Oversight Review Program
Company Name
AUP Numbering Utilization and Compliance Audit
Independent CPA Firm

I			Criteria		
	A		**Federal Government Regulations, Reports and Orders**		
		1	47 <u>USC</u> § 251(e)(Numbering Administration)		
		2	47 <u>CFR</u> § 52.15(k)(Numbering Audits)		
		3	*Numbering Resource Optimization*, Report and Order and Further Notice of Proposed Rulemaking (March 31, 2000)		
		4	*Numbering Resource Optimization*, Second Report and Order, Order on Reconsideration in CC Docket No. 99-200, and Second Further Notice of Proposed Rulemaking in CC Docket No. 99-200, 16 FCC Rcd 306 (2000) (*NRO Second Report & Order*)		
		5	*Numbering Resource Optimization*, Third Report And Order and Second Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200, 17 FCC Rcd 252 (2001) (*NRO Third Report & Order*)		
		6	*Numbering Resource Optimization*, Third Order on Reconsideration in CC Docket No. 99-200, Third Further Notice of Proposed Rulemaking in CC Docket No. 99-200, and Second Further Notice of Proposed Rulemaking in CC Docket No. 95-116 (2002)		
		7	*Numbering Resource Optimization*, Fourth Report And Order in CC Docket No. 99-200 and CC Docket No. 95-116, and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 99-200 (2002)		
	B		**Industry Guidelines**		
		1	Alliance for Telecommunications Industry Solutions (ATIS), Industry Numbering Committee (INC), *Guidelines for the Administration of Telephone Numbers*		
		2	Alliance for Telecommunications Industry Solutions (ATIS), Industry Numbering Committee (INC), Central Office Code (NXX) Assignment *Guidelines*		
		3	Alliance for Telecommunications Industry Solutions (ATIS), Industry Numbering Committee (INC), *North American Numbering Plan Numbering Resource Utilization/Forecast Reporting (NRUF) Guidelines*		
		4	Alliance for Telecommunications Industry Solutions (ATIS), Industry Numbering Committee (INC), *Thousands-Block Number (NXX-X) Pooling Administration Guidelines*		
II			**Planning**	**Date Initials**	**Work Paper**

					Reference
	A		**Selection Of Carrier To Be Audited**		
		1	Access NANPA online database to obtain current listing of operating companies within the ILEC, CLEC or Cellular category.		
		2	Download the Operating Company Number (OCN) listing for the chosen category in an excel spreadsheet and add a column to number the population.		
		3	Use the Excel Random Number Generator to obtain statistically valid random selections.		
		4	Match the first random number generated with the corresponding number on the OCN listing to determine which OCN to audit.		
		5	Access the NANPA online database to obtain the latest North American Numbering Plan Resource Utilization/Forecast (NRUF*)* report for the OCN selected.		
		6	Download the latest NRUF for the OCN selected and contact information for the associated carrier to an excel spreadsheet.		
	B		**Selection of Independent CPA Firm**		
		1	Call the Contracting Office (CO) to find out what CPA firms have been authorized to perform numbering audits.		
		2	Ask the CO to respond by email and to copy the Chief Auditor		
		3	Select an approved contractor, making sure numbering audit work is evenly distributed among all eligible contractors.		
		4	Select a CPA firm. Contact them about availability and possible conflict of interest. If the contractor is available, send the name and contact information for the selected telecommunications carrier (auditee) .		
		5	Request a statement from the firm asserting independence from the service provider to be audited.		
		6	If contractor is independent, inform Chief Auditor and CO of the CPA selection and make sure a mechanism is in place for payment of services.		
		7	Obtain an engagement letter from the CPA firm (between the firm and the FCC).		
		8	Make sure the CPA firm has all pertinent criteria for the audit. Email electronic versions if necessary.		
		9	Assign EB number to the audit and enter information into the EB-IHD database.		
		10	Draft Engagement Letter for Service Provider with copies to CO, Chief Auditor and CPA firm.		

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		11	Email NRUF for the OCN to be audited and contact information for the auditee to the Independent Auditor.		
III			**Field Work**		
	A		**Entrance Conference**		
		1	Ask the Independent Auditor to coordinate the scheduling of an Entrance Conference with Independent Auditor staff, FCC staff and Auditee staff.		
		2	The Entrance Conference should address: - Purpose of the Audit - Characteristics of an AUP Attestation Engagement - Specific Audit Steps and Procedures - Responsibilities of the auditee - Audit Report Process - Field Work Arrangements		
		3	Inform the Auditee that the Independent Auditor will be forwarding a data request and an internal control questionnaire. The answers to the questionnaire should be sent to the Independent Auditor before field work begins. The items in the data request should be made available to the Independent Auditor when field work begins.		
		4	Answer any questions posed by the Auditee.		
		5	Email any criteria or other information requested by the Auditee.		
		6	After the Entrance Conference, compile a matrix with names, job titles and contact information for Independent Auditor staff, FCC staff and Auditee staff involved in the audit. Email to all participants.		
	B		**Monitoring of Engagement**		
		1	Contact Independent Auditor weekly to enquire about possible findings and to make sure engagement is progressing smoothly.		
		2	Make sure the Auditee is cooperating with the Independent Auditor and providing an adequate working environment, access to key personnel, and all required documents.		
		3	Answer questions, interpret regulations and provide information for Independent Auditor and Auditee.		
		4	Make sure the Independent Auditor discusses findings as they arise with the auditee and solicits auditee's input early on.		
		5	If Independent Auditor and Auditee disagree about an audit step or rule interpretation, research the issue and hold a teleconference to discuss it.		
		6	If the Independent Auditor believes any audit step in the program should be omitted or modified, approval must first be obtained from the FCC.		
	C		**Exit Conference**		

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		1	When fieldwork has been completed, ask the Independent Auditor to coordinate the scheduling of an Exit Conference with Independent Auditor staff, FCC staff and Auditee staff to discuss the results of the audit..		
		2	Review audit findings with the auditee to make sure there are no misconceptions or misinterpretations.		
		3	Solicit auditee's input regarding the findings and encourage auditee to include it in auditee's response.		
		4	Ask auditee what corrective action will be taken to address findings. Get specific measures, definite timeframes and the names and contact information of those responsible for implementing the corrective action.		
		5	If auditee states a problem has already been corrected make sure appropriate evidence is provided and make sure the correction is noted in the Independent Auditor's report.		
IV			**Agreed-Upon -Procedures Report**		
	A		**Review of Report**		
		1	Compose a report review spreadsheet and list questions to be addressed by the Independent Auditor as a result of the review.		
		2	Make certain the report states the audit was conducted in accordance with AICPA standards regarding AUP engagements.		
		3	Verify that the report matrix contains all the steps set forth in the AUP audit program. If any step is omitted or modified, this fact should be mentioned in the program.		
		4	Confirm that the report accurately reflects the results of the audit.		
		5	Insure that the report addresses all results regardless of materiality.		
		6	Make certain the Independent Auditor delivers the draft report within 30 days after field work is complete.		
		7	Make certain FCC comments and Auditee comments are sent to the Independent Auditor within 10 days after the draft report is received.		
		8	Make certain the Independent Auditor submits an updated draft report within 5 days after comments are received.		
		9	Make certain the Independent Auditor delivers a final report within 5 days after the updated report.		
	B		**Review of Auditee's Response**		

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		1	Compile a spreadsheet and list any questions or concerns about the auditee's response.		
		2	Verify that the auditee has addressed all the Independent Auditor's findings.		
		3	Make sure the Auditee has provided the name, job title and contact information for each staff member responding to each individual finding.		
		4	Evaluate the adequacy and completeness of Auditee's response to each individual finding.		
		5	Verify that the Auditee has provided a corrective action plan for each individual finding.		
		6	If responses are inadequate or corrective actions unclear, contact the Independent Auditor for clarification. If questions still remain, schedule a conference with Independent Auditor and Auditee to resolve the issues.		
		7	If agreement cannot be reached about a finding or a corrective action, discuss the issue with the Chief Auditor.		
	C		**Review of Independent CPA Firm Working Papers**		
		1	Request the working papers be sent to the FCC or be made available at the firm's offices.		
		2	Review the working papers to verify that: - all procedures were performed adequately, - all observations were supported by sufficient evidential matter, - all pertinent matter was included in the report.		
		3	Compose a working paper review spreadsheet and list questions to be addressed by the Independent Auditor.		
		4	Check sampling plans for those audit steps where statistically valid random sampling was required.		
		5	Make copies of working papers delineating important findings for retention in EB files.		
V			**Oversight Report**		
		1	Draft the Oversight Report with 5 sections: - Executive Summary - Background - Scope & Purpose of Review - Results of Review - Conclusions & Recommendations		
		2	The Results of Audit section should present each finding in detail and		

			should include:
			   - Applicable Federal Communications Commission rule
			   - Independent Auditor Observation
			   - Auditee Response
			   - Comments of IHD audit staff		

	3	In the Conclusions & Recommendations section mention which findings warrant follow-up or enforcement action		
	4	Send the report to the Chief Auditor for review and signature.		
VI		**Follow-Up**		
	1	Within 6 months to a year following completion of the AUP engagement, access the NANPA database to obtain the most recent NRUF report for the OCN audited.		
	2	Analyze the most recent NRUF and compare it with the NRUF used during the AUP audit to determine whether the AUP findings appear to have been corrected.		
	3	If not, draft a letter from the Chief Auditor to the auditee asking what steps are being taken to address those findings still uncorrected in the most recent NRUF report.		
	4	For findings that cannot be analyzed by reviewing the NRUF, draft a letter from the Chief Auditor to the auditee asking what steps were taken to address those issues.		

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