

TC05-058



■ TELECOMMUNICATIONS
■ COMMUNICATIONS, INC.

June 8, 2005

Rolayne Ailts Wiest
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RECEIVED
JUN 10 2005
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Dear Rolayne,

Please find enclosed, Valley's procedures regarding the Lifeline Telephone Assistance Program, along with copies of our certification and verification forms, informative brochure, and application for Lifeline assistance. Each new customer in Valley's service area is provided with the brochure and application in their *new customer packet*.

I have also included a copy of the bill insert provided by the Foundation for Rural Service regarding Lifeline. We currently have the 2005 inserts on order and they will be shipped to us when they are prepared.

We have discussed the Lifeline program with Telec Consulting and based on those discussions have chosen to re-certify all of our Lifeline customers during this first year. Some of the customers have had Lifeline on their account since it was established and have never provided us with documentation for participation. On a go forward basis, we will conduct random samples during the first quarter of each year.

I am still working on the promotional material aspect of the FCC order. I have contacted the Social Services offices in Mobridge and Aberdeen and they are willing to keep our materials on hand to assist the customers/clients in our service area in applying for telephone assistance. I am also looking at providing signage at the Senior Nutrition Sites in our service area in hopes of reaching customers who may not have heard about the program.

In addition, we place a yearly notice in our local newspapers regarding Universal Service rates, which also includes the Lifeline Assistance plan.

Hopefully this information has been helpful in your discussions of the Lifeline program. Any assistance the PUC can provide in implementing a state level certification program would be most helpful!

If you have any questions regarding the enclosed materials, please feel free to contact me at your convenience at 437-2615. (*I will be out of the office from June 13th - June 16th.*)

Sincerely,

Kaye VanderVorst
Billing Clerk
Valley Telecommunications Coop., Assn., Inc.
kayevv@valleytel.net

WHO IS ELIGIBLE?

Telephone service must be in the applicants name. The applicant must participate in at least one of the following public assistance programs to be eligible:

- Food Stamps Program
- Federal Housing Assistance (Section 8)
- Low Income Home Energy Assistance
- Medicaid (Title XIX/Medical, State Supplemental Assistance)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch (NSL) free lunch program

OTHER WAYS TO QUALIFY

A recent FCC ruling has added an additional eligibility criterion that is purely "income-based," and is not tied to subscriber participation in the previously mentioned government assistance programs. You are now eligible to participate in Lifeline and Link-Up if the your income is at ,or below 135% of the Federal Poverty Guidelines.

Size of Family Unit

1	\$12,920
2	\$17,321
3	\$21,722
4	\$26,123
5	\$30,524
6	\$34,925
7	\$39,326
8	\$43,727

For Each Additional Person, Add \$ 4,401

LIFELINE AND LINK-UP TELEPHONE ASSISTANCE PROGRAM



VALLEY

Valley Telecommunications Coop Assn Inc.

PO Box 7 ~ 102 Main St S

Herreid SD 57632-0007

www.valleytel.net

Phone: 437-2615

Toll Free: 1-800-437-2615

Fax: 437-2220

WHAT IS LIFELINE?

THE PROGRAM

Changes brought about by the Federal Telecommunications Act of 1996 have resulted in the introduction of low-income assistance programs in South Dakota. Low-income subscribers may qualify to receive reduced monthly and installation charges for basic telephone service.

Valley Telecommunications Cooperative Assn, Inc. is authorized to provide two federal telephone assistance programs that were developed in response to concerns about the affordability of telephone service for low-income citizens.

- The **Lifeline** program provides a reduction in basic monthly telephone service equal to the residential subscriber line charge, plus an additional amount of \$1.75. The credit applies to the main home telephone line listed in the name of the subscriber. Lifeline subscribers may also receive blocking of long distance calls on their telephone line at no charge.
- The **Link-Up** program provides eligible subscribers with reduced connection charges for their basic home telephone service. This reduction is 50 percent of the applicable charges, or \$30.00, whichever is less. Link-Up also provides for deferred payment of connection charges without interest. It does not cover the cost of wiring inside your home and is limited to one time, per home address, per subscriber.

INCOME CERTIFICATION

If you qualify under the income-based eligibility criteria, and wish to apply for Lifeline or Link-Up Assistance, you must provide our office with supporting documentation of income.* Acceptable documentation of income eligibility includes the prior year's state, federal, or tribal tax return, a current income statements from an employer or paycheck stub, a Social Security statement of benefits, a Veterans Administration statement of benefits, a retirement/pension statement of benefits, and Unemployment/Workmen's Compensation statement of benefits, federal notice of letter of participation in General Assistance, a divorce decree, child support, or other official document. (*Subsection 54.410(a)*)

**Income for eligibility requirements is defined to include "all income actually received by all members of the household." Income is considered "gross" income, prior to taxes. Exceptions to income include student financial aid, military housing, and cost of living allowances, and irregular income from occasional small jobs.*

COULD I BECOME INELIGIBLE?

If you no longer participate in any of the qualifying public assistance programs, you are no longer eligible for telephone assistance under the program based criteria.

By signing and submitting the application, you certify under penalty of perjury that you, in fact, qualify for Lifeline and Link-Up benefits, and if, at any time you become ineligible, you will notify Valley Telecommunications Cooperative Assn., Inc.

In addition, Valley's compliance with the FCC Regulations will include annual verification of eligibility of program participants. Verification procedures may include random beneficiary audits, periodic submission of documents, or annual self certification.

HOW DO I APPLY?

If you meet the eligibility requirements, completely fill out and sign the application form provided with this brochure and mail it to:

Valley Telecommunications Cooperative

PO Box 7

Herreid SD 57632-0007

If you are applying for assistance under the income-based criteria, you must also include the supporting documentation of income as indicated.



Lifeline and Link-Up Assistance Application

(Please Print)

Name _____
(Last) (First) (Middle)

Address _____
(Street) (City) (State) (Zip)

Valley Telco Assigned Telephone Number: (____) ____ - _____

Number where you can be reached : (____) ____ - _____

Please answer the following questions (check appropriate lines):

- 1. I am applying for: _____ Lifeline monthly telephone service discount
_____ Link-Up telephone connection charge discount

NOTE: TELEPHONE SERVICE MUST BE IN APPLICANT'S NAME.

- 2. I am currently participating in the following program(s):
(check all that apply – documentation required)

- _____ Medicaid(ex.Title XIX/Medical, State Supplemental Assistance)
- _____ Food Stamps
- _____ Supplemental Security Income (SSI)
- _____ Federal Public Housing Assistance
- _____ Low-Income Home Energy Assistance
- _____ Temporary Assistance for Needy Families (TANF)
- _____ National School Lunch (NSL) free lunch program

OR

- 3. _____ My household income is at or below 135 percent of the Federal Poverty Guidelines. *(documentation required)*

I agree to notify Valley Telecommunications Cooperative Assn., Inc. if/when I no longer qualify based on the above criteria.

I certify under penalty of perjury the above information is true. I have read the information on this application and understand that I must meet at least one of the above qualifications to receive Lifeline and/or Link-Up assistance on my primary residential telephone line.

Your signature Social Security Number Date

Return to: Valley Telco, PO Box 7, Herreid, SD 57632-0007

Income-based criteria will be in effect for all telephone companies that offer Lifeline beginning in June 2005. Some telephone companies may offer Lifeline discounts to individuals who qualify based on household income before that date.

Residents of Indian reservations or tribal lands qualify if they participate in any of the programs listed above, have a household income that is at or below 135% of the federal poverty guidelines, or participate in one of these programs:

- Bureau of Indian Affairs (BIA) general assistance
- Head Start (income eligible)
- Tribal TANF

How do I apply to receive Lifeline, Link Up and TLS support discounts?

Consumers must apply through their local telephone company — please let us know if you are interested in any of these programs. Visit the Universal Service Administrative Company (USAC) web site at www.lifelinesupport.org for more information about eligibility requirements. You also may call USAC toll free at 1-888-641-8722, with any questions about Lifeline, Link Up and TLS discounts.

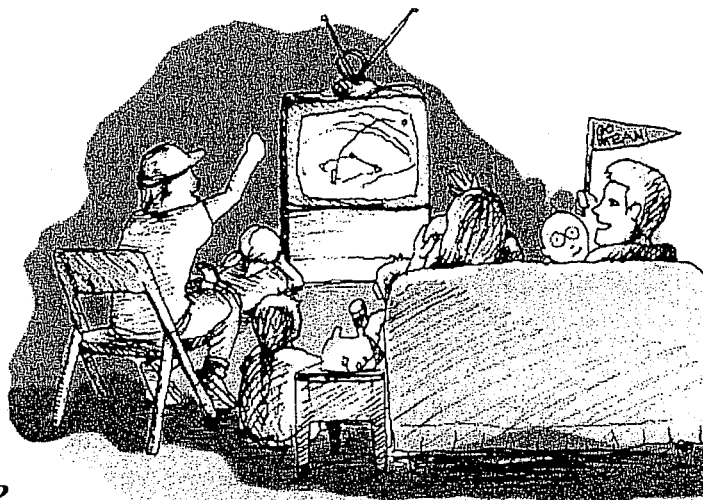


PO Box 7 Herreid SD 57632 605-437-2615 www.valleytel.net

2005 Inserts will be shipped to us when they are ready.

Your Local Connection to the World

Yes,
*You Can Afford
Telephone Service*



AN IMPORTANT MESSAGE FROM YOUR
COMMUNITY BASED TELECOM PROVIDER

AN IMPORTANT MESSAGE FROM YOUR
COMMUNITY BASED TELECOM PROVIDER

Every person in America should have access to quality, affordable telecommunications service. This principle of "Universal Service" has been the goal of the telecommunications industry for decades. In 1934, the federal government codified the goal and reaffirmed it in 1996 by establishing policies for the "preservation and advancement of Universal Service."

To achieve the Universal Service goal, carriers have access to a fund that is generated by contributions from the telecommunications providers in the United States. Telecommunications companies draw from the fund to provide four programs that support telecommunications services nationwide. Link-Up America (Link-Up) and the Lifeline Assistance Program (Lifeline) are part of the fund's Low-Income Program and are described in detail below. Toll limitation service is another program available to low income subscribers to help them control what they spend on telephone service.

Lifeline, Link Up, and Toll Limitation Service support provide discounts to eligible low-income consumers to help them establish and maintain telephone service.

What type of discount is available?

Lifeline assistance lowers the cost of basic monthly local telephone service. Eligible consumers can receive up to \$10 per month in discounts. Additional state support also may be available.

Eligible residents of Indian reservations or tribal lands can receive up to an additional \$25 in Lifeline support, but must pay at least \$1 for basic monthly service.

Link Up reduces the cost of initiating new telephone service. Eligible consumers can receive a 50% discount off of the one-time costs associated with initiating telephone service, up to a maximum of \$30. Eligible consumers also qualify for a deferred payment schedule for remaining costs of up to \$200.

Eligible low-income consumers living on tribal lands are eligible for an additional discount of up to \$70 to cover 100% of the charges between \$60 and \$130.

Toll Limitation Service (TLS) support allows eligible consumers who wish to avoid incurring large long distance fees to choose toll blocking or toll control at no cost.

How do I know whether I am eligible?

Eligibility for Lifeline, Link Up and TLS support varies by state. Individuals who reside in states that have their own discount programs qualify for federal Lifeline, Link Up and TLS support if they meet the eligibility criteria established by their state. In states that do not provide state support, an individual is eligible if he or she participates in one of the following programs:

- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance or Section 8
- Medicaid
- Food Stamps
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch free lunch program

In addition, a consumer may be eligible if his or her household income is at or below 135% of the federal poverty guidelines:

2004 Income Requirements — 48 Contiguous States

Family Size	States & DC	Alaska	Hawaii
1	\$12,569	\$15,701	\$14,445
2	\$16,862	\$21,074	\$19,386
3	\$21,155	\$26,447	\$24,327
4	\$25,448	\$31,820	\$29,268
5	\$29,741	\$37,193	\$34,209
6	\$34,034	\$42,566	\$39,150
7	\$38,327	\$47,939	\$44,091
8	\$42,620	\$53,312	\$49,032
<i>For each additional person add</i>	\$4,293	\$5,373	\$4,941



This brochure was produced by the Foundation for Rural Service, the philanthropic arm of the National Telecommunications Cooperative Association. Its mission is to promote, educate and advocate rural telecommunications in order to sustain and enhance the quality of life within communities throughout rural America. For additional information on the Foundation, visit www.frs.org. This advocacy campaign also is supported by the Rural Telephone Finance Cooperative, based in Herndon, VA.

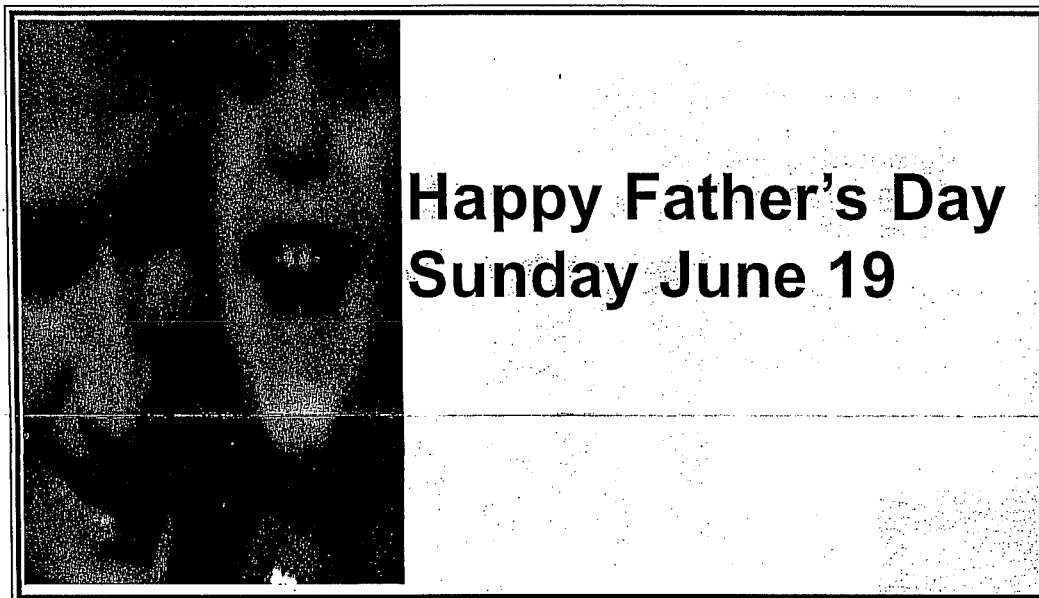
\$2500 FRS Scholarships

For a second year, Valley has offered the opportunity for area high-school seniors to participate in the Foundation for Rural Services \$2500 Scholarship program. FRS awarded twenty-five \$2500 scholarships, a total of \$62,500.

Scholarship applications were divided into the regions of the National Telecommunications Cooperative Association (NTCA) for consideration. The FRS Scholarship Award Winners for Valley's region (Region 6) included:

- Kayla Helseth of Minot, ND
- Melinda Paulson of Mayvill, ND
- Tara Mertz of Ellendale, ND
- Crystal Finnesand of Sisseton, SD
- Jenna Jackson of Clearbrook, MN

More than twenty applications were sent in by students living in Valley's service area and although no one was selected this year, we hope to continue offering the possibility of these awards.



TECH TIPS

If you are experiencing an unusual amount of "Pop-Up" advertising, or your home page has mysteriously switched, you may have Spyware installed on your computer without even realizing it. Spyware is installed by various programs and will lurk in the background, gathering information about you to be retrieved by anyone from marketing companies to malicious hackers.

If you have Spyware on your computer, you are not alone. It's estimated that over 1 million Internet users have some sort of Spyware on their computer! While most firewalls and anti-virus software are powerless to prevent Spyware, there are several programs that are excellent for detecting, deleting, and preventing Spyware.

Here are links to two of the more popular ones:

Spybot Search and Destroy v1.2:

<http://www.safer-networking.org/index.php?page=download>

Spy Sweeper:

<http://www.webroot.com/wb/products/spysweeper/index.php>

For more information on Spyware, visit: <http://www.Spywareinfo.com/>

-- Source: Spring 2004 Website Compass

LIFE LIGHTENER

A married couple were asleep when the phone rang at 2 in the morning. The wife (undoubtedly blonde) picked up the phone. It ringed a moment and said, "How should I know, that's 200 miles from here!" and hung up. The husband said, "Who was that?" The wife said, "I don't know, some woman wanting to know if the coast is clear." -- unknown

Two blondes are walking down the street. One notices a compact on the sidewalk and leans down to pick it up. She opens it, looks in the mirror and says, "Hmm, this person looks familiar."

The second blonde says, "Here let me see!" So the first blonde hands her the compact. The second one looks in the mirror and says, "You dummy, it's me!"

-- unknown

What did the blonde ask her doctor when he told her she was pregnant?

"Is it mine?" -- unknown

**Watch for
Valley's Summer
Open House
announcements in
July's newsletter**

Do you have a joke or story you'd like to share here?

Send it with your payment or via email to:
cschick@valleytel.net

VALLEY



02 Main St S PO Box 7 Herreid SD 57632
 Billing/Service Requests: 605-437-2615
 ValleyNet Internet/Email 24-Hour Help Desk: 1-888-866-0812
 www.valleytel.net • valley@valleytel.net
 Office Hours: 8am - 5pm Monday - Friday
 When submitting payments, please be sure to include your payment stub for proper credit

Welcome New Members

Eureka, 605-284
Walker, Les: 284-2204

Glenham, 605-762 none

Herreid, 605-437
Vander Vorst, Terry & Linda: 437-2296
Schmitt's: 437-2332

Hosmer, 605-283 none

Ipswich, 605-426
Finkbeiner, Lester & Beverly: 426-6568

Leola, 605-439
Esmay, D: 439-3180
Evans, Katy: 439-3183
Atesheva, Viktoriya: 439-3715

Long Lake, 605-577 none

Mound City, 605-955
Jensen, Duane A: 955-3324
Jeffries, Bonnie: 955-3331

Pollock, 605-889
Holcomb House: 889-2385
Lisa's Market: 889-2447

What's In A Day?

June 1, National Cancer Survivors Day: To honor & show support for cancer survivors and their families.

June 8, Upsy Daisy Day: To remind people to get up gloriously, gratefully, and gleefully each morning.

June 10, Valley Telco Delinquent Toll Denial - your May payment must be posted to your account by 5pm today. If it is not, you will lose your ability to call long distance by 8am the next day of business.

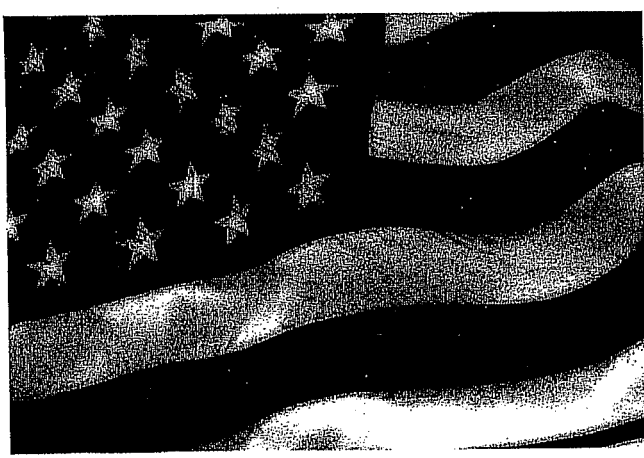
June 14, Flag Day: National holiday for displaying the American flag.

June 18, National Splurge Day: Take this day to indulge in an unusual activity or treat for yourself.

June 19, Father's Day

June 20, Valley Telco Delinquent Disconnect: If we haven't received payment for your June telephone bill by 5pm today, your account will be charged a \$10.00 late notice. If you still haven't paid your May telephone/cable tv /Internet bill your services will be disconnected by 8am the next day of business.

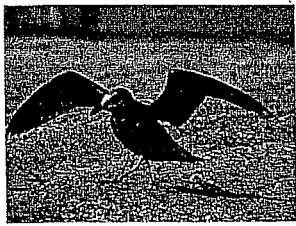
June 21, First Day of Summer!



Happy Flag Day
on the 14th!

Your Valley Telco Board Of Directors

- Eureka, 605-284David Roggenkamp, Secretary
- Glenham, 605-762Michael Schlomer
- Herreid, 605-437Helen Thullner
- Hosmer, 605-283Charles Wolf
- Ipswich, 605-426J. David Williams
- Leola, 605-439Richard Kolb
- Long Lake, 605-577Charles Maule, Vice Pres.
- Mound City, 605-955Dean Wessel, Pres.
- Pollock, 605-889Donald Wittmeier, Treasurer



Valley News

Volume 47 Number 6

June 2005

www.valleytel.net

Welcome to Summer!

102 Main St. S, Herreid SD

Congratulations Valley Scholarship Recipients



**Laura
Clark**

Parents:
Dale & Sandra

EUREKA
EXCHANGE



**Amanda
Konold**

Parents:
Kerry & Dawn

GLENHAM
EXCHANGE



**Temree
Bechtold**

Parents:
Lori

HERREID
EXCHANGE



**Michael
Hieb**

Parents:
Jere & Dee

HOSMER
EXCHANGE



**Valerie
Moore**

Parents:
Scott

IPSWICH
EXCHANGE



**Katherina
Schaefer**

Parents:
Matthew

LEOLA
EXCHANGE



**Allison
Mettler**

Parents:
Daniel

LONG LAKE
EXCHANGE



**Tami
Moser**

Parents:
Danny & Marlene

POLLOCK
EXCHANGE



**Aaron
Geffre**

Parents:
Randy & Anita

MOUND CITY
EXCHANGE

The Valley board of directors are pleased to announce the 2005 Valley Scholarship recipients. We received a total of 31 applications to consider this year.

Applications are sent to area schools & posted to Valley's website each January. To be considered, each student is asked to submit their answers to a short questionnaire along with a photo if one is available. Applications

are then judged by an independent third party. Each recipient has received an award certificate as well as a hard-cover Merriam Webster dictionary.

The \$500 Valley Telco Scholarship applies towards the student's 2nd semester. Information is mailed to each recipient in August explaining how to claim their 2nd semester award.

If a scanned photo or no photo was sent with the application, then one does not appear here. Parent's names that appear above are listed as they appeared on the student's scholarship application.

The Valley board of directors, staff, & management would like to congratulate all graduating seniors & wish them well in the next phase of their lives.

Lifeline Certification Required

Lifeline and Link-Up is a federal telecommunications program that offers discounted telephone service to telephone subscribers who qualify for benefits from one of the following public assistance programs:

- food stamps
- federal public housing assistance
- low-income home energy
- medicaid
- supplemental security income (SSI)

Enhanced Lifeline and Enhanced Link-Up applies to those subscribers that live on tribal or trust land and participate in one of the previously mentioned programs, head start (meeting income qualifying standards), national school lunch program's FREE lunch program, tribally administered temporary assistance for needy families or Bureau of Indian Affairs (BIA) general assistance program.

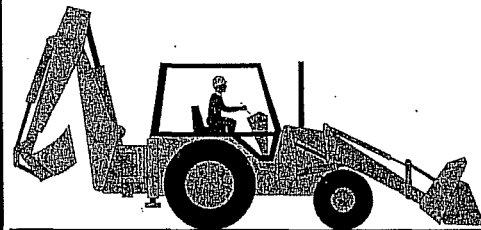
In addition, subscribers now may also qualify for the Lifeline discount if their

household income is at or below 135% of the Federal Poverty Guidelines; however, certain documentation requirements exist for subscribers wanting to qualify under this category.

The Federal Government is now requiring telephone providers such as Valley to annually verify that customers who have previously certified they are eligible for this program still qualify. Verification procedures will include random beneficiary audits, periodic submission of documents, or annual self-certification.

Recently Valley sent out letters to current Lifeline and Link-Up subscribers requiring verification of eligibility. If you were receiving this discount and no longer participate in any of the qualifying public assistance program, you must notify Valley as soon as possible or face penalty of perjury.

Call
1-800-781-7474
48 Hours Before
Digging- It's the Law



Reminder: Whomever is going to be doing the actual digging (the contractor in charge of digging - not the landowner) - is required to call SD One-Call at least 48 hours prior to digging. Penalties apply for non-compliance.



ClearConnections
COMMUNICATIONS FOR YOUR COMMUNITY

Video Channel Additions and Changes

We've recently signed agreements to add 3 additional channels to our already very large selection of programming on our new digital video system.

The new channels that will be added mid-June will be:

- **Outdoor Life Network** will be added to the Basic programming package on channel **22**.
- **Travel Channel** will be added to the Basic programming package on channel **33**.
- **RFD** will be added to the Expanded Basic package and will be found on channel **55**.

The packages that these channels have been added to is based primarily

on contractual requirements, stipulated by the channel operators. Please keep in mind that Valley does not determine what programming appears on these or any other channels or the timing of shows.

Also please keep in mind, several channels will be moved at the beginning of June due to contract requirements. The channels and their new homes include:

- Speed Channel moving to channel 20.
- Golf Channel moves to channel 21.
- ESPN moves to channel 25.
- ESPN2 moves to channel 26.

These channels will continue to be found in their existing packages. There have been several changes made to our video lineup since we began providing this service early last year. We will be ordering new channel guides and sending them out to subscribers sometime this summer.

Don't forget, these channel announcements and more can be found on the local information channel 2.



■ TELECOMMUNICATIONS
■ COMMUNICATIONS, INC.

June 8, 2005

Dear Customer:

Thank you for contacting Valley Telecommunications regarding the Lifeline Telephone assistance program. Lifeline assistance is available to participants in one or more of the following programs:

- Medicaid
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance
- Low Income Housing Energy Assistance
- Temporary Aid to Needy Families (TANF)
- National School Lunch (NSL) free lunch program.

Or

- Individuals whose household income is at or below 135 percent of the Federal Poverty Guidelines are also eligible for Lifeline assistance.

If you are eligible for Lifeline/Linkup assistance under any of the programs listed above, please complete the enclosed application and provide supporting documentation (such as a copy of your Medicaid card) to us in the enclosed return envelope.

If you qualify for Lifeline/Linkup assistance based on household income, please complete the enclosed application and Income Certification Form, attach the required documentation*, and return it to our office in the enclosed return envelope.

*Documentation of income eligibility includes the previous year's state or federal tax return, a current income statement from an employer or paycheck stub, a Social Security statement of benefits, or other such official documents. If your documentation does not cover an entire year, please provide three consecutive month's worth of the same type of document. Please note that *income* is all income actually received by all members of the household. Income includes salary before deductions for taxes, public assistance benefits, Social Security payments, pensions, unemployment compensation, veteran's benefits, inheritances, alimony, child support payments, worker's compensation benefits, gifts and lottery winnings. The only exceptions are student financial aid, military housing and cost-of-living allowances and irregular income from occasional small jobs such as baby-sitting or lawn mowing.

If you require assistance completing the forms, please feel free to stop by our office at 102 Main St in Herreid, and we will be happy to assist you.

Please note that Federal Communications Commission (FCC) guidelines require telephone companies, like ours, to annually verify a sample of Lifeline customers' for continued eligibility in the program. You may be required to complete the application and/or provide additional information on a yearly basis for random sampling purposes.

You may contact our business office at 437-2615 with any questions regarding the application form or the Lifeline/Linkup programs.

Sincerely,

Billing Department
Valley Telecommunications Coop., Assn., Inc.



■ TELECOMMUNICATIONS
■ COMMUNICATIONS, INC.

May 6, 2005

Dear Customer:

* letter sent to recertify
all customers on Lifeline for
the 1st year.

You currently participate in Valley Telecommunications Cooperative's Lifeline assistance program. Federal Communications Commission (FCC) guidelines require telephone companies, like ours, to annually verify a sample of Lifeline customers' for continued eligibility in the program.

Lifeline assistance is available to participants in one or more of the following programs:

- Medicaid
- Food Stamps
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance
- Low Income Housing Energy Assistance
- Temporary Aid to Needy Families (TANF)
- National School Lunch (NSL) free lunch program.

Or

- Individuals whose household income is at or below 135 percent of the Federal Poverty Guidelines are also eligible for Lifeline assistance.

If you are *still* eligible for Lifeline/Linkup assistance under any of the programs listed above, please complete the enclosed application and provide supporting documentation (such as a copy of your Medicaid card) to us in the enclosed return envelope within 60 days, or before July 5, 2005.

If you qualify for Lifeline/Linkup assistance based on household income, please complete the enclosed application and Income Certification Form, attach the required documentation*, and return it to our office in the enclosed return envelope within 60 days, or before July 6, 2005.

*Documentation of income eligibility includes the previous year's state or federal tax return, a current income statement from an employer or paycheck stub, a Social Security statement of benefits, or other such official documents. If your documentation does not cover an entire year, please provide three consecutive month's worth of the same type of document. Please note that *income* is all income actually received by all members of the household. Income includes salary before deductions for taxes, public assistance benefits, Social Security payments, pensions, unemployment compensation, veteran's benefits, inheritances, alimony, child support payments, worker's compensation benefits, gifts and lottery winnings. The only exceptions are student financial aid, military housing and cost-of-living allowances and irregular income from occasional small jobs such as baby-sitting or lawn mowing.

If you require assistance completing the forms, please feel free to stop by our office at 102 Main St in Herreid, and we will be happy to assist you.

You may also contact our business office at 437-2615 with any questions regarding the application form or the Lifeline/Linkup programs.

Sincerely,

Billing Department
Valley Telecommunications Coop., Assn., Inc.

Enclosures

Dear Customer,

We have sent this form because you are currently receiving the Lifeline discount on your account. If you qualify for the discount based on income criteria, you MUST complete this form. If you qualify based on program criteria, you DO NOT need to complete this form.

Customer Name	Customer Telephone Number	Date	Time
---------------	---------------------------	------	------

****Please complete the following section and return to Valley with supporting income documentation. The documentation will be verified and certified, and may be returned to you upon your request.**

Self Certification for Lifeline/Link Up Under Income-Based Criteria

I, _____, certify under penalty of perjury that I qualify
(Customer requesting Lifeline/Link-up Assistance)

for Lifeline/Link-Up assistance based on my household income that is at, or below, 135 percent of the Federal Poverty Guidelines.

I further certify under penalty of perjury that there are _____ members in my household and that the supporting income documentation presented to Valley Telecommunications Coop., Assn., Inc. accurately represents the annual income of all members of my household. I agree to notify Valley Telecommunications Coop., Assn., Inc., if/when I no longer qualify for Lifeline/Link-up assistance under the income based criteria.

Customer's Signature: _____ Date: _____ Time: _____

Customer's Printed Name: _____

Please list the following information for all household members, including yourself.

FULL NAME	DATE OF BIRTH	AMOUNT OF INCOME CONTRIBUTED TO HOUSEHOLD	SOURCE OF INCOME
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(FOR COMPANY USE ONLY – CUSTOMER DO NOT COMPLETE)

Company Certification for Receipt of Income Supporting Documentation

I acknowledge that Valley Telecommunications Coop., Assn., Inc. has received self-certification and income documentation from the applicant as listed above. I certify that the documentation provided by this applicant is proprietary and for the sole purpose of verifying income-based eligibility in the Lifeline/Link-Up telephone assistance programs.

Customer Service Representative, Valley Telecommunications Coop., Assn., Inc.

Witness

Date and Time

Date and Time

CARRIER CERTIFICATION REGARDING INCOME DOCUMENTATION

I, _____, an officer of Valley Telecommunications Coop., Assn., Inc., hereby certify under penalty of perjury that Valley Telecommunications Coop., Assn., Inc. has established procedures to review income documentation of subscribers that are applying for Lifeline and/or Link-Up assistance, and further certify, to the best of my knowledge, information and belief, that through these procedures the carrier has been presented with documentation of household income from those subscribers who have qualified for Lifeline and/or Link-Up based on the income-based criterion (that their household income be at or below 135 percent of the Federal Poverty Guidelines.)

Signature: _____ Date: _____

Witness: _____

CARRIER CERTIFICATION REGARDING VERIFICATION PROCEDURES

I, _____, an officer of Valley Telecommunications Coop., Assn., Inc., hereby certify under penalty of perjury that Valley Telecommunications Coop., Assn., Inc. has established income verification procedures, and further certify, to the best of my knowledge, information and belief, that through these procedures the carrier has in reviewing the continued eligibility of a statistically valid sample of its Lifeline subscribers, been presented with documentation of household income from those subscribers who have qualified for Lifeline and/or Link-Up based on the income-based criterion (that their household income be at or below 135 percent of the Federal Poverty Guidelines.)

Signature: _____ Date: _____

Witness: _____



**Valley Telecommunications Coop., Assn., Inc.
Lifeline/Link-Up Notification Procedures
Lifeline/Link-Up Income Documentation & Verification Procedures**

The Program – Section 54.400, Section 54.401, Section 54.403, Section 54.411

Changes brought about by the Federal Telecommunications Act of 1996 have resulted in the introduction of low-income assistance programs in South Dakota. Low-income subscribers may qualify to receive reduced monthly and installation charges for basic telephone service.

Valley Telecommunications Coop., Assn., Inc. is authorized to provide two federal telephone assistance programs that were developed in response to concerns about the affordability of telephone service for low-income citizens.

- Lifeline – Provides a reduction in basic monthly service equal to the residential subscriber line charge, plus an additional amount of \$1.75. The credit applies to the main home telephone line listed in the name of the subscriber. Lifeline subscribers may also receive blocking of long distance calls on their telephone line at no charge.
- Link-Up – Provides eligible subscribers with reduced connection charges for their basic home telephone service. The reduction is 50 percent of the applicable charges, or \$30.00, whichever is less. Link-Up also provides for deferred payment of connection charges without interest. It does not cover the cost of inside wiring and is limited to one time, per home address, per subscriber. *Reduction does not include permissible security deposit requirements.*

Valley Telecommunications Coop., Assn., Inc. does not provide telecommunications services on tribal lands, and therefore does not participate in Tier Four of Section 54.403.

Application & Activation Procedures

Existing eligible customers may obtain Lifeline/Link-Up Applications upon request from the business office at 102 Main St S in Herreid, or by calling 437-2615, or toll free 1-800-437-2615.

New subscribers are provided with Lifeline/Link-Up information upon their initial service inquiry. The informational brochure and application are included with all new customer applications for service.

Upon receipt of the completed application and supporting documentation, Valley Telecommunications Coop., Assn., Inc. will verify program eligibility (addressed later in this document) and apply the monthly Lifeline discount to the subscribers account, effective with the next billing period.

Link-Up connection discounts must be requested within 30 days of new service installation. Link-Up discounts are subject to the same certification and verification procedures as the Lifeline discounts.

Eligibility Qualifications – Section 54.409, Section 54.415, Section 54.416

Subscribers who meet the FCC requirements, as follows, are eligible to participate in the Lifeline/Link-Up Programs.

- Food Stamps Program
- Federal Housing Assistance (Section 8)
- Low Income Home Energy Assistance
- Medicaid (Title XIX/Medical, State Supplemental Assistance)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- National School Lunch (NSL) free lunch program

Or

- Income based eligibility at or below 135 percent of the Federal Poverty Guidelines (subject to change, current guidelines available via the USAC website www.universalservice.org)

Additional Requirements

- Discounts apply to the main telephone line only.
- The name on the telephone statement must match the name of the participant who is eligible for the program, with the exception of National School Lunch free lunch program.

Certification & Verification of Consumer Eligibility – Section 54.410, Section 54.415, Section 54.416

Valley Telecommunications Coop., Assn., Inc. may verify subscriber eligibility on an annual basis.

Valley Telecommunications Coop., Assn., Inc. has established the following procedures to certify and verify subscriber eligibility in the Lifeline/Link-Up Programs.

New Subscribers

Upon receipt of a new subscriber application for service:

- Valley will verify that the discount request is for the main billed number.
- Valley will verify that the subscriber name and program participant are one in the same, with the exception of National School Lunch free lunch program.
- Valley will verify that the applicant is not receiving discounts on another number thru Valley Telecommunications Coop., Assn., Inc.
- Valley will review and certify the supporting household income documentation (for income based eligibility) provided by the applicant , as indicated in the FCC rules, Section 54.410 (item A, Section 2), as follows:

Subpart E – Section 54.410 (Item A, Section 2)

Acceptable documentation of income eligibility includes the prior year's state, federal, or tribal tax return, current income statement from an employer or paycheck stub, a Social Security statement of benefits, a Veteran Administration statement of benefits, a retirement/pension statement of benefits, and Unemployment/Workmen's Compensation statement of benefits, federal or tribal notice letter of participation in General Assistance, a divorce decree, child support, or other official document. If the consumer presents documentation of income that does not cover a full year, such as current pay stubs, the consumer must present three consecutive months worth of the same types of document within that calendar year.

The income documentation presented by the subscriber must be reviewed, but does not have to be retained by Valley Telecommunications Coop., Assn., Inc., and may be returned to the subscriber upon request.

(Certification & Verification of Consumer Eligibility – Continued)

Existing Subscribers – Self Certification

Eligible Program Participants (Non-Income Based)

Prior to the effective date of the FCC rules, June 22, 2005, Valley Telecommunications Coop., Assn., Inc. will require all current Lifeline subscribers to self-certify as to their continued participation in the eligible programs as indicated in this document under *Eligibility Qualifications*.

Eligible Program Participants Including Income Based

By one year from the effective date, June 22, 2006, Valley Telecommunications Coop., Assn., Inc. will conduct a Random Sample Verification and Self Certification during the first quarter of each year to verify the continued eligibility of the consumer to receive the Lifeline discount based on eligible program participation or current income based requirements.

***Random Sample & Self Certification - Section 54.410
Section 54.405 (Item c and Item d)***

The random sample will be compiled as follows, pursuant to the FCC's sample size formula found in *Appendix J of Docket 03-109, adopted April 2, 2004 and released April 29, 2004*.

For the first year that ETCs verify subscribers' continued eligibility, all ETCs should assume that the proportion of subscribers inappropriately taking Lifeline service is .01, if there is no evidence to assume a different proportion. In subsequent years, ETCs should use the results of samples from previous years to determine this estimated proportion. In all instances, the estimated proportion should never be less than .01 or more than .06.

Valley will run a USOC based report to determine the total of subscribers receiving the Lifeline discount. The number of Lifeline subscribers will be compared to the Sample Size Table in Appendix J, (Ex: 2005: 0.01 of 120 subscribers = 32 subscribers to be included in the random sample).

After the random sample number has been determined, subscribers included in the USOC based report will be randomly selected to compile the sample.

(Certification & Verification of Consumer Eligibility – Continued)

The subscribers randomly selected will be required to complete the Self Certification Form and provide Valley Telecommunications Coop., Assn., Inc. with supporting documentation for continued program participation or income based eligibility. (The income documentation presented by the subscriber must be reviewed, but does not have to be retained by Valley Telecommunications Coop., Assn., Inc., and may be returned to the subscriber upon request.)

The randomly selected subscribers will have 60 (sixty) days from the date of notification to provide the requested information to Valley's business office.

If the requested information is not provided by the subscriber within the 60 (sixty) day time frame, the Lifeline discount will be removed from the subscribers account, and the subscriber will be notified that the termination of assistance has taken place.

Recordkeeping Requirements – Section 54.417

Valley Telecommunications Coop., Assn., Inc. will maintain all Lifeline/Link-Up records documenting compliance for 3 (three) full preceding calendar years and will provide documentation to the FCC or Universal Service administrator upon request.

Valley Telecommunications Coop., Assn., Inc. will maintain all subscriber self-certifications of eligibility, including self-certifications noting that the income documentation presented accurately reflects household income, for as long the subscriber receives Lifeline assistance.

Valley Telecommunications Coop., Assn., Inc. will maintain all documents proving compliance with the Lifeline/Link-Up service program for a period of at least 3 (three) years, including documents demonstrating that discounts were applied to qualifying subscribers, proof of advertising of Lifeline/Link-Up service, and billing records for Lifeline subscribers.

Consumer Outreach Guidelines – Section 54.405

Valley Telecommunications Coop., Assn., Inc. will make Lifeline services available to qualifying low-income subscribers.

Valley Telecommunications Coop., Assn., Inc. will publicize the availability of Lifeline services in a manner to reach those likely to qualify for the service.

- Valley will provide all New Subscribers with Lifeline/Link-Up information prior to establishing service with Valley.
- Valley will conduct certification & verification once per calendar year, during the first quarter.

Valley Telecommunications Coop., Assn., Inc. *may* provide additional Lifeline/Link-Up information to eligible households via monthly subscriber newsletters, newspaper advertisements, radio advertisements, press releases, public service announcements, via Valley's website, or advertisements in Valley's telephone directory.

Valley Telecommunications Coop., Assn., Inc. *may* coordinate Lifeline education efforts with area nursing homes, area public schools, and relevant government assistance programs or private organizations that provide assistance for low-income individuals.