

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

**Monday, January 30, 2017
10:00 a.m. – 12:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Schools and Libraries Committee Meeting Minutes of October 24, 2016. B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i> . C. Routine Procurements: Deemed consideration and approval in <i>Executive Session</i> . <i>None</i> . D. Approval of Schools and Libraries Support Mechanism 2nd Quarter 2017 Programmatic Budget and Demand Projection for the January 31, 2017 FCC Filing.	5
Chair	a2. Recommendation for Election of Committee Chair and Vice Chair.	5
Chris Smith	i1. Information on 28 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i> .	15
Craig	i2. Support Mechanism Business Update: <ul style="list-style-type: none"> • Modernization Update and 2016 Results • 2017 Initiatives/Goals. 	60

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Craig	a3. Approval of 2017 Annual Schools and Libraries Support Mechanism Programmatic Budgets. – Confidential – <i>Executive Session Recommended</i> .	30

Next Scheduled USAC Schools & Libraries Committee Meeting

**Monday, April 24, 2017
1:00 p.m. – 3:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, January 30, 2017

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, January 30, 2017. Dr. Dan Domenech, Chair, called the meeting to order at 10:00 a.m. Eastern Time, with all nine Committee members present:

Bocher, Bob	Henderson, Chris – Chief Executive
Buzacott, Alan	Hernandez, Dr. Mike
Choroser, Beth	Mason, Ken – Vice Chair
Domenech, Dr. Dan – Chair	Talbott, Dr. Brian
Fontana, Brent	

Other Board members and officers of the corporation present:

Brisé, Ronald – Member of the Board
Davis, Craig – Vice President of Schools & Libraries and Acting Vice President of Rural Health Care Division
Feiss, Geoff – Member of the Board
Gaither, Vic – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Gerst, Matthew – Member of the Board
Hays, Kate – Vice President of Stakeholder Engagement
Kinser, Cynthia – Member of the Board – *by telephone*
Lubin, Joel – Member of the Board
Poulin, Chera – Vice President of People, Culture and Change
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance and Chief Financial Officer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer
Taylor, Peter – Vice President of Information Technology and Chief Information Officer
Tinic, Atilla – Member of the Board
Wein, Olivia – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Beaver, Tracey	USAC
Berkland, Kristin	Bradley Berkland Hagen & Herbst
Bethel, Tameca	USAC
Bullock, Keesha	USAC
Carpenter, Nikki-Blair	USAC
Delmar, Teleshia	USAC
Frelow, Leslie	USAC
Gerensky, Dimeter	USAC
Jones, Frank	Solix, Inc.
Kaplan, Peter	Funds for Learning
King, Lauren	USAC
Kraft, Mick	USAC
Lear, Kathleen	Maximus
Lee, Brandon	USAC
Lutz, Corey	USAC
Mansur, Max	USAC
McCornac, Carolyn	USAC
McNeff, Kristina	USAC
Miller, Jack	Solix
Mitchell, Jeff	Lukas, Nace, Gutierrez & Sachs
Noriega, Raquel	AT&T
Nuzzo, Patsy	USAC
Rovetto, Ed	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Smith, Chris	USAC
Stankhaus, Paul	CSM
Veith, Lisa	Maximus
Wilson, Reggie	USAC
Zielaski, Daniel	USAC

OPEN SESSION

a1. Consent Items. Dr. Domenech introduced this item to the Committee.

A. Committee meeting minutes of October 24, 2016.

B. Approval for discussing in *Executive Session* agenda items:

- (1) a3 – Approval of 2017 Annual Schools and Libraries Support Mechanism Budget. USAC management recommends that discussion of this item be conducted in *Executive Session* because this item relates to *procurement strategy and contract administration*.

- C. Routine procurements, deemed consideration and approval of in *Executive Session*: None.
- D. Approval of Schools and Libraries Support Mechanism 2nd Quarter 2017 Programmatic Budget and Demand Projection for the January 31, 2017 FCC Filing.

The USAC Schools and Libraries Committee is requested to approve the 2nd Quarter 2017 (2Q2017) programmatic budget and demand projection for the Schools and Libraries Support Mechanism for submission to the FCC in USAC's January 31, 2017 quarterly filing. Resolutions approving the budgets are provided below.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of October 24, 2016 and discussion in *Executive Session* of the 2017 Annual Schools and Libraries Support Mechanism Budget; and

- a2. **Recommendation for Election of Committee Chair and Vice Chair.** Dr. Brian Talbott presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee recommends that the USAC Board of Directors elect **Dr. Dan Daniel Domenech** as Chair and **Ken Mason** as Vice Chair of the Committee for a term that begins immediately upon the adoption of this resolution by the Board and ends when a successor to the Chair and/or Vice Chair has been elected, when the Chair or Vice Chair resigns from the Committee or the Board, is removed by resolution of the Board, or is no longer a member of the Board.

- i1. **Information on 28 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Senior Manager of Internal Audit, presented this item to the Committee for discussion.
- i2. **Support Mechanism Business Update.** Mr. Davis presented this item for discussion.
 - Modernization Update and 2016 Results
 - 2017 Initiatives/Goals.

At 11:08 a.m. Eastern Time the Committee moved into *Executive Session* for the purpose of discussing the confidential item listed above and then recessed, reconvening at 11:15 a.m. Eastern Time.

EXECUTIVE SESSION

- a3. Approval of 2017 Annual Schools and Libraries Support Mechanism Programmatic Budgets.** Mr. Davis presented this item to the Committee for consideration.

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

RESOLVED, that the USAC Schools and Libraries Committee approves an annual 2017 Schools and Libraries Support Mechanism operating budget of \$71.60 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approves an annual 2017 Schools and Libraries Support Mechanism capital budget of \$10.07 million.

At 12:15 p.m. Eastern Time, 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 and took action on item a3. On a motion duly made and seconded, the Committee adjourned at 12:15 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

<p>Monday, April 24, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
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<u>OPEN SESSION</u>		<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 January 30, 2017.</p> <p style="padding-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i>.</p> <p style="padding-left: 20px;">C. Routine Procurements: Deemed consideration and approval in <i>Executive Session</i>. <i>None</i>.</p> <p style="padding-left: 20px;">D. Approval of Schools and Libraries Support Mechanism 3rd Quarter 2017 Programmatic Budget and Demand Projection for the May 2, 2017 FCC Filing.</p>	5
Chair	<p>i1. Information on 12 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i>.</p>	5
Craig	<p>i2. Support Mechanism Business Update:</p> <ul style="list-style-type: none"> • Business Review. • Operational Metrics. • Update on Key Initiatives. 	60

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Craig	<p>i3. Update on EPC Path Forward. – Confidential – <i>Executive Session Recommended</i>.</p>	30
Craig	<p>i4. Update on Path Forward - Procurements. – Confidential – <i>Executive Session Recommended</i>.</p>	20

Next Scheduled USAC Schools & Libraries Committee Meeting

<p>Monday, July 24, 2017 1:00 p.m. – 3:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, April 24, 2017

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, April 24, 2017. Dr. Dan Domenech, Committee Chair, called the meeting to order at 10:03 a.m. Eastern Time, with eight of the nine Committee members present:

Bocher, Bob	Henderson, Chris – CEO
Buzacott, Alan	Hernandez, Dr. Mike
Choroser, Beth	Mason, Ken – Vice Chair
Domenech, Dr. Dan – Chair	Talbott, Dr. Brian

Members of the Committee not present:

Fontana, Brent

Other Board members and officers of the corporation present:

Brisé, Ronald – Member of the Board
Davis, Craig – Vice President of Schools & Libraries
Feiss, Geoff – Member of the Board
Garber, Michelle – Vice President of Lifeline
Gerst, Matthew – Member of the Board
Gillan, Joe – Member of the Board – *by telephone*
Hays, Kate – Vice President of Stakeholder Engagement
Jacobs, Ellis – Member of the Board
Kinser, Cynthia – Member of the Board
Lee, Karen – Vice President of Rural Health Care
Lubin, Joel – Member of the Board
Poulin, Chera – Vice President of People, Culture and Change
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer
Taylor, Peter – Vice President of Information Technology and Chief Information
Officer

Tinic, Atilla – Member of the Board
Wein, Olivia – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Anderson, Latoya	USAC
Ayer, Catriona	USAC
Bethel, Tameca	USAC
Bullock, Keesha	USAC
Butler, Stephen	USAC
Carpenter, Nikki-Blair	USAC
Delmar, Teleshia	USAC
Diephouse, Greg	USAC
Jones, Frank	Solix, Inc.
Kaplan, Peter	Funds for Learning
King, Lauren	USAC
Lear, Kathleen	Maximus
Lee, Brandon	USAC
Manns, Bernie	USAC
Mattey, Carol	Mattey Consulting
McCornac, Carolyn	USAC
Noriega, Raquel	AT&T
Nuzzo, Patsy	USAC
Sanchez, Sussett	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Smith, Chris	USAC
Stankhaus, Paul	CSM
Veith, Lisa	Maximus
Voth, Cara	FCC

OPEN SESSION

a1. Consent Items. Dr. Domenech introduced this item to the Committee.

A. Committee meeting minutes of January 30, 2017.

B. Approval for discussing in *Executive Session* agenda items:

(1) **i3** – Update on EPC Path Forward. USAC management recommends that discussion of this item be conducted in *Executive Session* because the item relates to USAC’s *procurement strategy and contract administration*.

(2) **i4** – Update on Path Forward – Procurements. USAC management recommends that discussion of this item be conducted in *Executive*

Session because this matter relates to USAC's *procurement strategy and contract administration*.

- C. Routine procurements, deemed consideration and approval of in Executive Session: None.
- D. Approval of Schools and Libraries Support Mechanism 3rd Quarter 2017 Programmatic Budget and Demand Projection for the May 2, 2017 FCC Filing.

The Committee is requested to approve the 3rd Quarter 2017 (3Q2017) programmatic budget and demand projection for the Schools and Libraries Support Mechanism for submission to the FCC in USAC's May 2, 2017 quarterly filing.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of January 30, 2017 and discussion in *Executive Session* of the items noted above; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approves a 3rd Quarter 2017 programmatic operating budget for the Schools and Libraries Support Mechanism of \$17.00 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee directs USAC staff to submit a collection requirement of \$17.00 million for Schools and Libraries Support Mechanism administrative costs in the required May 2, 2017 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 24, 2017 a summary of the 3rd Quarter 2017 Schools and Libraries Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required May 2, 2017 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the variance is equal to or less than \$10 million, or may seek approval from the Schools and Libraries Committee Chair to make adjustments if the variance is greater than \$10 million, but not more than \$15 million.

- i1. **Information on 12 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Senior Manager of Internal Audit, presented this item to the Committee for discussion.

i2. Support Mechanism Business Update. Mr. Davis presented this item for discussion.

- Business Review.
- Operational Metrics.
- Update on Key Initiatives.

At 11:02 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

i3. Update on EPC Path Forward. Mr. Davis presented this item to the Committee for discussion.

i4. Update on Path Forward - Procurements. Mr. Davis presented this item to the Committee for discussion.

At 11:59 p.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 items i3 and i4. On a motion duly made and seconded, the Committee adjourned at 12:00 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

To expedite navigation, please use the bookmarks located in the Navigation Pane.

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

**Thursday, May 11, 2017
1:00 p.m. – 2:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

Executive Session

Craig	i1. Review of Plan to Improve Administration of the E-rate Program – Confidential – <i>Executive Session Recommended.</i>
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Next Scheduled USAC Schools and Libraries Committee Meeting

**Monday, July 24, 2017
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Thursday, May 11, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Thursday, May 11, 2017. Dr. Dan Domenech, Chair, called the meeting to order at 1:01 p.m. Eastern Time, with seven of the nine Committee members present:

Bocher, Bob – *by telephone*
Buzacott, Alan – *by telephone*
Choroser, Beth – *by telephone*
Domenech, Dr. Dan – Chair – *by telephone*
Hernandez, Dr. Mike – *by telephone*
Robinson, Vickie – Acting, General Counsel and Assistant Secretary
Talbott, Dr. Brian – *by telephone*

Mr. Ken Mason joined the call at 1:06 p.m. Eastern Time. He participated in the discussion and voted on item i1.

Members of the Committee not present:

Fontana, Brent

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Feiss, Geoff – Member of the Board
Garber, Michelle – Vice President of Lifeline
Hays, Kate – Vice President of Stakeholder Engagement
Kinsler, Cynthia – Member of the Board
Lee, Karen – Vice President of Rural Health Care
Lubin, Joel – Member of the Board
Poulin, Chera – Vice President of People, Culture and Change
Salvator, Charles – Vice President of Finance and Chief Financial Officer and Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Diephouse, Greg	USAC
King, Lauren	USAC
Lee, Brandon	USAC
Nuzzo, Patsy	USAC
Schrieber, Johnnay	USAC

OPEN SESSION

- i1. Review of Plan to Improve Administration of the E-rate Program.** Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration and is subject to attorney-client privilege.*

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee discussing this item in *Executive Session*.

At 1:02 p.m. Eastern Time the Committee moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- i1. Review of Plan to Improve Administration of the E-rate Program.** Mr. Davis presented this item to the Committee for discussion.

At 1:43 p.m. Eastern Time, 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 i1. On a motion duly made and seconded, the Committee adjourned at 1:44 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

To expedite navigation, please use the bookmarks located in the Navigation Pane.

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

**Thursday, May 18, 2017
3:00 p.m. – 3:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

Executive Session

Charlie	a1. Approval of Schools and Libraries Support Mechanism Revised 3rd Quarter 2017 Demand Projection.
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Next Scheduled USAC Schools and Libraries Committee Meeting

**Monday, July 24, 2017
10:00 a.m. – 12:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Thursday, May 18, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Thursday, May 18, 2017. Mr. Ken Mason, Vice Chair, called the meeting to order at 3:02 p.m. Eastern Time, with six of the nine Committee members present:

Bocher, Bob – *by telephone*
Buzacott, Alan – *by telephone*
Choroser, Beth – *by telephone*
Mason, Ken – Vice Chair – *by telephone*
Robinson, Vickie – Acting CEO, General Counsel and Assistant Secretary
Talbot, Dr. Brian – *by telephone*

Members of the Committee not present:

Domenech, Dr. Dan – Chair
Fontana, Brent
Hernandez, Dr. Mike

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Feiss, Geoff – Member of the Board
Gillan, Joe – Member of the Board
Kinser, Cynthia – Member of the Board
Lubin, Joel – Member of the Board
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer
Sweeney, Mark – Chief Operating Officer

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
King, Lauren	USAC
Nuzzo, Patsy	USAC

OPEN SESSION

- a1. Approval of Schools and Libraries Support Mechanism Revised 3rd Quarter 2017 Demand Projection.** Mr. Davis presented this item for consideration.

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

RESOLVED, that the USAC Schools and Libraries Committee, having reviewed at its meeting on May 18, 2017 a revised summary of the 3rd Quarter 2017 Schools and Libraries Support Mechanism demand, hereby directs USAC staff to proceed with the required filing to the FCC on behalf of the Committee.

On a motion duly made and seconded, the Committee adjourned at 3:44 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

To expedite navigation, please use the bookmarks located in the Navigation Pane.

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

<p>Monday, June 26, 2017 3:00 p.m. – 3:30 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

<u>Executive Session</u>		<i>Estimated Duration in Minutes</i>
Craig	a1. Consideration of E-rate Productivity Center (EPC)-Related ITG Noncompetitive Contract Extensions – Confidential – <i>Executive Session Recommended.</i>	10
Craig	i1. Update on COMADs – Confidential – <i>Executive Session Recommended.</i>	10
Craig	i2. Update on Request for Information – Confidential – <i>Executive Session Recommended.</i>	10

Next Scheduled USAC Schools and Libraries Committee Meeting

<p>Monday, July 24, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, June 26, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, June 26, 2017. Dr. Dan Domenech, Committee Chair, called the meeting to order at 3:02 p.m. Eastern Time, with eight of the nine Committee members present:

Bocher, Bob – *by telephone*
Buzacott, Alan – *by telephone*
Domenech, Dr. Dan – Chair – *by telephone*
Fontana, Brent – *by telephone*
Hernandez, Dr. Mike – *by telephone*
Mason, Ken – Vice Chair – *by telephone*
Robinson, Vickie – Acting CEO, General Counsel and Assistant Secretary
Talbott, Dr. Brian – *by telephone*

Members of the Committee not present:

Choroser, Beth

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Feiss, Geoff – Member of the Board
Gillan, Joe – Member of the Board
Kinser, Cynthia – Member of the Board
Lubin, Joel – Member of the Board
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Shah, Hemang – Vice President of Strategy and Change
Sweeney, Mark – Chief Operating Officer
Taylor, Pete – Vice President of Information Technology and Chief Information
Officer
Tinic, Atilla – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Diephouse, Greg – <i>by telephone</i>	USAC
King, Lauren	USAC
Nuzzo, Patsy	USAC
Zielaski, Daniel	USAC

OPEN SESSION

- a1. Consideration of E-rate Productivity Center (EPC)-Related ITG Noncompetitive Contract Extensions.** Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.
- i1. Update on COMADs.** Ms. Robinson recommended this matter be discussed in *Executive Session* it relates to USAC's *internal rules and procedures* concerning the administration of universal service support mechanisms. Discussion of this matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- i2. Update on Request for Information.** Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

At 3:04 p.m. Eastern Time, upon 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 E-rate Productivity Center (EPC)-Related ITG Noncompetitive Contract Extensions.** Mr. Davis presented this item for consideration.

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

RESOLVED, that the USAC Schools and Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes USAC management to execute noncompetitively awarded contract amendments with ITG to complete post-commitment software development and continue Operations and Maintenance support for EPC in an aggregate amount not to exceed \$4.9 million, plus applicable taxes.

- i1. Update on COMADs.** Mr. Davis presented this time for discussion.

To expedite navigation, please use the bookmarks located in the Navigation Pane.

i2. Update on Request for Information. Mr. Davis presented this time for discussion.

At 3:34 p.m. Eastern Time, upon 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 took action on item a1 and discussed items i1 and i2. On a motion duly made and seconded, the Board adjourned at 3:35 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

<p>Monday, July 24, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

<u>OPEN SESSION</u>		<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 24, 2017, May 11, 2017, May 18, 2017, and June 26, 2017.</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 2017 Programmatic Budget and Demand Projection for the August 2, 2017 FCC Filing.</p>	10
Chris Smith	<p>i1. Information on 15 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i>.</p>	10
Craig	<p>i2. Schools and Libraries Support Mechanism Business Update.</p>	30

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Craig	<p>i2. Schools and Libraries Support Mechanism Business Update (Continued) – Confidential – <i>Executive Session Recommended</i>.</p>	10
Craig	<p>a3. Approval of Revised 2017 Annual Schools and Libraries Support Mechanism Budget – Confidential – <i>Executive Session Recommended</i>.</p>	15

Next Scheduled USAC Schools & Libraries Committee Meeting

<p>Monday, October 23, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, July 24, 2017

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, July 24, 2017. Dr. Dan Domenech, Committee Chair, called the meeting to order at 10:01 a.m. Eastern Time, with all nine Committee members present:

Bocher, Bob
Buzacott, Alan
Choroser, Beth
Domenech, Dr. Dan – Chair
Fontana, Brent – *by telephone*
Hernandez, Dr. Mike
Mason, Ken – Vice Chair
Robinson, Vickie – Acting Chief Executive Officer, General Counsel and
Assistant Secretary
Talbott, Dr. Brian

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Garber, Michelle – Vice President of Lifeline
Kinsler, Cynthia – Member of the Board
Lee, Karen – Vice President of Rural Health Care
Lubin, Joel – Member of the Board
Poulin, Chera – Vice President and Chief Human Resources Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Enterprise Portfolio Management
Sweeney, Mark – Chief Operating Officer
Wein, Olivia – Member of the Board
Wibberly, Dr. Kathy – Member of the Board

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.

Others present:

<u>NAME</u>	<u>COMPANY</u>
Anderson, Jarnice	USAC
Beaver, Tracey	USAC
Bethel, Tameca	USAC
Carpenter, Nikki-Blair	USAC
Delmar, Teleshia	USAC
Francisco, Dale	USAC
Hutchinson, Kyle	USAC
Jones, Frank	Solix, Inc.
Kaplan, Peter	Funds for Learning
King, Lauren	USAC
Lear, Kathleen	Maximus
Lee, Brandon	USAC
LeNard, Dave	E-Rate Elite Services
Litman, Travis	FCC
McCornac, Carolyn	USAC
Miller, Arielle	USAC
Mitchell Steven	USAC
Murray, Sheila	USAC
Nuzzo, Patsy	USAC
Rovetto, Ed	USAC
Sequin, Eric	Solix
Smith, Chris	USAC
Stankhaus, Paul	CSM
Turner, Reggie	Maximus

OPEN SESSION

- a1. Consent Items.** Dr. Domenech introduced this item to the Committee.
- A. Committee meeting minutes of April 24, 2017, May 11, 2017, May 18, 2017, and June 26, 2017.
- B. Approval for discussing in *Executive Session* agenda items:
- (1) **i2** – Schools and Libraries Support Mechanism Business Update (Continued). USAC management recommends that discussion of this item be conducted in *Executive Session* because the item relates to USAC’s *procurement strategy and contract administration*.
 - (2) **a3** – Approval of Revised 2017 Annual Schools and Libraries Support Mechanism Programmatic Budget. USAC management recommends that discussion of this item be conducted in *Executive Session* because the item relates to USAC’s *procurement strategy and contract administration*.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of April 24, 2017, May 11, 2017, May 18, 2017 and June 26, 2017 and discussion in *Executive Session* of the item noted above.

- a2. Approval of Schools and Libraries Support Mechanism 4th Quarter 2017 Programmatic Budget and Demand Projection for the August 2, 2017 FCC Filing.** Mr. Davis presented this item for consideration.

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 4th Quarter 2017 programmatic operating budget for the Schools and Libraries Support Mechanism of \$16.65 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approves a 4th Quarter 2017 programmatic capital budget for the Schools and Libraries Support Mechanism of \$0.17 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee directs USAC staff to submit a collection requirement of \$9.63 million for Schools and Libraries Support Mechanism administrative costs in the required August 2, 2017 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 24, 2017 a summary of the 4th Quarter 2017 Schools and Libraries Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required August 2, 2017 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the variance is equal to or less than \$10 million, or may seek approval from the Schools and Libraries Committee Chair to make adjustments if the variance is greater than \$10 million, but not more than \$15 million.

- ii. Information on 15 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Smith, Senior Manager of Internal Audit, presented this item to the Committee for discussion.

- i2. Schools and Libraries Support Mechanism Business Update.** Mr. Davis presented this item for discussion. He provided a business update, including progress on Funding Year (FY) 2017 application processing, improvements made to invoice processing, and reduction of the FY2016 appeals backlog. As shared with the Committee, committed funding decisions for FY2017 are being made more quickly and more dollars are being obligated to schools and libraries as compared to FY2016. During the 2nd Quarter of 2017, the Schools and Libraries Division (SLD) processed \$748.60 million, which is the largest quarterly dollar volume since program inception. Mr. Davis also shared that the appeals team processed more appeals in the 2nd Quarter of 2017 and received fewer incoming appeals during the 2nd Quarter, which resulted in a significantly reduced appeals backlog.

At 10:42 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- i2. Schools and Libraries Support Mechanism Business Update (Continued).** Mr. Davis presented this item for discussion, noting that USAC is executing on improving E-rate program administration. As part of this improvement effort, the Finance Division established a process to improve monitoring the E-rate Productivity Center (EPC) budget and forecast on a monthly basis. Details were shared with the Committee.
- a3. Approval of Revised 2017 Annual Schools and Libraries Support Mechanism Budget.** Mr. Davis presented this item for consideration.

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 revised 2017 annual Schools and Libraries programmatic operating budget of \$65.66 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approved a revised 2017 annual Schools and Libraries programmatic capital budget of \$8.24 million.

At 11:06 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 took action on item a3 and discussed item i2. On a motion duly made and seconded, the Committee adjourned at 11:07 a.m. Eastern Time.

/s/ Vickie Robinson

To expedite navigation, please use the bookmarks located in the Navigation Pane.

Assistant Secretary

To expedite navigation, please use the bookmarks located in the Navigation Pane.

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

<p>Tuesday, August 29, 2017 1:00 p.m. – 2:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
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<u>Executive Session</u>		<i>Estimated Duration in Minutes</i>
Craig	<p>a1. Consideration of Additional Funding for the E-rate Productivity Center (EPC)-Related Incentive Technology Group, LLC (ITG) Post-Commitment Contract – Confidential – Executive Session Recommended.</p>	60

Next Scheduled USAC Schools and Libraries Committee Meeting

<p>Monday, October 23, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

SCHOOLS & LIBRARIES COMMITTEE MEETING
Tuesday, August 29, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Tuesday, August 29, 2017. Dr. Dan Domenech, Committee Chair, called the meeting to order at 1:00 p.m. Eastern Time, with a quorum of six of the nine Committee members present:

Bocher, Bob – *by telephone*
Choroser, Beth – *by telephone*
Domenech, Dr. Dan – Chair – *by telephone*
Hernandez, Dr. Mike – *by telephone*
Mason, Ken – *by telephone*
Robinson, Vickie – Acting Chief Executive Officer, General Counsel and Assistant Secretary

Members of the Committee not present:

Buzacott, Alan
Fontana, Brent
Talbott, Dr. Brian

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Kinser, Cynthia – Member of the Board
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer
Sweeney, Mark – Chief Operating Officer

Others present:

<u>NAME</u>	<u>COMPANY</u>
Diephouse, Greg	USAC
Hutchinson, Kyle	USAC
King, Lauren	USAC

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.

<u>NAME</u>	<u>COMPANY</u>
Lee, Brandon	USAC
Nuzzo, Patsy	USAC

OPEN SESSION

- a1. **Consideration of Additional Funding for the E-rate Productivity Center (EPC)-Related Incentive Technology Group, LLC (ITG) Post-Commitment Contract.** Ms. Robinson 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 and after discussion, the Committee adopted the following resolution:

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee discussing this item in *Executive Session*.

At 1:00 p.m. Eastern Time, the Committee moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- a1. **Consideration of Additional Funding for the E-rate Productivity Center (EPC)-Related Incentive Technology Group, LLC (ITG) Post-Commitment Contract.** Mr. Davis presented this item to the Committee for consideration.

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

RESOLVED, that the USAC Schools and Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes USAC management to increase the Incentive Technology Group (ITG) post-commitment contract by a not-to-exceed amount of \$346,600, plus applicable taxes, subject to requisite FCC approval, which will bring the total post-commitment contract value to \$11,643,712, plus applicable taxes. The additional funds will support the review of requirements and the implementation of a redesigned COMAD notifications process for the E-rate Productivity Center (EPC).

At 1:15 p.m. Eastern Time, 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 took action on item a1. On a motion duly made and seconded, the Committee adjourned at 1:15 p.m. Eastern Time.

To expedite navigation, please use the bookmarks located in the Navigation Pane.

/s/ Vickie Robinson
Assistant Secretary

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

<p>Monday, October 23, 2017 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
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<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Schools and Libraries Committee Meeting Minutes of July 24, 2017 and August 29, 2017. B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i> .	5
Craig	a2. Approval of Schools and Libraries Support Mechanism 1st Quarter 2018 Programmatic Budget and Demand Projection for the November 2, 2017 FCC Filing.	10
Craig	a3. Consideration of Funding Year 2018 Filing Window Dates.	10
Chris Smith	i1. Information on Nine USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i> .	10
Craig	i2. Schools & Libraries Support Mechanism Business Update.	35

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Craig	a4. Consideration of IT Services Contract for E-rate Productivity Center (EPC) – Confidential – <i>Executive Session Recommended</i> .	10
Craig	a5. Consideration of Amendment to Call Center and Business Process Outsourcing Services Agreement with Solix, Inc. – Confidential – <i>Executive Session Recommended</i> .	10
Craig	i3. Information on Preliminary 2018 Annual Schools and Libraries Support Mechanism Budget – Confidential – <i>Executive Session Recommended</i> .	30

Next Scheduled USAC Schools & Libraries Committee Meeting

<p>Monday, January 29, 2018 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, October 23, 2017

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, October 23, 2017. Dr. Dan Domenech, Committee Chair, called the meeting to order at 10:00 a.m. Eastern Time, with seven of the nine Committee members present:

Bocher, Bob
Buzacott, Alan
Choroser, Beth
Domenech, Dr. Dan – Chair
Mason, Ken – Vice Chair
Robinson, Vickie – Acting Chief Executive Officer, General Counsel and
Assistant Secretary
Talbott, Dr. Brian

Mr. Brent Fontana and Dr. Mike Hernandez joined the meeting by telephone at 10:03 a.m. Eastern time and respectively left the meeting at 10:43 a.m. Eastern time and 10:45 a.m. Eastern time. They did not vote on or participate in the discussion of items a1, a4, a5 and i3.

Other Board members and officers of the corporation present:

Brisé, Ronald – Member of the Board
Davis, Craig – Vice President of Schools & Libraries
Feiss, Geoff – Member of the Board
Gillan, Joe – Member of the Board
Kinsler, Cynthia – Member of the Board
Lee, Karen – Vice President of Rural Health Care
Lubin, Joel – Member of the Board
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Sweeney, Mark – Chief Operating Officer

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.

Tinic, Atilla – Member of the Board

Wein, Olivia – Member of the Board

Others present:

<u>NAME</u>	<u>COMPANY</u>
Anderson, Jarnice	USAC
Ayer, Catriona	USAC
Beaver, Tracey	USAC
Beckford, Ernesto	USAC
Bethel, Tameca	USAC
Carpenter, Nikki-Blair	USAC
Delmar, Teleshia	USAC
Diephouse, Greg	USAC
Ejaz, EJ	USAC
Goode, Vernell	USAC
Gross Guinan, Gabriella	USAC
Jenkins, Robin	MissionSide
Jones, Frank	Solix, Inc.
Kaplan, Peter	Funds for Learning
Lear, Kathleen	Maximus
Lechter, Jonathan	FCC
Lee, Brandon	USAC
LeNard, David	E-Rate Elite Services
Mattey, Carol	Mattey Consulting
McCornac, Carolyn	USAC
Mitchell, Tamika	USAC
Nuzzo, Patsy	USAC
Rovetto, Ed	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Smith, Chris	USAC
Voth, Cara	USAC

OPEN SESSION

a1. Consent Items. Dr. Domenech introduced this item to the Committee.

A. Committee meeting minutes of July 24, 2017 and August 29, 2017.

B. Approval for discussing in *Executive Session* agenda items:

- (1) **a4** – Consideration of IT Services Contract for E-rate Productivity Center (EPC). USAC management recommends that discussion of this item be conducted in *Executive Session* because this matter

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

- (2) **a5** – Consideration of Amendment to Call Center and Business Process Outsourcing Services Agreement with Solix, Inc. USAC management recommends that discussion of this item be conducted in *Executive Session* because this item relates to *procurement strategy and contract administration*.
- (3) **i3** – Information on Preliminary 2018 Annual Schools and Libraries Support Mechanism Budget. USAC management recommends that discussion of this item be conducted in *Executive Session* because this item relates to *procurement strategy and contract administration*.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of July 24, 2017 and August 29, 2017, and discussion in *Executive Session* of the items noted above.

a2. Approval of Schools and Libraries Support Mechanism 1st Quarter 2018 Programmatic Budget and Demand Projection for the November 2, 2017 FCC Filing. Mr. Davis presented this item for consideration.

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 1st Quarter 2018 programmatic operating budget for the Schools and Libraries Support Mechanism of \$18.01 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approves a 1st Quarter 2018 programmatic capital budget for the Schools and Libraries Support Mechanism of \$0.21 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee directs USAC staff to submit a collection requirement of \$18.22 million for Schools and Libraries Support Mechanism administrative costs in the required November 2, 2017 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 October 23, 2017 a summary of the 1st Quarter 2018 Schools and Libraries Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required

November 2, 2017 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the variance is equal to or less than \$10 million, or may seek approval from the Schools and Libraries Committee Chair to make adjustments if the variance is greater than \$10 million, but not more than \$15 million.

- a3. Consideration of Funding Year 2018 Filing Window Dates.** Mr. Davis presented this item for consideration.

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 2018 filing window no earlier than January 2, 2018 and to close the Funding Year 2018 filing window on or after March 20, 2018, 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 opening and closing dates, as circumstances may warrant.

- i1. Information on Nine USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Smith, Senior Manager of Internal Audit, presented this item to the Committee for discussion. Mr. Smith noted that common audit findings are compiled, root causes explored and shared with the Schools and Libraries division to prevent similar findings and to assist the team with preparing content for training materials.
- i2. Schools and Libraries Support Mechanism Business Update.** Mr. Davis and Ms. Catriona Ayers, Senior Director of Program Management, presented this item for discussion. Mr. Davis noted that for Q3 over 20,000 applications had been processed for \$1.09 billion in commitments. In addition, Mr. Davis noted that through Q3 over 33,600 applications were processed for \$1.4 billion in commitments. FY 2017 applications are 22 percent higher than the same period for FY 2016 and dollars committed are 125 percent higher. Ms. Ayer reported on EPC IT developments, including the deployment of post-commitment processing capabilities for Forms 486 and 500, appeals, service substitutions, and SPIN changes.

At 10:57 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* and recessed until 11:01 a.m. Eastern Time at which time they reconvened for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a4. Consideration of IT Services Contract for E-rate Productivity Center (EPC).** Mr. Davis presented this item for discussion, noting that USAC is executing on improving E-rate program administration.

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

RESOLVED, that the USAC Schools and Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes USAC management to increase the contract value of the E-rate Productivity Center (EPC) Operations & Maintenance Contract with Incentive Technology Group, LLC, by a not-to-exceed amount of \$9.2 million, plus applicable taxes, subject to requisite FCC approval. This will bring the total contract value to \$23,988,494.24, plus applicable taxes. The additional funds will enable operations and maintenance support and the implementation of improvements to EPC for the first six months of 2018 (January 1 through June 30, 2018).

- a5. Consideration of Amendment to Call Center and Business Process Outsourcing Services Agreement with Solix, Inc.** Mr. Davis presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management, subject to any necessary FCC approvals, to add funding in the not-to-exceed amount of approximately \$35,842,348 (plus applicable taxes) to the existing contract with Solix and to amend and extend the term of the contract for a one-year period through December 31, 2018.

- i3. Information on Preliminary 2018 Annual Schools and Libraries Support Mechanism Budget.** Mr. Davis presented this item to the Committee for discussion.

At 11:33 a.m. Eastern Time the meeting continued in *Executive Session* with members of the Board, Mr. Sweeney and Mr. Davis present.

At 12:13 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 took action on items a4

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and a5 and discussed item i3. On a motion duly made and seconded, the Committee adjourned at 12:13 a.m. Eastern Time.

/s/ Ellis Jacobs
Secretary