



# Schools & Libraries Committee

## Briefing Book

Monday, January 30, 2023

12:30 p.m. – 1:25 p.m. Eastern Time

Available for Public Use

USAC Offices

700 12th Street NW, Suite 900

Washington, D.C. 20005

**Universal Service Administrative Company  
Schools & Libraries Committee  
Quarterly Meeting  
Agenda**

<p><b>Monday, January 30, 2023</b>  <b>12:30 p.m. – 1:25 p.m. Eastern Time</b>  <b>USAC Offices</b>  <b>700 12th Street, N.W., Suite 900</b>  <b>Washington, D.C. 20005</b></p>
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<b>OPEN SESSION</b>		<i>Estimated Duration in Minutes</i>
Chair	<p><b>a1.</b> Consent Items (each available for discussion upon request):  <b>A.</b> Approval of Schools &amp; Libraries Committee Meeting Minutes of October 24, 2022  <b>B.</b> Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p>	5
Chair	<p><b>a2.</b> Recommendation for Election of Committee Chair and Vice Chair</p>	5
Craig	<p><b>a3.</b> Approval of Schools and Libraries Support Mechanism 2nd Quarter 2023 Programmatic Budget and Demand Projection for the January 31, 2023 FCC Filing</p>	5
Teleshia	<p><b>i1.</b> Information on Two USAC Audit and Assurance Division Schools and Libraries Support Mechanism Beneficiary Audit Reports   <i>(For Information Only)</i></p>	–
Craig	<p><b>i2.</b> E-Rate Business Update</p> <ul style="list-style-type: none"> <li>• 2022 Year in Review</li> <li>• Funding Year 2023 Window</li> <li>• Plans for Next Quarter</li> <li>• Roadmap</li> <li>• Appendix: Program Metrics</li> </ul>	20

<b>EXECUTIVE SESSION</b>		
<b>Confidential – Executive Session Recommended</b>		
Kyle	<p><b>i3.</b> E-Rate Business Update <i>(Continued)</i></p> <ul style="list-style-type: none"> <li>• E-Rate Legacy System Consolidation</li> </ul>	10
Craig	<p><b>a4.</b> Approval of Schools and Libraries Support Mechanism 2023 Annual Programmatic Budget</p>	10

**Next Scheduled USAC Schools & Libraries Committee Meeting**

<p><b>Thursday, April 20, 2023</b>  <b>USAC Offices, Washington, D.C.</b></p>
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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 October 24, 2022 (*see Attachment A-1*).
- 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 may relate 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.
  - (2) **a4** – Approval of Schools and Libraries Support Mechanism 2023 Annual Programmatic Budget. USAC management recommends that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.

Upon request of a Committee member, any one or more of the above items are 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 October 24, 2022; and (2) discussion in *Executive Session* of the items noted above.

Available for Public Use

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

**SCHOOLS & LIBRARIES COMMITTEE MEETING**  
**Monday, October 24, 2022**

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

The quarterly meeting of the Schools & Libraries Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, October 24, 2022. Dr. Dan Domenech, Committee Chair called the meeting to order at 11:51 a.m. Eastern Time, with a quorum of eight of nine Committee members present:

Buzacott, Alan	Mason, Ken
Fontana, Brent – <i>by telephone</i>	Schell, Julie Tritt – Vice Chair
Domenech, Dr. Dan – Chair	Sekar, Radha – Chief Executive Officer
Gregory, Amber	Wade, Dr. Joan

Member of the Committee not present:

Choroser, Beth

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer  
Butler, Stephen – Vice President of Shared Services  
Chalk, Indra – Member of the Board  
Davis, Craig – Vice President of Schools and Libraries  
Delmar, Teleshia – Vice President of Audit and Assurance – *by telephone*  
Feiss, Geoff – Member of the Board  
Freeman, Sarah – Member of the Board  
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and  
Assistant Treasurer  
Gillan, Joe – Member of the Board  
Skrivan, Michael – Member of the Board  
Sweeney, Mark – Vice President of Rural Health Care  
Waller, Jeff – Member of the Board – *by telephone*  
Wein, Olivia – Member of the Board

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

Wibberly, Dr. Kathy – Member of the Board – *by telephone*  
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

Others present:

<u>NAME</u>	<u>COMPANY</u>
Augustino, Steven – <i>by telephone</i>	Nelson Mullins
Benham, Cathy	CSM
Bolling, Christopher – <i>by telephone</i>	USAC
Braxton, Carolyn	USAC
Carlin, Tyler – <i>by telephone</i>	KPMG
Case, Kevin – <i>by telephone</i>	USAC
Evirgen, Danielle – <i>by telephone</i>	Frontier Communications
Glisson, Connor – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Hernandez, Katie – <i>by telephone</i>	Montana Public Service Commission
Lacey-Morning, Kimberly – <i>by telephone</i>	Morgan Lewis
LeNard, Dave – <i>by telephone</i>	CDW-G
Little, Christopher	USAC
Nuzzo, Patsy	USAC
Phillippi, Megan	USAC
Rovetto, Ed – <i>by telephone</i>	USAC
Sadirkhanova, Sabina – <i>by telephone</i>	USAC
Spade, Gina – <i>by telephone</i>	Broadband Legal Strategies, LLC
Wilson Jr., Jerusa Carl	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 Committee meeting minutes of July 25, 2022.
  - B.** Approval of moving all *Executive Session* items into *Executive Session*:
    - (1) **i3** – E-Rate Business Update (*Continued, if needed*). USAC management recommended 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, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

- (2) **a4** – Consideration to Exercise the Fourth and Final Option Year of the Schools & Libraries Program Business Process Outsourcing Services. USAC management recommended that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.

C. Consideration and Approval of One Routine Procurement.

- (1) Approval of the Consideration to Exercise the Fourth and Final Option Year of the Schools & Libraries Program Business Process Outsourcing Services. The resolution is provided in aSL04cf.

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 July 25, 2022; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of one routine procurement as presented in item aSL04cf.

- a2. Approval of Schools and Libraries Support Mechanism 1st Quarter 2023 Programmatic Budget and Demand Projection for the November 2, 2022 Federal Communications Commission (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 1st Quarter 2023 programmatic budget and demand projection for the November 2, 2022 FCC Filing.

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

**RESOLVED**, that the USAC Schools & Libraries Committee approves a 1st Quarter 2023 Schools and Libraries Support Mechanism direct program budget of \$8.90 million; and

**RESOLVED FURTHER**, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$8.90 million for Schools and Libraries Support Mechanism administrative costs in the required November 2, 2022 filing to the Federal Communications Commission on behalf of the Committee; and

**RESOLVED FURTHER**, that the USAC Schools & Libraries Committee, having reviewed at its meeting on October 24, 2022 the 1st Quarter 2023 Schools and Libraries Support Mechanism demand estimate of

\$697.13 million, hereby directs USAC staff to proceed with the required November 2, 2022 filing to the Federal Communications Commission 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.

- a3. Consideration of Funding Year 2023 Filing Window Dates.** Mr. Davis presented this item for consideration. He requested authorization for USAC to open the Funding Year (FY) 2023 application filing window no earlier than January 2023, and to close the window no earlier than March 2023.

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

**RESOLVED**, that the USAC Schools & Libraries Committee accepts the recommendation of USAC management to open the Funding Year 2023 filing window open no earlier than January 2023 and to close the Funding Year 2023 filing window no earlier than March 2023, subject to the requirements of Section 54.502 of the Commission's rules; and

**RESOLVED FURTHER**, that upon consultation with the Committee Chair, USAC management is authorized to adjust the Funding Year 2023 filing window opening and closing dates, as circumstances may warrant.

- i1. Information on Six USAC Audit and Assurance Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes only*. Dr. Domenech noted that the Schools and Libraries Audit Briefing Book would be made public and posted to the USAC website.
- i2. E-Rate Business Update.** Mr. Davis presented PowerPoint slides to the Committee covering the following items:
- Accomplishments
  - Fiber Trends
  - Funding Year 2023 Readiness
  - Legacy Consolidation Project Update
  - Plans for Next Quarter
  - Roadmap

At 12:23 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into ***Executive Session*** for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

**EXECUTIVE SESSION**

- i3. **E-Rate Business Update** (*Continued, if needed*). The Committee determined that continued discussion in Executive Session was not needed.
- a4. **Consideration to Exercise the Fourth and Final Option Year of the Schools & Libraries Program Business Process Outsourcing Services.** No additional discussion was held on this item. The Committee adopted the following resolution as part of the Consent Items:

**RESOLVED**, that the Schools and Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the fourth and final one-year option term of the Schools and Libraries Division Business Process Outsourcing contract with Maximus Federal Services, Inc. for a total not-to-exceed amount of \$15,915,155.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount of the contract from \$76,793,865.00 (plus applicable taxes) to \$92,709,020.00 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval.

**OPEN SESSION**

At 12:26 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Domenech reported that no items were discussed and no actions were taken in *Executive Session*.

On a motion duly made and seconded, the Committee adjourned at 12:26 p.m. Eastern Time.

/s/ Erin Williams  
Assistant Secretary



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

**ACTION ITEM**

**Recommendation for Election of  
Committee Chair and Vice Chair**

**Action Requested**

The USAC Schools & Libraries Committee (Committee) is taking action to bring its Chair and Vice Chair nominations for consideration by the full Board of Directors (Board) at the Board meeting to be held on January 31, 2023.

**Discussion**

The pertinent resolution related to the election of committee chair and vice chair positions was adopted by the Board on January 25, 2000, and reads as follows:

**RESOLVED**, that the USAC Board of Directors accepts the recommendations of the USAC Nominating Committee that: (1) in addition to the annual election of officers, all Committee chairs and vice chairs shall also be elected annually; (2) the first election for Committee chairs and vice chairs shall occur at the election of officers at the January 2001 Board of Directors meeting; (3) there shall be no term limits imposed on officer and Committee chair and vice-chair positions; and (4) there shall be no automatic succession of positions...<sup>1</sup>

On January 25, 2022, the Board elected Dr. Dan Domenech as Chair and Julie Tritt Schell as Vice Chair of the Schools & Libraries Committee.

At their January 30, 2023 quarterly meetings, each committee of the Board (including the Audit Committee and each of the programmatic committees) will nominate Board members to serve as chair and vice chair of their respective committees. Those recommendations will be submitted to the Board at the Board meeting to be held on January 31, 2022.

**Recommended USAC Schools & Libraries Committee Action**

APPROVAL OF THE FOLLOWING RESOLUTION:

**RESOLVED**, that the USAC Schools & Libraries Committee recommends that the USAC Board of Directors elect \_\_\_\_\_ as Chair and \_\_\_\_\_ as Vice Chair of the Committee. The term for each position \_\_\_\_\_

<sup>1</sup> USAC Board of Directors Meeting Minutes, at 4 (Jan. 25, 2000), *available at* <https://www.usac.org/about/leadership/board-minutes/>.

begins immediately upon the election to such position by the Board and ends at such time as the Chair or Vice Chair (as the case may be): (i) is replaced by a successor selected by the Board, (ii) resigns from the Committee or the Board, (iii) is removed by resolution of the Board, or (iv) is no longer a member of the Board (whichever comes first).

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

**ACTION ITEM**

**Approval of Schools and Libraries Support Mechanism  
2<sup>nd</sup> Quarter 2023 Programmatic Budget and  
Demand Projection for the January 31, 2023 FCC Filing**

**Action Requested**

The Schools & Libraries Committee (Committee) of the USAC Board of Directors (Board) is requested to approve the 2nd Quarter 2023 (2Q2023) programmatic budget and demand projection for the Schools and Libraries Support Mechanism for submission to the Federal Communications Commission (FCC) in USAC's January 31, 2023 quarterly filing.

**Discussion**

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

**Funding Requirement**

USAC estimates the 2Q2023 funding requirement for the Schools and Libraries Support Mechanism as follows:

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<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. Program Funding Requirement

<i>(in millions)</i>	<b>1Q2023</b>	<b>Increase/ (Decrease)</b>	<b>2Q2023</b>	<b>Notes</b>
Steady State:				
Program Funding Requirement	\$593.30	\$0.00	\$593.30	See Note 1 and Table B
New Requirements:				
N/A	0.00	0.00	0.00	
<b>Total Program Funding Requirement</b>	<b>\$593.30</b>	<b>\$0.00</b>	<b>\$593.30</b>	
Prior Period Adjustments (difference between projections and actuals):				
Billings	\$89.33	(\$90.72)	(\$1.39)	
Interest Income	(0.03)	0.00	(0.03)	
Bad Debt Expense	(4.57)	(1.32)	(5.89)	
<b>Total Prior Period Adjustments</b>	<b>\$84.73</b>	<b>(\$92.04)</b>	<b>(\$7.31)</b>	
USAC Administrative Expenses	\$19.10	\$4.06	\$23.16	See Table C
<b>Total Funding Requirement</b>	<b>\$697.13</b>	<b>(\$87.98)</b>	<b>\$609.15</b>	

**Note 1:** The Program Funding Requirement represents one quarter of the total funding requirement for Funding Year 2022 of \$2,873.18 million, less \$500 million carried forward to meet demand for Funding Year 2022. 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 2022 Program Funding Requirement and Roll Forward

<i>(in millions)</i>	<b>Fund Year 2022</b>
<b>Total Requested (In Window)</b>	\$3,153.12
Decrease for Denials/Cancellations (based on 5 yr average)	(405.51)
Increase for Out of Window Apps (based on 5 yr average)	125.57
<b>Estimated Demand</b>	<b>\$2,873.18</b>
<b>Less Roll Forward</b>	
Available Funds from Prior Fund Year	\$2,873.25
Disbursements	(2,207.65)
Reserved Funds, Net Change	
a. Pending Applications to Process	(11.70)
b. Unliquidated Obligations (ULOs)	(119.87)
c. Appeals Reserve - USAC Appeals	(15.50)
d. Appeals Reserve - FCC Appeals	(5.30)
e. Unpaid Invoices	(13.23)
<b>Total Roll Forward</b>	<b>\$500.00</b>
<b>Funding Year 2022 Collection Requirement</b>	<b>\$2,373.18</b>

Based on projected burn rate, USAC estimates the following 2Q2023 programmatic budget:

Table C. Quarterly Programmatic Budget

<i>(in millions)</i>	<b>1Q2023 Budget</b>	<b>Increase/ (Decrease)</b>	<b>2Q2023 Budget</b>	<b>Notes</b>
<b>Direct Program Costs</b>				
Employee Expenses	\$2.01	\$0.00	\$2.01	
Professional Services	3.16	3.89	7.05	
General & Administrative	0.00	0.00	0.00	See Note 3
<b>Total Direct Program Costs</b>	<b>\$5.17</b>	<b>\$3.89</b>	<b>\$9.06</b>	
<b>Direct Assigned Costs</b>				
Employee Expenses	\$0.73	\$0.00	\$0.73	
Professional Services	2.34	0.01	2.35	
General & Administrative	0.66	0.00	0.66	See Note 3
<b>Total Direct Assigned Costs</b>	<b>\$3.73</b>	<b>\$0.01</b>	<b>\$3.74</b>	
<b>Total Direct Program &amp; Direct Assigned Costs</b>	<b>\$8.90</b>	<b>\$3.90</b>	<b>\$12.80</b>	
<b>Common Allocated Costs</b>	<b>\$10.20</b>	<b>\$0.16</b>	<b>\$10.36</b>	
<b>Total Programmatic Budget</b>	<b>\$19.10</b>	<b>\$4.06</b>	<b>\$23.16</b>	

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

A comparison of actual expenditures to the budget for the twelve months ending December 31, 2022 is provided in **Attachment 1**.

**Recommendation**

USAC management recommends that the Committee approve the 2Q2023 budget and projection of demand as proposed.

**Recommended Schools & Libraries Committee Actions**

APPROVAL OF THE FOLLOWING RESOLUTIONS:

**RESOLVED**, that the USAC Schools & Libraries Committee approves a 2nd Quarter 2023 Schools and Libraries Support Mechanism direct program budget of \$12.80 million; and

**RESOLVED FURTHER**, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$12.80 million for Schools and Libraries Support Mechanism administrative costs in the required January 31, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

**RESOLVED FURTHER**, that the USAC Schools & Libraries Committee, having reviewed at its meeting on January 30, 2023 the 2nd Quarter 2023 Schools and Libraries Support Mechanism demand estimate of \$609.15 million, hereby directs USAC staff to proceed with the required January 31, 2023 filing to the Federal Communications Commission 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  
Twelve Months Ending December 31, 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 Costs</b>						
Employee Expenses	57	65	8	\$7.20	\$9.16	\$1.96
Professional Services (Note 4)				15.03	16.59	1.56
General & Administrative (Note 5)				0.00	0.00	0.00
<b>Total Direct Program Costs</b>				<b>\$22.23</b>	<b>\$25.75</b>	<b>\$3.52</b>
<b>Direct Assigned Costs</b>						
Employee Expenses	16	18	2	\$2.59	\$3.40	\$0.81
Professional Services (Note 4)				10.08	13.51	3.43
General & Administrative (Note 5)				2.58	2.62	0.04
<b>Total Direct Assigned Costs</b>				<b>\$15.25</b>	<b>\$19.53</b>	<b>\$4.28</b>
<b>Total Direct Program &amp; Direct Assigned Costs</b>	<b>73</b>	<b>83</b>	<b>10</b>	<b>\$37.48</b>	<b>\$45.28</b>	<b>\$7.80</b>
<b>Common Allocated Costs (Note 6)</b>				<b>\$31.26</b>	<b>\$35.61</b>	<b>\$4.35</b>
<b>Total Programmatic Budget</b>				<b>\$68.74</b>	<b>\$80.89</b>	<b>\$12.15</b>

**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*

January 30, 2023



Universal Service  
Administrative Co.



# Agenda

- 2022 Year in Review
- Funding Year (FY) 2023 Filing Window
- Plans for Next Quarter
- Roadmap
- Appendix A: Program Metrics
- Appendix B: Glossary of Terms

# 2022 Year in Review

- People
  - The E-Rate Program Integrity Assurance (PIA) review team was reorganized.
    - Experienced team members moved to more complex team roles.
    - Newer team members made strong contributions to simpler application reviews.
  - The E-Rate Post-Commitment team built its expertise and operational capabilities.
    - The team expanded its Final Review capabilities to improve velocity; and
    - The team expanded its Quality Assurance capabilities enabling improved vendor collaboration and oversight.
  - All E-Rate staff focused on collaboration and internal communications necessary to:
    - Drive down customer service cases; and
    - Ensure customer satisfaction through quicker resolution of more complicated E-Rate questions.

# 2022 Year in Review (Continued)

- Process
  - The PIA review team increased focus on proactive queue management and dedicated experts to focus on complex applications:
    - FY2022 applications were completed an average of 16 days faster than FY2021.
    - A dedicated consortia and complex applications team enabled the completion of complicated applications more quickly than prior years.
  - The Appeals team collaborated more closely with our BPO vendor and USAC General Counsel (OGC) enabling a 28 percent reduction in pending appeals.
  - The Customer Service team focused on reducing call center case escalations resulting in an 80 percent reduction of pending invoice cases.
  - The Reporting team developed dashboards and conducted analysis to identify bottlenecks and trends resulting in smaller backlogs of post-commitment items.

# 2022 Year in Review (Continued)

- Systems and Reporting
  - Initiated the modernization and consolidation of SL Legacy Systems supporting invoicing, pre-FY2016 operations, and document management.
    - Successes include the preliminary development of invoicing forms, automated forms validation, invoice review capabilities, payment file processing, and reports development necessary to validate payments and publish payment results.
  - The Reporting team implemented new Tableau dashboards to:
    - Identify customer service cases for closure; and
    - Provide the call center with information to resolve cases without escalation.
  - The Reporting team created a disaster map and report in Tableau based on Federal Emergency Management Agency (FEMA) data—enabling operations staff to more effectively manage relief granted to applicants and service providers in disaster areas consistent with FCC guidance.

# 2022 Year in Review (Continued)

- Operations
  - The PIA review team completed a very successful year:
    - Over 97 percent of workable FY2022 applications were completed by September 1.
  - The Post-Commitment team continued to reduce backlogs across the board.
    - The Invoicing team reduced the time necessary to complete a review by 29 percent year over year.
  - The Customer Service team continued to improve with:
    - A 65 percent annual reduction in outstanding cases; and
    - Survey results exceeding 90 percent for customer satisfaction.
  - The Training and Outreach team provided:
    - New Tribal library training in early 2022 and initiated the Tribal Library Pilot Program in October.
    - Training provided to over 2,300 stakeholders in the fall.

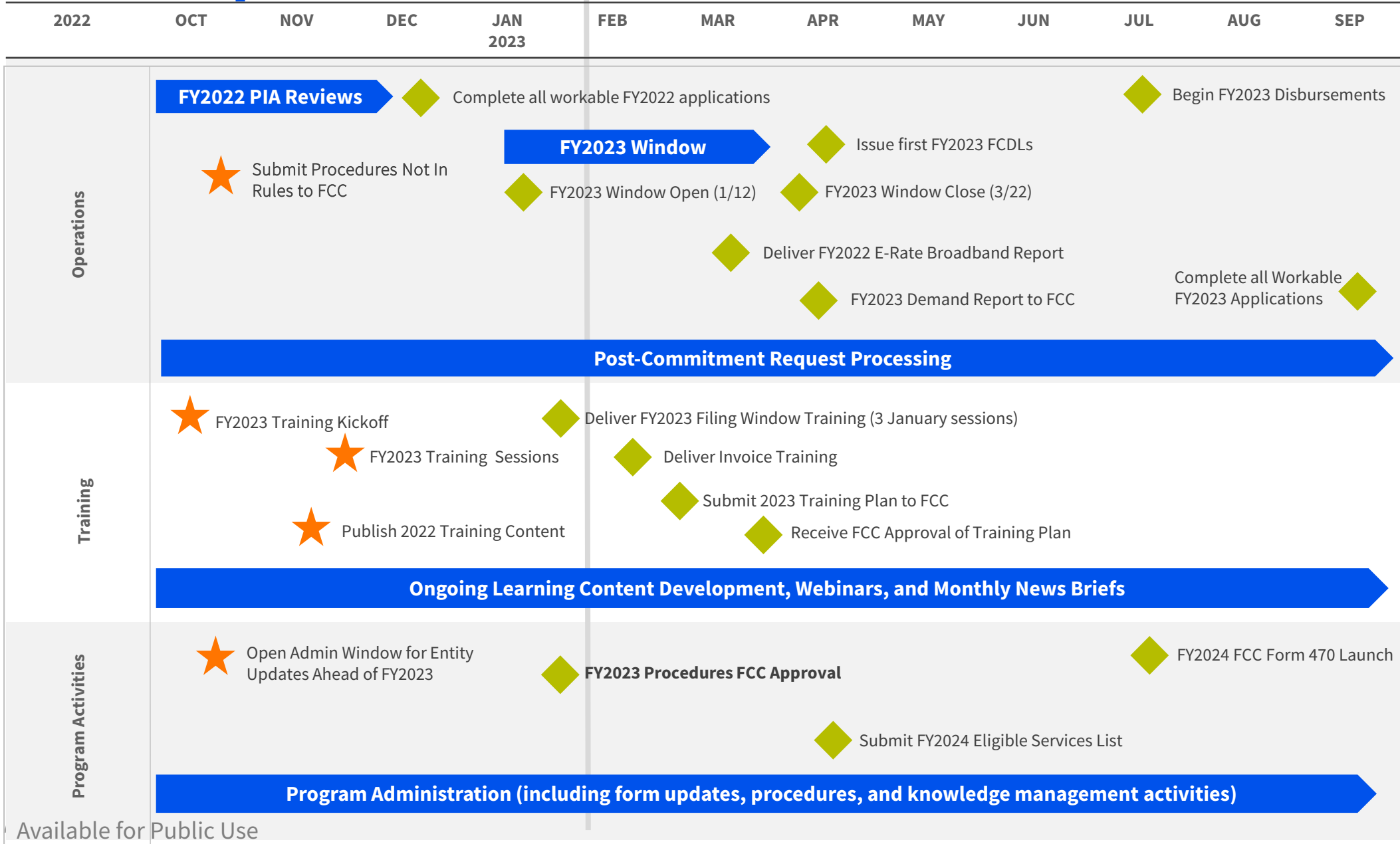
# FY2023 Filing Window

- FY2023 FCC Form 471 Filing Window
  - Opened on January 18, 2023; Will close on March 28, 2023.
- Training and Outreach
  - Conducted live remote training for FY2023 in the fourth quarter and in January 2023.
    - FCC Form 470 Office Hours Webinar held January 19.
    - FCC Form 471 Office Hours Webinar held January 24.
    - FY2023 Eligible Services List Office Hours Webinar held January 26.
  - Support Tribal Library Pilot Program activities to ensure new Tribal library entities can successfully apply for and receive E-Rate funding in FY2023.

# Plans for Next Quarter

- Execute on SL Legacy System Consolidation project plan to successfully manage invoicing in EPC in 2023.
- Continue processing prior-year applications, appeals, commitment adjustments, and other program transactions.
- Continue to drive down processing holds and aged customer service cases with focused efforts to collaborate across teams.
- 1Q2023 Training
  - Deliver targeted outreach and training on the SL Legacy System Consolidation status, key dates, training opportunities, and resources needed to inform all stakeholders.
  - Deliver E-Rate training sessions including Service Provider Selection and the FCC Form 471, Competitive Bidding (FCC Form 470), and the FY2023 Eligible Services List, among others.

# Roadmap



**Milestone Legend**

- At Risk
- On Track
- Completed



# Appendix A: Program Metrics

E-Rate Pre-Commitment (Data through December 31, 2022)

		Q1	Q2	Q3	Q4	Total	
<b>Requested</b>	2022	Demand	35,191	571	2	2	35,766
		Requested Dollars	\$3,169,497,779	\$40,847,135	\$38,390	\$289,164	\$3,210,672,468
		Avg. Days Outstanding	304	262	133	-	303
	2021	Demand	35,794	607	22	11	36,434
		Requested Dollars	\$3,039,676,631	\$69,409,758	\$1,102,056	\$605,091	\$3,110,793,535
		Avg. Days Outstanding	665	626	509	413	665
<b>Committed</b>	2022	Reviewed Apps.	-	32,534	1,966	873	35,373
		Reviewed Dollars	-	\$2,062,972,599	\$668,813,140	\$331,705,640	\$3,063,491,378
	2021	Reviewed Apps.	-	29,141	5,531	1,325	35,997
		Reviewed Dollars	-	\$1,582,207,194	\$910,065,718	\$341,993,410	\$2,834,266,322

# Appendix A: Program Metrics (Continued)

E-Rate Post-Commitment (Data through December 31, 2022)

		Q1	Q2	Q3	Q4	Total
<b>Submitted</b>	2022					
	Invoice Counts	72,513	68,731	75,275	65,009	281,528
	Invoice Dollars	\$603,172,377	\$506,042,308	\$730,837,364	\$618,333,355	\$2,458,385,404
<b>Disbursed</b>	2022					
	Invoice Counts	67,961	67,241	70,459	71,501	277,162
	Invoice Dollars	\$443,786,757	\$423,485,012	\$556,230,088	\$578,739,930	\$2,002,241,787

## Appendix B: Glossary of Terms

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

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# Appendix B: Glossary of Terms (Continued)

Term	Definition
FY	Funding Year
IC	Internal Connections
MIBS	Managed Internet Broadband Services
SPAC	Service Provider Annual Certification (FCC Form 473)
SPI	Service Provider Invoice (FCC Form 474)
SPIN	Service Provider Identification Number
UAT	User Acceptance Testing



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