In accordance with the terms set forth in the Civil Settlement Agreement ("Civil Settlement"), including in Paragraph 7, the Dallas Independent School District ("Dallas ISD") shall (i) take all reasonable steps to ensure that its future participation in the Schools and Libraries Program of the Universal Service Fund, commonly known as the E-Rate Program, complies fully with all program rules and requirements, including 47 U.S.C. § 254, orders, rules, and policies adopted by the Federal Communications Commission ("FCC"), guidance provided by the Universal Service Administrative Company ("USAC"), and with applicable federal, state, and local policies, rules, procedures, obligations, or restrictions regarding competitive bidding and procurement, including policies, rules, procedures, obligations, or restrictions regarding gifts, conflicts of interest, kickbacks, or ethics (collectively, "E-Rate Program Rules and Requirements"); (ii) inform the FCC and USAC of any Known, Alleged, or Suspected Non-Compliance as set forth herein; and (iii) implement the following practices and protocols to reduce the likelihood of a recurrence of the Covered Conduct that is the subject of the Civil Settlement. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Civil Settlement to which this E-Rate Compliance Agreement is appended.

A. General Provisions

1. Dallas ISD acknowledges and agrees that compliance with the terms of this E-Rate Compliance Agreement Regarding E-Rate Program Internal Controls, Monitoring, and Audit Requirements for the Dallas Independent School District ("E-Rate Compliance Agreement"), and its compliance with E-Rate Program Rules and Requirements are conditions of its receipt of E-Rate Program funds and its continued participation in the E-Rate Program.

2. Dallas ISD further acknowledges and agrees that if there is material non-compliance with any of the provisions of this E-Rate Compliance Agreement or with E-Rate Program Rules and Requirements, USAC will suspend all action on Dallas ISD’s E-Rate Program applications, including processing of applications and payment of funding commitments, until Dallas ISD demonstrates to the satisfaction of the FCC and USAC that Dallas ISD is in substantial compliance with each of the provisions of this E-Rate Compliance Agreement and in compliance with E-Rate Program Rules and Requirements. The Dallas ISD may submit any information that it believes should be considered prior to USAC’s decision to suspend action on applications and funding requests as described above. Pursuant to 47 C.F.R. § 54.719(c) of the FCC’s rules, USAC’s decisions may be appealed to, and are reviewable by, the FCC.
3. The Dallas ISD Superintendent of Schools shall (i) within sixty (60) calendar days following the Effective Date of the Civil Settlement Agreement ("Effective Date") appoint or hire a high-level Dallas ISD employee to serve as Dallas ISD's E-Rate Compliance Officer consistent with the requirements set forth below; (ii) monitor Dallas ISD's E-Rate Program activities to ensure that Dallas ISD complies with the terms of the Civil Settlement, including this E-Rate Compliance Agreement, and with E-Rate Program Rules and Requirements; and (iii) supervise the E-Rate Compliance Officer to ensure that he/she fully satisfies all of the obligations set forth herein.

4. Unless otherwise specified, the obligations set forth herein shall apply to the three (3) E-Rate Funding Years following the Effective Date (i.e., E-Rate Funding Years beginning July 1, 2009, July 1, 2010, and July 1, 2011), except that if Dallas ISD does not substantially comply with all E-Rate Program Rules and Requirements during each of the three (3) Funding Years (as demonstrated in FCC/USAC and/or the independent annual audits provided for in Paragraphs 17, 18 and 19 herein and the Annual Compliance Report provided for in Paragraphs 20 and 21 herein), or if Dallas ISD does not substantially satisfy each of the requirements of this E-Rate Compliance Agreement, the obligations set forth herein shall continue until Dallas ISD has complied fully for two (2) consecutive Funding Years.

5. The Parties intend and Dallas ISD agrees that this E-Rate Compliance Agreement shall remain in effect (the "Extension Period") until the FCC determines whether Dallas ISD has substantially fulfilled its obligations hereunder, including obligations that are due after the conclusion of the last applicable E-Rate Funding Year (e.g., the reports described in Paragraphs 17 and 20 herein). Such determination shall be made within sixty (60) calendar days after the last obligation imposed under this E-Rate Compliance Agreement, and shall generally identify the apparent or suspected non-compliance. Within thirty (30) calendar days thereafter, Dallas ISD may submit any additional materials or evidence that it believes would demonstrate its compliance. Dallas ISD may appeal a final decision of the Commission consistent with the Communications Act of 1934, as amended, and the FCC's rules.

6. A determination that Dallas ISD has substantially fulfilled a particular obligation in this E-Rate Compliance Agreement, or the lack of such a determination, is not intended to and shall not constitute a determination that Dallas ISD has complied with any or all E-Rate Program Rules and Requirements. Nothing in this E-Rate Compliance Agreement is intended to alter the E-Rate Program Rules and Requirements or USAC's existing procedures with respect to them. In addition, entry into this E-Rate Compliance Agreement, and the fact of Dallas ISD's compliance with the terms thereof, does not constitute a defense in any civil, criminal, or administrative proceeding against Dallas ISD brought by or on behalf of any federal or state governmental entities, USAC or E-Rate Program applicant (e.g., any qui tam litigation) alleging violations of the E-Rate Program Rules and Requirements, including applicable state or federal fraud, conspiracy, or antitrust laws as applied to the E-Rate Program; provided however, that Dallas ISD may, in response to any such claim or proceeding, present evidence or otherwise describe its efforts to comply with E-Rate Program Rules and Requirements, whether or not such efforts were taken in connection with this E-Rate Compliance Agreement. Dallas ISD's compliance with the terms of this E-Rate Compliance Agreement shall not limit the investigation of any alleged violations of E-Rate Program Rules and Requirements rules by the FCC or USAC or any associated enforcement activity.
7. "Business Day" means any day other than a Saturday, Sunday or a day on which the Dallas ISD Central Office is closed, as set forth in the applicable Calendar of Work Days for Dallas ISD personnel, available at www.dallasisd.org.

8. This E-Rate Compliance Agreement is binding on the successors and assigns of the signatories hereto.

B. E-Rate Compliance Policy and Training Requirements

9. Within sixty (60) calendar days of the Effective Date, Dallas ISD shall (i) formally adopt a comprehensive E-Rate Compliance Policy (the “Dallas ISD E-Rate Compliance Policy”) that is consistent with E-Rate Program Rules and Requirements, including taking all procedural steps necessary to approve and adopt implementing regulation(s); and (ii) establish, at the direction of the Dallas ISD Superintendent, the policies and procedures set forth in Paragraph 10 (e.g., a system of internal controls, competitive bidding procedures, a system of internal monitoring and compliance review, an education and training program, appointment of a compliance officer, and direction to the Dallas ISD internal auditor). Within ten (10) Business Days of their respective adoptions, Dallas ISD shall provide copies of said policy and of the implementing regulation(s), policies, and procedures to the FCC’s Office of Inspector General (“FCC-OIG”), USAC’s Office of General Counsel (“USAC-OGC”), the FCC’s Office of General Counsel (“FCC-OGC”), the FCC’s Wireline Competition Bureau (“FCC-WCB”), and the FCC’s Enforcement Bureau (“FCC-EB”).

10. At a minimum, the Dallas ISD E-Rate Compliance Policy shall accomplish the following:

   a. Incorporate expressly the requirements of this E-Rate Compliance Agreement;

   b. Establish a system of internal controls that ensures high-level management oversight and appropriate review of all Dallas ISD’s E-Rate Program activities;

   c. Establish procedures to ensure that the competitive bidding process for E-Rate Program goods and services is “fair and open” and consistent with the Commission’s rules and requirements, (see, e.g., 47 C.F.R. §§ 54.504(a), 54.511, 54.513, and 54.523; Request for Review of the Decision of the Universal Service Administrator by Caldwell Parish School District, 23 FCC Rcd 2784 (2008); Request for Review of the Decision of the Universal Service Administrator by Ysleta Independent School District, 18 FCC Rcd 26407 (2003); Request for Review of Decisions of Universal Service Administrator by Mastermind Internet Services, Inc., 16 FCC Rcd 4028 (2000), and guidance on USAC’s website, http://www.usac.org),
including detailed guidance for Dallas ISD employees on accepting gifts or other things of value from service providers, consultants, or other E-Rate Program participants;

d. Establish a system of internal monitoring and compliance review, including the steps to be taken if any Dallas ISD employee suspects (i) that any bid, proposal, or submission for E-Rate funding or other E-Rate Program related conduct is not in accordance with the Dallas ISD E-Rate Compliance Policy, with procurement, competitive bidding, and other state, local, school district, or other applicable laws, regulations, and procedures, or with E-Rate Program Rules and Requirements; (ii) that any gifts or other items of value have been offered or received by any party associated with, seeking to participate in, or otherwise involved in the Dallas ISD’s E-Rate Program; or (iii) that Dallas ISD or any of its E-Rate Program Vendors has improperly requested payment for goods or services not provided or has overcharged for goods and services;

e. Require education and training (i) for all Dallas ISD employees who are substantively involved with the E-Rate Program or who oversee, supervise, or advise other employees on their E-Rate Program related duties, and (ii) for all individuals or entities that were hired or engaged to assist Dallas ISD in its participation in the E-Rate Program or that are otherwise substantively involved on Dallas ISD’s behalf with the E-Rate Program (together “Applicable Dallas ISD Personnel”). Such education and training must include (i) the obligations of E-Rate Program applicants, including those obligations imposed under applicable procurement and competitive bidding laws, regulations and procedures (e.g., Dallas ISD conflict of interest and gift policies), E-Rate Program Rules and Requirements, and the Dallas ISD E-Rate Compliance Policy; and (ii) the potential consequences of non-compliance and, specifically, any failure to follow competitive bidding requirements, including recission of commitments, recoupment of disbursed E-Rate Program funds, criminal and civil prosecution, and suspension and debarment from the E-Rate Program. As part of its training program, Dallas ISD shall provide to all Applicable Dallas ISD Personnel a copy of USAC’s weekly Schools and Libraries News Brief and shall send the E-Rate Compliance Officer and other appropriate Dallas ISD representatives responsible for ensuring

1 The term Applicable Dallas ISD Personnel does not include the vendors that provide goods or services for which Dallas ISD seeks support under the E-Rate Program (“Vendors”), but Applicable Dallas ISD Personnel does include, inter alia, individuals or entities that: determine whether goods or services are eligible for support under the E-Rate Program; prepare bids; communicate and/or work with E-Rate service providers, E-Rate consultants or USAC; perform other contractual activities related to the E-Rate Program; prepare, review, approve, sign or submit E-Rate applications, technology plans or other forms related to the E-Rate Program; are responsible for auditing and monitoring Dallas ISD’s compliance with the terms of this E-Rate Compliance Agreement and with E-Rate Program Rules and Requirements and for establishing contractual and other requirements to ensure training of contractors, consultants and other entities/individuals substantively involved on behalf of Dallas ISD with the E-Rate Program.
compliance with E-Rate Program Rules and Requirements and with this E-Rate Compliance Agreement to the applicant training sessions that USAC offers annually.

f. Require the appointment of a high-level Dallas ISD employee (to be designated by the Dallas ISD Superintendent of Schools as specified above) to serve as the E-Rate Compliance Officer responsible for implementing this E-Rate Compliance Agreement and enforcing the Dallas ISD E-Rate Compliance Policy. The E-Rate Compliance Officer shall report directly to the Dallas ISD Superintendent. The E-Rate Compliance Officer and any employees under his/her immediate supervision shall not be affiliated with or compensated by any service provider, consultant, or other outside entity with whom Dallas ISD does business related to the E-Rate Program. The E-Rate Compliance Officer shall have experience or obtain training in substantive areas, including procurement, as necessary to satisfy all of the obligations set forth in Paragraph 11, below.

g. Direct the internal auditor to include within the annual scope of work the internal auditing program outlined in Paragraph 11.h, below.

C. E-Rate Compliance Officer, Role and Responsibilities

11. The E-Rate Compliance Officer shall:

a. Create and oversee internal policies and requirements to ensure that all E-Rate Program activities are conducted in accordance with state and local procurement and other applicable laws, Dallas ISD conflict of interest and gift policies, and E-Rate Program Rules and Requirements, including the Commission’s rules and orders requiring a “fair and open” competitive bidding process. In coordination with the Dallas ISD Superintendent of Schools, the E-Rate Compliance Officer shall (i) develop such internal policies and procedures within one hundred and twenty (120) calendar days of the Effective Date so that such policies and procedures can take effect within one hundred and fifty (150) calendar days of the Effective Date, and (ii) propose modifications to the Dallas ISD E-Rate Program policies and procedures from time to time as appropriate, for review and adoption by the appropriate entities. The E-Rate Compliance Officer shall provide copies of the policies and procedures to the FCC or USAC upon request.

b. Ensure that Dallas ISD complies fully with the provisions of the Dallas ISD E-Rate Compliance Policy.
c. Report any Known, Alleged, or Suspected Non-Compliance with the Dallas ISD E-Rate Compliance Policy adopted pursuant to Paragraphs 9 and 10 herein, with E-Rate Program Rules and Requirements, or with this E-Rate Compliance Agreement within two (2) Business Days to Dallas ISD’s Superintendent of Schools and to the Executive Director of the Dallas ISD Office of Professional Responsibility (or to the head of any successor entity).

d. Create and oversee an ongoing mandatory education and training program for all Applicable Dallas ISD Personnel as set forth herein and in the Dallas ISD E-Rate Compliance Policy. Applicable Dallas ISD Personnel shall receive E-Rate Program training within one hundred and fifty (150) calendar days of the Effective Date, and thereafter, within sixty (60) calendar days after any Applicable Dallas ISD Personnel begins work for or on behalf of Dallas ISD. The training program shall include information about (i) applicable procurement and other laws (including state and local procurement laws and Dallas ISD conflict of interest and gift policies); (ii) the Dallas ISD E-Rate Compliance Policy; (iii) E-Rate Program Rules and Requirements (as periodically updated), including those regarding submission of invoices to USAC and the Commission’s rules and orders requiring a “fair and open” competitive bidding process; and (iv) the requirements and consequences of non-compliance, including those set forth in Paragraphs 10.e and 22, herein. The training should incorporate training materials available from USAC.

All Applicable Dallas ISD Personnel must receive such training at least annually. Applicable Dallas ISD Personnel must certify that they have attended training, and the E-Rate Compliance Officer shall retain those certifications (i) as required by 47 C.F.R. § 54.516 and (ii) in accordance with the guidance in the Schools and Libraries Universal Service Support Mechanism, Fifth Report and Order, 19 FCC Rcd 15808, 15823-25 (2004). The E-Rate Compliance Officer will provide to the FCC or USAC, upon request, information about the Dallas ISD E-Rate training program established pursuant to this Paragraph.

e. Work with Dallas ISD legal counsel to require that contracts with Vendors certify that within sixty (60) calendar days of the beginning of the contract term, the Vendors’ personnel who will be handling Dallas ISD matters (i) have reviewed the rules and requirements governing the E-Rate Program as well as training materials specified by USAC (including the information identified for service providers on the schools and libraries section of USAC’s website, http://www.usac.org/sl/, and the information in the Schools and Libraries Reference Area of the website); (ii) shall make best efforts to attend USAC-sponsored training workshops; and (iii) shall subscribe to and timely review the weekly Schools and Libraries Newsbrief at http://www.usac.org/sl/tools/news-briefs/Default.aspx.
f. Distribute information to all Applicable Dallas ISD Personnel in a timely manner about E-Rate Program Rules and Requirements, including updates and changes in the E-Rate Program Rules and Requirements, and ensure consistent implementation of E-Rate Program Rules and Requirements throughout Dallas ISD.

g. Distribute to all Applicable Dallas ISD Personnel a summary of and other appropriate information about applicable (e.g., Dallas ISD, local, state, or federal) conflict of interest and gift policies or rules. This information shall be distributed within ninety (90) calendar days of the Effective Date or within five (5) Business Days of when any Applicable Dallas ISD Personnel begins employment or when any other individual or entity engaged to assist Dallas ISD in its participation in the E-Rate Program begins work on behalf of the Dallas ISD (whichever is sooner), and at least annually thereafter, as well as within five (5) Business Days of any change in such policies or rules.

h. Within ninety (90) calendar days of the Effective Date, meet with the Dallas ISD internal auditor regarding the internal auditing program of Dallas ISD’s E-Rate Program activities. The E-Rate Compliance Officer shall cooperate fully with the internal auditor with regard to the internal auditing program. Dallas ISD may hire a third-party auditor to serve as the internal auditor. The internal auditing program should be consistent with generally accepted government auditing standards (“GAGAS”), and should be designed to ensure that:

(i) Dallas ISD is complying with the terms of this E-Rate Compliance Agreement, the Dallas ISD E-Rate Compliance Policy, and E-Rate Program Rules and Requirements;

(ii) prices and design specifications are consistent with the applicable bid request and technology plan;

(iii) the selected bid is consistent with the bid request;

(iv) there is no improper contact with potential service providers before, during or after the bidding process, including conflicts of interest and the exchange of gifts or other things of value which could taint the competitive bidding process or create the appearance of a quid pro quo for the contract;

(v) there are no hidden terms, side agreements or payments, other undisclosed arrangements, or conflicts of interest that are inconsistent with applicable requirements or policies; and
(vi) all contracts related to E-Rate Program goods or services, and the bidding processes associated with contracts for these goods and services, comply with all applicable laws and procedures, including all competitive bidding procedures, Dallas ISD conflict of interest and gift policies, all local and state procurement laws, and E-Rate Program Rules and Requirements.

i. Within ninety (90) calendar days of the Effective Date (i) publicize the USAC whistleblower telephone number; (ii) create/maintain, oversee and publicize the availability of a Dallas ISD hotline that Dallas ISD employees and any other person can use to report anonymously any known or suspected violations of E-Rate Program Rules and Requirements; and (iii) monitor the hotline and investigate any matter reported. The Dallas ISD hotline shall be available 24 hours a day, 7 days a week, and shall include prompts in English and Spanish.

j. Report regularly, and at least quarterly, to the Dallas ISD Superintendent of Schools about actions taken, and those that should be taken, to enforce the terms of this E-Rate Compliance Agreement and the Dallas ISD E-Rate Compliance Policy—including responses to any anonymous complaints or reports received and compliance with the obligations in Paragraphs 9 and 10 of the E-Rate Compliance Agreement.

k. Report, as soon as reasonably possible and within no later than five (5) Business Days of discovery thereof, any Known, Alleged, or Suspected Non-Compliance with this E-Rate Compliance Agreement, the Dallas ISD E-Rate Compliance Policy, or with E-Rate Program Rules and Requirements, to the FCC-OIG, FCC-OGC, and USAC.

l. Within ninety (90) calendar days of the Effective Date, inform all Applicable Dallas ISD Personnel and Vendors that violations of E-Rate Program Rules and Requirements and the Dallas ISD E-Rate Compliance Policy may be grounds for disciplinary action, including warning, censure, reprimand, suspension and loss of pay and dismissal, or for Vendors, contract rescission or debarment, depending on the severity of the violation and the repetitive nature of the misconduct.

m. Review all FCC Form 470s, 471s, 472s, 486s, and 500s, and documents or attachments thereto before they are submitted to USAC to ensure (i) compliance with all applicable laws and procedures and E-Rate Program Rules and Requirements and the Dallas ISD E-Rate Compliance Policy may be grounds for disciplinary action, including warning, censure, reprimand, suspension and loss of pay and dismissal, or for Vendors, contract rescission or debarment, depending on the severity of the violation and the repetitive nature of the misconduct.

Review all FCC Form 474s prior to the service providers' submission of
the form to USAC to ensure that the eligible goods and services have been
delivered or installed, or that the charges are for progress/up-front charges
for services that will be provided on an installment or ongoing basis
pursuant to contract.

n. Retain documents (i) as required by 47 C.F.R. § 54.516 and (ii) in
accordance with the guidance in the Schools and Libraries Universal
Service Support Mechanism, Fifth Report and Order, 19 FCC Red 15808,
(2004). Dallas ISD also shall retain all documents that are related to this
E-Rate Compliance Agreement, including documents relevant to
determining compliance or non-compliance with this E-Rate Compliance
Agreement. Dallas ISD shall retain the documents for five (5) years
following completion of the E-Rate Compliance Agreement, as set forth in
Paragraphs 4 and 5 herein.

12. If the Dallas ISD Superintendent of Schools, the Dallas ISD, or the E-Rate
Compliance Officer determines that there has been any non-compliance with the terms of this E-
Rate Compliance Agreement, the Dallas ISD E-Rate Compliance Policy, or with E-Rate Program
Rules and Requirements, the Dallas ISD (through its Superintendent of Schools or otherwise)
shall within five (5) Business Days of such determination notify USAC-OGC, FCC-OIG, FCC-
OGC, FCC-WCB, and FCC-EB of any such non-compliance, including a detailed summary of
the surrounding circumstances and any efforts to remedy the non-compliance. Dallas ISD
recognizes that under the Commission’s rules some instances of non-compliance may taint the
underlying funding request(s). In that case, Dallas ISD agrees to voluntarily withdraw any such
funding request(s) and associated invoice(s), to relinquish any funding commitment(s) associated
with non-compliance with E-Rate Program Rules and Requirements (as determined by the FCC
and USAC), and to relinquish any rights it may have to seek payments related to such requests,
invoices or commitments, provided however that Dallas ISD (i) may seek a determination from
the Commission that any non-compliance with the E-Rate Compliance Agreement is not
material, and (ii) may seek review of USAC decisions, pursuant to 47 C.F.R § 54.719(c).

D. Conflicts of Interest and Gifts

13. Within ten (10) Business Days of the Effective Date, Dallas ISD shall submit to
USAC-OGC, FCC-OIG, FCC-OGC, FCC-WCB, and FCC-EB a copy of all applicable (i.e.,
Dallas ISD, local, and state) conflict of interest and gift policies, rules and regulations, and shall
promptly provide any updates or changes to such policies, rules, and regulations on an ongoing
basis.

14. For a period of one (1) year following the Effective Date, all Applicable Dallas
ISD Personnel shall be prohibited from accepting any gifts, meals, entertainment, or any other
thing of value (except for items of little intrinsic value, such as greeting cards, key chains and
pens) from any outside entity that provides or seeks to provide goods or services pursuant to the
E-Rate Program. Thereafter, Applicable Dallas ISD Personnel may only accept such gifts, items
or other things of value to the extent consistent with applicable state, local and federal law,
including E-Rate Program Rules and Requirements (e.g., the rules requiring a "fair and open" competitive bidding process), the Dallas ISD E-Rate Compliance Policy and other school district policies.

E. Monitoring E-Rate Compliance; Annual Audits

15. Not later than ninety (90) calendar days after the Effective Date, Dallas ISD shall submit to the FCC-OIG, USAC-OGC, FCC-OGC, FCC-WCB, and FCC-EB an initial compliance milestones report ("Initial Report") signed by the Superintendent of Schools and the E-Rate Compliance Officer summarizing all of the efforts undertaken to date to comply with this E-Rate Compliance Agreement. The Initial Report shall describe in detail the status of Dallas ISD's performance of the following obligations under the E-Rate Compliance Agreement: the designation of an E-Rate Compliance Officer, the adoption of a comprehensive E-Rate Compliance Policy, the gift prohibition, development and implementation of an E-Rate Program training program, and the distribution of information about E-Rate Program Rules and Requirements. The Initial Report shall also include copies of any policies adopted pursuant to this E-Rate Compliance Agreement or the Dallas ISD E-Rate Compliance Policy.

16. Not later than one hundred and twenty (120) calendar days after the Effective Date, the Dallas ISD Superintendent of Schools shall certify to the FCC-OIG, FCC-OGC, FCC-WCB, FCC-EB, and USAC-OGC (a) that all contracts entered into, renewed, or extended after the Effective Date include (or will include) the following provisions, and (b) that for existing contracts, Dallas ISD has made best efforts to add the following provisions to the contract:

a. requiring each Vendor to expressly acknowledge (i) that the E-Rate Program is a federal program and that compliance with E-Rate Program Rules and Requirements – including the obligations to comply with state and local procurement laws, applicable federal laws (e.g., the Commission's rules and orders requiring a "fair and open" competitive bidding process free from conflicts of interest and inappropriate gift giving), and the instructions, notices, and certifications in the E-Rate Program application forms – is a condition of receiving Universal Service Fund payments and of participation in the E-Rate Program; and (ii) that USAC is obligated to recover funds disbursed in violation of E-Rate Program Rules and Requirements. See, e.g., Federal-State Joint Board on Universal Service, Changes to the Board of Directors for the National Exchange Carrier Association, Inc., Schools and Libraries Universal Service Support Mechanism, Order on Reconsideration and Fourth Report and Order, CC Docket Nos. 96-45, 97-21, 02-6, 19 FCC Red 15252 (2004); Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Fifth Report and Order, 19 FCC Red 15808 (2004));

b. requiring each Vendor to submit FCC Form 474 to Dallas ISD for review and approval before the Vendor submits FCC Form 474 to USAC for payment; and
c. requiring each Vendor to certify that within sixty (60) calendar days of the beginning of the contract term, their personnel who will be handling Dallas ISD E-Rate Program matters have reviewed the rules and requirements governing the E-Rate Program as well as training materials specified by USAC, as set forth in Paragraph 11.e, above.

17. Dallas ISD annually will obtain and pay for an independent (i.e., third-party) audit of and associated audit report ("Independent Audit Report") on its compliance with this E-Rate Compliance Agreement, the Dallas ISD E-Rate Compliance Policy, and E-Rate Program Rules and Requirements related to the applicable E-Rate Program Funding Year. Dallas ISD shall timely complete each annual audit in a manner that is consistent with GAGAS, such that the final Independent Audit Report can be submitted with the Annual Compliance Report as required by Paragraph 20 herein.

18. At the close of any Extension Period, if triggered under the terms of Paragraph 5 herein, Dallas ISD shall obtain at its expense and submit to the FCC-OIG, FCC-OGC, FCC-WCB, FCC-EB, and USAC-OGC an Extension Period Audit by an independent auditor consistent with the audit requirements in Paragraph 17 herein and shall also submit a detailed Extension Period E-Rate Compliance Report describing the remedial steps it has taken to address any instances of non-compliance previously identified by the FCC or uncovered by Dallas ISD as part of its regular compliance monitoring and oversight.

19. Dallas ISD acknowledges that the FCC-EB, FCC-OIG, or USAC, acting directly or through agents, may review or audit Dallas ISD’s compliance with applicable laws, rules and requirements relating to the E-Rate Program (including the rules and policies requiring a “fair and open” competitive bidding process free from conflicts of interest and inappropriate gift giving) to assure adherence to such laws, rules, and requirements. Dallas ISD shall assist in and cooperate with such review or audit by promptly complying with requests for information or documents, permitting inspection of physical premises and equipment, and making requested and relevant personnel available. Dallas ISD also shall maintain records in a manner that permits any auditor to evaluate compliance with E-Rate Program Rules and Requirements. Audits or investigations may include periodic unscheduled visits or interviews to “spot check” E-Rate Program compliance and compliance activities.

F. Annual E-Rate Compliance Report to the FCC

20. Beginning in 2010, by December 31 of each year (i.e., on December 31, 2010, December 31, 2011, and December 31, 2012), Dallas ISD shall submit to the FCC-OIG, USAC-OGC, FCC-OGC, FCC-WCB, and FCC-EB a report signed by the Superintendent of Schools and the E-Rate Compliance Officer under penalty of perjury, describing in detail Dallas ISD’s (i) efforts to comply with all E-Rate Program Rules and Requirements applicable to the most recently completed E-Rate Program Funding Year, and (ii) efforts to comply with the terms of this E-Rate Compliance Agreement and the Dallas ISD E-Rate Compliance Policy during that same period ("Annual Compliance Report").
21. The Annual Compliance Report shall include copies of the Independent Audit Report required by Paragraph 17 herein and any other audits, compliance review, or monitoring reports that may have been generated during the reporting period (including all reports submitted by the E-Rate Compliance Officer to the Executive Director, Dallas ISD Office of Professional Responsibility (or to the head of any successor entity), and/or the Dallas ISD Superintendent of Schools). The Annual Compliance Report shall also include certifications by the Dallas ISD Superintendent of Schools that (i) all required oversight, training, education, reporting, and other E-Rate Program compliance activities were undertaken in accordance with the requirements of this E-Rate Compliance Agreement and the Dallas ISD E-Rate Compliance Policy, and (ii) contracts associated with pending E-Rate Program funding requests or commitments were entered into pursuant to a "fair and open" competitive bidding process, and that no person involved in the design or preparation of the RFP or other bid request documents, evaluation of the bids submitted and award of any contract received gifts or benefits (monetary or non-monetary) from the contractor or any individual(s) or entity(ies) affiliated with the contractor. In the alternative, the Annual Compliance Report shall identify any provision of this E-Rate Compliance Agreement and of the Dallas ISD E-Rate Compliance Policy with which Dallas ISD did not comply, and explain the steps taken, and/or those that will be taken, to correct any non-compliance and ensure future compliance. The Annual Compliance Report shall also include a detailed description of any violation or alleged violations of E-Rate Program Rules and Requirements that were identified during the Funding Year, and the steps Dallas ISD has taken or plans to take to cure the violations and to ensure future compliance.

22. Dallas ISD agrees that if it fails to provide any Annual Compliance Report required herein on a timely basis, USAC will place a hold on pending and future funding commitments, and may also place a hold on the disbursement of E-Rate Program funds related to Dallas ISD, until the FCC and USAC receive such Report. If this provision is triggered by Dallas ISD's failure to timely submit any Annual Compliance Report, Dallas ISD shall notify its service providers of this provision. The FCC and USAC agree that upon request by Dallas ISD and a determination by the FCC that there is good cause, the deadline for filing any Annual Compliance Report may be extended for a reasonable period.

23. Dallas ISD acknowledges that non-compliance by the Dallas ISD with E-Rate Program Rules and Requirements in the future may result in a determination that Dallas ISD must reimburse the Universal Service Fund. See e.g., In the Matter of Schools and Libraries Universal Service Support Mechanism, Fifth Report and Order, 19 FCC Rcd 15808, 15814-18 (2004). Dallas ISD also acknowledges that neither USAC nor the FCC is obligated to provide E-Rate Program discounts for goods or services provided pursuant to a contract that does not comply with E-Rate Program Rules and Requirements, including the Commission’s rules and orders requiring a “fair and open” competitive bidding process, or otherwise in contravention of the E-Rate Program Rules and Requirements, and that the E-Rate Program provides that payments made for services or equipment provided pursuant to a tainted contract(s) are subject to recovery. Dallas ISD further acknowledges that it may be obligated to reimburse the Universal Service Fund, potentially up to the full amount of any E-Rate Program funds disbursed to or on behalf of Dallas ISD relating to any E-Rate Program contract(s), in the event that such Universal Service Fund payments were disbursed to or on behalf of Dallas ISD for services or equipment
provided pursuant to a tainted contract(s) or otherwise in contravention of E-Rate Program Rules and Requirements. Dallas ISD shall provide a copy of this Paragraph to the Dallas ISD Board of Trustees and any other individuals or entities responsible for structuring and implementing Dallas ISD’s technology plan or for allocating the district’s financial resources.

G. Notices and Reports

24. All notices, reports, disclosures, or other communications required by this E-Rate Compliance Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally; (ii) on the day of transmission if sent via facsimile transmission to the facsimile number given below and telephonic confirmation of receipt is obtained promptly; or (iii) on the day after delivery to an overnight courier service, prepaid and properly addressed as follows:

(a) If to the FCC Office of Inspector General:

Inspector General (or designee)
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554
Telephone: (202) 418-0470
Facsimile: (202) 418-2811

(b) If to USAC:

General Counsel (or designee)
Universal Service Administrative Company
2000 L Street N.W., Suite 200
Washington, D.C. 20035
Telephone: (202) 776-0200
Facsimile: (202) 776-0800

(c) If to the FCC Office of General Counsel:

General Counsel (or designee)
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554
Telephone: (202) 418-1700
Facsimile: (202) 418-2822
(d) If to the Wireline Competition Bureau:

Bureau Chief (or designee)
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554
Telephone: (202) 418-1500
Facsimile: (202) 418-2825

(e) If to the Enforcement Bureau:

Bureau Chief (or designee)
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554
Telephone: (202) 418-7450
Facsimile: (202) 418-2810

(f) If to the Dallas ISD:

Superintendent of Schools
Dallas Independent School District
3700 Ross Avenue
Dallas, Texas 75204-5491

With copies to:

Office of Legal Services
Dallas Independent School District
3700 Ross Avenue Box 69
Dallas, Texas 75204
Telephone: (972) 925-3250
Facsimile: (972) 925-3251

Executive Director of Information Technology
Dallas Independent School District
3700 Ross Avenue Box 69
Dallas, Texas 75204
Telephone: (972) 925-5612
Facsimile: (972) 925-5781
25. The individuals signing this E-Rate Compliance Agreement on behalf of Dallas ISD represent and warrant that they are authorized by Dallas ISD to execute this agreement. The FCC signatory represents that she is signing this agreement in her official capacity and that she is authorized to execute this agreement.

FEDERAL COMMUNICATIONS COMMISSION

DATED: 6/25/09  
BY:  
P. Michele Ellison  
Acting General Counsel  
Federal Communications Commission

DALLAS INDEPENDENT SCHOOL DISTRICT

DATED: 6/25/09  
BY:  
Michael Hinojosa, Ed.D.  
Superintendent of Schools  
Dallas Independent School District

Approved as to Form:

Lee Simpson  
Office of Legal Services  
Dallas Independent School District