

**IOWA TELECOMMUNICATIONS SERVICES, INC.
FIRST QUARTER 2003
UNIVERSAL SERVICE FUND CONTRIBUTION RECOVERY CHARGE**

**TRANSMITTAL NO. 27
DECEMBER 17, 2002**

DESCRIPTION AND JUSTIFICATION

Introduction

Iowa Telecommunications Services, Inc. ("Iowa Telecom"), submits the following in support of changes to F.C.C. Tariff No. 1. The Commission's Public Notice, DA 02-3387, released on December 9, 2002, announced that the Universal Service Fund contribution factor would continue to be .072805 for First Quarter, 2003. Although the Commission did not adjust the contribution factor, changes in Iowa Telecom's revenue and access lines makes it necessary to revise the end-user recovery charge in its tariff.

This filing reflects the universal service contribution recovery practices established in the Commission's CALLS Order. Iowa Telecom continues to file its tariffs in accordance with Sections 61.41 through 61.49 of the Federal Communications Rules.

End User USF Charge

Paragraph 219 of the CALLS Order requires carriers to establish a separate rate element to recover all contributions to the universal support mechanisms. Exhibit A shows the calculation of Iowa Telecom's revisions to this end-user charge, based on the first quarter 2003 contribution factor of .072805.

Conclusion

Iowa Telecom is submitting the accompanying information to meet the requirements of the Commission's price cap rules and universal service decisions. Iowa Telecom's rate adjustments are demonstrated to be just and reasonable, and are supported by the detail provided and the requirements of the Commission's rules.