



February 28, 2013

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Ex Parte Notice in WC Docket No. 05-195 and CC Docket No. 02-6

Dear Ms. Dortch:

On February 20, 2013 the State E-rate Coordinators' Alliance (SECA) met with Lisa Hone, Esquire of the Telecommunications Access Policy Division of the Wireline Competition Bureau via conference call. The discussion included the SECA Petition for Clarification Regarding the Eligibility of Free VOIP Handsets and Other Bundled End User Equipment filed July 27, 2012 and that was subject to Public Notice DA-12-1325 released on August 10, 2012.

The SECA members in attendance were: Ginnie Harwood, Texas; Michael Andrews, Michigan; Jerome Browning, Alabama; Pam Jacobs, Iowa; Gary Rawson, Mississippi; Lorrie Germann, Ohio; Julia Legg, West Virginia; Win Himsworth, New York; Bob Bocher, Wisconsin; Kim Duvall, Kentucky; Brett Himsworth, New York; Anne Perloff, Maine; Sabrina Scott, Utah; Caroline LeBlanc, Louisiana; Tom Oseland, Illinois; Scott Kane, Kentucky; Susan Tenkhoff, Washington; Alford McKenzie, Florida; Kim Friends, Tennessee; Valerie Byrd, South Carolina; Julia Tritt Schell, Pennsylvania; Debra Kriete, South Dakota; Greg Weisiger, Virginia; Bridgett Duff, Florida; Russ Selken, California; Cathey George, Texas; Jeannene Hurley, North Carolina; Becky Rains, Arkansas; Valerie Oliver, Alaska.

The following was discussed during the meeting:

- SECA asked about the status of the FCC's review of the Petition and comments filed in the proceeding.
- SECA members observed that the FY 2013 Eligible Services Order (DA-12-1553 released September 27, 2012) stated that the FCC deferred action on the issue raised in the SECA Petition. Further the FY 2013 Eligible Services List states on page 7 that end user equipment is not eligible for support. SECA members conducted outreach and training based on this information and informed applicants that the FCC has not yet decided whether to allow support for bundled handsets and per the Eligible Services List, end user equipment is not eligible for support.
- Recently it has come to SECA members' attention that the SLD has decided to approve funding for hosted VOIP service offered by one particular vendor that includes bundled handsets without requiring a cost allocation. This development has created a great deal of frustration among applicants and other vendors offering hosted VOIP service because there is concern that the competitive playing field is not level and applicants are unsure whether they are at risk for denial of funding and the full amount of underlying contract costs if their funding requests include bundled handsets without performing a cost allocation.
- SECA members also mentioned that SECA's Reply Comments to its Petition filed September 24, 2012 contained information concerning one vendor's service offering that had a price disparity between hosted VOIP service bundled with handsets and without handsets. The following information appears on page 3 of SECA's Reply Comments:

SECA knows of one national vendor that, in response to an RFP for hosted VOIP services, proposed the monthly price of interconnected VOIP that included bundled handsets at \$28/seat (or per line) for a three-year contract. The same service – interconnected VOIP -- was priced at \$22 per month without VOIP handsets for the same three-year contract. Multiple school districts were offered the identical bundled pricing by this vendor.

- SECA strongly encouraged the Commission to give this issue the highest priority, as it is one of the largest unresolved eligibility issues to face the program since its inception.

Respectfully submitted,

/s/ Gary Rawson
Gary Rawson, Chair
State E-rate Coordinators' Alliance

cc: Lisa Hone, Esquire