

Kansas Universal Service Fund
March 1, 2009-February 28, 2010 (FY 13)

What's New . . .

- Mr. Bryan Sant is the main point of contact for day-to-day KUSF administration duties at GVNW. Mr. Dave Winter is the manager of our KUSF Carrier Audit division.
- Questions regarding the recent transition of administrators, including identification of an error, should be addressed to GVNW or KCC Staff. In the case of a possible error, please send one e-mail to both GVNW and KCC Staff, identify the error, and attach documentation to support your claim to:

Bryan Sant, KUSF Administrator
GVNW Consulting, Inc.
bsant@gvnw.com or kusf@gvnw.com
(217)862-1550

Sandy Reams, Managing Auditor
Kansas Corporation Commission
s.reams@kcc.ks.gov
(785)271-3130

- Revised KUSF Instructions and Carrier Remittance Worksheets (CRW) are enclosed to reflect the new plan year.
- **Attachment B:** All companies' Carrier Operations and Election Forms (Attachment B) must be submitted for each Fiscal Year or any time the Agent information changes. **Companies that do not submit updated forms will not have their CRWs processed commencing with the first due date of the new plan year (April 15, 2009). To avoid any late worksheet fees, please ensure Attachment B forms are submitted in advance of that date.**
- **Attachment B replaced the "Not Doing Business Yet" (NBY) form.** If your company previously submitted a "NBY" form, you must remit an Attachment B by April 15, 2009. Mark the "Not Generating Kansas Intrastate Retail Revenue" box in Section 3. "NBY" forms are no longer valid.
- Companies with **no** Kansas intrastate retail revenue must complete Section 3 of Attachment B, marking the "Not Generating Kansas intrastate retail revenue (\$0.00)" box. CRWs are not required to report \$0.00 (zero) revenue under this election.
- **Payments:** Companies are encouraged to remit their KUSF payments to the KUSF using **electronic** methods instead of paper checks to help ensure timely receipt of such payment and avoid Late Payment Penalties. **Paper checks must be payable to one of the following: (1) Kansas Universal Service Fund, (2) KS USE, or (3) KUSF.** Checks

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payable to any other entity, including the Administrator, will not be processed and will be returned to the company. Applicable Penalties will be applied.

- **Interconnected VoIP Providers:** The KCC's September 22, 2008 Order implemented K.S.A. 66-2008(a), amended, and requires interconnected VoIP providers to comply with all KUSF obligations. Submit an Attachment B to the KUSF Administrator and report Kansas revenues on the CRWs and pay the related KUSF assessment by the due date. A VOIP provider, like all other companies required to comply with KUSF obligations, will be charged the applicable late worksheet and late payment charges.
- Reportable Revenues are now listed in Attachment E.

Reminders . . .

- **True-Ups:** GVNW will send your company a True-Up form for the current 2008/2009 FY in late March 2009. Please ensure current e-mail contact information is on file as the **True-Up is due back to GVNW by April 20, 2009**. True-ups are an end of year reconciliation to reflect actual revenue data. Companies that elect to report annually, semi-annually, or quarterly, generally file based on estimated revenue projections and should remit an Annual True-Up to reflect the company's actual, recorded revenue information. All other companies should remit True-Ups to reflect corrections or adjustments to the company's books (i.e. audit or end-of -year adjustments, items not recognized until closing of company's books, etc.).
- **CRW Submissions:** Companies are encouraged to remit CRWs electronically, via **e-mail to kusf@gvnw.com** or via **fax to (217)698-1550**. **An Excel version is available for download at: <http://www.gvnw.com/usf/kansas/index.htm>**. All CRWs must be signed. Electronic submission will help ensure your CRW is received on or before the due date.
- **Incomplete Forms:** Information provided on the CRW must be legible and printed in ink or typed. CRWs must be signed by an officer of the Company or an authorized Company Agent. Unsigned CRWs, or CRWs signed by an unauthorized Agent, will be considered *Incomplete* and be *Returned*. Incomplete CRWs will be subject to the late CRW penalty of **1% per month (12% cumulative)** of the assessment or **\$100, whichever is greater**. Carriers that fail to complete Block C on the worksheets will risk not having their worksheets processed
- Carriers earning **\$50,000 or less** in Annual intrastate retail revenues may elect to report Annually, Semi-Annually, or Quarterly instead of monthly. Complete Section 3, "Frequency Election Request", on Attachment B. The "Frequency Election Request" must be submitted for each KUSF year and are due no later than April 15, 2009.
- Mark the reporting period for each worksheet as **Bolding** does not always show-up on the printed transmittal.

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- Carriers requiring subsequent changes and/or corrections to information initially submitted on KUSF worksheet(s) should submit a **REVISED worksheet**. Revisions should be submitted in a timely manner to correct errors or reflect other adjustments to reported revenue data and/or assessment calculations were identified by the Administrator or by the company.
- Penalties:
 - Carriers failing to remit their KUSF payment on or before the due date are subject to an automatic **1%** per month **Late Payment Charge** (12% APR cumulative). Penalties are based on the bank's posting date.
 - Carriers failing to remit a CRW on or before the due date are subject to an automatic penalty of **1%** of the assessment owed (per month or 12% APR cumulative) **or \$100, whichever is greater. (CRW Penalty) CRW Penalties** are based on receipt date, **not postmark or mail date**. (See January 23, 2006 Order, Docket No. 06-GIMT-332-GIT, and January 23, 2007 Order, Docket No. 07-GIMT-276-GIT).
- The KUSF Administrator and Staff are not authorized to waive either Late Payment Penalty or the CRW Penalty. Please discuss the matter of filing an official legal pleading to seek a waiver of any penalty with legal counsel to ensure compliance with Kansas Administrative Regulation, K.A.R. 82-1-228(d). K.A.R. 82-1-228(d) requires a corporation to have an attorney that is admitted to practice in Kansas or a non-resident attorney associated with a local attorney. Your company may wish to review Docket No. 07-TMCZ-1062-KSF, on the Commission's website, prior to filing such a request.