

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of

Schools and Libraries Universal Service Support Mechanism
CC Docket No. 02-6

A National Broadband Plan For Our Future
GN Docket No. 09-51

E-Rate Modernization
WC Docket No. 13-184

**Wireline Competition Bureau Seeks Comment on FY2015 Draft Eligible Services
List for Schools and Libraries Universal Service Program**
(DA 14-1130, Released August 4, 2014)

COMMENTS

Submitted September 3, 2014

The E-Rate Management Professionals Association, Inc. (E-mpa[®]) is a (501)(c)(6) trade association whose purpose is to promote excellence and ethics in E-rate professional management and consulting through certification, education and professional resources. E-mpa[®] serves as an advocate for the critical role served by E-rate management professionals and consultants. The organization strives to strengthen and support the E-rate program by acting as a self-governing body of E-rate management professionals and consultants. E-mpa[®] provides assurance to stakeholders by maintaining the highest standards, developing and promoting best practices, and requiring ethical conduct for all members.

E-mpa[®] members provide E-Rate Program consultation and management services to program participants. E-mpa's combined client list represents schools and libraries ranging from small rural remote schools and libraries to those in large urban areas. E-mpa[®] is uniquely qualified to provide the applicant's perspective of the current and future Broadband needs of applicants along with a broad depth of understanding of the challenges faced by applicants in applying for support from the E-rate program. This knowledge positions E-mpa[®] to provide real-time insight into the current, and more importantly, the future broadband needs of applicants across the United States.

Introduction

The E-Rate Management Professionals Association is submitting comments in response to the request for comments of the Draft Eligible Services List (“ESL”) for FY2015.

The following comments are not representative of each member but are an agreed upon consensus of opinion regarding the matters presented in these comments.

Overall Concerns – Details, Clarifications, Examples and Glossary are essential elements to the ESL

We are concerned with the significant simplification of the FY2015 ESL. The detail provided in previous versions including the Glossary was heavily relied upon by stakeholders. The detailed explanations both within the ESL as well as in the Glossary provided users with clear definitions and examples which gave clarity to the program for all levels of users.

The introductory paragraph of the ESL states the following “The Federal Communications Commission’s (FCC’s) rules provide that all services that are eligible to receive discounts under the Schools and Libraries Universal Service Support Mechanism (otherwise known as the E-rate program or “E-rate”) are listed in this Eligible Services List (ESL).”

Based on the introductory statement if the service is not listed in the ESL, then it is not eligible. Without detailed descriptions and clarifications, we are concerned that applicants will select services that may be initially approved for funding and installed and then later deemed as ineligible. Additionally, due to lack of clear information and examples, service providers may convince applicants to install services that are later determined as ineligible.

For example under Category One, “Eligible Data transmission services and Internet access”, Internet Access is not listed as a bulleted item. Wireless Internet access and mobile hotspot service plans are mentioned, but not Internet Access. If you are not familiar with the program, you would wonder if Internet Access is eligible. In another example, if you are familiar with the technical aspects of broadband, you would be confused as to why “Ethernet” and “Fiber – lit and dark” are included on the same level since Ethernet is a type of data transmission frequently over copper wiring and fiber is the physical means of transmission. Without the glossary or detailed explanations, there is significant room for confusion, speculation, misunderstanding, and misinterpretation.

Another problem with the draft FY2015 ESL is the omission of the “function” column. Once services are funded if an applicant needs to make a change to the services, they can only receive approval for a service substitution if the new service has the same functional purpose. Elimination of the column removes the ability for an applicant or service provider to easily determine if the new service has the same functional purpose as the old service.

Many school and library personnel are not familiar with the technical terminology used by service providers. Additionally service providers may have different meanings for the same term.

Moving the glossary to the USAC web site will allow for interpretation by USAC as well as various stakeholders in the program. Since the FCC is the rulemaking body, any information specifically issued by the FCC may be relied upon by stakeholders throughout the E-Rate filing process. Additionally, as part of the ESL, the glossary was subject to comment and formal approval. If terminology and interpretation is left to USAC and other stakeholders, applicants who rely on the interpretations may be at risk of incorrectly relying on an individual's interpretation and/or an explanation that is later overturned. The lack of clear definitions adds to confusion and uncertainty within the program along with the fear of making a mistake in interpretation which might lead to having to return funds at a later date. The FY2014 ESL included clarifications and details that had been refined over the years of the program through program filings, USAC administrator input, and FCC appeal decisions. To start over without the details and clarification previously included in the ESL allows for open-ended decisions and uncertainty regarding the meaning of terminology which can not only cause confusion but also increase the fear from applicants of installing services that will later be determined as ineligible resulting in commitment adjustments well after services have been installed and funds disbursed.

We appreciate the theory behind the simplified ESL, but encourage the FCC to review the prior year's Eligible Services Lists and carry forward the details and clarifications that have been accumulated over time. We agree with the FCC's discussion that much of the information in the prior ESL needed to be eliminated, but some of the pertinent information should be included. With the significant changes set forth in the E-Rate Modernization Order, stakeholders are depending on the FCC to provide for an efficient and effective E-rate program by issuing guidelines with the FY2015 ESL that provide stakeholders with a clear, complete, and concise set of rules concerning service eligibility. While we appreciate the technology-neutral approach and simplicity of the Draft ESL, the ambiguity and lack of detail has the adverse effect of creating uncertainty, fear, and frustration in the program.

The ESL needs to include detailed descriptions, clarifications, and examples whenever possible. The glossary included in previous versions of the ESL provides information that is relied upon by both applicants and service providers in interpreting the nuances of service eligibility and has been a valuable tool in protecting decisions made by applicants in selecting eligible services. Again, we agree that much of the information could be eliminated, but descriptions of services listed in the ESL need to be retained. For example, each bulleted item in the ESL needs a link to a glossary or detailed description.

Special Eligibility Conditions

The special eligibility conditions section of the ESL also provided valuable guidance to applicants and service providers.

The following sections provided excellent information which again is extremely helpful when issued by the FCC. With the significant changes in the program, we recommend that the FCC consider retaining the following guidance:

- On-Premise Priority One Equipment
- Cost allocation
- Ancillary use
- Wide Area Networks
- Educational Purpose

We understand that the FCC may be concerned about limiting services received by providing too much information, but in most cases the detail provided is helpful information that allows applicants to successfully apply for and receive the support they need to meet the goals of the program.

Examples of helpful information relied upon by applicants include: lists of ineligible services, special eligibility conditions, and the glossary.

In practice, zealous service providers regularly send marketing information and contact applicants by phone, email, and any means possible to alert applicants of eligible services. If the service promoted by the provider is not actually eligible, then the applicant who relies on the enthusiastic words of a sales representative can end up in financial hardship and legal issues. The more information that the FCC can provide in the ESL, the greater the protection provided to the applicant.

CIPA Guidance

With the convergence of telecommunications and Internet Access services, it is very difficult for applicants to determine which service can only be funded if the applicant is CIPA compliant. One suggestion would be to include a separate “CIPA required” column with checkboxes to provide guidance to applicants as to which services require CIPA compliance and which services do not.

Ineligible Services

We believe it is critical for the eligible services list to provide clear guidance to stakeholders. It is extremely helpful to have a single point of reference for understanding not only what services are eligible plus what services are no longer eligible that were previously supported. We agree with comments submitted by the State E-Rate Coordinators Alliance (SECA) that recommend listing services in the former Priority One category of service that are no longer eligible. Clearly stating that web hosting, email, and wireless data plans are no longer eligible will be extremely helpful. Statements need to be included in the ESL that explain that cellular voice services are eligible (but at discount rate reduced by 20 percentage points each year beginning FY2015) but wireless data plans are not eligible for any support beginning with FY2015. Providing guidance on how associated surcharges and fees should be allocated and how bundled products should be cost allocated will also ease the administrative burden on processing mixed funding requests. A listing of the

telephone components that are no longer eligible is also needed to guide applicants and services providers on exactly which items will need to be removed from funding requests.

Special Construction Charges, Conduit, and Trenching (Category 1)

The FY2015 Draft ESL is silent regarding explanations of what constitutes special construction charges and whether or not this includes conduit and trenching. In our experience, some service providers include these charges as installation, some as special construction, some include as part of the monthly cost, and others require that the applicant pay separately.

The ESL should make clear that for dark fiber leases, the cost of any new fiber installed beyond the property line is not eligible for E-Rate support.

Special construction charges for dark fiber are not eligible, but IRUs, which are considered a dark fiber lease, are allowed to have significant upfront charges. What might those charges be for, if not special construction?

Guidance from the FCC on what is included in “special construction charges” and any how it differs from installation would be extremely helpful.

Category One Services: Broadband Services

The bulleted listing of Eligible Data transmission services and Internet Access under Category one is a mix of physical media, protocols, and hand-offs as follows:

- **Physical media:** Fiber, Wireless (including satellite), power lines; UTP copper and coax are missing; in addition to microwave, Wireless Services should include satellite and free-space optical
- **Protocols:** ATM, DSL, Frame Relay, ISDN, SMDS, T-n/DS-n/OC-n (they are in the “Physical layer” of the OSI model, but they’re not actual hardware), Ethernet; seems like SONET should be on there.
- **Handoffs:** Cable modem, Ethernet (a lot of WANs offer Ethernet ports, but the WAN is actually MPLS over SONET)

Since the E-Rate Modernization Order explains that category one consists of “services that provide broadband to eligible locations including data links that connect multiple points, services used to connect eligible locations to the Internet, and services that provide basic conduit access to the Internet,” the bulleted listing would make more sense if it aligned with the new description.

We recommend adding MPLS and SONET to the list.

Recommended Wording for the bulleted listing:

Services that provide broadband including transmission services and basic conduit access:

- Asynchronous Transfer Mode (ATM)
- Broadband over Power Lines
- Cable Modem
- Digital Subscriber Line (DSL)
- DS-1, DS-2, and DS-3
- Ethernet
- Fiber (Lit and Dark)
- Frame Relay
- Integrated Services Digital Network
- Multiprotocol Label Switching (MPLS)
- OC-1, OC-3, OC-12, OC-n
- Satellite Service
- Synchronous Optical Network (SONET)
- Switched Multimegabit Data Service
- Telephone dial-up
- T-1, T-3, Fractional T-1
- Wireless services (e.g., microwave)

Wireless Internet Services Eligible in Limited Circumstances

-Wireless Internet access and mobile hotspot service plans for portable devices are eligible if used for educational purposes and cost effective as required in FCC 14-99. Off-campus use, even if used for an educational purpose, is ineligible for support and must be cost allocated out of any funding request.

Data links that connect multiple points

- Wide Area Networks
- Point to point services

We understand that the program does not intend to provide C1 support to managed Wi-Fi services.

The ESL states the following:

“Wireless services and wireless Internet access services – For clarification, wireless services and wireless Internet access services in Category One do not include managed internal broadband services, such as managed Wi-Fi. Managed internal broadband services distribute bandwidth wirelessly throughout a school or library building, and as described below, are eligible only for Category Two support.”

The statement in the ESL is still ambiguous and needs to be clearer on the distinction between a wireless carrier providing C1 wireless hotspots and a wireless carrier providing a C2 managed Wi-Fi

network. If the applicant does not have a sufficient Wi-Fi network and chooses a wireless carrier to provide wireless hotspots, at what point does the service become a managed C2 Wi-Fi network?

Category One Services: Voice Services

Circuit Capacity dedicated to providing voice service

While circuits dedicated to voice traffic should be considered voice, applicants should not be forced to cost-allocate circuits if the bandwidth used by voice is less than 25% of the circuit.

ISDN PRI and SIP trunking should be specifically listed so that applicants will understand that these circuits are considered circuits that carry voice and therefore will be treated as voice services for purposes of the E-rate program.

We agree with the comments submitted by SECA regarding this issue.

Direct Inward Dialing (DID)

Since Direct Inward Dialing is an essential component of voice over IP services when digital circuits are utilized, it doesn't make sense to include this advanced service in the grouping of telephone components which will be 100% ineligible effective FY2015.

Category Two Services

Installation (Category Two)

We support allowing installation, activation and configuration to be provided by a service provider separate from the provider who sells the equipment. The Draft ESL removed the phrasing that installation must be a part of a contract or bid for the components. However, to ensure that all stakeholders fully understand that this is now allowed, we recommend adding the following statement to the Miscellaneous section of the FY2015 ESL to clarify that a separate service provider can be selected for installation:

Miscellaneous.... Installation, activation, and initial configuration...

“-Installation, activation, and initial configuration may be provided by a different provider than the one who provides the eligible equipment.”

Antennas (Category Two)

Removal of support for all antennas is problematic in that antennas are a required component of Wi-Fi. We understand that it does not make sense for the E-Rate program to provide support for

stand-alone antennas, but it should provide support for antennas that are part of Wi-Fi equipment. If antennas are removed altogether, then applicants will be required to determine the cost of the antennas on Wi-Fi equipment such as wireless access controllers and access points and remove this cost from the equipment.

Therefore, we recommend adding the following bullet point to the Category Two listing under “Eligible Broadband Internal Connections Components”

“-antennas that are an integral component of WLAN equipment including Access points and wireless LAN controllers. Stand-alone antennas are not eligible for support.”

Conduit, Trenching and Raceway Systems (Category 2)

Since the new Eligible Services List is very clear the only equipment and services that are eligible must be listed in the Eligible Services List, we believe that all components and parts of a WLAN should be listed in the ESL not currently listed. The past Eligible Services List(s) included conduit, trenching and raceway systems and we believe they should be added to the new ESL.

Local Area Network Systems (Category 2)

Depending upon circumstances, it may be cheaper and the Applicant may be able to get faster bandwidth if a Local Area Network (LAN) is installed instead of a Wireless Local Area Network (WLAN) system. We believe LAN's need to be listed in the ESL.

Caching (Category 2)

We recommend that caching as an eligible broadband internal connections component be narrowly defined otherwise almost any server could be considered a caching server. Additionally, if the program supports caching as a service, a large number of web hosting providers could potentially qualify as eligible.

It is our understanding that eligibility of caching for purposes of the E-rate program is to enhance efficient use of existing bandwidth which in turn will make limited E-rate funding go further by reducing bandwidth requirements. Therefore, providing support for caching is a good idea but exactly what is meant by caching and how far and wide the “caching net” is spread will make a significant difference in funding dollars expended on this service. Since this service will be limited by the Category Two budget allotment (per student cap or library square footage cap), a broader definition of caching can be offset by the fact that the services fall in the C2 category and are “Budget limited”.

We have listed various interpretations of “caching servers” below:

- Video on Demand servers (VPBXes) are basically just caching servers.
- Update servers (Windows Server Update Services (WSUS) and Mac OS X Caching Service, for example) are just caching servers. They cache system software updates so that computers on the LAN can download them over the LAN. These servers usually have

other purposes, but one could argue that “Yes, that caching server spends 90% of its time doing other things, but since it does some caching once a week, it’s eligible.”

- The nationwide PARCC test can be delivered using “proctor caching servers”; they recommend a caching server for each location. You only need the server for 4 weeks out of the year, and it can be an old desktop, but applicants would be more aggressive in purchasing the servers if funded by E-rate.
- Windows Distributed File System Replication (DFS-R) is software that will store file copies on several computers. The goal is to decrease WAN traffic, so it seems like it might be eligible caching, but the local file storage is not eligible, so is caching of ineligible files eligible?
- The PowerSchool “image server” is a caching server. It caches graphics files for a locally installed student information system.
- Citrix CloudBridge appliances are application caching servers. The application servers aren’t eligible, so should a caching system dedicated to ineligible content be eligible?
- If I enable caching on my Web server, is it partially eligible?
- A lot of threat management servers (like Cisco WSA or Microsoft Forefront Threat Management Gateway) and web filters (like Barracuda Web Filter or Websense Content Gateway) depend on caching to do their job. Partially eligible?

The following definition from whatis.techtarget.com

(<http://whatis.techtarget.com/definition/cache-server> last accessed September 3, 2014) provides the generally recognized definition of a caching server used by networking professionals:

A cache server is a dedicated network server or service acting as a server that saves Web pages or other Internet content locally. By placing previously requested information in temporary storage, or cache, a cache server both speeds up access to data and reduces demand on an enterprise's bandwidth. Cache servers also allow users to access content offline, including rich media files or other documents. A cache server is sometimes called a "cache engine."

A cache server is almost always also a proxy server, which is a server that "represents" users by intercepting their Internet requests and managing them for users. Typically, this is because enterprise resources are being protected by a firewall server. That server allows outgoing requests to go out but screens all incoming traffic. A proxy server helps match incoming messages with outgoing requests. In doing so, it is in a position to also cache the files that are received for later recall by any user. To the user, the proxy and cache servers are invisible; all Internet requests and returned responses appear to be coming from the addressed place on the Internet. (The proxy is not quite invisible; its IP address has to be specified as a configuration option to the browser or other protocol program.)

In our opinion, the above definition clearly defines the caching server envisioned by the E-Rate Modernization Order. However, as the list of possible interpretations provided above shows, the ESL will need to be very specific as to what does NOT constitute a caching server.

A caching service can have a much broader meaning and may not be the best approach to include in this first year of Category Two funding.

REAL WORLD ISSUES IN COST ALLOCATION OF TELEPHONE COMPONENTS

While we understand the reasons for removing telephone components from the FY2015 ESL, we wanted to emphasize to the Commission how we strongly believe that the removal of these minimal costs will be more than offset by a significantly increased administrative burden in cost allocating these charges.

According to the FCC's Public Notice for release of the FY2015 Draft ESL (DA 14-1130, Released August 4, 2014):

"The proposed ESL removes paging, directory assistance charges, text messaging, custom calling services, direct inward dialing, 900/976 call blocking, and inside wire maintenance plans (grouped as "Telephone Components" in past ESLs) because the Commission determined that these services are outdated, and continuing to fund these components diverts funding away from the high-speed broadband services that have become essential to schools and libraries."

If telephone components remain eligible, they will be phased out with voice services and will "die a silent death" over the next few years anyway.

In the E-Rate Modernization Order, paragraphs 149 and 350-352, the Commission explained the following:

149. We recognize that removing telephone components from the ESL in funding year 2015 will require some providers to change their billing practices or require some applicants to cost allocate the cost of those services from their requests for support.³⁴⁹ However, because these services are typically provided as an add-on or enhanced services for an extra fee, they are often presented as separate line items on telephone bills. Accordingly, it should not be overly burdensome for applicants to seek funding for the voice component of the telephone service only, and provide a cost allocation for any telephone features we remove from the ESL.

350 Under the Commission's rules, if a product or service contains ineligible components, costs should be allocated to the extent that a clear delineation can be made between the eligible and ineligible components. The clear delineation must have a tangible basis and the price for the eligible portion must be the most cost-effective means of receiving the eligible service.

351 For telephone feature costs that are bundled with the cost of voice services, one way to determine the cost of the feature is for an applicant to seek an appropriate cost allocation from its service provider.³⁵² We find that the benefits of streamlining support for voice services by removing funding for these services to enable that support to be used for essential educational purposes outweigh any burdens applicants may face in the next few funding years as they adjust to these changes, which the record leads us to predict generally should be minimal.

The statements provided within the E-Rate Modernization Order make it seem like removing these costs should be very easy. Unfortunately this is not the case. We frequently work with service provider bills where the telephone component charges are listed on each page of bills that are over 200 pages long or are buried in single line items titled "monthly charges." For some of the service providers, the only way you can get the detail of "monthly charges" is to submit multiple requests

for a detailed customer service record and work through various levels of bureaucracy to request just one detailed customer service record much less all 12 months of the funding year. This process requires submitting a written request to the service provider business office and can take from one week to one month to receive the customer service record. The customer service record may contain five to seven individual billing codes for a single business line. For Example, recently a consultant requested a customer record for a school district with approximately 30 schools. This Customer Service Record provided in Excel Format contained 4,935 Rows of data.

The charges for telephone components are frequently less than \$10 and can take significantly more than \$10 of administrative time to find and cost allocate the charges.

See the attached sample bills and detailed explanations.

If at all possible, we recommend that the telephone components be considered as eligible due to the significant administrative costs that would be incurred by all stakeholders including USAC PIA reviewers.

REAL WORLD ISSUES IN COST ALLOCATION OF WIRELESS DATA PLANS

To compound the administrative costs problem discussed above regarding telephone components, the cost allocation of Data plans from voice services on bills from wireless providers will be extremely difficult.

We have attached an example of one page from a 104 page wireless phone bill. This is a standard bill that shows the applicant has purchased a bundled plan with 400 shared voice minutes, unlimited text, data, and email. Total monthly cost is only \$64.09/month less 23% access discount of \$14.74. They also have a smartphone hotspot that is clearly listed as \$10/month.

Assuming that the hot spot charge does not fall within the ESL exception, removing the hot spot charge of \$10/month is simple. It's clearly listed and is not hard to find on the bill. Unfortunately the applicant has to go through every page of the bill to locate the hotspot charges, but it is clearly listed.

The next step will be to determine the cost associated with the data plan and text messaging. The bill shows three types of messaging with usage displayed as numbers of: text, unlimited M2M text, and Picture & video. Additionally data plan use is listed as megabytes of usage.

Minutes used for text messaging is limited, but there is no dollar value assigned since this is a "package" which includes unlimited text messaging. How will the applicant remove the text messaging charges when there is no cost shown? How does the applicant separate out the cost of data from voice? For example, on page 7 of the bill, the individual user has used 355 minutes of the 400 shared minutes, 325 unlimited mobile to mobile minutes and 26 night/weekend minutes. Since the plan includes voice and data, but they have used the full amount of voice minutes, what, if any, is the allocation of the \$49.35 plus surcharges and fees of \$1.28 to the data and email plan? Does each individual page need to be analyzed to determine a formula for cost allocating based on actual

usage per user each month? Since data is in megabytes, voice is in minutes, and messaging is in quantities, there is not a way to pro-rate the costs by any constant factor.

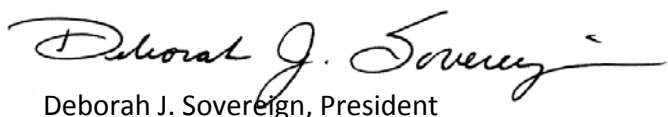
Also, the cost of the smartphone itself will need to be cost allocated if one can determine that the phone was included in the original service agreement at no cost to the individual user. The applicant would, therefore, also need to read through the service agreement and check prior year records to determine the date the phone was received and whether or not the school paid a separate fee for the phone. If the phone was received in a prior funding year, would this exercise be N/A? In other words, does the free phone issue only apply if the phone is received in the current funding year?

Conclusion

We appreciate the opportunity to submit comments in this proceeding and thank the Commission staff for the hours they have dedicated to modernizing E-rate which will allow the program to continue with increased effectiveness in meeting the Commission's goals for this program that has been so valuable in connecting students and library patrons across the U.S. for over 18 years.

Respectfully submitted,

E-Rate Management Professionals Association



Deborah J. Sovereign, President

ATTACHMENTS

Sample 1 (SAMPLES pages 1-6) : Phone bill for 2 lines with bundled Internet Access

Sample 2 (SAMPLES pages 7-11): Phone bill

Sample 3 (SAMPLES pages 12-13): Cellular phone bill

Sample 4 (SAMPLES pages 14-19): Phone bills with various bundled plans

EXAMPLES OF BILLS TO DEMONSTRATE DIFFICULTY OF COST ALLOCATING TELEPHONE COMPONENTS.

Telephone components that would need to be cost allocated include:

- Directory assistance charges
- Text messaging
- Custom calling services
- Direct Inward Dialing
- 900/976 call blocking
- Inside Wire Maintenance Plans

Other challenges with cost allocation will include breaking out data plans and internet access and associated taxes, fees and surcharges.

SAMPLE 1

SAMPLE 1 - is a statement for phone and internet services at a small library branch in Virginia. Not only are the bundled services impossible to divide accurately, which we will have to do on the FY2015 application, but the itemization we would need to remove ineligible voice components is missing as well. On page 4 of the bill, the monthly recurring charges of \$53.85 include “3-way calling, 66 busy redial, 69 call return, call forwarding, caller ID, and Multi Line 1 party business.” There is not line item pricing on the bill that will give the applicant the detail necessary to cost allocate. Additionally, the taxes, fees and surcharges on page 4 are listed in total and are not broken out by individual calling feature. The applicant would have no idea how to allocate the charges on the bill. Since the list of what is not eligible isn’t included on the ESL, the applicant would have a hard time understanding the need to remove the various components from the funding request in the initial funding request. Most likely all of the allocations would be done during PIA review and would take an extensive amount of time to determine the amounts to remove. The service provider would need to be contacted to provide the break out of each item as well as the associated taxes, fees and surcharges.

To make this one even more complicated, the phone bill includes high speed internet 3.0M/640K in their bundled offering with multi line 1 part business, 3 way calling, 66 busy redial, 69 call return, call forwarding, and caller ID for a total monthly package cost of \$119.85. “Package taxes, fees and surcharges” are \$8.62. The small rural library applicant will need to contact the service provider to determine the cost of each item, and then the associated taxes, fees and surcharges. The \$8.62 will need to be allocated as appropriate to all of the included items using a reasonable methodology. For example, if the phone company is able to provide a cost detail to the applicant, an example of the allocation might be as follows:

	total per bill	example only- assume phone company provides costs below:	prorated allocation of taxes	Voice- Eligible	Internet- Eligible	Not Eligible
3-way calling		1.00	0.05			1.05
66 busy redial		0.50	0.02			0.52
69 call return		0.50	0.02			0.52
call forwarding		1.00	0.05			1.05
caller ID		1.00	0.05			1.05
multi line 1 party business		49.85	2.47	52.32		
package 1 total	53.85	53.85				
3-way calling		1.00	0.05			1.05
66 busy redial		0.50	0.02			0.52
69 call return		0.50	0.02			0.52
call forwarding		1.00	0.05			1.05
caller ID		1.00	0.05			1.05
multi line 1 party business		49.85	2.47	52.32		
high speed internet 3.0M/640K		66.00	3.28		69.28	
package 2 total	119.85	119.85				
TOTAL BOTH PACKAGES	173.7	173.70	8.62			
both packages surcharges, taxes & fees		8.62				
Other charges on bill:						
Broadband cost recovery fee	0.99				0.99	
Fed Universal Service Charge	1.3			1.30		
Federal Subscriber Line	12.42			12.42		
Inside Wire Maintenance	7					7.00
Inside Wire Maintenance	7.6					7.60
Non-Telecom Services surcharge	1.55					1.55
Static IP	10				10.00	
		See above				
Taxes per bill summary		PRORATE TAXES:				
Federal excise tax	3.72	2.30				1.42
Right of way fee	1.94	1.20				0.74
Universal service fund surcharge	0.6	0.37				0.23
Sales tax	6.18	3.82				2.36
State 911 tax	1.5	0.93				0.57
total taxes:	13.94	8.62				
Total all charges	228.5			118.37	80.27	29.87
				228.50		

Several assumptions are being made in this allocation including that the provider will be willing or able to provide the line item breakout of the various charges that are summarized on the bill. We also are uncertain of the exact breakout of the taxes, surcharges, and fees so used proration on charges we were not sure of the underlying tax calculation and assumed the FUSF and FSL charges were associated with the multi line 1 party business. It would not be unusual for the administrative process necessary to

arrive at a final cost allocation to take several days to analyze the bill, 3-4 weeks to receive the detail from the service provider, another week minimum to review the information provided and get clarification, another week to present the material clearly for application review, and a few more weeks for clarification between the reviewer and the applicant.

Sample 1

5626

Account Name: [REDACTED]
Account Number: [REDACTED]

Page: 4 of 7
Bill Date: Sep. 16, 2013

Current Charges Summary

Service From Sep. 16, 2013

Monthly Charges	Qty	Rate	Amount
Broadband Cost Recovery Fee	1 @	0.99	0.99
Fed Universal Service Chg	2 @	0.65	1.30
Federal Subscriber Line & Access Recovery Charge	2 @	6.21	12.42
Inside Wire Maintenance	1 @	7.00	7.00
Inside Wire Maintenance	1 @	7.60	7.60
Non-Telecom Services Surcharge	1 @	1.55	1.55
Static IP	1 @	10.00	10.00
Business Assist Advantage	1 @	119.85	119.85
Business Assist Advantage	1 @	53.85	53.85
Total Monthly Charges			214.56

Taxes, Fees and Surcharges

Federal Excise Tax		3.72
GLADE SPRING Right-of-Way Fee		1.94
Universal Service Fund Surcharge		0.60
VIRGINIA Sales Tax		6.18
VIRGINIA State 911 Tax		1.50
Total Taxes, Fees and Surcharges		13.94

? > Not allocated
by individual line item.
How much to
telephone components?

Total Current Charges

228.50

Contact Numbers

www.centurylink.com/myaccount Pay Online
1-866-712-1996 Pay by Phone
1-800-786-6272 Customer Service
1-800-786-6272 Repair Service

Visit us online at www.centurylink.com.

Package Summary

Business Assist Advantage

Monthly Recurring	53.85
3-Way Calling	
66 Busy Redial	
69 Call Return	
Call Forwarding	
Caller ID	
Multi Line 1 Party Business	

} Not Eligible but no cost
shown?

Package Charges

53.85

Business Assist Advantage

Monthly Recurring	119.85
3-Way Calling	
66 Busy Redial	
69 Call Return	

Sample 1

Account Name: [REDACTED]
Account Number: [REDACTED]

Page: 5 of 7
Bill Date: Sep. 16, 2013

Package Summary

Call Forwarding
Caller ID
Multi Line 1 Party Business
eq000681814
High Speed Internet 3.0M/640K

Package Charges

119.85

Subtotal Package

173.70

Package Taxes, Fees and Surcharges

8.62

Total Package

182.32

← Needs to be separated out - how much?

Charge Detail

Local Service from SEP 16 to OCT 15

Product-ID: [REDACTED]

Monthly Charges

Fed Universal Service Chg 0.65
Federal Subscriber Line & Access Recovery Charge 6.21

Total Local Exchange Services

6.86

** Inside Wire Maintenance 7.00

Total Optional Features/Services

7.00

Total Monthly Charges

13.86

Charge Detail For [REDACTED]

13.86

Product-ID: [REDACTED]

Monthly Charges

Fed Universal Service Chg 0.65
Federal Subscriber Line & Access Recovery Charge 6.21

Total Local Exchange Services

6.86

** Inside Wire Maintenance 7.60

** Non-Telecom Services Surcharge 1.55

Total Optional Features/Services

9.15

Total Monthly Charges

16.01

Charge Detail For [REDACTED]

16.01

Product-ID: eq000681814

Monthly Charges

** Broadband Cost Recovery Fee 0.99
** PC Security - F-Secure 0.00
** Static IP 10.00

Sample 1

Account Name: [REDACTED]
Account Number: [REDACTED]

Page: 6 of 7
Bill Date: Sep. 16, 2013

Charge Detail

Local Service from SEP 16 to OCT 15

Product-ID: eq000681814

Monthly Charges

Total Optional Features/Services

10.99

Total Monthly Charges

10.99

Charge Detail For eq000681814

10.99

Total Charge Detail

40.86

Total Package Summary

173.70

Tax, Fees and Surcharges

13.94

Total Current Charges

228.50

** Nonregulated Charge(s) - nonpayment for NONREGULATED SERVICES OR PRODUCTS may result in the disconnection or restriction of such services, and such delinquencies may be subject to collection. Local services will not be disconnected for nonpayment of nonregulated charges. Nonpayment of toll charges may result in the disconnection of toll service, and such delinquencies may be subject to collection.

SAMPLE 2

SAMPLE 2 – Is a bill for phone service. Charges are lumped into “monthly telephone service” with no further detail regarding the underlying individual charges. If the applicant manages to gain access to the provider’s online bill service, they can access the detail of charges and credits report. Typical efforts to gain online access to the bill service have taken a minimum of 6 months with repeated requests to the phone company account manager who in turn submits the request to a separate department to grant access. To make matters even more complicated, the company forces a password change each month so if the applicant does not regularly check the site the access is locked and then the applicant has to start the request for access all over again.

In this example, the bill itself is 22 pages. Charges are broken down on the bill by each phone line but no detail is provided except for “monthly charges” and “Basic Local Service-Business”. On the last page of the bill, the provider does list the charges for directory assistance calls totaling \$6.27. Without reviewing detailed reports from the provider, the applicant would remove \$6.27 for directory assistance charges.

The only way to access the exact detail of charges and credits is to gain access to the online system. Once logged in, you can access the “Detail of Charges and Credits Report” that provides the needed line item detail and is an excellent report to use. In this example, the report is 95 pages long consisting of 1,670 line items of which 58 line items are for additional directory listing (ineligible @ \$6.00 each). *Note that since Additional directory listing is no longer described in the ESL as not eligible, many applicants would not know to remove the fees.* There is one line item for caller ID of \$15.50/month and one line item for Call Forwarding of \$.26/month. Total telephone components to remove would be \$15.76. The next step will be to determine which of the taxes, fees, and surcharges are associated with the \$15.76 telephone components and the ineligible directory listings totaling \$348. The detail of charges and credits report does not provide the break out by item on how the taxes, fees and surcharges are allocated. So, the only methodology you can use is to prorate the charges or make the assumption that there are no fees associated with these services. The bill itself shows Federal Subscriber Line Charge, 911 fee, federal universal service fee, federal end user port charge, and municipal right-of-way-fee. Most likely none of these fees are associated with the directory listings, caller ID and call forwarding. Total to remove of telephone components, therefore, is \$15.76 + 6.27 (directory assistance) = 22.03 or .0611% of the total monthly charges. Additional directory listings are \$348 or 0.96527% of the total monthly charges. In this case the applicant receives E-rate discounts of 60% so amount that was saved by the program by removing the telephone components would be 40% x \$22.03 = \$8.81/month by taking the time to analyze the bill, identify the ineligible components and cost allocate the ineligible components. The cost savings will be greatly exceeded by the administrative costs incurred by the applicant, service provider, and USAC reviewer tasked with ensuring full compliance with the removal of the ineligible telephone components, making adjustments to the funding and correctly tracking and reporting all correspondence.

We have provided excerpts of the phone bill and the detail of charges and credits report.

Sample 2

Page 14 of 22
Account Number 469
Billing Date Jun 3, 2014

Plans and Services

Monthly Service - Jun 3 thru Jul 2 - Continued

1. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
2. Monthly Charges	25.30
3. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
4. Monthly Charges	25.30
5. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
6. Monthly Charges	25.30
7. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
8. Monthly Charges	25.30
9. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
10. Monthly Charges	25.30
11. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
12. Monthly Charges	25.30
13. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
14. Monthly Charges	25.56
15. Basic Local Service - Business	20.85
Total Charges for	46.41
Charges for	
16. Monthly Charges	25.30
17. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
18. Monthly Charges	25.30
19. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
20. Monthly Charges	25.30
21. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
22. Monthly Charges	25.30
23. Basic Local Service - Business	20.85
Total Charges for	46.15

Monthly Service - Jun 3 thru Jul 2 - Continued

Charges for	
24. Monthly Charges	25.30
25. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
26. Monthly Charges	25.30
27. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
28. Monthly Charges	25.30
29. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
30. Monthly Charges	25.30
31. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
32. Monthly Charges	25.30
33. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
34. Monthly Charges	25.30
35. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
36. Monthly Charges	25.30
37. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
38. Monthly Charges	25.30
39. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
40. Monthly Charges	25.30
41. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
42. Monthly Charges	25.30
43. Basic Local Service - Business	20.85
Total Charges for	46.15
Charges for	
44. Monthly Charges	25.30
45. Basic Local Service - Business	22.36
Total Charges for	47.66
Charges for	
46. Monthly Charges	25.30

Sample 2

75035 - 7002

Plans and Services

Additions and Changes to Service - Continued

Item No.	Description	Quantity	Monthly Rate	Amount Billed
1.	Basic Local Service - Business	1	20.85	7.65
2.	Federal Universal Service Fee	1	1.05	.39
Total Charges for 972347-6992				12.94
Total Order No. N273716				12.94

Order No. [REDACTED]

Charges for [REDACTED]

One-Time Charges

3.	Service Connection Charge	1		2.35
----	---------------------------	---	--	------

Services Established

(Monthly Charges are Prorated from May 23, 2014 through Jun 2, 2014)

4.	Touchtone	1	1.30	.48
5.	Federal Subscriber Line Charge	1	5.64	2.07
6.	Basic Local Service - Business	1	20.85	7.65
7.	Federal Universal Service Fee	1	1.05	.39
Total Charges for [REDACTED]				12.94
Total Order No. [REDACTED]				12.94

Activity on May 23, 2014

Order No. N273710

Charges for [REDACTED]

8.	Premises visit	1		15.00
9.	Service Connection Charge	1		38.35

Services Established

(Monthly Charges are Prorated from May 24, 2014 through Jun 2, 2014)

10.	Touchtone	1	1.30	.43
11.	Federal Subscriber Line Charge	1	5.64	1.88
12.	Basic Local Service - Business	1	20.85	6.95
13.	Federal Universal Service Fee	1	1.05	.35
Total Charges for [REDACTED]				62.96
Total Order No. [REDACTED]				62.96

Activity on May 28, 2014

Order No. [REDACTED]

Charges for [REDACTED]

14.	Premises visit	1		15.00
15.	Service Connection Charge	1		46.70

Services Established

(Monthly Charges are Prorated from May 29, 2014 through Jun 2, 2014)

16.	Touchtone	1	1.30	.22
17.	Federal Subscriber Line Charge	1	5.64	.94
18.	Basic Local Service - Business	1	20.85	3.48
19.	Federal Universal Service Fee	1	1.05	.18
20.	Touchtone	1	1.30	.22
21.	Federal Subscriber Line Charge	1	5.64	.94
22.	Basic Local Service - Business	1	20.85	3.48

Additions and Changes to Service - Continued

Item No.	Description	Quantity	Monthly Rate	Amount Billed
23.	Federal Universal Service Fee	1	1.05	.18
Total Charges for [REDACTED]				71.34
Total Order No. [REDACTED]				71.34
Total Additions and Changes to Service				767.43

Directory Assistance

411	Directory Assistance			6.27
24.	3 Call(s) billed at \$2.09 each			

Local Toll

Charges for [REDACTED]

Directory Assistance Calls

Dialed 411:	1	555:	0
Operator Handled 411:	0	555:	0

Charges for [REDACTED]

Directory Assistance Calls

Dialed 411:	2	555:	0
Operator Handled 411:	0	555:	0

Surcharges and Other Fees

25.	Federal Subscriber Line Charge	2,656.44
26.	911 Fee	352.66
27.	Federal Universal Service Fee	559.59
28.	Federal End User Port Charge	392.08
29.	Municipal right-of-way Fee	1,472.77
Total Surcharges and Other Fees		5,433.54

Taxes

30.	Federal	.00
31.	State and Local	.00
Total Taxes		.00

Total Plans and Services

36,051.93

Basic Local Service - Business	\$0.000	0.000	\$20.85	\$20.85	\$0.00	\$20.85
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$22.15	\$22.15	\$0.00	\$22.15

Station Number ~~211-511-7685~~

Sample 2 - Detail Online

Basic Local Service - Business	\$0.000	0.000	\$22.36	\$22.36	\$0.00	\$22.36
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$23.66	\$23.66	\$0.00	\$23.66

Station Number ~~211-511-7686~~

Basic Local Service - Business	\$0.000	0.000	\$22.36	\$22.36	\$0.00	\$22.36
Extended Area Calling Service	\$0.000	0.000	\$24.00	\$24.00	\$0.00	\$24.00
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$47.66	\$47.66	\$0.00	\$47.66

Station Number ~~211-511-7826~~

Basic Local Service - Business	\$0.000	0.000	\$20.85	\$20.85	\$0.00	\$20.85
Extended Area Calling Service	\$0.000	0.000	\$24.00	\$24.00	\$0.00	\$24.00

Service Description ▼	Unit Price	Proration Factor	Pre Discount Charges	Post Discount Charges	Taxes	Total Charges
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$46.15	\$46.15	\$0.00	\$46.15

Station Number ~~211-511-7631~~

Basic Local Service - Business	\$0.000	0.000	\$20.85	\$20.85	\$0.00	\$20.85
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$22.15	\$22.15	\$0.00	\$22.15

Station Number ~~211-511-7639~~

Basic Local Service - Business	\$0.000	0.000	\$20.85	\$20.85	\$0.00	\$20.85
Touchtone	\$0.000	0.000	\$1.30	\$1.30	\$0.00	\$1.30
Total:			\$22.15	\$22.15	\$0.00	\$22.15

Station Number ~~211-511-7636~~

	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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	\$0.000	0.000	\$6.00	\$6.00	\$0.00	\$6.00
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Sample 2
online
detail report

Calling Line Identification	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
-----------------------------	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

	\$0.000	0.000	\$4.68	\$4.68	\$0.00	\$4.68
--	---------	-------	--------	--------	--------	--------

Clear Channel Capability

	\$0.000	0.000	\$30.00	\$30.00	\$0.00	\$30.00
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$30.00	\$30.00	\$0.00	\$30.00
--	---------	-------	---------	---------	--------	---------

Extended Area Calling Service

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

	\$0.000	0.000	\$41.10	\$41.10	\$0.00	\$41.10
--	---------	-------	---------	---------	--------	---------

SAMPLE 3

SAMPLE 3-is a cellular phone bill that includes data and voice services along with telephone components that need to be removed. The bill is 104 pages long and details of charges for each phone number are detailed on each page. The applicant, service provider, and reviewer, therefore, must analyze each of the 104 individual pages to determine the cost allocation among voice services, data plans, and text messaging. Minutes used for text messaging is limited, but there is no dollar value assigned since this is a “package” which includes unlimited text messaging. How will the applicant remove the text messaging charges when there is no cost shown? How does the applicant separate out the cost of data from voice? For example, on page 7 of the bill, the individual user has used 355 minutes of the 400 shared minutes, 325 unlimited mobile to mobile minutes and 26 night/weekend minutes. Since the plan includes voice and data, but they have used the full amount of minutes, what, if any, is the allocation of the \$49.35 plus surcharges and fees of \$1.28 to the data and email plan?

There is an argument to be made that the package is priced for the 400 minutes of voice usage and since the applicant used all voice minutes, no further charges remain for allocation to the data plan and text messaging.

Does each individual page need to be analyzed to determine a formula for cost allocating based on actual usage per user each month? Also, the cost of the phone itself will need to be cost allocated if one can determine that the phone was included in the original service agreement at no cost to the individual user. The applicant would, therefore, also need to read through the service agreement and check prior year records to determine the date the phone was received and whether or not the school paid a separate fee for the phone. If the phone was received in a prior funding year, would this exercise be N/A? In other words, does the free phone issue only apply if the phone is received in the current funding year?

Sample 3

Invoice Number Account Number Date Due Page

Summary for [REDACTED]

Your Plan

Nationwide Email & Data 400
\$64.09 monthly charge
400 monthly allowance minutes
\$.25 per minute after allowance

Friends & Family

UNL Night & Weekend Min
Unlimited OFFPEAK

Email & Data EVDO Unlimited
Unlimited monthly megabyte

Beginning on 07/20/12:
23% Access Discount

M2M National Unlimited
Unlimited monthly Mobile to Mobile

UNL Picture/Video MSG
Unlimited monthly Picture & Video

UNL Text Messaging
Unlimited monthly M2M Text
Unlimited monthly Text Message

Have more questions about your charges?
Get details for usage charges at
[REDACTED]

Monthly Charges

Nationwide Email & Data 400	06/26 - 07/25	64.09
23% Access Discount	06/26 - 07/25	-14.74
4G Smartphone Hotspot	06/26 - 07/25	10.00
		\$59.35

Usage and Purchase Charges

Voice	minutes	Allowance	Used	Billable	Cost
SharePlan	minutes	400 (shared)	355	--	--
Mobile to Mobile	minutes	unlimited	325	--	--
Night/Weekend	minutes	unlimited	26	--	--
Total Voice					\$0.00

Messaging

Text	messages	unlimited	27	--	--
Unlimited M2M Text	messages	unlimited	16	--	--
Picture & Video	messages	unlimited	5	--	--
Total Messaging					\$0.00

Data

Megabyte Usage	megabytes	unlimited	34	--	--
Total Data					\$0.00

Total Usage and Purchase Charges

Wireless' Surcharges

Fed Universal Service Charge	1.05
Regulatory Charge	.21
CT Telecom Relay Srvchg	.02
	\$1.28

Total Current Charges for [REDACTED] **\$60.63**

SAMPLE 4

Sample 4 includes five different examples of bills from the same telecommunications service provider. These are excellent examples of bills issued by phone providers which show how bundled plans that include telephone components will be extremely difficult to cost allocate. The plans list the components but they do not provide line item detail. Additionally, the surcharges and other fees are included in totals at the end of the bill and there is no guidance on how the surcharges and fees would, if any, be allocated to the ineligible telephone components.

Sample 4

Monthly Statement

Page 1 of 2
Account Number [REDACTED]
Billing Date Sep 16 2013

Bill-At-A-Glance

Previous Bill	756.87
Payment Received 9-11 Thank You!	756.87 CR
Adjustments	.00
Balance	.00
Current Charges	362.76
Total Amount Due	\$362.76
Amount Due In Full by	Oct 16, 2013

Billing Summary

Questions? Visit att.com	Page	
Plans and Services	1	273.71
1 866 620-6000 PIN: 8642		
Repair Service:		
1 866 620-6900		
AT&T Long Distance Service	1	89.05
1 866 620-6000		
Total Current Charges		362.76

001- 72.56
42- 290.20

Plans and Services

Monthly Service - Sep 16 thru Oct 15

	Quantity	
1. Complete Choice® Mntce 4 Lines Equipment Maintenance Plan Inside Wire Protection	1	8.95
2. Complete Choice® 4 Lines Business Line Three-Way Calling Call Forwarding Call Return Call Trace Call Blocking Enhanced Caller ID Anonymous Call Blocking	1	228.00

Total Monthly Service 236.95

Surcharges and Other Fees

Item	No.	Description	Quantity	
3. LA Universal Service Fee	4			5.84
4. Federal Subscriber Line Charge	4			27.80
5. Federal Universal Svc Fee-Mult	4			4.92
Total Surcharges and Other Fees				38.56

Government Fees and Taxes

Item	No.	Description	Quantity	
6. Telecommunications for the Deaf Fund	1			.20
Total Government Fees and Taxes				.20

Total Plans and Services 273.71

AT&T Long Distance Service

Monthly Service

Charges for 318 559-8187

Type of Service	Period	
7. Bus Unlimited Ctg Addl Line(s) Monthly Fee	08/27-09/26	80.00
8. Bus Unlimited Ctg Primary Line Monthly Fee	08/27-09/26	20.00
Total Charges for 318 559-8187		80.00
Total Monthly Service		80.00

Surcharges and Other Fees

9. Federal Regulatory Fee	1.31
10. Federal Universal Service Fee	7.05

News You Can Use Summary

- PREVENT DISCONNECT
- PAY BY DATE CHANGE
- CARRIER INFORMATION
- DO NOT CALL

See "News You Can Use" for additional information.

Sample 4

Page 1 of 2
 Account Number [REDACTED]
 Billing Date Sep 25, 2013
 Web Site [REDACTED]

Monthly Statement

Bill-At-A-Glance

Previous Bill	1,234.26
Payment Received 9-09 Thank You!	1,234.26CR
Adjustments	.00
Balance	.00
Current Charges	1,222.91
Total Amount Due	\$1,222.91
Amount Due in Full by	Oct 25, 2013

Billing Summary

Questions? Visit att.com	Page	
Plans and Services	1	1,072.43
1 866 620-6000 PIN: 2465		
Repair Service:		
1 866 620-6900		
Internet Services	1	104.95
1 888 321-2375		
AT&T Corp.	2	45.53
1 800 328-2988		
Total Current Charges		1,222.91

News You Can Use Summary

• PREVENT DISCONNECT
 • BY DATE CHANGE
 • CARRIER INFORMATION
 • DO NOT CALL
 See "News You Can Use" for additional information.

Plans and Services

Monthly Service - Aug 25 thru Sep 24

	Quantity	
1. Business Line	2	140.00
2. Business Flat-Rate MultiLine	4	280.00
3. Complete Choice® 9 Lines	1	476.00
Business Line		
Hunting/Rollover Service		
Call Blocking		
Total Monthly Service		896.00

Surcharges and Other Fees

Item	No.	Description	Quantity	
4. LA - Municipal Fee/Tax				32.22
5. LA Universal Service Fee	15			21.90
6. Federal Subscriber Line Charge	13			90.35
7. Federal Universal Service Fee	2			2.06
8. Federal Universal Svc Fee-Mult	13			15.99
9. Federal Subscriber Line Charge	2			13.66
Total Surcharges and Other Fees				176.18

Government Fees and Taxes

Item	No.	Description	Quantity	
10. Telecommunications for the Deaf Fund	1			.25
Total Government Fees and Taxes				.25

Total Plans and Services **1,072.43**

Internet Services

Important Information

NOTICE: Charges appearing in this section are for services provided by AT&T Corp. and/or by BellSouth Telecommunications, LLC.

Itemized Charges and Credits

Questions Concerning Internet Charges (190000)

Call Toll Free 1 888 321-2375

318 428-2378

Charges for Sep 01, 2013 thru Sep 30, 2013

AT&T Internet Charges

User ID: Please Register!

DSL:

11. FastAccess(R) Business 6.0 119.95
 From Sep 01 thru Sep 30

12. Discount for FastAccess Business DSL 10.00CR

6.0 \$10 Promo for Bill Period Sep 25, 2013

EE40ZDQ6F.

Local Services provided by [REDACTED]

Sample 4

Monthly Statement

Page 1 of 2
Account Number [REDACTED]
Billing Date Sep 25, 2013

[REDACTED]

001 11 2013

Bill-At-A-Glance

Previous Bill	85.56
Payment Received 9-09 Thank You!	85.56CR
Adjustments	.00
Balance	.00
Current Charges	85.56
Total Amount Due	\$85.56
Amount Due in Full by	Oct 25, 2013

Billing Summary

Questions? Visit att.com	Page	
Plans and Services	1	79.84
1 866 620-6000		
PIN: 4580		
Repair Service:		
1 866 620-6900		
AT&T Long Distance Service	1	5.72
1 866 620-6000		
Total Current Charges		85.56

Plans and Services

Monthly Service - Sep 25 thru Oct 24

1. Complete Choice@ 1 Line	61.00
Business Line	
8 Code Speed Calling	
Call Waiting	
Caller-ID Name-Number Delivery	
Anonymous Call Blocking	

Surcharges and Other Fees

Item No.	Description	Quantity	
2.	LA - Municipal Fee/Tax		1.83
3.	LA Universal Service Fee	1	1.46
4.	Federal Universal Service Fee	1	1.03
5.	Federal Subscriber Line Charge	1	6.83
Total Surcharges and Other Fees			11.15

Government Fees and Taxes

Item No.	Description	Quantity	
6.	Federal Excise Tax		2.13
7.	LA - State/Local Tax		2.01
8.	Emergency 911 Service	1	3.50
9.	Telecommunications for the Deaf Fund	1	.05
Total Government Fees and Taxes			7.69

Total Plans and Services 79.84

AT&T Long Distance Service

Monthly Service

Charges for 318 428-7298

Type of Service	Period	
10. Business Value Plan Monthly Fee	09/07-10/06	5.00

Surcharges and Other Fees

11. Federal Regulatory Fee	.08
12. Federal Universal Service Fee	.44
13. LA Universal Service Fee	.04
Total Surcharges and Other Fees	.56

Government Fees and Taxes

14. LA - State/Local Tax	.16
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Total AT&T Long Distance Service 5.72

News You Can Use Summary

REVENT DISCONNECT
AY BY DATE CHANGE
See "News You Can Use" for additional information.

• CARRIER INFORMATION
• DO NOT CALL

Sample 4

Monthly Statement

Bill-At-A-Glance

Previous Bill	.00
Payment	.00
Adjustments	.00
Balance	.00
Current Charges	74.62

Total Amount Due **\$74.62**

Amount Due in Full By May 21, 2014

Billing Summary

Billing Questions? Visit att.com/billing	Page
Plans and Services	1 74.62
1 800 559-7928	
Payment Arrangements:	
1 800 924-1743	
Service Changes:	
1 800 321-2000	
Repair Services:	
1 800 286-8313	
Total Current Charges	74.62

Plans and Services

Monthly Service - Apr 21 thru May 20

1. Bus Local Calling Unlimited B	27.00
Business Line (Measured Rate)	
Caller ID Name Delivery	
Caller ID Number Delivery	
Unlimited Local Usage	
2. InLine® Repair Plan	3.00
Total Monthly Service	30.00

Additions and Changes to Service

This section of your bill reflects charges and credits resulting from account activity.

Item	Quantity	Monthly Rate	Amount Billed
Activity on Apr 2, 2014			
Order No. C254932			
Services Added			
(Monthly Charges are Prorated from Apr 3, 2014 through Apr 20, 2014)			
3. Basic Local Service - Business	1	78.00	46.80
4. Federal Subscriber Line Charge	1	5.64	3.38
5. Federal Universal Service Fee	1	1.12	.67
6. InLine® Repair Plan	1	9.60	5.76
Total Order No. C254932			56.61

Activity on Apr 4, 2014

Order No. C257536

Services Removed

(Monthly Charges were Billed in Advance and are Prorated from Apr 5, 2014 through Apr 20, 2014)

7. Basic Local Service - Business	1	78.00CR	41.60C
8. InLine® Repair Plan	1	9.60CR	5.12C

Services Added

(Monthly Charges are Prorated from Apr 5, 2014 through Apr 20, 2014)

9. Bus Local Calling Unlimited B	1	30.00	16.00
Total Order No. C257536			30.72C

Total Additions and Changes to Service **25.89**

Surcharges and Other Fees

10. Federal Subscriber Line Charge	5.64
11. 911 Fee	.65
12. Federal Universal Service Fee	1.12
13. AR Relay Service & Equip Fund	.04
14. AR Universal Service Fee	2.32

News You Can Use Summary

- PREVENT DISCONNECT
 - LONG DIST. PROVIDERS
 - UNIVERSAL SVC FEE
 - PRICE INCREASE
- See "News You Can Use" for additional information

Local Services provided by [REDACTED]
 AT [REDACTED] Texas based upon the service address location.

GO GREEN - Enroll in paperless billing.

SAMPLES - Page 18

Sample 4

Monthly Statement

Bill-At-A-Glance

Previous Bill	1,035.11
Payment Received 1-13 Thank You!	1,035.11CR
Adjustments	.00
Balance	.00
Current Charges	1,030.43
Total Amount Due	\$1,030.43
Amount Due in Full by	Feb 10, 2014

Billing Summary

Questions? Visit att.com	Page	
Plans and Services	1	724.01
1 866 620-6000 PIN: 8796		
Repair Service:		
1 866 620-6900		
AT&T Long Distance Service	2	306.42
1 866 620-6000		
Total Current Charges		1,030.43

PAID
 1-30-2014

News You Can Use Summary

- PREVENT DISCONNECT
- UNIVERSAL SVC FEE
- COMPLETE CHOICE®

See "News You Can Use" for additional information.

- CARRIER INFORMATION
- BUSINESS LOCAL LINES

6942
 1-30-2014

Plans and Services

Promotions and Discounts

Item No.	Description	
1.	Your contract for participation in the Simple Savings Promotion 36 Month Term for 36 months expires Jun 13, 2014.	228.08CR
2.	Discount for Simple Savings Promotion 36 Month Term for Bill Period Jan 13, 2014 EE40S3GHC.	228.08CR
Total Promotions and Discounts		

Monthly Service - Jan 13 thru Feb 12

Item No.	Description	Quantity	Amount
3.	Complete Choice® 3 Lines Business Line Touch-Tone Call Forwarding	1	196.00
4.	Complete Choice® 9 Lines Business Line Touch-Tone Call Forwarding Hunting/Rollover Service	1	526.00
5.	Mileage - Zone	12	12.00
Total Monthly Service			734.00

Additions and Changes to Service

This section of your bill reflects charges and credits resulting from account activity.

Item No.	Description	Quantity	Monthly Rate	Amount Billed
	Activity on Dec 1, 2013 Order No. ZTBH240199			
6.	Charges for [REDACTED] "Inspection" Fee	1	11.40	11.40

Surcharges and Other Fees

Item No.	Description	Quantity	Amount
7.	Federal Subscriber Line Charge	12	81.48
8.	Federal Universal Svc Fee-Mult	12	14.88
Total Surcharges and Other Fees			96.36

Government Fees and Taxes

Item No.	Description	Quantity	Amount
9.	Federal Excise Tax		17.85
10.	State/Local Tax		56.48

Local Services [REDACTED]