

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the Matter of the Audit of Avid)
Communications LLC by the Kansas)
Universal Service Fund (KUSF) Administrator) Docket No. 24-IRHT-110-KSF
Pursuant to K.S.A. 66-2010(b) for KUSF)
Operating Year 26, Fiscal Year March 2022-)
February 2023.)

ORDER ADOPTING AUDIT REPORT

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On August 15, 2023, the Commission directed Vantage Point Solutions (VPS) to perform an audit of Avid Communications LLC (Avid) for Kansas Universal Service Fund (KUSF) purposes.

2. On April 19, 2024, VPS filed its Audit Report for Avid regarding Operating Year 26 (March 2022–February 2023) that included the following findings:

Audit Finding No. 1:

Avid collected the KUSF surcharge from customers for the Telecom Local portion of its Teams Direct Connect User revenues twice, for FYs 25-27, in the amount of \$4,936.81, resulting in refunds due to customers.

Audit Finding No. 2:

Avid’s reporting on its 2021 Annual Interrogatory was not accurate, with no financial impact to the KUSF.

Audit Finding No. 3:

Avid did not correctly complete Box C of the Carrier Remittance Worksheet (CRW) for FY 26, with no financial impact to the KUSF.

3. VPS conducted the audit of Avid in accordance with the Commission's KUSF Review Procedures. The Audit Report provides a detailed analysis to support the VPS findings. VPS recommends Avid (1) issue refunds to its customers via one-time billing credits, on a pro-rata basis, in the amount of \$4,936.81; (2) provide VPS with ten (10) customer bills supporting that the refund process has been completed; (3) update its billing system to correct the duplicative collection of the KUSF surcharge on the Telecom Local portion of its Teams Direct Connect User revenues; (4) update its KUSF reporting procedures to exclude the actual KUSF surcharge collected from customers in Box C of the CRW; (5) file a revised 2021 Annual Interrogatory; and (6) file an affidavit, signed by an officer of the company, attesting that the company: corrected its KUSF billing system to cease the duplicative collection of the KUSF surcharge on the Telecom Local portion off its Teams Direct User revenues; corrected its reporting procedures to report the actual KUSF surcharge collected in Box C of the CRW; and issued refunds through one-time billing credits, totaling \$4,936.81, to its affected customers on a pro-rata basis. The affidavit should provide the date the corrective actions were implemented. VPS advises the Commission should direct Avid to take corrective action within 60 days of the Order Adopting the Report, and VPS to file a Compliance Report within 90 days of the Order.

4. Avid is a Local Exchange Carrier (LEC) and an interexchange service provider headquartered in Overland Park, Kansas. It has not been designated an Eligible Telecommunications Carrier (ETC) and, therefore, does not offer Lifeline services to its customers. Based on its review, VPS found Avid reports revenue and remits its assessment to the KUSF based on the unbundled service price for Kansas assessable revenue. It uses the same allocation methodology for Federal Universal Service Fund purposes.

5. The Commission has reviewed VPS's April 19, 2024, Audit Report and concludes it should be adopted including the recommended actions as recited in paragraph three. The recommended actions shall be completed within 60 days of the issuance of this Order. VPS shall then file a Compliance Report within 90 days of the issuance of this Order to confirm completion of the actions directed by the Commission.

IT IS THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission accepts and adopts Vantage Point Solutions' Audit Report filed April 19, 2024, and directs Avid Communications LLC to correct deficiencies as set forth in the Audit Report within 60 days of the issuance of this Order.

B. Vantage Point Solutions shall file a Compliance Report within 90 days of the issuance of this Order to confirm completion of the actions directed by the Commission.

C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).¹

D. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 05/30/2024



Lynn M. Retz
Executive Director

BWB

¹ K.S.A. 66-118b; K.S.A. 77-503(c); and K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

24-IRHT-110-KSF

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 05/30/2024.

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