

May 2, 2014

Denali Borough School District  
Attn: Jim Smola  
PO Box 280  
Healy, AK 99743



Re: FY2013 Cancelled FRN 2453662 for Services on contract SA-432

Dear Jim,

We are writing to acknowledge that Denali Borough School District (YKSD) has cancelled FRN 2453662, which provided Universal Service Fund (USF) support for GCI SchoolAccess contract SA-432. DBSD entered into this contract on March 14, 2012, and per the terms of this agreement agreed to accept and pay for services until June 30, 2015.

DBSD filed two (2) FRNs for FY2013 (July 1, 2013 to June 30, 2014). FRN 2453662 was for the base funding for the 10 Mbps Services. FRN 2494826 was for the growth options above the 10 Mbps Services. In other words, both FRNs were needed to fully cover the cost of the upgraded Services. GCI suggests that DBSD appeal this funding decision to the FCC on the basis that it was a clerical error, and FRN 2453662 was cancelled by accident.

The impact of the cancelled FRN 2453662 on the district will be in the amount of \$43,920. If the district wins the appeal and the funding is released, we will refund this amount to the district. If the district does not win the appeal, they will not receive a refund in the amount of \$43,920 for FRN 2453662. GCI will process a credit in the amount of \$62,532 for the other approved FRN 2494826.

For more information on filing an appeal, please visit the USAC website at <http://www.usac.org/sl/about/program-integrity/appeals.aspx>.

Sincerely,

Pam Lloyd  
Senior Director, GCI SchoolAccess