

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Telecommunications Division
Public Programs Branch ***

**RESOLUTION T-16319
Date: September 2, 1999**

RESOLUTION

RESOLUTION T-16319. ALL TELECOMMUNICATIONS UTILITIES.
TO ADOPT THE CLAIM REPORTING REQUIREMENTS FOR
TELECOMMUNICATIONS CARRIERS SEEKING REIMBURSEMENT
FROM THE CALIFORNIA TELECONNECT FUND PROGRAM FOR
MONTHLY CLAIMS BEGINNING OCTOBER 1999 AND THEREAFTER.

SUMMARY

This Resolution adopts the claim reporting requirements for telecommunications carriers seeking reimbursement from the California Teleconnect Fund Program for discounts given to qualified schools and libraries, government owned and operated hospitals and health clinics, and community-based organizations offering health care, job training, job placement, or educational instruction.

The California Teleconnect Fund claim reporting requirements adopted in this Resolution apply to monthly claims beginning October 1999 and thereafter.

BACKGROUND

In Decision (D.)96-10-066 dated October 25, 1996, the Commission established the California Teleconnect Fund (CTF) to provide discounts on selected telecommunications services¹ to qualified schools and libraries (S&Ls), government owned and operated hospitals and health clinics (GHCs), and community-based organizations (CBOs) offering health care, job training, job placement, or educational instruction.

In Ordering Paragraph (OP) No. 15 of D.96-10-066, as modified by D.96-11-050 and D.97-10-020, the Commission directed the Telecommunications Division (TD) to convene a workshop to develop the types of CTF monthly information that carriers who serve qualified S&Ls, GHCs and CBOs must report. Consistent with the Commission's directions, TD submitted its workshop report on the CTF reporting requirements on June 27, 1997. This report included TD staff's recommendations on the monthly reporting requirements for carriers who seek reimbursement from the CTF.

In OP No. 2 of Resolution T-16118 dated February 4, 1998, the Commission directed TD to conduct another workshop to:

¹ These services include measured business service, switched 56, Integrated Services Digital Network (ISDN), T-1, and DS-3, or their functional equivalents.

“address outstanding technical, administrative, and other related implementation issues. The workshop shall also address whether and to what extent the CTF reporting requirements contained in staff’s June 27, 1997 Workshop Report should be revised to reflect changes in the program.”

On March 4, 1998 and April 14, 1999, TD held workshops to comply with OP No. 2 of Resolution T-16118. All telecommunications carriers were notified of the workshops by mail. After the workshops, TD sent a letter to telecommunications carriers and other workshop attendees informing them that the Workshop Report (covering the workshop discussions on March 4 1998 and April 14, 1999), as well as comments and reply comments on the Workshop Report were available on the Commission’s website and from the Documents Office. This Workshop Report included TD staff’s recommended updated claim form and instructions.

In OP No. 3 of Resolution T-16118, the Commission further ordered TD staff to:

“prepare a resolution or resolutions for the Commission’s consideration following the workshop, specifying implementation procedures for the approach adopted in this resolution and adopting final reporting requirements.”

DISCUSSION

CTF Claim Form and Instructions

The TD staff’s June 27, 1997 Workshop Report included a CTF claim form (attached to this Resolution as Appendix A). An updated version of this CTF claim form (attached to this Resolution as Appendix B) was included in TD staff’s subsequent Workshop Report which addressed the March 4, 1998 and April 14, 1999 workshop discussions. We reviewed both versions and note that: (1) the claim form accompanying the June 27, 1997 Workshop Report included a sentence regarding the purpose of the claim and the submittal of supporting data file in the prescribed Commission format, and (2) the claim form accompanying the Workshop Report for the March 4, 1998 and April 14, 1999 workshop discussions included a section for CPUC use only. However, for a more complete form, we adopt a CTF claim form (attached as Appendix D) containing: (a) a revised sentence stating that the data file submitted shall comply with the format prescribed by the Telecommunications Division, (b) a section for CPUC use only which includes information on the actions taken by the Administrative Committee in reviewing a carrier’s CTF claim, and (c) an instruction that one CTF form should be completed for each assigned Utility (U) number, (a claim form should not contain two or more U numbers).

To facilitate a better understanding on how to complete the CTF claim forms by telecommunications carriers seeking reimbursements, the following information should be detailed in the CTF claim instructions: (a) dates for filing of claims, (b) submittal of supporting workpapers, (c) prescribed format by the Telecommunications Division for submitted data files, and (d) definition of line items in the claim form. The workshop report addresses the above

issues in detail. We adopt the updated CTF claim instructions (attached to this Resolution as Appendix C) that include the above mentioned information.

Filing of Claims

The CTF claim form instructions that TD staff recommended and to which parties have agreed, include the following statement: “The monthly claim should be filed within 45 days after the month...” This approximately 45-day reporting requirement is consistent with the Administrative Law Judge’s (ALJ) Ruling dated April 28, 1998, in R.95-01-020 and I.95-01-021. This ALJ Ruling established claim reporting requirements for California High Cost Fund-B (CHCF-B)² and provides that claims by carriers shall be filed within one calendar month plus 15 days after the close of the month for which a claim is made, (i.e., approximately 45 days after the close of the month for which a claim is submitted). We also adopt this claim reporting requirement for CTF. In instances wherein a telecommunications carrier’s claims are less than \$2,500 per month, a carrier may qualify for a six-month reporting period and may file within one calendar month plus 15 days after the close of the last month in the period for which the claim is made, (i.e., approximately 45 days after the close of the last month in the period for which the claim is made).

We will consider this approximately 45-day reporting requirement as the maximum period of time by which a carrier should file its CTF claim. If a carrier fails to file a claim within this period of time, the carrier forfeits any applicable interest on the discounts given to a qualified entity for that applicable period. (See discussion below on interest calculations for CTF claims). The following situations will not constitute a CTF claim filing with the Public Programs Branch even if a carrier makes a timely submittal: (1) submittal of an appropriate completed CTF claim form without an accompanying supporting data file (CD or disk) in the format prescribed by the Telecommunications Division, and (2) submittal of supporting data file in the prescribed format (CD or disk) without an appropriate completed CTF claim form. (See detailed discussion in the Claim Form Instructions attached as Appendix C).

In D.98-09-039 dated September 3, 1998, the Commission anticipated that the Administrative Committee which oversees the CHCF-A, CHCF-B and CTF programs will need, on average, 30-days to complete a review of a local exchange carrier’s CHCF-B claim and to notify the carrier of the amount it is authorized to draw from the CHCF-B surcharge revenues. The decision considers this 30-day period to be a calendar month.³ Consistent with our action in D.98-09-039, a calendar month is a reasonable period of time for the Administrative Committee to review and approve a carrier’s CTF claim. The 30-day period begins the next day following the last day of filing for which the claim is made, provided that the carrier files its claim form and supporting workpapers on a timely basis. For example, the last day of filing for December 1999 CTF claims is February 15, 2000 (note the approximately 45-day count which a calendar month plus 15

² In D.96-10-066, the Commission established the CHCF-B program to fund the provision of affordable telephone service to residential customers in high cost areas served by the five largest local exchange carriers in California.

³ D.98-09-039, Ordering Paragraph 9.

days). A carrier's December 1999 claim is received by Public Programs Branch on February 15, 2000. Therefore, the 30-day count for review and approval by the Administrative Committee begins on February 16, 2000 and ends on March 16, 2000. Note, however, that if the carrier's December 1999 claim is received on February 10, 2000, the 30-day count still begins on February 16, 2000.

Calculation of Interest for CTF Claims

In D.98-01-023 dated January 7, 1998, the Commission recognized that telecommunications carriers should receive interest when the receipt of reimbursement is delayed.⁴ Consistent with our action in D.98-01-023, it is reasonable that carriers receive interest payment when the Administrative Committee exceeds one calendar month in reviewing and approving payments for CTF claims. Calculation of interest starts the day following the last day of the 30-day review/approval period by the Administrative Committee and ends on the day the designated Trustee Bank sends the reimbursement payment to the carrier. To illustrate, a carrier approves a \$30 discount per month to a qualified CTF entity commencing in October 1999 and also starts crediting the entity in October 1999 billing. The Public Programs Branch receives the carrier's October CTF claim on December 15, 1999. The Administrative Committee exceeds its 30-day review/approval period (December 16, 1999 through January 16, 2000) and the bank sends payment to the carrier on January 27, 2000. Interest based on \$30 (plus any applicable taxes)⁵ should be calculated from January 17, 2000 to January 27, 2000. Consistent with D.98-01-023, the interest will be calculated using the seven-day compound yield on taxable money market funds published in The Wall Street Journal each Thursday. However, as discussed above, the carrier forfeits any interest payments when it fails to file its CTF claim within the approximately 45-day (a calendar month plus 15 days) filing requirement. Therefore, continuing with the above illustration, if a carrier's October 1999 claim is received by the Public Programs Branch on December 17, 1999, the carrier will receive reimbursement only for the \$30 discount (plus any applicable taxes).

⁴ In D.98-01-023, the Commission directed that carriers receive interest on payments owed to them for services rendered under the CTF program and that interest be calculated using the seven-day compound yield on taxable money market funds published in The Wall Street Journal each Thursday.

⁵ As discussed in the June 27, 1997 Workshop Report and in the subsequent Workshop Report (addressing the March 4, 1998 and April 14, 1999 discussions), taxes include the 911 tax, federal excise tax, city and local taxes, and the CPUC reimbursement fee. In addition, applicable bill and keep surcharge(s)/surcredits may be included in the tax category. (See Claim Form Instructions, Appendix C to this resolution.)

Amended CTF Claims by Carriers/Amended CTF Reviews by the Administrative Committee

We realize that miscalculations may occur in computing CTF claims. The error may be committed by either the carrier or the Administrative Committee. Hence, we believe that it is reasonable to adopt a three-year window to: (1) allow carriers to file an amendment to CTF claims that have been previously approved and paid by the CTF program, and (2) apply interest payments, (if applicable; see above discussion for calculation of interest), if submitted data support that additional discounts are due to the carrier. The three-year window begins the following month after the payment is sent to the carrier and ends on the last day of the 36th month, (e.g., the check is mailed to the carrier on December 15, 1999. The counting of months begins January 2000 and ends on the last day of December 2002). The Administrative Committee will have a month to review and approve the amended claim. If the Administrative Committee approves the amended CTF claim, a carrier may receive additional discounts plus interest on that additional amount of discount. Interest calculation begins on the first business day following the day Public Programs Branch receives the amended CTF claim from the carrier and ends on the day the additional payment is sent to the carrier.

In the same manner, we will also adopt a three-year window for the Administrative Committee to amend its review and approval of a claim that has been previously approved and paid by the CTF program. The three-year window for the Administrative Committee begins the following month after the payment is sent to the carrier and ends on the last day of the 36th month. (See example discussed above). If further review by the Administrative Committee reveals that the carrier has received more discounts than it is allowed, the Administrative Committee will send a letter to the carrier detailing the results of its further review. The letter, signed by the Director of the Telecommunications Division, will state the amount of any applicable discounts that should be returned to the CTF program and interest owed by the carrier on that applicable amount of discount. Interest calculation begins the day after the mailing date of letter advising the carrier of the amount owed to the CTF program.

Bundled Offerings by Carriers

In D.96-10-066, the Commission defined the list of services that can be provided at a discount to S&Ls, GHCs and CBOs. The CTF services defined are access line type services. The application of discounts does not include usage. Currently, it is a popular and common practice for telecommunications carriers to offer bundled offerings to its customers as a competitive tool. Some bundled offerings may include usage, (i.e., a \$40/month fee may include \$30 worth of service and \$10 worth of usage). Usage should not be considered in applying the CTF discount. There may be instances wherein carriers may have applied the CTF discounts on bundled offerings that included usage. To avoid further delays and to proceed immediately with the implementation of CTF claims process, we will adopt a simplified approach on bundled offerings beginning October 1, 1999.⁶ For purposes of applying the CTF discount, the basis of the

⁶ The issue of bundled offerings for CTF claims from February 1997 through September 1999, will be addressed in the resolution adopting the claims process for these periods.

discount should be either the bundled offering (either by contract or by the tariff) or the unbundled tariff rate, whichever is lower. We may revisit this policy should future situations warrant such action on our part.

Realignment Between the Federal E-Rate Discount and State CTF Discount

In Resolution T-16116, we adopted a process wherein the federal E-Rate discount⁷ will be applied before the CTF discount. Consistent with our directions in Resolution T-16118, carriers should apply the E-Rate discount before the CTF discount beginning with claims for the month of October 1999 and thereafter.

CTF Claim Reporting Requirements Summary

Based on the above discussion, we are adopting the following in this Resolution beginning with claims for the month of October 1999 and thereafter:

- Claim form and instructions to be used by telecommunications carriers in filing claims for reimbursement on CTF related services rendered to qualified entities described in D. 96-10-066. (See Appendices C and D).
- Filing requirements for claims by telecommunications carriers seeking reimbursement for CTF related services. Consistent with the ALJ Ruling dated April 28, 1998, in R.95-01-020 and I.95-01-021, claims by carriers should be filed within one calendar month plus 15 days after the close of the month for which a claim is submitted. A month plus 15 days is the maximum period of time for filing CTF claims with the Public Programs Branch. Consistent with D.98-09-039, a calendar month is a reasonable period of time for the Administrative Committee to review and approve a carrier's CTF claim.
- Process for calculation of interest on payments when the Administrative Committee exceeds a calendar month in reviewing and approving a carrier's monthly CTF claim.
- Filing requirements for amended claims by telecommunications carriers. A carrier is allowed a three-year window to file an amended CTF claim that has been previously approved and paid by the CTF program. After review and approval by the Administrative Committee, additional discounts plus interest may be received by the carrier. Similarly, the Administrative Committee is allowed to amend its review and approval of a claim previously approved and paid by the CTF program.
- Treatment of bundled offerings by telecommunications carriers. When a bundled offering includes access line type and usage services and/or other services, the basis for the CTF

⁷ The E-Rate program was created by the Federal Communications Commission (FCC) on May 7, 1997, as part of FCC's universal service Report and Order (FCC97-157). Under this program, schools and libraries can request federally funded discounts for intrastate telecommunications services.

discount should be the lower of the bundled rate (either by contract or by tariff) or the unbundled tariff rate for access line type services.

- Application of E-Rate discount before the CTF discount consistent with Resolution T-16118.

The above mentioned reporting requirements should serve as guidelines for telecommunications carriers in filing CTF claims beginning October 1, 1999 and thereafter. We will issue further directions to instruct telecommunications carriers when and how to file their CTF claims covering February 1997 through September 1999.

Comments on the Draft Resolution

The draft resolution of the Telecommunications Division in this matter was mailed on August 3, 1999 in accordance with Public Utilities Code Section 311 (g) to the following: parties on the service list of R.95-01-020 and I.95-01-021 and telecommunications carriers that have filed CTF applications. A letter was mailed to all telecommunications carriers advising them of the availability of this draft resolution in the Commission's web site; if internet access was not available, a hard copy could be requested from the Telecommunications Division.

Pacific Bell filed comments to the draft resolution on August 20, 1999. In its comments, Pacific Bell: (1) requests clarification on the language of Item 8, page 4 of 5 (Claim Form Instructions), which states "applicable Commission adopted surcharge(s)/sucredit(s)," and (2) mentions its efforts to comply with Claim Form Instructions (page 5 of 5) which relates to the prescribed data file format for supporting workpapers. On August 20, 1999, GTE California, Inc. (GTE) also filed comments on the prescribed data file format for supporting workpapers.

The language which states "applicable Commission adopted surcharges(s)/surcredit(s) refers to the "applicable bill and keep surcharge(s) or surcredit(s)." This language on page 4 (Item 8), as well as on pages 3 and 5 of the Claim Form Instructions, will be revised accordingly to prevent any confusion with Commission mandated public program surcharges.⁸

Pacific Bell mentions that it is undergoing a work effort to include the application number in its data file. Providing the name and address of the qualified entities as shown in the Certification Application (instead of or in addition the CTF application number), Pacific Bell states, will require an additional effort that can not be completed in time for implementation of the CTF claims process. Pacific Bell adds that the application number provides the necessary tracking of the applicant. GTE also believes that the CTF application number provides an effective means of linking the names of entities in a service provider's claim to an approved CTF application.

⁸ Commission mandated public program surcharges include the Universal Lifeline Telephone Service surcharge, the California Relay Service and Communications Device Fund surcharge, the California High Cost Fund-A surcharge, the California High Cost Fund-B surcharge, and the California Teleconnect Fund surcharge. As discussed during the workshops, the CTF program will pay for the applicable taxes on the CTF discount; the CTF program will not pay for Commission mandated public program surcharges on the CTF discount. All relevant taxes and public program surcharges should be applied to the bill amount that the CTF participant (school, library, etc.) is responsible for or to the bill amount that is charged to the CTF participant.

Therefore, GTE suggests that the requirement of providing the name and address of the qualified entity as shown on the entity's CTF application be optional for service providers. GTE adds that in its May 14, 1999 comments on the Commission's Draft Workshop Report (addressing the reconciliation of the CTF and federal schools and libraries discount program), it stated that GTE could only supply the name of the qualified entity as it appears in GTE's billing system.

As indicated in the CTF Claim Form Instructions, the provision of the CTF application number is optional. But since the provision of the CTF application number provides a means of connecting the supporting data file with an approved CTF claim, we will make the provision of the CTF application number a requirement, instead of optional. The names and addresses of qualified entities still have to be provided but these details may be derived from the carrier's billing system and not necessarily from the CTF application. The CTF Claim Form Instructions will be revised accordingly to show these revisions.

FINDINGS

1. In compliance with D.96-10-066 dated October 25, 1996, TD convened a workshop to develop the types of CTF monthly reporting that telecommunications carriers must submit. After the workshop, TD submitted a June 27, 1997 report that contained the staff's recommended CTF claim reporting requirements. The parties agreed to the staff's recommended claim reporting requirements.
2. In compliance with Resolution T-16118 dated February 4, 1998, TD conducted two workshops to determine whether the CTF reporting requirements contained in staff's June 27, 1997 report needed revisions. TD prepared a subsequent report which contained the staff's updated CTF claim reporting requirements. The parties agreed to the staff's recommended claim reporting requirements.
3. The June 27, 1997 Workshop Report CTF claim version included a sentence regarding the purpose of the claim and the submittal of the supporting data file in the format prescribed by Commission. While the later Workshop Report claim version included a section for CPUC use only. An updated CTF claim form should be adopted which contains the following:
(a) a revised sentence stating that the data file submitted comply with the format prescribed by the Telecommunications Division, (b) a section for CPUC use only which includes information on the actions taken by the Administrative Committee in reviewing a carrier's CTF claim, and (c) an instruction that one CTF form should be completed for each assigned U number, (a claim form should not contain two or more U numbers).
4. To facilitate a better understanding on how to complete the claim forms by telecommunications carriers who seek reimbursements for CTF related services, the following information should be included in the claim instructions: (a) dates for filing of claims, (b) submittal of supporting workpapers, (c) prescribed format by the Telecommunications Division for submitted data files, and (d) definition of line items in the claim form.

5. The updated detailed CTF claim form instructions attached to this resolution as Appendix C should be adopted.
6. Consistent with the April 28, 1998, ALJ Ruling in R.95-01-020 and I.95-01-021, the maximum filing requirement for CTF claims should be a calendar month plus 15 days after the close of month for which a claim is made. If a carrier fails to file within this period of time, the carrier forfeits any applicable interest on the discounts that it has given to a qualified entity for the applicable period. Telecommunications carriers whose monthly claims are less than \$2,500 qualify for a six-month reporting procedure and may file claims a calendar month plus 15 days after the close of the last month in the period for which the claim is made.
7. A timely filing of a completed CTF claim form without an accompanying supporting data file in the prescribed format (CD or disk), is not considered a CTF filing with the Public Programs Branch.
8. A timely filing of supporting data file in the prescribed format (CD or disk) without a completed CTF claim form is not considered a CTF filing with the Public Programs Branch.
9. Consistent with D.98-09-039 dated September 3, 1998, a calendar month is a reasonable period of time for the Administrative Committee to review and approve a carrier's CTF claim.
10. Consistent with Decisions 98-01-023, telecommunications carriers should receive reimbursement for principal plus interest when the Administrative Committee exceeds a calendar month in reviewing and approving a carrier's CTF claim. Consistent with D.98-09-039, calculation of interest should begin the day following the last day of the 30-day review/approval period. The last day for the calculation of interest should be the date the reimbursement payment is sent to the carrier. Interest will be calculated using the seven-day compound yield on taxable money market funds published in The Wall Street Journal each Thursday. A late filing of CTF claim by a carrier (exceeds the approximately 45-day filing requirement) will result in the forfeiture of interest for that applicable CTF claim.
11. To avoid further delays in the implementation of the CTF program, the Commission should adopt a simplified approach to bundled offerings. The basis of the CTF discount for bundled offerings should be the lower of the bundled offering (either by contract or by tariff) or the unbundled tariff rate for the access type line services. The simplified approach on bundled offerings should apply to claims beginning October 1, 1999 and thereafter.
12. Consistent with Resolution T-16118, the E-Rate discount will be applied before the CTF discount for claims beginning October 1, 1999, and thereafter.
13. Pacific Bell and GTE filed comments on the draft resolution on August 20, 1999. Pacific Bell requests clarification on the language of Item 8 (page 5) of the Claim Form Instructions and mentions its concern on the provision of the names and addresses of qualified entities as

shown on their CTF applications. GTE also expressed its concern on the provision of the names and addresses of qualified entities as shown on their CTF applications. The Claim Form Instructions are revised accordingly to clarify that the surcharges apply to “applicable bill and keep surcharge(s) or sucredit(s).” Also, the names and addresses of qualified entities may be derived from the carrier’s billing information and not necessarily from the CTF application.

14. In this Resolution, we are adopting the following CTF reporting requirements: claim form and instructions, filing requirements for claims, process for calculation of interest on payments on monthly CTF claims, filing requirements for amended CTF claims by carriers and amended approved amount by the Administrative Committee, and the treatment of bundled offerings.
15. The adopted reporting requirements in this Resolution apply to CTF claims beginning October 1, 1999 and thereafter. The Commission will issue further directions to instruct telecommunications carriers when and how they can file CTF claims from February 1997 through September 1999.

THEREFORE, IT IS ORDERED that:

1. The updated California Teleconnect Fund claim form attached to this resolution as Appendix D is adopted. All telecommunications carriers seeking reimbursement from the California Teleconnect Fund Program for the month beginning October 1999 and thereafter shall use this claim form. A California Teleconnect Fund claim form filed by a telecommunications carrier is considered a public document.
2. The monthly California Teleconnect Fund claim form submitted by telecommunications carriers shall be accompanied by supporting workpapers indicated in the claims form instructions attached to this resolution as Appendix C. The submitted supporting workpapers shall be in the format prescribed by the Telecommunications Division as set forth in the claim instructions. The supporting data file submitted by telecommunications carriers is not considered a public document.
3. The maximum filing requirement for California Teleconnect Fund claims shall be a calendar month plus 15-days after the close of the month for which a claim is made. Failure to file a California Teleconnect Fund claim on a timely basis results in the forfeiture of any applicable interest on discounts given to a qualified entity for the applicable period of time.
4. Telecommunications carriers shall receive interest when the Administrative Committee fails to complete its review and approval of a California Teleconnect Fund claim within one calendar month. Calculation of interest commences the day following the last day of the 30-day review/approval period by the Administrative Committee. The last day for calculation of interest shall be the date the reimbursement payment is sent to the carrier.

5. The California Teleconnect Fund discount for bundled service offerings by telecommunications carriers shall be based on either the bundled offering (either by contract or by tariff) or the unbundled tariff rate for access line type services, whichever is lower. This policy shall apply to claims filed beginning October 1, 1999.
6. Telecommunications carriers shall commence filing with the Public Programs Branch of the Telecommunications Division their California Teleconnect Fund claims for discounts given to qualified entities beginning with claims beginning October 1, 1999. The California Teleconnect Fund claims for October 1999 shall be filed with the Public Programs Branch of the Telecommunications Division on or before December 15, 1999.
7. The Telecommunications Division shall prepare a resolution for the Commission's consideration for any amendments or revisions to the claim form or claim form instructions adopted in Resolution T-16319.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 2, 1999. The following Commissioners approved it:

/s/ WESLEY M. FRANKLIN

WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
JOEL Z. HYATT
CARL W. WOOD
Commissioners

APPENDIX A

**Claim Form and Instructions Attached to the
June 27, 1999 Workshop Report
(2 pages)**

Appendix I

**State of California
Public Utilities Commission
Monthly Claim Form for California Teleconnect Fund
Page 1 of 2**

This form is to be used by telecommunications carriers seeking reimbursement for discounts given to the qualified entities under the California Teleconnect Fund (CTF). Qualified entities are entities that have been qualified by the Telecommunications Division to receive the CTF discounts.

The period covered by this monthly claim form should be a full month. Reimbursement amounts in this claim form should be supported by an accompanying data file in the format prescribed by the Commission. For claim periods of February 1997 through August, 1997 (subject to change pending the Commission's final ruling), this form should be filed no later than November 15, 1997 (subject to change pending the Commission's final ruling). For claim periods thereafter, the monthly claim form should be filed within 45 days after the month ended. Alternatively, if a telecommunications carrier's monthly claims are less than \$2,500, the telecommunications carrier may accumulate up to six consecutive monthly claim forms before filing. The due date of the accumulated forms is 45 days after the last month ended.

Please file the original of this form with the Telecommunications Division at the following address:

California Public Utilities Commission
Telecommunications Division
Attn: Public Programs Branch, CTF Claims
505 Van Ness Avenue
San Francisco, CA. 94102

This monthly claim form is subject to change by order or directive of the Commission.

<p>For CPUC use only</p> <p>Review by: _____ Amount: _____</p> <p>Tel: (415) 703- _____ Recommended Amount: _____ Date: _____</p> <p>Comments: _____</p> <p>_____</p> <p>_____</p>

MONTHLY CLAIM FORM
For
California Teleconnect Fund
Page 2 of 2

Company Name: _____

CPUC #: U - _____

For the Month of _____ Year _____

The following amounts are submitted for reimbursement. These amounts are supported by an accompanying electronic data file in the format prescribed by the Commission.

A. Schools and Libraries (S&Ls)

- 1. Total Discounts _____:_____
- 2. Taxes _____:_____
- 3. Claims for S&Ls (Ln1 + L2) _____:_____

B. Government Owned and Operated Hospitals and Health Clinics (GHCs)

- 4. Total Discounts _____:_____
- 5. Taxes _____:_____
- 6. Claim for GHCs (Ln4 + Ln5) _____:_____

C. Community-based Organization (CBOs)

- 7. Total Discounts _____:_____
- 8. Taxes _____:_____
- 9. Claim for CBOs (Ln7 + Ln8) _____:_____

D. Total Claims for the Month (Ln3 + Ln6 + Ln9) _____:_____

E. Adjustments (Please attach detailed explanation) _____:_____

F. Net Claim for the Month (LnD + LnE) _____:_____

Payment to be sent to:

Wire Transfer:

I hereby certify that this form and the accompanying data file have been examined by me and to the best of my knowledge and belief they are true and complete.

Signature: _____

Date: _____

Printed Name: _____

Title: _____

Address: _____
_____ Telephone No: (____) ____ - _____

APPENDIX B

**Claim Form and Instructions Attached to the
Workshop Report
(Covering the March 4, 1998 and April 14, 1999 Workshop Discussions)
(2 pages)**

**California Teleconnect Fund
Claim Form and Instructions**

This form is to be used by telecommunications carriers seeking reimbursement for discounts given to qualified entities under the California Teleconnect Fund (CTF). Carriers are responsible to verify that the entity is eligible to receive service discounts under this program prior to filing a claim for services provided to such an entity.

The period covered for this claim form is either a full month or a six-month period and should be accompanied by an electronic data file. Each record in the data file should represent a monthly bill rendered to a qualified entity and include the following information:

- a) CTF application number (s)
- b) Billing number or customer account number;
- c) Name of the qualified entity (as name appears on Certification Application);
- d) E-Rate discount percentage and dollar amount;
- e) Identify discounted service by unit price and billing code; E-Rate discount percentage for each service by unit price and billing code; discounted volume for each service by unit price and billing code; and total monthly discount for each service by unit price and billing code.
- f) Total discounts for the qualified entity;
- g) Taxes (g. h. I and j) on total CTF discounts
- h) 911 tax;
- i) Federal excise tax;
- j) Local and city tax;
- k) CPUC user fee; and
- l) Total claim for the qualified entity

The monthly claim form should be filed within 45 days after the month or the six-month period ended. Telecommunications carriers whose monthly claims are less than \$2,500 qualify for the six-month reporting.

A signed copy of this form should be sent to:

California Public Utilities Commission
Public Programs Branch, Telecommunications Division
Attn: CTF Program
505 Van Ness Avenue
San Francisco, CA. 94102

California Teleconnect Fund Claim Form

Claim Period: _____(month)/ _____(year)

Jan-Jun _____(year) **or Jul-Dec** _____(year)

All lines are to be completed by the filing carrier.

Company Name: _____

CPUC #: U - _____

A. Schools and Libraries:

10. Total Discounts _____:_____

11. Taxes _____:_____

12. Claims for S&Ls (Ln1 + Ln2) _____:_____

B. Government Owned and Operated Hospitals and Health Clinics

13. Total Discounts _____:_____

14. Taxes _____:_____

15. Claim for GHCs (Ln4 + Ln5) _____:_____

C. Community-based Organization

16. Total Discounts _____:_____

17. Taxes _____:_____

18. Claim for CBOs (Ln7 + Ln8) _____:_____

D. Total Claims for the Month (Ln3 + Ln6 + Ln9) _____:_____

E. Adjustments (Please attach detailed explanation) _____:_____

F. Net Claim for the Month (LnD + LnE) _____:_____

Payment to be sent to:

Wire Transfer:

I hereby certify that this form and the accompanying data file have been examined by me and to the best of my knowledge and belief they are true and complete.

Signature: _____

Date: _____

Printed Name: _____

Title: _____

Telephone No. () - Email Address _____

For CPUC use only

Reviewed by: _____ Date: _____

Amount Recommended: _____ Amount Paid: _____

APPENDIX C

California Teleconnect Fund Program

**Claim Form Instructions
(5 Pages)**

**STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION
CALIFORNIA TELECONNECT FUND (CTF) PROGRAM**

Claim Form Instructions

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The attached form is to be used by CTF participating telecommunications carriers when requesting reimbursement for discounts given to qualified entities under the CTF Program. Qualified entities are entities that have been qualified by the Telecommunications Division to receive CTF discounts consistent with the criteria established in Decision 96-10-066.

The CTF claim form should be filed with the Public Programs Branch of the Commission's Telecommunications Division. The Public Programs Branch will review the CTF claim and supporting data file and will make the necessary recommendations to the Administrative Committee, which will approve or disapprove the CTF claim.

Telecommunications carriers should file CTF claims on a monthly basis within one calendar month plus 15 days after the close of the month for which a claim is made. Telecommunications carriers, whose monthly claims are less than \$2,500, qualify for a six-month reporting and may file within one calendar month plus 15 days after the close of the last month in the period for which the claim is made.

Each claim filed with the Public Programs Branch should be accompanied by an electronic data file (CD or disk) in the format prescribed by the Telecommunications Division.

To file a timely claim, an appropriate completed CTF claim form accompanied by an electronic data file (hard copy and disk) in the format prescribed by the Telecommunications Division should be received by the Public Programs Branch at the address below no later than 5PM on the date due, (a maximum of approximately 45 days after the close of the month for which a claim is made or after the close of the last month in the period for which the claim is made).

California Public Utilities Commission
Public Programs Branch, Telecommunications Division
Attn: CTF Program
505 Van Ness Avenue
San Francisco, CA 94102

When a telecommunications carrier files: (1) an appropriate completed CTF claim form with the Public Programs Branch on a timely basis (as described above) but without the accompanying electronic data file (CD or disk) in the format prescribed by the Telecommunications Division, or (2) an electronic data file (CD or disk) in the format prescribed by the Telecommunications Division on a timely basis but without an appropriate completed CTF claim form, no CTF filing is considered as filed with the Public Programs Branch.

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CALIFORNIA TELECONNECT FUND (CTF) PROGRAM**

Claim Form Instructions

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After the claim is approved by the Administrative Committee, a copy of the carrier's CTF claim form, (with the section for CPUC use completed), will be mailed to the attention of the signatory of the CTF claim form at the address indicated on the form. Payment will be made by the Trustee Bank in the manner indicated by the carrier on the CTF claim form. When the Administrative Committee disapproves a CTF claim: (1) a copy of this form marked as disapproved will be mailed to the signatory of the CTF claim form at the address indicated on the form, and (2) a letter signed by the Director of the Telecommunications Division will accompany the CTF claim form explaining the reason(s) for the disapproval.

A telecommunications carrier's completed CTF claim form will be considered a public document; the supporting data files submitted by a carrier will not be considered as public documents.

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PUBLIC UTILITIES COMMISSION
CALIFORNIA TELECONNECT FUND (CTF) PROGRAM**

Claim Form Instructions

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Definitions:

- A. Schools and Libraries (S&Ls): In Decision 96-10-066, the Commission established that qualifying schools are “public or nonprofit schools providing elementary or secondary education, i.e., grades K-12, and which do not have endowments of more than \$50 million.” While qualifying libraries are “only those libraries which are eligible for participation in state-based plans for funds under Title III of the Library Services and Construction Act (20 USC Sections 335c et seq.). “ The discount rates for schools and libraries are set at 50% for measured business service, switched 56, Integrated Services Digital Network (ISDN), T-1 service, and DS-3 or their functional equivalents.
1. Total Discounts refer to the sum of the discounts for all CTF subsidized services provided to qualified schools and/or libraries.
 2. Taxes refer to the following taxes on the total CTF discount: 911 tax, federal excise tax and local and city taxes. User fee refers to the Commission’s Reimbursement Fee as applied in compliance with PU Code 402 and 431. Include in this line category, applicable bill and keep surcharge(s)/surcredit(s) on the CTF discount.
 3. Claim for S&L refers to the total discounts (Item 1) plus any applicable taxes, etc., (Item 2).
- B. Government Owned and Operated Hospitals and Health Clinics (GHCs): In Decision 96-10-066, the Commission established that qualifying GHCs are “municipal and county government owned and operated hospitals and health clinics. These qualifying hospitals and health clinics shall be entitled to a 20% discount off of the tariffed rates for switched 56, ISDN, T-1 and DS-3 services or their functional equivalents.”
4. Total Discounts refer to the sum of the discounts for all CTF subsidized services provided to qualified government owned and operated hospitals and health clinics.
 5. Taxes refer to the following taxes on the total CTF discount: 911 tax, federal excise tax and local and city taxes. User fee refers to the Commission’s Reimbursement Fee as applied in compliance with PU Code 402 and 431. Include in this line category, applicable bill and keep surcharge(s)/surcredit(s) on the CTF discount.

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Claim Form Instructions

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6. Claim for GHCs refers to the total discounts (Item 4) plus any applicable taxes, etc., (Item 5).

- C. Community-Based Organizations (CBOs): In Decision 96-10-066, the Commission established the requirements to qualify as a CBO: “a CBO must provide proof at the time of application that it is a tax exempt organization”, as described in Section 501 (c) (3) or 501 (d) of the Internal Revenue Code, Title 26 of the United States Code; “This CBO must also certify that it offers health care, job training, job placement, or educational instruction....The discounted services that shall be made available to qualifying CBOs shall consist of switched 56, ISDN and T-1 services or their functional equivalents.” The discount for qualified CBOs shall be 25% off the tariff price for switched 56, ISDN and T-1 services or their functional equivalents. The CBO shall be limited to a total of: two switched 56 lines or their functional equivalents; or two ISDN lines or their functional equivalents; or one switched 56 line or its functional equivalent and one ISDN line or its functional equivalent; or one T-1 line or its functional equivalent.

7. Total Discounts refer to the sum of the discounts for all CTF subsidized services provided to qualified community-based organizations.

8. Taxes refer to the following taxes on the total CTF discount: 911 tax, federal excise tax and local and city taxes. User fee refers to the Commission’s Reimbursement Fee as applied in compliance with PU Code 402 and 431. Include in this line category, applicable bill and keep surcharge(s)/surcredit(s) on the CTF discount.

9. Claim for CBOs refers to the total discounts (Item 7) plus any applicable taxes, etc., (Item 8).

The telecommunications carrier should indicate the method of payment (check or automated clearing house transfer) and complete all the necessary information applicable to the method of payment chosen. Wire transfers of funds are not available.

The telecommunications carrier’s signatory should be an employee responsible for completing the entries in the CTF claim form and for the preparation of the submitted supporting data file.

**STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION
CALIFORNIA TELECONNECT FUND (CTF) PROGRAM**

Claim Form Instructions

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Prescribed Data File Format for Supporting Workpapers

The data file shall be stored on a 3-1/2 inch high density diskette or CD using one of the following program formats:

- Microsoft Excel spreadsheet,
- Microsoft Access data base,
- Comma DeLimited text file.

The beginning of the file should contain the carrier's name, its CPUC identification number, and the month applicable to the data file. The first row of the data file shall be used for field names. Each row thereafter shall be a record. Each record shall represent a telephone service containing the following information:

- CTF application number (Alpha, Numeric)
- the billing or account number (Alpha, Numeric)
- the name of the qualified entity (Alpha, Numeric)
- address of the qualified entity (Alpha, Numeric)
- billing code (Alpha, Numeric)
- service description (Alpha, Numeric)
- quantity for each type of discounted service (aggregate quantity only when all the lines are subject to the same E-Rate discount) (Alpha, Numeric)
- unit price (currency, 2 decimal places)*
- E-Rate effective date (earliest date is July 1999) (Date)
- applicable E-Rate discount amount (currency, 2 decimal places)
- basis for CTF discount (currency, 2 decimal places)
- total CTF discount amount (currency, 2 decimal places)
- 911 Tax on the total CTF discounts (currency, 2 decimal places)
- Federal Excise Tax on the total CTF discounts (currency, 2 decimal places)
- local and city taxes on the total CTF discounts (currency, 2 decimal places)
- CPUC user fee (currency, 2 decimal places)
- applicable bill and keep surcharge/surcredit (currency, 2 decimal places)
- total CTF claim (currency, 2 decimal places)

For a comma delimited text file, it shall be the carrier's responsibility to ensure that the same number of fields are in every record and data for each field is listed in the same order.

* For partial month services, the CTF discount should be based on the partial month billing amount.

APPENDIX D

**California Teleconnect Fund
Claim Form
(1 page)**

CALIFORNIA TELECONNECT FUND (CTF) CLAIM FORM

(To be completed by the filing carrier)

(Use one form for each U#)

For the Month of _____ (Year)

or

Jan-Jul (Year) or Aug-Dec (Year).

Company Name: _____

CPUC #: U - _____

The following amounts are submitted for reimbursement. These amounts are supported by an accompanying data file (CD or disk) in the format prescribed by the Telecommunications Division.

A. Schools and Libraries:

- 1. Total Discounts _____
- 2. Taxes _____
- 3. Claims for S&Ls (Ln1 + L2) _____

B. Government Owned and Operated Hospitals and Health Clinics (GHCs)

- 4. Total Discounts _____
- 5. Taxes _____
- 6. Claim for GHCs (Ln4 + Ln5) _____

C. Community-based Organization (CBOs)

- 7. Total Discounts _____
- 8. Taxes _____
- 9. Claim for CBOs (Ln7 + Ln8) _____

D. Total Claims for the Month (Ln3 + Ln6 + Ln9)

E. Adjustments (Attach detailed information)

F. Net Claim for the Month (LnD + LnE)

Preferred Method of Payment: (Check One Method Only)

Check: / _____ / Automated Clearing House Transfer (ACH) / _____ /

For Check: Payee Name _____

Mailing Address: _____

For ACH: Account Name _____

Account No. _____ Name of Bank _____

Branch Address of Bank _____ ABA No. _____

I hereby certify that this form and the accompanying data file have been examined by me and to the best of my knowledge and belief they are true and complete. Carrier's signatory should be able to answer questions on claim calculations:

Signature: _____ Date: _____

Printed Name: _____ Title: _____

Telephone No. (____) _____ - _____ Email Address _____

Mailing Address: _____

For CPUC use only:

Telecom Staff Reviewer _____ Committee Approval Date: _____

Discount Amount Recommended to Committee _____ Committee Approved Amount _____

See attached / _____ / Check Mailing Date: _____

