

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

Wednesday, January 24, 2024
Written Unanimous Consent
Please Respond by Friday, January 26, 2024 at 5:00 p.m. ET
Universal Service Administrative Company Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

<u>LEAD</u>	<u>Open Session</u> Available for Public Use
Chair	a1. Amendment and Restatement of USAC Corporate By-laws to Expand the Board to Twenty Members.

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

BOARD OF DIRECTORS MEETING
Wednesday, January 26, 2024
MINUTES¹

On Wednesday, January 24, 2024, USAC Management requested that the Board of Directors (Board) vote electronically for the following matter pursuant to Article II, Section 9 of USAC's By-laws.² Responses were requested by January 26, 2024, at 6:00 p.m. Eastern Time.

- a1. Amendment and Restatement of USAC Corporate By-laws to Expand the Board to Twenty Members.** On January 26, 2024, unanimous written responses were received to amend and restate the Universal Service Administrative Company (USAC) corporate By-laws to add a new director to the USAC Board of Directors to represent the interests of Tribal communities, add the Tribal director to the Schools and Libraries Committee, create a tie-breaking mechanism for the Board, and update references to the Federal Communications Commission's (FCC) Common Carrier Bureau. The Board also ratified the election of directors and committee appointments on December 18, 2023.

The Board adopted the following resolution:

RESOLVED, that the USAC Board of Directors, pursuant to Article VI of the USAC By-laws, hereby adopts the Amended and Restated By-laws and ratifies the election of Board members and committee assignments adopted on December 18, 2023, effective January 1, 2024.

/s/ Erin Williams
Assistant Secretary

¹ Draft resolutions were presented to the Board prior to the Board vote. 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.

² See USAC By-laws, Article II, § 9 ("Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.").

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

**Tuesday, January 30, 2024
10:00 a.m. – 1:30 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 Board of Directors Meeting Minutes of October 31 and December 18, 2023 B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> C. Consideration and Approval of Four Routine Procurements D. Review of the 2024 Audit Committee Charter E. Approval of Board of Directors Quarterly Meeting Schedule for April 2025 – January 2026 F. Resolution Honoring Three Board Member Whose Service on the Board Recently Ended	10
Chair	a2. Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election of Appointment of Corporate Officers	15
Chair	i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Executive Compensation Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Mark	i2. Connected Care Pilot Program Update (<i>For Information Only</i>)	-
Michelle	a3. Approval of USAC Common and Consolidated 2nd Quarter 2024 Budget and Demand Projection for the February 1, 2024 FCC Filing	10
Radha Michelle Stephen	i3. Enterprise Business Updates A. CEO Update <ul style="list-style-type: none"> • 2023 Accomplishments B. Enterprise Resource Planning Update C. Shared Services Business Update <ul style="list-style-type: none"> • Tribal Initiatives Update • Annual Report 	10 10 5 5

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Confidential – Executive Session Recommended		
Radha	i4. CEO Update <ul style="list-style-type: none"> • Appropriated Programs – ACP and ECF 	10
Michelle	a4. Approval of 2024 Annual USAC Common and Consolidated Budgets	15
Michelle	i5. Information on Contribution Factor	5
Erin	a5. Review and Approval of Board Statement of Ethical Conduct and the Board Member Annual Disclosure of Corporate or Entity Affiliations Form <ol style="list-style-type: none"> 1. Statement of Ethical Conduct for Members of the USAC Board 2. Revision to Board Members Annual Disclosure of Corporate or Entity Affiliations Form 	10
Chris / Erin	i6. Annual Competition Advocate Report	5
Chris	i7. Procurement Business Update <i>(For Information Only)</i>	–
Chris	i8. Enterprise Risk Management Update: <ol style="list-style-type: none"> 1. Q4 2023 Risk Management 2. Risk Management Council Minutes <i>(For Information Only)</i>	–
Chris	a6. Consideration of a Task Order Award for Contributor Revenue Audit Services	5
Chris	a7. Consideration of a Task Order Award for Contributor Revenue Audit Services	5
Chris	a8. Consideration of a Contract Award for Enterprise Audit & Compliance Modernization Tool	5
Chris	a9. Consideration of Contract Award for Veracode Licenses	5
Chris	a10. Consideration of Contract Award for Dell/EMC Transformational License Agreement	5
Chris	a11. Consideration of Contract Award for Dell/EMC Unity Hardware Maintenance and Support Services	5
Chris	a12. Consideration of a Contract Award for ServiceNow Instance Licenses and Support Services	5

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Confidential – Executive Session Recommended		
Chris	a13. Consideration of Contract Award for Okta Licenses and Support Services	5
Chris	a14. Consideration of a Contract Award for Microsoft Enterprise Agreement	5
Chris	a15. Consideration of a Contract Award for Cisco SmartNet	5
Chris	a16. Consideration of Contract Award for Tableau Licenses	5
Chris	a17. Consideration of a Contract Award for VMWare Enterprise Licenses Agreement	5
Chris	a18. Consideration of a Contract Modification for IT Security Assessment Contract with Coalfire	–
Chris	a19. Consideration to Exercise Option Terms for Penetration Testing	–
Chris	a20. Consideration of a Contract Modification for Appian Licenses and Support	–
Chris	a21. Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting	–
Teleshia	i9. Information on Four USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Report <i>(For Information Only)</i>	–
Erin	a22. <i>Confidential Executive Session:</i> RESERVED	5
Chair	a23. <i>Confidential Executive Session:</i> Personnel Matter, Consideration of 2024 Compensation Item	5
Chair	i10. <i>Confidential Executive Session:</i> Board of Directors Only	25

Next Scheduled USAC Board of Directors Meeting

<p>Tuesday, April 30, 2024 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

BOARD OF DIRECTORS MEETING
Tuesday, January 30, 2024

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, January 30, 2024. Mr. Ken Mason, Board Vice Chair, called the meeting to order at 10:00 a.m. Eastern Time, with a quorum of 17 of 20 Board members present:

Buzacott, Alan	Sanquist, Christine – <i>by telephone</i>
Chacko, Sheba	Sekar, Radha – Chief Executive Officer
Chalk, Indra	Semmler, Kara
Domenech, Dr. Dan	Skrivan, Michael
Fontana, Brent – <i>by telephone</i>	Wade, Dr. Joan
Freeman, Sarah	Waller, Jeff – <i>by telephone</i>
Gregory, Amber	Wein, Olivia – Secretary
Mason, Ken – Vice Chair	Wibberly, Dr. Kathy
Polk, Stephanie – <i>by telephone</i>	

Ms. Angela Siefer joined the meeting *by telephone* at 10:03 a.m. Eastern Time and left the meeting at 11:13 a.m. Eastern Time. She voted on items a1 – a4 and joined the discussion of items i1-i4. Ms. Mona Thompson joined the meeting *by telephone*, at 10:14 a.m. Eastern Time and left the meeting at 12:56 p.m. Eastern Time. She voted on items a3 – a23 and participate in the discussion of items i1 – i6. Ms. Julie Tritt Schell joined the meeting *by telephone* at 11:02 p.m. Eastern Time. She did not vote on items a1-a3 or participate in the discussion of items i1-i3.

Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Butler, Stephen – Vice President of Shared Services
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost – *by telephone*
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline
Sweeney, Mark – Vice President of Rural Health Care

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

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Armstrong, Katlyn	USAC
Borg, Jeanenne	USAC
Brady, Jair	USAC
Claxton, Naomi	USAC
Edson, Shauna – <i>by telephone</i>	National Digital Inclusion Alliance
Faunce, Donna	USAC
Francisco, Dale	USAC
Goode, Vernell	USAC
Green, Kevin	USAC
Gustafson, Jaymie	USAC
Jaruboon, Jetshada	Maximus
King, Ryan	USAC
Kriete, Debra – <i>by telephone</i>	Debra M. Kriete, Esq.
Labarta, Gem	USAC
Little, Chris	USAC
Lougheed, Matt	USAC
Morgan, Meredith	USAC
Nary, Ryan	Government Accountability Office
Nuzzo, Patsy	USAC
Oliver, Lindsay – <i>by telephone</i>	USAC
Sadir Khanova, Sabina	USAC
Schrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies
Staurulakis, Chresanthe	USAC
Strandberg, Steve	USAC
Theobald, Fred	USAC
Wirfs, Tyler	USAC

OPEN SESSION

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

- a1. Consent Items.** Mr. Mason presented this item to the Board.
- A.** Approval of Board of Directors Meeting Minutes of October 31, 2023, and December 18, 2023.
 - B.** Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) i4 – CEO Update: Appropriated Programs Update.** USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, this item might include discussion of *pre-decisional matters pending before the FCC* or

discussion related to USAC's *procurement strategy and contract administration*.

- (2) **a4** – Approval of 2024 Annual USAC Common and Consolidated Budgets. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (3) **i5** – Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (4) **a5** – Review and Approval of the Board of Directors Statement of Ethical Conduct; and the Board Members Annual Disclosure of Corporate or Entity Affiliations Form. USAC management USAC management recommends that discussion of these items be conducted in *Executive Session* because the discussion may include examples of how the Statement and Disclosure Form applies and could include specific facts protected by the *attorney/client privilege*.
- (5) **i6** – Annual Competition Advocate Report. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (6) **i7** – Procurement Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (7) **i8** – Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (8) **a6** – Consideration of Task Orders for Contributor Revenue Audit Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (9) **a7** – Consideration of Task Orders for Contributor Revenue Audit Services. USAC management recommends that this item be

discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

- (10) **a8** – Consideration of a Contract Award for Enterprise Audit & Compliance Modernization. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (11) **a9** – Consideration of a Contract Award for Veracode Licenses. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (12) **a10** – Consideration of Contract Award for Dell/EMC Transformational License Agreement (TLA). USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (13) **a11** – Consideration of Contract Award for Dell/EMC Unity Hardware Maintenance and Support Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (14) **a12** – Consideration of a Contract Award for ServiceNow Instance Licenses and Support Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (15) **a13** – Consideration of a Contract Award for Okta Licenses and Support Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (16) **a14** – Consideration of a Contract Award for Microsoft Enterprise Agreement. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (17) **a15** – Consideration of a Contract Award for Cisco Smartnet. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (18) **a16** – Consideration of a Contract Award for Tableau Licenses. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (19) **a17** – Consideration of a Contract Award for VMWare Enterprise License Agreement. USAC management recommends that this

item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

- (20) **a18** – Consideration of a Contract Modification for IT Security Assessment Contract with Coalfire. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (21) **a19** – Consideration to Exercise Option Terms for Penetration Testing. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (22) **a20** – Consideration of a Contract Modification for Appian Licenses and Support. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (23) **a21** – Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (24) **i9** – Information on Four USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters* pending before the FCC to which USAC is privy, where discussion of such matters in open session would undermine the deliberative process or result in the disclosure of an agency's conclusions or rationales before the matter is formally decided. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (25) **a22** – Confidential Executive Session: RESERVED. Consideration of Item. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *attorney/client privileged communications*.
- (26) **a23** – *Confidential Executive Session: Personnel Matter* Consideration of 2024 Compensation Item. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
- (27) **i10** – Confidential Board of Directors *Executive Session*. For Board of Directors Only. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

C. Consideration and Approval of Four Routine Procurements:

Available for Public Use

- (1) Consideration of a Contract Modification for Security Controls Assessment. The resolution is provided in **aBOD18cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (2) Consideration to Exercise Option Terms for Penetration Testing. The resolution is provided in **aBOD19cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (3) Consideration to Increase the Contract for Appian Licenses. The resolution is provided in **aBOD20cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (4) Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting. The resolution is provided in **aBOD21cf**. If discussion is needed, it will be conducted in *Executive Session*.

- D. Review of the 2024 Audit Committee Charter.
- E. Approval of April 2025 – January 2026 Board of Directors Quarterly meeting Schedule.
- F. Resolution Honoring Board Members Whose Service on the Board Has Recently Ended.

On a motion duly made and seconded, with Mr., Fontana abstaining from item a21, and after discussion, the Committee adopted the following resolutions:

RESOLVED, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of October 31, December 18, 2023; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of four routine procurements as presented in items aBOD18cf – aBOD21cf; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the revised 2024 Audit Committee Charter presented by the Audit Committee, hereby accepts the recommendation of the Audit Committee, and approves the revised 2024 Audit Committee Charter; and

RESOLVED, that the USAC Board of Directors adopts the Board of Directors quarterly meetings schedule for April 2025 through January 2026.; and

RESOLVED FURTHER, that the USAC Board of Directors hereby expresses its sincere appreciation to Joe Gillan, Geoff Feiss, and Ellis Jacobs for their dedicated service on the Board of Directors of the Universal Service Administrative Company and wishes them the best in their future endeavors.

- a2. **Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election of Appointment of Corporate Officers.** Mr. Mason introduced this item to the Board requesting that Ms. Freeman, Chair of the Nominating

Committee, report on the Nominating Committee's recommendations for the election of committee chairs, vice chairs, and at-large members, corporate officers, and the appointment of USAC staff members as Assistant Secretary and Assistant Treasurer.

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

Election of Board Chair, Vice Chair, Secretary and Treasurer

RESOLVED, that the USAC Board of Directors elects **Ken Mason** as Chair of the Board and **Julie Tritt Schell** as Vice Chair of the Board, **Olivia Wein** as Secretary of the corporation, and **Dr. Joan Wade** as Treasurer of the corporation, each for a term that begins immediately upon adoption of this resolution and ends when such member's successor has been elected, when such member resigns such position, is removed by resolution of the Board, or is no longer a member of the Board.

Election of Board Members to Committee At-Large Seats

RESOLVED, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Schools & Libraries Committee**: **Alan Buzacott** (representing service providers), **Indra Chalk**, **Brent Fontana**, and **Christine Sanquist**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **High Cost & Low Income Committee**: **Olivia Wein** and **Ken Mason**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Rural Health Care Committee**: **Kraa Semmler** (representing service providers), **Mona Thompson**, and **Michael Skrivan**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Audit Committee**: **Sheba Chacko** (representing the High Cost & Low Income Committee), **Brent Fontana** (representing the Rural Health Care Committee), **Amber Gregory** (representing the Schools & Libraries Committee), **Julie Tritt Schell**, and **Stephanie Polk**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Executive Compensation**

Committee: Dr. Dan Domenech, Christine Sanquist, Julie Tritt Schell, Dr. Joan Wade, and Dr. Kathy Wibberly.

Election of Committee Chairs and Vice Chairs

RESOLVED, that the USAC Board of Directors accepts the recommendation of the Schools & Libraries Committee and elects **Dr. Dan Domenech** as Chair and **Amber Gregory** as Vice Chair of the **Schools & Libraries Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the High Cost & Low Income Committee and elects **Olivia Wein** as Chair and **Michael Skrivan** as Vice Chair of the **High Cost & Low Income Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Rural Health Care Committee and elects **Dr. Kathy Wibberly** as Chair and **Brent Fontana** as Vice Chair of the **Rural Health Care Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Audit Committee and elects **Julie Tritt Schell** as Chair and **Stephanie Polk** as Vice Chair of the **Audit Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Board Chair and elects **Julie Tritt Schell** as Chair of the **Executive Compensation Committee**; and

RESOLVED FURTHER, that each of the aforementioned directors shall serve for a term that begins immediately upon the adoption of this resolution 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).

- i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** Ms. Wein presented the report for the High Cost & Low Income Committee. Dr. Domenech presented the report for the Schools & Libraries Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Ms. Stephanie Polk presented the report for the Audit Committee.
- i2. Connected Care Pilot Program Update.** Mr. Mason noted that the report was provided for *information only* and would be posted on USAC's public website. No discussion was held.
- a3. Approval of USAC Common and Consolidated 2nd Quarter 2024 Budget and Demand projection for the February 1, 2024 FCC Filing.** Ms. Garber

presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 2nd Quarter 2024 budget and demand projection for the February 1, 2024 FCC filing.

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

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2024 common budget of \$38.32 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$38.32 million for common costs in the required February 1, 2024 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2024 consolidated budget to administer the Universal Service Fund of \$75.34 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$75.34 million for consolidated costs in the required February 1, 2024 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

i3. Enterprise Business Updates:

- A. CEO Update.** Ms. Sekar provided a verbal update on 2023 accomplishments.
- B. Enterprise Resource Planning Update.** Ms. Garber provided a verbal update on this item.

At 10:45 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board, USAC staff, and GAO were present.

EXECUTIVE SESSION

- i4. CEO Update.** Ms. Sekar provided a verbal update on Appropriated Programs – ACP and ECF.
- a4. Approval of 2024 Annual USAC Common and Consolidated Budgets.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the 2024 annual USAC common and consolidated budgets.

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

resolution:

RESOLVED, that the USAC Board of Directors approves the 2024 annual common budget of \$153.95 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2024 annual consolidated budget of \$299.61 million.

- i5. Information on the Contribution Factor.** Ms. Garber presented this item to the Board. The presentation included a written report providing USAC's estimate of the 2nd Quarter 2024 contribution factor.
- a5. Review and Approval of Board Statement of Ethical Conduct and the Board Member Annual Disclosure of Corporate or Entity Affiliations Form.** Ms. Williams presented this item to the Board. The presentation included a report detailing USAC management's request that the Board review and reaffirm the Statement of Ethical Conduct for Members of the USAC Board of Directors without revision and approve minor revisions to the Corporate or Entity Affiliations Form.

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

RESOLVED, that the USAC Board of Directors hereby reaffirms the Statement of Ethical Conduct for Members of the USAC Board of Directors without revision, and approves the Director Affiliation Disclosure Form, as revised.

- i6. Annual Competition Advocate Report.** Mr. Beyerhelm presented this item to the Board. The presentation included a written report providing the role of competition advocate and the year-to-year comparison.
- i7. Procurement Business Update.** Mr. Mason noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in Q4 2023 and Q1 2024 anticipated activities.
- i8. Enterprise Risk Management Update.** Mr. Mason noted that the report was provided for *information only*. No discussion was held. The report included the following items:
- Q4 2024 Enterprise Risk Management Update
 - Q4 2024 Risk Management Council Minutes

The Board recessed at 11:45 a.m. Eastern Time and reconvened, continuing in *Executive Session* at 12:15 p.m. Eastern Time.

- a6. Consideration of a Task Order Award for Contributor Revenue Audit Services.** Mr. Beyerhelm presented this item for consideration. The presentation

included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for contributor revenue audit services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a time and material task order under the USAC Professional Services Indefinite Delivery/Indefinite Quantity contract (Contract No. USAC 20-015) to KPMG LLP for contributor revenue audit services to perform full scope performance audits of select contributors to the Universal Service Fund. The task order has a twelve (12) month period of performance for a total not-to-exceed amount of \$546,309.26 (plus applicable taxes), with such amount including a contingency of \$49,664.48 (plus applicable taxes) to cover any unforeseen charges during the period of performance.

- a7. Consideration of a Task Order Award for Contributor Revenue Audit Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award for contributor revenue audit services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a time and material task order under the USAC Professional Services Indefinite Delivery/Indefinite Quantity contract (Contract No. USAC 20-015) to Moss Adams LLP for contributor revenue audit services to perform full scope performance audits of select contributors to the Universal Service Fund. The task order has a twelve (12) month period of performance for a total not-to-exceed amount of \$616,150.00 (plus applicable taxes).

- a8. Consideration of a Contract Award for Enterprise Audit & Compliance Modernization Tool.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for the design, development, and implementation of an enterprise audit & compliance modernization tool.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC

management to award a contract for the design, development, and implementation of an enterprise audit & compliance modernization tool to Ernst & Young, LLP. The contract has a hybrid fee structure of firm-fixed price and labor hours, with a nineteen (19) month base period of performance, which includes a three (3) month support term, for a total not-to-exceed amount of \$3,971,657.71 (plus applicable taxes), with such amount including a ten percent (10%) contingency in the amount of \$361,059.79 (plus applicable taxes) to cover unforeseen development or enhancement needs throughout the life of the contract, subject to required Federal Communications Commission approval.

- a9. Consideration of Contract Award for Veracode Licenses.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a twelve (12) month, firm-fixed price contract for Veracode Licenses.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a twelve (12) month, firm-fixed price contract for Veracode Licenses to vCloud Tech, Inc. for a total not-to-exceed amount of \$288,133.72 (plus applicable taxes), with such amount including a contingency of \$32,000 (plus applicable taxes) to cover potential future growth.

- a10. Consideration of Contract Award for Dell/EMC Transformational License Agreement.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for Dell/EMC Transformational License Agreement.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a five (5) year firm-fixed price contract for a Dell/EMC Transformational License Agreement to Computer Design & Integration, LLC for a total not-to-exceed amount of \$1,800,000.00 (plus applicable taxes), with such amount including a contingency of \$100,150.99 (plus applicable taxes) to cover potential increases in the number of licenses and support services required during the period of performance, subject to required Federal Communications Commission approval.

- a11. Consideration of Contract Award for Dell/EMC Unity Hardware Maintenance and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion

provided background detailing USAC management's recommendation to award a contract for Dell/EMC Unity hardware maintenance and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a twelve (12) month firm-fixed price contract for Dell/EMC Unity hardware maintenance and support services to Computer Design & Integration, LLC for a total not to-exceed amount of \$394,075.00 (plus applicable taxes), with such amount including a ten percent (10%) contingency of \$35,825.00 (plus applicable taxes) to cover potential increases in hardware maintenance and support services during the period of performance.

- a12. Consideration of a Contract Award for ServiceNow Instance Licenses and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for ServiceNow instance licenses and support.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a thirty-six (36) month firm-fixed price contract for ServiceNow instance licenses and support to New Tech Solutions, Inc. for a not-to-exceed amount of \$1,268,650.68 (plus applicable taxes), with such amount including a ten percent (10%) contingency of \$115,331.88 (plus applicable taxes) to cover potential increases in the number of instance licenses and support services required during the period of performance.

- a13. Consideration of Contract Award for Okta Licenses and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for Okta licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a three (3) year firm-fixed price contract for Okta licenses and support services to Okta, Inc. for a total not-to-exceed amount of \$2,100,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a14. Consideration of a Contract Award for Microsoft Enterprise Agreement.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for a Microsoft Enterprise Agreement.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a thirty-six (36) month firm-fixed price contract for a Microsoft Enterprise Agreement to Microsoft Corporation for a total not-to-exceed amount of \$6,800,000.00 (plus applicable taxes), with such amount including a contingency of \$500,000.00 (plus applicable taxes) to cover potential increases in the support services and number of licenses due to growth in the business units, subject to required Federal Communications Commission approval.

- a15. Consideration of a Contract Award for Cisco SmartNet.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for Cisco SmartNet.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a twelve (12) month, firm-fixed price contract for Cisco SmartNet to Disys Solutions, Inc. for a total not-to-exceed amount of \$319,149.12 (plus applicable taxes), with such amount including a contingency of \$20,000.00 (plus applicable taxes) to cover potential increases in the support level required during the twelve (12) month period of performance, subject to required Federal Communications Commission approval.

- a16. Consideration of Contract Award for Tableau Licenses.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for Tableau licenses.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a twenty-four (24) month, firm-fixed price contract for

Tableau licenses to Salesforce, Inc. for a total not-to-exceed price of \$641,025.00 (plus applicable taxes), with such amount including a contingency of \$30,000.00 (plus applicable taxes) to cover increases in licenses due to future growth.

- a17. Consideration of a Contract Award for VMWare Enterprise License Agreement.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a twelve (12) month firm-fixed price contract for a VMWare Enterprise License.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a twelve (12) month firm-fixed price contract for a VMWare Enterprise License Agreement to CDI, LLC for a total not-to-exceed price of \$524,630.00 (plus applicable taxes), with such amount including a contingency of \$20,000.00 (plus applicable taxes) to cover potential increases in the number of licenses and support services required during the period of performance.

- a18. Consideration of a Contract Modification for IT Security Assessment Contract with Coalfire.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing IT Security Assessment contract with Coalfire by increasing the not-to-exceed amount of the contract by \$181,510.78 (plus applicable taxes) from a total not-to exceed amount of \$3,710,620.20 (plus applicable taxes) to a total not-to-exceed amount of \$3,892,130.98 (plus applicable taxes), and by extending the fourth and final option year period of performance for three (3) additional months.

- a19. Consideration to Exercise Option Terms for Penetration Testing.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to exercise the first and second one (1) year option terms of its existing task order with Ampcus, Inc., thereby increasing the total not-to-exceed amount of its existing task order by \$698,739.54 (plus applicable taxes) from a total not-to-exceed amount of \$328,656.00 (plus applicable taxes) to a total not-to-exceed amount of \$1,027,395.54 (plus applicable taxes), with such amount including a contingency of \$114,000.00 (plus applicable taxes) over both one (1) year option terms.

- a20. Consideration of a Contract Modification for Appian Licenses and Support.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its Appian Licenses and Support contract with Appian Corporation, in support of the E-Rate Productivity Center and other USAC systems, by increasing the not-to-exceed amount by \$4,600,000.00 (plus applicable taxes), from \$13,785,698.32 (plus applicable taxes) to the not-to-exceed amount of \$18,385,698.32 (plus applicable taxes), over the remainder of the thirty-six (36) month period of performance, subject to required Federal Communications Commission approval. Recently, USAC enabled Report Processing Automation within the High Cost program that utilizes Appian to manage the workflow of those automated processes. Additionally, the new High Cost calculation engine that is being built will utilize Appian as its workflow engine. As new applications are added to the Appian platform, USAC will continue to need additional user licenses and increased infrastructure to support these applications.

- a21. Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its Amazon Web Services and GovCloud hosting contract with Amazon Web Services, Inc. to support USAC's various Universal Service Fund programs, including hosting the Lifeline National Eligibility Verifier, High Cost Broadband Portal, National Lifeline Accountability Database, Centralized Geocoding, and other IT projects, by increasing the not-to exceed amount by \$2,000,000.00 (plus applicable taxes), from the not-to-exceed amount of \$1,500,000.00 (plus applicable taxes) to the not-to-exceed amount \$3,500,000.00(plus applicable taxes), over the remainder of the twelve (12) month period of performance, subject to required Federal Communications Commission approval. This modification is necessary due to USAC's increased Amazon Web Services usage for both existing and new projects and initiatives.

- i9. Information on Four USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports.** This item was provided for *information purposes only*. No discussion was held.

At 12:51 p.m. the Board continued in *Confidential Executive Session* with only members of the Board, Ms. Nuzzo, and Ms. Williams present.

- a22. RESERVED.**

a23. *Personnel Matter:* Consideration of 2024 Salary Increase for the USAC Chief Executive Officer. Mr. Mason facilitated this discussion.

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

RESOLVED, that the USAC Board of Directors having reviewed the proposed 2024 merit-based salary increase for USAC's Chief Executive Officer as recommended by the Executive Compensation Committee, hereby approves the salary increase, effective retroactively as of January 1, 2024.

At 1:02 p.m. the Board continued in ***Confidential Executive Session*** with only non-staff members of the Board present.

i10. *Confidential Executive Session: Board of Directors Only.* Mr. Mason facilitated this discussion.

OPEN SESSION

At 1:44 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of ***Executive Session*** and immediately reconvened in ***Open Session***, at which time Mr. Mason reported that, in ***Executive Session***, the Board acted on items a4-a17, a22 and a23, and discussed items i4-i6, and i10.

On a motion duly made and seconded, the Board adjourned at 1:45 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary