or numbers
- Misplaced decimal points
- Other punctuation marks (hyphens, periods, commas, etc.) included or not included or misplaced
- Failing to enter an item from the source list (e.g., NSLP data, uploaded Block 4 data, FRN, etc.)
- Incorrect citations such as:
 - FCC Form 470 number
 - Discount percent
 - Urban/rural status
 - Contract number
 - Billing Account Number/Multiple Billing Account Numbers
 - FCC Form 471 Block 4 worksheet entries
- Updates or changes to contact person and/or consultant information
- Errors in dollars figures on an FRN
- Adding or removing entities accidentally omitted or included in FCC Form 471 Block 4
- Accidental omission of FRNs from the FCC Form 471
- Changing the amount budgeted for ineligible services (Item 25d, "necessary resources") in FCC Form 471 Block 6
- Changing the service delivery time period (e.g., month-to-month to contractual, recurring to non-recurring)
- Mis-keying the Service Provider Identification Number (SPIN) or Service Provider Name
- Corrective SPIN changes

- Correcting the annual charges for recurring charges
- Incorrectly identifying ineligible charges and/or services or products

Requests to correct M&C errors should be submitted to USAC as soon as the errors are detected by the applicant. USAC will accept and process requests until an FCDL is issued.

In this case we were indeed "removing (an) entit(y)ies accidentally.....included in FCC Form 471 Block 4". We also submitted the errors to USAC as soon as they were detected and before the FCDL was issued. We therefore complied with the requirements of the guidance.

I am attaching the input data entry documents that we used from which we made an error that is best described as the "kind of error that a typist might make when entering data from one list to another".

Just to be clear as to our process of completing the 471 application, we created two lists of entities when we started to complete our 471's.....one for the Priority 1 application and one for the Priority 2 application. Attached is a copy of the two workbooks that we used to prepare Block 4 of the 471 application. We should have entered the entities contained in the tab entitled "Priority 1 2012" when we populated Block 4 of the Priority 1 application and the entities contained in the tab entitled "Priority 2 2012" when we populated Block 4 of the Priority 2 application (application 827833 and the application in question in this review). We made a clerical typist error as described in the first paragraph of the guidance quoted above in blue by not entering the entities correctly. The list in itself should suffice to prove that our assertion is correct and meets the criteria as outlined in the guidance.

We are further providing you with the source documentation that we used to prepare Block 5 of the FRN's of the same application, i.e the contracts that we sent to CDW-G and Structured Cabling Solutions (both attached).

You will notice that the contract with Structured Cabling Solutions (FRN 2376146) references five locations, i.e. Alexander County High School (ACHS), East Alexander Middle School (EAMS), Hiddenite Elementary School (HES), West Alexander Middle School (WAMS), and Central Office. Two of these locations were never and should not be a part of this FRN and were never listed in Block 4.....they are ACHS & WAMS. The FRN should be decreased to \$23,254.94 to reflect only those schools listed in the amended Block 4.

The CDW-G contract does not specify specifically which locations will receive the equipment as we requested a quote for a specific amount of equipment and then included the locations in which that equipment was to be installed in the workbook that we would use to populate Block 4

Again I am copying in blue below the guidance that addresses the provision of the contract or other documents included in "etc.":

In many cases, the PIA reviewer can determine whether the correction is allowable and, if so,

complete the correction without requesting additional information. However when the nature of the correction is not apparent to the PIA reviewer, the PIA reviewer may request the appropriate source documentation to determine whether the correction is allowable. Source documentation is the documentation containing the information used to prepare the form (e.g., Item 21 Attachment, contract, vendor quote, NSLP data, etc.).

The fact that we submitted the input documents that we used to populate Block 4 of the application should be adequate to conclude that we made a clerical error and that should satisfy the requirement above, i.e. (e.g., Item 21 Attachment, contract, vendor quote, NSLP data, etc.). There is no requirement in this guidance or anywhere in any other guidance that a contract must specify the locations in which internal connections are to be installed. Indeed the "etc." found in the foregoing guidance should include whatever source documentation was used to populate the section of the 471 application in which the mistake was made, i.e. Block 4. We did not make a mistake in the Block 5.....the mistake was made in Block 4 and the documentation we used to populate it was the data input worksheet attached.

I respectfully submit that we have satisfied all the requirements of the guidance listed at <http://www.universalservice.org/sl/applicants/step02/clerical-errors.aspx> and ask that you process our RAL as submitted.

Issue #2

In connection with the review of your Funding Year 2012 FCC Form 471 application number **827833 FRN 2376146**, we have not received the replacement Service Provider Identification Number ("SPIN") for the temporary SPIN 143666666 that you provided when you first filed your FCC 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 FCC 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

ANSWER: For FRN 2376146 the correct SPIN for Structured Cabling Solutions LLC is 143036365

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/applicants/before-youre-done/spin-changes/default.aspx>.

Please fax or email the requested information to my attention. If you have any questions or you do not understand what we are requesting, 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.

9/26/2012

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

Sincerely,

David Gornstein

Program Compliance, USAC Schools & Libraries Division
30 Lanidex Plaza West | Parsippany, NJ 07054
T: 973.581.5143 | F: 973.599.6525
david.gornstein@sl.universalservice.org

From: Gornstein, David [mailto:David.GORNSTEIN@sl.universalservice.org]

Sent: Wednesday, September 05, 2012 11:38 AM

To: John Hughes

Subject: Appeal 827833 #1.0 7-Day Ltr 09-05-12

September 5, 2012

John Hughes

Alexander County School District

Phone: 919-968-4332

Fax:

Email: jhughes@newhopetech.org

Application Number(s): 827833

Response Due Date: September 20, 2012

As follow up to my conversation this morning with Sharie Montgomery, the Program Compliance team is in the process of reviewing your Appeal Request of Funding Year 2011 FCC Form 471 application # **827833** to ensure that it is in compliance with the rules of the Universal Service program.

I am currently in the process of reviewing your appeal, in order to complete my review I need some additional information, as detailed below:

Issue #1

For your FCC Form 471 Application #**840843** you are requesting the removal of the entity, Bethlehem Elementary School BEN: 30074 and Sugar Loaf Elementary School BEN: 30076 from Block 4 Worksheet A No. 1403956.

The On-line Item 21s you submitted do not support the entities removal. Is the original Block 4 of your FCC Form 471 correct? **Yes** or **No**?

1. **If yes**, no further information is required and no changes will be made to your FCC Form 471.
2. **If no**, and you wish to request a change please answer the following, is the discrepancy a result of a mistake made while you were completing your FCC Form 471, also known as Ministerial and Clerical (M&C) error?
 Yes or **No**?
 - According to FCC Order (FCC 11-60), ministerial and clerical errors are defined as follows: "The applicant can amend its forms to correct clerical and ministerial errors until an FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error." Additional correctable errors can be found in the FCC's Order DA-2354.
 - **If you answered yes, please provide a copy of the source documentation used to prepare your FCC Form 471 application.** Indicating the entities that were scheduled to receive service on the FRN 2281217. Examples of source documentation are contracts that cite all recipients of service, contract amendments documenting additional service to the entities) in question, vendor quotes citing locations where products will be installed, RFPs etc.
 - Any documentation provided should clearly identify any ineligible charges that were cost allocated out of your request.

9/26/2012

- Source documentation has to be dated on or before the window close date for the funding year or not dated. If source documentation is dated after the window close date, it is not acceptable.

Issue #2

In connection with the review of your Funding Year 2012 FCC Form 471 application number **827833 FRN 2376146**, we have not received the replacement Service Provider Identification Number ("SPIN") for the temporary SPIN 143666666 that you provided when you first filed your FCC 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 FCC 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/applicants/before-youre-done/spin-changes/default.aspx>.

Please fax or email the requested information to my attention. If you have any questions or you do not understand what we are requesting, 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.

Sincerely,

David Gornstein

Program Compliance, USAC Schools & Libraries Division
30 Lanidex Plaza West | Parsippany, NJ 07054
T: 973.581.5143 | F: 973.599.6525
david.gornstein@sl.universalservice.org

Confidentiality Notice: The information in this e-mail and any attachments thereto is intended for the named recipient(s) only. This e-mail, including any attachments, may contain information that is privileged and confidential and subject to legal restrictions and penalties regarding its unauthorized disclosure or other use. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action or inaction in reliance on the contents of this e-mail and any of its attachments is **STRICTLY PROHIBITED**. If you have received this e-mail in error, please immediately notify the sender via return e-mail; delete this e-mail and all attachments from your e-mail system and your computer system and network; and destroy any paper copies you may have in your possession. Thank you for your cooperation.

9/26/2012



Alexander County Schools

700 Liledoun Road
Taylorsville, North Carolina 28681

March 19, 2012

COPY

CDW-G
230 North Milwaukee Ave.
Vernon Hills, NC 60061

Dear Sirs:

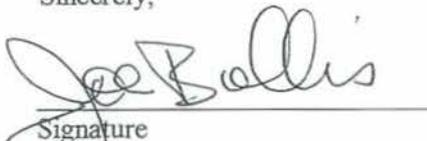
This letter will confirm our decision to purchase \$507,106.84 equipment and installation service from your company during the next E-rate funding year (07/01/2012 to 06/30/2013) as specified in the attached specifications and price quotations. This contract is valid through 09/30/2012 and can be extended if SLD funding is delayed.

The procurement of these products and services will be dependent upon the following conditions:

1. Final approval of next year's fiscal budget;
2. Award of associated E-rate funding;
3. The equipment still meets the needs of our school district at the time E-rate funding is approved and does not violate E-rate eligibility.

We look forward to working with your company on this project.

Sincerely,



Signature

Joe M. Bullis
Director of Exceptional Children and Technology

March 19, 2012

Attachments



SALES QUOTATION

QUOTE NO.	ACCOUNT NO.	DATE
CPPJ456	8195934	3/15/2012

BILL TO:
ALEXANDER COUNTY SCHOOLS
700 LILEDOUN RD

SHIP TO:
ALEXANDER COUNTY SCHOOLS
700 LILEDOUN RD

Accounts Payable
TAYLORSVILLE , NC 28681-2944

TAYLORSVILLE , NC 28681-2944
Contact: TECHNOLOGY
DEPARTMENT 828.632.7063

Customer Phone #828.632.7001

Customer P.O. # CPPJ456

ACCOUNT MANAGER	SHIPPING METHOD	TERMS	EXEMPTION CERTIFICATE
ASHLEY PRATT 866.819.6496	UPS Ground (2 - 3 day)	Master Card / VISA	

QTY	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
40	1677936	HP X132 10G SFP+ LC SR TRANSCEIVER Mfg#: HPN-J9150A Contract: MARKET	1,005.00	40,200.00
20	1704134	HP SB REBATE E2910-48G-POE+ AL Mfg#: HPN-J9148A#ABA Contract: MARKET	3,128.00	62,560.00
20	1727311	HP 2-PORT 10GBE SFP+ AL MODULE Mfg#: HPN-J9008A Contract: MARKET	792.00	15,840.00
2	1854222	HP 4-PORT 10GBE SFP+ ZL MODULE Mfg#: HPN-J9309A Contract: MARKET	2,775.00	5,550.00
16	1855876	HP NETWORKING 1500W POE+ZL Mfg#: HPN-J9306A#ABA Contract: MARKET	726.00	11,616.00
3	2247029	HP 8-PORT 10GBE SFP+ V2 ZL MODULE Mfg#: HPN-J9538A Contract: MARKET	3,171.00	9,513.00
38	2251513	HP 24-PORT GIG-T V2 ZL MODULE Mfg#: HPN-J9550A Contract: MARKET	2,180.00	82,840.00
5	2253745	HP 5412-92G-POE+-2XG V2 ZL SWITCH WI Mfg#: HPN-J9532A#ABA Contract: MARKET	11,367.00	56,835.00
4	2253747	HP 5406-44G-POE+-2XG V2 ZL SWITCH WI Mfg#: HPN-J9533A#ABA Contract: MARKET	5,815.00	23,260.00
9	2270491	HP 20-PORT GIG-T / 4-PORT SFP V2 ZL Mfg#: HPN-J9549A Contract: MARKET	2,180.00	19,620.00
5	2271835	HPE 3Y SUPPORTPLUS24 E5412 SWITCH Mfg#: HPE-UY916E Contract: MARKET	5,322.00	26,610.00
6	2328747	Electronic distribution - NO MEDIA HP 3Y SUPPORTPLUS 24 E5406 SWITCH Mfg#: HPE-UY911E Contract: MARKET	3,456.00	20,736.00
2	2247718	Electronic distribution - NO MEDIA HP 5406-44G-POE+-4G-SFP V2 ZL SWITCH Mfg#: HPN-J9539A#ABA Contract: MARKET	5,154.00	10,308.00
9	1677940	HP X132 10G SFP+ LC LR TRANSCEIVER Mfg#: HPN-J9151A Contract: MARKET	2,475.00	22,275.00
2	2397572	HP 8-PORT 10GBASE-T V2 ZL MODULE Mfg#: HPN-J9546A Contract: MARKET	3,171.00	6,342.00
1	2257609	HP 24-PORT SFP V2 ZL MODULE Mfg#: HPN-J9537A Contract: MARKET	2,532.00	2,532.00

5	1042669	BELKIN 3M FIB OPTIC CAB LC/SC 62.5 Mfg#: BEL-LCSC625-03M-CDW Contract: MARKET	16.00	80.00
5	1042666	BELKIN 3M FIB OPTIC CAB LC-ST 62.5 Mfg#: BEL-LCST625-03M-CDW Contract: MARKET	16.00	80.00
6	1454310	C2G 3M LC/ST DPX 9/125 SM PATCH YLW Mfg#: CTG-37476 Contract: MARKET	32.00	192.00
4	1117773	C2G 3M SC/SC DPX 9/125 SM PATCH YLW Mfg#: CTG-12505 Contract: MARKET	25.00	100.00
4	1107368	C2G 3M SC/ST DPX 9/125 SM PATCH YLW Mfg#: CTG-13478 Contract: MARKET	32.00	128.00
12	1131436	C2G 3M LC/SC DPX 9/125 SM PATCH YLW Mfg#: CTG-29920 Contract: MARKET	25.00	300.00
6	1156435	APC SMART UPS RT 5000VA 208V Mfg#: AME-SURTD5000XLT-1TF3 Contract: MARKET	3,714.00	22,284.00
6	2065848	APC SMART-UPS RT 2200VA 120V Mfg#: AME-SURTA2200XL Contract: MARKET	1,225.00	7,350.00
20	696939	APC SMART UPS RT 1500VA 120V 6 OUT Mfg#: AME-SURTA1500XL Contract: MARKET	954.00	19,080.00
1	1908761	WTG TRADE UP XTM 820 W/1Y Mfg#: WTG-WG820051 Contract: MARKET	7,299.00	7,299.00
1	2497537	WATCHGUARD XTM 820 LIVESEC 2Y RNW Mfg#: WTL-WG017641 Contract: MARKET Electronic distribution - NO MEDIA	3,499.00	3,499.00
SUBTOTAL				477,029.00
FREIGHT				0.00
TAX				30,077.84

US Currency

TOTAL → **507,106.84**

CDW Government
230 North Milwaukee Ave.
Vernon Hills, IL 60061
Phone: 847.371.5000

Fax: 847-990-8001

Please remit payment to:
CDW Government
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515



Alexander County Schools

700 Liledoun Road
Taylorsville, North Carolina 28681

March 19, 2012

COPY

Structured Cabling Solutions
c/o Bryan McRary
5287 Harold Drive
Granite Falls, NC 28630

Dear Mr. McRary:

This letter will confirm our decision to purchase \$42,226.57 of cabling service from your company during the next E-rate funding year (07/01/2012 to 06/30/2013) as specified in the attached specifications and price quotations. This contract is valid through 09/30/2012 and can be extended if SLD funding is delayed.

The procurement of these products and services will be dependent upon the following conditions:

1. Final approval of next year's fiscal budget;
2. Award of associated E-rate funding;
3. The equipment still meets the needs of our school district at the time E-rate funding is approved and does not violate E-rate eligibility.

We look forward to working with your company on this project.

Sincerely,



Signature

Joe M. Bullis
Director of Exceptional Children and Technology

March 19, 2012

Attachments

Structured Cabling Solutions

Quantity	Description	Unit price	Total price
1	Cabling for ACHS Quote 011912-01	16,187.00	16,187.00
1	Cabling for EAMS Quote 011912-02	1,955.97	1,955.97
1	Cabling for HES Quote 011912-03	2,586.27	2,586.27
1	Cabling for WAMS Quote 011912-04	2,784.63	2,784.63
1	Cabling for Central Office to ACHS Quote 011912-08	18,712.70	18,712.70
	Grand total price		42,226.57

Bryan McRary
5287 Harold Drive
Granite Falls, NC 28630
828-493-3545

Quote 011912-02

CABLING QUOTATION

Description of Work: Install, terminate, test and label one 6-strand OM3 fiber optic cable from the MDF to the 6th grade IDF. Existing fiber enclosures and SC panels in each closet will be utilized

Date: January 19, 2012

ITEM #	DESCRIPTION	QTY	SUBTOTALS
1	Six Strand OM3 Fiber Optic Cable, OM3	350	
2	SC Connector, OM3	14	
3	Two Meter SC-LC Patch Cable, OM3	2	
	Materials Subtotal		\$982.24
4	Labor		\$973.73

SELLING PRICE (EXCLUDING TAX ON MATERIALS) \$1,955.97

The prices reflected in this quotation will remain in effect for a period of 30 days from the date above. If you have any questions regarding this quote, please contact me by one of the methods listed below. I appreciate the opportunity to bid on this project, and look forward to serving your telecommunications cabling needs in the future.

Sincerely,


Bryan McRary, RCDD/OSP Designer/RTFM(i)/ITPM
Phone: 828-493-3545
Email: bamcrarv@yahoo.com

Bryan McRary
5267 Harold Drive
Granite Falls, NC 28630
828-493-3545

Quote 011912-03

CABLING QUOTATION

Description of Work: Install, terminate, test and label one 6-strand OM3 fiber optic cable from the MDF to the Media Center IDF

Date: January 19, 2012

ITEM #	DESCRIPTION	QTY.	SUBTOTALS
1	Six Strand OM3 Fiber Optic Cable, OM3	350	
2	SC Connector, OM3	14	
3	Two Meter SC-LC Patch Cable, OM3	2	
4	2RU Fiber Enclosure	1	
5	Duplex SC Panel, OM3	2	
	Materials Subtotal		\$1,585.54
6	Labor		\$1,000.33

SELLING PRICE (EXCLUDING TAX ON MATERIALS)

\$2,585.27

The prices reflected in this quotation will remain in effect for a period of 30 days from the date above. If you have any questions regarding this quote, please contact me by one of the methods listed below. I appreciate the opportunity to bid on this project, and look forward to serving your telecommunications cabling needs in the future.

Sincerely,



Bryan McRary, RCDD/OSP Designer/RTPM(i)/ITPM
Phone: 828-493-3545
Email: bamcrary@yahoo.com

Alexander County Schools
 Priority 1 471
 FY 2012

School Name	BEN	Enrollment	Responses	NLSP Eligible	%	Projected NSLP	Discount	Survey
Alexander Central High	30072	1706	879	596	68%	1157	80%	Yes
Bethlehem Elementary School	30074	480	473	257	54%	261	80%	Yes
East Alexander Middle	29963	674	492	372	76%	510	90%	Yes
Ellendale Elementary	30075	375	282	213	76%	283	90%	Yes
Hiddenite Elementary	29962	532	421	320	76%	404	90%	Yes
Stony Point Elementary	30067	334	252	190	75%	262	90%	Yes
Sugar Loaf Elementary	30076	282	241	150	62%	176	80%	Yes
Taylorsville Elementary	30073	251	212	187	88%	221	90%	Yes
West Alexander Middle	30078	606	410	249	61%	368	80%	Yes
Wittenburg Elem	30077	349	273	208	76%	266	90%	Yes
Board of Ed	16020945	0		0		0	84%	NIF
Alternative School	16020851	0		0		0	84%	
Transportation	16020853	0		0		0	84%	NIF
Food Service	16020854	0		0		0	84%	NIF

Alexander County Schools
 Priority 2 471
 FY 2012

School Name	BEN	Enrollment Responses		NLSP Eligible	%	Projected Discount NSLP	Survey
East Alexander Middle	29963	674	492	372	76%	510	90% Yes
Ellendale Elementary	30075	375	282	213	76%	283	90% Yes
Hiddenite Elementary	29962	532	421	320	76%	404	90% Yes
Stony Point Elementary	30067	334	252	190	75%	262	90% Yes
Taylorsville Elementary	30073	251	212	187	88%	221	90% Yes
Wittenburg Elem	30077	349	273	208	76%	266	90% Yes
Board of Ed	16020945	0		0		0	84% NIF
Alternative School	16020851	0		0		0	84%

Alexander County Schools
 Priority 1 471
 FY 2012

School Name	BEN	Enrollment	Responses	NLSP Eligible	%	Projected NSLP	Discount	Survey
Alexander Central High	30072	1706	879	596	68%	1157	80%	Yes
Bethlehem Elementary School	30074	480	473	257	54%	261	80%	Yes
East Alexander Middle	29963	674	492	372	76%	510	90%	Yes
Ellendale Elementary	30075	375	282	213	76%	283	90%	Yes
Hiddenite Elementary	29962	532	421	320	76%	404	90%	Yes
Stony Point Elementary	30067	334	252	190	75%	262	90%	Yes
Sugar Loaf Elementary	30076	282	241	150	62%	176	80%	Yes
Taylorville Elementary	30073	251	212	187	88%	221	90%	Yes
West Alexander Middle	30078	606	410	249	61%	368	80%	Yes
Wittenburg Elem	30077	349	273	208	76%	266	90%	Yes
Board of Ed	16020945	0		0		0	84%	NIF
Alternative School	16020851	0		0		0	84%	
Transportation	16020853	0		0		0	84%	NIF
Food Service	16020854	0		0		0	84%	NIF

Exhibit 7

Alexander County Schools
 Priority 2 471
 FY 2012

School Name	BEN	Enrollment Responses	NLSP Eligible	%	Projected Discount NSLP	Survey	
East Alexander Middle	29963	674	492	372	76%	510	90% Yes
Ellendale Elementary	30075	375	282	213	76%	283	90% Yes
Hiddenite Elementary	29962	532	421	320	76%	404	90% Yes
Stony Point Elementary	30067	334	252	190	75%	262	90% Yes
Taylorsville Elementary	30073	251	212	187	88%	221	90% Yes
Wittenburg Elem	30077	349	273	208	76%	266	90% Yes
Board of Ed	16020945	0	0	0		0	84% NIF
Alternative School	16020851	0	0	0		0	84%