

January 5, 2009

Utah Education Network  
Attn: Sabrina Scott  
101 Wasatch Dr. Rm: 263  
Salt Lake City, UT 84112

Dear Ms. Scott:

Ernst & Young LLP (EY) has been engaged to assist the Universal Service Administrative Company's (USAC) Internal Audit Division in its examination of recipients of Schools & Libraries (S&L) Support Mechanism funds. These examinations are being conducted under the direction of the Federal Communications Commission (FCC) Office of Inspector General (OIG), Attachments A and B to this document are letters from the USAC and FCC discussing the scope of services.

We plan to conduct a compliance attestation examination of the Utah Education Network; Beneficiary Number 150246 beginning February 9, 2009. It is anticipated that field work for the examination will take approximately five weeks.

The examination will be related to disbursements from the Universal Service Fund during the fiscal year ended September 30, 2008 related to the following funds that were disbursed during the period July 2007 to June 2008.

Funding Year	Form 471 Number	FRN(s)
2006	501510	1379026 1379127
2006	502461	1381584
2006	504989	1387498
2006	505264	1388341
2006	505907	1390143
2006	509152	1399612 1399623
2006	510399	1403368
2006	512132	1422085
2006	512088	1422288 1422377

2006	514601	1452112
2006	514815	1452129 1452238
2006	513458	1452653
2006	519630	1452891
2006	516453	1453716
2006	529307	1459884
2007	547804	1511985
2007	549854	1517274
2007	553449	1526814
2007	558731	1540752

Emphasis during our examination will be placed on the eligibility of products and services, discount calculations, technology plans, service provider selection, support for reimbursements, physical identification of any equipment required and other related areas. Please find attached lists of documents we will need to facilitate our examination (Attachments C and D). To provide documentation to our audit team please contact Huong Tran at (703) 747-1917, or via e-mail at [Huong.Tran@ey.com](mailto:Huong.Tran@ey.com), or e-fax at (866) 634-3459.

In addition, we are required to gain an understanding of your internal control environment relative to Schools and Libraries program management. Attached to this letter are internal control questionnaires (Attachment E) designed to provide a basis for gaining that understanding. These questionnaires need to be returned to us along with other documents requested **within fifteen business days** (January 27, 2009) of receipt of this letter.

In order for us to perform our examination efficiently and successfully, your assistance in providing the following support will be appreciated:

- Office space for approximately 4 examiners to perform their examination (to include Internet connectivity)
- Access to office space for a 10-hour period during the workday, if possible
- Notification of any days the building that EY will be working in will not be available, due to holidays or other reasons
- Advice on the dress code for your office

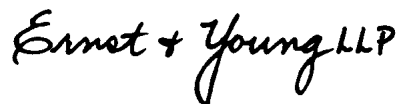
We will conduct an entrance meeting on the first day on-site, if possible, to discuss the examination, project objectives, coordination, etc. with those key individuals that are involved in your Schools & Libraries program and process.

At the completion of our field work, we will conduct an end of fieldwork meeting to discuss the results of the examination to that point.

In addition, we are enclosing an example of an assertion letter (Attachment G) we will need certain officials from the school district to sign and date as of the end of field work date as part of the acknowledgment that management is responsible for the various assertions that our examination procedures will be based on. This letter will need to be on the beneficiary's letterhead, and provided to us once the examination report is finalized. A representation letter will also be required. A sample of this letter is also enclosed (Attachment H).

If you have any questions, please contact Dan Dubas at (703) 747-1553, or via e-mail at [Dan.Dubas1@ey.com](mailto:Dan.Dubas1@ey.com) or Huong Tran at (703) 747-1917, or via e-mail at [Huong.Tran@ey.com](mailto:Huong.Tran@ey.com)

Sincerely,

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

11 Attachments:

- (A) USAC Announcement Letter
- (B) FCC Announcement Letter
- (C) List of documents to be provided to us by **15 business days** of receipt of this letter
- (D) List of documents to be provided to us upon arrival
- (E)
  1. Technology Plan Preparation Process Questionnaire
  2. Competitive Bidding Process Questionnaire
  3. National School Lunch Program Process Questionnaire
  4. Invoice Processing Process Questionnaire
  5. Asset and Property Management Process Questionnaire
- (F) Invoice Disbursement Spreadsheet
- (G) Sample Assertion Letter
- (H) Sample Representation Letter