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GLOBAL CONNECTION INC. OF AMERICA

April 20, 2015

Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

To Whom it May Concern:

Please find attached Global Connection Inc. of America's Lifeline Biennial Audit Final Report.

If you have any questions, please contact me at (678) 741 6253.

/s/ Dee DiCicco

Dee DiCicco
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April 1, 2015

BY EMAIL and ECFS

Charles Tyler
Telecommunications Access Policy Division
Wireline Competition Bureau
445 12th Street, SW, Room 5-A452
Washington, DC 20554

Thomas Buckley
Office of the Managing Director
445 12th Street, SW, Room 1-A636
Washington, DC 20554

Re: Global Connection Inc. of America's Lifeline Biennial Audit Final Report

Dear Messrs. Tyler and Buckley,

Please find attached Global Connection Inc. of America's Lifeline Biennial Audit Final Report.

If you have any questions, please contact John Heitmann at (202) 342-8544 or jheitmann@kelleydrye.com or Joshua Guyan at (202) 342-8566 or jguyan@kelleydrye.com.

KELLEY DRYE & WARREN LLP

Charles Tyler and Thomas Buckley
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April 1, 2015

Respectfully submitted,



John J. Heitmann
Joshua Guyan
Counsel to Global Connection Inc. of America

Enclosure

cc: Karen Majcher, USAC (LifelineBiennial@usac.org)



Certified Public Accountants and Business Advisors

Independent Accountants' Report
On Applying Agreed-Upon Procedures
Global Connection Inc. of America

To the Management of Global Connection Inc. of America (the "Carrier"), the Universal Service Administrative Company ("USAC"), and the Federal Communications Commission ("FCC" or the "Commission"):

We have performed the procedures enumerated in Attachment A, which were agreed to by the FCC's Wireline Competition Bureau ("Bureau") and the Office of Managing Director ("OMD") in the Lifeline Biennial Audit Plan or as otherwise directed by the Bureau,¹ solely to assist you in evaluating Global Connection Inc. of America's compliance with certain regulations and orders governing the Low Income Support Mechanism (also known as the Lifeline Program) of the Universal Service Fund, set forth in 47 C.F.R. Part 54, as well as other program requirements, including any state-mandated Lifeline requirements (collectively, the Rules) detailed in the Lifeline Biennial Audit Plan for the calendar year ended December 31, 2013.

Global Connection Inc. of America's management is responsible for compliance with the Rules. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by Generally Accepted Government Auditing Standards (GAGAS) issued by the Government Accountability Office (2011 Revision).² The sufficiency of these procedures is solely the responsibility of the Bureau and OMD. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment A, either for the purpose for which this report has been requested or for any other purpose.

Specific procedures and related results are enumerated in Attachment A to this report. In compliance with the Lifeline Biennial Audit Plan, this report does not contain any personally identifiable information or individually identifiable customer proprietary network information.³

¹ See *Wireline Competition Bureau Announces Release of Final Lifeline Biennial Audit Plan*, WC Docket No. 11-42, Public Notice, DA 14-450 (rel. Apr. 2, 2014).

² See U.S. Government Accountability Office, *Government Auditing Standards*, GAO 12-331G (rev. Dec. 2011).

³ See 18 U.S.C. § 1028(d) (7) (definition of means of identification) and 47 U.S.C. § 222(h)(1) (definition of customer proprietary network information).

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on Global Connection Inc. of America's compliance with the Rules. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of Global Connection Inc. of America, USAC, and the FCC, and is not intended to be and should not be used by anyone other than these specified parties. This report becomes a matter of the public record upon filing of the final report with the FCC. The final report is not confidential.

A handwritten signature in cursive script, reading "Halij, Anageti & Wpaw. LLP".

March 30, 2015

Agreed-Upon Procedures Report – Attachment A Global Connection Inc. of America

Attachment A enumerates the agreed-upon procedures for Global Connection Inc. of America, the associated results, and any management responses obtained in relation to the exceptions identified.

Objective 1: Carrier Obligation to Offer Lifeline

Procedure 1

Habif, Arogeti, & Wynne, LLP inquired of management on September 8, 2014 and obtained the Carrier's policies and procedures in response to Item 4 of Appendix A (Requested Documents) of the Lifeline Biennial Audit Plan for offering Lifeline service to qualifying low-income consumers.

Habif, Arogeti, & Wynne, LLP examined the carrier's policies and procedures, and compared those policies and procedures, as well as management's responses to the inquiries, to the Commission's Lifeline rules set forth in Appendix F of the Lifeline Biennial Audit Plan.

Habif, Arogeti, & Wynne, LLP noted no discrepancies between the Carrier's policies and procedures, management's responses to the inquiries, and the Commission's Lifeline rules other than noted below.

Finding #1

During the reporting period, we observed that Global Connection Inc. of America sends an official impending de-enrollment notification for annual recertification to the subscriber who then has 30 days to respond to Global Connection Inc. of America. If the subscriber does not respond within the 30 day notice from the date of the official impending de-enrollment, Global Connection Inc. of America de-enrolls the subscriber within five business days. Habif, Arogeti, & Wynne, LLP has provided a sample of the official termination notification for failure to recertify subscriber eligibility. Please see Attachment C.

We also observed that Global Connection Inc. of America will send a reminder or educational notice to the subscriber at date(s) prior to the final de-enrollment notice. These notices typically do not include all of the required language explaining that the subscriber has 30 days following the date of the notice to demonstrate continued eligibility or the carrier will terminate the subscriber's Lifeline service. Additionally, no subscribers are de-enrolled following a 30 day period after the educational notices are issued.

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Global Connection Inc. of America

Global Connection Inc. of America's response:

Global Connection Inc. of America. ("Global Connection") uses a two pronged approach to annual recertification consistent with the Lifeline Reform Order.⁴ Section 54.405(e)(4) of the FCC's rules requires that "[p]rior to de-enrolling a subscriber under this paragraph, the [ETC] must notify the subscriber in writing separate from the subscriber's monthly bill, if one is provided using clear, easily understood language, that failure to respond to the re-certification request within 30 days of the date of the request will trigger de-enrollment."⁵ Habif, Arogeti, & Wynne, LLP have recognized that Global Connection "sends an official impending de-enrollment notification to the subscriber who then has 30 days to respond to Global Connection Inc. of America." That is the Section 54.405(e)(4) notice that triggers the 30-day de-enrollment timeline.

In addition, prior to providing the subscriber subject to recertification with an official request to recertify pursuant to Section 54.405(e)(4) of the FCC's rules, Global Connection sends a number of educational communications to the subject subscriber. These communications that Habif, Arogeti, & Wynne, LLP agree "do not include all of the required language" and that do not trigger the 30-day countdown to de-enrollment in the absence of recertification are purely educational.

Global Connection's practices are consistent with the educational goals set forth in the *Lifeline Reform Order*, which states,

ETCs and states may also choose to notify subscribers about the re-certification requirements in their Lifeline outreach materials. By taking these actions, ETCs and states will ensure that consumers are aware of the importance of responding to re-certification efforts, and that they are not inadvertently disconnected due to a lack of understanding of program rules.⁶

⁴ See Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket 96-45, WC 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (2012) ("Lifeline Reform Order").

⁵ 47 C.F.R. § 54.405(e)(4). (emphasis added).

⁶ *Lifeline Reform Order*, ¶ 145 (2012).

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Global Connection Inc. of America

Global Connection's educational communications generally begin in October and continue through November. On or before December 1st – thirty days prior to the recertification deadline – Global Connection sends an official recertification notice to the subscriber, which triggers the 30-day countdown to de-enrollment prior to the end of the year.

Global Connection's recertification policies are consistent with the FCC's rules and effectuate the educational goals expressed in the *Lifeline Reform Order*.

Finding #2

Non-usage termination notifications were not sent to subscribers due to the lack of an automated notification feature in a new OSS system implemented by Global Connection Inc. of America

Global Connection Inc. of America's response:

In June of 2013 Global Connection implemented a new OSS system. Global Connection's policy is to notify subscribers after 30 days on non-usage of the need to use their service within 30 days. However, between June 2013 and August 6, 2013, the 30-day non-usage logic in the new system was not operating correctly. Because Global only placed subscribers that enrolled after June 3rd, 2013, in the new system, only a fraction of Global Connection's total subscriber base was managed by the new OSS.

Out of Global Connection's base of over 150,000 subscribers in June 2013, only approximately 11,000 were installed on the new OSS. All other subscribers remained on the old OSS system and were receiving all non-usage communications consistent with Global Connection policy. There was a total of 152 subscribers that failed to receive an impending disconnect notice as a result of the new system implementation. All subscribers who failed to meet the 60 day usage requirement were de-enrolled appropriately.

Procedure 2

Habif, Arogeti, & Wynne, LLP inspected 10 examples of Carrier marketing materials describing the Lifeline service (i.e., print materials used to describe or enroll in the Lifeline service offering, including standard scripts used when enrolling new subscribers, and application and certification forms), as provided in response to Items 4,

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6 and 7 Appendix A of the Final Lifeline Biennial Audit Plan, and note if materials do not include the following:

- i. The service is a Lifeline service, which is a government assistance program;
- ii. The service is non-transferable;
- iii. Only eligible subscribers may enroll;
- iv. Only one Lifeline discount is allowed per household; and
- v. Global Connection Inc. of America or any brand names used to market the service.

Findings/ exceptions:

Habif, Arogeti, & Wynne, LLP noted that the inspected marketing materials contained the required information with the following exception. One of the examples observed did not contain language that the service is non-transferable.

Global Connection Inc. of America's Response:

The Federal Communications Commission's rules state that "all materials describing the [Lifeline] service" must include the required disclosures.⁷ The rule further states that "the term 'materials describing the service' includes all print, audio, video, and web materials used to describe or enroll in the Lifeline service offering."⁸

The marketing material in question was a press release announcing that Global Connection (dba StandUp Wireless) would offer service in the State of Rhode Island. The release was not intended to solicit or enroll subscribers. Furthermore, the press release does not "describe" the Lifeline service. Rather, the release declares StandUp Wireless's entry into the Rhode Island market. A corporate press release is not a material describing the Lifeline service pursuant to the FCC's rule.

Global maintains that all direct solicitations and print marketing efforts contained all of the marketing disclosures required by the FCC's rules.

Procedure 3

Habif, Arogeti, & Wynne, LLP randomly selected 10 recorded calls out of the 50 recorded calls, servicing Global Connection Inc. of America's Lifeline subscribers, as provided in response to Item 8 Appendix A of the Final Lifeline Biennial Audit Plan. During our observation of the calls, Habif, Arogeti, & Wynne, LLP noted the following:

⁷ 54 C.F.R. § 54.405(c).

⁸ *Id.*

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Global Connection Inc. of America

No.	Call Identifier	The Telephone number(s) involve the use of IVR system	A live customer care operator is available.	The time spent using the customer care telephone service.	Can subscribers use the telephone number(s) to cancel service?	Can subscribers use the telephone number to notify the ETC that the subscriber no longer qualifies for Lifeline service?
1	389402-H20	Note A	Yes	1:32	Yes	Yes
2	328057-H20	Note A	Yes	3:10	Yes	Yes
3	291447-H20	Note A	Yes	10:19	Yes	Yes
4	42297-Vcare	Note A	Yes	2:52	Yes	Yes
5	88375-Vcare	Note A	Yes	4:59	Yes	Yes
6	9202574874	Note A	Yes	4:40	Yes	Yes
7	138671-Vcare	Note A	Yes	6:35	Yes	Yes
8	6789668400	Note A	Yes	5:22	Yes	Yes
9	3199617656	Note A	Yes	2:28	Yes	Yes
10	6786888666	Note A	Yes	1:04	Yes	Yes

Note A - Global Connection Inc. of America uses the interactive voice response (IVR) system. However, recordings are only kept and maintained when a subscriber speaks to an actual representative. All the calls observed were connected to a live representative.

Habif, Arogeti & Wynne, LLP observed that the subscribers can use the telephone number(s) to cancel service and also to use the telephone number(s) to notify the ETC that the subscriber no longer qualifies for Lifeline service.

Procedure 4

Habif, Arogeti, & Wynne, LLP inspected applicable policies and procedures regarding de-enrollment from the program, including when Global Connection Inc. of America will de-enroll subscribers based on lack of eligibility, duplicative support, non-usage, and failure to recertify, as further described below.

- a. Habif, Arogeti, & Wynne, LLP inspected Global Connection Inc. of America's policy and procedures for de-enrollment where Global Connection Inc. of America has information indicating that a Lifeline subscriber no longer meets the criteria to be considered a qualifying low-income consumer under 47 C.F.R. §54.409, as provided in response to Item 4 Appendix A of the Final Lifeline Biennial Audit Plan. The policy and procedures detail the process for communications between the subscriber and Global Connection Inc. of America regarding de-enrollment, including, but not limited to: (1) notifying subscribers of impending termination of service; (2) allowing subscriber to demonstrate continued eligibility; and (3) termination of service for failure to demonstrate eligibility and identified any areas that are not in compliance with section 54.405(e)(1) of the Commission's rules.

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Findings/ exceptions:

See finding #2 noted in Objective I, Procedure 1, above.

- b. Habif, Arogeti, & Wynne, LLP inspected the Carrier's policies and procedures for de-enrolling subscribers that are receiving Lifeline service from another Carrier or where more than one member of a subscriber's household is receiving Lifeline service (duplicative support). The policies and procedures state that Global Connection Inc. of America will de-enroll subscribers within five business days of receiving notification from USAC program management that a subscriber or a subscriber's household is receiving duplicative Lifeline support, as required by section 54.405(e)(2) of the Commission's rules.

Findings/ exceptions:

No exceptions or findings were noted.

- c. Habif, Arogeti, & Wynne, LLP inspected the Carrier's policies and procedures for de-enrolling subscribers for non-usage (i.e., where a Lifeline subscriber fails to use Lifeline service for 60 consecutive days), including the process of how the Carrier monitors and identifies subscribers who are non-users of Lifeline service but enrolled in the program. Using the list provided in response to Item 10 in Appendix A of the Final Lifeline Biennial Audit Plan, Habif, Arogeti, & Wynne, LLP performed the following:
 - i. For subscribers listed as de-enrolled or scheduled for de-enrollment, Habif, Arogeti, & Wynne, LLP selected a sample of 10 accounts and requested copies of the non-usage termination notifications sent to the subscribers.

Findings/ exceptions:

No exceptions or findings were noted.

- ii. Habif, Arogeti, & Wynne, LLP examined the non-usage termination notifications to verify if the termination notifications explain that the subscriber has 30 days following the date of the impending termination notification to use the Lifeline service.

Findings/ exceptions:

The notification sent to 9 out of the 10 accounts tested did not contain the specific language that "the subscriber's failure to use the Lifeline service within the 30-day notice

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period will result in service termination for non-usage under this paragraph" required by section 54.405(e)(3).

Global Connection Inc. of America's response:

During all of 2013, Global Connection's notice of impending de-enrollment due to non-usage did not inform subscribers that they would be de-enrolled if they failed to use the service within "30 days" but rather phrased the requirement in terms of needing to make "1 call/month". The communication employed was as follows:

"URGENT! CALL 8772833890 NOW from your StandUP Wireless Phone! You will be DISCONNECTED if you don't make 1 call/month. Keep your FREE phone & ROLLOVER minutes!"

The ambiguity created by this approach was resolved in 2014 when Global Connection updated its form of notice to the following: "URGENT! CALL 8772833890 from your StandUP Phone! Failure to use your Free Phone & Free Lifeline Minutes within 30 days will result in service termination."

However, during all of 2013, Global Connection provided notices to subscribers regarding non-usage as outlined above and followed-up with de-enrollments for failure to use the Lifeline service.

While Global Connection did not in 2013 include the precise "30 day" notification wording, the company always endeavored to follow the FCC's rules with respect to identifying cases of non-usage, communicating the 60-day usage requirement to subscribers, and de-enrolling those subscribers who failed the 60-day usage requirement.

De-enrollments from the Lifeline program due to non-usage were processed properly and Global Connection did not seek reimbursement from USAC for subscribers who failed to meet the 60-day requirement, pursuant to Section 54.407 of the FCC's rules.

- iii. Habif, Arogeti, & Wynne, LLP provided a sample non-usage termination notification. Please see Attachment B.
- d. Habif, Arogeti, & Wynne, LLP reviewed Global Connection Inc. of America's, policies and procedures for de-enrolling a Lifeline subscriber that does not respond to the Carrier's attempts to obtain recertification, as part of the annual eligibility recertification process. For any subscribers identified in Item 9.i, j and

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m of Appendix A of the Final Lifeline Biennial Audit Plan, Habib, Arogeti, & Wynne, LLP selected a random sample of 30 items and requested copies of the notice of impending de-enrollment letters and all other communications sent to the subscribers involving recertification and performed the following:

- i. Inspected the sampled notice of impending de-enrollment letters and any other communications sent to the subscriber regarding re-certification to verify if the communications explain that the subscriber has 30 days following the date of the notice of impending de-enrollment letter to demonstrate continued eligibility or the carrier will terminate the subscriber's Lifeline service.

Findings/ exceptions:

See Finding #1 noted in Objective I, Procedure 1, above. We noted that 7 of 30 examples we looked at were the reminder notices referred to above that did not result in the subscriber being de-enrolled after the 30-day period from the date the initial communication was sent to the subscriber. See Attachment D.

Global Connection Inc. of America's response:

Global reiterates that the communications were informational messages intended to educate subscribers about the recertification requirement. See Finding #1 noted in Objective I, Procedure 1, above and Global Connection Inc. of America's response noted above.

- ii. Reviewed the de-enrollment letters, and other forms of communications, and the carrier's responses to the background questionnaire and verified through observation that the de-enrollment letters, if that form of communication was used, were sent by a method separate from the subscriber's bill (if a customer receives a bill from the carrier).

Findings/ exceptions:

No exceptions or findings were noted.

- iii. Attach 2 examples of the impending de-enrollment letters to this procedure, and attach other forms of communications provided to the subscriber.

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Findings/ exceptions:

Global Connection Inc. of America sent only two types of impending de-enrollment letters to the selected 30 accounts observed. As such, only 2 examples were available. See Attachments C and D.

OBJECTIVE II: Consumer Qualification for Lifeline

Procedure 1

Habif, Arogeti, & Wynne, LLP inquired of the management of Global Connection Inc. of America and obtained Carrier policies and procedures for limiting Lifeline support to a single subscription per household as provided by the carrier in response to Item 4 Appendix A of the Final Lifeline Biennial Audit Plan. Habif, Arogeti, & Wynne, LLP examined the policies and procedures. Habif, Arogeti, & Wynne, LLP compared management responses and carrier policies and procedures with the Commission's Lifeline rules set forth in 54.409(c) (Appendix F).

Findings/ exceptions:

No exceptions or findings were noted.

Procedure 2

Habif, Arogeti, & Wynne, LLP observed procedures the Carrier has in place to ensure it has accurately completed the FCC Form 497. Additionally, Habif, Arogeti, & Wynne, LLP inquired of management to describe the process for completing FCC Form 497. We determined that the procedures or processes included the following:

- The position title of the person responsible for obtaining data for the FCC Form 497 –
Ryan Wilson, Analyst Specialist
- The process for determining which subscribers should be included monthly in the FCC Form 497 -
Habif, Arogeti, & Wynne, LLP verified that the procedures included cut-off and billing cycle dates, as well as procedures to verify that only those subscribers active as of the start or end of the month were included (see finding below);
- That a corporate officer signature is required for the FCC Form 497 –
FCC Form 497 is signed by Edward Smith, Chief Financial Officer of the Carrier;

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- That a verification process exists to perform an independent review; that is, the person reviewing or validating the form's data is different from the person completing the form -
CGM, a third party contractor, prepares the FCC Form 497 and Edward Smith, Chief Financial Officer, approves.
- Provide the billing system name used to generate completion of the form –
CGM Lifeline Edit Software
- If applicable, describe the process for completing the Tribal Link Up portions of the FCC Form 497 -
Not applicable

Findings/ exceptions:

Global Connection Inc. of America defines the subscribers to be included in Form 497 as those subscribers active within the data month who were not de-enrolled from the Lifeline program prior to the end of their billing cycle; while the requirement defines subscribers to be included in Form 497 as “only those subscribers active as of the start or end of the month.”

Global Connection Inc. of America's response:

Our third party Form 497 processor, CGM, approved, and USAC accepted, these policies and procedures. The company only seeks reimbursement from the Fund for subscribers who have received the benefit in any given billing cycle. Global employs a subscriber specific bill period that ensure a subscriber only receives one subsidy in any thirty day period. Each subscriber's thirty day calendar begins on their enrollment date. Further, it is USAC's policy that monthly service is not prorated for wireless subscribers, as Global Connection provided the allotment of minutes to each subscriber on a bill period basis, which can be used sparingly or completely by a subscriber on any given day in the month.

Procedure 3

Habif, Arogeti, & Wynne, LLP obtained the Subscriber List in response to Item 1 Appendix A of the Final Lifeline Biennial Audit Plan and obtained the Carrier's FCC Form 497(s) for each study area in the selected states for the selected month. Examined the number of subscribers claimed on the Form(s) 497. Compared the number of

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subscribers reported on the Form 497(s) to the number of subscribers contained on the Subscriber List for each study area.

Findings/ exceptions:

Habif, Arogeti, & Wynne, LLP selected Michigan, one of the three states or territories where Global Connection Inc. of America received the largest amount of Lifeline support, and randomly selected Georgia and Missouri, two additional states or territories where Global Connection Inc. of America receives Lifeline support. Global Connection Inc. of America provided Form 497 for the month of August for the three states and the related electronic data of the subscribers. The number of subscribers in each state agreed to the number of subscribers reported in the Forms 497.

State	Study Area Code	# of subscribers reported on Form 497	# of subscribers contained on the Subscriber List
Michigan	319030	23,049	23,049
Georgia	229022	12,839	12,839
Missouri	429018	10,052	10,052

Procedure 4

Using computer-assisted audit techniques, Habif, Arogeti, & Wynne, LLP examined the Subscriber List and noted if there were duplicate addresses with different subscribers and created a list reflecting these results.

HA&W selected Michigan, one of the three states or territories where Global Connection Inc. of America received the largest amount of Lifeline support and randomly selected Georgia and Missouri, two additional states or territories where Global Connection Inc. of America receives Lifeline support, for further observation. HA&W received the combined data for all three states and utilizing computer-assisted audit techniques identified 3,570 duplicate addresses.

Global Connection Inc. of America.'s response:

The accounts identified in Procedure 4 represent duplicate addresses and not duplicate accounts. Global Connection has IEH forms for them all as evidenced by the results of Procedure 5 below.

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Procedure 5

From the list developed in procedure #4 above, Habif, Arogeti, & Wynne, LLP randomly selected 30 subscribers and requested copies from Global Connection Inc. of America of the one-per-household certification form for each of the selected subscribers and verified that the selected subscribers certified to only receiving one Lifeline-supported service in his/her household using the one-per household worksheet.

Findings/ exceptions:

No exceptions or findings were noted.

OBJECTIVE III: Subscriber Eligibility Determination and Certification

Procedure 1

Habif, Arogeti, & Wynne, LLP inquired of the management of Global Connection Inc. of America and obtained policies and procedures for ensuring that its Lifeline subscribers are eligible to receive Lifeline services as provided by the carrier in response to Item 4 Appendix A of the Final Lifeline Biennial Audit Plan. Habif, Arogeti, & Wynne, LLP examined the policies and procedures and compared management responses and carrier policies and procedures with the Commission's Lifeline rules set forth in section 54.410 (Appendix F).

Findings/ exceptions:

No exceptions or findings were noted.

- a. Habif, Arogeti, & Wynne, LLP inspected Global Connection Inc. of America's policies and looked for evidence as to whether it includes a policy that Global Connection Inc. of America does not retain copies of subscribers' proof of income- or program-based eligibility.

Findings/ exceptions:

No exceptions or findings were noted.

- b. Habif, Arogeti, & Wynne, LLP inspected Global Connection Inc. of America's policies and looked for evidence as to whether it includes a policy that Global Connection Inc. of America must fully verify the eligibility of each low-income consumer prior to providing Lifeline service to that consumer, and that Global Connection Inc. of America or its agents may not provide the consumer with an activated device intended to enable access to Lifeline service until that consumer's eligibility is fully verified and all other necessary enrollment steps have been completed.

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Findings/ exceptions:

No exceptions or findings were noted.

Procedure 2

Habif, Arogeti, & Wynne, LLP examined Global Connection Inc. of America's policies and procedures for training employees and agents for ensuring that Global Connection Inc. of America's Lifeline subscribers are eligible to receive Lifeline services, including any policies regarding how the company ensures employees and agents have completed the training.

Findings/ exceptions:

Global Connection Inc. of America's training overview:

Global Connection Inc. of America requires all the agents who have access to Global Connection Inc. of America's subscriber database called V-Care, the operating system, must complete the required ETC's compliance training and pass the exam with at least a 90% success rate. Agents must take the training annually and be certified. Global Connection Inc. of America holds training classes with a maximum of 10 attendees in each state that Global Connection Inc. of America has its operation. The training covers the rules for ensuring subscribers are eligible to receive Lifeline services and have completed all forms necessary to receive service. The only agents who have passed the exams receive the access to Global Connection Inc. of America's operation system. All Global Connection Inc. of America's agents were successfully re-certified in 2013. Each certified agent has an individual username and password, and the system is restricted to certified personnel. The listing of individuals who are certified is strictly maintained by one employee. Any new agent who joins Global Connection Inc. of America must take the training and pass the exam in order to receive access to the system. When an agent terminates, the agent's access is terminated immediately.

Beginning in early 2014 Global Connection Inc. of America began training employees on NLAD in anticipation of its rollout during 2014.

Global Connection Inc. of America's response:

A key goal of Global Communication Inc. of America is to ensure affordable telecommunications services to its consumers and thus take every available action to detect and deter waste, fraud, and abuse of the universal service funds that many of our customers benefit from. Global takes our responsibilities very seriously and has a very comprehensive training program, as evidenced by HA&W's overview above, which includes training on all elements of the lifeline program. We also have a zero tolerance policy on fraud (see policies in Employee Lifeline Policy Handbook - attached) as well as certification from our employees and agents that they understand

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and will follow the company's policies and procedures (see Lifeline Policies – Acknowledgement of Receipt Understanding - attached).

Procedure 3

Habif, Arogeti, & Wynne, LLP randomly selected 100 subscribers from the Subscriber List and performed the procedures described below.

- a. Habif, Arogeti, & Wynne, LLP examined the subscriber certification and recertification forms for 50 of the subscribers from the sample selected above (since the error rate was not higher than 5 percent) to verify the forms contained the following information:
 - i. Lifeline is a federal benefit and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program;

Findings/ exceptions:

No exceptions or findings were noted.

- ii. Only one Lifeline service is available per household;

Findings/ exceptions:

No exceptions or findings were noted.

- iii. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;

Findings/ exceptions:

No exceptions or findings were noted.

- iv. A household is not permitted to receive Lifeline benefits from multiple providers;

Findings/ exceptions:

No exceptions or findings were noted.

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- v. Violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program;

Findings/ exceptions:

No exceptions or findings were noted.

- vi. Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person;

Findings/ exceptions:

No exceptions or findings were noted.

- vii. Require each prospective subscriber to provide the following information:

1. The subscriber's full name;
2. The subscriber's full residential address;
3. Whether the subscriber's residential address is permanent or temporary;
4. The subscriber's billing address, if different from the subscriber's residential address;
5. The subscriber's date of birth;
6. The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
7. If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
8. If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

Findings/ exceptions:

No exceptions or findings were noted.

- viii. Require each prospective subscriber to certify, under penalty of perjury, that:

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1. The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
2. The subscriber will notify Global Connection Inc. of America within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline service, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
3. If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
4. If the subscriber moves to a new address, he or she will provide that new address to Global Connection Inc. of America within 30 days;
5. The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
6. The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
7. The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
8. The subscriber acknowledges that the subscriber may be required to recertify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Findings/ exceptions:

No exceptions or findings were noted.

ix. Habif, Arogeti, & Wynne, LLP compared Global Connection Inc. of America's subscriber eligibility criteria on the certification and recertification forms to the federal eligibility criteria listed in per 47 C.F.R. § 54.409.

Findings/exceptions:

No exceptions or findings were noted.

x. Habif, Arogeti, & Wynne, LLP verified that the subscriber completed all the required elements as identified in Objective III (procedure # 3 a. above),

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including signature and initialing/checkbox requirements contained in the certification and recertification forms.

Findings/exceptions:

No exceptions or findings were noted.

xi. Habif, Arogeti, & Wynne, LLP examined the subscriber's initial certification form to verify the initial certification form is dated prior to or on the same day as the Lifeline start date per the Subscriber List. This procedure was not applied to one subscriber enrolled prior to June 2012.

Findings/ exceptions:

No exceptions or findings were noted.

xii. If applicable, Habif, Arogeti, & Wynne, LLP verified subscribers who received Tribal Lifeline support certified to residing on Tribal lands.

Findings/ exceptions:

No exceptions or findings were noted. Global Connection Inc. of America did not provide services to Tribal Lifeline support.

- b. Habif, Arogeti, & Wynne, LLP reviewed the list of data sources or documentation that Global Connection Inc. of America reviewed to confirm the subscriber's eligibility and verified the recorded data sources were eligible data sources per 47 C.F.R. § 54.410, such as (1) income or program eligibility databases, (2) income or program eligibility documentation, or (3) confirmation from a state administrator.

Findings/ exceptions:

No exceptions or findings were noted.

OBJECTIVE IV: Annual Certifications and Recordkeeping by Eligible Telecommunications Carriers

Procedure 1

Habif, Arogeti, & Wynne, LLP inquired of the management of Global Connection Inc. of America and obtained policies and procedures for ensuring that the carrier has made and submitted the annual certifications required under sections 54.416 and 54.422 of the Commission's rules, as provided in Item 12, Appendix A of the Final Lifeline Biennial Audit Plan. Habif, Arogeti, Wynne, LLP examined the policies and procedures and

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compared management responses and carrier policies and procedures with the Commission's Lifeline rules set forth in sections 54.416 and 54.522 (Appendix F).

Findings/ exceptions:

No exceptions or findings were noted.

Procedure 2

Habif, Arogeti, & Wynne, LLP examined Global Connection Inc. of America's FCC Form 555 that was filed the January following the audit period and verified that Global Connection Inc. of America made the following certifications.

An officer of Global Connection Inc. of America must certify that s/he understands the Commission's Lifeline rules and requirements and that the carrier:

- a. Has policies and procedures in place to ensure that its Lifeline subscribers are eligible to receive Lifeline services;
- b. Is in compliance with all federal Lifeline certification procedures;
- c. In instances where Global Connection Inc. of America confirms consumer eligibility by relying on income or eligibility databases, as defined in 47 C.F.R. § 54.410(b)(1)(i)(A) or (c)(1)(i)(A), the representative must attest annually as to what specific data sources Global Connection Inc. of America used to confirm eligibility.

Findings/ exceptions:

No exceptions or findings were noted.

Procedure 3

Habif, Arogeti, & Wynne, LLP examined Global Connection Inc. of America's organizational chart provided in response to Item 5, Appendix A of the Final Lifeline Biennial Audit Plan and verified that the certifying officer on the FCC Form 555 filed to the three states tested (Michigan, Georgia, and Missouri) was an officer per the organizational chart.

Findings/ exceptions:

No exceptions or findings were noted.

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Procedure 4

Habif, Arogeti, & Wynne, LLP verified that the subscriber count per the FCC Form 555 agrees with the total subscriber count per the February Form 497.

Michigan

	Form 555		Total	Form 497
Study Area Code	319030	319025		
Number of subscribers claimed	59,103	683	59,786	59,786

Georgia

	Form 555		Total	Form 497
Study Area Code	229016	229022		
Number of subscribers claimed	679	4	683	683

Missouri

	Form 555	Form 497
Study Area Code	429018	
Number of subscribers claimed	6,375	6,375

Procedure 5

For the month of February, Habif, Arogeti, & Wynne, LLP: (i) randomly selected Michigan, one of the three states or territories where Global Connection Inc. of America received the largest amount of Lifeline support and is responsible for the annual recertification process; and (ii) randomly selected Georgia and Missouri, two additional states or territories where Global Connection Inc. of America receives Lifeline support and is responsible for the annual recertification process (Recertification Sample).

Using the Recertification Sample, Habif, Arogeti, & Wynne reviewed Global Connection Inc. of America's recertification results of the individual subscribers reported on the FCC Form 555 filed the January following the audit period for those three randomly selected states, as provided in Item 9, Appendix A of the Final Lifeline Biennial Audit Plan and verified that the data reported on the FCC Form 555 for those states agree with the detailed recertification results.

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		Michigan		Georgia		Missouri	
	Form 555 column reference	Form 555	Item 9 of Appendix A	Form 555	Item 9 of Appendix A	Form 555	Item 9 of Appendix A
Number of Lines Claimed on February FCC Form(s) 497 of current Form 555 calendar year provided to Wireline Reseller	B	-	-	-	-	-	-
Number of Lines Claimed on February FCC Form(s) 497 that were initially enrolled in current Form 555 calendar year	C	68	68	11	11	39	39
Subscribers Who Responded To Direct Contact to Re-certify Eligibility	D	18,288	18,288	440	440	4,202	4,202
Number of Subscribers Responding to ETC Contact	E	7,253	7,253	296	296	2,487	2,487
Number of Subscribers Responding that They Are No Longer Eligible	G	-	-	-	-	-	-
Number of Subscribers De-enrolled or Scheduled to be De-enrolled as a result of Non-Response or ineligibility	H=(F+G)	11,035	11,035	144	144	1,715	1,715
Number of Subscribers Who De-Enrolled Prior to Recertification Attempt	I	33,547	33,547	232	232	2,134	2,134
Number of Lines Claimed on February FCC Form(s) 497 of current Form 555 calendar year provided to Wireline Reseller	B	-	-	-	-	-	-

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		Michigan		Georgia		Missouri	
	Form 555 column reference	Form 555	Item 9 of Appendix A	Form 555	Item 9 of Appendix A	Form 555	Item 9 of Appendix A
Number of Lines Claimed on February FCC Form(s) 497 that were initially enrolled in current Form 555 calendar year	C	68	68	11	11	39	39
Subscribers Who Responded To Direct Contact to Re-certify Eligibility	D	18,288	18,288	440	440	4,202	4,202
Number of Subscribers Responding to ETC Contact	E	7,253	7,253	296	296	2,487	2,487
Number of Non-Responding Subscribers	F=D-E	11,035	11,035	144	144	1,715	1,715
Number of Subscribers Responding that They Are No Longer Eligible	G	-	-	-	-	-	-
Number of Subscribers Who De-Enrolled Prior to Recertification Attempt	I	33,547	33,547	232	232	2,134	2,134
Number of Subscribers Whose Eligibility was Reviewed By State Administrator ETC Access to Eligibility Data or by USAC	J	-	-	-	-	-	-
Number of Subscribers De-Enrolled or Scheduled to be De-Enrolled as a Result of Finding of Ineligibility by State Administrator, ETC Access to Eligibility Data or USAC	K	-	-	-	-	-	-
Number of Subscribers Who De-Enrolled Prior to Recertification Attempt	L	-	-	-	-	-	-

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Procedure 6

Habif, Arogeti, & Wynne, LLP (i) randomly selected three months during the audit period (October, November, and December, 2013); (ii) randomly selected Michigan, one of the three states or territories where Global Connection Inc. of America received the largest amount of Lifeline support; (iii) randomly selected Georgia and Missouri, two additional states or territories where Global Connection Inc. of America receives Lifeline support; and (iv) reviewed Global Connection Inc. of America's detailed non-usage results of the individual subscribers reported on the FCC Form 555 for those months within the three selected states, as provided in Item 10, Appendix A of the Final Lifeline Biennial Audit Plan (Non-Usage Sample).

Habif, Arogeti, & Wynne, LLP obtained the non-usage sample for the selected months for the selected states above and verified that the data reported on the FCC Form 555 for the Non-Usage Sample agreed with the detailed non-usage results.

Michigan	Form 555	Item 10
October 2013	1,721	1,721
November 2013	1,368	1,368
December 2013	2,570	2,570

Georgia	Form 555	Item 10
October 2013	870	870
November 2013	737	737
December 2013	766	766

Missouri	Form 555	Item 10
October 2013	357	357
November 2013	361	361
December 2013	392	392

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Procedure 7

Habif, Arogeti, & Wynne, LLP reviewed the carrier's annual ETC certification, as provided in Item 13, Appendix A of the Final Lifeline Biennial Audit Plan and verified that Global Connection Inc. of America reported all the information and made all the certifications required by 47 C.F.R. § 54.422(a)(b).

Findings/ exceptions:

No exceptions or findings were noted.

Procedure 8

Habif, Arogeti, & Wynne, LLP reviewed any supporting schedules related to the carrier's annual ETC certification, as provided in Item 13, Appendix A of the Final Lifeline Biennial Audit Plan and verified that the data reported on the annual ETC certification agrees with the supporting schedules.

Findings/ exceptions:

No exceptions or findings were noted.

Procedure 9

Habif, Arogeti, & Wynne, LLP inquired of management and obtained carrier policies and procedures for maintaining records that document compliance with the Lifeline program rules, as provided by the carrier in response to Item 4, Appendix A of the Final Lifeline Biennial Audit Plan and examined the policies and procedures. Compared the management responses and carrier policies with recordkeeping rules set forth in 47 C.F.R. § 54.417.

Findings/ exceptions:

No exceptions or findings were noted.

Attachment B

Non-usage termination notification sample (Original uncorrected sample):

1. "URGENT! CALL 8772833890 NOW from your StandUP Wireless Phone! You will be DISCONNECTED if you don't make 1 call/month. Keep your FREE phone & ROLLOVER minutes!"

★ FINAL NOTICE ★

Your phone service will be disconnected



This is YOUR OFFICIAL 30 DAY NOTICE. Your StandUP Wireless phone will be **DISCONNECTED** by **December 31st** due to failure to recertify your eligibility.
It only takes 5 minutes to complete the recertification process.

TO KEEP YOUR PHONE YOU MUST:

Call our automated
 recertification line at
866-693-5077 24 hours
 a day 7 days a week.

OR

Visit us online at:
StandUPwireless.com
 Click on "Recertify Today"
 and confirm your eligibility.

OR

Dial **611** from your cell
 phone to speak to one
 of our Customer Service
 Agents for assistance.

LIFELINE ELIGIBILITY CRITERIA Please check your eligibility on the list below			
Supplemental Nutrition Assistance Program (SNAP) (Food Stamp); Low Income Heat & Energy Assistance (LHEAP); Supplemental Security Income (SSI); Federal Public Housing Assistance (Section 8); Temporary Assistance for Needy Families (TANF); National Free School Lunch Program (NSL); Medicaid; AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MP, MT, NE, NH, NJ, NM, NV, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, WA, WI, WV, WY, PR.	Bureau of Indian General Assistance; AK, CA, FL, KS, LA, MN, OK, RI, UT	Food Distribution on Tribal Lands; FL, KS, LA, MN, OK, RI, UT	150% of Federal Poverty Guidelines or Below; CA, KS, MI, MN, OK, TX, VT
Head Start (Income Qualifying / Tribal Lands Only); AK, CA, FL, KS, LA, MN, OK, RI, UT	150% of Federal Poverty Guidelines or Below; AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, GU, HI, IL, IN, IA, KY, LA, ME, MD, MA, MI, MN, NE, NH, NJ, NM, NV, NC, ND, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WA, WI, WV, WY.	State has specific qualifying Programs (Check with our AK, AR, CA, FL, GA, ID, KS, ME, MD, MA, MN, NE, NH, NJ, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WA, WI, WV, WY.	

IMPORTANT

LIFELINE WIRELESS SERVICE INFORMATION:

Lifeline is a government assistance program. **Only one Lifeline service is available per household.** A violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program. **Your household is not permitted to receive multiple Lifeline benefits** whether they be from one or multiple companies. This includes wireless and wireless services. **Lifeline is a non-transferable benefit.** You may not transfer your benefit to any other person. **You must activate your service. You must use your phone to continue to receive service.** Should you not use your service for 60 days you will be de-enrolled. **Lifeline is a federal benefit.** Willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program. **Proof of eligibility is required and only eligible customers may enroll. Proof** may consist of eligible program card or statement of benefits.

CutOff notice PC3 2K13



StandUP Wireless
P.O. Box 48269
Atlanta, GA 30362-1269



ATTENTION Valued Customer:
**We have tried to reach you! Your failure
to respond will disqualify you from receiving
your lifeline phone benefits.**

Attachment D

Impending recertification de-enrollment notification (sent in October 2013) – Example 2

The ETC sent the following text message to the subscribers' phone number for wireline subscribers:

"It's time to recertify your StandUP Wireless lifeline benefit. Take a minute to recertify by dialing 866-693-5077 or visit www.standupwireless.com now."

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/20/2015 1:00:44 PM

in

Case No(s). 15-1116-TP-COI

Summary: Report Biennial ETC Audit electronically filed by Matt Dean on behalf of Stand Up Wireless