**[SAMPLE]**

( Date )

Mr. Cullen Robbins, Director

Nebraska Universal Service Fund Department

Nebraska Public Service Commission

300 The Atrium, 1200 ‘N’ Street

Lincoln, NE 68508

Dear Mr. Robbins:

In connection with the information provided to you by **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Company Name)** (“the company”)**,** as related to the NUSF payment for the period **\_\_\_\_\_\_\_\_\_\_\_\_ (First Day of Period)** through **\_\_\_\_\_\_\_\_\_\_\_\_\_ (Last Day of Period)** (“the audit period”) and to verify compliance with certain requirements to receive NUSF funding for the company, we have been engaged by the company to perform the agreed-upon procedures enumerated in the Attachment to this letter.

We will perform this engagement and report our findings in accordance with attestation standards established by the American Institute of Certified Public Accountants. We have not been engaged to, and will not, perform an audit or an examination, the objective of which would be the expression of an opinion on the accuracy of the information provided as related to the NUSF payment for the audit period for the company. Accordingly, we will not express such an opinion.

The procedures set forth in the Attachment to this letter have been agreed upon by the company and you and the sufficiency of these procedures for your purposes is solely your responsibility and we have no responsibility for verification of any underlying data. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose of this engagement or for any other purpose. If we were to perform additional procedures, other matters might come to our attention that would be reported to you.

We attest that we are an independent, third-party auditing, accounting, or Certified Public Accountant (CPA) firm. We have not been involved in handling the compilation, processing or submission of PSC financial reporting on the company's behalf. Further, we understand that an employee of the company being audited, a parent/child entity or an affiliate or subsidiary company is not considered an independent, third party.

If you also accept responsibility for the sufficiency of the procedures enumerated in the Attachment to this letter for your purposes and wish to be named as a designated user of our report, please sign one copy of this letter in the space provided below and return it to us.

Sincerely,

**(Name and Company Name of Examiner)**

- Sample - Agreed Upon Procedures Letter Page 2

We accept responsibility for the sufficiency of the procedures enumerated in the Attachment to this letter for our purposes.

Nebraska Universal Service Fund, of the

Nebraska Public Service Commission

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Cullen Robbins, Director

Nebraska Universal Service Fund

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

***DRAFT***

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Company Name)** and the

Nebraska Public Service Commission

We have performed the procedures enumerated below, which were agreed to by **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Company Name)** (“the company”) and the Nebraska Public Service Commission (“PSC”), together defined herein as the Specified Users, with respect to the accuracy of certain information provided to and/or used by the PSC to determine NUSF funding for the period **\_\_\_\_\_\_\_\_\_\_\_\_ (First Day of Period)** through **\_\_\_\_\_\_\_\_\_\_\_\_\_ (Last Day of Period)** (“the audit period”)for the company.

The findings below have been reported by type of NUSF funding received bythe company, as applicable**.** This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Specified Users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose of which this report has been requested or for any other purpose:

**Section A – Rate of Return Recipients of High Cost Support:**

1. Obtain copies of the EARN-Form(s) for the audit period from the company. The EARN form for this review should be the form originally submitted to the PSC on or before the June 30th due date. Revised copies of the EARN form that were created after the June 30th due date should not be used in this review unless it has been discussed with and approved by the NUSF department.

Findings:

2. Verify the clerical accuracy of the Forms by recalculating all applicable amounts, rows and columns.

Findings:

3. Trace and agree all amounts included in columns A (“form M”), B (“Interstate Services”) and C (“Other Excluded Services”) shown on the NUSF-EARN forms obtained in step 1 above, to the applicable data supporting records of the company. Management of the company has represented to us that such data was included in the consolidated financial statements of the company, which were audited by **(us or other independent accountants)**.

Findings:

**Section B – All Recipients of High Cost Support:**

1. Obtain a list from the PSC of service rates and trace and agree all rates to the applicable supporting records of the company. Management of the company has represented to us that such rates were billed to customers during the audit period.

Findings

2. Obtain *and include with this report*, a list from the company of all bundled service plans offered by the company and a detailed breakdown of how these revenues are allocated between each service element and rate element for each bundled service plan. Also, obtain and include with this report, a sample bill copy of each bundled service plan reviewed. Trace and agree these amounts to the billing records of the company.

Findings:

**Section C – Recipients of Lifeline Support:**

1. For data periods September 2019 and prior:
2. Obtain from the company copies of the monthly FCC 497 Lifeline Form(s) submitted to the PSC for the audit period.

Findings:

1. Verify the clerical accuracy of the 497 forms by recalculating all applicable amounts, rows and columns.

Findings:

1. Trace and agree the amounts included on the 497 forms as obtained in step 1 above, to the applicable data supporting records of the company as it pertains to non-tribal, voice and bundled service customers.

Findings:

1. For data periods October 2019 and after:
2. Obtain from the PSC a listing of monthly Nebraska Telephone Assistance Program (NTAP) payments made to the company**,** by customer account, during the audit period.

Findings:

1. Verify all discounts were applied to customer accounts by comparing the information on the listing obtained in step 1 to the monthly billing records of the company.

Findings:

1. Obtain *and include with this report*, a list from company billing records showing Lifeline support discounts provided by customer ID for the audit period. The list should not include personal customer information, but should include: customer ID, data year, data month, service type, tribal/non-tribal indicators, and discount rate. Please submit the list electronically to: psc.nusf@nebraska.gov, in XLS or XLSX format.

Findings:

We were not engaged to perform an audit or an examination, the objective of which would be the expression of an opinion on the accuracy of the information provided for determination of NUSF funding for the audit period for the company. Accordingly, we will not express such an opinion. Had we been engaged to perform additional procedures, other matters might have come to our attention that would have been reported to you.

We attest that we are an independent, third-party auditing, accounting, Certified Public Accountant (CPA) firm. We have not been involved in handling the compilation, processing or submission of PSC financial reporting on the company's behalf. Further, we understand that an employee of the company being audited, a parent/child entity or an affiliate or subsidiary company is not considered an independent, third party.

This report is intended solely for the use of the Specified Users and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Examiner’s Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Company

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date