



GVNW CONSULTING, INC.

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January 9, 2019

Ms. Amy L. Green
Secretary to the Commission
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027

RE: Docket No. 19-SBLC-025-KSF
In the Matter of the Audit of SBC Long Distance, LLC by the Kansas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A 2015 Supp. 66-2010(b) for KUSF Operating Year 21, Fiscal Year March 2017-February 2018

Dear Ms. Green:

In its August 21, 2018 Order, the Kansas Corporation Commission (KCC) directed GVNW to perform a KUSF carrier audit of *SBC Long Distance, LLC* (SBC LD or Company) to ensure that the data submitted to the KUSF via the KUSF CRWs, the assessments paid, and the calculation and application of the flow-through surcharge billed to and collected from SBC LD's customers, if applicable, are appropriate and accurate.

The KCC directed GVNW to file two versions of the audit report with the KCC; one version containing confidential information and one version with the confidential data redacted for public disclosure. SBC LD's audit does not require a separate confidential report; therefore, only the enclosed public audit report for SBC LD is being filed.

Copies of the supporting documentation, including GVNW's audit work papers and information provided by the company, are not included with the audit report, but are available from GVNW upon request.

Sincerely,

A handwritten signature in cursive script that reads "Blake Young".

Blake R. Young
Consultant

cc w/encl: Sandy Reams

**GVNW Consulting, Inc.
Audit Report for
SBC Long Distance, LLC**

From: Blake Young, Auditor

Company Personnel: Thomas P. Margavio, Sr. Financial Analyst
Bob Cancillieri, Regulatory Controller
Barbara A. Monte, Director

Date: January 7, 2019

On-Site Visit Dates: December 13-14th, 2018

KUSF Status: Current with Reporting & Payment obligations

Re: Docket No. 19-SBLC-025-KSF

In the Matter of the SBC Long Distance, LLC by the Kansas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A. 2017 Supp. 66-2010(b) for KUSF Operating Year 21, Fiscal Year March 2017 – February 2018.

EXECUTIVE SUMMARY:

Pursuant to the Kansas Corporation Commission's (KCC or Commission) August 16, 2018 Order, GVNW Consulting, Inc. (GVNW) conducted an audit of SBC Long Distance, LLC (SBC LD or Company) based on the Kansas Universal Service Fund (KUSF) Carrier Review Procedures adopted for KUSF Operating Year 21.¹ GVNW did not identify any KUSF reporting deficiencies during the course of the audit of SBC LD and recommends that this Docket be closed. The Company had no findings in its prior KUSF audit² and is current with its KUSF obligations.

SBC LD agrees with the KUSF Audit Report in its entirety.

GVNW recommends the Commission issue an Order to: (1) adopt this Audit Report and close this Docket.

BACKGROUND:

SBC LD is an inter-exchange carrier (IXC) headquartered in Dallas, Texas. The Company offers intrastate long distance services in Kansas. SBC LD is required to report its revenues and pay the related assessments on a monthly basis,³ and does so. SBC LD

¹ Order Accepting GVNW's KUSF YEAR 21 Audit Selections, Proposed Revisions to Selection Criteria and Audit Review Procedures, Docket No. 17-GIMT-008-GIT, July 24, 2018 (17-008 Order).

² Order adopting the SBC Long Distance, LLC Audit Report and Closing Docket No. 14-SBLC-054-KSF. ³ Order Setting the Kansas Universal Service Fund Assessment Rate for Year Ten and Establishing Reporting Requirements, Docket No. 06-GIMT-332-GIT, January 23, 2006 (06-332 Order).

is not a designated Eligible Telecommunications (ETC) in Kansas, therefore, it does not offer Lifeline service to its intrastate long distance customers.

FINDINGS AND RECOMMENDATIONS:

1. GVNW conducted the audit of SBC LD in accordance with the KUSF Carrier Review Procedures adopted by the KCC.⁴ There were no audit deficiencies discovered in the course of this audit and GVNW recommends this Docket be closed.

⁴ *Ibid.* Footnote No. 1.

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of January 2019, the above Kansas Universal Service Fund Audit Report was e-filed with the Kansas Corporation Commission and a copy was sent via electronic mail and/or U.S. Mail to:

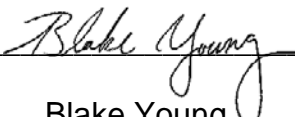
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Blake Young