



**GVNW CONSULTING, INC.**

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August 16, 2018

Ms. Lynn M. Retz  
Secretary to the Commission  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027

RE: Docket No. 18-BTKT-033-KSF  
*In the Matter of the Audit of Birch Telecom of Kansas, Inc. by the Kanas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A 2015 Supp. 66-2010(b) for KUSF Operating Year 20, Fiscal Year March 2016-February 2017.*

Dear Ms. Retz:

On June 29, 2018, the Commission issued an Order Adopting Audit Report (Order) in this docket, including Audit Finding No. 3, as recommended by the Kansas Universal Service Administrator, GVNW Consulting, Inc. (GVNW). Audit Finding No. 3 identified a KUSF underpayment of \$27,904.13 stemming from Birch Telecom of Kansas, Inc. (Birch or Company) failing to report revenues for the month of December 2016.

The Order, in paragraph 8, stated that "...on June 8, 2018, Birch submitted a revised December 2016 CRW and remitted payment of \$32,452.63, consisting of \$27,911.31 of assessments and \$4,541.32 of penalties". The Order, therefore adopted \$27,911.31 as the amount owed and paid to the KUSF.

On August 7, 2018, Birch submitted a revised December 2016 CRW that reflected a total assessment owed to the KUSF of \$27,928.71. This filing was required due to numerous CRW reporting errors noted by GVNW in the Company's original June 8<sup>th</sup> filing. Therefore, based on the revised CRW December 2016 filing, the Company owed an additional \$17.40 of assessments to the KUSF. In other words, of the \$32,452.63, the Company owed and paid \$27,928.71 in assessments for December 2016 and \$4,523.92 in Administration assessed penalties. Therefore, GVNW recommends that the Commission issue an Order to recognize that Birch's original December 2016 CRW reported the incorrect amount of revenues and assessments and that the Company submitted a revised December 2016 CRW to report that it owed \$27,928.71 of assessments, which it has paid.

Furthermore, the Order states in Audit Finding No. 2: "Birch reported calculated revenues to the KUSF based on assessments collected for subscribers and recorded as a KUSF Liability." This is Birch's normal practice, however, for the December 2016 CRW, Birch supplied GVNW with a special billing report that recorded actual revenues for December 2016; not calculated.

If you should have any questions or need additional information, please do not hesitate to contact me by email at [dwinter@gvnw.com](mailto:dwinter@gvnw.com) or by telephone at 719.594.5810.

Sincerely,

A handwritten signature in black ink, appearing to read 'DW' with a stylized flourish extending to the right.

David Winter  
Senior Consultant

cc w/encl: Sandy Reams

## CERTIFICATE OF SERVICE

I hereby certify that on this 16<sup>th</sup> day of August 2018, the above Kansas Universal Service Fund Correction Letter was e-filed with the Kansas Corporation Commission and a copy was sent via electronic mail and/or U.S. Mail to:

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David G. Winter