



# Youth Connection Charter School

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June 4, 2013

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**MISSION**  
**STATEMENT**

*The mission of the Youth Connection Charter School is to advocate, develop, and provide world class education to high school dropouts in partnership with the alternative high school community.*

*"Where a Second Chance is Never Too Late"*

Cliff Rallins  
Youth Connection Charter School  
10 W 35TH ST., STE. 11 F4-2  
Chicago, IL 60616

Federal Communications Commission  
445 12th St., S.W.  
Washington, D.C. 20554

Re: CC Docket No. 02-6

To Whom It May Concern:

Youth Connection Charter School ("YCCS") is a large charter school located in Chicago, Illinois currently serving over 4000 students, 90% of which are economically disadvantaged. As an active participant to the FCC's Schools and Library's E-Rate program since Funding Year 2007, we recognize the immense value that the program has in bringing technology services to our inner city campuses. The E-Rate program is enabling our students to gain access to 21<sup>st</sup> Century Learning resources that are necessary to succeed in today's competitive world. The key to this transformative process is in offering students engaging learning experiences by utilizing new technology services and equipment. The gateway for making this happen was through the exception outlined in the Gift Rule Clarification Order adopted in docket DA-10-2355. This Order fosters advancement in both service provisioning, and in acquiring new devices, similar to those being offered to the general public. I am writing to express our concern with the Public Notice that proposes a reversal of the *Gift Rule Clarification Order*.

YCCS's learning initiatives are not extravagant or lavish. We seek to ensure that our students keep pace with their economically advantaged peers across the nation while maintaining an acceptable cost structure. E-Rate funding has allowed YCCS to provide the benefits of modern teaching and learning, utilizing the advance technology services of our providers. Without the equipment we need to take advantage of the enhanced technical services and resources, we would deprive our students' access and limit their educational opportunities, a result that both the students and our nation can ill-afford.

The cost allocation policy, as proposed, could ultimately affect YCCS's overall technology planning decisions and the impact of those decisions will be shouldered by our students. YCCS would not have been able to afford the equipment that it has implemented, and its learning initiatives for this school year would have been in jeopardy, had it not been for the policy exception allowing YCCS to

receive an offer that was also made to similarly situated, non-E-Rate entities provided by our service provider.

The proposed cost allocation policy would impose an intolerable burden to us as an Applicant. As an Applicant who has sought funding for eligible services, allocated costs that were associated with ineligible components, and excluded costs related to equipment, the impact of the proposed policy change could be that a service provider will require an up-front payment for all equipment at the full retail price. The proposed cost allocation policy could largely negate the benefits that YCCS would receive from seeking E-Rate funding altogether.


Finally, the cost allocation requirements for bundled ineligible components as currently written are vague, and no guidelines have been proposed that allows us to determine if we can accommodate a new methodology addressing this additional cost allocation requirement. If the gift rules were changed as proposed, we can only assume that we would have to pay full price for the equipment, or determine the difference between the discounted price and the fair market value of the devices. If we choose to pay full price and take no downward adjustment to our funding for the provision of eligible services, we are taking yet another financial risk by purchasing high cost equipment out of pocket in anticipation of funding that may or may not be available. .

YCCS began its school year in 2012 and began implementing the learning initiatives that required the technological solutions and equipment that were proposed by the service provider it selected. As such, YCCS accepted a certain amount of risk by starting services under the agreement it executed with the selected service provider, knowing that it may be liable for amounts that it had requested E-Rate funding for but might not ultimately be committed. Thankfully, the YCCS request for FY2012 was addressed and approved as requested only a few short weeks ago in May ( our school year ends in June), after an extensive and thorough review by the Administrator. YCCS addressed multiple inquiries from the Administrator in review of our funding request and had to work very closely with our administration and service provider regarding billing of services that we could only hope would one day be funded.

Like most other similarly situated entities with budget limitations, any proposed changes that would assume additional risk in time or dollars, or require additional payments, are difficult or impossible to gain approval for. Additional cost allocation measures on top of what is already an extensive review process would seemingly serve only to further delay funding approvals, and increase the risks we already accept by starting services before a funding commitment is received, a step that is necessary to allow our students the learning experience they deserve.

We urge you to take these concerns into consideration when ruling on this proposed change. We share other commenter's' concerns that the proposed change would adversely impact all parties involved with the E-Rate funding process, not the least of which are our nation's economically disadvantaged students. Thank you for your consideration.

Sincerely,



Cliff Rallins

IT Director, YCCS