

Helping Keep Americans Connected

The USAC Connection High Cost & Low Income monthly newsletter will give you information about upcoming program deadlines, tips to help you ensure timely and proper filings, and other timely information.

High Cost Program

Actual ILEC Local Switching Support Data for 2005 is Due No Later than December 29, 2006

All incumbent ETCs that filed for Local Switching Support (LSS) for calendar year 2005 must file actual LSS data (true-up data) for calendar year 2005 with USAC **no later than December 29, 2006**. Typically, this filing is due December 31, which is a Sunday in 2006. If your LSS actual data for calendar year 2005 are not timely filed, **all LSS disbursed for calendar year 2005 will be recovered by USAC**.

A "cost company" serving 50,000 lines or fewer must use the *Local Switching Support Reporting Worksheet for Cost Companies* (Form LSSc) to submit its actual LSS data. An "average schedule" company must use the *Local Switching Support Reporting Worksheet for Average Schedule Companies* (Form LSSa) to submit its actual LSS data. The forms can be found on the [High Cost Forms](#) page.

Whether you are an average schedule or a cost company, you may submit your LSS Form to USAC:

Via Email: hcfilings@HCLI.universalservice.org
By Fax: 1-866-873-4666
By Mail: Universal Service Administrative Company
444 Hoes Lane, RRC 4A1060
Piscataway, NJ 08854

If the National Exchange Carrier Association (NECA) files LSS data on your behalf, NECA must submit the same data as required on the LSS forms. NECA also must file your data with USAC **no later than December 29, 2006**.

Please contact USAC's customer service center at 877-877-4925 if you have any questions.

Low Income Program

Enhanced Low Income Disbursement Data Tool Now Includes Projection and True-up Data

In an effort to make Low Income disbursement data more transparent to eligible telecommunications carriers (ETCs) receiving Low Income support for Lifeline, Link Up, and Toll Limitation Service (TLS), USAC has upgraded its [Low Income Disbursement Data tool](#).

Previously, ETCs were required to request a "Graph Report" or Low Income Payment Explanation to reconcile their Low Income disbursement against the amount of support claimed on FCC Form 497 (*Lifeline and Link Up Worksheet*).

Using the enhanced Low Income Disbursement Data tool, an ETC can review disbursement amounts online without submitting a request to USAC. The Low Income Disbursement Data tool will be updated monthly and you can search for disbursement data back to January 2004. The enhanced tool allows users to compare their projection submission with the actual payments received (see example on page 2).

Low Income Program

For disbursement data requests prior to January 2004, please e-mail LiPaymentExp@usac.org and include the company name, Study Area Code (SAC), and month(s) for which you would like data. Questions about the tool can be sent to LiPaymentExp@usac.org. ETCs that previously requested Graph Reports can now obtain the same information using the enhanced Low Income Disbursement Data Tool.

Low Income Disbursement Data Tool

SPIN:	<input type="text"/>
Study Area Code:	<input type="text"/>
Study Area Name:	<input type="text"/>
Year:	ALL <input type="button" value="v"/>
Month:	ALL <input type="button" value="v"/>
State:	ALL <input type="button" value="v"/>
<input type="button" value="Find"/> <input type="button" value="Clear"/>	

Low Income Disbursement Data Tool—Sample Search Results

Entered	Applies	Type	Lifeline	Linkup	TLS	TOTAL
03-2006	02-2006	True-Up	\$71.00	(\$30.00)	\$0.00	\$41.00
03-2006	03-2006	Projection	\$6,541.00	\$75.00	\$18.00	\$6,634.00
			\$6,612.00	\$45.00	\$18.00	\$6,675.00
			Apr/2006			

LOW INCOME DEADLINES

October 31, 2006 – Lifeline Verification Updates

If an ETC in a federal default state did not receive replies from all of its sample consumers, the ETC should have noted the number of outstanding replies on its original verification submission. Any ETC with new data should submit updated verification results to USAC **by October 31, 2006**. ETCs need only submit one update.

Check USAC's [Low Income Program](#) page to see if your verification or certification has been received.

Alabama Adds Additional Lifeline & Link Up Eligibility Criteria

The Alabama Public Service Commission, in an order released June 21, 2006 in Docket 25980, has expanded Lifeline and Link Up eligibility criteria from only Medicaid to:

- Federal Public Housing Assistance/Section 8
- Food Stamps
- Medicaid
- Low Income Home Energy Assistance Program (LIHEAP)
- Supplemental Security Income (SSI)
- Temporary Assistance to Needy Families (TANF) aka Family Assistance Program (FA)

For more information, see [Docket 25980](#) or contact the [Alabama Public Service Commission](#) directly.

Did You Know?

USAC's business affairs are managed under the direction of a 19-member Board of Directors. The Board members represent the diverse interest groups that are interested in and affected by the Universal Service Fund.

USAC's Board does not make policy or interpret statutes or rules or the intent of Congress, the FCC, or any state or federal agency. Board members do not receive compensation for service on the Board, but are entitled to reimbursement for expenses directly incurred as a result of participation on the USAC Board.

For more information, visit USAC's [Governance](#) page and the [Board of Directors](#) section of the website.

USAC Information: [Update on Audits of High Cost and Low Income Beneficiaries](#)

USAC has engaged several CPA firms to perform randomly selected audits of Universal Service Fund beneficiaries. These engagements will result this year in 65 audits in the High Cost Program and 61 audits in the Low Income Program. USAC sent announcement letters to companies selected for audit in the Low Income Program the week of October 9. USAC expects to send announcement letters to companies selected for High Cost Program audits in the next few weeks.

In conjunction with the FCC's Office of Inspector General, USAC is implementing an outsourced audit initiative. The objectives of this initiative are generally to detect and deter waste, fraud, and abuse by beneficiaries of the programs, to generate insights about the compliance of beneficiaries and USAC's administration of the programs, and to assist the Commission in fulfilling its responsibilities under the Improper Payments Information Act of 2002.

When selected for an audit, the carrier's designated contact person will be contacted by a member of the USAC Internal Audit Division. In addition, an announcement letter will be sent detailing the purpose and scope of the audit, identifying the personnel who will be performing the audit, making a request for company data, and stating the date upon which the data is due.

Among other things, auditors will verify the selected carrier's program eligibility (e.g., review the eligible telecommunications carrier order); verify that program and component certifications were timely submitted; verify line count data; and for Low Income, verify evidence that the carrier advertised the availability of Lifeline support.

USAC's random sample selection includes various types of ETCs (cost companies and average schedule companies, incumbents and competitors, rural and non-rural carriers) from various states. For more information, visit [Understanding Audits](#) in the High Cost section or [Understanding Audits](#) in the Low Income section of USAC's website.

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USAC appreciates feedback on this newsletter. For any questions or comments, please contact Ed Rovetto, Program Manager, External Relations, at erovetto@usac.org.

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