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Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of	)	
	)	
Request for Review of the Decision of the Universal Service Administrator by	)	
	)	
Thomasville City Schools Thomasville, Georgia	)	File No. SLD-266419
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Changes to the Board of Directors of the National Exchange Carrier Association, Inc.	)	CC Docket No. 97-21

ORDER

Adopted: August 14, 2002 **Released: August 15, 2002**

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. The Telecommunications Access Policy Division (Division) has under consideration a Request for Review filed by Thomasville City Schools (Thomasville).[1] Thomasville seeks review of a decision by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator) to deny Thomasville's Funding Year 2001 application for discounted services under the schools and libraries universal service support mechanism.[2] For the reasons set forth below, we deny the Request for Review and affirm SLD's denial of Thomasville's application.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for discounts for

[1] Letter from James S. Cable, Thomasville City Schools, to the Federal Communications Commission, filed January 2, 2002 (Request for Review).

[2] Letter from Schools and Libraries Division, Universal Service Administrative Company, to Bobby Smith, Thomasville City Schools, dated November 27, 2001 (Administrator's Decision on Appeal). Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c). In prior funding years, this funding period was referred to as Funding Year 4. Funding periods are now described by the year in which the funding period starts. Thus the funding period which begins on July 1, 2001 and ends on June 30, 2002, previously known as Funding Year 4, is now called Funding Year 2001. Similarly, the funding period which begins on July 1, 2000 and ends on June 30, 2001, previously known as Funding Year 3, is now called Funding Year 2000, as discussed further below.

eligible telecommunications services, Internet access, and internal connections.[3] The Commission's rules provide that, with one limited exception for existing, binding contracts, an eligible school, library or consortium that includes eligible schools or libraries must seek competitive bids for all services eligible for support.[4] Unless an applicant satisfies this exception, in accordance with the Commission's rules, an applicant must file with SLD, for posting to its website, an FCC Form 470 requesting services.[5] The applicant must wait 28-days before entering into an agreement with a service provider for the requested services and submitting an FCC Form 471 requesting support for the services ordered by the applicant.[6] Once an FCC Form 470 has been posted on the SLD website, a school or library may sign contracts with providers that include renewal options and the school or library subsequently may exercise those renewal options without any additional FCC Form 470 postings.[7]

3. Upon review of the record, we conclude that SLD correctly denied Thomasville's request for support. For Funding Year 2001, Thomasville applied for discounts for a new contract that it entered into with its service provider for Internet access.[8] Prior to entering this agreement, Thomasville did not file with SLD, for posting on its website, an FCC Form 470 requesting these services. Instead, in its FCC Form 471, Thomasville referenced an FCC Form 470 from Funding Year 2000 for its contract award date and allowable contract date.[9] Because Thomasville did not exercise a renewal option but instead entered into a new agreement, its Funding Year 2000 FCC Form 470 posting did not exempt it from posting a new FCC Form 470 for such Internet access services in Funding Year 2001.[10]

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[3] 47 C.F.R. §§ 54.502, 54.503.

[4] This limited exception exempts from competitive bidding requirements: (1) contracts signed on or before July 10, 1997, for the life of the contract; and (2) in Funding Year 1 only, contracts signed after July 10, 1997, and before the opening of the Administrator's website on January 30, 1998. 47 C.F.R. §§ 54.504, 54.511(c).

[5] *See* Schools and Libraries Universal Service, Description of Services Requested and Certification Form, OMB 3060-0806 (FCC Form 470).

[6] 47 C.F.R. § 54.504(c); *see* Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (FCC Form 471).

[7] *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, DA 99-1773, 1999 WL 680424 (Com. Car. Bur. 1999), para. 10 (permitting support for contracts signed in a prior funding year pursuant to the Commission's competitive bidding requirements).

[8] *See* FCC Form 471, Thomasville City Schools, filed January 17, 2001 (Thomasville Form 471). *See also* Agreement for Telecommunications Services between Thomasville Utilities and Thomasville City Schools, executed January 15, 2001.

[9] Thomasville Form 471; Letter from Bobby Smith, Thomasville City Schools, to Schools and Library Division, filed August 16, 2001 (SLD Appeal Letter).

[10] See Facsimile from Bobby Smith, Thomasville City Schools, to Schools and Libraries Division, Universal Service Administrative Company, dated May 23, 2001 (noting Thomasville's decision "to re-sign for Year 4 because of personnel changes in [its] school system and with the City of Thomasville," even though the pre-existing contract provided for self-renewal).

4. As a final matter, we note that although it is unfortunate that Thomasville erred in following the Commission's bidding rules, it is well settled that in light of the thousands of applications that SLD reviews and processes each funding year, it is administratively necessary to place on the applicant the responsibility of understanding all relevant program rules and procedures.[11] In particular, failure to comply with the competitive bidding requirements must result in a denial of support by SLD.[12] The Division, therefore, denies Thomasville's Request for Review.

5. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91. 0.291, and 54.722(a), that the Request for Review filed by Thomasville City Schools, Thomasville, Georgia, on January 2, 2002, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert
Deputy Chief, Telecommunications Access Policy Division
Wireline Competition Bureau

[11] *See Request for Review by Anderson School Staatsburg, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of National Exchange Carrier Association, Inc.*, File No. SLD-133664, CC Docket No. 96-45 and 97-21, Order, 15 FCC Rcd 181 (Com. Car. Bur. 2000), para. 8; *see also* SLD website, Form 471 Minimum Processing Standards and Filing Requirements for FY 4, <http://www.sl.universalservice.org/reference/471mps.asp>.

[12] *See, e.g., Request for Review by Raytown Quality Schools, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-113698, CC Dockets No. 96-45 and 97-21, Order, DA 01-147 (Com. Car. Bur. rel. January 23, 2001).