

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

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of the Audit of T-Mobile Central,)
LLC by the Kansas Universal Service Fund (KUSF))
Administrator Pursuant to K.S.A. 2016 Supp.) Docket No. 18-TMCZ-031-KSF
66-2010(b) for KUSF Operating Year 20, Fiscal)
Year March 2016-February 2017.)

**ORDER ACCEPTING AND ADOPTING GVNW CONSULTING, INC.'s
AUDIT REPORT AND RECOMMENDATION**

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 1, 2017, the Commission directed GVNW Consulting, Inc. (GVNW) to perform an audit of T-Mobile Central, LLC (T-Mobile) for Kansas Universal Service Fund (KUSF) purposes.

2. On June 18, 2018, GVNW filed its Audit Report of even date covering GVNW's audit of T-Mobile stating that the Company is current with its KUSF obligations. GVNW's Audit Report identifies and describes in detail one reporting deficiency, including the applicable reporting standard, resulting in the following audit finding and recommendation:

Audit Finding No. 1:

Standard: Carriers are to report gross revenues prior to recognizing any customer discounts for KUSF reporting purposes through June 30, 2016.¹ Effective July 1, 2016, companies are authorized to report revenues to the KUSF net of customer discounts.

Finding: T-Mobile reported revenues to the KUSF after deducting discounts to customers for the period March through June 2016. Due to the manner in which the Company

¹ Order Adopting KUSF Assessment Rate for Year Eighteen of KUSF Operations, Docket No. 14-GIMT-105-GIT, January 23, 2014; and Order Closing Docket, July 19, 2016.

maintains its books and records, the sole source for T-Mobile's KUSF reporting, the Company was unable to provide the actual revenue for discounts. Instead, T-Mobile, in conjunction with KCC Staff and GVNW, developed a reasonable revenue estimate from which the \$533 under-payment of KUSF assessments was derived.

Recommendation: The Company should be directed to submit Audit True-ups for the period of March through June 2016 to reflect the estimated revenues related to the discounts and pay the \$533 of assessments to the KUSF within 30-days of the Commission's issuance of an Order in this Docket.

3. The Commission has reviewed GVNW's June 18, 2018 Audit Report and concludes that it should accept and adopt the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission hereby accepts and adopts GVNW Consulting, Inc.'s Audit Report filed June 18, 2018.

B. With respect to Audit Finding No. 1, the Commission directs T-Mobile Central, LLC to submit to GVNW Audit True-ups for the period of March through June 2016 reflecting the estimated revenues related to the customer discounts and pay the \$533 of assessments to the KUSF within thirty (30) days from the date of this Order.

C. Upon T-Mobile's compliance with the requirements of ordering paragraph B above, the Commission directs GVNW to submit a Compliance Report within forty-five (45) days from the date of this Order.

D. 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).²

E. The Commission retains jurisdiction over T-Mobile Central, LLC and the subject matter of this Docket for the purpose of issuing such additional orders as it may deem necessary.

² K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 06/26/2018

A handwritten signature in cursive script, reading "Lynn M. Retz", written in dark ink.

Lynn M. Retz
Secretary to the Commission

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CERTIFICATE OF SERVICE

18-TMCZ-031-KSF

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on 06/26/2018.

SUSAN B. CUNNINGHAM, ATTORNEY
DENTONS US LLP
7028 SW 69TH ST
AUBURN, KS 66402-9421
Fax: 816-531-7545
susan.cunningham@dentons.com

MARIE HARRIS, SENIOR TAX MANAGER
T-MOBILE
12920 SE 38TH ST
BELLEVUE, WA 98006
marie.harris@t-mobile.com

OTTO NEWTON, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3167
o.newton@kcc.ks.gov
Hand Delivered

TERI OHTA, CORP COUNSEL/STATE REGULATORY
AFFAIRS
T-MOBILE
12920 SE 38TH ST
BELLEVUE, WA 98006
teri.ohta@t-mobile.com

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER
GVNW CONSULTING, INC.
2930 MONTVALE DRIVE, STE. B
SPRINGFIELD, IL 62704
Fax: 719-594-5803
nstephens@gvnw.com

STEVE STORCK, SENIOR TAX ANALYST
T-MOBILE
12920 SE 38TH ST
BELLEVUE, WA 98006
steven.storck@t-mobile.com

DAVID G. WINTER, SENIOR CONSULTANT
GVNW CONSULTING, INC.
2270 LA MONTANA WAY, Ste 100
COLORADO SPRINGS, CO 80918
Fax: 719-594-5803
dwinter@gvnw.com

/S/ DeeAnn Shupe

DeeAnn Shupe