



1. Observations - Incorrect Part 32 account classifications

Per USAC IAD's review of ACC's general ledgers							Allband's Comments
#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
1	2012	612100 - Land and Building Expense	Lines and Designs	49 mugs and 1 2x6 banner	285.5	This does not appear to be a land and building expense per the entry description noted. ACC informed USAC IAD in the inquiries record that this expense should have been recorded to marketing expense account 6613. Based on discussions with ACC, USAC IAD believes this expense should have been recorded to marketing expense account 6613.	ACC doesn't dispute USAC's finding
2	2012	612100 - Land and Building Expense	Emergency Power Corp.	Provide Temporary Battery at CO	3,925.00	This does not appear to be a land and building expense per entry description noted and consistent with Part 32 Rules. ACC informed USAC IAD in the inquiries record that this expense should have been recorded to the central office expense account 6212. Based on discussions with ACC, USAC IAD believes this expense should have been recorded to central office expense account 6212.	ACC doesn't dispute USAC's finding
3	2012	612100 - Land and Building Expense	Graybar Electric	No description provided by ACC.	6,323.08	This does not appear to be a land and building expense consistent with Part 32 Rules. ACC informed USAC IAD in the inquiries record that this expense should have been recorded to the central office expense account 6212. Based on discussions with ACC, USAC IAD believes this expense should have been recorded to central office expense account 6212.	ACC doesn't dispute USAC's finding
4	2012	612100 - Land and Building Expense	Graybar Electric	No description provided by ACC.	97.31	This does not appear to be a land and building expense consistent with Part 32 Rules. ACC informed USAC IAD in the inquiries record that this expense should have been recorded to the central office expense account 6212. Based on discussions with ACC, USAC IAD believes this expense should have been recorded to central office expense account 6212.	ACC doesn't dispute USAC's finding
5	2012	653400 - Plant Oper. Admin Expense	Rapid Results	drug screening	30	This does not appear to be a plant operations administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record to clarify the description and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the general and administrative expense account 6720.	The drug screening was associated with an employee that primarily charges time to plant operations expense. Charging the drug screening expense to the primary account for this employee was reasonable.



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6	2012	653400 - Plant Oper. Admin Expense	Primary Care, Inc.	MDOT Physical	100	This does not appear to be a plant operations administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record to clarify the description and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the general and administrative expense account 6720.	The MDOT physical was associated with an employee that primarily charges time to plant operations expense. Charging the expense of the physical to the primary account for this employee was reasonable.
7	2012	653400 - Plant Oper. Admin Expense	Rapid Results	urine testing	210	This does not appear to be a plant operations administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record to clarify the description and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the general and administrative expense account 6720.	The testing was associated with an employee that primarily charges time to plant operations expense. Charging the testing expense to the primary account for this employee was reasonable.
8	2012	672000 - General and Admin Expense	Lewiston Hardware	air conditioner for outside plant office	115.54	This does not appear to be a general and administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the building expense account 6120.	ACC doesn't dispute USAC's finding
9	2012	672000 - General and Admin Expense	Lewiston Hardware	air conditioner for inside office	274.54	This does not appear to be a general and administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the building expense account 6120.	ACC doesn't dispute USAC's finding
10	2012	672000 - General and Admin Expense	Prosoft Engineering	mac software	99	This does not appear to be a general and administrative expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record and the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the general purpose computers expense account 6124.	ACC doesn't dispute USAC's finding



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
11	2013	611200 - Motor Vehicle Expense	Dollar RAC	car rental in Denver	54.22	Based on discussions with ACC in the inquiries record, this car rental was used during travel related to the appeal of the FCC's high cost reform order. USAC IAD believes this expense should have been recorded to the general and administrative expense account 6720 in relation to the nature of the trip.	ACC doesn't dispute USAC's finding
12	2013	653400 - Plant Oper. Admin Expense	Walmart	splicing tent	206.67	This does not appear to be a plant operations administration expense per the entry description noted and consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record, USAC IAD believes this expense should have been recorded to a cable and wire expense account 6400.	ACC doesn't dispute USAC's finding
13	Year	653200 - Network Administration Expense	NTCA	Network Manager Search Fee	10,000.00	This does not appear to be a network administration expense consistent with Part 32 Rules. Based on discussions with ACC in the inquiries record and consistent with Part 32 Rules, USAC IAD believes this expense should have been recorded to the general and administrative expense account 6720.	This expense was associated with hiring a Network Manager. Charging the search fee expense to Network Administration, the related function of the employee, was reasonable.



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Per USAC IAD's review of ACC's sampled expense transaction supporting documentation							Allband's Comments
#	Year	General Ledger Account Affected	General Ledger Name	General Ledger	General Ledger	USAC IAD Conclusion	
14	2012	653400 - Plant Oper. Admin Expense		Per Diem 7/22/12- 7/25/12	200	The reviewed documentation displayed an employee's expense report for training. ACC informed USAC IAD in the inquiries record this training was for fiber optic splicing. This does not appear to be a plant operations administration expense consistent with Part 32 Rules. Based on USAC IAD's review of the documentation, consistency with Part 32 Rules, and further discussion with ACC via email, USAC IAD believes this expense should have been recorded to a cable and wire expense account 6400.	ACC doesn't dispute USAC's finding
15	2012	672000 - General and Admin Expense	Staples	No description provided by ACC.	423.99	The reviewed documentation displayed the purchased of a laptop computer. This does not appear to be a general and administrative expense consistent with Part 32 Rules. Based on discussion with ACC in the inquiries record and consistent with the description of Part 32 account 6720 per the Rules, USAC IAD believes this expense should have been recorded to the general purpose computers expense account 6124.	ACC doesn't dispute USAC's finding
16	2013	672000 - General and Admin Expense	Amazon	routers	319.84	The reviewed documentation displayed the purchased of routers. This entry does not appear to be a general and administrative expense consistent with Part 32 Rules. ACC informed USAC IAD in the inquiries record that these routers were for resale, there was an error in posting, and the routers should have been recorded to inventory account 1220. USAC IAD concurs with ACC.	ACC doesn't dispute USAC's finding
17	2013	662200 - Number Services Expense	ARIN	No description provided by ACC.	500	The reviewed documentation show a monthly credit card statement with this line charge being recorded to number services expense account 6622. USAC IAD selected a similar transaction with the same name, ARIN, and that reviewed documentation displayed an invoice for an annual renewal of internet protocol allocation. USAC IAD believes the supporting invoice does not show an access related cost. ACC informed USAC IAD in the inquiries record this is annual fee for internet IP addresses register. ACC concurred with USAC IAD in the inquiries record and informed USAC IAD in the inquiries record this was an error and this expense should have been directly charged to AMM. USAC IAD and ACC agree that this expense should have been recorded to a non-regulated expense account.	ACC doesn't dispute USAC's finding



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger	General Ledger	USAC IAD Conclusion
18	2014	672000 - General and Admin Expense		No description provided by ACC.	229.6	The reviewed documentation displayed an employee's expense report for a conference, mileage reimbursement, and parking fees. ACC informed USAC IAD in the inquiries record the purpose of the conference was sponsored by the state commission. USAC IAD believes the sampled expense entry for the amount of \$229.60 is recorded in the appropriate Part 32 account; however, USAC IAD's observation of the expense report displayed the \$16 parking fees were recorded to motor vehicles expense account 6112. Based on discussion with ACC and consistent with Part 32 Rules, USAC IAD believes this portion of the expense report relating to parking fees should have been recorded to the general and administrative expense account 6720 in relation to the nature of the telecommunications conference.
19	2014	672000 - General and Admin Expense	Thunder Bay Golf Course	Lodging for Rodney until 9/25	915.75	The reviewed documentation displayed nightly lodging for ACC's Network Manager. ACC informed USAC IAD in the inquiries record this was accommodations for the newly hired Network Manager to relocate. Based on discussion with ACC and consistent with Part 32 Rules, USAC IAD believes this expense should have been recorded to the network administration expense account 6532.

Allband's Comments
ACC doesn't dispute USAC's finding
ACC doesn't dispute USAC's finding. It should be noted that this finding appears to be inconsistent with findings on 15,16, 17 and 23.



Per USAC IAD's review of ACC's sampled timesheet supporting documentation							
#	Year	General Ledger Account Affected	Employee Job Title			USAC IAD Conclusion	Allband's Comments
20	2012 20132014	672000 · General and Admin Expense	All employees			All employees charge their daily morning meeting, ranging in length from fifteen minutes up to two and half hours, to general and administrative expense account 6720. ACC informed USAC IAD in the inquiries record the classification of the meeting time could be re-evaluated based on the employee's job title and description. ACC further informed USAC IAD in the inquiries record the morning meeting is to inform the employees of any company issues that need to be addressed and gain a basic awareness of each employee's agenda for the day. Based on discussions with ACC and consistent with Part 32 Rules, USAC IAD believes this expense for employees other than the general manager should have been recording their daily morning meeting time to the expense account in line with the employee's normal job duties.	The majority of the employee meeting address issues of a general nature. ACC appropriately charged this time to the general and administration function. ACC asserts that a reasonable portion of meeting time should be assigned to non-regulated operations.
21	2013	672000 · General and Admin Expense	Customer Service employee			The reviewed documentation displayed this employee performed scheduling of cable drops. ACC informed USAC IAD in the inquiries record the employee printed out the request and scheduled it for an outside plant employee to perform. Based on discussion with ACC and consistent with Part 32 Rules, USAC IAD believes this employee's time should have been recorded to plant operations administration expense account 6534.	USAC's IAD observation is incorrect. The expense associated with this time was charged to a non-regulated expense (119030) on AMM's books.
20	2013	653400 · Plant Oper. Admin Expense	Outside Plant employee			The reviewed documentation displayed this employee power washed trucks and recorded the time to plant operations administration expense. Consistent with Part 32 Rules, USAC believes power washing vehicles should have been recorded to motor vehicles expense account 6112.	ACC doesn't dispute USAC's finding
21	2014	672000 · General and Admin Expense	Internet Technology Technician; also performs some Outside Plant work as well			The reviewed documentation displayed several timesheet activities were classified to general and administrative account 6720. The nature of this employee's position and job description does not seem in line with the timesheet activities noted during USAC IAD's review. ACC informed USAC IAD in the inquiries record this employee's week of timesheets included the employee creating training videos and testing equipment. Based on discussion with ACC and consistent with Part 32 Rules, USAC IAD believes these time entries should have been recorded to plant operations administration expense account 6534.	ACC doesn't dispute USAC's finding



Per USAC IAD's review of ACC's sampled timesheet supporting documentation					
#	Year	General Ledger Account Affected	Employee Job Title		USAC IAD Conclusion
22	2014	662300 - Customer Service Expense	Network Manager		The reviewed documentation displayed time spent towards customer service calls. The nature of this employee's position and job description does not seem in line with the timesheet activities noted during USAC IAD's review. ACC informed USAC IAD in the inquiries record that the Network Manager performed some minor service calls that particular week. Based on discussion with ACC and consistent with Part 32 Rules, USAC IAD believes the time reported for the service calls should have been recorded to network administration expense account 6532.

Allband's Comments
ACC doesn't dispute USAC's finding



## 2. Observations - Incorrect regulated/non-regulated account classification

Per USAC IAD's review of ACC's general ledgers							Allband's Comments
#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
25	2012	653200 · Network Administration Expense	Sputnik, Inc	wi-fi	39.9	ACC informed USAC IAD in the inquiries record that this expense gave their customers a wi-fi log-in at the hot spots until ACC could get their drop in place for connection. Based on discussions with ACC and consistent with Part 32 Rules, USAC IAD believes this expense should have been recorded to a non-regulated expense account.	ACC doesn't dispute USAC's finding
26	2012	672000 · General and Admin Expense	FedEx	SHIPPING TO RETURN TURTLE LAKE CAMERA	315.95	ACC informed USAC IAD in the inquiries record that this was a customer's camera that ACC sold to them that was damaged, but still under warranty and could be returned. Based on discussions with ACC and consistent with Part 32 Rules, USAC IAD believes this expense should have been recorded to a non-regulated activity expense account.	ACC doesn't dispute USAC's finding
27	2013	661300 · Advertising Expense	Apple Online Store	iPad minis	1,394.96	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense.	ACC doesn't dispute USAC's finding
28	2013	661300 · Advertising Expense	Walmart	gift cards	250	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense.	ACC doesn't dispute USAC's finding
29	2013	661300 · Advertising Expense	Cabela's.Com	gift card	50	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense.	ACC doesn't dispute USAC's finding



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
30	2013	661300 - Advertising Expense	Youngs Appliance	Grand Prize Sweepstakes Winner	953.94	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense.	ACC doesn't dispute USAC's finding
31	2013	661300 - Advertising Expense		to correct misposting on 5/15 & 6/4 CC charges - Routers vs ipads	642.3	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense.	ACC doesn't dispute USAC's finding
32	2014	611200 - Motor Vehicle Expense	Sirius XM Radio Inc	No description provided by ACC.	111.38	ACC informed USAC IAD in the inquiries record that ACC charges all expenses of vehicles to the motor vehicles expense account 6112, and then it is divided between regulated and non-regulated through the payroll hours spread. While USAC IAD concurs with ACC that a portion of this expense will be allocated as non-regulated through the Part 64 cost study, USAC IAD believes the cost of Sirius XM Radio is not a necessity for motor vehicles and should have been recorded to a non-regulated expense account.	In the remote areas ACC serves it is important for employees to have access to critical information such as weather forecasts. Satellite radio is an appropriate method of obtaining the information in portions of the areas ACC serves.



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
33	2012	672100 · Accounting & Finance Expense	Lally Group, LLC	No description provided by ACC.	5,895.00	ACC informed USAC IAD in the inquiries record that ACC's accounting firm audits ACC's financial statements once a year to conform to regulations; therefore, ACC does not feel it is appropriate to charge AMM for audits. USAC IAD believes ACC's accounting firm performs audits that produce consolidated financial statements and proposed adjusting journal entries that represent both ACC and AMM; therefore, the accounting firm is charging time spent performing work for both ACC and AMM. USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	ACC doesn't dispute USAC's finding
34	2012	672500 · Legal Expense	Public Law Resource Center PLLC	No description provided by ACC.	11,060.00	ACC informed USAC IAD in the inquiries record that ACC does not feel this is an appropriate expense to charge to the non-regulated subsidiary when the purpose of the lawsuit is regarding USF support. USAC IAD believes the viability of AMM depends of the viability of ACC; therefore, USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	The sole nature of the lawsuit was related to regulated activities of ACC and the related expense was appropriately assigned to regulated operations,
35	2013	671100 · Executive Expense	Merit Network, Inc.	Leadership Class	2,150.00	The reviewed documentation displayed an invoice for the general manager to attend a leadership and executive coaching class. ACC informed USAC IAD in the inquiries record that due to the fact that over ninety percent of the general manager's time was due to regulated work, ACC did not feel it appropriate to charge non-regulated time for his training. USAC IAD believes that the general manager manages operations of both ACC and AMM, and this class benefits both ACC and AMM; therefore, USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	ACC doesn't dispute USAC's finding



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
36	2013	671100 - Executive Expense		Accrue Bonus	13,994.50	ACC informed USAC IAD in the inquiries record that this year end accrual could have been expensed to the payroll allocation account, in which it was expensed in the subsequent year, and then spread according to the payroll hours which would have resulted in a three percent allocation to AMM. USAC IAD believes the documentation provided by ACC supports both companies and both ACC and AMM would benefit from the executives that manage both ACC and AMM; therefore, USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	ACC doesn't dispute USAC's finding
37	2013	672000 - General and Admin Expense	Orbitz	Colorado Court Hearing	1,532.84	The reviewed documentation displayed a monthly credit card statement that showed travel charges. ACC informed USAC IAD in the inquiries record the purpose of the trip was due to a FCC lawsuit. ACC further informed USAC IAD that ACC does not feel it is justified to charge the non-regulated entity for a direct expense to the regulated services. USAC IAD believes the viability of AMM depends of the viability of ACC; therefore, USAC IAD believes a portion of the sample expense entry for the amount of \$1,532.84 should be allocated to a non-regulated expense account and recorded in AMM's general ledger. Furthermore, USAC IAD's observation of the monthly credit card statement displayed \$255.60 for a flight for the general manager's spouse, which the charge was also recorded to the general and administrative expense account 6720. Since the spouse is not employed by ACC, nor would the spouse be performing any regulated activities on behalf of ACC, USAC IAD believes the flight costs of the general manager's spouse should have been recorded to a non-regulated expense account.	The sole nature of the lawsuit was related to regulated activities of ACC and the related expense was appropriately assigned to regulated operations. ACC agrees that the expenses related to the spouses travel should be excluded from regulated account balances.
38	2013	672100 - Accounting & Finance Expense	Lally Group, LLC	No description provided by ACC.	9,985.00	ACC informed USAC IAD in the inquiries record that ACC's accounting firm audits ACC's financial statements once a year to conform to regulations; therefore, ACC does not feel it is appropriate to charge AMM for audits. USAC IAD believes ACC's accounting firm performs audits that produce consolidated financial statements and proposed adjusting journal entries that represent both ACC and AMM; therefore, the accounting firm is charging time spent performing work for both ACC and AMM. USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	ACC doesn't dispute USAC's finding



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Per USAC IAD's review of ACC's sampled expense transaction supporting documentation							Allband's Comments
#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
39	2014	654000 - Access Expense	ARIN	No description provided by ACC.	500	The reviewed documentation displayed an invoice for an annual renewal of internet protocol allocation. USAC IAD believes the supporting invoice does not show an access related cost. ACC informed USAC IAD in the inquiries record this is annual fee for internet IP addresses register. ACC concurred with USAC IAD in the inquiries record and informed USAC IAD in the inquiries record this was an error and this expense should have been directly charged to AMM. USAC IAD and ACC agree that this expense should have been recorded to a non-regulated expense account.	ACC doesn't dispute USAC's finding
40	2014	661300 - Advertising Expense	Apple Online Store	I PAD MINIS FOR SUMMER DRAWINGS	1,267.76	ACC informed USAC IAD in the inquiries record that these were promotional giveaways designed to promote both ACC and AMM in order to gain customer lines; however, the entirety of these giveaways were recorded in ACC's general ledger. USAC IAD believes a portion of this expense should have been recorded in AMM's general ledger as a non-regulated expense. ACC concurred with USAC IAD's belief in the inquiries record.	ACC doesn't dispute USAC's finding
41	2014	671100 - Executive Expense	College America	No description provided by ACC.	1,000.00	The reviewed documentation displayed a contribution to a college fund for a relative of the general manager. ACC informed USAC IAD in the inquiries record this was a bonus directed by the Board of Directors for the general manager, and because a majority of the general manager's time was expense to regulated accounts, ACC expense the general manager's bonus to a regulated account. This entry does not appear to be a regulated expense consistent with Part 32 Rules. USAC IAD believes this expense should have been recorded to a non-regulated expense account.	ACC doesn't dispute USAC's finding



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#	Year	General Ledger Account Affected	General Ledger Name	General Ledger Description	General Ledger Amount	USAC IAD Conclusion	
42	2014	672000 - General and Admin Expense	Southwest Air	Network Ops Mgr interviewee & wife	919.4	The reviewed documentation displayed a page from a monthly credit card statement. The line item selected for sample showed a description of a flight booked for a person who did not appear to be an ACC employee. ACC informed USAC IAD in the inquiries record that ACC agreed to pay for the interviewee to bring his spouse because if hired, the interviewee and his family would have to relocate to ACC's rural area. ACC further informed USAC IAD in the inquiries record the interviewee was to take some responsibilities off the General Manager, and the majority of the General Manager's time is spent on regulated services; therefore, this was expensed to a regulated account. USAC IAD understands the travel payment necessity for the interviewee; however, this expense line item is solely for the spouse of the interviewee. Since the spouse is not interviewing for the job, nor would the spouse be performing any regulated activities for ACC, USAC IAD believes the flight costs of the interviewee's spouse should have been recorded to a non-regulated expense account.	ACC doesn't dispute USAC's finding
43	2014	672500 - Legal Expense	Public Law Resource Center PLLC	No description provided by ACC.	9,987.00	ACC informed USAC IAD in the inquiries record that ACC does not feel this is an appropriate expense to charge to the non-regulated subsidiary when the purpose of the lawsuit is regarding USF support. USAC IAD believes the viability of AMM depends of the viability of ACC; therefore, USAC IAD believes a portion of this expense should have been allocated to a non-regulated expense account and recorded in AMM's general ledger.	The sole nature of the lawsuit was related to regulated activities of ACC and the related expense was appropriately assigned to regulated operations.



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Per USAC IAD's review of ACC's sampled timesheet supporting documentation							Allband's Comments
#	Year	General Ledger Account Affected	Employee Job Title			USAC IAD Conclusion	
44	2012	Non-regulated	Controller			The reviewed documentation displayed hours being performed to the ARRA grant, which is a non-regulated activity; however, no hours were allocated. ACC informed USAC IAD in the inquiries record that the controller employed at the time of this timesheet activity is no longer employed by ACC. ACC further informed USAC IAD in the inquiries record that the current controller would have charged five hours to the ARRA grant and noted that it must have been an error from the former controller. USAC IAD believes 5 hours of this employee's time should have been recorded as non-regulated.	ACC doesn't dispute USAC's finding
45	2012 2013 2014	Non-regulated	Outside plant employees			The reviewed documentation displayed outside plant employees performed jobs outside the study area (i.e. grant related jobs) and charged the time spent loading trucks and traveling from the office to the job site and from the job site to the office as regulated. The reviewed documentation also displayed outside plant employees performed administrative work (i.e. scheduling work tickets) for jobs outside the study area while in the office and recorded that time as regulated as well. ACC informed USAC IAD in the inquiries record the grant is very specific of what travel time is part of the grant, and going to a job site from the shop does not qualify. Based on discussions with ACC and consistent with Part 32 Rules, USAC IAD believes these travel and administrative expenses for outside plant employees performing non-regulated jobs outside the service area should have been recorded to a non-regulated expense account.	The time as described is joint in nature and is assignable to both regulated and non-regulated operations. In recognition of the joint nature of expense charged to the 6534 Account, 75% of the time was allocated to AMM as non-regulated. ACC appropriately assigned a significant portion of the expenses to AMM. This portion of the expense was assigned to a non-regulated account.
46	2014	Non-regulated	Customer Service employee			The reviewed documentation displayed this employee performed activities for AMM, which were recorded to plant operations administration expense account 6534. ACC informed USAC IAD in the inquiries record that account 6534 is allocated to AMM on a 75% ratio. While USAC IAD concurs with ACC that a portion of this expense will be allocated as non-regulated through the Part 64 cost study, USAC IAD believes the time spent performing these activities should have been recorded to a non-regulated expense account.	USAC's IAD observation is incorrect. The expense associated with this time was charged to a non-regulated expense (119030) on AMM's books.