

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 6, 2016
TO: Carlotta Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Curtis J. Williams, Office of Telecommunications *CJW* *LF*
RE: Docket No. 140029-TP - Document Filing *brf*

Please file a copy of the attached document from James Forstall in Docket No. 140029-TP. The document is a letter explaining FTRI's intention to decertify from the National Deaf-Blind Equipment Distribution Program.

Please let me know if you have any questions.

Attachments

cc: Beth Salak
Pamela Page
Greg Fogleman
Jeff Bates

RECEIVED-FPSC
2016 APR -6 PM 4: 11
COMMISSION
CLERK

Curtis Williams

From: Beth Salak
Sent: Tuesday, March 29, 2016 3:07 PM
To: Pamela H. Page; Curtis Williams; Jeff Bates
Cc: Greg Fogleman; Mark Long
Subject: FW: Letter to Decertify from the NDBEDP
Attachments: Decertify Letter from NDBEDP to FPSC.pdf

fyi

From: James Forstall [<mailto:jforstall@ftri.org>]
Sent: Tuesday, March 29, 2016 2:36 PM
To: Beth Salak
Cc: Bradley, Cecil F.; Greer, Stan L; McCabe, Thomas M.; Bradin, Elizabeth; Doc Horton; khancock@nefcom.net; Brett Bascom; Robert Telfer; Willis, Bettye J
Subject: Letter to Decertify from the NDBEDP

Beth,

Attached is a letter explaining FTRI's intention to decertify from the NDBEDP. Should you have any questions or need additional information, please feel free to contact me.

Thank
you,

James

James Forstall, Executive Director
Florida Telecommunications Relay Inc. (FTRI)
1820 E Park Avenue, Suite 101
Tallahassee, FL 32301
jforstall@ftri.org
850-270-2641 (VP)

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March 28, 2016

Beth Salak, Director
Office of Telecommunications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Beth:

This is to follow up on your conversation with our counsel regarding the National Deaf-Blind Equipment Distribution Program (NDBEDP) administered by the Federal Communications Commission (FCC) and our consideration to decertify as a participant in that program. After further review and analysis of our participation, we have concluded it would be prudent to decertify as a participant in the NDBEDP.

FTRI was certified by the FCC to participate in the program and receive reimbursement for that participation from the TRS Fund in 2012. Initially, the program was to be a pilot program for two years, but that pilot program has been extended to its fourth year and there is a possibility the pilot program will be extended for a fifth year under the current rules and requirements. Under current FCC guidelines, FTRI is reimbursed the cost of the equipment purchased and distributed, assessment of clients, training of clients and administrative costs associated with the program to a cap of 15% of the cost of the reimbursable expenses. Some costs are not recoverable.

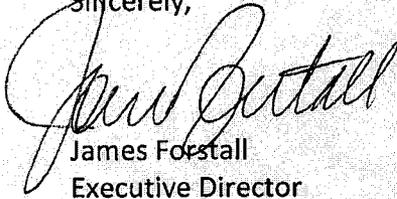
At the time we applied to the FCC for certification in 2011, the Board directed that participation in the FCC program not take away from our focus on TASA, which is our statutory charge, or result in use of surcharge revenues to support the federal program. While we have followed that guidance, it is now our view that may become more challenging. A review of the revenues and expenses associated with the NDBEDP for the past two quarters (Attached) reflect that expenses are beginning to exceed revenues, confirming our concerns which prompted the discussion you had with our counsel several months ago. We believe future activities may yield more of a burden due to the 15% administrative cap. The nature of reimbursable expenses is shifting to lower cost equipment, as well as maintenance and repair issues, all of which take considerable more administrative time than a new client, and yield a lower administrative reimbursement using the 15% cap.

The NDBEDP is not as large a program as TASA compared to clients served because of the specialized nature of the equipment and the FCC guidelines, and does not lend itself to using existing distribution arrangements. As a result, the administrative portion of the NDBEDP is

handled by the main office personnel, all of whom have duties with TASA. FTRI uses independent contractors for assessment and training services, but because the equipment distributed is specialized, the nature of serving the Deaf-Blind community varies due to a wide array of needs, i.e. severity of deafness or blindness, onset of disabilities, technological skill level, communication challenges, all of which contributes to additional time demands on staff.

While we recognize the benefits of the NDBEDP, we are mindful that our purpose is to be the administrator of TASA as outlined in Chapter 427, Florida Statutes, and when all things are considered, we believe that it is in the best interest of TASA for FTRI to decertify with the NDBEDP as other states have done, and we plan to advise the FCC of this action.

Sincerely,

A handwritten signature in black ink, appearing to read "James Forstall". The signature is written in a cursive style with a large initial "J".

James Forstall
Executive Director

Attachment

CC: FTRI Board of Directors

Florida National Deaf Blind Equipment Distribution Program
Administered by FTRI

2015-2016	QTR1	QTR 2	QTR3	QTR4	Total
Revenue	43014.86	23133.78			66148.64 0.00
Expenses-Prgm	32521.73	18322.58			50844.31
Expenses-Admin	5047.68	5200.28			10247.96
audit	5000.00				5000.00
Expenses-staff	4618.80	5990.63		0.00	10609.43
Net	-4173.35	-6379.71	0.00	0.00	-10553.06
					-10553.06