Exhibit A

Trillion Partners, Inc., Petition for Reconsideration re Falcon School District 49, CC Docket No. 02-6 (filed March 22, 2012)

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March 22, 2012

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VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Room TW-A325
Washington, DC 20554

ATT: Telecommunications Access Policy Division

Re: Petition for Reconsideration
Requests for Waiver and Review of Decisions of the Universal Service Administrator by Charlton County School System, Folkston, Georgia, *et al*., File Nos. SLD-466641, *et al*.; DA 12-260, CC Docket No. 02-6

Dear Ms. Dortch:

On behalf of Trillion Partners, Inc. ("Trillion"), enclosed please find a Petition for Reconsideration of the Telecommunications Access Policy Division's order with DA 12-260 released on February 23, 2012 denying the appeal of E-Rate applications filed by Falcon School District 49.

Should you have any questions or concerns, please contact the undersigned.

Respectfully submitted,

/s/ Henry M. Rivera
Henry Rivera
Counsel to Trillion Partners, Inc.

Attachment

cc: Trent Harkrader
Gina Spade

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

In the Matter of	)	
	)	
Requests for Review of	)	
Decisions of the	)	
Universal Service Administrator by	)	
	)	
Charlton County School System	)	File Nos. SLD-466641, *et al*.
Folkston, Georgia, *et al*.	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	

PETITION FOR RECONSIDERATION

Trillion Partners, Inc. (hereinafter "Trillion"), through counsel and pursuant to Section 1.106 of the Federal Communications Commission's ("FCC" or "Commission") rules,[1] hereby petitions the Telecommunications Access Policy Division ("Division") of the Commission's Wireline Competition Bureau for reconsideration of the above-captioned Order denying appeals filed by Trillion and Falcon School District 49 ("District").[2]

I. BACKGROUND

On September 28, 2010, the Universal Service Administrative Company ("USAC") issued a Funding Commitment Decision Letter ("FCDL") denying the

[1] 47 C.F.R. § 1.106.

[2] *Requests for Waiver and Review of Decisions of the Universal Service Administrator by Charlton County School System, Folkston, Georgia, et al., File Nos. SLD-658765, et al.; Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6*, DA 12-260, Order (Telecommunications Access Policy Division, rel. Feb. 23, 2012) ("*Order*").

District's E-Rate applications for funding year 2010.[3] On September 29, 2010, USAC issued a FCDL denying the District's E-Rate applications for funding year 2009.[4] On October 21, 2010, USAC issued Notification of Commitment Adjustment Letters ("COMADs") rescinding committed funds for the District's applications for funding year 2005, 2006, 2007 (Internet Access only) and 2008.[5] On November 4, 2010, USAC issued a COMAD rescinding committed funds for the District's application for Telecommunications Services support for funding year 2007.[6]

Without exception, all of the FCDLs and COMADs indicate that the funding requests were rescinded because the District was "offered and accepted gifts, meals, gratuities, or entertainment from the service provider." At no point did USAC allege that the funding requests were being denied because of improper communications between the District and Trillion.

On November 11, 2010, Trillion filed with the Commission appeals of USAC's decisions denying the District's applications and rescinding funding commitments for

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[3] Funding Commitment Reports from USAC, Schools and Libraries Division (dated Sept. 28, 2010) (regarding FY2010 FCC Form 471 application 717469, FRNs 1950846 and 1950833) (Attached as Exhibit A).

[4] Funding Commitment Reports from USAC, Schools and Libraries Division (dated Sept. 29, 2010) (regarding FY2009 FCC Form 471 application 662600, FRNs 1809627 and 1809646) (Attached as Exhibit B).

[5] Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Alfred Green, Falcon School District 49 (dated Oct. 21, 2010) (regarding FY2005, FCC Form 471 application 466641, FRN 1299916) (Attached as Exhibit C); Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc. (dated Oct. 21, 2010) (regarding FY2006, FCC Form 471 application 532406, FRNs 1472041 for Internet Access and 1472101 for Telecommunications Services) (Attached as Exhibit D); Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to David Bond, Falcon School District 49 (dated Oct. 21, 2010) (regarding FY2007, FCC Form 471 application 577449, FRN 1606940 for Internet Access) (Attached as Exhibit E); Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc. (dated Oct. 21, 2010) (regarding FY2008, FCC Form 471 application 627866, FRNs 1733138 and 1741016) (Attached as Exhibit F).

[6] Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc. (dated Nov. 4, 2010) (regarding FY2007, FCC Form 471 application 577449, FRN 1606490 for Telecommunications Services) (Attached as Exhibit G).

funding years 2005 through 2010.[7] On November 18, 2010, the District also appealed USAC's decisions denying the District's applications and rescinding funding commitments for funding years 2005 through 2010.[8]

On February 23, 2012, the Division issued a two-paragraph *Order* denying the appeals filed by the District and Trillion.[9] As demonstrated below, the *Order* erred in concluding, without a review of the petitioners' arguments and evidence, that there was a violation of the Commission's rules. Furthermore, the communications at issue did not violate the Commission's rules.

II. The Division Fails to Provide a Reasoned Analysis for its Decision.

It is well established that "[a]n agency is required to make its decision 'based on a consideration of the relevant factors.'"[10] The *Order*, however, fails to explain why the appeals were denied. The *Order* merely states that, "Based on our review of the record, we find that petitioners violated the Commission's competitive bidding requirements" and that such denial is "consistent with precedent."[11] Other than this reference to the "record," there is no actual discussion of the record, no specification of the communications the Commission finds objectionable, no discussion of the arguments and

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[7] Letters from Trillion Partners, Inc. to Federal Communications Commission, Telecommunications Access Policy Division, CC Docket No. 02-6 (dated Nov. 11, 2010) (regarding FY2005, FY2006, FY2007, FY2008, FY2009, FY2010) (collectively referred to as "*Trillion Appeals*"). "). In addition, Trillion had previously filed with the Commission a Master Appeal addressing the denial of applications and rescission of funding commitments by USAC of many of Trillion's customers, including the District. *See* Letter from Trillion Partners, Inc., to Federal Communications Commission, CC Docket No. 02-6 (filed Nov. 3, 2010).

[8] Letter from Brad A. Miller, Law Office of Brad A. Miller, counsel to Falcon School District 49, to Federal Communications Commission (dated Nov. 18, 2010 (regarding Form 471 Application Numbers 466641, 717469, 662600, 577449, 627866, 532406) ("*District's Appeal*").

[9] *Order*, ¶ 1.

[10] *Natural Res. Def. Council, Inc. v. EPA*, 790 F.2d 289, 297 (3d Cir. 1986) (quoting *Bowman Transp., Inc. v. Arkansas-Best Freight Sys., Inc.*, 419 U.S. 281, 285 (1974)).

[11] *Order*, ¶ 1.

evidence presented by either Trillion or the District, or why those arguments and evidence were found not to be persuasive. In addition, the facts in the cases cited by the Commission as precedent are inapposite to the facts in this case. Because the *Order* contains no discussion of what actions by either the District and Trillion violated the competitive bidding requirements, the *Order* fails to articulate any connection, much less a rational connection, between the facts of this case and the conclusion that there was a violation of the Commission's rules.[12] Indeed, the courts have held that failure to respond to the arguments presented by a petitioner or to provide a "reasoned analysis" of the factors it considered in making its decision renders an agency's decision arbitrary and capricious.[13] Given the lack of reasoned analysis in the *Order*, Trillion is at a loss to understand the basis for the denial of the appeals.

The precedent cited in the *Order* stands for the following principles: (i) there must be a fair and open competitive bidding process; (ii) all potential bidders must have access to the same information and be treated in the same manner throughout the procurement process; and (iii) service provider participation may suppress fair and open competitive bidding. Absent further guidance as to the reason for the denial, Trillion submits this

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[12] *See Latino Issues Forum v. EPA*, 558 F.3d 936, 941 (9th Cir. 2009) (stating that the general standard of review for agency actions set forth in the Administrative Procedure Act requires an agency to articulate a rational connection between the facts found and the choice made); *Friends of Yosemite Valley v. Kempthorne*, 520 F.3d 1024, 1032 (9th Cir. 2008) ("[C]ourts must carefully review the record to ensure that agency decisions are founded on a reasoned evaluation of the relevant factors…") (citing *Friends of Yosemite Valley v. Norton*, 348 F.3d 789, 793 (9th Cir. 2003); *Environmental Def. Ctr., Inc. v. EPA*, 344 F.3d 832, 858 n.36 (9th Cir. 2003), *cert. denied*, 541 U.S. 1085 (2004) ("[t]he agency must articulate a rational connection between the facts found and the conclusions made.") (citation omitted).

[13] *Motor Vehicle Mfg. Ass'n v. State Farm Mut. Auto Ins. Co.*, 463 U.S. 29, 57 (1983); *see also id.* at 43, 50-51 (failure to respond to commenters' arguments renders agency decision arbitrary and capricious); *Darrell Andrews Trucking, Inc. v. Fed. Motor Carrier Safety Admin.*, 296 F.3d 1120, 1134-35 (D.C. Cir. 2002) ("substantial" argument "requires an answer from the agency"); *Iowa v. FCC*, 218 F.3d 756, 759 (D.C. Cir. 2000) ("[T]he Commission's failure to address [commenters'] arguments requires that [the Court] remand this matter for the Commission's further consideration."); *NAACP v. FCC*, 682 F.2d 993, 997-98 (D.C. Cir. 1982) (FCC must respond to "significant comments made in the . . . proceeding") (citing *Ala. Power Co. v. Costle*, 636 F.2d 323, 384-85 (D.C. Cir. 1979)).

petition demonstrating that the competitive bid process remained open and fair and its integrity was unharmed by the allegedly impermissible participation by Trillion.

III. The Communications between Trillion and the School System did not Violate the Competitive Bidding Process.

As previously noted, at no point did USAC allege that the funding requests were being denied because of improper communications between Trillion and the District. However, in a footnote, the *Order* states that, "With respect to … Falcon School District 49 (Falcon), while USAC denied these applicants' funding requests due to receipt of gifts, we find that these applicants violated the Commission's competitive bidding violations by engaging in improper communications with their service provider…."[14] As noted above, the *Order* does not identify or discuss the specific communications that it found to be improper and, therefore, Trillion is unable to address any communications the Commission found to be improper. Nevertheless, upon a review of the record, Trillion believes that the competitive bidding process was open and fair and that any communications between Trillion and District did not amount to a violation of the Commission's rules.

Trillion interacted with District personnel to clarify specifications and the existing infrastructure available at the District. However, as the District noted in its appeal, Mr. Alfred Green, on behalf of the District, made himself available and did in fact meet with the representatives of other service providers in order to offer exactly the same insights.[15] Thus, to the best of Trillion's knowledge and belief, any other potential bidder had access to the same information regarding the District's technology needs and they all were

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[14] *Order* ¶ 1, n. 1.

[15] *District's Appeal* at 2.

treated the same. In addition, no presentations were made to the District's Board of Education by any potential bidder prior to the contract award. As the District noted in its appeal:

> Board meeting minutes from the relevant time period demonstrate that no presentations were made to the Board of Education prior to the exhaustion of the 28 day waiting period. Thereafter, the only presentation made to the Board of Education was by District staff and the presentation was unbiased and straightforward. District staff offered the Board of Education as broad as possible sets of alternatives prior to the adoption of the contract with Trillion by means of a detailed power-point presentation. Despite the fact that no formal proposal was submitted by Qwest, its services were described to the Board as well.[16]

Therefore, the competitive bidding process was "fair" because all bidders were treated the same.

The competitive bidding process was also "open" because none of the information provided to any prospective bidder was withheld from any other prospective bidder.[17] As the District stated in its appeal, "each exchange contained only information that was readily available, not only to other bidders, but to the general public."[18] The District also took steps to ensure that the Board of Education not only had information about each submitted bid, but also information from non-bidders. Specifically, the District informed the Board of Education of the services offered by the District's incumbent service provider, even though that service provider did not submit a bid in response to the Form 470.[19] This information was provided to allow the Board of

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[16] *District's Appeal* at 3.

[17] As the District suggested in its appeal, the withholding of any such information would have been prohibited by the Colorado Open Records Act. *Id*.

[18] *Id*.

[19] *Id*.

Education to compare that information to the actual proposals received to ensure that a fully-informed decision was made in view of all possible options.

IV. The Cases Cited in the Order do not Support a Denial of Funding.

The cases cited in the *Order*, while they stand for the proposition that the bidding process must be open and competitive, do not support a denial of funding in this case.

In *Mastermind*, the Commission found violations of its competitive bidding rules when: (i) an individual associated with a service provider was listed as the contact person on an applicant's Form 470; (ii) an applicant delegated power in the competitive bid process to an entity that was also participating in the bidding; and (iii) one service provider is provided with information or access not also afforded to other service providers participating in the bid process.[20] The *Dickenson* case, like the *Mastermind* case, also addressed a situation in which the applicant's Form 470 listed a contact person who was an employee of a service provider, which is not the case here.[21] Neither Trillion nor anyone associated with Trillion was listed as the contact person on the District's Form 470. The District maintained control of the competitive bid process. Finally, there is no evidence that the District was unresponsive to requests for information by other service providers. To the contrary, the District specifically indicated that Mr. Alfred Green made himself available and did in fact meet with the representatives of other service providers in order to offer exactly the same insights given to Trillion personnel.

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[20] *Request for Review by Mastermind Internet Services, Inc., Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, FCC 00-167, Order, 16 FCC Rcd 4028, ¶ 10 (2000) ("*Mastermind*").

[21] *Request for Review of the Decision of the Universal Service Administrator by Dickenson County Public Schools, Clintwood, Virginia; Federal-State Joint Board on Universal Service*, DA 02-1971, Order on Reconsideration, 17 FCC Rcd 15747 (Telecommunications Access Policy Division, rel. Aug. 9, 2002).

In *Approach Learning*, the Commission found a connection between the contact person listed on the Form 470 and the service provider that ultimately won the contract. The Commission believes "that the contact person exerts great influence over an applicant's competitive bidding process by controlling the dissemination of information regarding the services requested."[22] The contact and communication between Trillion and the District was permissible and did not violate the rules and regulations that govern the E-rate program. Trillion was not the contact person on the District's Form 470, nor did Trillion influence the District's competitive bidding process.

V. Conclusion and Request for Relief

The Commission's two-paragraph *Order* denying the appeals filed by Trillion and the District fails to provide any analysis for its decision. There is no discussion of the evidence and arguments presented by Trillion and the District, nor is there any identification or discussion of the communications, which the Division found objectionable, which is contrary to the well-established principle that an agency is required to make its decision based on a consideration of the relevant facts. On the merits, the Commission's rules do not prohibit a potential service provider from seeking clarification from a school district regarding the school district's existing infrastructure needs,[23] nor do they prohibit a school district from engaging in due diligence to determine what their needs are and the options available to them. Finally, the facts in the

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[22] *Requests for Review of the Decisions of the Universal Service Administrator by Approach Learning and Assessment Center, Santa Ana, CA, et al.*, DA 07-1332, Order, 22 FCC Rcd 5296, 5303, ¶ 19 (Wireline Competition Bureau 2007).

[23] The Commission has stated: "If a bidder cannot, because it lacks critical information, determine how to best serve the applicant's requirements, the bidder cannot prepare a cost-effective proposal, thereby failing to achieve the intended goals of the competitive bidding process." *Mastermind*, 16 FCC Rcd 4028, ¶ 10.

cases cited by the *Order* as precedent are inapposite to the facts in this case and, therefore, the cases cannot be precedent for this case.

For the reasons set forth above, Trillion respectfully requests reconsideration of the Division's *Order* and a grant of the appeals of the USAC decisions specified above.

Respectfully submitted,

TRILLION PARTNERS, INC.

By: */s/ Henry M. Rivera*

Henry M. Rivera
Edgar Class
Joan Stewart
Wiley Rein LLP
1776 K Street, NW
Washington, DC 20006
Tel: (202) 719-7000

Its Attorneys

Dated: March 22, 2012

Exhibit A

Funding Commitment Reports from USAC, Schools and Libraries Division dated Sept. 28, 2010 (regarding FY 2010 FCC Form 471 application 717469, FRNs 1950846 and 1950833)

FUNDING COMMITMENT REPORT
Service Provider Name: Trillion Partners, Inc
SPIN: 143025872
Funding Year: 2010

Name of Billed Entity: FALCON SCHOOL DISTRICT 49
Billed Entity Address: 10850 E WOODMEN RD
Billed Entity City: PEYTON
Billed Entity State: CO
Billed Entity Zip Code: 80831-8127
Billed Entity Number: 142299
Contact Person's Name: Joleen Schaake
Preferred Mode of Contact: EMAIL
Contact Information: jschaake@d49.org
Form 471 Application Number: 717469
Funding Request Number: 1950846
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 897280000639691
Contract Number: SA-120307-000892
Billing Account Number: N/A
Service Start Date: 07/01/2010
Contract Expiration Date: 06/30/2013
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: $337,675.08
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: $.00
Pre-Discount Amount: $337,675.08
Applicant's Discount Percentage Approved by SLD: 47%
Funding Commitment Decision: $.00 - Bidding Violation
Funding Commitment Decision Explanation: This FRN is denied because the documents provided by you and/or your vendor indicates that there was not a fair and open competitive bid process free from conflicts of interest. The documentation provided by you and/or your service provider indicates that prior to your contractual relationship with the service provider listed on the FRN, that you were offered and accepted meals from the service provider, which resulted in a competitive process that was no longer fair and open and therefore funding is denied.

FCDL Date: 09/28/2010
Wave Number: 019
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2011

FUNDING COMMITMENT REPORT
Service Provider Name: Trillion Partners, Inc
SPIN: 143025872
Funding Year: 2010

Name of Billed Entity: FALCON SCHOOL DISTRICT 49
Billed Entity Address: 10850 E WOODMEN RD
Billed Entity City: PEYTON
Billed Entity State: CO
Billed Entity Zip Code: 80831-8127
Billed Entity Number: 142299
Contact Person's Name: Joleen Schaake
Preferred Mode of Contact: EMAIL
Contact Information: jschaake@d49.org
Form 471 Application Number: 717469
Funding Request Number: 1950833
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 897280000639691
Contract Number: SA-120307-000892
Billing Account Number: N/A
Service Start Date: 07/01/2010
Contract Expiration Date: 06/30/2013
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: $377,724.00
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: $.00
Pre-Discount Amount: $377,724.00
Applicant's Discount Percentage Approved by SLD: 47%
Funding Commitment Decision: $.00 - Bidding Violation
Funding Commitment Decision Explanation: This FRN is denied because the documents provided by you and/or your vendor indicates that there was not a fair and open competitive bid process free from conflicts of interest. The documentation provided by you and/or your service provider indicates that prior to your contractual relationship with the service provider listed on the FRN, that you were offered and accepted meals from the service provider, which resulted in a competitive process that was no longer fair and open and therefore funding is denied.

FCDL Date: 09/28/2010
Wave Number: 019
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2011

DUPLICATE LETTER

Exhibit B

Funding Commitment Reports from USAC, Schools and Libraries Division dated Sept. 29, 2010 (regarding FY 2009 FCC Form 471 application 662600, FRNs 1809627 and 1809646)

FUNDING COMMITMENT REPORT
Service Provider Name: Trillion Partners, Inc
SPIN: 143025872
Funding Year: 2009

Name of Billed Entity: FALCON SCHOOL DISTRICT 49
Billed Entity Address: 10850 E WOODMEN RD
Billed Entity City: PEYTON
Billed Entity State: CO
Billed Entity Zip Code: 80831-8127
Billed Entity Number: 142299
Contact Person's Name: David Bond
Preferred Mode of Contact: EMAIL
Contact Information: dbond@d49.org
Form 471 Application Number: 662600
Funding Request Number: 1809627
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 897280000639691
Contract Number: SA-120307-000892
Billing Account Number: n/a
Service Start Date: 07/01/2009
Contract Expiration Date: 06/30/2013
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: $377,724.00
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: $.00
Pre-Discount Amount: $377,724.00
Applicant's Discount Percentage Approved by SLD: 46%
Funding Commitment Decision: $.00 - Bidding Violation
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: This FRN is denied because the documents provided by you and/or your vendor indicates that there was not a fair and open competitive bid process free from conflicts of interest. The documentation provided by you and/or your service provider indicates that prior to your contractual relationship with the service provider listed on the FRN, that you were offered and accepted meals from the service provider, which resulted in a competitive process that was no longer fair and open and therefore funding is denied.

FCDL Date: 09/29/2010
Wave Number: 068
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2011

FUNDING COMMITMENT REPORT
Service Provider Name: Trillion Partners, Inc
SPIN: 143025872
Funding Year: 2009

Name of Billed Entity: FALCON SCHOOL DISTRICT 49
Billed Entity Address: 10850 E WOODMEN RD
Billed Entity City: PEYTON
Billed Entity State: CO
Billed Entity Zip Code: 80831-8127
Billed Entity Number: 142299
Contact Person's Name: David Bond
Preferred Mode of Contact: EMAIL
Contact Information: dbond@d49.org
Form 471 Application Number: 662600
Funding Request Number: 1809646
Funding Status: Not Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 897280000639691
Contract Number: SA-120307-000892
Billing Account Number: n/a
Service Start Date: 07/01/2009
Contract Expiration Date: 06/30/2013
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: $337,675.08
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: $.00
Pre-Discount Amount: $337,675.08
Applicant's Discount Percentage Approved by SLD: 46%
Funding Commitment Decision: $.00 - Bidding Violation
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: This FRN is denied because the documents provided by you and/or your vendor indicates that there was not a fair and open competitive bid process free from conflicts of interest. The documentation provided by you and/or your service provider indicates that prior to your contractual relationship with the service provider listed on the FRN, that you were offered and accepted meals from the service provider, which resulted in a competitive process that was no longer fair and open and therefore funding is denied.

FCDL Date: 09/29/2010
Wave Number: 068
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2011

Exhibit C

Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Alfred Green, Falcon School District 49, dated Oct. 21, 2010 (regarding FY 2005, FCC Form 471 application 466641, FRN 1299916)

USAC
Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2005: July 1, 2005 - June 30, 2006

October 21, 2010

Alfred Green
FALCON SCHOOL DISTRICT 49
10850 E WOODMEN RD
PEYTON, CO 80831 8127

Re: Form 471 Application Number:	**466641**
Funding Year:	**2005**
Applicant's Form Identifier:	
Billed Entity Number:	**142299**
FCC Registration Number:	**0010293124**
SPIN:	**143025872**
Service Provider Name:	**Trillion Partners, Inc**
Service Provider Contact Person:	**Virginia Bryant**

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.

4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

5. Provide an authorized signature on your letter of appeal.

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

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Virginia Bryant
Trillion Partners, Inc

Funding Commitment Adjustment Report for
Form 471 Application Number: 466641

Funding Request Number:	1299916
Services Ordered:	TELCOMM SERVICES
SPIN:	143025872
Service Provider Name:	Trillion Partners, Inc
Contract Number:	n/a
Billing Account Number:	n/a
Site Identifier:	142299
Original Funding Commitment:	$120,730.68
Commitment Adjustment Amount:	$120,730.68
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date	$60,366.60
Funds to be Recovered from Applicant:	$60,366.60

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Exhibit D

Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc., dated Oct. 21, 2010 (regarding FY 2006, FCC Form 471 application 532406, FRNs 1472041 and 1472101)

USAC
Universal Service Administrative Company

Schools & Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: July 1, 2006 - June 30, 2007

October 21, 2010

Virginia Bryant
Trillion Partners, Inc
9208 Waterford Center Blvd. Suite 150
Austin, TX 78758

Re: SPIN:	**143025872**
Service Provider Name:	**Trillion Partners, Inc**
Form 471 Application Number:	**532406**
Funding Year:	**2006**
FCC Registration Number:	
Applicant Name	**FALCON SCHOOL DISTRICT 49**
Billed Entity Number:	**142299**
Applicant Contact Person:	**Al Green**

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust the overall funding commitment. The purpose of this letter is to make the required adjustments to the funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the service provider is responsible for all or some of the program rule violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.

4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

5. Provide an authorized signature on your letter of appeal.
To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

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

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

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to the applicant for informational purposes. If USAC has determined the applicant is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the applicant detailing the necessary applicant action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or the applicant(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds the Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the service provider is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Al Green
FALCON SCHOOL DISTRICT 49

Funding Commitment Adjustment Report
Form 471 Application Number: 532406

Funding Request Number:	1472041
Contract Number:	CO-FALCONSD-020905-SA-INTERNET ONLY-a
Services Ordered:	INTERNET ACCESS
Billing Account Number:	n/a
Original Funding Commitment:	$27,064.80
Commitment Adjustment Amount:	$27,064.80
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$26,410.14
Funds to be Recovered from Service Provider:	$26,410.14

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Funding Request Number:	1472101
Contract Number:	CO-FALCONSD-020105-SA-WAN-d
Services Ordered:	TELCOMM SERVICES
Billing Account Number:	n/a
Original Funding Commitment:	$117,356.40
Commitment Adjustment Amount:	$117,356.40
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$117,356.00
Funds to be Recovered from Service Provider:	$117,356.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Exhibit E

Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to David Bond, Falcon School District 49, dated Oct. 21, 2010 (regarding FY2007, FCC Form 471 application 577449, FRN 1606940 for Internet Access)

USAC
Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2007: July 1, 2007 - June 30, 2008

October 21, 2010

David Bond
FALCON SCHOOL DISTRICT 49
10850 E WOODMEN RD
PEYTON, CO 80831 8127

Re: Form 471 Application Number:	**577449**
Funding Year:	**2007**
Applicant's Form Identifier:	
Billed Entity Number:	**142299**
FCC Registration Number:	**0010293124**
SPIN:	**143025872**
Service Provider Name:	**Trillion Partners, Inc**
Service Provider Contact Person:	**Virginia Bryant**

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
•Billed Entity Name,
•Form 471 Application Number,
•Billed Entity Number, and
•FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.

4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

5. Provide an authorized signature on your letter of appeal.

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

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Virginia Bryant
Trillion Partners, Inc

Funding Commitment Adjustment Report for
Form 471 Application Number: 577449

Funding Request Number:	1606940
Services Ordered:	INTERNET ACCESS
SPIN:	143025872
Service Provider Name:	Trillion Partners, Inc
Contract Number:	CO-FALCONSD-020905-SA-INTERNET ONLY-a
Billing Account Number:	n/a
Site Identifier:	142299
Original Funding Commitment:	$38,377.80
Commitment Adjustment Amount:	$38,377.80
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date	$38,377.80
Funds to be Recovered from Applicant:	$38,377.80

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Exhibit F

Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc., dated Oct. 21, 2010 (regarding FY2008, FCC Form 471 application 627866, FRNs 1733138 and 1741016)

USAC
Universal Service Administrative Company

Schools & Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2008: July 1, 2008 - June 30, 2009

October 21, 2010

Virginia Bryant
Trillion Partners, Inc
9208 Waterford Center Blvd. Suite 150
Austin, TX 78758

Re: SPIN:	**143025872**
Service Provider Name:	**Trillion Partners, Inc**
Form 471 Application Number:	**627866**
Funding Year:	**2008**
FCC Registration Number:	
Applicant Name	**FALCON SCHOOL DISTRICT 49**
Billed Entity Number:	**142299**
Applicant Contact Person:	**David Bond**

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust the overall funding commitment. The purpose of this letter is to make the required adjustments to the funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the service provider is responsible for all or some of the program rule violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

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1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.

4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

5. Provide an authorized signature on your letter of appeal.
To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

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

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

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

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Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or the applicant(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds the Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the service provider is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: David Bond
FALCON SCHOOL DISTRICT 49

Funding Commitment Adjustment Report
Form 471 Application Number: 627866

Funding Request Number:	1733138
Contract Number:	SA-120307-000892
Services Ordered:	TELCOMM SERVICES
Billing Account Number:	n/a
Original Funding Commitment:	$135,989.28
Commitment Adjustment Amount:	$135,989.28
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$0.00
Funds to be Recovered from Service Provider:	$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Funding Request Number:	1741016
Contract Number:	SA-120307-000892
Services Ordered:	TELCOMM SERVICES
Billing Account Number:	n/a
Original Funding Commitment:	$134,358.04
Commitment Adjustment Amount:	$134,358.04
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$0.00
Funds to be Recovered from Service Provider:	$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.

Exhibit G

Notification of Commitment Adjustment Letter from USAC, Schools and Libraries Division, to Virginia Bryant, Trillion Partners, Inc., dated Nov. 4, 2010 (regarding FY 2007, FCC Form 471 application 577449, FRN 1606490 for Telecommunications Services)

USAC
Universal Service Administrative Company

Schools & Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2007: July 1, 2007 - June 30, 2008

November 4, 2010

Virginia Bryant
Trillion Partners, Inc
9208 Waterford Center Blvd. Suite 150
Austin, TX 78758

Re: SPIN:	143025872
Service Provider Name:	Trillion Partners, Inc
Form 471 Application Number:	577449
Funding Year:	2007
FCC Registration Number:	
Applicant Name	FALCON SCHOOL DISTRICT 49
Billed Entity Number:	142299
Applicant Contact Person:	David Bond

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust the overall funding commitment. The purpose of this letter is to make the required adjustments to the funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the service provider is responsible for all or some of the program rule violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error (if any).

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If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

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

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

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx for more information on each of the fields in the Report. USAC is also sending this information to the applicant for informational purposes. If USAC has determined the applicant is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the applicant detailing the necessary applicant action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or the applicant(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds the Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the service provider is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: David Bond
FALCON SCHOOL DISTRICT 49

Funding Commitment Adjustment Report
Form 471 Application Number: 577449

Funding Request Number:	1606490
Contract Number:	CO-FALCONSD-020105-SA-WAN-d
Services Ordered:	TELCOMM SERVICES
Billing Account Number:	n/a
Original Funding Commitment:	$145,269.29
Commitment Adjustment Amount:	$145,269.29
Adjusted Funding Commitment:	$0.00
Funds Disbursed to Date:	$136,215.51
Funds to be Recovered from Service Provider:	$136,215.51

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review, documentation provided by you and/or your vendor indicated that there was not a fair and open competitive bid process free from conflicts of interest. The documents provided by you and/or your service provider indicated that, prior to/throughout your contractual relationship with the service provider listed on the FRN, you were offered and accepted gifts, meals, gratuities, or entertainment from the service provider, which resulted in a competitive process that was no longer fair and open. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider.