



# Audit Committee

## Briefing Book

Monday, October 24, 2022

10:00 a.m. - 11:25 a.m. Eastern Time

**Available for Public Use**

USAC Offices

700 12th Street NW, Suite 900

Washington, DC, 20005

**Universal Service Administrative Company  
Audit Committee  
Quarterly Meeting  
Agenda**

<p><b>Monday, October 24, 2022</b>  <b>10:00 a.m. – 11:25 a.m. Eastern Time</b>  <b>USAC Offices</b>  <b>700 12th Street, N.W., Suite 900</b>  <b>Washington, D.C. 20005</b></p>
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<b>OPEN SESSION</b>		<i>Estimated Duration in Minutes</i>
Chair	<p><b>a1.</b> Consent Items (each item is available for discussion upon request):</p> <ul style="list-style-type: none"> <li><b>A.</b> Approval of Audit Committee Meeting Minutes of July 25, 2022</li> <li><b>B.</b> Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></li> <li><b>C.</b> Annual Assessment of the Independence and Financial Literacy of USAC Audit Committee Members</li> </ul>	5
Teleshia	<p><b>i1.</b> Audit and Assurance Division Business Update:</p> <ul style="list-style-type: none"> <li>• 3Q2022 Accomplishments</li> <li>• Plans for 4Q2022</li> <li>• Audit Aging Analysis</li> <li>• Roadmap</li> </ul>	30

<b>EXECUTIVE SESSION</b> <b>Confidential – Executive Session Recommended</b>		<i>Estimated Duration in Minutes</i>
Teleshia	<p><b>i2.</b> Audit and Assurance Division Business Update (<i>Continued</i>)</p> <ul style="list-style-type: none"> <li>• Improper Payment Results</li> </ul>	15
Teleshia	<b>a2.</b> Action on Two USAC Audit and Assurance Division Strategic Audit Reports	10
Teleshia	<b>a3.</b> Review of the USAC Audit and Assurance Division External Peer Review Report	10
Teleshia	<b>a4.</b> Review of the Audit and Assurance Division Charter	5
Teleshia	<b>i3.</b> Audit Committee Executive Session with USAC’s Vice President of Audit and Assurance	10

**Next Scheduled USAC Audit Committee Meeting**

<p><b>Monday, January 30, 2023</b>  <b>USAC Offices, Washington, D.C.</b></p>
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**Universal Service Administrative Company  
Audit Committee Meeting**

<b>ACTION ITEM</b>
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**Consent Items**

**Action Requested**

The Audit Committee (Committee) of the USAC Board of Directors (Board) is requested to approve the consent items listed below.

**Discussion**

The Committee is requested to approve the following items using the consent resolution below:

- A. Committee meeting minutes of July 25, 2022 (*see Attachments A-1*).
- B. Approval of moving all *Executive Session* items into *Executive Session*:
  - (1) **i2** – Audit and Assurance Division Business Update (*Continued*). USAC management recommends that this matter be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures, and may also include discussion of *investigatory records or pending or contemplated enforcement action* against participants in the universal service support mechanisms.
  - (2) **a2** – Action on Two USAC Audit and Assurance Division Strategic Audit Reports. USAC management recommends that this matter be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures.
  - (3) **a3** – Review of the USAC Audit and Assurance Division External Peer Review Report. USAC management recommends that this matter be discussed in *Executive Session* because this report relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures.
  - (4) **a4** – Review of the Audit and Assurance Division Charter. USAC management recommends that this matter be discussed in *Executive Session* because the basis to support the changes relate to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures

- (5) **i3** – Audit Committee Executive Session with USAC’s Vice President of Audit and Assurance. USAC management recommends that this matter be discussed in *Executive Session* pursuant to the guidelines in the approved Audit Committee Charter and because it may relate to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures.

- C. Acceptance of the Annual Assessment of the Independence and Financial Literacy of USAC Audit Committee Members. In accordance with Section II.A of the Committee’s Charter, the Committee members are required to meet established independence requirements (*see Attachment C*).

Upon request of a Committee member, the above items are available for discussion by the Committee.

**Recommended USAC Audit Committee Action**

APPROVAL OF THE FOLLOWING RESOLUTION:

**RESOLVED**, that the Audit Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of July 25, 2022; (2) discussion in *Executive Session* of the items noted above; and

**RESOLVED FURTHER**, that the USAC Audit Committee accepts the assessment and agrees that the Audit Committee consists of independent members and that there is a sufficient level of financial expertise.

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**700 12th Street, N.W., Suite 900**  
**Washington, D.C. 20005**

**AUDIT COMMITTEE MEETING**  
**Monday, July 25, 2022**

**(DRAFT) MINUTES<sup>1</sup>**

The quarterly meeting of the Audit Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, July 25, 2022. A virtual meeting platform was available to the general public for *Open Session* to accommodate the need for increased physical distancing on site due to the COVID-19 pandemic. Mr. Geoff Feiss, Committee Chair, called the meeting to order at 10:01 a.m. Eastern Time, with a quorum of four of five Committee members present:

Choroser, Beth – Vice Chair – <i>by telephone</i>	Gillan, Joe
Feiss, Geoff – Chair	Schell, Julie Tritt

Member of the Committee not present:

Fontana, Brent

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer – *by telephone*  
Davis, Craig – Vice President of Schools and Libraries – *by telephone*  
Delmar, Teleshia – Vice President of Audit and Assurance  
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and  
Assistant Treasurer  
Gaither, Victor – Vice President of High Cost – *by telephone*  
Gregory, Amber – Member of the Board  
Hughes, Pamela – Vice President of Lifeline – *by telephone*  
Hutchinson, Kyle – Vice President of IT and Chief Information Officer – *by telephone*  
Mason, Ken – Member of the Board  
Sekar, Radha – Chief Executive Officer  
Skriwan, Michael – Member of the Board  
Sweeney, Mark – Vice President of Rural Health Care – *by telephone*  
Waller, Jeff – Member of the Board – *by telephone*  
Wein, Olivia – Member of the Board  
Wibberly, Dr. Kathy – Member of the Board

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<sup>1</sup> Draft resolutions were presented to the Committee prior to the Committee meeting. Where appropriate, non-substantive changes have been made to the resolutions set forth herein to clarify language, where necessary, or to correct grammatical or spelling errors.

Williams, Erin – Vice President, General Counsel, and Assistant Secretary

Others present:

<u>NAME</u>	<u>COMPANY</u>
Augustino, Steven – <i>by telephone</i>	Nelson Mullins
Bartug, Logan – <i>by telephone</i>	PwC
Bolling, Christopher – <i>by telephone</i>	USAC
Case, Kevin – <i>by telephone</i>	USAC
Evirgen, Danielle – <i>by telephone</i>	Frontier Communications
Faunce, Donna – <i>by telephone</i>	USAC
Glisson, Connor – <i>by telephone</i>	USAC
Goode, Vernell	USAC
LeNard, Dave – <i>by telephone</i>	CDW-G
Leonard, Tom – <i>by telephone</i>	PwC
Little, Christopher – <i>by telephone</i>	USAC
Morning, Kimberly – <i>by telephone</i>	Morgan Lewis
Nuzzo, Patsy	USAC
Parsons, Laura – <i>by telephone</i>	Maximus
Phillippi, Megan	USAC
Rios, Estee – <i>by telephone</i>	USAC
Sadirghanova, Sabina – <i>by telephone</i>	USAC
Schrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies, LLC
Smith, Grayson – <i>by telephone</i>	USAC
Tiwari, Tanya – <i>by telephone</i>	Morgan Lewis
Truong, Huy – <i>by telephone</i>	USAC
Weidinger, Andrew – <i>by telephone</i>	PwC
Wilson Jr., Jerusa Carl	USAC

### OPEN SESSION

All materials from *Open Session* can be found on the [USAC website](#).

- a1. Consent Items.** Mr. Feiss presented this item to the Committee.
- A.** Approval of Committee meeting minutes of April 25, 2022.
  - B.** Approval of moving all *Executive Session* items into *Executive Session*:
    - (1) **i2** – Audit and Assurance Division Business Update (*Continued*).  
USAC management recommended that this matter be discussed in Executive Session because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures, and may also include discussion of *investigatory records or pending or contemplated enforcement action* against participants in the universal service support mechanisms.

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- (2) **a2** – Action on One USAC Audit and Assurance Division Strategic Audit Report. USAC management recommended that this matter be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, this item may include discussion of *internal rules and procedures* concerning the administration of the universal service support mechanisms where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
  - (3) **a3** – Annual Review of USAC’s System of Internal Controls. USAC management recommended that this matter be conducted in Executive Session because this matter relates to *specific internal controls, or confidential company data* that would constitute a discussion of internal rules and procedures.
  - (4) **a4** – Annual Review of USAC’s Financial Reporting Process. USAC management recommended that this matter be conducted in *Executive Session* because this matter relates to *specific internal controls, or confidential company data* that would constitute a discussion of internal rules and procedures.
  - (5) **a5** – Acceptance of USAC’s 2021 Annual Financial Statement Audit and Agreed-Upon Procedures Review. USAC management recommended that this matter be discussed in *Executive Session* because it relates to *specific internal controls, or confidential company data* that would constitute a discussion of internal rules and procedures.
  - (6) **i3** – Audit Committee Executive Session with USAC’s Independent Audit Firm. USAC management recommended that this matter be discussed in *Executive Session* pursuant to the guidelines in the approved Audit Committee Charter.
  - (7) **i4** – Audit Committee Executive Session with USAC’s Vice President of Audit and Assurance. USAC management recommended that this matter be discussed in *Executive Session* pursuant to the guidelines in the approved Audit Committee Charter.
- C. Annual Review of USAC’s Systems of Internal Controls. In accordance with Section III.F of the Committee’s Charter, the Committee is required to review the adequacy of USAC’s system of internal controls.
- D. Annual Review of USAC’s Financial Reporting Process. In accordance with Section III.C of the Committee’s Charter, the Committee, is required to review the integrity of USAC’s financial reporting process.

On a motion duly made and seconded, and after discussion, the Committee adopted the following resolutions:

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**RESOLVED**, that the Audit Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of April 25, 2022; (2) discussion in *Executive Session* of the items noted above; (3) the review of USAC's system of internal controls; and (4) the review of USAC's financial reporting process.

- i1. Audit and Assurance Business Update.** Ms. Delmar presented PowerPoint slides to the Committee for discussion covering the following topics:
- Q2 2022 Accomplishments
  - Plans for Q3 2022
  - Audit Aging Analysis
  - Roadmap

At 10:28 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

### **EXECUTIVE SESSION**

- i2. Audit and Assurance Business Update (*Continued*).** Ms. Delmar presented PowerPoint slides to the Committee for discussion covering the following topics:
- FY2021 Lifeline Unknown Payment Reclassifications Results
  - PQA FY2021 Lifeline Unknown Payment Reclassifications
- a2. Action on One USAC Audit and Assurance Division Strategic Audit Report.** Ms. Delmar presented this item to the Committee.

On a motion duly made and seconded and after discussion, the Committee adopted the following resolution:

**RESOLVED**, that the USAC Audit Committee, having reviewed the USAC Audit and Assurance Division's strategic audit report of USAC's Access Control management practices, accepts the recommendation of USAC management and hereby deems the report final.

- a3. Annual Review of USAC's System of Internal Controls.** A report on this item was provided in the briefing book and approved by the Committee as part of the Consent Items.
- a4. Annual Review of USAC's Financial Reporting Process.** A report on this item was provided in the briefing book and approved by the Committee as part of the Consent Items.
- a5. Acceptance of USAC's 2021 Annual Financial Statement Audit and Agreed-Upon Procedures Review.** Ms. Garber introduced Mr. Leonard, Mr. Weidinger,



and Mrs. Bartug who presented an overview of the USAC 2021 Financial Statement Audit and Agreed-Upon Procedures (AUP) review reports.

On a motion duly made and seconded and after discussion, the Committee adopted the following resolutions:

**RESOLVED**, that the USAC Audit Committee, having reviewed the USAC 2021 Financial Statement Audit Report, as submitted by PricewaterhouseCoopers LLP, hereby accepts the final report;

**RESOLVED FURTHER**, that the USAC Audit Committee, having reviewed the summary of the USAC 2021 Agreed-Upon Procedures Review Report, as submitted by PricewaterhouseCoopers LLP, hereby accepts the final report.

At 11:05 a.m. Eastern Time, the Committee continued in Executive Session with only members of the Board and representatives from USAC's Independent Audit Firm present.

- i3. **Audit Committee *Executive Session* with Audit Committee Executive Session with USAC's Independent Audit Firm – PricewaterhouseCoopers LLP (PwC).** Per the guidelines in the approved Audit Committee Charter, representatives from USAC's independent auditing firm met with members of Audit Committee and Board of Directors in a confidential *Executive Session*.

At 11:19 a.m. Eastern Time, the Committee continued in Executive Session with only members of the Board and Ms. Delmar present.

- i4. **Audit Committee *Executive Session* with USAC's Vice President of Audit and Assurance.** Per the guidelines in the approved Audit Committee Charter, Ms. Delmar met with members of Audit Committee and Board of Directors in a confidential *Executive Session*.

#### **OPEN SESSION**

At 11:41 a.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Feiss reported that, in *Executive Session*, the Committee took action on items a2 and a5 and discussed items i2-i4.

On a motion duly made and seconded, the Committee adjourned at 11:41 a.m. Eastern Time.

/s/ Erin Williams  
Assistant Secretary

**Attachment C**  
**Annual Assessment of the Independence and Financial Literacy**  
**of USAC Audit Committee Members**

**Action Requested**

In accordance with the Audit Committee Charter (Charter), the Audit Committee (Committee) of the USAC Board of Directors is required to assess the independence and financial literacy of its members to ensure that the Committee can adequately fulfill its roles and responsibilities. This issue paper documents the assessment of the Committee made by the USAC Audit and Assurance Division (AAD).

**Discussion**

The Charter requires that the Committee assess the independence and financial literacy of its members at least annually to verify that the Committee is independent and has a sufficient level of financial expertise to perform its duties.

The following is a summary of the Charter’s independence and financial literacy requirements and an assessment of each Committee member’s compliance with specific sections:

<b>Audit Committee Charter (Section II, A1c, 2a-c)</b>	<b>Joseph Gillan</b>	<b>Geoff Feiss</b>	<b>Beth Choroser</b>	<b>Julie Tritt Schell</b>	<b>Brent Fontana</b>
[The member] is not and has not been employed in an executive capacity by the Company for at least five years prior to appointment to the Audit Committee.	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
[The member] is not an advisor or consultant to the Company, and does not have a personal services contract or other business relationship with the Company.*	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>

<b>Audit Committee Charter (Section II, A1c, 2a-c)</b>	<b>Joseph Gillan</b>	<b>Geoff Feiss</b>	<b>Beth Choroser</b>	<b>Julie Tritt Schell</b>	<b>Brent Fontana</b>
[The member] is not a spouse, parent, sibling, child, or in-law of any person described in the preceding two clauses of this paragraph or of any member of the management of the Company.	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
At least one member shall have a background in financial reporting, accounting, or auditing, or other financial expertise.	<i>Yes</i>	<i>No</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>
<i>*NOTE: None of the members of the Audit Committee has a consulting arrangement or contractual business relationship with USAC. Members may be employees of companies or entities that contribute to and/or receive funds from the Universal Service Fund (USF).</i>					

The financial proficiency shown by Mr. Joseph Gillan, Ms. Choroser, and Mr. Fontana, is experience acquired during their professional careers.

- Mr. Gillan is an economist with extensive experience evaluating financial implications of technological change and regulatory policy in the telecommunications industry. Mr. Gillan has provided expert testimony in over 300 proceedings. Mr. Gillan was previously employed on the staff of the Illinois Commerce Commission as the Director of Market Structure, where he oversaw Commission policies that encouraged competition in the electric, gas, and telecommunications industries.
- Ms. Choroser holds an MBA from Syracuse University, which included significant course work in accounting and finance. In addition, Ms. Choroser has significant experience in budgeting and establishing tariffs in the utility industry. Specifically, in the telecommunication industry, Ms. Choroser has experience with telecommunications tax and surcharge filings, including the preparation of the FCC Form 499-A.
- Mr. Fontana has extensive experience in managing networks and acquisitions. He has held key positions with the responsibility of managing cross-functional execution across product management and development, sales, operations, finance, marketing, and business development. In his current capacity as the Global Principal of Fiber Network Development for Amazon Web Services, Mr.

Fontana is defining cross-functional fiber network design and development strategies. Mr. Fontana received his Bachelor of Arts in Economics encompassing business, general economic theory, managerial accounting, legal communications, resource allocation, advanced statistical analysis, labor and international economics.

The professional backgrounds noted above provide the Committee with adequate financial, telecommunications, and regulatory experience to sufficiently fulfill Committee roles and responsibilities. AAD has concluded that the members of the Committee as a whole fulfill the requirements for independence and financial literacy required by the Charter and recommends that the Committee accept this assessment.

**Recommended USAC Audit Committee Action**

APPROVAL OF THE FOLLOWING RESOLUTION:

**RESOLVED**, that the USAC Audit Committee accepts the assessment and agrees that the Audit Committee consists of independent members and that there is a sufficient level of financial expertise.



# **Audit Committee**

Audit and Assurance Business Update

*Open Session*

October 24, 2022



# Agenda

- 3Q2022 Accomplishments
- Plans for 4Q2022
- Audit Aging Analysis
- Roadmap

# 3Q2022 Accomplishments

- Beneficiary and Contributor Audit Program (BCAP)
  - Announced 54 audits (1 CR, 15 LI, 30 E-Rate, 8 RHC).
  - Released 16 audits (2 CR, 3 HC, 3 LI, 5 E-Rate, 3 RHC).
  - Awarded 3 contracts for audit services and one contract for engineering services.
  - Began site visits for CAF II Model audits (i.e., HiCAP).
    - In-house telecom engineer will join engineering firms on selected on-site visits.
  - Conducted internal training for contributor revenue team for the 10% Rule for Private Line Jurisdiction.

# 3Q2022 Accomplishments (Continued)

- Payment Quality Assurance (PQA)
  - Completed 631 assessments (350 E-Rate, 225 LI, 56 HC).
- Supply Chain Audit Program (SCAP)
  - Announced all 10 audits in the first task order. Testing is in progress.
- Strategic Audit (SA)
  - Completed 2 audits (Privacy and High Cost Verification) to be presented in executive session.
  - Reviewed and submitted the updated procedures for the Agreed Upon Procedures (AUP) to the FCC for review.
  - Coordinated and completed AAD's Peer Review. The results will be shared in executive session.



# Plans for 4Q2022

- BCAP
  - Announce 30 audits and complete 20 audits.
  - Release 3 task orders for audit services.
  - Organize in-house working session series to train internal team members.
  - Conduct training sessions for audit firms selected to perform outsourced audits.
  - Participate in SECA and NECA Conference.
- PQA
  - Provide improper payment results to the FCC for E-Rate and Lifeline.
  - Continue testing of the HC expanded procedures.
  - Announce a sample of FY2023 assessments.

# Plans for 4Q2022 (Continued)

- SCAP
  - Prepare task order to outsource an additional 10 audits.
- SA
  - Commence the 2 remaining audits on the Strategic Audit plan.
  - Coordinate the planning and testing activities between the USAC process owners and PwC for the 2022 AUP.

# BCAP Audits in Process

The status of BCAP audits in process as of October 1, 2022:

Program	Announced	Fieldwork	Reporting	<b>Total</b>
Contributor Revenue	1	13	3	<b>17</b>
High Cost	2	43	18	<b>63</b>
Lifeline	0	27	11	<b>38</b>
E-Rate	0	33	36	<b>69</b>
Rural Health Care	0	21	16	<b>37</b>
<b>Total</b>	<b>3</b>	<b>137</b>	<b>84</b>	<b>224</b>

# BCAP Audits Aging Report

The aging report of BCAP audits in process as of October 1, 2022:

Program	< 6 months	> 6 months	> 12 months	> 18 months	Total	Change from 07/01/2022
Contributor Revenue	6	6	5	0	<b>17</b>	<b>9</b>
High Cost	15	24	22	2	<b>63</b>	<b>31</b>
Lifeline	15	0	16	7	<b>38</b>	<b>11</b>
E-Rate	38	0	16	15	<b>69</b>	<b>34</b>
Rural Health Care	14	0	9	14	<b>37</b>	<b>10</b>
<b>Total #</b>	<b>88</b>	<b>30</b>	<b>68</b>	<b>38</b>	<b>224</b>	<b>95</b>
<b>Total %</b>	<b>39.3%</b>	<b>13.4%</b>	<b>30.4%</b>	<b>17%</b>	<b>100%</b>	<b>N/A</b>
<b>Reporting Phase</b>	<b>5</b>	<b>2</b>	<b>42</b>	<b>35</b>	<b>84</b>	<b>14</b>

**\*Note:** For the 35 audits >18 months, 21 are with the FCC and 14 are with USAC for review.

# PQA Assessments in Process

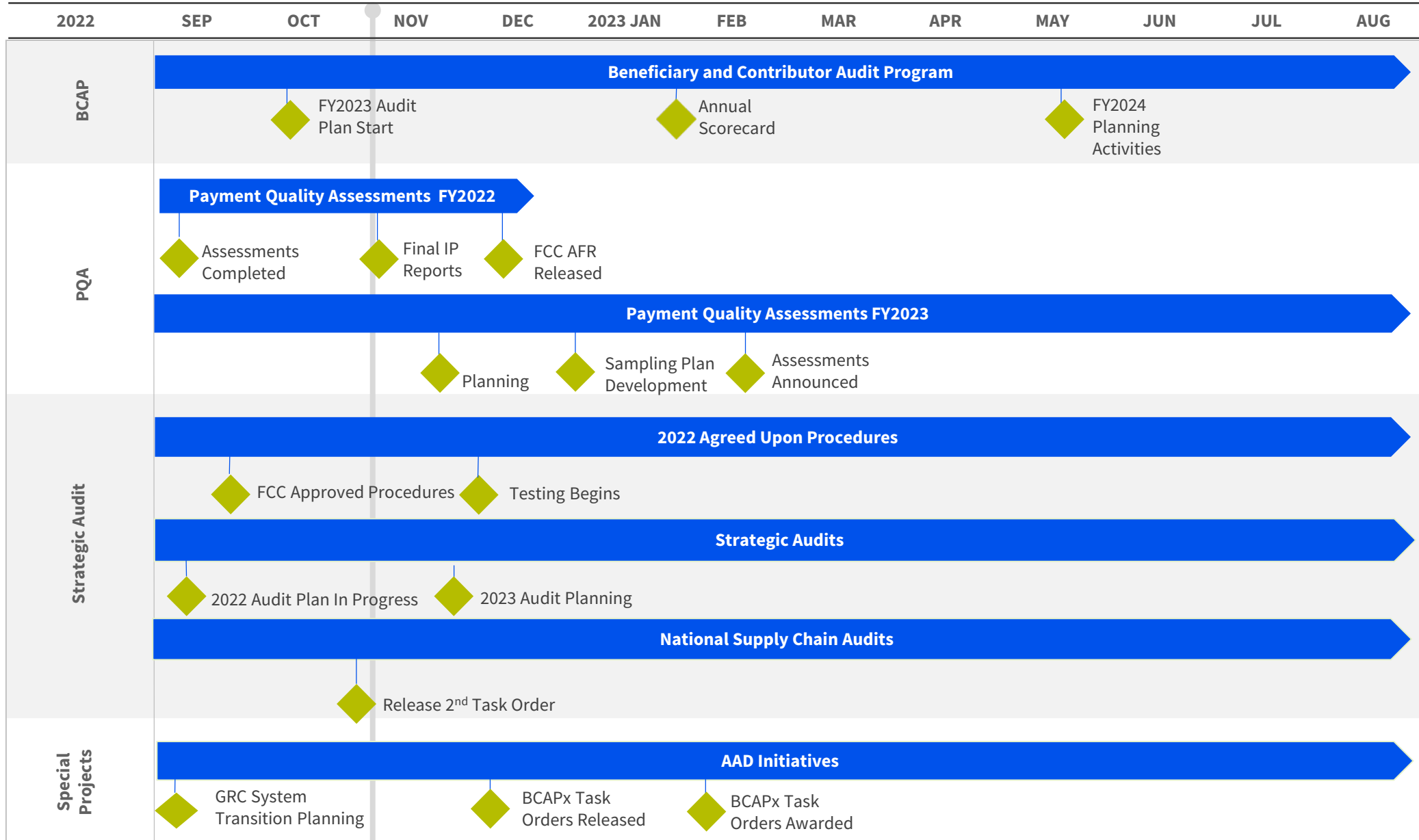
The status of PQA assessments in process as of October 1, 2022:

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Program	Announced	Fieldwork	Reporting	<b>Total</b>
High Cost	0	74	56	<b>130</b>
Lifeline	0	0	225	<b>225</b>
E-Rate	0	0	350	<b>350</b>
<b>Total</b>	<b>0</b>	<b>74</b>	<b>631</b>	<b>705</b>

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# Roadmap



**Milestone Legend**

- At Risk
- On Track
- Completed

# Appendix A: Glossary of Terms

Term	Definition
AAD	Audit and Assurance Division: An organization within USAC with the mission to preserve the integrity of universal service funds and USAC's corporate resources by conducting objective audits, performing payment quality assessments, and evaluating the efficiency and effectiveness of USAC's operations.
AUP	Agreed Upon Procedures: Annual review of USAC's operations conducted by the external audit firm.
BCAP	Beneficiary and Contributor Audit Program: BCAP assesses beneficiary and contributor compliance with the Federal Communications Commission (FCC) rules, orders, and program requirements (collectively, FCC Rules).
BCAPx	Beneficiary and Contributor Audit Program External Audits: BCAP audits performed by outsourced (outside) audit firms.
CR	Contributor Revenue: Audits of Contributor Revenue filers.
E-Rate	E-Rate: Audits of E-Rate program participants.
GRC	Governance, Risk, and Compliance.

# Appendix A: Glossary of Terms (Continued)

Term	Definition
HC	High Cost: Audits of High Cost program participants.
IP	Improper Payment.
LI	Lifeline: Audits of Lifeline program participants.
PQA	Payment Quality Assurance: PQA assesses the accuracy of USF disbursements and determines whether improper payments exist, and assists the FCC in meeting its reporting obligations subject to the Payment Integrity Information Act.
RHC	Rural Health Care: Audits of Rural Health Care program participants.
SA	Strategic Audits: Strategic Audits assess USAC's compliance with FCC Rules, policies and procedures, and the effectiveness and efficiency of internal operations.
SCAP	Supply Chain Audit Program: SCAP assesses program participant compliance with the Federal Communications Commission (FCC) rules, orders, and program requirements (FCC Rules) related to protecting the communications supply chain.
USF	Universal Service Fund: The four universal service programs.





**Universal Service  
Administrative Co.**