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Before the
Federal Communications Commission
Washington, D.C. 20554

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In the Matter of	)	
	)	
Request for Review of the Decision of the Universal Service Administrative Company by	)	
	)	
Randolph County School District Elkins, West Virginia	)	File No. SLD-220675 (FRNs 555797 and 555870)
	)	
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: November 6,2002 **Released: November 7,2002**

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Before the Telecommunications Access Policy Division is a Request for Review tiled by the Randolph County School District (Randolph County), Elkins, West Virginia.[1] Randolph County seeks review of funding commitment decisions by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator) in regards to the above-captioned requests for support in Funding Year 2001 of the schools and libraries universal service program.[2] For the reasons set forth below, we remand Randolph County's Request for Review to SLD to address in the first instance.

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

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[1] Letter from Nathaniel Hawthorne on behalf ofthe Randolph County School District, to the Federal Communications Commission, filed September 4,2001 (Request for Review).

[2] ***See*** Request for Review. Section 54.719(c) ofthe Commission's rules provides that any person aggrieved by an action taken by a division ofthe Administrator may seek review from the Commission. 47 C.F.R. § 54.719(c). Previously, 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 began on **July** 1, **2001** and ended on June **30,** 2002, previously referred to as Funding Year ***4,*** is now called Funding Year 2001. The funding period which began on July 1, 2002 and ends on June 30,2003, is now called Funding Year **2002,** and so on.

discounts for eligible telecommunications services, Internet access, and internal connections? In order to receive discounts on eligible services, the Commission's rules require that an applicant submit to the Administrator a completed FCC Form **470,** in which the applicant sets forth the school's technological needs and the services for which it seeks discounts! Once the school has complied with the Commission's competitive bidding requirements and signed a contract for the eligible services, it must file an FCC Form 471 application to notify the Administrator, among other things, of the services that have been ordered, the carrier with whom the school has signed the contract, and an estimate of funds needed to cover the discounts to be given for eligible services.[5]

3. Randolph County appeals two funding decisions to the Commission.[6] In its FCC Form 471, Randolph County requested, among other things, funding for telecommunications service from Verizon for the pre-discount amount of $43,200 (FRN 555870) and funding for telecommunications service from Citizens Mountain State Telephone Company for the pre-discount amount of $12,600 (FRN 555797).[7] SLD issued a Funding Commitment Decision Letter to Randolph County on August 7, 2001, denying both of these funding requests in full because the "applicant has not provided sufficient documentation to determine the eligibility of this item."[8]

4. In its Request for Review, Randolph County asks the Commission to overturn SLD's determination, arguing that Randolph County had "provided copies of its telephone bills."[9] In support of this assertion, Randolph County has provided a copy of a facsimile transmission sent to SLD from Randolph County's representative in the application process, Paul Karas.[10] In this correspondence, Randolph County provided, among other items, copies of

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[3] 47 C.F.R. §§ 54.402, 54.503.

[4] 47 C.F.R. § 54.504(b)(1), (b)(3).

[5] 47 C.F.R. § 54.504(c).

[6] In its Request for Review, Randolph County also appealed SLD's denial of its funding request for Internet access and internal connections to be provided by the Regional Education Service Agency of West Virginia (RESA). ***See*** Request for Review. On January 11, **2002,** however, Randolph County filed a request to withdraw its appeal concerning the RESA Internet access services. ***See*** Letter of Nathaniel Hawthorne, on behalf of Randolph County School District, to Federal Communications Commission, filed January 11,2002. This Order only addresses those funding requests that were not specifically withdrawn by Randolph County.

[7] FCC Form 471, Randolph County School District, filed January 16,2001 (Randolph County Form 471) (Block **5,** FRNs 555797 and 555870).

[8] Letter **from** Schools and Libraries Division, Universal Service Administrative Company, to Paul Karas, Randolph County School District, dated August 7, 2001 (Funding Commitment Decision Letter).

[9] Request for Review at **2.**

[10] ***See*** Request for Review, Attachment E (facsimile transmission **from** Paul Karas to John Piznak, Schools and Libraries Division, Universal Service Administrative Company, dated July 18,2001, with various attached bills) (July 18 Facsimile).

selected monthly telephone bills from Verizon and Citizens Mountain State Telephone Company.'[11]

5. The program's rules state that universal service funds support only eligible services.[12] In order for SLD to determine whether a funding request is in compliance with program rules, an applicant must provide sufficient documentation to support its request. Specifically, Block 5 of the standard FCC Form 471 specifies that, for each funding request, applicants must at a minimum attach a description of the service, including a breakdown of components and costs, plus any relevant brand names.[13] The applicant must also indicate whether the service is site-specific or shared by several entities.[14] SLD's information for applicants clearly states that SLD reserves the right to determine the adequacy of the information provided by *an* applicant during the **PIA** process.[15]

6. We have reviewed Randolph County's appeal and conclude that, with respect to FRNs 555797 and 555870, the appeal of these FRNs should be addressed by SLD in the first instance. While Commission rules provide that applicants may appeal a decision of SLD directly to the Commission without first appealing to the Administrator, the rules do not preclude the possibility that the appropriate action on a direct appeal to the Commission is to remand the appeal to SLD.[16] We find that such a remand of the FRNs at issue is appropriate in this case. The record before us does not reveal the facts and reasoning on which SLD's determination is based with clarity, *e.g.*, whether it disregarded the monthly bill information submitted by Randolph County, or found that it did not support the request. A remand of the appeal will provide SLD a chance to elaborate on its reasoning and to review and address the argument made by the applicant. This in turn will aid both the applicant and the Commission should Randolph County find it necessary, following SLD's decision on its appeal, to seek further review from the Commission. We emphasize that, in remanding the appeal of FRNs 555797 and 555870 for SLD's review and adjudication, we make no conclusions as to the merits of these appeals.

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[11] *Id.*

[12] 47 C.F.R. § 54.504 *et seq.*

[13] ***See*** Instructions for Completing the Schools and Libraries Universal Service Services Ordered and Certification Form, OMB 3060-0806, November 2001 (FCC Form 471 Instructions), <http://www.sl.universalservice.org/data/pdf/i471y5.pdf>.

[14] *Id.*

[15] *Id.*

[16] 47 C.F.R. § 54.719,

7. 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 on September 4,2001 by the Randolph County School District, Elkins, West Virginia, IS REMANDED as to FRNs 555797 and 555870 for SLD to resolve in the first instance.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert

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