

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

In the Matter of	)	
	)	
Requests for Review of	)	
Decisions of the	)	
Universal Service Administrator by	)	
	)	
Explore Knowledge Academy Charter School	)	File No. SLD-521433
Las Vegas, Nevada	)	
	)	
Heart and Health Academys	)	File No. SLD-453660
St. Claire Shores, Michigan	)	
	)	
Saint John School	)	File No. SLD-487348
Orange, New Jersey	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	

**ORDER**

**Adopted: December 6, 2010**

**Released: December 6, 2010**

By the Deputy Chief, Telecommunications Access Policy Division, Wireline Competition Bureau:

1. We grant three appeals of decisions by the Universal Service Administrative Company (USAC) reducing discounts sought in applications for services under the E-rate program (more formally known as the schools and libraries universal service program) for funding years 2005 and 2006.<sup>1</sup> Specifically, USAC reduced funding on the ground that the applicants' requested discount levels were not supported by sufficient documentation.<sup>2</sup> Consistent with precedent, we direct USAC to provide

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<sup>1</sup> See Letter from Robert Beck, Explore Knowledge Academy Charter School, to Office of the Secretary, Federal Communications Commission, CC Docket No. 02-6 (filed Nov. 27, 2006) (Explore Knowledge Request for Review); Letter from Cheryl Herba, Heart and Health Academys, to Office of the Secretary, Federal Communications Commission, CC Docket No. 02-6 (filed Jan. 18, 2006) (Heart and Health Request for Review); Letter from Sister Maureen Christopher and Chita Tumapon Gongob, Saint John School, to Office of the Secretary, Federal Communications Commission, CC Docket No. 02-6 (filed Sept. 12, 2006) (Saint John Request for Review). In this order, we use the term "appeals" to generally refer to requests for review of decisions issued by USAC. Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of USAC may seek review from the Commission. 47 C.F.R. § 54.719(c).

<sup>2</sup> See Letter from USAC, Schools and Libraries Division, to Robert Beck, Explore Knowledge Academy Charter School (dated Sep. 27, 2006) (Explore Knowledge Administrator's Decision on Appeal); Letter from USAC, Schools and Libraries Division, to Cheryl Herba, Heart and Health Academys (dated Nov. 16, 2005) (Heart and Health Administrator's Decision on Appeal); Letter from USAC, Schools and Libraries Division, to Maureen Christopher, Saint John School (dated Aug. 15, 2006) (Saint John Administrator's Decision on Appeal).

applicants with a limited 15-day opportunity to file additional documentation, if necessary, in order to support their requested discount rates.<sup>3</sup>

2. All of the petitioners submitted documentation in the form of a survey.<sup>4</sup> USAC determined in each case that the survey documentation was incomplete because it was missing one or more of the required elements.<sup>5</sup> In the *Academia Claret Order*, we held that in future applications involving discount rate calculation issues, USAC must inform applicants of any errors regarding the discount rate calculation it identifies, along with a specific explanation of how the applicant can remedy such errors.<sup>6</sup> We also found that USAC should not deny an applicant's funding request where the applicant made a good faith effort to comply with the survey guidelines but did not include some information on the student survey regarding the student's grade, address or number of persons in the household.<sup>7</sup> In the instant matters, applicants' surveys were missing one of the items of information. In addition, in the record at this time, there is no evidence of waste, fraud or abuse, misuse of funds, or a failure to adhere to core program requirements. Thus, consistent with our findings in the *Academia Claret Order*, we grant the appeals and remand the underlying applications to USAC for further action consistent with this order.<sup>8</sup>

3. We emphasize, however, the limited nature of this decision. Although we grant these appeals, this order does not alter the obligation of participants in the E-rate program to comply with the Commission's rules. We continue to require E-rate applicants to submit complete and accurate information to USAC as part of the application review process.

4. ACCORDINGLY, IT IS ORDERED, pursuant to authority contained in sections 1-4 and 254 of the Communications Act, as amended, 47 U.S.C. §§ 151-154 and 254, and 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 Requests for Review filed by Explore Knowledge Academy Charter School, Las Vegas, Nevada; Heart and Health Academys, St. Claire Shores, Michigan; and Saint John School, Orange, New Jersey, ARE GRANTED and the underlying applications ARE REMANDED to USAC for further consideration in accordance with the terms of this order.

5. IT IS FURTHER ORDERED, pursuant to authority contained in sections 1-4 and 254 of the Communications Act, as amended, 47 U.S.C. §§ 151-154 and 254, and 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 Universal Service Administrative Company SHALL COMPLETE its review of the underlying applications and ISSUE an award or a denial based on a complete review and analysis no later than 60 calendar days from the release date of this order.

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<sup>3</sup> See *Request for Review of the Decision of the Universal Service Administrator by Academia Claret, Puerto Rico, et al., Schools and Libraries Universal Service Support Mechanism*, File Nos. SLD-401699, et al., CC Docket No. 02-6, Order, 21 FCC Rcd 10703 (Wireline Comp. Bur. 2006) (*Academia Claret Order*).

<sup>4</sup> See Explore Knowledge Administrator's Decision on Appeal at 1-2; Heart and Health Administrator's Decision on Appeal at 1-2; Saint John Administrator's Decision on Appeal 1-2.

<sup>5</sup> The surveys of Explore Knowledge and Saint John were missing the student grade levels. See Explore Knowledge Administrator's Decision on Appeal at 1-2; Saint John Administrator's Decision on Appeal at 1-2. The Heart and Health's survey was missing the student addresses. See Heart and Health Administrator's Decision on Appeal at 1-2.

<sup>6</sup> See *Academia Claret Order*, 21 FCC Rcd at 10709, para. 14.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

6. IT IS FURTHER ORDERED, pursuant to section 1.102(b)(1) of the Commission's rules, 47 C.F.R. § 1.102(b)(1), that this order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

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Wireline Competition Bureau