

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

Before Commissioners: Albrecht, Chair
 Jay Scott Emler
 Pat Apple

In the Matter of the Audit of Ooma, Inc. by)
the Kansas Universal Service Fund (KUSF))
Administrator Pursuant to K.S.A. 2013 Supp.) Docket No. 15-OOMC-052-KSF
66-2010(b) for KUSF Operating Year 17,)
Fiscal Year March 2013-February 2014.)

**ORDER ACCEPTING AND ADOPTING GVNW CONSULTING, INC's
FIRST COMPLIANCE REPORT AND RECOMMENDATIONS**

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 12, 2014, the Commission directed GVNW Consulting, Inc. (GVNW) to perform an audit of Ooma, Inc. (Ooma) for Kansas Universal Service Fund (KUSF) purposes.

2. On July 21, 2015, GVNW filed its Audit Report of even date covering GVNW's audit of Ooma stating that the company is current with its KUSF obligations. GVNW's Audit Report identified five KUSF reporting issues and one KUSF policy matter, which included the following:

Audit Finding No. 1: Ooma applied the KUSF surcharge to non-assessable international revenues and reported the related \$579.80 revenues to the KUSF and collected \$556.55 from customers.

Audit Finding No. 2: Ooma did not report revenues related to its Additional Number Services to the KUSF, thereby owing an additional \$31.07 to the KUSF.

Audit Finding No. 3: Ooma did not clearly identify the KUSF surcharge on its customers' bills.

Audit Finding No. 4: Ooma reported calculated revenues, to include Federal Universal Service Fund (FUSF) and Telephone Relay Service (TRS) revenues, to the KUSF and overpaid its assessment by \$1,946.33.

Audit Finding No. 5: Ooma provides its customers a “free” basic residential telecommunications services bundle with the purchase of the Ooma Telco Customer Premise Equipment (CPE) device and the payment of the applicable taxes and fees.

Audit Finding No. 6 – Policy: Ooma reports revenue to the KUSF net of customer discounts.

3. On August 4, 2015, the Commission issued its Order (August 4 Order) accepting and adopting GVNW’s July 21, 2015 Audit Report and recommendations. With respect to Audit Finding Nos. 1, 2, and 4, ordering paragraph B of the August 4 Order directed Ooma to submit to GVNW Audit True-ups for Operating Years 17 and 18 (March 2014 – February 2015) and quarterly Audit True-ups for Operating Year 19 (March 2015 – February 2016). Ordering paragraph C of the August 4 Order, addressing Audit Finding No. 3, directed Ooma to provide GVNW with copies of screen images of customer bills clearly demonstrating the KUSF surcharge as a separate line item. Ordering paragraphs D and E of the August 4 Order deferred Audit Finding No. 5 and Audit Finding No. 6 – Policy to Docket No. 14-GIMT-105-GIT or a separate proceeding. Upon Ooma’s submission of the information and materials required under ordering paragraphs B and C of the August 4 Order, GVNW was directed to submit a Compliance Report to the Commission.

4. On September 9, 2015, GVNW submitted its First Compliance Report informing the Commission that Ooma had submitted the required Audit True-ups and screen images of customer bills as directed under ordering paragraphs B and C of the Commission’s August 4, 2015 Order. GVNW states that the Audit True-ups associated with Audit Findings 1, 2, and 4 established that for the period March 2013 through April 2015, Ooma over-paid \$2,495.06 in assessments to the KUSF. Of this amount, \$556.55 should be refunded to the company’s

customers through one-time, equal billing credits to its current customers. Regarding Ooma's submission of screen images of customer bills, GVNW confirms that the company has changed its billing system to identify the KUSF surcharge as a separate line item. Concluding, GVNW recommends the Commission issue an order directing the KUSF Administrator to make a one-time refund of \$2,495.06 to Ooma for over-payment of the company's assessments and further direct Ooma to issue refunds in the amount of \$556.55, through one-time equal billing credits, to its current customers, with such refunds to be accomplished within sixty (60) days from the date of issue of the Commission's order.

5. The Commission has reviewed GVNW's First Compliance Report filed in this matter September 9, 2015, and finds that it should accept the Compliance Report and adopt GVNW's recommendations.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission accepts and adopts GVNW Consulting, Inc.'s September 9, 2015 First Compliance Report and the recommendations contained therein.

B. The KUSF Administrator is directed to make a one-time refund of \$2,495.06 to Ooma for over-payment of the company's KUSF assessment.

C. Ooma shall, within sixty (60) days from the date of this Order, issue the amount of \$556.55 in refunds to its current customers through one-time equal bill credits. In the event Ooma is unable to complete the refund within the 60-day period, it shall file in this docket an explanation disclosing why the company was unable to comply with the 60-day refund requirement and providing a timeframe within which the company anticipates completion of the refund. Upon completion of the customer refunds, Ooma shall provide GVNW with an affidavit

executed by an officer of the company attesting to completion of the refunds and provide copies of customer bills to substantiate that the company has issued the refunds.

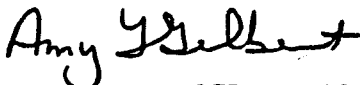
D. Upon Ooma's completion of the requirements imposed under ordering paragraph C above, GVNW is directed to submit a second Compliance Report to the Commission and, thereupon, this docket will be closed.

E. The Commission retains jurisdiction over Ooma, Inc. and the subject matter of this Docket for the purpose of issuing such additional orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: SEP 15 2015


ORDER MAILED SEP 16 2015
Amy L. Gilbert
Secretary to the Commission

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IN RE: DOCKET NO. **15-OOMC-052-KSF**

DATE **SEP 15 2015**

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET
TO THE FOLLOWING:

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
DAVID G. WINTER, SENIOR CONSULTANT GVNW CONSULTING, INC. 2270 LA MONTANA WAY, Ste 200 PO BOX 25969 COLORADO SPRINGS, CO 80936		
REGULATORY & GOVERNMENTAL AFFAIRS OOMA, INC. 1880 EMBARACADERO RD PALO ALTO, CA 94303		
OTTO NEWTON, LITIGATION COUNSEL 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 ***Hand Delivered***		

ORDER MAILED SEP 16 2015

The Docket Room hereby certified that on this _____ day of _____, 20_____, it caused a true and correct copy of the attached ORDER to be deposited in the United States Mail, postage prepaid, and addressed to the above persons.