

Finding	Criteria	Description
		price of the new, substituted service. (3) For purposes of this rule, the two categories of eligible services are not deemed to have the same functionality as one another.”

Conclusion

KPMG’s evaluation of the Beneficiary’s compliance with the applicable requirements of 47 C.F.R. Part 54 identified four findings, Beneficiary Over-Invoiced SLP for Services and Equipment Not Received, Beneficiary Over-Invoiced SLP for Services Not Requested, Failure to Comply with CIPA Requirements – Lack of Public Hearing or Meeting & Lack of Public Notice, and Failure to file a Service Substitution. Detailed information relative to the findings is described in the Findings, Recommendations and Beneficiary Responses section above.

The combined estimated monetary effect of these findings is as follows:

Service Type	Monetary Effect of Audit Results	Overlapping Recovery	Recommended Recovery
Internal Connections	\$5,361	\$535	\$4,826
Total Impact	\$5,361	\$535	\$4,826

KPMG recommends that the Beneficiary implement formal policies and procedures to ensure compliance with FCC Rules and ensure that equipment purchased through the E-rate Program is installed and in use for a reasonable period of time, implement appropriate processes to ensure equipment purchased using E-rate Program funding is necessary and effectively used at the location requested for the specified purpose, enhance its review process of SPI forms to ensure that only eligible services requested in FCC Form 471 are included in E-rate Program reimbursement requests, implement controls and procedures to ensure compliance with CIPA requirements and to ensure adequate records related to providing public notice and holding a public meeting to discuss the Internet Safety Policy are retained, and implement a service substitution approval process to ensure service substitutions are appropriately documented and approved.