



Schools and Libraries Committee

Briefing Book

July 26, 2021

10:00 a.m.- 12:00 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
Schools & Libraries Committee Quarterly Meeting
Agenda**

<p>Monday, July 26, 2021 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

OPEN SESSION		<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="padding-left: 20px;">A. Approval of Schools and Libraries Committee Meeting Minutes of April 26, April 27, 2021</p> <p style="padding-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p>	5
Craig	<p>a2. Approval of Schools and Libraries Support Mechanism 4th Quarter 2021 Programmatic Budget and Demand Projection for the August 2, 2021 FCC Filing</p>	5
Teleshia	<p>i1. Information on Four USAC Audit and Assurance Division Schools and Libraries Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–
Craig	<p>i2. E-Rate Business Update</p> <ul style="list-style-type: none"> • Recap from April Committee Meeting • Accomplishments • Metrics • Plans for Next Quarter • Systems Update • Roadmap 	20

EXECUTIVE SESSION		
Confidential – Executive Session Recommended		
Craig	<p>i3. E-rate Business Update <i>(Continued, if needed)</i></p>	5

Next Scheduled USAC Schools & Libraries Committee Meeting

<p>Monday, October 25, 2021 10:00 a.m. – 10:45 a.m. Eastern Time USAC Offices, Washington, D.C.</p>
--

Universal Service Administrative Company
Schools & Libraries Committee Meeting

ACTION ITEM

Consent Items

Action Requested

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

Discussion

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

- A. Approval of Committee meeting minutes of April 26 and April 27, 2021 (*see Attachments A-1, and A-2*).

- B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i3** – E-rate Business Update (*Continued, if needed*). USAC management recommends that this item be discussed in *Executive Session* because it may relate to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

Upon request of a Committee member, the above item is available for discussion by the Committee.

Recommended USAC Schools & Libraries Committee Action

APPROVAL OF THE FOLLOWING RESOLUTION:

RESOLVED, that the Schools & Libraries Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of April 26 and April 27, 2021; and (2) discussion in *Executive Session* of the item noted above.

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, April 26, 2021

(DRAFT) MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore, the *Open Session* portion of the quarterly meeting of the Schools & Libraries Committee (Committee) of the USAC Board of Directors (Board) was conducted by web conference on Monday, April 26, 2021. Dr. Dan Domenech, Committee Chair, called the meeting to order at 10:37 a.m. Eastern Time, with a quorum of all nine Committee members present:

Buzacott, Alan	Mason, Ken
Choroser, Beth	Schell, Julie Tritt – Vice Chair
Domenech, Dr. Dan – Chair	Sekar, Radha – Chief Executive Officer
Fontana, Brent	Wade, Dr. Joan
Gregory, Amber	

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Freeman, Sarah – Member of the Board
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resources Program and Acting
Vice President of Shared Services
Gerst, Matthew – Member of the Board
Gillan, Joe – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Morning, Kimberly – Acting Vice President and General Counsel, and Assistant
Secretary
Polk, Stephanie – Member of the Board
Salvator, Charles – Vice President, Chief Financial Officer, and Assistant Treasurer
Skriwan, Michael – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care

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

Waller, Jeff – Member of the Board
Wein, Olivia – Member of the Board
Wibberly, Dr. Kathy – Member of the Board

Others present:

<u>NAME</u>	<u>COMPANY</u>
Alfred, Kraynal	USAC
Ayer, Catriona	USAC
Crawford, Katherine	USAC
DiVo, Victor	USAC
Glisson, Connor	USAC
Goode, Vernell	USAC
Hargraves, Sabrina	Federal Communications Commission
Hilton, David	KPMG
James, Christine	USAC
Kahn, Benjamin	Broadband Breakfast
Kriete, Debra	State E-Rate Coordinators' Alliance
Krueger, Katie	KPMG
Lee, James	USAC
LeNard, David	E-Rate Elite Services, Inc.
Mitchell, Tamika	USAC
Nuzzo, Patsy	USAC
Pace, Regina	USAC
Rovetto, Ed	USAC
Schultz, Cynthia	Broadband Law Group, PLLC
Scott, Latoya	Federal Communications Commission
Sherwood, Nicole	USAC
Spead, Laura	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

- a1. Consent Items.** Dr. Domenech presented this item for consideration.
- A.** Approval of Schools and Libraries Committee Minutes of January 25, January 26, and April 9, 2021.
 - B.** Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i3** – E-rate Business Update (*Continued*). USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential*

Available For Public Use

company data and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

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

RESOLVED, that the Schools & Libraries Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of January 25, January 26 and April 9, 2021; and (2) discussion in *Executive Session* of the item noted above.

- a2. **Approval of Schools and Libraries Support Mechanism 3rd Quarter 2021 Programmatic Budget and Demand Projection for the April 30, 2021 FCC Filing.** Mr. Davis presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Schools and Libraries Support Mechanism 3rd Quarter 2021 programmatic budget and demand projection for the April 30, 2021 FCC Filing.

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

RESOLVED, that the USAC Schools and Libraries Committee approves a 3rd Quarter 2021 Schools and Libraries Support Mechanism direct program budget of \$10.87 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee directs USAC staff to submit a collection requirement of \$10.87 million for Schools and Libraries Support Mechanism administrative costs in the required April 30, 2021 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee, having reviewed at its meeting on April 26, 2021 the 3rd Quarter 2021 Schools and Libraries Support Mechanism demand estimate of \$579.84 million, hereby directs USAC staff to proceed with the required April 30, 2021 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the total variance for the Schools and Libraries Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i1. Information on 10 USAC Audit and Assurance Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Ms. Schell expressed concern that there may be confusion as to whether beneficiaries are required to obtain USAC approval prior to equipment transfer, and noted that there have been audit findings reporting equipment transfer violations on these grounds. Julie Tritt Schell indicated she would send USAC management examples of such findings. Ms. Delmar indicated that she would review the issue offline.
- i2. E-Rate Business Update.** Mr. Davis presented PowerPoint slides covering the following items to the Committee:
- Accomplishments
 - FY 2021 Filing Window Overview
 - Metrics
 - Plans for Next Quarter
 - Roadmap
 - System Update

Ms. Gregory asked if there was an explanation of why applications numbers were down for FY 2021. Dr. Wade asked if USAC looked for gaps in applications across the country. Mr. Davis noted that limited analysis had been done in the past and acknowledged that mapping gaps would be helpful to identify core pockets where services may be needed.

At 11:14 a.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned until April 27, 2021 at approximately 10:10 a.m. Eastern Time.

/s/ Kimberly Morning
Assistant Secretary

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Tuesday, April 27, 2021

(DRAFT) MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore, the *Executive Session* portion of the quarterly meeting of the Schools & Libraries Committee (Committee) of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, April 27, 2021. The Committee meeting continued from the April 26, 2021 *Open Session* portion of the meeting. Dr. Dan Domenech, Committee Chair, called the meeting to order at 10:17 a.m. Eastern Time, with a quorum of all nine Committee members present:

Buzacott, Alan	Mason, Ken
Choroser, Beth	Schell, Julie Tritt – Vice Chair
Domenech, Dr. Dan – Chair	Sekar, Radha – Chief Executive Officer
Fontana, Brent	Wade, Dr. Joan
Gregory, Amber	

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Feiss, Geoff – Member of the Board
Freeman, Sarah – Member of the Board
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resource Program and Acting Vice President of Shared Services
Gerst, Matthew – Member of the Board
Gillan, Joe – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Jacobs, Ellis – Member of the Board
Morning, Kimberly – Acting Vice President and General Counsel, and Assistant Secretary

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

Salvator, Charles – Vice President, Chief Financial Officer, and Assistant Treasurer
Skriwan, Michael – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care
Waller, Jeff – Member of the Board
Wein, Olivia – Member of the Board
Wibberly, Dr. Kathy – Member of the Board

Others present:

<u>NAME</u>	<u>COMPANY</u>
Ayer, Catriona	USAC
DiVo, Victor	USAC
Glisson, Connor	USAC
Goode, Vernell	USAC
James, Christine	USAC
Lee, James	USAC
Mitchell, Tamika	USAC
Nuzzo, Patsy	USAC
Pace, Gina	USAC
Samuels, Victoria	USAC
Sherwood, Nicole	USAC
Tiwari, Tanya	USAC

OPEN SESSION

At 10:17 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into **Executive Session** for the purpose of discussing confidential items. The Committee approved discussing confidential items in **Executive Session** on Monday, April 26, 2021. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- i3. **E-rate Business Update (Continued).** Mr. Davis presented this item to the Committee for discussion. The presentation provided responses to questions asked during the January quarterly Schools and Libraries Committee meeting regarding observations on the Fund Year 2020 second filing window.

OPEN SESSION

At 10:28 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved out of **Executive Session** and immediately reconvened in **Open Session**, at which time Dr. Domenech reported that in **Executive Session**, the Committee discussed item i3.

On a motion duly made and seconded, the Committee adjourned at 10:29 a.m. Eastern Time.

/s/ Kimberly Morning
Assistant Secretary

**Universal Service Administrative Company
Schools and Libraries Committee Meeting**

ACTION ITEM

**Approval of Schools and Libraries Support Mechanism
4th Quarter 2021 Programmatic Budget and
Demand Projection for the August 2, 2021 FCC Filing**

Action Requested:

The Schools and Libraries Committee (Committee) of the USAC Board of Directors (Board) is requested to approve the 4th Quarter 2021 (4Q2021) programmatic budget and demand projection for the Schools and Libraries Support Mechanism for submission to the Federal Communications Commission (FCC) in USAC's August 2, 2021 quarterly filing.

Discussion:

On a quarterly basis, USAC is required to submit to the FCC each program's budget¹ and projected demand for the upcoming quarter.²

Funding Requirement

USAC estimates the 4Q2021 funding requirement for the Schools and Libraries Support Mechanism as follows:

¹ See 47 C.F.R. § 54.715(c).

² See 47 C.F.R. § 54.709(a)(3).

Table A. Program Funding Requirement

<i>(in millions)</i>	3Q2021	Increase/ (Decrease)	4Q2021	Notes
Steady State:				
Program Funding Requirement	\$573.39	\$0.00	\$573.39	See Note 1 and Table B
New Requirements:				
N/A	0.00	0.00	0.00	
Total Program Funding Requirement	\$573.39	\$0.00	\$573.39	
Prior Period Adjustments (difference between projections and actuals):				
Billings	(7.77)	13.38	5.61	
Interest Income	(0.01)	(0.00)	(0.01)	
Bad Debt Expense	(5.65)	0.50	(5.15)	
Total Prior Period Adjustments	(13.43)	13.88	0.45	
USAC Administrative Expenses	19.88	0.42	20.30	See Table C
Total Funding Requirement	\$579.84	\$14.30	\$594.14	

Note 1: The Program Funding Requirement represents one quarter of the total funding requirement for Funding Year 2021 of \$2,793.54 million, less \$500 million available to carry forward to meet demand for Funding Year 2021. *See* Table B below for additional detail.

Note 2: Table B is an annual schedule that is updated once a year for the April Board meeting.

Table B. Funding Year 2021 Program Funding Requirement and Roll Forward

<i>(in millions)</i>	Fund Year 2021
Total Requested (In Window)	\$3,027.23
Decrease for Denials/Cancellations (based on 5 yr average)	(346.74)
Increase for Out of Window Apps (based on 5 yr average)	113.05
Estimated Demand	\$2,793.54
Less Roll Forward	
Available Funds from Prior Fund Year	\$2,813.05
Disbursements	(2,173.59)
Reserved Funds, Net Change	
a. Pending Applications to Process	(10.63)
b. Unliquidated Obligations (ULOs)	(154.90)
c. Appeals Reserve - USAC Appeals	(19.71)
d. Appeals Reserve - FCC Appeals	(26.25)
e. Unpaid Invoices	72.03
Total Roll Forward	\$500.00
Funding Year 2021 Collection Requirement	\$2,293.54

Based on projected burn rate, USAC estimates the following 4Q2021 programmatic budget:

Table C. Quarterly Programmatic Budget

<i>(in millions)</i>	3Q2021 Budget	Increase/ Decrease	4Q2021 Budget	Notes
Direct Program Costs				
Employee Expenses	\$2.14	\$0.25	\$2.39	
Professional Services	3.78	0.00	3.78	
General & Administrative	0.00	0.00	0.00	See Note 3
Total Direct Program Costs	\$5.92	\$0.25	\$6.17	
Direct Assigned Costs				
Employee Expenses	\$0.94	\$0.09	\$1.03	
Professional Services	3.41	(0.34)	3.07	
General & Administrative	0.60	0.00	0.60	See Note 3
Total Direct Assigned Costs	\$4.95	(\$0.25)	\$4.70	
Total Direct Program & Direct Assigned Costs	\$10.87	\$0.00	\$10.87	
Common Allocated Costs	\$9.01	\$0.42	\$9.43	
Total Programmatic Budget	\$19.88	\$0.42	\$20.30	

Note 3: General & Administrative expenses include computer support & maintenance and meetings & conferences.

A comparison of actual expenditures to the budget for the six months ending June 30, 2021 is provided in **Attachment 1**.

Recommendation:

USAC management recommends that the Committee approve the 4Q2021 budget and projection of demand as proposed.

Recommended Schools and Libraries Committee Actions:

APPROVAL OF THE FOLLOWING RESOLUTIONS:

RESOLVED, that the USAC Schools and Libraries Committee approves a 4th Quarter 2021 Schools and Libraries Support Mechanism direct program budget of \$10.87 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee directs USAC staff to submit a collection requirement of \$10.87 million for Schools and Libraries Support Mechanism administrative costs in the required August 2, 2021 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee, having reviewed at its meeting on July 26, 2021 the 4th Quarter 2021 Schools and Libraries Support Mechanism demand estimate of \$594.14 million, hereby directs USAC staff to proceed with the required August 2, 2021 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the total variance for the Schools and Libraries Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

ATTACHMENT 1

Schools and Libraries Administrative Costs and Headcount
Comparison of Actual Expenditures and Headcount to the Budget for the
Six Months Ending June 30, 2021

<i>(\$ in millions)</i>	FTE Actual	FTE Budget	FTE Variance	YTD Actual	YTD Budget	Variance
Direct Program Costs						
Employee Expenses	58	61	3	\$3.74	\$4.32	\$0.58
Professional Services (Note 4)				8.43	7.56	(0.87)
General & Administrative (Note 5)				0.00	0.00	0.00
Total Direct Program Costs				\$12.17	\$11.88	(\$0.29)
Direct Assigned Costs						
Employee Expenses	18	21	3	\$1.28	\$1.81	\$0.53
Professional Services (Note 4)				4.64	7.15	2.51
General & Administrative (Note 5)				1.21	1.17	(0.04)
Total Direct Assigned Costs				\$7.13	\$10.13	\$3.00
Total Direct Program & Direct Assigned Costs	76	82	6	\$19.30	\$22.01	\$2.71
Common Allocated Costs (Note 6)				\$14.80	\$17.52	\$2.72
Total Programmatic Budget				\$34.10	\$39.53	\$5.43

Note 4: Direct Program Professional Services include Business Process Outsourcing (BPO) and Project Management Office (PMO) contracts. Direct Assigned Professional Services include E-Rate Productivity Center (EPC) operations & maintenance, beneficiary & contributor audit program audits, and IT contract labor.

Note 5: General & Administrative expenses include computer support & maintenance, printing & postage, and meetings & conferences.

Note 6: Common costs include costs not directly attributable to a program and are allocated based on the Cost Allocation Methodology, which allocates costs based 50% on direct program costs in the prior year and 50% on program demand in the prior year. Actual common allocated costs reflect a reduction for costs allocated to the appropriated programs.

Available for Public Use



Schools and Libraries Committee

E-Rate Business Update

Open Session

July 26, 2021



Universal Service
Administrative Co.

Available for Public Use

Agenda

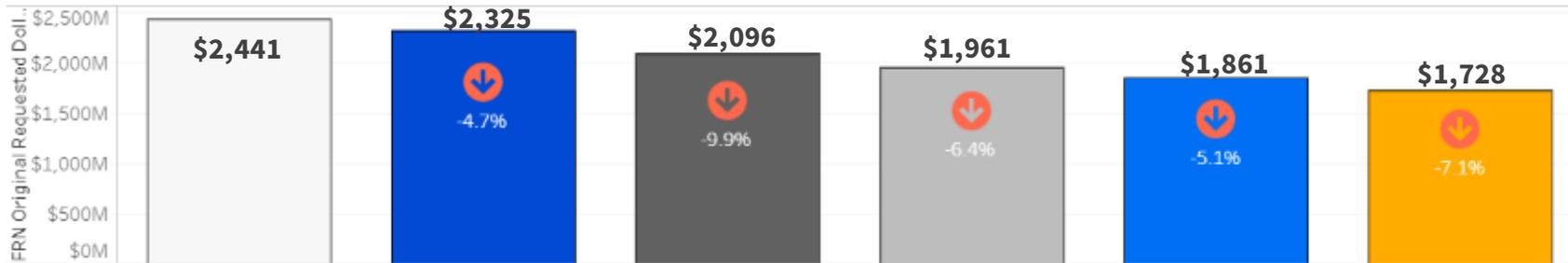
- Recap from April 2021 Committee Meeting
- Accomplishments
- Metrics
- Plans for Next Quarter
- Systems Update
- Roadmap

Recap of April 2021 Committee Meeting

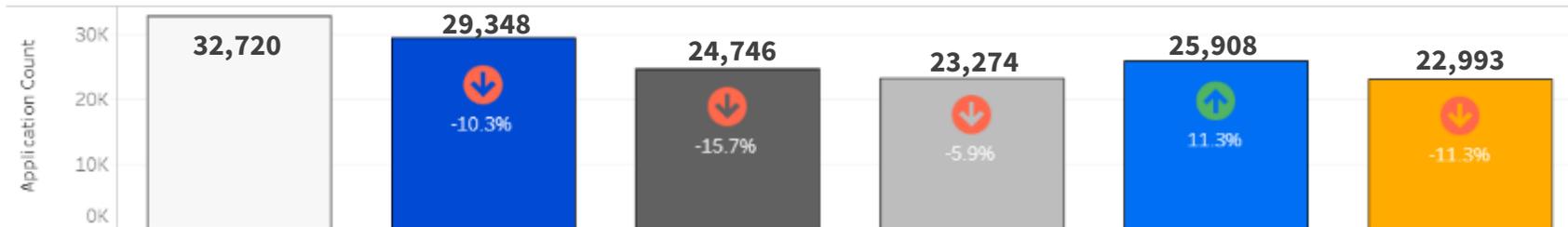
- Board requested insight into reduction in Category One requests and dollars requested.

Recap of April 2021 Committee Meeting (Continued)

Category 1 Demand (Requested Dollars) by FY



Category 1 Application Count by FY



Category 1 Recipient Entities Served by FY

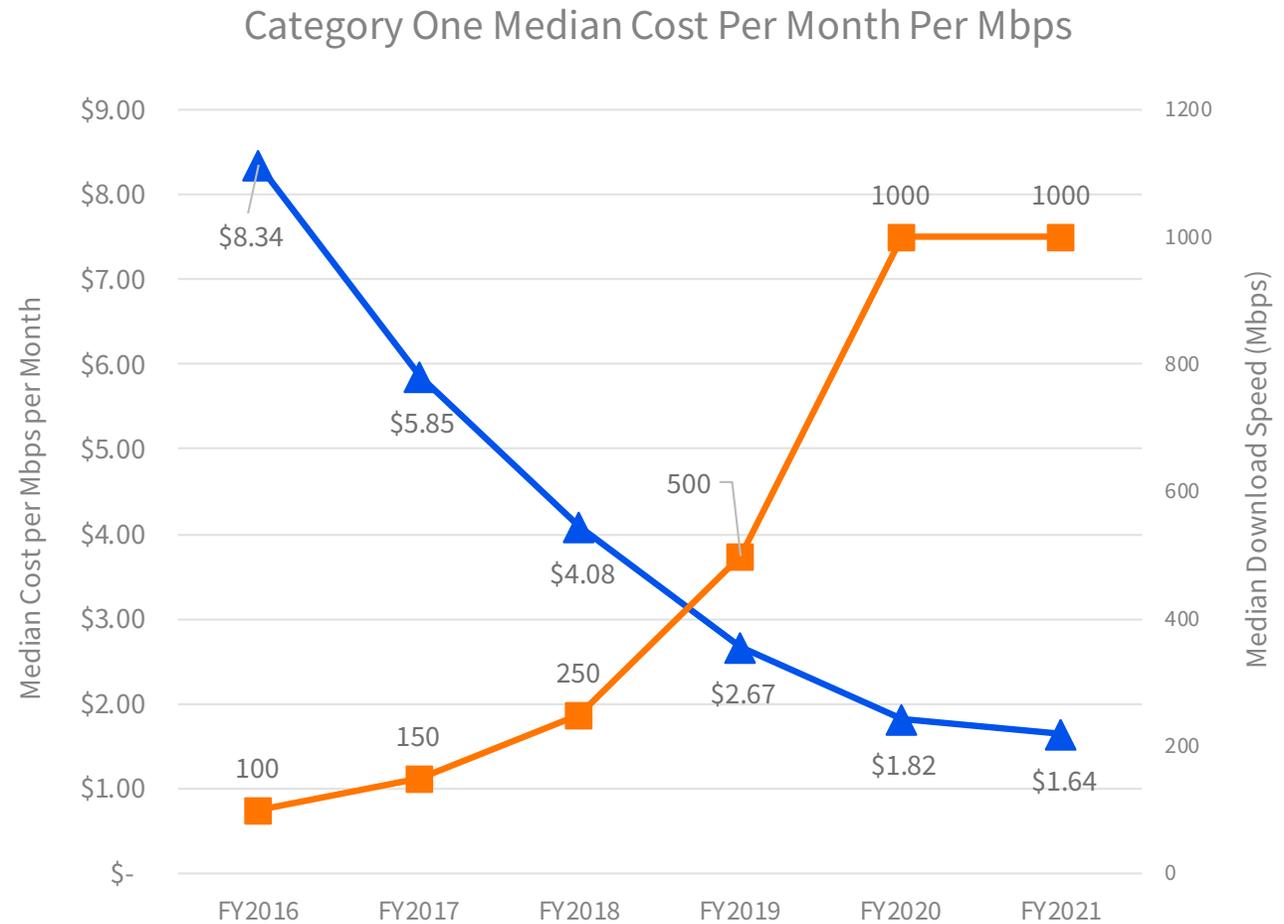


- Decline for requested dollars due to lower broadband costs over time.
- Decline in apps submitted may be due to more efficiency from applicants to bundle requests on fewer applications.
- Recipients of service (ROS) remain steady regardless of number of apps submitted.

Note: FY2020 includes COVID window applications, which were all Category One. When only Window One apps are considered, decline for FY2021 is 2.96%.

Recap of April 2021 Committee Meeting (Continued)

- Category One median cost per month per Mbps continues to drop each funding year.
- Bandwidth continues to increase at a lower cost per Mbps each funding year.



Note: Median data excludes outliers that may skew data.

Accomplishments

- Processed 80.6 percent of FY2021 applications and 51 percent of requested dollars
 - 64 percent of Fiber apps completed (686 of 1,072); 32 percent of requested dollars reviewed (\$104 million of \$322 million)
 - 60 percent of Consortium apps completed (960 of 1,610); 27 percent of requested dollars reviewed (\$114 million of \$426 million)
- FY2020 Administration – Substantially complete
 - Delayed processing due to pandemic response extensions
- Authorized disbursements of \$501 million for over 71,000 invoice lines for all funding years in 2Q2021

Metrics

		Total Applications Received	Dollars Submitted (millions)	Total Applications Processed	Dollars Reviewed (millions)	Dollars Committed (millions)	Workable Aging > 60 Days
Commitments	FY 2021	36,172	\$3,102	29,799	\$1,648	\$1,509	6,058
	FY 2020*	40,937	\$3,054	40,391	\$3,054	\$2,358	369
	FY 2016-2019	158,533	\$12,669	158,322	\$12,640	\$9,797	22

		Total Invoices Received	Dollars Submitted (millions)	Total Invoices Processed	Dollars Processed (millions)	Workable Dollars Outstanding (millions)	Workable Aging > 60 Days
Disbursements	CY 2021	43,767	\$1,136	40,359	\$1,006	\$108	1,693
	CY 2020	86,678	\$2,349	84,854	\$2,314	\$23.8	1,628
	CY 2016-2019	522,815	\$11,714	520,049	\$11,623	\$4.7	24

Note: *FY 2020 includes Window 1 and Window 2 (COVID-19) applications.

Plans for Next Quarter

- FY2021 Administration
 - Continue processing funding requests with target to complete all workable applications by September 1
- Implement FCC Form updates including FCC Form 471
- Continue to drive down processing holds and aged customer service cases with focused efforts to work across teams
- Continue processing prior-year applications, appeals, commitment adjustments, and other program transactions

Systems Update

E-Rate IT High-Level Project Status

Completed

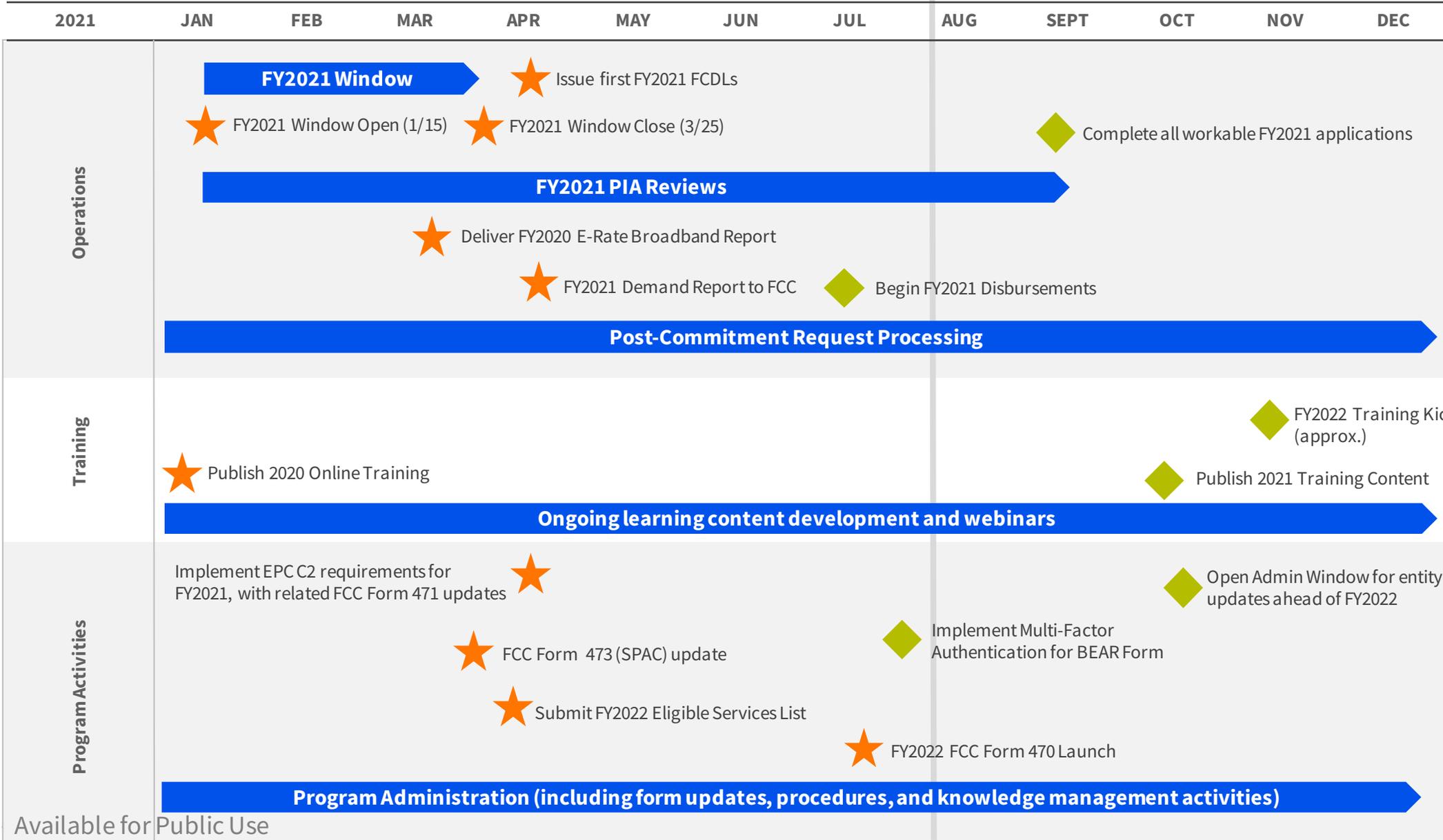
- **FCC Form 470 FY2022:** Implemented improvements to the drop-downs associated with the FCC Public Notice of October 2019.
- **FCC Form 500 Updates – Equipment Transfer:** Updated form submission options based on several scenarios around whether the equipment transfer date is before or after July 1, 2021.
- **Controls for Account Administrators and Inactive Emails:** Ensures EPC will no longer send email notifications to users who have opted out of the E-Rate program.

Systems Update (Continued)

E-Rate IT High-Level Project Status

Active Projects	Project Status	Target Production Date	Project Updates & Risks
MFA for BEAR Pin Removal: PIN is no longer needed since BEAR is behind a password portal (MFA). Project removes PIN requirement and any subsidiary PIN associated tools from the FCC Form 472.	Ready to deploy	July 8, 2021	N/A
C2 Budget Recalculations: Enable budgeted entities to request or cancel a new budget and update C2 budget recalculation accordingly.	In Requirements	Sept. 24, 2021	N/A

Roadmap



Milestone Legend

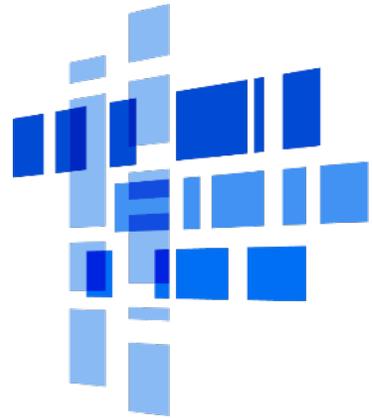
- ▲ At Risk
- ◆ On Track
- ★ Completed

Appendix A: Glossary of Terms

Term	Definition
BEAR	Billed Entity Applicant Reimbursement (FCC Form 472)
BMIC	Basic Maintenance of Internal Connections
C1	Category One services (Data transmission and Internet access services)
C2	Category Two services (Internal connections, BMIC, MIBS)
CY	Calendar Year
EPC	E-Rate Productivity Center
FCDL	Funding Commitment Decision Letter
FRN	Funding Request Number

Appendix A: Glossary of Terms (Continued)

Term	Definition
FY	Funding Year
IC	Internal Connections
MFA	Multi-Factor Authentication
MIBS	Managed Internet Broadband Services
SPAC	Service Provider Annual Certification (FCC Form 473)
SPIN	Service Provider Identification Number
UAT	User Acceptance Testing



**Universal Service
Administrative Co.**