

**Alaska Universal Service Administrative Company
Request For Proposal
Revenue Reporting Audit Services**

March 2022

Introduction

Alaska Universal Service Administrative Company (AUSAC) is soliciting proposals from certified public accounting (CPA) firms to validate and verify the revenue reporting of companies that contribute to the Alaska Universal Service Fund (AUSF).

AUSAC administers the AUSF, a telecommunications universal service support mechanism within the State of Alaska as defined and designated by the Regulatory Commission of Alaska (RCA). Payments by intrastate telecommunication carriers to the Alaska Universal Service Fund are collected in the form of a percentage surcharge on intrastate end user revenues of telecommunications carriers providing the designated intrastate telecommunications services that are set forth on RCA Tariff 998, Sheet No. 15, Attachment A. The complete RCA Tariff 998 is available at www.ausac.org. Such intrastate telecommunications carriers whose payments would exceed \$100 per year and/or who have received AUSF support during the calendar year are required to make monthly payments to the AUSF at the approved surcharge rate. All carriers subject to payment of the surcharge are required to make monthly payments to the AUSF, calculated by applying the approved amount of the surcharge to the gross amount of intrastate end user revenues for which bills were rendered in the preceding calendar month. The calculation is shown on the Monthly Carrier Remittance Worksheet, Attachment B.

Scope of Services

The CPA firm will perform specified Agreed Upon Procedures agreed to between AUSAC and the chosen CPA firm. AUSAC expects that the Agreed Upon Procedures would include validation of the accuracy of the AUSF calculation for the prior year, tracing prior year revenue base back to the revenue accounts, and examining the overall reasonableness, if necessary, of any allocation the company may have made of revenues between the interstate and intrastate jurisdictions. This engagement is not an audit of company revenues or financial statements. It assumes reliance on the work of a company's own external auditors that revenues recorded are free from material misstatement. The focus of the AUSF audit is the validity and accuracy of the calculation of the AUSF payment.

Bidders should read the attached RCA Order U-98-168 (8), Attachment C, for further background information on the scope of services. Also, please note, the possible expansion of the review to include audits of support mechanisms such as public interest pay telephone (PIPT) financial reporting as referenced in Page 3 of RCA Order U-98-168 (8) no longer applies.

There are approximately 110 companies who contribute to the AUSF. The CPA firm will select three to five companies at random to audit.

The contract will be for an initial one-year period. The contract may be extended for up to two (2) additional years upon the mutual agreement of both parties

Auditor Responsibilities

1. Furnish all labor, equipment, materials, and supervision necessary for the completion of the services.
2. Develop agreed upon procedures in cooperation with the AUSAC Board of Directors to achieve AUSAC's objectives.
3. Provide AUSAC with the engagement plan fifteen (15) days after the agreed upon procedures are approved.
4. Apprise AUSAC of status of engagements with progress reports until the project is complete.
5. Provide an engagement letter to the AUSAC Board of Directors including the services specified in this RFP, terms applicable, and fee schedules.
6. Provide proof of insurance coverage in an insurance company or companies authorized to conduct insurance business in the jurisdiction in which the Services under this Agreement are to be performed.

Pre-bid Conference

A pre-bid conference will be held via teleconference from AUSAC's offices at 10:00 a.m., Alaska Standard Time, on April 6, 2022. Interested bidders may attend telephonically by calling 907-561-6398 within Anchorage, or 1-877-561-6398 from outside of Anchorage.

Evaluation of Proposals

The proposals will be evaluated based upon the degree to which services match AUSAC's needs and on the technical experience, qualifications and costs of the bidder.

Submission of Proposals

All proposals, including those submitted by email, must have the signature of a representative of the bidder who is authorized to bind the bidder. All proposals must be submitted or postmarked no later than close of business, May 4, 2022.

Proposals may be hand delivered, submitted by regular mail or email.

Please submit your proposals to the following address:

Alaska Universal Service Administrative Company
810 N Street, Suite 204
Anchorage, Alaska 99501

Email proposals should be submitted to **info@ausac.org** and received no later than close of business May 4, 2022. AUSAC will acknowledge receipt of email proposals within one business day. If you do not receive such acknowledgement, please contact Keegan Bernier at 907-561-6300 to confirm receipt or to make alternative delivery arrangements.

Compensation

Compensation will be based on a fixed fee. Expenses such as travel and lodging will be reimbursed at cost, except air fare at first class rates is not reimbursable.

Contact

Please contact the Agent, Keegan Bernier, at 907-561-6300 with any questions or view www.ausac.org.

Attachments RCA Tariff 998, Sheet No. 15 – Attachment A
Monthly Carrier Remittance Worksheet and Instructions – Attachment B
RCA Order U-98-168 (8) – Attachment C