

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

In the Matter of)	
)	
Request for Review of the)	
Decision of the)	
Universal Service Administrator by)	
)	
Canute Independent School District 11)	File No. SLD-118157
Canute, Oklahoma)	
)	
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: December 13, 2000

Released: December 14, 2000

By the Accounting Policy Division, Common Carrier Bureau:

1. The Accounting Policy Division has under consideration a Letter of Appeal filed by Canute Independent School District 11 (Canute), Canute, Oklahoma, on May 1, 2000, pursuant to section 54.719(c) of the Commission's rules.¹ Canute seeks review of a decision of the Schools and Libraries Division (SLD) of the Universal Service Administrative Company, denying in part Canute's request for funding of internal connection services. For the reasons discussed below, we grant the appeal in part and remand to SLD.

2. Canute requests review of a decision by SLD to reduce the amount of Canute's funding request because SLD concluded that components of the request included support for an ineligible Wide Area Network (WAN).² As in *Terral School District 3*, SLD denied support for certain components despite their integration with routers deemed eligible for support by SLD.³

¹ Letter from Howard Kuchta, Kellogg Consulting, L.L.C. (on behalf of Canute Independent School District 11), to the Federal Communications Commission, filed May 1, 2000 (Letter of 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).

² Letter from Schools and Libraries Division, Universal Service Administrative Company, to Howard Kuchta, Canute Independent School District 11, dated October 5, 1999 (Funding Commitment Decision Letter); Letter from Schools and Libraries Division, Universal Service Administrative Company, to Howard Kuchta, Canute Independent School District 11, dated April 7, 2000 (Administrator's Decision on Appeal).

³ *Terral School District 3*, CC Docket Nos. 96-45 and 97-21, Order, DA 00-2123 (rel. September 19, 2000).

Consistent with *Terral School District 3*, and in the absence of an explanation by SLD of the basis for its decision, we conclude that the record does not support SLD's finding of ineligibility. Accordingly, we shall remand to SLD for further consideration.⁴

3. 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 appeal filed by the Canute Independent School District 11, Canute, Oklahoma, on May 1, 2000 IS GRANTED to the extent provided herein. We direct the Schools and Libraries Division to review Canute's funding application and, if warranted, to issue a revised Funding Commitment Decision Letter in accordance with the above-stated decision.

FEDERAL COMMUNICATIONS COMMISSION

Mark G. Seifert
Deputy Chief, Accounting Policy Division
Common Carrier Bureau

⁴ As in *Terral School District 3*, we do not suggest that the circumstances require a decision in Canute's favor, finding only that under the circumstances SLD's failure to explain the basis for its decision requires remand.