

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

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the Matter of the Audit of Nex-Tech Wireless,)
L.L.C. by the Kansas Universal Service Fund)
(KUSF) Administrator Pursuant to K.S.A. 2016) Docket No.18-NTWZ-032-KSF
Supp. 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 CLOSING DOCKET**

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 Nex-Tech Wireless, L.L.C. (NTW) for Kansas Universal Service Fund (KUSF) purposes.

2. On December 8, 2017, GVNW filed its Audit Report of even date covering GVNW's audit of NTW 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: Any federal, state, local government and/or regulatory taxes, fees and/or surcharges, shall be itemized on a subscriber's bill and shall be clearly identified.¹

Finding: NTW does not identify the KLSP Lifeline credit as a separate line-item on a Lifeline subscriber's monthly bill. Instead, the KLSP and Federal USF Lifeline credits are combined into a single billing determinant entitled "Lifeline Discount"

¹ Audit Report, footnote 9.

and, therefore, does not identify whether the Lifeline credit is associated with the KLSP or Federal credit.

Management Response: The Company corrected this practice and on November 17, 2017, provided five (5) copies of Lifeline subscriber bills to GVNW that demonstrate the KLSP credit as a separate line item.

Recommendation: NTW is now compliant with this audit finding.

3. Separately, GVNW provided a follow-up regarding deficiencies reported from its KUSF audit of NTW in Docket No. 16-NTWZ-030-KSF, which included the following:

Finding No. 1: NTW reported revenues to the KUSF net of discounts.

Audit Finding Compliance: GVNW confirms NTW reports gross revenue to the KUSF.

Finding No. 2: For customers that purchased the Freedom Plan, the billing system applied the KUSF surcharge as if the customer purchased the higher priced Smartphone II service plan.

Audit Finding Compliance: NTW has discontinued this practice.

Finding No. 3: The price of NTW's Freedom Plan was not properly reported in the Company's general ledger and properly reported to the KUSF.

Audit Finding Compliance: The price for NTW's Freedom Plan is correctly reported in the Company's general ledger and properly reported to the KUSF.

Finding No. 4: NTW collected more from its customers via the KUSF surcharge than what was paid to the KUSF.

Audit Finding Compliance: GVNW affirms NTW does not collect more from its customers than it owes to the KUSF.

4. Concluding, GVNW recommends the Commission issue an Order adopting its December 8, 2017 Audit Report and close this docket.

5. The Commission has reviewed GVNW's KUSF Audit Report filed in this matter on December 8, 2017, and finds that it should accept and adopt the Audit Report and close this docket.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission accepts and adopts GVNW Consulting, Inc.'s Audit Report and recommendation filed in this matter on December 8, 2017, and this docket is hereby closed.

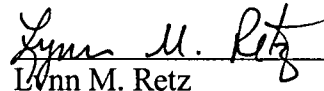
B. The parties have fifteen (15) days, plus three (3) days if service of this Order is by mail, from the date this Order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2016 Supp. 77-529.

C. The Commission retains jurisdiction over Nex-Tech Wireless, L.L.C. 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.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: DEC 14 2017


Lynn M. Retz
Secretary to the Commission

oan

Order Mailed Date

DEC 15 2017

CERTIFICATE OF SERVICE

18-NTWZ-032-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 DEC 14 2017.

COLLEEN R. JAMISON
JAMES M. CAPLINGER, CHARTERED
823 SW 10TH AVE
TOPEKA, KS 66612-1618
Fax: 785-232-0724
colleen@caplinger.net

DARON E. JAMISON, FINANCE/BUSINESS
DEVELOPMENT SUPERVISOR
NEX-TECH WIRELESS, L.L.C
3001 NEW WAY
HAYS, KS 67601
Fax: 785-621-2599
djamison@nex-techwireless.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

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

DAVID G. WINTER, SENIOR CONSULTANT
GVNW CONSULTING, INC.
2270 LA MONTANA WAY, Ste 200
COLORADO SPRINGS, CO 80918
Fax: 719-594-5803
dwinter@gvnw.com

/S/ DeeAnn Shupe

DeeAnn Shupe

Order Mailed Date

DEC 15 2017