



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET, S.W.
WASHINGTON, D.C. 20554

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News media information 202/418-0500 Fax-On-Demand 202/418-2830 Internet: <http://www.fcc.gov> <ftp.fcc.gov>

Released: July 30, 1999

Common Carrier Bureau Announces Release of September Version of Telecommunications Reporting Worksheet (FCC Form 499-S) For Contributions to the Universal Service Support Mechanisms

CC Docket No. 98-171

In this Public Notice, the Common Carrier Bureau (Bureau) announces the release of the September version of the Telecommunications Reporting Worksheet, FCC Form 499-S ("September Worksheet") and accompanying instructions. All contributors to the federal universal service support mechanisms -- including every telecommunications carrier providing interstate telecommunications and other providers of interstate telecommunications for a fee -- must file the September Worksheet, except that contributors whose contributions would be *de minimis* under the Commission's rules need not file the September worksheet.¹

In the *Second Order on Reconsideration*, released on July 18, 1997, the Commission adopted a worksheet (the Universal Service Worksheet) for collecting contributor data, upon which universal service contribution factors and actual contributions are based.² On July 14, 1999, the Commission amended its rules so that contributors to the universal service support mechanisms need only file the Telecommunications Reporting Worksheet for the purpose of determining their contributions to the universal service support mechanisms, as well as other support and cost recovery mechanisms.³ Pursuant to the *Contributor Reporting Requirements Order*, all contributors to the universal service support mechanisms, except those that fall within the Commission's *de minimis* exemption, must file a streamlined version of the Telecommunications Reporting Worksheet (FCC Form 499-S) on September 1 of each year.⁴

¹ 47 C.F.R. § 54.708.

² *Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21, 96-45, Report and Order and Second Order on Reconsideration, 12 FCC Rcd 18400, 18424, para. 43, 18442, para. 80, Appendix C (1997) (*Second Order on Reconsideration*).

³ *1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms*, Report and Order, FCC 99-175, CC Docket No. 98-171 (rel. July 14, 1999) (*Contributor Reporting Requirements Order*) (also adopting an April version of the worksheet that will be used to calculate contributions to the TRS Fund and the cost recovery mechanisms for numbering administration and local number portability, as well as the universal service support mechanisms). Thus, all telecommunications carriers will file the April worksheet, whether or not they meet the *de minimis* threshold for purposes of contributing to the universal service support mechanisms.

⁴ On April 1 of each year, all contributors to the federal telecommunications relay service, numbering

The September version of Telecommunications Reporting Worksheet sets forth the information that contributors must submit, so that the universal service administrator may calculate and assess contributions to the universal service support mechanisms.⁵

Information filed on the Telecommunications Reporting Worksheets will be compiled and used to calculate the universal service contribution factors that will be used as the actual basis for contributions. Contribution factors will be announced in a Public Notice each quarter. USAC will collect and bill quarterly contributions in equal monthly payments. Payments must be made by the date listed on USAC's bills.

Contributors must use the September Worksheet for their filings due on September 1, 1999. Copies of the September Worksheet (FCC Form 499-S) and instructions may be downloaded from the Commission's Forms Web Page (www.fcc.gov/formpage.html). Copies also may be obtained by calling the fax-on-demand line at (202) 418-2830. Finally, copies may be obtained from USAC at (973) 560-4400.

For further information, contact Suzanne McCrary, Jim Lande or Scott Bergmann, Industry Analysis Division, Common Carrier Bureau, at (202) 418-0940.

administration, long-term number portability, and universal service support mechanisms (except certain non-common carrier telecommunications service providers meeting the universal service *de minimis* exemption) must file the April version of the Telecommunications Reporting Worksheet, FCC Form 499-A.

⁵ Data filed in the September Worksheet (covering the period from January 1 through June 30 of 1999) will be used to calculate universal service support contributions for January through June 2000. Data filed in April Worksheet (covering the entire 1999 calendar year) will be used to calculate universal service support contributions for July through December 2000.

1999 FCC Form 499-S Telecommunications Reporting Worksheet

Approval by OMB
3060-0855

>>> Please read instructions before completing. <<<

Short Form -- Universal Service Contributors only -- due September 1, 1999

Block 1: Contributor Identification Information		101	Filer 499 ID
102	Legal name of reporting entity		
103	IRS employer identification number		
104	Name telecommunications service provider is doing business as		
105	Principal communications business (check the one that best describes the reporting entity -- see directions)		
	<input type="checkbox"/> CAP/CLEC	<input type="checkbox"/> Cellular/PCS/SMR (wireless telephony incl. by resale)	<input type="checkbox"/> Incumbent LEC <input type="checkbox"/> IXC
	<input type="checkbox"/> Local Reseller	<input type="checkbox"/> OSP <input type="checkbox"/> Paging & Messaging	<input type="checkbox"/> Payphone Service Provider
	<input type="checkbox"/> Pre-paid Card	<input type="checkbox"/> Private Service Provider	<input type="checkbox"/> Satellite
	<input type="checkbox"/> Shared Tenant Service Provider	<input type="checkbox"/> SMR (dispatch)	<input type="checkbox"/> Toll Reseller <input type="checkbox"/> Wireless Data
	If Other Local, Other Mobile or Other Toll is checked, <input type="checkbox"/> Other Local <input type="checkbox"/> Other Mobile <input type="checkbox"/> Other Toll		
	describe carrier type / services provided:		
106	Holding company [All affiliated companies should show same name here]		
107	Complete mailing address of reporting entity corporate headquarters		

Block 2: Contact Information	
108	Person who completed this worksheet
109	Telephone number of this person () -
110	Fax number of this person () -
111	E-mail of this person
112	Corporate office, attn. name, and mailing address to which future Telecommunications Reporting Worksheets should be sent
113	Billing address: [Bills for Universal Service contributions will be sent to this address.]

Block 3: Contributor Revenue Information				
Filing Period	Billed revenue for January 1 through June 30 of 1999	Total Revenue	Percent Interstate & International	Interstate and International Revenue
		(a)	(b)	(c)
114	Revenue from service provided to other contributors for resale [Form 499-A lines 203 - 214]		%	
115	Contribution Revenues [Form 499-A lines 215 - 223 and 225 - 229]		%	
116	Other Revenues [Form 499-A lines 224 and 230]			
117	Gross billed revenue from all sources [sum of above]			

Block 4: CERTIFICATION: to signed by an officer of the filer	
118	I certify that the revenue data contained herein is privileged and confidential and that public disclosure of such information, would likely cause substantial harm to the competitive position of the company. I request nondisclosure of the revenue information contained herein pursuant to Sections 0.459, 52.17, 54.711 and 64.604 of the Commission's Rules. <input type="checkbox"/>
I certify that I am an officer of the above-named reporting entity, that I have examined the foregoing report and to the best of my knowledge, information and belief, all statements of fact contained in this Worksheet are true and that said Worksheet is an accurate statement of the affairs of the above-named company for the previous calendar year.	
119	Signature _____
120	Printed name of officer
121	Position with reporting entity
122	Date
123	This filing is: <input type="checkbox"/> Original filing <input type="checkbox"/> Revised filing [revisions due by January 31, 2000]

Do not mail checks with this form. Send this form to: Telecommunications Reporting Worksheet, 100 South Jefferson Rd, Whippany, N.J. 07981
For additional information regarding this worksheet contact: Telecommunications Reporting Worksheet information (973) 560-4400

PERSONS MAKING WILLFUL FALSE STATEMENTS IN THE WORKSHEET CAN BE PUNISHED BY FINE OR IMPRISONMENT UNDER TITLE 18 OF THE UNITED STATES CODE, 18 U.S.C. §1001

Telecommunications Reporting Worksheet, FCC Form 499-S

Instructions for Completing the September Worksheet for Filing Contributions to the Universal Service Support Mechanisms

* * * * *

NOTICE TO INDIVIDUALS: Sections 54.703, 54.711, and 54.713 of the Federal Communications Commission's rules require all telecommunications carriers providing interstate telecommunications services, providers of interstate telecommunications that offer interstate telecommunications for a fee on a non-common carrier basis, and payphone providers that are aggregators to contribute to universal service and file this Telecommunications Reporting Worksheet (FCC Form 499-S) on September 1, each year. 47 C.F.R. §§ 54.703, 54.711, 54.713. This collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254. The data in the Worksheet will be used to calculate contributions to the universal service support mechanisms. Selected information provided in the Worksheet will be made available to the public in a manner consistent with the Commission's rules.

We have estimated that each response to this collection of information will take, on average, 6 hours. Our estimate includes the time to read the instructions, look through existing records, gather and maintain the required data, and actually complete and review the form or response. If you have any comments on this estimate, or how we can improve the collection and reduce the burden it causes you, please write the Federal Communications Commission, AMD-PERMS, Washington, D.C. 20554, Paperwork Reduction Project (3060-0855). We also will accept your comments via the Internet if you send them to jboley@fcc.gov. Please **DO NOT SEND COMPLETED WORKSHEETS TO THIS ADDRESS.**

Remember -- You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid Office of Management and Budget (OMB) control number. This collection has been assigned an OMB control number of 3060-0855.

The Commission is authorized under the Communications Act of 1934, as amended, to collect the personal information we request in this form. We will use the information that you provide to determine contribution amounts. If we believe there may be a violation or potential violation of a statute or a Commission regulation, rule, or order, your Worksheet may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation, or order. In certain cases, the information in your Worksheet may be disclosed to the Department of Justice, court, or other adjudicative body when (a) the Commission; or (b) any employee of the Commission; or (c) the United States government, is a party to a proceeding before the body or has an interest in the proceeding.

If you owe a past due debt to the federal government, the taxpayer identification number (such as your social security number) and other information you provide also may be disclosed to the Department of the Treasury Financial Management Service, other federal agencies, and/or your employer to offset your salary, IRS tax refund, or other payments to collect that debt. The Commission also may provide this information to those agencies through the matching of computer records where authorized.

With the exception of your social security number, if you do not provide the information we request on the Worksheet, the Commission may consider you in violation of sections 54.711 and 54.713 of the Commission's rules. 47 C.F.R. §§ 54.711 and 54.713.

The foregoing Notice is required by the Privacy Act of 1974, P.L. 93-579, December 31, 1974, 5 U.S.C. § 552(a)(e)(3), and the Paperwork Reduction Act of 1995, P.L. No. 104-13, 44 U.S.C. § 3501, *et seq.*

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I. Introduction.

As required under the Communications Act of 1934, as amended¹, the Commission has established procedures to finance federal universal service support mechanisms. ² To accomplish this Congressionally-directed objective, contributions are collected from all telecommunications carriers providing interstate telecommunications and certain other providers of telecommunications services. This Worksheet sets forth the information that the contributor must submit, so that the administrator of the universal service support mechanisms may calculate and assess contributions. ³

II. Filing Requirements and General Instructions

A. Who must file

All providers of telecommunications services within the United States, with very limited exceptions, must file an FCC Form 499-S Telecommunications Reporting Worksheet if their annual contribution to the federal universal service support mechanisms is expected to exceed \$10,000 for the year. For this purpose, the United States is defined as the contiguous United States, Alaska, Hawaii, American Samoa, Baker Island, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Island, Navassa Island, the Northern Mariana Islands, Palmyra, Puerto Rico, the U.S. Virgin Islands, and Wake Island.

For purposes of determining whether an entity provides interstate telecommunications, please note that the term "telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received. For the purpose of filing, the term "interstate telecommunications" includes, but is not limited to, the following types of services: wireless telephony including cellular and personal communications services (PCS); paging and messaging services; dispatch services; mobile radio services; operator services; access to interexchange service; special access; wide area telecommunications services (WATS); subscriber toll-free services; 900 services; message telephone services (MTS); private line; telex; telegraph; video services; satellite services; and, resale services. Note, for example, that all local exchange carriers provide access services and, therefore, provide interstate telecommunications.

Note also that entities must file this worksheet, and are subject to the universal service contribution requirement, if they offer interstate telecommunications services for a fee to the public even if only a narrow or limited class of users could utilize the services. Included are entities that provide interstate telecommunications services to entities other than themselves for a fee on a private, contractual basis. In addition, owners of pay telephones, sometimes referred to as "pay telephone aggregators," must file this worksheet.

The following three sections list types of entities that are not required to file the Form 499-S.

¹ 47 U.S.C. §§ 151, 225, 251, 254.

² *1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms*, Report and Order, FCC 99-175, CC Docket No. 98-171 (rel. July 14, 1999).

³ Please note that this worksheet refers to "filers," "reporting entities," and "contributors" interchangeably, except where specifically distinguished.

1. Exception for *de minimis* telecommunications carriers and service providers

Contributors that provide interstate telecommunications but whose contribution would be *de minimis* are not required to file the September Worksheet (FCC Form 499-S) or contribute to universal service. A contributor's contribution would be *de minimis* if that contributor's contribution for the year is expected to be less than \$10,000. Carriers and other telecommunications service providers should complete the table contained in Figure 1 to determine whether they meet the *de minimis* standard.⁴ To complete Figure 1, potential filers must first complete block 3 of the September Worksheet and enter the amounts from Line 115 in Figure 1.

Contributors that do not file this worksheet because they are *de minimis* should retain Figure 1 and documentation of their contribution base revenues for 3 calendar years after the date each worksheet is due. If a reseller qualifies for the *de minimis* exception, it must notify its underlying carrier that it is not contributing directly to universal service and must be considered an end user for universal service contribution purposes.

⁴ See 47 C.F.R. § 54.708.

Figure 1: Table to determine if a contributor meets the *de minimis* standard for purposes of universal service

		Total intrastate, interstate and international contribution base (a)	Interstate and international contribution base (b)
A	Amount from Block 3, Line 115		
B		0.5	0.5
C	Revenue stated on a quarterly basis (Line A times Line B)		
D	Estimated quarterly payment factor for the purposes of meeting the <i>de minimis</i> threshold*	.0099	.0294
E	Estimated quarterly contribution (Line C times Line D)		
F	Total quarterly contribution (Line E-1 plus Line E-2)		
G	Annualizing factor		4
H	Estimated annual contribution for universal service support (Line F times Line G)		
* The semi-annual estimation factors (as well as contribution factors) can be found on the Commission's web page (www.fcc.gov).			

2. Exception for government, broadcasters, schools and libraries

Certain additional entities are explicitly exempted from contributing directly to the universal service support mechanisms and need not file this worksheet. Government entities that purchase telecommunications services in bulk on behalf of themselves, *e.g.*, state networks for schools and libraries, are not required to file or contribute directly to universal service. Public safety and local governmental entities licensed under Subpart B of Part 90 of the Commission's rules are not required to file or contribute directly to universal service. Similarly, if an entity provides interstate telecommunications exclusively to public safety or government entities and does not offer services to others, that entity is not required to file or contribute directly to universal service. In addition, broadcasters, non-profit schools, non-profit libraries, non-profit colleges, non-profit universities, and non-profit health care providers are not required to file the worksheet

or contribute directly to universal service.

3. Exception for Systems Integrators and Self Providers

Systems integrators that derive less than five percent of their systems integration revenues from the resale of telecommunications are not required to file or contribute directly to universal service. Systems integrators are providers of integrated packages of services and products that may include the provision of computer capabilities, interstate telecommunications services, remote data processing services, back-office data processing, management of customer relationships with underlying carriers and vendors, provision of telecommunications and computer equipment, equipment maintenance, help desk functions, and other services and products. Entities that provide services only to themselves or to commonly owned affiliates need not file.

B. Filing by Legal Entity

Each legal entity that provides interstate telecommunications service for a fee, including each affiliate or subsidiary of an entity, must complete and file separately a copy of the attached Telecommunications Reporting Worksheet. Entities that have distinct articles of incorporation are separate legal entities. Entities may not file "summary" worksheets for more than one contributor. Each affiliate or subsidiary should identify their ultimate controlling parent or entity on Block 1 Line 106 -- Holding Company.

C. When and Where to File

Figure 2 provides the filing schedule and relevant addresses. If September 1 is a holiday (as defined in Section 1.4(e)(1) of the Commission's rules), worksheets are due the next business day.

Figure 2: Filing schedule

When to file 499-S	What to file	Where to file *
September 1, 1999	- Completed Form 499-S	USAC - Telecommunications Reporting Worksheet, FCC Form 499-S 100 South Jefferson Rd. Whippany, NJ 07981
* Do not send universal service contributions with this worksheet or to this address. The Universal Service administrators will calculate the amount of contribution due and send a bill to the billing address identified in Line 113 of the Form 499-S.		

If you have questions about the worksheet or the instructions, you may contact:

Form 499-S Telecommunications Reporting Worksheet Information	(973) 560-4400
Common Carrier Bureau Industry Analysis Division	(202) 418-0940
TTY (Network Services Division)	(202) 418-0484

If you have questions regarding contribution amounts, billing procedures or the support and cost recovery mechanisms, you may contact:

Universal Service Administrative Company	(973) 560-4400
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Data filed on September 1 (covering the period from January 1 through June 30 of that same year) will be used to calculate universal service support contributions for January through June of the following year. Data filed on April 1 (in FCC Form 499-A) will be used to calculate universal service support contributions for July through December of the same year in which data was filed (as well as to calculate contributions for the federal telecommunications relay service, numbering administration, and long-term local number portability mechanisms). Information filed on these worksheets will be compiled and used to calculate contribution factors that will be used as the basis for actual contributions. For universal service purposes, contribution factors are typically announced by Public Notice each quarter.

D. Rounding of Numbers and Negative Numbers

All information provided in the Worksheet, except the signature, should be neatly printed in ink or typed.

Dollar Amounts. Reported revenues in block 3, column (a) and column (c) that are greater than a thousand dollars may be rounded to the nearest thousand dollars. Regardless of rounding, **dollar amounts must be reported in whole dollars** . For example, \$2,271,881.93 could be reported as \$2,271,882 or as \$2,272,000, but could not be reported as \$2272 thousand, \$2,270,000.00 or \$2.272 million. Please enter \$0 in any line for which the contributor had no revenues for the year. **all**

Percentages. Percentages reported in block 3, column (b) should be rounded to the nearest whole percent. For example, if the exact amount of interstate revenues for a line is not known, but the filer estimates that the ratio of interstate to total revenue was .425, then the figure 43% should be reported and used for calculating the amount reported in column (c).

Carriers are directed to provide billed revenues without subtracting any expenses, allowances for

uncollectibles or settlement payments and without making out of period adjustments. Therefore, do not enter negative numbers on the form.

E Obligation to file revisions

Line (123) provides check boxes to show whether the Worksheet is the original filing or a revised filing for the year. A contributor must file a revised worksheet if it discovers an error in the data that it reports, such as would arise if the filer discovered that it omitted or misclassified a major category of revenue. In general, the September 1 filing will be based on unaudited books from a point in time. Carriers need not file revisions to the Form 499-S as a result of ordinary accounting adjustments such as out-of-period adjustments. Contributors should not file a revised September 1 Form 499-S Telecommunications Reporting Worksheet to reflect mergers, acquisitions, or sales of operating units. In the event that a contributor that filed a Form 499-S no longer exists, the successor company to the contributor's assets or operations is responsible for continuing to make payments, if any, for the funding period. However, filers should notify the universal service administrator so that the second half revenue of the surviving entity can be calculated as the total combined revenue for the year minus the first half revenue of each predecessor entity. Revisions to the Form 499-S should be filed by January 31 of the following year.

F. Compliance

Contributors failing to file the Telecommunications Reporting Worksheet or to pay contributions in a timely fashion may be subject to the enforcement provisions of the Communications Act and any other applicable law. In addition, contributors may be billed by the administrators for reasonable costs, including interest and administrative costs that are caused by inaccurate or untruthful filing of the Worksheet or overdue contributions.⁵

⁵ See 47 C.F.R § 54.713.

III. Specific Instructions

A. Block 1: Contributor Identification Information

Block 1 of the Telecommunications Reporting Worksheet requires identification information.

Line (101) -- enter the "Filer 499 ID" number for the filing entity. This is a six digit number starting with an 8 that formerly was assigned as the Telecommunications Relay Service (TRS) Company Code. TRS Company Codes for carriers that filed 1998 TRS Worksheets are published in the FCC report *Carrier Locator: Interstate Service Providers*, which is available on the Commission's "FCC-State Link," web site at <www.fcc.gov/ccb/stats>. New filers can obtain Filer 499 IDs by contacting Form 499-S Telecommunications Reporting Worksheet Information at (973) 560-4400. This code should be entered at the top of each page on the paper version of the worksheet, the cover letter, and on supporting documentation, if any.

Line (102) -- enter the legal name of the filer as it appears on articles of incorporation and other legal documents. Each legal entity must file a separate worksheet.

Line (103) -- provide the Internal Revenue Service (IRS) employer identification number (EIN) for the filer. This should be the same EIN that the company uses to file federal excise taxes or income taxes, if the company offers services subject to that tax.

Line (104) -- provide the principal name under which the company conducts telecommunications activities. This would typically be the name that appears on customer bills, or the name used when service representatives answer customer inquiries.

Line (105) -- mark the box that best describes the principal telecommunications activity of the filer. Use the following categories:

- | | |
|--|--|
| CAP/CLEC | (Competitive Access Provider/Competitive Local Exchange Carrier)
-- competes with incumbent local exchange carriers to provide local exchange services or telecommunications services that link customers with interexchange facilities, local exchange networks, or other customers. |
| Cellular/PCS/SMR
(wireless telephony) | (Cellular, Personal Communications Service, and Specialized Mobile Radio - telephone service provider)
-- primarily provides wireless telecommunications services (wireless telephony). This category includes the provision of wireless telephony by resale. An SMR provider would select this category if it primarily provides wireless telephony rather than dispatch or other mobile services. |
| Incumbent LEC | -- provides local exchange service. An incumbent local exchange carrier (ILEC) generally is a carrier that was at one time franchised as a monopoly service provider. See 47 U.S.C. § 251(h). |

IXC	(Interexchange Carrier) -- provides long distance telecommunications services substantially through switches or circuits that it owns or leases.
Local reseller	-- provides local exchange or fixed telecommunications services by reselling services of other carriers.
OSP	(Operator Service Provider) -- serves customers needing the assistance of an operator to complete calls, or needing alternate billing arrangements such as collect calling.
Paging and Messaging	-- provides wireless paging or wireless messaging services. This category includes the provision of paging and messaging services by resale.
Payphone Service Provider	-- provides customers access to telephone networks through payphone equipment, special teleconference rooms, etc. Payphone service providers also are referred to as payphone aggregators.
Pre-paid Card	-- provides pre-paid calling card services by selling pre-paid calling cards to the public or to retailers. Pre-paid card providers typically resell the toll service of other carriers and determine the price of the service by setting the price of the card and controlling the number of minutes that the card can be used for.
Private Service Provider	-- offers telecommunications to others for a fee on a non-common carrier basis. This would include a company that offers excess capacity on a private system that it uses primarily for internal purposes.
Satellite	-- provides satellite space segment or earth stations that are used for telecommunications service.
Shared Tenant Service Provider	-- manages or owns a multi-tenant location that provides telecommunications services or facilities to the tenants for a fee.
SMR (dispatch)	(Specialized Mobile Radio service provider) -- primarily provides dispatch services and mobile services other than wireless telephony. While dispatch services may include interconnection with the public switched network, this category does not include carriers that primarily offer wireless telephony.
Toll Reseller	-- provides long distance telecommunications services primarily by reselling the long distance telecommunications services of other carriers.

Wireless Data -- provides mobile or fixed wireless data services using wireless technology. This category includes the provision of wireless data services by resale.

The worksheet also provides boxes for "Other Local," "Other Mobile," and "Other Toll." If one of these categories is checked, the filer should describe the nature of the service it provides.

Line (106) -- provide the name of the contributor's holding company or controlling entity, if any. The holding company need not be a common carrier. All reporting affiliates or commonly controlled contributors should have the same name appearing in Line (106). An affiliate is a "person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person." *See* 47 U.S.C. § 153(1).

Line (107) -- enter the complete mailing address of the corporate headquarters of the reporting entity.

B. Block 2: Contact Information

Lines (108-111) -- enter the name of the person who filled out the Form 499. This should be a person who can provide clarifications, additional information, and, if necessary, who could serve as the first point of contact in the event that either the Commission or an administrator should choose to verify or audit information provided in the Telecommunications Reporting Worksheet.

Line (112) -- provide the name and mailing address of a corporate office to which future Telecommunications Reporting Worksheets should be sent. The next Telecommunications Reporting Worksheet will be mailed to this address unless other arrangements are made. Failure to receive a Telecommunications Reporting Worksheet from an administrator or from the FCC does not relieve the contributor from its obligation to file in a timely fashion.

Line (113) -- provide a name and address for administrators to send billing information for contributions to the mechanisms. Information on establishing electronic fund transfer and bills for universal service contributions will be sent to this address unless other arrangements are made.

C. Block 3: Contributor Revenue Information

Lines (114) through (117) require contributor revenue data. These summary categories are based on the detailed categories from Form 499-A lines (203) through (232). FCC Form 499-A is available from the Commission's web page (www.fcc.gov/formpage.html). As noted below, filers may find it useful to consult the instructions to the FCC Form 499A for further clarification about particular revenue categories.

1. Separating Revenue from Resellers from Revenue from All Other Sources
(carrier's carrier vs end user)

In the Telecommunications Reporting Worksheet, filers must report revenue from two broad types of categories: (1) Revenue from other contributors to the federal universal service support mechanisms; and, (2) Revenue from all other sources. For the purposes of this worksheet revenue from other contributors to the federal universal service support mechanisms is primarily revenue from services provided by underlying carriers to other carriers for resale, referred to here as "carrier's carrier revenue" or "revenue from resellers." Revenue from all other sources consists primarily of revenue provided to end users, referred to here as "end user revenue."

For the purpose of completing Block 3, a reseller is a telecommunications carrier or telecommunications service provider that: 1) incorporates purchased telecommunications services into its own offerings; and, 2) can reasonably be expected to contribute to federal universal service support mechanisms based on revenues from those offerings.

Note: For the purposes of filing out this worksheet -- and for calculating contributions to the universal service support mechanisms -- certain telecommunications carriers and service providers may be exempt from contribution to the universal service support mechanisms. These exempt entities, including "international only" and "intrastate only" carriers and carriers that meet the *de minimis* universal service threshold, should be treated as end users for the purpose of reporting revenues in Block 3. That is, filers that are underlying carriers should report revenues derived from the provision of telecommunications to exempt carriers and providers (including services provided to entities that are *de minimis* for universal service purposes) on Line (115). For further guidance, see Lines (215-231) of FCC Form 499-A, as appropriate. Underlying carriers must contribute to the universal service support mechanisms on the basis of this revenue.

Each contributor should have documented procedures to ensure that it reports as revenues from resellers only revenues from entities that reasonably would be expected to contribute to support universal service. The procedures should include but not be limited to maintaining the following information on resellers: legal name; address; name of a contact person; and phone number of the contact person. If the underlying contributor does not have independent reason to know that the entity will, in fact, resell service and contribute to the federal universal service support mechanisms, then the underlying carrier should either obtain a signed statement to that effect or report those revenues as end user revenues.

2. Column (a) - total revenue

The reporting entity must report gross revenues from all sources, including nonregulated and non-telecommunications services on Lines (114) through (116) and these must add to total gross revenue as

reported on Line (117). Gross revenues should include revenues derived from the provision of interstate, international, and intrastate telecommunications and non-telecommunications services. Gross revenues consist of total revenues billed to customers during the filing period with no allowances for uncollectibles, settlements, or out-of-period adjustments. Gross billed revenues may be distinct from booked revenues. NECA pool companies should report the actual gross billed revenues (CABS Revenues) reported to the NECA pool and not settlement revenues received from the pool.

Where two contributors have merged prior to filing, the successor company should report total revenues for the reporting period for all predecessor operations. The two contributors, however, should continue to report separately if each maintains separate corporate identities and continues to operate.

Gross revenues also should include any surcharges on communications services that are billed to the customer and either retained by the contributor or remitted to a non-government third party under contract. Gross revenues should exclude taxes and any surcharges that are not recorded on the company books as revenues but which instead are remitted to government bodies. Note that any charge included on an end user bill and represented to recover or collect contributions to federal or state universal service support mechanisms must be reported as end user revenue.

For international services, gross revenues consist of gross revenues billed by U.S. contributors with no allowances for settlement payments. International settlement receipts for foreign billed service should not be included.

3. Columns (b) and (c) percent interstate & international

Columns (b) and (c) are provided to identify the part of gross revenues that arise from interstate and international service for each entry in Lines (114) through (116). See FCC Form 499-A, Lines (203) through (229), for further guidance. Intrastate telecommunications means communications or transmission between points in the same State, Territory, or possession of the United States, or the District of Columbia. Interstate and international telecommunications means communications or transmission between points between a point in one State, Territory, possession of the United States or the District of Columbia and a point outside that State, Territory, possession of the United States or the District of Columbia. For example, if a prepaid calling card provider collects a fixed amount of revenue per minute of traffic, and 65 percent of minutes are interstate, then interstate revenues would include 65 percent of the per-minute revenues. Similarly, if a LEC bills local measured service charges for calls that originate in one state and terminate in another, these billings should be classified as interstate even though the charges are covered by a state tariff and the revenues are included in a local service account. Note that, under the Commission's rules, if over ten percent of the traffic carried over a private or WATS line is interstate, then the revenues and costs generated by the entire line are classified as interstate.⁶ In general, flat-rated unbundled network access elements should be classified according to the regulatory agency that has primary jurisdiction over the contracts.

Note: Where possible, filers should report their amount and percentage of total revenues that are interstate and international by using information from their books of account and other internal data reporting systems. So, where a filer can determine the precise amount of revenue that it has billed for interstate and international

⁶ See 47 C.F.R. § 36.154(a).

service, it should enter that amount in column (c) and then calculate the percentage interstate and international as the amount in column (c) divided by the amount in column (a).

In many cases, interstate and international revenues cannot be determined directly from corporate books of account or subsidiary records. Filers that cannot derive interstate and international revenues or that cannot derive the line-by-line revenue breakdowns may provide on the worksheet good faith estimates of these figures. In such cases, the filer should enter the good faith estimate of the percentage of interstate and international revenues in column (b). A reporting entity may not submit a good faith estimate lower than one percent unless the correct figure should be \$0. Information supporting good faith estimates must be made available to either the FCC or to the Universal Service Administrator upon request. Using the good faith estimate, calculate the amount of interstate and international revenue as the amount in column (a) times the percentage in column (b). For convenience, calculated interstate and international revenue amounts that are greater than one thousand dollars may be rounded to the nearest thousand dollars. Please enter zero dollars in column (c) if, and only if, there were no interstate revenues for the line for the reporting period.

Note that under interim guidelines,⁷ the FCC provides the following safe harbor percentages of interstate and international revenues associated with mobile services [See FCC Form 499-A, Lines (209), (221) and (222), for further guidance]:

- 15% of cellular and broadband PCS telecommunications revenues
- 12% of paging revenues
- 1% of analog SMR dispatch revenues

Wireless telecommunications providers that chose to avail themselves of these procedures may assume that the FCC will not find it necessary to review or question the data underlying their reported percentages.

4. Explanation of revenue categories

The revenue detail provided on Lines (114) through (116) should total to total gross revenue reported on Line (117).

Line (114) -- Revenue from service provided to other contributors for resale. This line should contain revenue from telecommunications services provided to resellers (i.e., telecommunications revenue derived from other universal service contributors).

Line (115) -- Contribution revenues. This line should contain end-user telecommunications revenue (i.e., telecommunications revenue derived from entities that do not contribute to universal service), except for revenue from international calls that both originate and terminate in foreign points.

Line (116) -- Other revenue that should not be reported in the universal service contribution base. Filers may have revenues on their books that are not derived from telecommunications or telecommunications-related functions that should not be included in the universal service contribution base. This line should contain

⁷ *Federal-State Joint Board on Universal Service*, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, CC Docket No. 096-45, 13 FCC Rcd 21252, 21258-60 (Oct 26, 1998).

revenue from international calls that both originate and terminate in foreign points as well as other revenues that should not be included in the universal service contribution base. For example, information services offering a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications are not included in the universal service contribution base. Information services do not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service. Information services also are called enhanced services. These services are offered over common carrier transmission facilities used in interstate communications and employ computer processing applications that act on the format, content, code, protocol, or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. Line (116) should include Uniform System of Accounts (USOA) Account 5230 -- Directory revenues -- and Account 5270 -- Carrier billing and collection revenue. Line (116) should include revenues from the sale, lease, maintenance, or insurance of customer premises equipment (CPE), inside wiring maintenance insurance, and all non-telecommunications service revenues on the reporting entity's books.

Line (117) -- Gross billed revenues from all sources. This line should equal the sum of revenues by type of service reported on Lines (114) through (116).

Further detail on the types of revenues that should be reported on Lines (114) and (115) is contained in the FCC Form 499-A, instructions for Lines (203) through (230), available at the Commission's web site (www.fcc.gov/formpage.html).

D. Block 4: Certification.

Line (118) -- Filers may use the box in Line (118) to request nondisclosure of revenue information contained on the Telecommunications Reporting Worksheet. By checking this box, the officer of the company signing the Worksheet certifies that the revenue information contained on the Worksheet is privileged or confidential commercial or financial information and that disclosure of such information would likely cause substantial harm to the competitive position of the company filing the Worksheet. This box may be checked in lieu of submitting a separate request for confidentiality pursuant to section 0.459 of the Commission's rules.⁸ All decisions regarding disclosure of company-specific information will be made by the Commission. The Commission may make publicly available the names of the entities that file the Telecommunications Reporting Worksheet, including entities that checked the box in Line (118).

Lines (119-122) -- An officer of the reporting entity must examine the data provided in the Telecommunications Reporting Worksheet and certify that the information provided therein is accurate. An officer is a person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, vice president for finance, comptroller, treasurer, or a comparable position. If the reporting entity is a sole proprietorship, the owner must sign the certification.

Line (123) - Indicate whether this filing is an original filing or a revised filing. See Section II-F.

IV. Reminders

- Each legal entity must file separately. Each affiliate or subsidiary should show the same holding company name on Line (106).
- Provide data for all lines that apply. Show a zero for services for which the contributor had no revenues for the filing period.
- Wherever possible, revenue information should be taken from the contributors' financial records.
- The Worksheet must be signed by an officer of the reporting entity. An officer is a person who occupies a position specified in the corporate by laws (or partnership agreement), and would typically be president, vice president for operations, comptroller, treasurer, or a comparable position.
- Do not mail the worksheet to the FCC. See Section II-B for filing instructions.

⁸ 47 C.F.R. § 0.459. See also *Examination of Current Policy Concerning the Treatment of Confidential Information Submitted to the Commission*, Report and Order, FCC 98-184, GC Docket No. 96-55 (rel. Aug. 1998) (listing the showings required in a request that information be withheld and stating that the Commission may defer action on such requests until a formal request for public inspection has been made).

If you have questions about the worksheet or the instructions, you may contact:

Form 499-S Telecommunications Reporting Worksheet Information	(973) 560-4400
Common Carrier Bureau	
Industry Analysis Division	(202) 418-0940
TTY (Network Services Division)	(202) 418-0484

If you have questions regarding contribution amounts, billing procedures or the mechanisms, you may contact:

Universal Service Administrative Company	(973) 560-4400
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