

## Documentation for Auditors Checklist

### General Requirements (all components)

Documentation to support general requirements, such as:

- Written policies and procedures related to compliance with High Cost Program requirements
- Company organizational chart, showing parent and affiliate relationships, as well as the individuals responsible for processing, reviewing, and approving data submitted in High Cost Program filings
- Audit reports for financial, internal control, or any other audits that have a direct or indirect impact on data submitted in High Cost Program filings

### Loop/Access Line Count Submissions (all components)

Documentation to support loop/access line count submissions, such as:

- Billing Summary Reports (system generated)
- Subscriber listings, including fields such as subscriber name, billing address, service address (ILEC only), telephone number, account number, start date, disconnect date, line status (active, suspended, disconnected), line classification (residential, single-line business, multi-line business), and line category (Cost Companies only)
- Subscriber bills/invoices

### Data Submissions (Cost Companies only)

Documentation to support data submissions, such as:

High Cost Loop (HCL), Interstate Common Line Support (ICLS)

- Cost Studies (Parts 36, 64, and 69)
- Cost Study Adjustments
- Annual financial statements
- Trial Balance
- General Ledger (G/L), including account names and identification of regulated and non-regulated accounts
- Expense sub-ledgers, including account names, amount recorded, transaction description, and vendor name for each expense transaction reported in Part 64 data
- Detailed list of affiliate/related-party transactions, including account names, amount recorded, transaction description, and vendor name for each affiliate/related-party transaction reported in Part 64 data
- Cost Allocation Manuals (CAMs)
- Frozen allocation factors
- Detailed calculations for all allocation factors used to determine Part 64 data
- Continuing Property Records (CPRs)



- Schedules to demonstrate the clearing of overhead amounts in accounts 6110, 6112, 6113, 6114, 6512, 6534, and 6535 to construction and/or plant-specific operations expense accounts based on direct labor hours
- Power and common spread calculation worksheet
- Cash working capital calculation worksheet
- Depreciation schedules
- Net non-current and current deferred operating income taxes calculation worksheet
- Payroll distribution reports for payroll expense, including list of employees included in the payroll expense
- Local exchange tariff (or pricing list if no local exchange tariff)
- Documents (e.g., invoices, payroll register, timesheets, work orders, etc.) supporting the data submitted in High Cost Program filings

#### Interstate Common Line Support (ICLS)

- 24 Month Latest View (EC2060-L)
- EC Review Form (Form 509 Data)
- Schedule of uncollectible subscriber line charge amounts

#### Connect American Fund Intercarrier Compensation (CAF ICC)

- Documentation to support Access Recovery Charge (ARC) projection and true-up
- Local exchange tariff (or pricing list if no local exchange tariff)

#### Safety Valve Support (SVS)

- Qualification letter for any SVS disbursements received

## Data Submissions (Average Schedule Companies only)

### Documentation to support data submissions, such as:

#### High Cost Loop (HCL)

- Same requirements as access line count submissions listed above
- Local exchange tariff (or pricing list if no local exchange tariff)

#### Interstate Common Line Support (ICLS)

- 24 Month Latest View (AS2060-L)
- 25 Month Latest View (AS3060-L)
- EC Review Form (Form 509 Data)
- Schedule of uncollectible subscriber line charge amounts
- General ledger (G/L), including account names and identification of the accounts with subscriber line charge revenue, line port revenue, and special access surcharge revenue
- Carrier Access Billing Summary (CABS) billing report and bills/invoices to support Minutes of Use (MOUs) reported



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Connect American Fund Intercarrier Compensation (CAF ICC)

- Same requirements as for Cost Companies
- Local exchange tariff (or pricing list if no local exchange tariff)

Safety Valve Support (SVS)

- Same requirements as for Cost Companies