

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of
Requests for Review of
Decisions of the
Universal Service Administrator by
Clare-Gladwin Regional Education
Service District
Clare, MI
Southwest Plains Regional
Service Center
Sublette, KS
Schools and Libraries Universal Service
Support Mechanism
File No. SLD-297413
File Nos. SLD-468999, 525875
CC Docket No. 02-6

ORDER

Adopted: April 13, 2011

Released: April 13, 2011

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

1. We grant two appeals of decisions by the Universal Service Administrative Company (USAC) under the E-rate program (formally known as the schools and libraries universal service support program) because the entities at issue were ineligible for funding. Consistent with precedent and based on our review of the record, we find that both petitioners have provided sufficient evidence to demonstrate that the entities at issue were eligible for support.

2. We first grant an appeal by Clare-Gladwin Regional Education Service District (Clare-Gladwin). USAC denied it funding for telecommunications services because USAC found that Clare Gladwin's E-rate consortium agreement only gave it the authority to procure Internet access on behalf of its members. We find, however, that Clare-Gladwin sought telecommunications services for students at

1 See Letter from Ken Chinavare, Technology Coordinator, Clare-Gladwin Regional Education Service District, to Office of the Secretary, Federal Communications Commission, CC Docket No. 02-6 (filed May 3, 2003) (Clare-Gladwin Appeal); Letter from Tom Barnes, Southwest Plains Regional Service Center, to Office of the Secretary, Federal Communications Commission, CC Docket 02-6 (filed Oct. 12, 2010) (Southwest Plains Appeal). We use the term "appeals" to refer generally to these 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).

2 See Requests for Review of the Decisions of the Universal Service Administrator by Bootheel Consortium et al., File Nos. SLD-309634, et al., CC Docket No. 02-6, Order, 22 FCC Rcd 8747, 8749-8750, paras. 5-6 (2007) (evaluating the eligibility for E-rate support of various entities).

3 See Letter from USAC, Schools and Libraries Division, to Ken Chinavare, Clare-Gladwin Regional Education Service District (dated Oct. 8, 2002).

its own location, not for its members' locations. As such, it did not need to have authorization from its members to seek discounts on telecommunications services.⁴ Additionally, we grant an appeal by the Southwest Plains Regional Service Center (Southwest Plains). USAC sought to recover funds disbursed to Southwest Plains for telecommunications services connections to two community colleges because the colleges were ineligible for E-rate support.⁵ We find, however, that these services were eligible for E-rate support because the connections were used solely for transmitting course material *from* the colleges to eligible high schools.⁶

3. Accordingly, we grant these appeals and remand the underlying applications to USAC for further action consistent with this order. To ensure that the underlying applications are resolved expeditiously, we direct USAC to complete its review of Clare Gladwin's underlying application and issue an award or a denial based on a complete review and analysis no later than 90 calendar days from the release date of this order.⁷ We also direct USAC to discontinue its efforts to recover funds from Southwest Plains for the telecommunications services discussed here.

4. Accordingly, IT IS ORDERED, pursuant to the authority contained in sections 1-4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and 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 the Clare-Gladwin Regional Education Service Center and the Southwest Plains Regional Service Center, ARE GRANTED and REMANDED to USAC for further consideration in accordance with the terms of this order.

5. IT IS FURTHER ORDERED, pursuant to the authority contained in sections 1-4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91 and 0.291, that USAC SHALL COMPLETE its review of Clare Gladwin Regional Education Service District's application and ISSUE an award or a denial based on a complete review and analysis no later than 90 calendar days from the release date of this order, and DISCONTINUE its efforts to recover funding from Southwest Plains Regional Service Center for the underlying application.

FEDERAL COMMUNICATIONS COMMISSION

Gina Spade
Deputy Chief
Telecommunications Access Policy Division
Wireline Competition Bureau

⁴ Clare Gladwin is an intermediate service agency, which also operates a "special needs" school on behalf of those districts. *See* Clare-Gladwin Appeal at 2.

⁵ *See* Letter from USAC, Schools and Libraries Division, to Tom Barnes, Southwest Plains Regional Service Center (dated Jun. 9, 2010).

⁶ *See* Southwest Plains Appeal at 1.

⁷ In performing a complete review and analysis of the underlying applications, USAC shall either grant the underlying applications before it, or, if denying an application, provide the applicant with any and all grounds for denial.