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August 8, 2017

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

RE: Docket No. 17-CKTZ-034-KSF  
*In the Matter of the Audit of Cricket Wireless LLC by the Kanas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A 2015 Supp. 66-2010(b) for KUSF Operating Year 19, Fiscal Year March 2015-February 2016*

Dear Ms. Retz:

In its August 2, 2016 order the Kansas Corporation Commission (KCC) directed GVNW to perform a KUSF carrier audit of Cricket Wireless LLC (Cricket Wireless 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 Cricket Wireless' 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. Cricket Wireless' audit does not require a separate confidential report; therefore, only the enclosed public audit report for Cricket Wireless 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,

David Winter  
Senior Consultant

cc w/encl: Sandy Reams  
DW/dc – Encl.

## CERTIFICATE OF SERVICE

I hereby certify that on this 8<sup>th</sup> day of August 2017, 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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David G. Winter

## KANSAS UNIVERSAL SERVICE FUND AUDIT REPORT

**Docket No:** 17-CKTZ-034-KSF  
Cricket Wireless LLC

**Prepared For:** Kansas Corporation Commission  
Kansas Universal Service Fund

**Prepared By:** David Winter  
GVNW Consulting, Inc.

**Audit Period:** March 1, 2015 through February 28, 2016  
Kansas Operating Year 19 (Operating Year 19)

**Company Representatives:** Tiffany Porter

**Date of On-Site Visit:** March 19 through 21, 2017

**Date Submitted to Company:** August 7, 2017

### **Audit Summary**

Based on the Kansas Universal Service Fund (KUSF) Carrier Review Procedures for Operating Year 19,<sup>1</sup> GVNW Consulting, Inc. (GVNW) did not identify any KUSF deficiencies regarding Cricket Wireless LLC (Cricket Wireless or Company) and recommends this Docket be closed.

### **Current KUSF Obligations**

Cricket Wireless is current with its KUSF obligations.<sup>2</sup>

### **Background**

Cricket Wireless is a prepaid Commercial Mobile Radio Service (CMRS) provider headquartered in Atlanta, Georgia. The Company is required to report its revenues and pay the related assessments to the KUSF on a monthly basis.<sup>3</sup> Cricket Wireless is authorized to collect an amount equal to or less than its assessment from customers,<sup>4</sup> and does so. GVNW advises the Commission that Cricket Wireless bundled assessable and non-assessable services and reported revenue based on the voice component of each bundled service and reported gross revenues, meaning revenues prior to recognizing discounts, to the KUSF for Operating Year 19.

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<sup>1</sup> Docket No. 15-GIMT-073-GIT (Docket 15-073), July 14, 2016 Order Accepting GVNW's KUSF Year 19 Audit Selections, Proposed Revisions to Selection Criteria and Audit Review Procedures (July 2016 Order).

<sup>2</sup> Confirmed on August 7, 2017 with the KUSF Administrator.

<sup>3</sup> Docket No. 06-GIMT-332-GIT (Docket 06-332), January 23, 2006 Order Setting the Kansas Universal Service Fund Assessment Rate For Year Ten and Establishing Reporting Requirements.

<sup>4</sup> K.S.A. 66-2008.

On August 2, 2016, the Commission issued Order No. 1 in Docket No. 17-034 directing GVNW to conduct an audit of Cricket Wireless for KUSF purposes.

The Commission, on June 13, 2017, granted Cricket Wireless' Motion for Enlargement of Time and Amended Procedural Schedule.<sup>5</sup>

### **Audit Findings**

GVNW conducted the audit of Cricket Wireless in accordance with the KUSF Carrier Review Procedures adopted by the KCC.<sup>6</sup>

GVNW did not identify any KUSF audit deficiencies related to the current audit period and recommends closing this docket.

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<sup>5</sup> Docket No. 17-034, June 13, 2017 Order Granting Motion for Enlargement of Time.

<sup>6</sup> Docket 15-073, July 14, 2016 Order.