

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Request for Review of the)	
Decision of the)	
Universal Service Administrator by)	
)	
Coffeeville School District)	File No. SLD-275610
Coffeeville, Missouri)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	
)	
Changes to the Board of Directors of the)	CC Docket No. 97-21
National Exchange Carrier Association, Inc.)	

ORDER

Adopted: May 10, 2002

Released: May 13, 2002

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Before the Telecommunications Access Policy Division (Division) is a Request for Review filed by Coffeeville School District (Coffeeville), Coffeeville, Missouri.¹ Coffeeville seeks review of a decision issued by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator).² In its decision, SLD rejected Coffeeville's Funding Year 4 application for discounts under the schools and libraries universal service mechanism for failure to satisfy SLD's minimum processing standards. For the reasons set forth below, we deny the Request for Review and affirm SLD's decision.

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 eligible telecommunications services, Internet access, and internal connections.³ In order to receive discounts on eligible services, the Commission's rules require that the applicant

¹ Letter from Aubrey Ray, Coffeeville School District, to Federal Communications Commission, filed June 25, 2001 (Request for Review).

² 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).

³ 47 C.F.R. §§ 54.502, 54.503.

submit to the Administrator a completed FCC Form 470, in which the applicant sets forth its technological needs and the services for which it seeks discounts.⁴

3. Once the applicant has complied with the Commission's competitive bidding requirements and entered into agreements for eligible services, it must file an FCC Form 471 application to notify the Administrator of the services that have been ordered, the carriers with whom the applicant has entered into an agreement, and an estimate of funds needed to cover the discounts to be given for eligible services.⁵ In Funding Year 4, this information was provided in Block 5 of FCC Form 471.⁶ Among other information, Block 5 required the applicant to indicate the services requested, the name of the service provider, the estimated total annual prediscount cost, and the category of service for which support was sought. Using information provided by the applicant in its FCC Form 471, the Administrator determines the amount of discounts for which the applicant is eligible. Approval of the application is contingent upon the filing of FCC Form 471, and funding commitment decisions are based on information provided by the school or library in this form.

4. Under the Commission's regulations, SLD is authorized to establish and implement filing periods and program standards for FCC Form 471 applications by schools and libraries seeking to receive discounts for eligible services.⁷ Pursuant to this authority, every funding year, SLD establishes and notifies applicants of "minimum processing standards" to facilitate the efficient review of the thousands of applications requesting funding.⁸ When an applicant submits a Block 5 Worksheet that omits an item subject to the minimum processing standards, SLD automatically rejects the funding request and returns it to the applicant. In Funding Year 4, SLD instructions noted that Item 11 of Block 5 was part of the minimum processing standards.⁹ Item 11 of each Block 5 funding request indicates the category of service, and enables SLD to apply our funding priority rules properly in situations where demand exceeds the annual funding cap, as was the case in Funding Year 4.

5. SLD rejected Coffeerville's application because, for each of Coffeerville's funding requests, Item 11 of Block 5 was blank.¹⁰ Coffeerville appealed to SLD, submitting a new

⁴ 47 C.F.R. § 54.504(b)(1), (b)(3).

⁵ 47 C.F.R. § 54.504(c).

⁶ Schools and Libraries Universal Service, Service Ordered and Certification Form, OMB 3060-0806 (October 2000) (Form 471).

⁷ See 47 C.F.R. § 54.507(c); *Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21 and 96-45, Third Report and Order in CC Docket No. 97-21 and Fourth Order on Reconsideration in CC Docket No. 97-21 and Eighth Order on Reconsideration in CC Docket No. 96-45, 13 FCC Rcd 25058 (1998).

⁸ See, e.g., SLD web site, Form 471 Minimum Processing Standards and Filing Requirements for FY4, <<http://www.sl.universalservice.org/reference/471mps.asp>>.

⁹ *Id.*

¹⁰ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Aubrey Ray, Coffeerville School District, dated March 23, 2001, at 1; see also Letter from Schools and Libraries Division,

application that filled in Item 11 of each Block 5.¹¹ On June 15, 2001, SLD affirmed its earlier decision.¹² Coffeerville then filed the pending Request for Review, asserting that its failure to fill in Item 11 was simply an error, which should not result in the rejection of its application.¹³

6. In light of the thousands of applications that SLD must review and process each funding year, we generally find it administratively appropriate to require applicants to strictly adhere to minimum processing standards. Further, the Wireline Competition Bureau has specifically upheld the category of service minimum processing standard.¹⁴ We therefore find that SLD appropriately rejected Coffeerville's application for failure to satisfy this minimum processing standard.

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 by Coffeerville School District, Coffeerville, Missouri, on June 25, 2001 is DENIED.

FEDERAL COMMUNICATIONS COMMISSION

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

Universal Service Administrative Company, to Aubrey Ray, Coffeerville School District, dated June 15, 2001 (Administrator's Decision on Appeal), at 1.

¹¹ Letter from Aubrey Ray, Coffeerville School District, to Schools and Libraries Division, Universal Service Administrative Company, filed March 30, 2001.

¹² Administrator's Decision on Appeal, at 1.

¹³ Request for Review, at 1.

¹⁴ *Request for Review by Centerville School District, Centerville, South Dakota, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, File No. SLD-199778, CC Dockets No. 96-45 and 97-21, Order, DA 02-387 (Com. Car. Bur. rel. February 21, 2001).