

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

In the Matter of)	
)	
Request for Review by)	
)	
DeLeon Independent School District)	File No. SLD-221305
DeLeon, Texas)	
)	
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 Associations, Inc.)	

ORDER

Adopted: October 3, 2003

Released: October 6, 2003

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. The Telecommunications Access Policy Division has under consideration a request filed by DeLeon Independent School District (DeLeon ISD), DeLeon, Texas seeking review of a decision by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator).¹ Specifically, DeLeon ISD requests review of a denial of one of its Funding Year 2001 requests for discounts under the schools and libraries universal service mechanism.² For the reasons set forth below, we grant the Request for Review and remand to SLD for further consideration.

2. In its initial Funding Commitment Decision Letter, SLD rejected Funding Request Number (FRN) 509548 because SLD determined that more than 30 percent of the funding request was for ineligible material.³ SLD based its conclusion on one monthly bill submitted by the applicant in support of the funding request. SLD calculated that 40 percent of the monthly cost was ineligible, based on the bill total of \$1,478 that included an ineligible \$591 charge for telephone equipment.⁴ On appeal to SLD, DeLeon ISD stated that its request for

¹ Letter from Mary Jane Atkins, DeLeon ISD, to Federal Communications Commission, filed March 13, 2002 (Request for Review). 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 Request for Review.

³ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Dennis Otwell, DeLeon Independent School District, dated July 23, 2001 (Funding Commitment Decision Letter).

⁴ *Id.*

funding was not for “phones or any other ineligible product or service.”⁵ SLD rejected the appeal.⁶ Upon appeal to the Commission, DeLeon ISD presented a copy of a more recent monthly bill that did not include any amount for such telephone equipment.⁷

3. In the *Carrollton-Farmers Branch Order*, the Wireline Competition Bureau (formerly known as the Common Carrier Bureau) explained that in situations where the record is ambiguous as to whether the amount of one-time ineligible services reflected in a single month bill reflected an equivalent amount of ineligible services in the full year of telecommunications service, an applicant may submit additional monthly bills to clarify questions about total costs.⁸ After review of the instant record and in light of the Bureau’s decision in the *Carrollton-Farmers Branch Order*, we find it is appropriate for DeLeon ISD to submit bills from other months to clarify whether the request for the entire year contained less than 30 percent of ineligible services. In order to allow SLD to review this evidence in the first instance and determine what amount of funding, if any, is supported by new bills, we remand the application to SLD for consideration of FRN 509548. We affirm SLD’s conclusion, however, that the ultimate burden of proving eligibility remains with the applicant.

4. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3, and 54.722(a), that the request filed by DeLeon Independent School District, DeLeon, Texas, on March 13, 2002, is GRANTED and this application is REMANDED to SLD for further action consistent with this Order.

FEDERAL COMMUNICATIONS COMMISSION

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

⁵ Letter to from Mary Jane Atkins, DeLeon ISD, to Schools and Libraries Division, Universal Service Administrative Company, filed August 13, 2001.

⁶ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Dennis Otwell, DeLeon Independent School District, dated Nov. 27, 2001.

⁷ Request for Review, at attachment.

⁸ See *Request for Review by Carrollton-Farmers Branch Independent School District*, File No. SLD-229384, CC Docket Nos. 96-45 and 97-21, Order, 17 FCC Rcd 16067, 16069 (Wireline Comp. Bur. 2002) (*Carrollton-Farmers Branch Order*); see also SLD website, Appeals – SLD Guidelines for Review (January 24, 2002), <<http://www.sl.universalservice.org/reference/AppealsSLDGuidelines.asp>>. See also *Request for Review by Cheney Public Schools*, File No. SLD-142969, CC Docket Nos. 96-45 and 97-21, DA 01-351, Order, 16 FCC Rcd 5192 (Com. Car. Bur. 2001) (applicants shall not be permitted to amend completed Forms 471 to remove ineligible services from funding requests after the filing window has closed).

