



# Board of Directors

## Briefing Book

October 25, 2022

10:00 a.m. – 1:05 p.m. Eastern Time

Available for Public Use

Universal Service Administrative Company

700 12th Street NW, Suite 900

Washington, DC, 20005

**Universal Service Administrative Company  
Board of Directors  
Quarterly Meeting  
Agenda**

**Tuesday, October 25, 2022  
10:00 a.m. – 1:05 p.m. Eastern Time  
USAC Offices  
700 12th Street, N.W., Suite 900  
Washington, D.C. 20005**

	<u><b>OPEN SESSION</b></u>	<i>Estimated Duration in Minutes</i>
Chair	<b>a1.</b> Consent Items (each available for discussion upon request): <b>A.</b> Approval of Board of Directors Meeting Minutes of July 26, August 23, and October 3, 2022 <b>B.</b> Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> <b>C.</b> Consideration of Approval to Reimburse Board Members to Attend an Event Other Than a USAC Board or Committee Meeting <b>D.</b> Consideration and Approval of Six Routine Procurements	10
Chair	<b>i1.</b> Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Executive Compensation Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Chair	<b>a2.</b> Appointment of a Nominating Committee and Direction to Committees for the Nomination of Committee Chairs and Vice Chairs	10
Michelle	<b>a3.</b> Approval of Connected Care Pilot Program 1st Quarter 2023 Budget and Demand Projection for the November 2, 2022 FCC Filing	5
Mark	<b>i2.</b> Connected Care Pilot Program Update <i>(For Information Only)</i>	-
Michelle	<b>a4.</b> Approval of USAC Common and Consolidated 1st Quarter 2023 Budgets for the November 2, 2022 FCC Filing	10
Radha Brandon Steve	<b>i3.</b> Enterprise Business Updates <b>A.</b> CEO Update 1. Appropriated Programs 2. IT Product Management Strategy (PMO Structure) 3. CRM Update	5 10 15

<b><u>EXECUTIVE SESSION</u></b> <b>Confidential – Executive Session Recommended</b>		<i>Estimated Duration in Minutes</i>
Radha James	<b>i4.</b> Enterprise Business Updates ( <i>Continued</i> ) <b>A.</b> CEO Update: Affordable Connectivity Program	10
Chris	<b>B.</b> Enterprise Risk Management Update 1. 3Q 2022 Risk Management Scorecard Discussion 2. Risk Management Council Minutes ( <i>For Information Only</i> )	15
Chris	<b>C.</b> Procurement Business Update ( <i>For Information Only</i> )	–
Michelle	<b>D.</b> Information on Contribution Factor	5
Chris	<b>a5.</b> Consideration of a Contract Modification for Business Process Outsourcing Services for the Affordable Connectivity Program	–
Chris	<b>a6.</b> Consideration of a Contract Modification for Operations & Maintenance, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for the Affordable Connectivity Program	–
Chris	<b>a7.</b> Consideration to Exercise the First and Final Option Year of Geographic Information System Technical Support	–
Chris	<b>a8.</b> Consideration of a Task Order Modification for Enterprise Architecture Assessment and Support Services	–
Chris	<b>a9.</b> Consideration of a Contract Modification for Long Term Project Management Office Services for the Emergency Connectivity Fund	–
Chris	<b>a10.</b> Consideration of a Modification to the Task Order for Long Term Project Management Office Services for the Affordable Connectivity Program	–
Chris	<b>a11.</b> Consideration to Exercise Option Term and a Contract Modification for Call Center Services and Customer Relationship Management System	5
Teleshia	<b>i5.</b> Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports ( <i>For Information Only</i> )	–
Chris/ Radha	<b>a12. <i>Personnel Matter:</i></b> Consideration of 2023 Compensation Item	5
Chris/ Radha	<b>a13. <i>Personnel Matter:</i></b> Consideration of Contract Awards for the USAC Employee Benefit Program	10
Chair	<b>i6.</b> Confidential Executive Session: Board of Directors Only	30

**Next Scheduled USAC Board of Directors Meeting**

<p><b>Tuesday, January 31, 2023</b> <b>USAC Offices, Washington, D.C.</b></p>
---

Available For Public Use

**Universal Service Administrative Company  
Board of Directors Meeting**

<b>ACTION ITEM</b>
--------------------

**Consent Items**

**Action Requested**

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

**Discussion**

The Board is requested to approve the following items using the consent resolutions below:

- A. Approval of Board of Directors Meeting Minutes of July 26, August 23, and October 3, 2022 (*see Attachments A-1, A-2, and A-3*).
  
- B. Approval of moving all *Executive Session* items into *Executive Session*:
  - (1) **i4** – Enterprise Business Updates (*Continued*).
    - A. CEO Update: Affordable Connectivity Program. USAC management recommends that this item 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 might include discussion of *pre-decisional matters pending before the FCC* or discussion related to USAC’s *procurement strategy and contract administration*.
  
    - B. Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *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.
  
    - C. Procurement Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
  
    - D. Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters*

Available for Public Use

*pending before the FCC. In addition, 47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*

- (2) **a5** – Consideration of a Contract Modification for Business Process Outsourcing Services for the Affordable Connectivity Program. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (3) **a6** – Consideration of a Contract Modification for Operations & Maintenance, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for the Affordable Connectivity Program. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (4) **a7** – Consideration to Exercise the First and Final Option Year of Geographic Information System Technical Support. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (5) **a8** – Consideration of a Task Order Modification for Enterprise Architecture Assessment and Support Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (6) **a9** – Consideration of a Contract Modification for Long Term Project Management Office Services for the Emergency Connectivity Fund. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (7) **a10** – Consideration of a Modification to the Task Order for Long Term Project Management Office Services for the Affordable Connectivity Program. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (8) **a11** – Consideration to Exercise Option Term and a Contract Modification for Call Center Services and Customer Relationship Management System. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (9) **i5** – Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending*

*before the FCC. In addition, 47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*

- (10) **a12 – Personnel Matter:** Consideration of 2023 Compensation Item. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
- (11) **a13 – Personnel Matter:** Consideration of Contract Awards for the USAC Employee Benefits Programs. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
- (12) **i6 – Confidential Executive Session:** Board of Directors Only. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters* and it relates to USAC's *procurement strategy and contract administration*.

C. Consideration of Approval to Reimburse Board Members to Attend an Event Other Than a USAC Board or Committee Meeting (*see Attachments C-1 through C-3*).

D. Consideration and Approval of Six Routine Procurements

- (1) Approval of the Consideration of a Contract Modification for Business Process Outsourcing Services for the Affordable Connectivity Program. The resolution is provided in **aBOD05cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (2) Approval of the Consideration of a Contract Modification for Operations & Maintenance, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for the Affordable Connectivity Program. The resolution is provided in **aBOD06cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (3) Approval of the Consideration to Exercise the First and Final Option Year of Geographic Information System Technical Support. The resolution is provided in **aBOD07cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (4) Approval of the Consideration of a Task Order Modification for Enterprise Architecture Assessment and Support Services. The resolution is provided in **aBOD08cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (5) Approval of the Consideration of a Contract Modification for Long Term Project Management Office Services for the Emergency Connectivity Fund. The resolution is provided in **aBOD09cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (6) Approval of the Consideration of a Modification to the Task Order for Long Term Project Management Office Services for the Affordable Connectivity Program. The resolution is provided in **aBOD10cf**. If discussion is needed, it will be conducted in *Executive Session*.

Upon request of a Board member, any one or more of the above items are available for discussion by the Board.

**Recommended USAC Board of Directors Action**

APPROVAL OF THE FOLLOWING RESOLUTION:

**RESOLVED**, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of July 26, August 23, and October 3, 2022; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of six routine procurements as presented in items aBOD05cf – aBOD10cf.

**RESOLVED FURTHER**, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings*, the Board of Directors authorizes USAC management to reimburse Mr. Joe Gillan, Mr. Ken Mason, and Ms. Julie Tritt Schell should they travel to Washington, D.C. for the purpose of participating in USAC's 2023 Budget Planning Review.

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

**BOARD OF DIRECTORS MEETING**  
**Tuesday, July 26, 2022**

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

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, July 26, 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. Joe Gillan, Board Chair, called the meeting to order at 10:00 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Chalk, Indra	Schell, Julie Tritt – Treasurer
Choroser, Beth – <i>by telephone</i>	Sekar, Radha – Chief Executive Officer
Domenech, Dr. Dan	Skrivan, Michael
Feiss, Geoff	Wade, Dr. Joan
Freeman, Sarah	Waller, Jeff – <i>by telephone</i>
Gillan, Joe – Chair	Wein, Olivia – Secretary
Gregory, Amber	Wibberly, Dr. Kathy
Jacobs, Ellis – <i>by telephone</i>	

Members of the Board not present:

Fontana, Brent	Polk, Stephanie
----------------	-----------------

Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer  
Davis, Craig – Vice President of Schools and Libraries – *by telephone*  
Delmar, Teleshia – Vice President of Audit and Assurance  
Gaither, Victor – Vice President of High Cost  
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and Assistant Treasurer  
Hughes, Pamela – Vice President of Lifeline  
Hutchinson, Kyle – Vice President of IT and Chief Information Officer  
Sweeney, Mark – Vice President of Rural Health Care  
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

---

<sup>1</sup> Draft resolutions were presented to the Board prior to the Board 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.



Others present:

<u>NAME</u>	<u>COMPANY</u>
Augustino, Steve – <i>by telephone</i>	Nelson Mullins
Bolling, Christopher – <i>by telephone</i>	USAC
Borg, Jeanenne – <i>by telephone</i>	USAC
Case, Kevin – <i>by telephone</i>	USAC
Faunce, Donna – <i>by telephone</i>	USAC
Glisson, Connor – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Kahn, Sammy	USAC
Little, Christopher – <i>by telephone</i>	USAC
Miller, Arielle – <i>by telephone</i>	USAC
Morning, Kimberly – <i>by telephone</i>	Morgan Lewis
Nuzzo, Patsy	USAC
Phillippi, Megan	USAC
Rios, Estee – <i>by telephone</i>	USAC
Sadirkhanova, Sabina – <i>by telephone</i>	USAC
Schrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies, LLC
Tiwari, Tanya – <i>by telephone</i>	Morgan Lewis
Wilson Jr., Jerusa Carl	USAC

### OPEN SESSION

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

**a1. Consent Items.** Mr. Gillan presented this item to the Board.

- A. Approval of Board meeting minutes of April 26, May 18, and June 27, 2022.
- B. Approval of moving all *Executive Session* Items into *Executive Session*.
  - (1) **i4** – Enterprise Business Updates (*Continued*).
    - A1.** CEO Update. USAC management recommended that this item 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 might include discussion of *pre-decisional matters pending before the FCC* or discussion related to USAC's *procurement strategy and contract administration*.
    - A2.** Affordable Connectivity Program Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls*

Available For Public Use

*or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, this item might include discussion related to USAC's *procurement strategy and contract administration*.

**A3.** Software Development Lifecycle Update. USAC management recommended that this item 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 might include discussion related to USAC's *procurement strategy and contract administration*.

**A4.** Enterprise Resource Planning 101. USAC management recommended that this item 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 might include discussion related to USAC's *procurement strategy and contract administration*.

**A5.** Robotic Process Automation 101. USAC management recommended that this item 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 might include discussion related to USAC's *procurement strategy and contract administration*.

**A6.** Audits for Modernized High Cost Funds. USAC management recommended that this item 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 might include discussion related to USAC's *procurement strategy and contract administration*.

**B.** Enterprise Risk Management Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *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.

**C1.** Procurement Business Update. USAC management recommended that this item be discussed in *Executive Session*

because it relates to USAC's *procurement strategy and contract administration*.

**C2a.** Indefinite Delivery/Indefinite Quantity Contracts. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

**C2b.** Professional Services Vendor Contact List. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

**D.** Information on Contribution Factor. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.

- (2) **a4** – Approval of Revised 2022 Annual USAC Common and Consolidated Budgets. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (3) **a5** – Consideration of a Contract Award for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (4) **a6** – Consideration of a Contract Modification for Xacta Licenses and Support. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (5) **a7** – Consideration of a Contract Modification for Red Hat Linux Enterprise License Agreement. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (6) **a8** – Consideration to Exercise Remaining Option Terms for Financial Statement Audit and Agreed-Upon Procedures Review Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

- (7) **a9** – Consideration to Exercise Remaining Option Terms for Enterprise Statistician Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (8) **a10** – Consideration to Exercise Remaining Options Terms for Analysis and Project Management for Enterprise Resource Planning System and Rural Health Care Modernization. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (9) **i5** – Acceptance of USAC’s 2021 Annual Financial 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*.
- (10) **i6** – Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Report. USAC management recommended that this item be discussed in *Executive Session* because relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (11) **a11** – *Confidential Executive Session*: Executive Compensation Committee Charter. USAC management recommended that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
- (12) **i7** – *Confidential Executive Session*: Board of Directors Only. USAC management recommended that this item be discussed in *Executive Session* because it involves *internal personnel matters*.
- C. Review of Executive Compensation Committee Charter. In accordance with Section C of USAC’s Executive Compensation Committee Charter, the Executive Compensation Committee of the USAC Board of Directors is required to review and reassess the adequacy of the Charter and recommend changes, as deemed necessary, to the Board.

On a motion duly made and seconded, the Board adopted the following

Available For Public Use

resolution:

**RESOLVED**, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of April 26, May 18, and June 27, 2022; (2) discussion in *Executive Session* of the items noted above; and (3) the review of the Executive Compensation Committee Charter.

- i1. **Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** Mr. Feiss presented the report for the Audit Committee. Mr. Mason presented the report for the High Cost & Low Income Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Ms. Schell presented the report for the Schools & Libraries Committee.
  
- a2. **Approval of Connected Care Pilot Program 4th Quarter 2022 Budget and Demand Projection for the August 2, 2022 Federal Communications Commission (FCC) Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Connected Care Pilot Program 4th quarter 2022 demand projection for the August 2, 2022 FCC filing.

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

**RESOLVED**, that the USAC Board of Directors approves a 4th Quarter 2022 Connected Care Pilot Program direct budget of \$0.03 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.03 million for Connected Care Pilot Program administrative costs in the required August 2, 2022 filing to the Federal Communications Commission on behalf of the Board; and

**RESOLVED FURTHER**, that the USAC Board of Directors, having reviewed at its meeting on July 26, 2022 the 4th Quarter 2022 Connected Care Pilot Program demand estimate of \$8.36 million, hereby directs USAC staff to proceed with the required August 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i2. **Connected Care Pilot Program Update.** Mr. Gillan noted that the report was provided for *information only* and would be posted on USAC's public website. No discussion was held.
  
- a3. **Approval of USAC Common and Consolidated 4th Quarter 2022 Budgets for the August 2, 2022 FCC Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 4<sup>th</sup>

Quarter 2022 budgets for the August 2, 2022 FCC filing.

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

**RESOLVED**, that the USAC Board of Directors approves a 4th Quarter 2022 common budget of \$31.08 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$31.08 million for common costs in the required August 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 4th Quarter 2022 consolidated budget to administer the Universal Service Fund of \$75.63 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$75.63 million for consolidated costs in the required August 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

**i3. Enterprise Business Updates:**

**A. CEO Update.** Ms. Sekar provided a verbal organizational update.

**B. Appropriated Programs.** Mr. Davis presented PowerPoint slides providing updates on the Emergency Connectivity Fund Program. Ms. Hughet presented PowerPoint slides providing updates on the Affordable Connectivity Program.

At 10:32 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

**EXECUTIVE SESSION**

**i4. Enterprise Business Updates (Continued):**

**A1. CEO Update.** No further discussion was required for the CEO Update in Executive Session.

**A2. Affordable Connectivity Program Update.** Ms. Hughet presented PowerPoint slides providing updates on the Affordable Connectivity Program web metrics.

**A3. Software Development Lifecycle Update.** Mr. Hutchinson presented PowerPoint slides providing an overview of IT high-priority efforts around

software development life cycle recommendations.

**A4. Enterprise Resource Planning 101.** Ms. Garber presented PowerPoint slides providing an overview of the Enterprise Resource Planning system.

**A5. Robotic Processing Automation 101.** Mr. Kahn presented PowerPoint slides providing an overview of the Connect America Fund robotic process automation.

**A6. Audits for Modernized High Cost Funds.** Ms. Delmar presented PowerPoint slides providing an overview of the audit processes for Modernized High Cost Funds.

**B. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included the following items:

- Q2 2022 Enterprise Risk Management Update
- Q2 2022 Risk Management Council Minutes

The Board recessed at 11:45 a.m. Eastern Time. The Board reconvened in *Executive Session* at 11:55 a.m. Eastern Time.

**C1. Procurement Business Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in Q2 2022 and Q3 2022 anticipated activities.

**C2a. Indefinite Delivery/Indefinite Quantity Contracts.** Mr. Beyerhelm presented PowerPoint slides providing an overview of USAC's Indefinite Delivery/Indefinite Quantity Contracts.

**C2b. Professional Services Vendor Contract List.** Mr. Gillan noted that the list was provided for *information only*. No discussion was held.

**D. Information on Contribution Factor.** Ms. Garber presented this item to the Board. The presentation included a written report providing USAC's estimate of the 4th Quarter 2022 contribution factor.

**a4. Approval of Revised 2022 Annual USAC Common and Consolidated Budgets.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the revised 2022 annual USAC common and consolidated budgets.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves a revised 2022 annual consolidated budget of \$250.89 million.

- a5. Consideration of a Contract Award for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation award a firm-fixed price contract award for Palo Alto Enterprise License Agreement and firewall hardware and support.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for a Palo Alto Enterprise License Agreement and firewall hardware and software support to Sun Management, Inc. for a three (3) year period of performance for a not-to-exceed amount of \$1,467,533.00 (plus applicable taxes), with such amount including a contingency of \$150,000.00 (plus applicable taxes) to cover potential increases in USAC subscription needs during the three-year period of performance, subject to required Federal Communications Commission approval.

- a6. Consideration of a Contract Modification for Xacta Licenses and Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to modify its existing contract to add additional licenses and maintenance support.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with Telos Corporation to add two additional perpetual licenses and maintenance to the existing contract, increasing the total not-to-exceed amount of the current one-year option term by \$18,297.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$271,703.00 (plus applicable taxes) to \$290,000.00 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval. Xacta is a cyber-risk management and compliance automation tool that allows USAC IT to manage the full government risk and compliance lifecycle.

- a7. Consideration of a Contract Modification for Red Hat Linux Enterprise License Agreement.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC



management's recommendation to increase the amount of its three-year agreement to procure Red Hat Open Shift Platform licenses and professional services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to increase the amount of its three-year Red Hat Enterprise License Agreement with Axelliant, LLC to procure Red Hat Open Shift Platform licenses and professional services, increasing the total not-to-exceed amount by \$462,057.65 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$1,540,087.13 (plus applicable taxes) to \$2,002,144.78 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval.

- a8. Consideration to Exercise Remaining Option Terms for Financial Statement Audit and Agreed-Upon Procedures Review Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to exercise the second, third, and fourth one-year option terms under its firm-fixed price contract for the performance of a Financial Statement Audit and Agreed Upon-Procedures review services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to exercise the second, third, and fourth one-year option terms under its firm-fixed price contract with PricewaterhouseCoopers LLP for the performance of a Financial Statement Audit and Agreed Upon-Procedures review services, for a total firm-fixed price of \$3,330,000.00 (plus applicable taxes) over the remaining period of performance.

- a9. Consideration to Exercise Remaining Option Terms for Enterprise Statistician Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to exercise the second, third, and fourth one-year option terms under its indefinite delivery indefinite quantity task order based contract for enterprise statistician services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to exercise the second, third, and fourth one-year option terms under its indefinite delivery indefinite quantity task order based contract with Econometrica, Inc. for enterprise statistician services, which includes statistical modeling and analysis services for USAC's Payment Quality Assurance Program and High Cost Mobility Fund, for a total not-to-exceed amount of \$900,000.00 (plus applicable taxes) over the remaining period of performance.

- a10. Consideration to Exercise Remaining Options Terms for Analysis and Project Management for Enterprise Resource Planning System and Rural Health Care Modernization.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to exercise option years two and three to provide project management services for the Enterprise Resource Planning system and the Rural Health Care system modernization.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management, subject to required Federal Communications Commission approval, to as previously agreed, provide contractual approval to exercise option years two (2) and three (3) under its contract with Ernst & Young to provide analysis and project management services for the Enterprise Resource Planning system and Rural Health Care system modernization.

- i5. Acceptance of USAC's 2021 Annual Financial Audit and Agreed-Upon Procedures Review.** Ms. Garber summarized USAC's 2021 Annual Financial Audit and Agreed-Upon Procedures (AUP) review prepared by the independent auditor, PriceWaterhouseCoopers (PwC).
- i6. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports.** This item was provided for *information purposes only*. Mr. Gillan noted that the summary and reports can be found in the Board Audit Briefing Book. No discussion was held.
- a11. Confidential Executive Session: Executive Compensation Committee Charter.** The Executive Compensation Committee Charter was provided in the briefing book and approved by the Board as part of the Consent Items.

At 12:26 p.m. Eastern Time, the Board continued in confidential *Executive Session* with only members of the Board present.

- i7. **Confidential *Executive Session*: Board of Directors Only.** Mr. Gillan facilitated this discussion.

**OPEN SESSION**

At 12:37 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on items a4-a10 and discussed items i4A1-i4A6, i4C2a, i4D, i5, and i7.

On a motion duly made and seconded, the Board adjourned at 12:37 p.m. Eastern Time.

/s/ Erin Williams

Assistant Secretary

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

**BOARD OF DIRECTORS MEETING  
Tuesday, August 23, 2022**

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

The non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, August 23, 2022. Mr. Joe Gillan, Board Chair, called the meeting to order at 2:01 p.m. Eastern Time, with a quorum of 15 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Chalk, Indra	Polk, Stephanie
Choroser, Beth	Schell, Julie Tritt – Treasurer
Fontana, Brent	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Waller, Jeff
Gillan, Joe – Chair	Wein, Olivia – Secretary
Gregory, Amber	Wibberly, Dr. Kathy
Jacobs, Ellis	

Member of the Board not present:

Domenech, Dr. Dan	Skrivan, Michael
Feiss, Geoff	Wade, Dr. Joan

Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer  
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and  
Assistant Treasurer  
Hughet, Pamela – Vice President of Lifeline  
Hutchinson, Kyle – Vice President of IT and Chief Information Officer

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
Bolling, Christopher	USAC
Case, Kevin	USAC
Nuzzo, Patsy	USAC

<sup>1</sup> Draft resolutions were presented to the Board prior to the Board 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.

NAME

Phillippi, Megan

Wilson, Carl

COMPANY

USAC

USAC

OPEN SESSION

- a1. **Consideration of Contract Award for Award IT Development and Technical Services to Support Appian-based Platforms.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a2. **Consideration of a Contract Modification for Affordable Connectivity Program and Lifeline Email Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a3. **Consideration to Exercise Remaining Option Terms for Fraud Risk Assessment Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a4. **Consideration of a Contract Modification for Socrata Licensing and Support.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a5. **Consideration of a Contract Award for Commercial Cleaning and Sanitization Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

At 2:02 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

### **EXECUTIVE SESSION**

- a1. **Consideration of Contract Award for Award IT Development and Technical Services to Support Appian-based Platforms.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to award a contract for IT development and technical services to support Appian-based platforms.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, subject to required Federal Communications Commission approval, hereby authorizes USAC management to award a contract to ICF Incorporated, LLC for IT development and technical services to support Appian-based platforms. The contract has a base period of twelve (12) months for \$8,848,569.60 (plus applicable taxes), with two additional one-year option terms at \$8,848,569.60 (plus applicable taxes) for year 2 and year 3, for a three (3) year total period of performance for a total not-to-exceed amount of \$27,872,994.24 (plus applicable taxes), with such amount including a five (5) percent contingency in the amount of \$1,327,285.44 (plus applicable taxes) to cover unforeseen development or enhancement needs over the three year total period of performance.

- a2. **Consideration of a Contract Modification for Affordable Connectivity Program and Lifeline Email Services.** Mr. Beyerhelm presented this item to the

Board. The presentation included a written summary and report detailing USAC management's recommendation to increase the not-to-exceed amount of the task order for the performance of professional services for email processing to support the Affordable Connectivity Program.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to increase the not-to-exceed amount of the task order with Grant Thornton LLP under USAC's Professional Services indefinite delivery/indefinite quantity agreement for the performance of professional services for email processing to support the Affordable Connectivity Program by \$500,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount in support of the Affordable Connectivity Program from \$5,463,237.22 (plus applicable taxes) to \$5,963,237.22 (plus applicable taxes) over the remainder of the contract term. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a3. Consideration to Exercise Remaining Option Terms for Fraud Risk Assessment Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to exercise the second and third option year terms of the contract for fraud risk assessment services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to exercise the second and third one-year option terms under its contract with Grant Thornton LLP for the Fraud Risk Assessment services, for a total not-to-exceed amount of \$912,300.00 (plus applicable taxes) over the remaining period of performance. The second one-year option term will include Fraud Risk Assessment services for the Lifeline Program, and the third one-year option term will include Fraud Risk Assessment services for the Rural Health Care Program.

- a4. Consideration of a Contract Modification for Socrata Licensing and Support.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to increase the amount of the firm fixed price contract for Socrata licenses and support.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to increase the amount of USAC's firm fixed price contract for Socrata licenses and support with Carahsoft Technology Corp. by \$80,000.00 (plus applicable taxes), with such amount including a contingency of \$40,000.00 (plus applicable taxes) to cover potential increases in USAC's licensing needs over the contract's one-year period of performance, increasing the total not-to-exceed amount to \$320,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a5. Consideration of a Contract Award for Commercial Cleaning and Sanitization Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract award for commercial cleaning and sanitization services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for Commercial Cleaning and Sanitization Services to Total Quality Building Services for a three (3) year period of performance for a not-to-exceed amount of \$592,581.12 (plus applicable taxes), with such amount including a contingency of \$50,000.00 (plus applicable taxes) to cover unforeseen cleaning and sanitization services during the three-year period of performance, subject to required Federal Communications Commission approval.

### **OPEN SESSION**

At 2:21 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board discussed and took action on items a1 – a5.

On a motion duly made and seconded, the Board adjourned at 2:23 p.m. Eastern Time.

/s/ Erin Williams  
Assistant Secretary



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

**BOARD OF DIRECTORS MEETING**  
**Monday, October 3 2022**

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

The non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Monday, October 3, 2022. Mr. Joe Gillan, Board Chair, called the meeting to order at 3:00 p.m. Eastern Time, with a quorum of 15 of the 19 Board members present:

Buzacott, Alan	Gregory, Amber
Chalk, Indra	Mason, Ken – Vice Chair
Choroser, Beth	Sekar, Radha – Chief Executive Officer
Domenech, Dr. Dan	Skrivan, Michael
Feiss, Geoff	Waller, Jeff
Fontana, Brent	Wein, Olivia – Secretary
Freeman, Sarah	Wibberly, Dr. Kathy
Gillan, Joe – Chair	

Member of the Board not present:

Jacobs, Ellis	Schell, Julie Tritt – Treasurer
Polk, Stephanie	Wade, Dr. Joan

Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer  
Gaither, Victor – Vice President of High Cost  
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and  
Assistant Treasurer  
Hutchinson, Kyle – Vice President of IT and Chief Information Officer  
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
Bolling, Christopher	USAC
Case, Kevin	USAC

---

<sup>1</sup> Draft resolutions were presented to the Board prior to the Board 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.

<u>NAME</u>	<u>COMPANY</u>
Nuzzo, Patsy	USAC
O'Brien, Tim	USAC
Phillippi, Megan	USAC
Theobald, Fred	USAC
Wilson, Carl	USAC

**OPEN SESSION**

- a1. Consideration of a Contract Modification for Lifeline Program and Affordable Connectivity Program Business Process Outsourcing Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a2. Consideration of a Contract Modification for Lifeline Program and Affordable Connectivity Program Call Center Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a3. Consideration of a Contract Modification for Third Party Identification and Verification Services for Lifeline and Affordable Connectivity Programs.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a4. **Consideration of a Contract Modification for Affordable Connectivity Program Call Center Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a5. **Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for Affordable Connectivity Program Portal.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

- a6. **Consideration of a Contract Award for a Document Redaction Solution.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors approves discussion of this item in *Executive Session*.

At 3:01 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

### **EXECUTIVE SESSION**

- a1. **Consideration of a Contract Modification for Lifeline Program and Affordable Connectivity Program Business Process Outsourcing Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to increase the not-to-exceed amount for the contract for business process

outsourcing services to support the Affordable Connectivity Program application processing.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors and the High Cost & Low Income Committee, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to modify the existing business process outsourcing contract with Maximus Federal Services, Inc. by (1) increasing the not-to-exceed amount for business process outsourcing services to support Lifeline Program application processing by \$1,180,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount for services in support of the Lifeline Program from \$11,700,000.00 (plus applicable taxes) to \$12,880,000.00 (plus applicable taxes), and by (2) increasing the not-to-exceed amount for business process outsourcing services to support the Affordable Connectivity Program application processing by \$4,200,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount for services in support of the Affordable Connectivity Program from \$11,500,000.00 (plus applicable taxes) to \$15,700,000.00 (plus applicable taxes) over the remainder of the contract term. With significant growth in the number of manual reviews both in the Lifeline Program and Affordable Connectivity Program at 159% and 128% respectively, USAC needs to mitigate the negative customer service experience by increasing funding.

- a2. Consideration of a Contract Modification for Lifeline Program and Affordable Connectivity Program Call Center Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to increase the not-to-exceed amount of the contract for call center services to support the Affordable Connectivity Program

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors and the High Cost & Low Income Committee, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to modify the existing call center contract with Conduent State & Local Solutions, Inc. by (1) increasing the not-to-exceed amount for call center services to support the Lifeline Program by \$3,670,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount for services in support of the Lifeline Program from \$104,300,000.00 (plus applicable taxes) to \$107,970,000.00 (plus applicable taxes), and by (2) increasing the not-to-exceed amount for call center services to support the

Affordable Connectivity Program by \$6,920,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount for services in support of the Affordable Connectivity Program from \$21,500,000.00 (plus applicable taxes) to \$28,420,000.00 (plus applicable taxes) over the remainder of the contract term. Amounts associated with the services supporting the Affordable Connectivity Program will be expensed using congressionally appropriated funds and not the Universal Service Fund. With significant growth in call volume in both the Lifeline Program and Affordable Connectivity Program at 252% and 179% respectively, average speed of answer and abandonment rates have increased requiring USAC to mitigate the negative customer service experience by increasing funding for additional call agents.

**a3. Consideration of a Contract Modification for Third Party Identification and Verification Services for Lifeline and Affordable Connectivity Programs.**

Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to increasing the total not-to-exceed amount of the contract for third party identification and verification services for the Affordable Connectivity Program. On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors and the USAC High Cost & Low Income Committee, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to modify the existing contract with TransUnion Public Sector for the performance of third party identification and verification services by (1) increasing the total not-to-exceed amount for services for the Lifeline program (Task 1) by \$260,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount in support of the Lifeline Program from \$340,000.00 (plus applicable taxes) to \$600,000.00 (plus applicable taxes), and (2) by increasing the total not-to-exceed amount for services for the Affordable Connectivity Program (Task 2) by \$335,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount in support of the Affordable Connectivity Program from \$440,000.00 (plus applicable taxes) to \$775,000.00 (plus applicable taxes) over the remainder of the first option year of the contract. Amounts associated with the services supporting the Affordable Connectivity Program will be expensed using congressionally appropriated funds and not the Universal Service Fund.

**a4. Consideration of a Contract Modification for Affordable Connectivity Program Call Center Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to extend the period of performance and increase the not-to-exceed amount of the contract to support the Affordable Connectivity Program call center services.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to modify its contract with Ernst & Young LLP for call center services by extending the period of performance by four (4) months for a total period of performance of twelve (12) months, and by increasing the contract not-to-exceed amount by \$1,220,000.00 (plus applicable taxes) to support the Affordable Connectivity Program during surges in call volumes, thereby increasing the total not-to-exceed amount for services in support of the Affordable Connectivity Program from \$4,695,680.00 (plus applicable taxes) to \$5,915,680.00 (plus applicable taxes) over the remainder of the contract term. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund. With significant growth in call volume for the Affordable Connectivity Program at 179%, average speed to answer and abandonment rates have increased requiring USAC to mitigate the negative customer service experience by continuing to have Ernst & Young LLP support Conduent with calls – without this support the Conduent contract would have to have been increased even more.

- a5. Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for Affordable Connectivity Program Portal.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to increase the base period not-to-exceed amount of the contract to support the design, development, operation and maintenance, and licenses for the Affordable Connectivity Program Portal.

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required Federal Communications Commission approval, to increase the base period not-to-exceed amount of the contract with Accenture for design and development, operation and maintenance, and ServiceNow licenses for the implementation of the Affordable Connectivity Program by \$215,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$7,100,000.00 (plus applicable taxes) to \$7,315,000.00 (plus applicable taxes) due to increased volumes related to the release of emails by the Social Security Administration. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a6. Consideration of a Contract Award for a Document Redaction Solution.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to award a contract for the design, development, and implementation of a document redaction solution

On a motion duly made and seconded, the Board adopted the following resolution:

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a contract for a document redaction solution and professional services for the design, development, and implementation of the solution to Ampcus Inc. The contract has a hybrid fee structure of firm fixed price and time and materials, with a twelve (12) month base period of performance for \$2,205,873.00 (plus applicable taxes), plus an additional three (3) month optional support term, for a total not-to-exceed amount of \$2,500,000.00 (plus applicable taxes), with such amount including a contingency in the amount of \$219,727.00 (plus applicable taxes) to cover unforeseen costs associated with the design, development, and implementation of the solution, subject to required Federal Communications Commission approval.

### **OPEN SESSION**

At 3:31 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board discussed and took action on items a1 – a6.

On a motion duly made and seconded, the Board adjourned at 3:33 p.m. Eastern Time.

/s/ Erin Williams

Assistant Secretary

**Universal Service Administrative Company  
Board of Directors Meeting**

**ACTION ITEM**

**Consideration of Approval to Reimburse Board Members to Attend an Event  
Other Than a USAC Board or Committee Meeting**

**Issue**

USAC Board of Directors (Board) policy requires that a Board member must request approval from the Board or appropriate committee for reimbursement of expenses for attendance at a non-USAC Board or committee meeting or event before any such reimbursement can be made.

**Background – Analysis – Justification**

One or more Board members will be travelling to Washington, D.C. to discuss the 2023 annual budget with the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), and associated staff. The Board Chair, Mr. Joe Gillan, has requested that he, together with the Board Vice Chair, Mr. Ken Mason, and the Board Treasurer, Ms. Julie Tritt Schell, participate in these discussions in person. Board members participating in the meetings may be reimbursed by USAC for any reasonable and customary travel expenses associated with this effort. In accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings* (see **Attachment C-2** to this issue paper), those Board members participating in the meetings will submit a USAC Form 3001 – *Request for Approval for a Board Member to be Reimbursed for Expenses Other than for Board Meetings* (see **Attachment C-3** to this issue paper) and will list estimated travel costs for their travel.

The procedures approved by the Board require that the reimbursement be directly related to the responsibilities of the Board in managing the affairs of USAC. These proposed trips are directly related to the business of USAC.

**Recommended USAC Board of Directors Action**

APPROVAL OF THE FOLLOWING RESOLUTION:

**RESOLVED**, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings*, the Board of Directors authorizes USAC management to reimburse Mr. Joe Gillan, Mr. Ken Mason, and Ms. Julie Tritt Schell should they travel to Washington, D.C. for the purpose of participating in USAC’s 2023 Budget Planning Review.



## **Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business Other Than Board of Directors Meetings**

1. The Board member must seek prior approval for reimbursement of expenses associated with activities other than a Board meeting and must submit a Request for Approval form (See attached Form 3001 – *Request for Approval for a Board Member to be Reimbursed for Expenses other than for Board Meetings*) to the USAC CEO that includes the following information:
  - a. The title, date, and location of the event.
  - b. The name of the event sponsor.
  - c. The purpose and substance of the event.
  - d. How the function, event, or activity is directly related to the administration of the universal service program or programs.
  - e. Why it is essential to USAC and the universal service program or programs for the Board member specifically to participate and how participation is vital to achieving USAC's goals.
  - f. The estimated cost of participation.
  - g. A commitment that the Board member will include a statement that he or she is representing USAC and that the Board member will not advocate a policy position.
2. The USAC CEO will provide a recommended Board or Committee Resolution, along with a summary of the justification provided by the Board member, to the Board or the relevant Board Committee for review.
3. The USAC CEO will request an email response from each Board or relevant Committee member by a certain date and time.
4. The USAC CEO will inform the Board member as well as the Board or relevant Committee of the decision.
5. The request will be approved if all Board or relevant Committee members support the request.
6. The Board member should submit documentation of actual expenditures to the USAC CEO for reimbursement.



REQUEST FOR APPROVAL FOR A BOARD MEMBER TO BE REIMBURSED  
FOR EXPENSES OTHER THAN FOR BOARD MEETINGS

USAC 3001 9/2017

To be Completed by Board Member			
Last Name	First Name	Date(s) of Event	
Event Title	Sponsor	Location	
Purpose and Substance of the Event			
How the Event is Directly Related to the Administration of the Fund			
Why Board Member Participation is Necessary			
How Participation Achieves USAC Goal			
Estimated Costs		Actual Costs	
Registration		Registration	
Meals		Meals	
Lodging		Lodging	
Travel		Travel	
Miscellaneous		Miscellaneous	
<b>TOTAL</b>		<b>TOTAL</b>	
I will include a statement in the presentation or speech that I am representing USAC and I will refrain from advocating a policy position in the presentation or speech and in any conversations or discussions.			
Board Member Signature:			Date:
To be Completed by USAC			
Date Resolution submitted to Board or Committee:		Date Vote of Board or Committee Completed:	
Vote Count ___ Yes    ___ No    ___ Abstain	Actual Costs Approved by CEO ___ Yes    ___ No	Account Code: <b>61200-60-600-60</b>	
<ul style="list-style-type: none"> <li>Attach receipts for any expenditure over \$50.00. USAC will reimburse the actual cost of meals at or below \$50 without receipts. Meals exceeding \$50 must be accompanied by an <b>ITEMIZED</b> receipts.</li> <li>USAC does not reimburse first class airfare or alcohol.</li> <li>Standard IRS mileage rates.</li> <li>All expense must be in compliance with USAC's Travel and Expense Policy in order to be reimbursed. Please attach a detailed list of each expense category to ensure compliance.</li> </ul>			

**Universal Service Administrative Company  
Board of Directors Meeting**

**ACTION ITEM**

**Appointment of a Nominating Committee and Direction to Committees for the  
Nomination of Committee Chairs and Vice Chairs**

**Action Requested**

The USAC Board of Directors (Board) is requested to appoint a Nominating Committee (Committee) consisting of members of the Board for the purpose of soliciting nominations and recommending to the Board a slate of candidates for each of USAC's corporate officer positions; assisting the Audit (AC), High Cost & Low Income (HCLI), Rural Health Care (RHC), and Schools & Libraries (SL) committees in identifying Board members to serve as committee chair and vice chair for each committee; and assisting committees in filling at-large seats.

**Function of the Nominating Committee**

USAC's By-laws require an annual election of officers to be held at the first quarterly meeting of the Board of Directors in any given year. The Nominating Committee of the USAC Board of Directors is appointed at the October Board meeting in anticipation of the January elections and appointments. At times, the Nominating Committee is appointed and called upon to meet off-cycle, as needed, to ensure key positions are filled.

At the October 25, 2016 meeting, the Board adopted a Nominating Committee Charter (Charter) to memorialize the Board's ongoing practice of appointing a Nominating Committee to assume certain responsibilities associated with the annual elections. As prescribed in the Charter, members of the Nominating Committee, including a Nominating Committee Chair, are appointed annually by the Chair of the Board, and each member shall hold office until their resignations, removal by the Board, or until their successors are duly appointed by the Chair of the Board.<sup>1</sup> The Board appoints a Nominating Committee to assume the responsibility of: (i) soliciting nominations and recommending to the Board a slate of candidates for each of USAC's corporate officer positions (i.e., Board Chair, Vice Chair, Treasurer, Secretary, Assistant Treasurer, and Assistant Secretary); (ii) assisting the Audit, HCLI, RHC, and SL committees in identifying Board members to serve as committee chair and vice chair for each committee; and (iii) assisting committees in filling at-large seats.<sup>2</sup>

---

<sup>1</sup> See Universal Service Administrative Company Nominating Committee Charter, Section B (renewed January 2021) (Nominating Committee Charter).

<sup>2</sup> See Nominating Committee Charter, Section A.

### **Establishment of a Nominating Committee and Selection of Officers**

The USAC Board Chair recommends that the Board appoint \_\_\_\_\_ as Nominating Committee Chair and \_\_\_\_\_ and \_\_\_\_\_ as members of the Nominating Committee.

New officer terms will begin when elected, which is presently planned to occur at the January 31, 2023 Board meeting. The current officers of the Corporation are as follows:

<b>Officer Position</b>	<b>Incumbent</b>
Chair	Joe Gillan
Vice Chair	Ken Mason
Secretary	Olivia Wein
Treasurer	Julie Tritt Schell
Chief Executive Officer <sup>3</sup>	Radha Sekar
Assistant Secretary	Erin Williams
Assistant Treasurer	Michelle Garber
USAC Staff <sup>4</sup>	<ul style="list-style-type: none"> <li>• Chris Beyerhelm – VP and Chief Administrative Officer</li> <li>• Stephen Butler – VP of Shared Services</li> <li>• Craig Davis – VP of Schools and Libraries</li> <li>• Teleshia Delmar – VP of Audit and Assurance</li> <li>• Victor Gaither – VP of High Cost</li> <li>• Michelle Garber – VP and Chief Financial Officer</li> <li>• Kyle Hutchinson – VP and Chief Information Officer</li> <li>• Mark Sweeney– VP of Rural Health Care</li> <li>• Erin Williams, VP and General Counsel</li> </ul>

### **Appointment of Board Members to Committees**

USAC management notified the Wireline Competition Bureau and the Office of Managing Director on July 29, 2022 of the terms of six Board members expiring on

<sup>3</sup> The Chief Executive Officer (CEO) is elected to a term coincident with the term of the CEO's employment and is not elected annually.

<sup>4</sup> The Board determined that each vice president shall be designated an officer of the corporation immediately upon his or her assumption of the duties of the position and shall serve as such until his or her employment in such position with USAC terminates for any reason or is removed by the Board or the CEO from such position; therefore, these positions are not elected annually. However, the positions of Assistant Secretary and Assistant Treasurer are elected annually.

December 31, 2022. On August 22, 2022, the Federal Communications Commission (FCC) issued a Public Notice (PN) seeking nominations for the seats held by the six Board members with terms expiring on December 31, 2022. The directors whose terms expire on December 31, 2022 and their current committee memberships and officer positions (if any) are as follows:

<b>Director</b>	<b>Representing</b>	<b>Committee Assignments / Officer Position</b>
Indra Sehdev Chalk	Representative for commercial mobile radio service providers	HCLI (Wireless Providers Representative)
Beth Choroser	Representative for cable operators	AC (SL Representative); SL (At-Large)
Dr. Daniel A. Domenech	Representative for schools that are eligible to receive discounts pursuant to section 54.501 of the Commission's rules	Executive Committee (SL Chair); SL (Chair; Schools Representative)
Amber Gregory	Representative for libraries that are eligible to receive discounts pursuant to section 54.501 of the Commission's rules	SL (Libraries Representative)
Stephanie Polk	Representative for incumbent local exchange carriers (Bell Operating Companies)	HCLI (Non-Rural Incumbent Local Exchange Carriers Representative)
Jeffery J. Waller	Representative for state consumer advocates	HCLI (State Consumer Advocates Representative); RHC (State Consumer Advocates Representative)

### **Recommended USAC Board of Directors Action**

APPROVAL OF THE FOLLOWING RESOLUTIONS:

**RESOLVED**, that the USAC Board of Directors establishes a Nominating Committee and directs the Committee to recommend to the USAC Board of Directors at its January 31, 2023 meeting nominations for the elected USAC officer positions; and

**RESOLVED FURTHER**, that the USAC Board of Directors appoints \_\_\_\_\_ as Nominating Committee Chair and \_\_\_\_\_ and \_\_\_\_\_ as members of the Nominating Committee; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs each committee of the Board to bring to the Board, at the January 31, 2023 meeting, nominations for a chair and vice chair of each respective committee.

**Universal Service Administrative Company  
Board of Directors Meeting**

**ACTION ITEM**

**Approval of Connected Care Pilot Program  
1st Quarter 2023 Budget and  
Demand Projection for the November 2, 2022 FCC Filing**

**Action Requested**

The USAC Board of Directors (Board) is requested to approve the 1st Quarter 2023 (1Q2023) Connected Care Pilot Program (Pilot Program) budget and demand projection for submission to the Federal Communications Commission (FCC) in USAC's November 2, 2022 quarterly filing.

**Discussion**

On a quarterly basis, USAC is required to submit to the FCC the projected budget<sup>1</sup> and demand<sup>2</sup> for the upcoming quarter.

**Funding Requirement**

USAC estimates the 1Q2023 funding requirement for the Connected Care Pilot Program as follows:

---

<sup>1</sup> See 47 C.F.R. § 54.715(c).

<sup>2</sup> See 47 C.F.R. § 54.709(a)(3).

Table A. Connected Care Pilot Program Funding Requirement

<i>(in millions)</i>	<b>4Q2022</b>	<b>Increase/ (Decrease)</b>	<b>1Q2023</b>	<b>Notes</b>
<b>Steady State:</b>				
Connected Care Pilot Program	\$8.33	\$0.00	\$8.33	See Note 1
<b>New Requirements:</b>				
N/A	0.00	0.00	0.00	
<b>Total Connected Care Demand</b>	<b>\$8.33</b>	<b>\$0.00</b>	<b>\$8.33</b>	
<b>Prior Period Adjustments (difference between projections and actuals):</b>				
Billings	(0.01)	1.23	1.22	
Bad Debt Expense	(0.08)	0.02	(0.06)	
Annual Admin True-Up	0.00	0.00	(1.06)	
<b>Total Prior Period Adjustments</b>	<b>(0.09)</b>	<b>0.19</b>	<b>0.10</b>	
USAC Administrative Expenses	0.12	(\$0.05)	\$0.07	See Table B
<b>Total Funding Requirement</b>	<b>\$8.36</b>	<b>\$0.14</b>	<b>\$8.50</b>	

**Note 1:** On April 2, 2020, the FCC issued Order FCC 20-44, establishing the Connected Care Pilot Program within the Universal Service Fund (Fund) making an \$100 million available over three years to help defray health care providers' qualifying costs of providing connected care services, with a primary focus on providing these services to low-income or veteran patients.<sup>3</sup> The Order authorized collections of \$100 million over three years (12 quarters) at \$8.33 million per quarter beginning in 4Q2020.<sup>4</sup> The Order states that the purpose of the Pilot Program is to examine how the Fund can help support the trend towards connected care services, particularly for low income consumers and veterans.<sup>5</sup> The Order indicates that \$100 million funding for the Pilot Program will be separate from the budgets of the other existing universal service programs, and directs USAC to separately collect funds for the Pilot Program.<sup>6</sup>

<sup>3</sup> See *Promoting Telehealth for Low-Income Consumers; COVID-19 Telehealth Program*, WC Docket Nos. 18-213 and 20-89, Report and Order, 35 FCC Rcd 3366, 3384, paras. 37-38 (2020).

<sup>4</sup> See *id.* at 3387-88, para. 42.

<sup>5</sup> See *id.* at 3368-69, para. 5.

<sup>6</sup> See *id.* at 3384, 3387, paras. 38, 42.

Based on the projected burn rate, USAC estimates the following 1Q2023 budget:

Table B. Quarterly Budget

<i>(in millions)</i>	<b>4Q2022 Budget</b>	<b>Increase/ (Decrease)</b>	<b>1Q2023 Budget</b>	<b>Notes</b>
<b>Direct Program Costs</b>				
Employee Expenses	\$0.00	\$0.00	\$0.00	
Professional Services	0.03	(0.03)	0.00	
General & Administrative	0.00	0.00	0.00	
<b>Total Direct Program Costs</b>	<b>\$0.03</b>	<b>(\$0.03)</b>	<b>\$0.00</b>	
<b>Direct Assigned Costs</b>				
Employee Expenses	\$0.00	\$0.00	\$0.00	
Professional Services	0.00	0.00	0.00	
General & Administrative	0.00	0.00	0.00	
<b>Total Direct Assigned Costs</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	
<b>Total Direct Program &amp; Direct Assigned Costs</b>	<b>\$0.03</b>	<b>(\$0.03)</b>	<b>\$0.00</b>	
<b>Common Allocated Costs</b>	<b>\$0.09</b>	<b>(\$0.02)</b>	<b>\$0.07</b>	
<b>Total Programmatic Budget</b>	<b>\$0.12</b>	<b>(\$0.05)</b>	<b>\$0.07</b>	

A comparison of actual expenditures to the budget for the nine months ending September 30, 2022 is provided in **Attachment 1**.

### **Recommendation**

USAC management recommends that the Board approve the 1Q2023 budget and projection of demand as proposed

### **Recommended USAC Board Actions**

APPROVAL OF THE FOLLOWING RESOLUTIONS:

**RESOLVED**, that the USAC Board of Directors approves a 1st Quarter 2023 Connected Care Pilot Program direct budget of \$0.00 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.00 million for Connected Care Pilot Program administrative costs in the required November 2, 2022 filing to the Federal Communications Commission on behalf of the Board; and

**RESOLVED FURTHER**, that the USAC Board of Directors, having reviewed at its meeting on October 25, 2022 the 1st Quarter 2023 Connected Care Pilot Program demand estimate of \$8.50 million, hereby directs USAC staff to proceed with the required November 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.



## ATTACHMENT 1

### Connected Care Pilot Program Administrative Costs and Headcount Comparison of Actual Expenditures and Headcount to the Budget for the Nine Months Ending September 30, 2022

<i>(\$ in millions)</i>	FTE Actual	FTE Budget	FTE Variance	YTD Actual	YTD Budget	Variance
<b>Direct Program Costs</b>						
Employee Expenses	0	0	0	\$0.00	\$0.00	\$0.00
Professional Services (Note 2)				0.00	0.10	0.10
General & Administrative				0.00	0.00	0.00
<b>Total Direct Program Costs</b>				<b>\$0.00</b>	<b>\$0.10</b>	<b>\$0.10</b>
<b>Direct Assigned Costs</b>						
Employee Expenses	0	0	0	\$0.00	\$0.00	\$0.00
Professional Services (Note 2)				0.00	0.03	0.03
General & Administrative				0.00	0.00	0.00
<b>Total Direct Assigned Costs</b>				<b>\$0.00</b>	<b>\$0.03</b>	<b>\$0.03</b>
<b>Total Direct Program &amp; Direct Assigned Costs</b>	0	0	0	<b>\$0.00</b>	<b>\$0.13</b>	<b>\$0.13</b>
<b>Common Allocated Costs (Note 3)</b>				<b>\$0.18</b>	<b>\$0.22</b>	<b>\$0.04</b>
<b>Total Programmatic Budget</b>				<b>\$0.18</b>	<b>\$0.35</b>	<b>\$0.17</b>

**Note 2:** Direct Program Professional Services include business process outsourcing (BPO) costs. Direct Assigned Professional Services include system O&M costs.

**Note 3:** Common costs include costs not directly attributable to a program or the Connected Care Pilot Program and are allocated based on the Cost Allocation Methodology, which allocates costs based 50% on direct costs in the prior year and 50% on demand in the prior year. Actual common allocated costs reflect a reduction for costs allocated to the appropriated programs.



# Board of Directors

Connected Care Pilot Program Update

*Open Session*

October 25, 2022



Universal Service  
Administrative Co.

# Connected Care Pilot Program Updates

- USAC follow-up action to Second Report and Order (October 2021)
  - Outreach
    - The FCC announced a final list of approved projects. Welcome letters were sent to all newly selected projects. Kick-off webinars were held after each FCC announcement to review requirements, timelines, and future trainings.
  - All applicants were required to submit at least one FCC Form 462 by September 16, 2022.
    - 66 projects were fully compliant.
    - 45 projects were not compliant and were individually contacted and advised to request a deadline waiver from the FCC.
  - To date, we have received 117 FCC Forms 461, and 55 Health Care Providers (HCPs) have filed FCC Forms 462.

# Connected Care Pilot Program Updates (Continued)

- We issued funding commitments for \$19.1 million.
- We received 11 FCC Forms 463 for disbursement and disbursed five invoices worth \$1.7 million.
- Additional system modifications and requirements for documents upload set for delivery in Q42022.



**Universal Service  
Administrative Co.**

**Universal Service Administrative Company  
Board of Directors Meeting**

**ACTION ITEM**

**Approval of USAC Common and Consolidated  
1st Quarter 2023 Budgets and Demand Projection  
for the November 2, 2022 FCC Filing**

**Action Requested**

The USAC Board of Directors (Board) is requested to approve the 1st Quarter 2023 (1Q2023) common and consolidated budgets for submission to the Federal Communications Commission (FCC) in USAC's November 2, 2022 quarterly filing.

**Discussion**

Based on the projected burn rate, USAC estimates a 1Q2023 USAC consolidated budget of \$67.28 million to administer the Universal Service Fund (USF), which includes \$33.88 million in direct program costs and \$33.40 million in common indirect costs. This does not include projected spending related to the appropriated programs.

<i>(in millions)</i>	<b>4Q2022 Budget</b>	<b>Increase/ (Decrease)</b>	<b>1Q2023 Budget</b>
<b>Direct Program &amp; Direct Assigned Costs</b>			
High Cost	\$6.44	(\$0.02)	\$6.42
Lifeline	22.54	(8.46)	14.08
Rural Health Care	3.95	0.53	4.48
Schools & Libraries	11.59	(2.69)	8.90
Connected Care Pilot	0.03	(0.03)	0.00
<b>Total Direct Program &amp; Direct Assigned Costs</b>	<b>\$44.55</b>	<b>(\$10.67)</b>	<b>\$33.88</b>
<b>Common Costs</b>			
Employee Expenses	\$17.51	(\$1.85)	\$15.66
Professional Services	6.63	2.61	9.24
General & Administrative (Note 1)	6.94	1.56	8.50
<b>Total Common Costs</b>	<b>\$31.08</b>	<b>\$2.32</b>	<b>\$33.40</b>
<b>Total Consolidated Costs</b>	<b>\$75.63</b>	<b>(\$8.35)</b>	<b>\$67.28</b>

**Note 1:** General & Administrative expenses include computer support & maintenance, rent, hardware & equipment rental, taxes & insurance, printing & postage, Board of Directors expenses, reference materials, repairs & maintenance, telecommunications, and data collection billing revenue.

A comparison of actual common and consolidated expenditures to the budget for the nine months ending September 30, 2022 is provided in **Attachment 1**.

**Recommendation**

USAC management recommends that the Board approve the 1Q2023 budgets as proposed.

**Recommended USAC Board of Directors Action**

APPROVAL OF THE FOLLOWING RESOLUTIONS:

**RESOLVED**, that the USAC Board of Directors approves a 1st Quarter 2023 common budget of \$33.40 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$33.40 million for common costs in the required November 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 1st Quarter 2023 consolidated budget to administer the Universal Service Fund of \$67.28 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$67.28 million for consolidated costs in the required November 2, 2022 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

**ATTACHMENT 1**

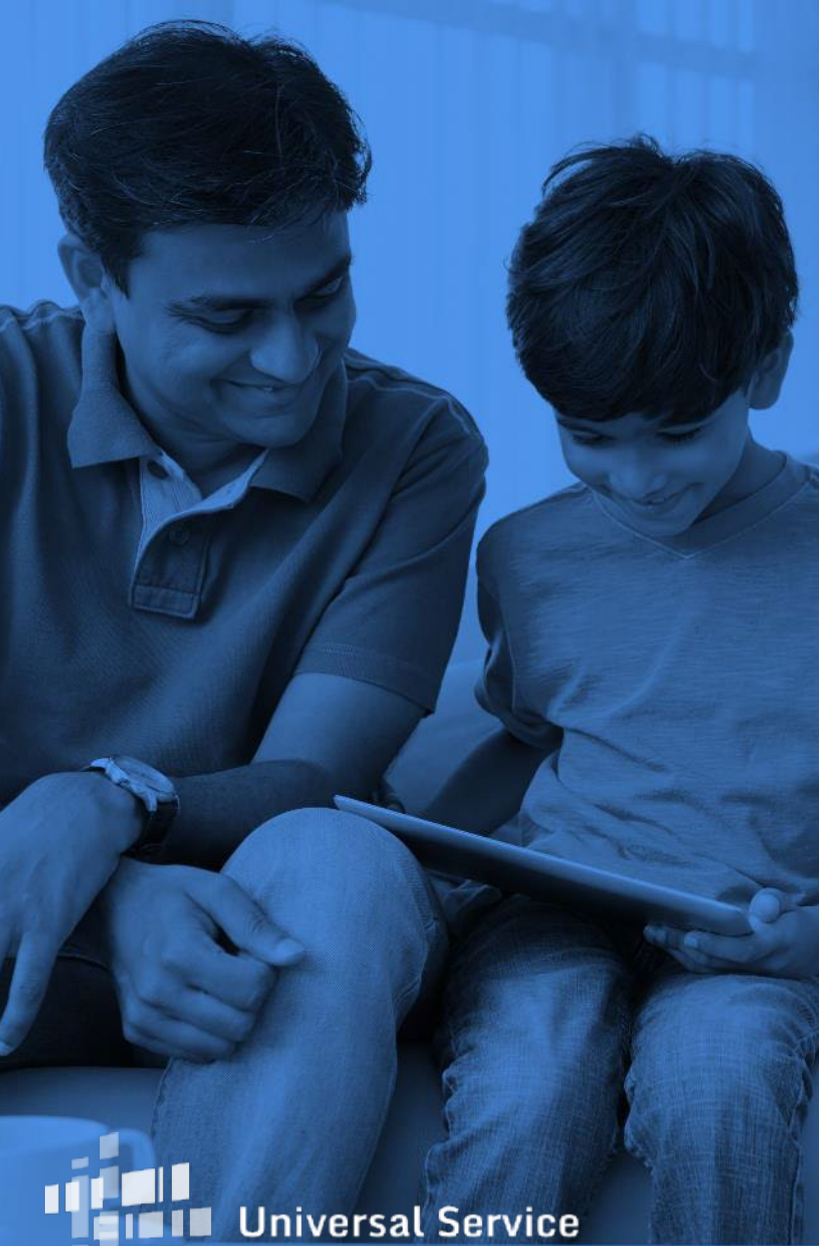
**USAC Administrative Costs and Headcount**  
Comparison of Actual Expenditures and Headcount to the Budget for the  
Nine Months Ending September 30, 2022

<i>(\$ in millions)</i>	<b>FTE Actual</b>	<b>FTE Budget</b>	<b>FTE Variance</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>
<b>Direct Program &amp; Direct Assigned Costs</b>						
High Cost	61	70	9	\$17.85	\$18.64	\$0.79
Lifeline	92	90	(2)	39.33	39.82	0.49
Rural Health Care	56	59	3	13.15	13.86	0.71
Schools & Libraries	70	83	13	28.52	33.69	5.17
Connected Care Pilot	0	0	0	0.00	0.13	0.13
<b>Total Direct Program &amp; Direct Assigned Costs</b>	<b>279</b>	<b>302</b>	<b>23</b>	<b>\$98.85</b>	<b>\$106.14</b>	<b>\$7.29</b>
<b>Common Costs (Note 2)</b>						
Employee Expenses	351	391	40	\$40.85	\$44.69	\$3.84
Professional Services				16.83	12.45	(4.38)
General & Administrative (Note 3)				18.13	21.35	3.22
<b>Total Common Costs</b>	<b>351</b>	<b>391</b>	<b>40</b>	<b>\$75.81</b>	<b>\$78.49</b>	<b>\$2.68</b>
<b>Total Consolidated Costs</b>	<b>630</b>	<b>693</b>	<b>63</b>	<b>\$174.66</b>	<b>\$184.63</b>	<b>\$9.97</b>

**Note 2:** Actual USF common costs reflect a reduction for costs allocated to the appropriated programs.

**Note 3:** General & Administrative expenses include computer support & maintenance, rent, hardware & equipment rental, taxes & insurance, printing & postage, Board of Directors expenses, reference materials, repairs & maintenance, telecommunications, data collection billing revenue, and interest income.





# **Board of Directors**

Affordable Connectivity Program Update

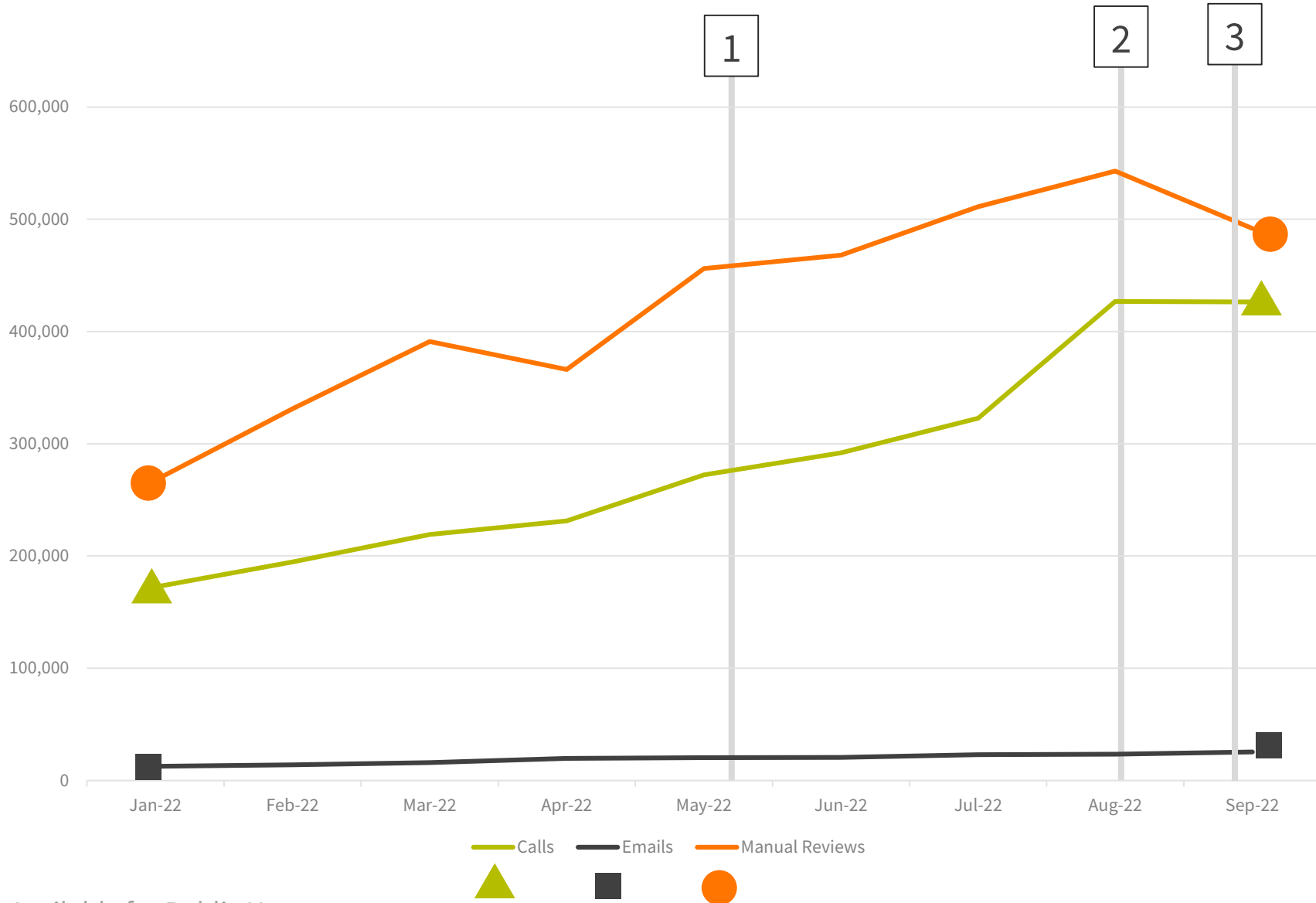
*Open Session*

October 25, 2022



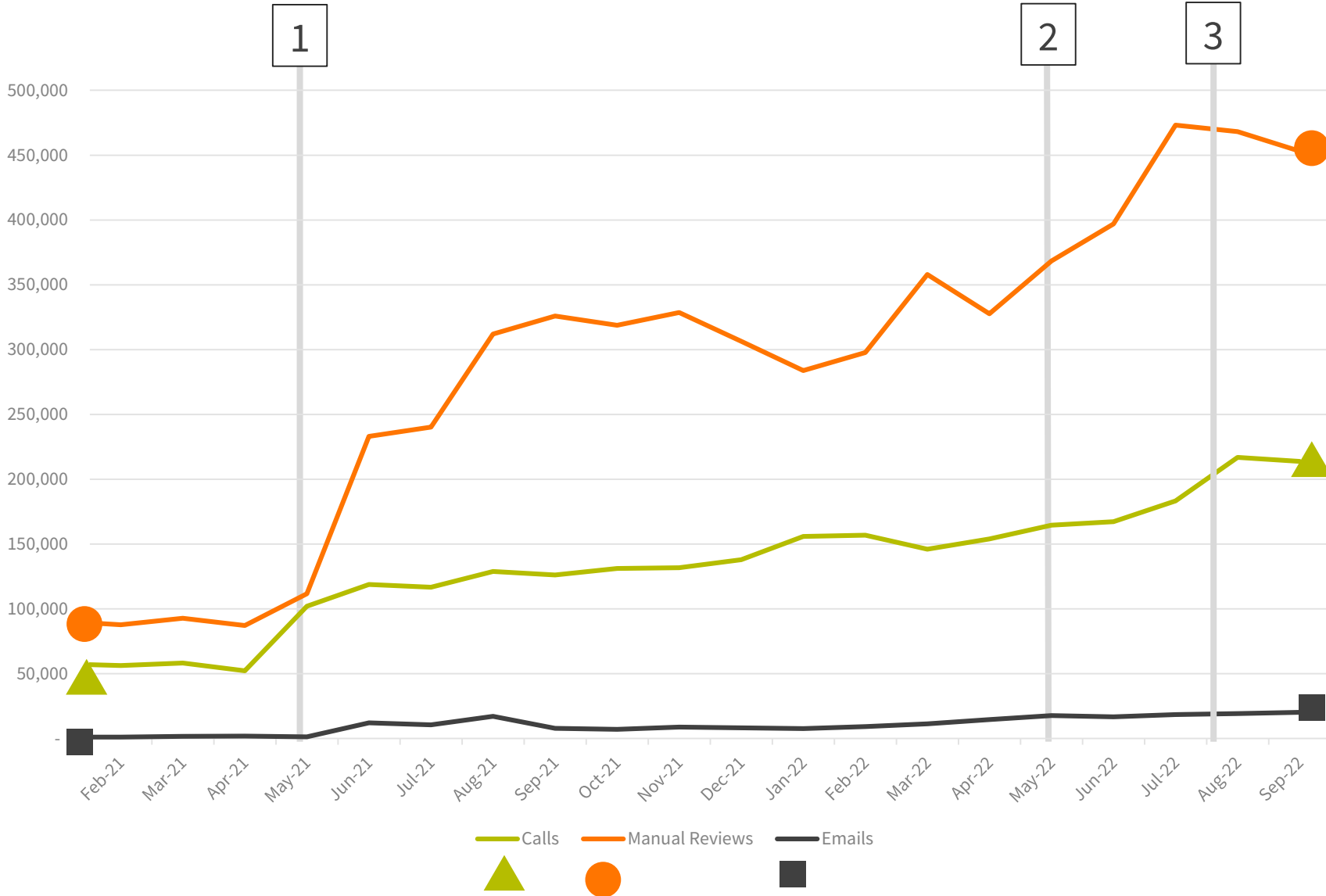
Universal Service  
Administrative Co.

# ACP Call, Manual Review, and Email Volume Trends



1. FCC enrollment initiatives for ACP coincided with higher trends for calls, manual reviews, and email volumes. We anticipate continued high support center volumes for future direct outreach to consumers with planned consumer surveys to engage eligible subscribers and related to upcoming FCC pilot programs, such as the Your Home, Your Internet Pilot Program.
2. Large outreach campaigns by the Social Security Administration have coincided with continued high volume of calls, manual reviews, and emails.
3. We project continued high volumes will continue with completion of recertification outreach efforts through year end.

# ACP Impact on Lifeline Call, Manual Review, and Emails



1. EBB Program launch in May 2021 led to an increase in Lifeline calls, manual reviews, and email volumes.
2. FCC enrollment initiatives for ACP kept Lifeline calls, manual reviews, and email volumes high.
3. Large outreach campaigns by the Social Security Administration coincided with continued high volume of calls, manual reviews, and emails for Lifeline and ACP.



# Universal Service Administrative Co.



# **Board of Directors**

Emergency Connectivity Fund Update

*Open Session*

October 25, 2022



Universal Service  
Administrative Co.

# Agenda

- Emergency Connectivity Fund (ECF) Processing Update.
- ECF Invoice Processing Update.

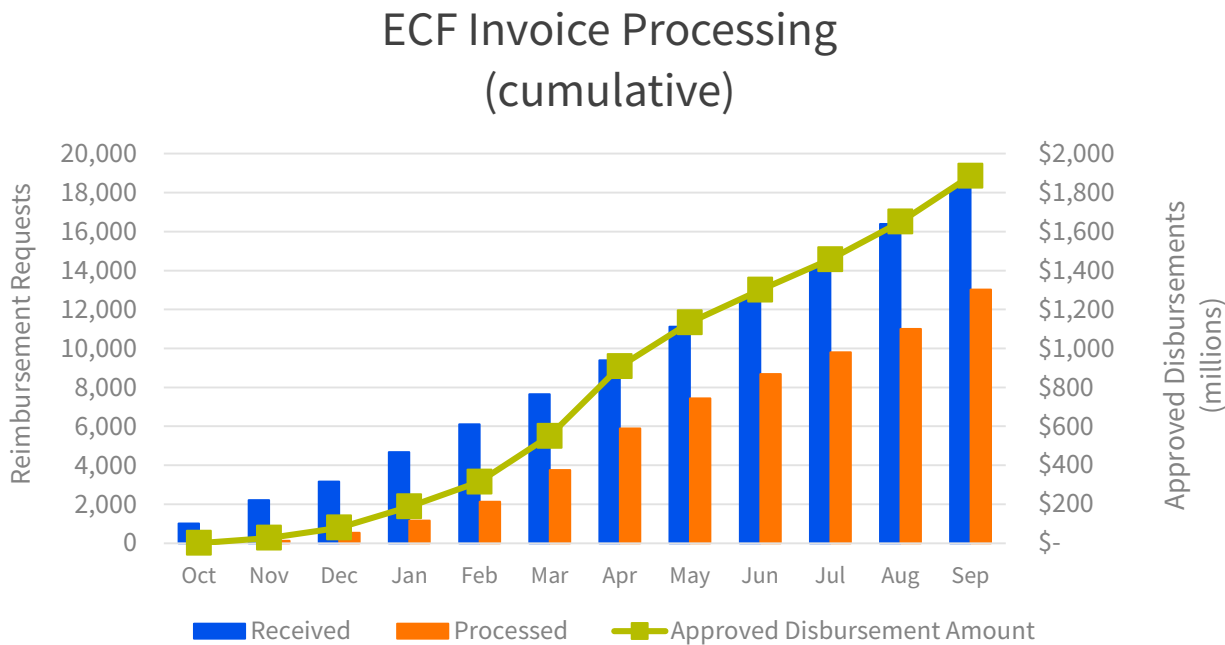
# ECF Processing Update

- Over 23,000 applications submitted requesting \$9.25 billion in three filing windows.
  - 17,235 applications committed (74.9 percent) with \$7.26 billion reviewed (78.4 percent) and \$5.67 billion committed as of September 30.

ECF Window	Applications Submitted	Applications Processed	Demand (in billions)	Committed (in billions)
Window 1 (June 29 - August 13, 2021)	10,726	10,506	\$ 5.14	\$ 3.92
Window 2 (Sept. 28 - Oct. 13, 2021)	4,145	4,064	\$ 1.29	\$ 0.80
Window 3 (April 28 - May 13, 2022)	8,134	2,665	\$ 2.82	\$ 0.95
Total	23,005	17,235	\$ 9.25	\$ 5.67

# ECF Invoice Processing Update

- Invoice submission opened October 1, 2021.
  - Over 18,000 reimbursement requests received for \$2.56 billion as of September 30.
  - Over 13,000 reimbursement requests processed for \$1.89 billion in disbursements as of September 30.



Average Invoice Processing Time (Days)	
January	55.6
February	71.4
March	65.4
April	57.5
May	45.8
June	65.5
July	71.8
August	67.4
September	58.5





**Universal Service  
Administrative Co.**



# **Board of Directors**

## IT Product Management Strategy

*Open Session*

October 25, 2022



# Agenda

- IT Product Management Strategy
- Roadmap
- Accomplishments
- Next Steps

# IT Product Management Strategy

USAC will implement a phased approach to standup a Product Management group under Information Technology division to manage all FCC demands, internal and external requirements, and cross-team communications at the portfolio level.

## Current Challenges

- Requirements are siloed and lack integrated product development.
- Distracted from core Product Management responsibility.
- Perform administrative tasks or Tier 2 production support.
- Product team is siloed and would benefit from core technical responsibilities falling under IT.

## Future State

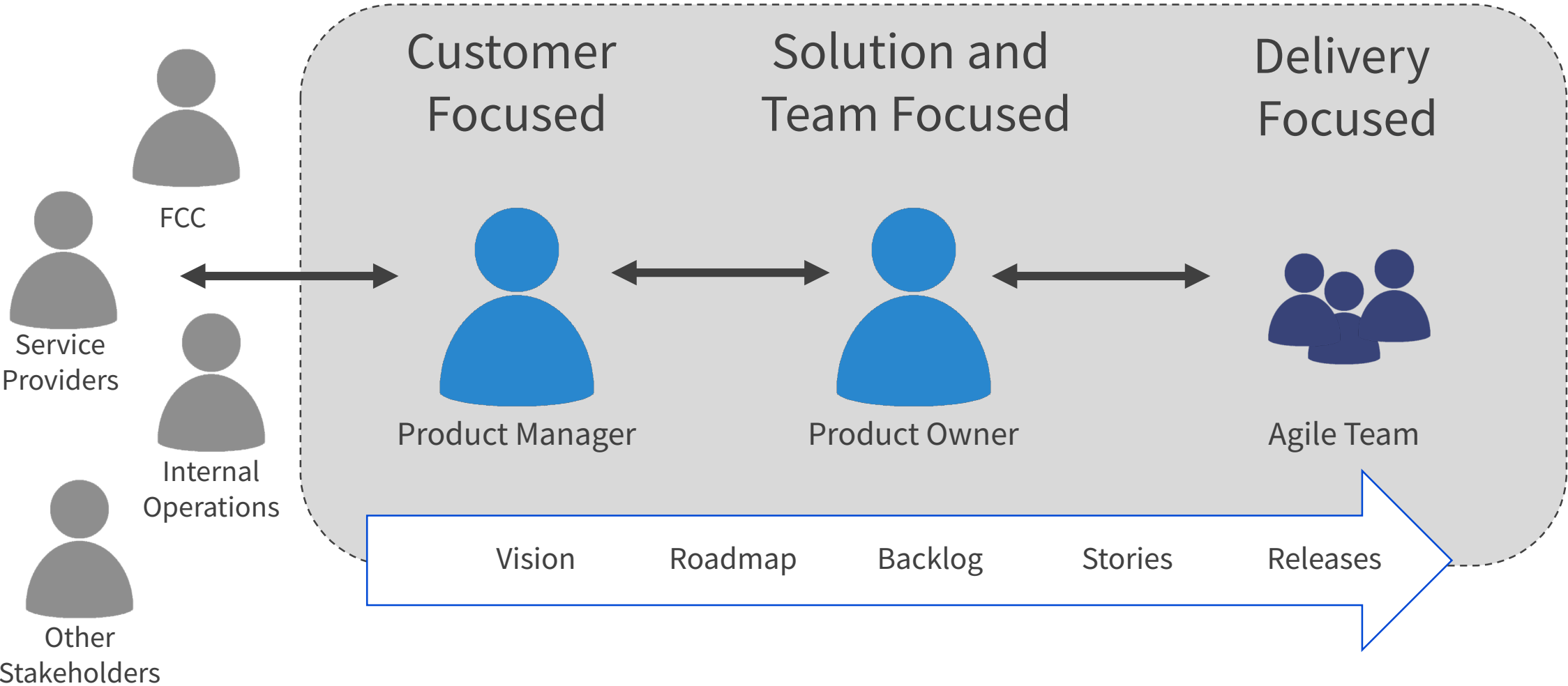
- IT and Business are better integrated.
- IT has seat at the table in front of FCC.
- Break silos and product development following Software Development Life Cycle (SDLC).
- Enterprise-focused and responsive to changes in Roadmap.
- Forward thinking and unified product management capabilities.

# IT Product Management Strategy (Continued)

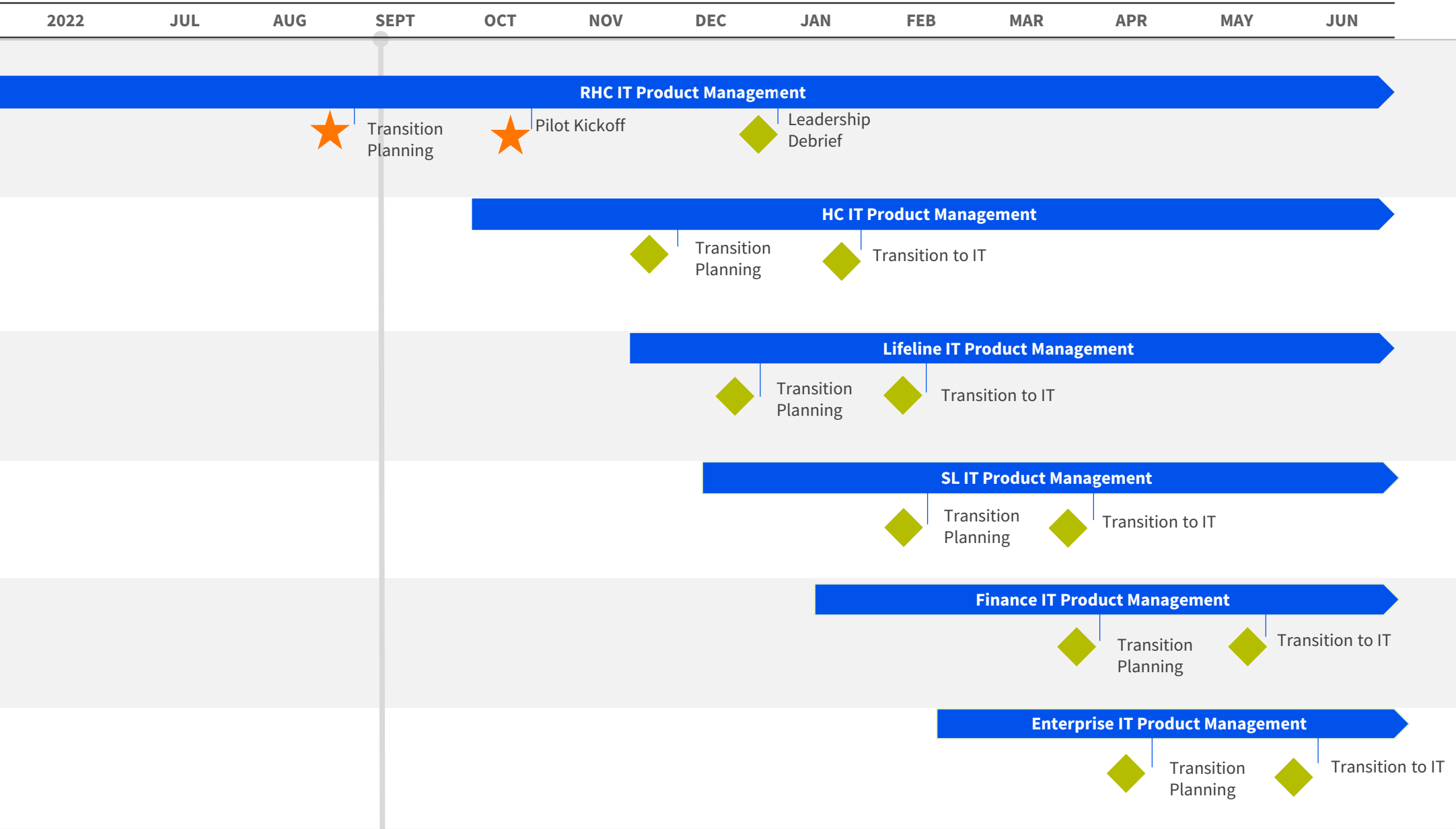
The approach to successful transition includes a focus on continuous improvement paired with change management and adoption strategies to fully enable a transition.

- As the pilot program, USAC transitioned Product Management responsibilities from the Rural Health Care (RHC) program team to the IT division. Using feedback from the RHC pilot, USAC will tailor the best practices for the rollout to other USAC programs and enterprise units.
- The new Product Management team was formed with a mix of existing IT staff and current program staff who have the experience and skillset to perform the product management roles.
- Centralize the ownership and accountability of the system requirements in the USAC SDLC process.
- Establish a playbook of activities with associated performance metrics to define desired outcomes.
- Establish MOU and Guiding Principles with IT, Business, and the FCC to achieve desired outcomes.

# IT Product Management Strategy (Continued)



# IT Product Management Strategy Roadmap



**Milestone Legend**

- At Risk
- On Track
- Completed

# Accomplishments

- Documented roles and responsibilities of the new positions.
- Documented Product Management Charter.
- Created a Product Management Playbook.
- Documented Guiding Principles/MOU between IT and the RHC program.
- Developed a Communications and Training Plan.
- Sent USAC-wide, RHC program specific, and IT specific communications.
- Informed the FCC on the engagement strategy for RHC product management transition to IT.
- Transitioned RHC Product Management to IT as of October 3, 2022.
- Developed training materials and conducted training for RHC product management team.
- Socialized the new product team structure and a target transition timeline with High Cost, E-Rate, and Lifeline programs.



# Next Steps

- Finalize the new Product Management structure for High Cost, E-Rate, and Lifeline programs.
- Meet with FCC on the engagement strategy for High Cost, E-Rate, and Lifeline programs.
- Hold an executive debrief on the RHC Pilot.
- Socialize the new Product Management structure for Finance and Enterprise support groups.
- Leverage key performance measurements and data to embrace continuous improvements.



**Universal Service  
Administrative Co.**



# Board of Directors

## Customer Relationship Management Update

*Open Session*

October 25, 2022



Universal Service  
Administrative Co.

# Agenda

- Customer Relationship Management (CRM) Overview and Benefits
- Implementation Approach
- Accomplishments and Future Plans

# CRM Overview and Benefits

- The Microsoft Dynamics 365 CRM serves as USAC's first enterprise-wide customer service platform, improving capabilities, and standardizing experiences across USAC programs.
- The CRM improves data flow into one central location to provide a more complete stakeholder profile, allowing for better case management, and improve customer satisfaction.
  - Case tracking can be viewed by case details and across program.
  - Email templates and knowledge base content provides efficient and consistent responses.
  - Surveys allow USAC to better understand email experience provided to stakeholders.
- Ability to report on case topics, escalation management, and overall responsiveness across programs benefit stakeholders. Examples:
  - 27.8% of escalations in Rural Health Care are related to the Post Commitment Changes, of which 74.4% are associated with a SPIN changes.
  - Average first response time to emails in Finance was 10 hours.

# Implementation Approach

- Development of USAC's CRM was completed in a two-phased approach.
  - Phase 1 built out High Cost, Rural Health Care, Finance, and Shared Services.
  - Phase 2 developed functionality for Lifeline/ACP (email only).
- Conducted requirement gathering with each program while ensuring that the system functions consistently and provides centralization with all participating programs.
- Collaborated with OGC, and IT Security teams to ensure system security requirements are met.
- Finished production system build-out and conducted UAT testing to validate system readiness.
- Completed full week training with USAC CRM users and call center personnel, and developed resource materials for post-training support.
- Developed go-live operational plans for implementations, covering cross-functional team communications, system troubleshooting, technical support requests, and user support.

# Accomplishments and Future Plans

- Successfully launched USAC's CRM with no service disruption to the stakeholder experience.
  - Rural Health Care, High Cost, Finance, and Shared Services (calls/emails) – August 1.
  - Lifeline, ACP (email only) – September 19.
- Implemented 30 days of Hyper Care support after each phase.
- Facilitated check-ins with call center vendors, program teams, and managed/monitored backlog of enhancement and fix requests.
- Going forward, USAC will develop proof of concepts and pilot enhanced customer service offerings that the CRM can provide.
  - Focus will be on system stability, work flow improvements, and enhancing reporting capabilities.
  - The Customer Service Portal will allow users another channel to communicate with USAC and review historical cases.
  - Chat can provide another channel of communication for short, quick answers.
  - System integration can provide agents a dashboard of the latest stakeholder data points.



**Universal Service  
Administrative Co.**