



OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20554

November 30, 2018

Northeast Colorado Cellular, Incorporated
Attn: Frank DiRico, CEO
1224 West Platte Avenue
Ft. Morgan, CO 80701

Reference: Final Report on Audit of Northeast Colorado Cellular, Incorporated's
2014 FCC Form 499-A, Filer Identification Number 809568

Dear Mr. DiRico:

The Federal Communications Commission (FCC) Office of Inspector General (OIG) contracted Grant Thornton, LLP (Grant Thornton) to audit Northeast Colorado Cellular Incorporated's (Filer) 2014 FCC Form 499-A, Telecommunications Worksheet. The audit covered the Filer's revenues for the period January 1, 2013 through December 31, 2013, reported on its 2014 FCC Form 499-A.

The OIG contracted for this audit consistent with its authority under the Inspector General Act of 1978, as amended, including, but not limited to sections 2(1), 4(a)(1) and 5. It is not intended as a substitute for any agency regulatory compliance review or regulatory compliance audit.

The primary objectives of the audit were to (1) determine if the Filer complied with Title 47 CFR §§ 54.706 - 54.713 and related orders regarding the Universal Service Fund (USF) Contributor Program; (2) obtain an understanding of the process by which the Filer captures, summarizes and categorizes financial data from its underlying books and records for the purposes of preparing the FCC Form 499-A; and (3) determine the accuracy of revenues and other information reported on the FCC Form 499-A.

Grant Thornton conducted the audit in accordance with generally accepted government auditing standards. Those standards require that the auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions based on the audit objectives. The auditors believe that the evidence obtained provides a reasonable basis for their findings and conclusions based on their audit objectives.

Grant Thornton identified 11 findings and made 22 recommendations. Ten of the 22 recommendations were made to FCC management and 12 recommendations were made to the Filer's management officials. A finding is a condition that shows evidence of non-compliance with USF Contributor Program rules that were in effect during the audit period. The detailed findings and recommendations are provided in the attached final audit report.

The Filer and the Universal Services Administration Company's (USAC) management responses to the draft audit report are incorporated, in full, into the final report in Appendix numbers II and III, respectively. The Filer agreed with all of the audit findings and committed to working with USAC to make any necessary revisions to the Filer's 2014 Form 499-A. Likewise, USAC agreed with all of the audit findings and will work with the Filer to make the necessary revisions to the Filer's 2014 Form 499-A.

The auditors are wholly responsible for the attached audit report. The report is intended solely for the information and use of the FCC, USAC, and the OIG. However, to the extent it can be made public, the report will be posted on the OIG's web page.

If you have any questions or concerns regarding this audit report, please contact Sharon Spencer, Deputy Assistant Inspector General for USF Program Audits, at 202-418-0477 or sharon.spencer@fcc.gov; or Robert McGriff, Assistant Inspector General for Audit, at 202-418-0483 or robert.mcgriff@fcc.gov.

Sincerely,



David L. Hunt
Inspector General

cc:
Managing Director, FCC
Chief of Staff, FCC Office of Managing Director
Partner, Grant Thornton, LLP

Attachment