2003.19.03 11:56:59 Kansas Corporation Commission 737 Susan K. Duffe

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

	Brian J. Moline, Chair ohn Wine
	Lobert E. Krehbiel
In the Matter of Filing the Audit Repo for the Kansas Universal Service Fun- Fiscal Year 2001/2002 and Providing	•
Recommendations for Future Audits.)

ORDER ACCEPTING AUDIT RECOMMENDATIONS

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for a decision. Being familiar with its files and records and fully advised in the premises, the Commission finds and concludes as follows:

- 1. On September 19, 2003, Staff filed a Motion to Accept Audit Report and Consider Recommendations in this docket. Staff explained that the National Exchange Carrier Association (NECA), which administers the Kansas Universal Service Fund (KUSF), had filed its report on the audits performed annually to ascertain the accuracy of the reporting by contributors to the KUSF for fiscal year 2001/2002, in accordance with K.S.A. 66-2010(b), and that NECA had also provided certain recommendations for future audits. NECA's Report was attached to Staff's Motion. As in previous years Staff's Motion was served by posting it to the Commission's web site.
- 2. On September 26, 2003, the Commission issued an Order in this docket approving NECA's Audit Report for the 2001-2002 KUSF fiscal year. In that Order, the Commission also solicited comments on two recommendations provided by NECA for applications to future KUSF audits. They are:
 - a. Continue to permit desk audits for small contributors.

b. Revise the Remittance Worksheet instructions to make clear that intrastate revenues from non-taxable entities are assessed for the KUSF.

The Commission requested comments on NECA's recommendations by October

10, 2003. That Order, with NECA's Audit Report attached, was served on all contributors to the

KUSF. It informed all KUSF contributors that the final Order would be posted on the

Commission's web page: http://www.kcc.state.ks.us/ It requested any party who wanted to be

served with the final Order by mail to so notify the Commission no later than October 10, 2003.

4. The Commission received no comments on NECA's recommendations, nor any

requests for service by mail.

3.

5. The Commission finds that NECA's recommendations for future audits shall be

approved. The Commission further finds this Order shall be served by posting on the

Commission's web page.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. NECA's recommendations for future audits are approved.

B. This Order shall be served by posting on the web page.

C. The parties have fifteen days from the date of service of this Order in which to

request rehearing on any matter decided herein.

D. The Commission retains jurisdiction over the subject matter and the parties for the

purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Moline, Chr.; Wine, Com.; Krehbiel, Com.

ORDER MAILED

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Susan K. Duffy Executive Director

EP

Dated:

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<u>CERTIFICATE OF SERVICE</u> (04-GIMT-254-AUD)

On thisday of
Audit Recommendations was served by posting it on the Commission's web site:
www.kcc.state.ks.us.

Parnels Hiffeth