

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

<b>Tuesday, January 28, 2014 8:30 a.m. – 12:00 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</b>
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<b><u>ACTION ITEMS</u></b>
<b>a1.</b> Approval of Board of Directors Meeting Minutes of October 29, 2013
<b>a2.</b> Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee
<b>a3.</b> Election of Board Members to Committees, Election of Committee Chairs and Vice Chairs, and Election and Appointment of Corporate Officers
<b>a4.</b> Approval of 2nd Quarter 2014 and 2014 Annual USAC Common and Consolidated Budgets
<b>a5.</b> Action on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a6.</b> Approval of April 2015 – January 2016 Board of Directors Quarterly Meeting Schedule
<b>a7.</b> Consideration of Contract Award for Information Technology Service Management System – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a8.</b> Consideration of Contract Award for Core Switch Replacement at USAC’s Co-location 2 Data Center – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a9.</b> Consideration of Revised Audit Committee Charter <i>Same as aAC03</i>
<b>a10.</b> Personnel Matter – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a11.</b> Miscellaneous. Solicit ideas for the January 2014 Board meeting agenda.

<b><u>INFORMATION ITEMS</u></b>
<b>i1.</b> Assistant Treasurer’s Report
<b>i2.</b> External Relations Report
<b>i3.</b> Bankruptcy and Other Litigation Matters Report
<b>i4.</b> USAC Internal Audit Division Audit Update – <i>Executive Session Option</i> <i>Same as iAC01</i>
<b>i5.</b> Report on the Audit of the FCC’s Financial Statements for the Fiscal Year Ending September 30, 2013 <i>Same as iAC04</i>
<b>i6.</b> USAC Procurement Competition Advocate Annual Report
<b>i7.</b> Approval of USAC 2013 Annual Report to the FCC and Congress <i>Same as aEC03</i>

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

<b><u>INFORMATION ITEMS</u></b>	
<b>i8.</b>	Quarterly Report on Universal Service Fund Contribution Matters – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC02cf</i>
<b>i9.</b>	Procurement Update – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC01cf</i>
<b>i10.</b>	Discussion of USAC Management and Control of Personally Identifiable Information
<b>i11.</b>	USAC 2013 Accomplishments
<b>i12.</b>	USAC 2014 Objectives
<b>i13.</b>	Miscellaneous
<b><u>FORMS</u></b>	
	<ul style="list-style-type: none"><li>• Request for Reimbursement of Board of Directors Expenses</li><li>• USAC Board Members Address List</li></ul>

### **Next USAC Board of Directors Meeting**

<p style="text-align: center;"><b>Tuesday, April 29, 2014</b> <b>8:30 a.m. – 12:00 p.m. Eastern Time</b> <b>USAC Offices, Washington, D.C.</b></p>
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**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**January 28, 2014**

**MINUTES**

The quarterly meeting of the Board of Directors (Board) of the Universal Service Administrative Company (USAC) was held at USAC's offices in Washington, D.C. on Tuesday, January 28, 2014. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:30 a.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Barash, Scott – Acting Chief Executive Officer	Jones, Rochelle
Bergmann, Scott – <i>by telephone</i>	Jortner, Wayne – Treasurer
Brise', Ronald	Lubin, Joel – Vice Chair
Brown, Eric	Mason, Kenneth
Campbell, Anne – <i>by telephone</i>	Noriega, Raquel
Domench, Dr. Daniel	Tritt Schell, Julie
Feiss, Geoff	Talbott, Dr. Brian – Chair
Gillan, Joseph	Wein, Olivia
Jacobs, Ellis – Secretary	Wibberly, Dr. Kathy

Members of the Board of Directors not present:

Jimenez, Jose

Officers of the corporation present:

Belden, Richard – Chief Operating Officer  
Blackwell, Mel – Vice President, Schools & Libraries Division  
Capozzi, David – General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant  
Treasurer  
Davis, Craig – Vice President, Rural Health Care Division  
Greiner, Colleen – Vice President and Chief Information Officer  
Majcher, Karen – Vice President, High Cost & Low Income Division  
Scott, Wayne – Vice President of Internal Audit

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Bancroft, Royce	USAC
Beard, Jay	USAC

<u>NAME</u>	<u>COMPANY</u>
Betancourt, Laura	USAC
Caruso, Michael	USAC
Cosson, Jim	USAC
Doughtery, Michael	USAC
Duvall, Rashann	USAC
Fischer, Dennis	USAC
Garber, Michelle	USAC
Gulick, Donna	USAC
Holo, Melissa	USAC
Hughes, Jeff	USAC
Iversen, Eric	USAC
King, Sola	USAC
Kriete, Debra	South Dakota DOE
Lacey, Kimberly	USAC
Lee, Brandon	USAC
Miller, Jack	Solix, Inc.
Murphy, Tom	USAC
Nuzzo, Patsy	USAC
Pilsch, Tracey	USAC
Salvator, Charles	USAC
Schreiber, Johnnay	USAC
Sinkfield, David	USAC
Spade, Gina – <i>by telephone</i>	FCC

### ACTION ITEMS

- a1. **Approval of Board of Directors Meeting Minutes of October 29, 2013.** On a motion duly made and seconded, the Board approved the minutes of the Board meeting of October 29, 2013.
- a2. **Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** The committee chairs reported on matters discussed and actions taken by their respective committees since the October 2013 quarterly meetings. Mr. Gillan reported for the Audit Committee; Mr. Jortner reported for the Rural Health Care Committee; Mr. Lubin reported for the High Cost & Low Income Committee and Executive Compensation Committee; and Dr. Talbott reported for the Executive Committee and the Schools and Libraries Committee.
- a3. **Election of Board Members to Committees, Election of Committee Chairs and Vice Chairs, and Election and Appointment of Corporate Officers.** Dr. Talbott recommended that this item be deferred until the FCC Chair makes selections to the USAC Board of Directors.

**a4. Approval of 2nd Quarter 2014 and 2014 Annual USAC Common and Consolidated Budgets.** Mr. Belden presented this item for discussion.

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 2014 USAC common operating budget of \$13.6 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 2nd Quarter 2014 USAC common capital budget of \$0.7 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$14.3 million for USAC common costs in the required January 31, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 2nd Quarter 2014 USAC consolidated operating budget of \$34.8 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 2nd Quarter 2014 USAC consolidated capital budget of \$1.8 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$36.6 million for USAC consolidated costs in the required January 31, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 2014 annual consolidated operating budget of \$141.5 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 2014 annual consolidated capital budget of \$15.7 million.

**a5. Action on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that this matter be discussed in *Executive Session* because the reports relate to specific *internal controls, and/or confidential company data*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of the contributor revenue audit reports listed in Exhibit I to the issue paper shall be conducted in *Executive Session*.

- a6. Approval of April 2015 – January 2016 Board of Directors Quarterly Meeting Schedule.** Mr. Barash presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors adopts the following Board of Directors and committee quarterly meetings schedule for April 2015 – January 2016.

<b>Executive Committee</b>	<b>Programmatic Committees &amp; Board of Directors</b>
April 23, 2015	April 27-28, 2015
July 23, 2015	July 27-28, 2015
October 22, 2015	October 26-27, 2015
January 21, 2016	January 25-26, 2016 (Monday, January 19, 2015 is the Martin Luther King holiday.)

- a7. Consideration of Contract Award for Information Technology Service Management System.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of the recommended contract award to purchase an IT Service Management System shall be conducted in *Executive Session*.

- a8. Consideration of Contract Award for Core Switch Replacement at USAC's Co-location 2 Data Center.** In accordance with the approved criteria and procedures for conducting USAC Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of the recommended contract award shall be conducted in *Executive Session*.

- a9. Consideration of Revised Audit Committee Charter.** Mr. Scott presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors accepts the recommendation of the USAC Audit Committee and, having reviewed the current Audit Committee Charter and the modifications presented by the USAC Internal Audit Division, approves the revised Audit Committee Charter.

- a10. Personnel Matter.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this personnel matter occur in *Executive Session*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of this personnel matter shall be conducted in *Executive Session*.

- a11. a11-1. Miscellaneous. Solicit ideas for the April 2014 Board meeting agenda.** Dr. Talbott reminded Board members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Talbott, or Mr. Lubin between quarterly meetings.

**a11-2. Title Change for Mr. Barash.** Mr. Gillan made a motion to remove “Acting” designation from Mr. Barash’s title.

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

**RESOLVED**, that the USAC Board of Directors determines that effective immediately, the “Acting” designation is hereby removed from Mr. Barash’s title.

## **INFORMATION ITEMS**

- i1. **Assistant Treasurer's Report.** This report was provided for informational purposes. No discussion was held.
- i2. **External Relations Report.** This report was provided for informational purposes. No discussion was held.
- i3. **Bankruptcy and Other Litigation Matters Report.** This report was provided for informational purposes. No discussion was held.
- i4. **USAC Internal Audit Division Audit Update.** Mr. Scott presented this item for discussion.
- i5. **Report on the Audit of the FCC's Financial Statements for the Fiscal Year Ending September 30, 2013.** This report was provided for informational purposes. No discussion was held.
- i6. **USAC Procurement Competition Advocate Annual Report.** This report was provided for informational purposes. No discussion was held.
- i7. **Approval of USAC 2013 Annual Report to the FCC and Congress.** Mr. Barash presented this item for discussion noting that feedback should be sent to Mr. Barash or Mr. Eric Iversen, Director of External Relations.
- i8. **Quarterly Report on Universal Service Fund Contribution Matters.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this report relates to specific *internal controls, and/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*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of the quarterly report on USF contribution matters shall be conducted in *Executive Session*.

- i9. **Procurement Update.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.



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

**RESOLVED**, that the USAC Board of Directors determines that discussion of the procurement matters associated with this item shall be conducted in *Executive Session*.

- i10. Discussion of USAC Management and Control of Personally Identifiable Information.** Mr. Case presented this item for discussion.
- i11. USAC 2013 Accomplishments.** Mr. Barash presented this item for discussion.
- i12. USAC 2014 Objectives.** Mr. Belden presented this item for discussion.

At 9:53 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing and considering the confidential items noted above. The Board then recessed until 10:07 a.m. Eastern Time, at which time it reconvened in *Executive Session*.

#### **EXECUTIVE SESSION**

- a5. Action on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Mr. Charles Salvator, Director of Internal Audit, presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the USAC Internal Audit Division contributor revenue audit reports listed in **Exhibit I** to this issue paper, together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

- a7. Consideration of Contract Award for Information Technology Service Management System.** Mr. Belden presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to acquire an Information Technology Service Management System from Flycast Partners for the total firm-fixed price of \$216,722.41.

- a8. Consideration of Contract Award for Core Switch Replacement at USAC's Co-location 2 Data Center.** Mr. Belden presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to purchase the Co-location 2 Data Center core switch replacement hardware and support from New Tech Solutions, Inc. for the firm fixed price of \$109,259.62, plus \$6,282.39 in applicable sales tax, for a total of \$115,542.01.

- i8. Quarterly Report on Universal Service Fund Contribution Matters.** Mr. Case presented this item for discussion.

- i9. Procurement Update.** Mr. Belden presented this item for discussion.

At 10:37 a.m. Eastern Time, the Board continued in *Executive Session* with only Board members, Mr. Belden and Mr. Capozzi in attendance.

- a10-1. Personnel Matter. Interim Chief Executive Officer and General Counsel Positions and CEO Search.** Dr. Talbott presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors appoints Richard A. Belden, USAC's Chief Operating Officer, as Interim CEO of USAC, including all duties and responsibilities associated with that office under the USAC Bylaws, effective February 14, 2014, effective following Mr. Barash's last day with USAC; and

**FURTHER RESOLVED**, that the USAC Board of Directors directs the initiation of a search process for a permanent replacement for the office of USAC Chief Executive Officer; and

**FURTHER RESOLVED**, that the USAC Board of Directors appoints David A. Capozzi, USAC's Acting Vice President and General Counsel, as Vice President and General Counsel, effective immediately.

- a10-2. Personnel Matter. Consideration of 2014 Merit-Based Salary Program for USAC Employees.** Mr. Barash presented this item for discussion.

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

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of the Executive Compensation Committee and the Executive Committee, hereby adopts the recommendation of the Executive Committee and approves a 2014 merit-based salary increase program for USAC employees based on an average increase of 2.9 percent.

At 11:19 a.m. Eastern Time, the Board continued in *Executive Session* with only Board members in attendance.

**a10-3. Personnel Matter. CEO Exit Interview.**

At 12:31 p.m. Eastern Time, the Board continued in *Executive Session* with Board members, Mr. Belden and Mr. Capozzi in attendance for the purpose of discussing the following personnel matters.

**a10-4. Personnel Matter. CEO Search.** Mr. Talbott presented this item for discussion.

**a10-5. Personnel Matter. Board of Directors Planning Session.** Mr. Talbott presented this item for discussion.

At 1:11 p.m. Eastern Time, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on items a5, a7, a8, a10-1 and a10-2 and discussed items i8, i9, a10-3, a10-4 and a10-5 above.

Dr. Talbott, on behalf of the Board, thanked Mr. Barash for his many contributions to the Board and USAC and wished him well in his future endeavors.

On a motion duly made and seconded, the Board adjourned at 1:12 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

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

<b>Tuesday, April 29, 2014 8:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</b>
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<b><u>ACTION ITEMS</u></b>
<b>a1.</b> Approval of Board of Directors Meeting Minutes of January 28, 2014
<b>a2.</b> Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee
<b>a3.</b> (Reserved)
<b>a4.</b> Approval of 3rd Quarter 2014 and Revised 2014 Annual USAC Common and Consolidated Budgets
<b>a5.</b> Action on Five USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a6.</b> Consideration of Contract Award for Great Plains Software Support Services – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a7.</b> Personnel Matter – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a8.</b> Consideration of Contract Award for Storage Area Network Systems for USAC’s Co-location 2 Data Center – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a9.</b> Consideration of Contract Award for Microsoft Enterprise Products – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a10.</b> Resolution Honoring Board Member Whose Service Has Recently Concluded
<b>a11.</b> Miscellaneous. Solicit ideas for the July 2014 Board meeting agenda.

<b><u>INFORMATION ITEMS</u></b>
<b>i1.</b> Assistant Treasurer’s Report
<b>i2.</b> External Relations Report
<b>i3.</b> Bankruptcy and Other Litigation Matters Report
<b>i4.</b> USAC Internal Audit Division Audit Update – <i>Executive Session Option</i> <i>Same as iAC01</i>
<b>i5.</b> Semiannual Status Report on Actions Taken on Final USAC Audits – <i>Executive Session Option</i> <i>Same as iAC02</i>
<b>i6.</b> Quarterly Report on Universal Service Fund Contribution Matters – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC02cf</i>

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

<b><u>INFORMATION ITEMS</u></b>
<b>i7.</b> Procurement Update – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC01cf</i>
<b>i8.</b> Miscellaneous
<b><u><a href="#">The following are located in BoardEffect</a></u></b>
<ul style="list-style-type: none"><li>• Request for Reimbursement of Board of Directors Expenses</li><li>• USAC Board Members Address List</li></ul>

### **Next USAC Board of Directors Meeting**

<b>Tuesday, July 29, 2014</b> <b>8:30 a.m. – 12:00 p.m. Eastern Time</b> <b>USAC Offices, Washington, D.C.</b>
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**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**April 29, 2014**

**MINUTES**

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, April 29, 2014. Mr. Joel Lubin, Board Vice Chair, called the meeting to order at 8:02 a.m. Eastern Time, with a quorum of 14 of the 19 Board members present:

Belden, Richard – Chief Operating Officer and Interim Chief Executive Officer	Jimenez, Jose
Bergmann, Scott	Jones, Rochelle
Brise', Ronald	Lubin, Joel – Vice Chair
Campbell, Anne	Mason, Kenneth
Domenech, Dr. Daniel	Noriega, Raquel
Gillan, Joseph – <i>by telephone</i>	Schell, Julie Tritt
Jacobs, Ellis – Secretary	Wibberly, Dr. Kathy

Mr. Geoff Feiss joined the meeting at 8:04 a.m. Eastern Time. He did not vote on item a1. Mr. Wayne Jortner, Treasurer, joined the meeting at 8:05 a.m. Eastern Time. He did not vote on item a1. Ms. Olivia Wein joined the meeting at 8:11 a.m. Eastern Time. She did not vote on item a1. Dr. Brian Talbott, Board Chair, joined the meeting at 9:04 a.m. Eastern Time. He did not vote on or participate in the discussion of items a1, a2, a4, a5, a6, a8, a9, a10 and i4.

Board members not present:

Brown, Eric

Officers of the corporation present:

Blackwell, Mel – Vice President, Schools & Libraries Division  
Capozzi, David – General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig – Vice President, Rural Health Care Division  
Greiner, Colleen – Vice President and Chief Information Officer  
Majcher, Karen – Vice President, High Cost & Low Income Division  
Scott, Wayne – Vice President of Internal Audit

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Betancourt, Laura	USAC
Bobowick, Marla	Bobowick Consulting
Bryant, Anne	Consultant
Carpenter, Nikki-Blair	USAC
Caruso, Michael	USAC
Dougherty, Michael	USAC
Duvall, Rashann	USAC
Guinan, Gabriela	USAC
Gulick, Donna	USAC
Hughes, Jeff	USAC
Kriete, Debra	South Dakota DOE
Lee, Brandon	USAC
Miller, Jack	Solix, Inc.
Nuzzo, Patsy	USAC
Robinson, Vickie	FCC
Salvator, Charles	USAC
Schreiber, Johnnay	USAC
Shaffer, Dana – <i>by telephone</i>	FCC
Spade, Gina – <i>by telephone</i>	FCC

### ACTION ITEMS

- a1. **Approval of Board of Directors Meeting Minutes of January 28, 2014.** On a motion duly made and seconded, the Board approved the minutes of the Board meeting of January 28, 2014.
- a2. **Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** The committee chairs reported on matters discussed and actions taken by their respective committees since the January 2014 quarterly meetings. Mr. Jimenez reported for the Audit Committee; Mr. Lubin reported for the Executive Committee and the High Cost & Low Income Committee; Mr. Jortner reported for the Rural Health Care Committee; and Ms. Campbell reported for the Schools and Libraries Committee.
- a3. **Reserved.**
- a4. **Approval of 3rd Quarter 2014 and Revised 2014 Annual USAC Common and Consolidated Budgets.** Mr. Case presented this item for discussion.

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 3rd Quarter 2014 USAC common operating budget of \$11.2 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 3rd Quarter 2014 USAC common capital budget of \$0.7 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$11.7 million for USAC common costs in the required May 2, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 3rd Quarter 2014 USAC consolidated operating budget of \$32.7 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 3rd Quarter 2014 USAC consolidated capital budget of \$1.8 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$33.2 million for USAC consolidated costs in the required May 2, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a revised 2014 annual USAC common operating budget of \$49.0 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a revised 2014 annual USAC consolidated operating budget of \$131.2 million.

- a5. Action on Five USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that this matter be discussed in *Executive Session* because the reports relate to specific *internal controls, and/or confidential company data*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.

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



**RESOLVED**, that the USAC Board of Directors determines that discussion of the contributor revenue audit reports listed in Exhibit I to the issue paper shall be conducted in *Executive Session*.

- a6. Consideration of Contract Award for Great Plains Software Support Services.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of the recommended contract award shall be conducted in *Executive Session*.

- a7. Personnel Matter.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this personnel matter occur in *Executive Session*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of this personnel matter shall be conducted in *Executive Session*.

- a8. Consideration of Contract Award for Storage Area Network Systems for USAC's Co-location 2 Data Center.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of the recommended contract award shall be conducted in *Executive Session*.

- a9. Consideration of Contract Award for Microsoft Enterprise Products.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that

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

discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of the recommended contract award shall be conducted in *Executive Session*.

- a10. Resolution Honoring Board Member Whose Service Has Recently Concluded.** Mr. Lubin presented this item for discussion noting appreciation for Mr. Barash's style, integrity, openness and willingness to take everyone's opinion into consideration.

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

**RESOLVED**, that the USAC Board of Directors hereby expresses its sincere appreciation to Mr. D. Scott Barash for his dedicated service and leadership to USAC, and as a member of the Board of Directors of the Universal Service Administrative Company, and wishes him the best in his future endeavors.

- a11. Miscellaneous. Solicit ideas for the July 2014 Board meeting agenda.** Mr. Lubin reminded Board members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Talbott, Mr. Lubin or Mr. Belden between quarterly meetings.

### **INFORMATION ITEMS**

- i1. Assistant Treasurer's Report.** This report was provided for informational purposes. No discussion was held.
- i2. External Relations Report.** This report was provided for informational purposes. No discussion was held.
- i3. Bankruptcy and Other Litigation Matters Report.** This report was provided for informational purposes. No discussion was held.
- i4. USAC Internal Audit Division Audit Update.** Mr. Scott presented this item for discussion.
- i5. Semiannual Status Report on Actions Taken on Final USAC Audits.** This report was provided for informational purposes. No discussion was held.

- i6. Quarterly Report on Universal Service Fund Contribution Matters.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this report relates to specific *internal controls, and/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*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of the quarterly report on USF contribution matters shall be conducted in *Executive Session*.

- i7. Procurement Update.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Board of Directors determines that discussion of the procurement matters associated with this item shall be conducted in *Executive Session*.

- i8. Announcement of the Retirement of Mr. Jeffery Hughes, Director of Information Systems.** Mr. Belden announced that Jeff Hughes, a long-time USAC employee is retiring. Mr. Belden thanked Mr. Hughes for his many contributions to USAC.

At 8:33 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing and considering the confidential items noted above.

### **EXECUTIVE SESSION**

- a5. Action on Five USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Mr. Charles Salvator, Director of Internal Audit, presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the USAC Internal Audit Division contributor revenue audit reports listed in **Exhibit I** to this issue paper, together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

**a6. Consideration of Contract Award for Great Plains Software Support Services.** Mr. Case presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a fixed labor rate contract to purchase Microsoft Dynamics Great Plains software support services from KTL Solutions for a total not-to-exceed amount of \$220,000 over three years, including wages, overhead, general and administrative expenses, travel expenses, and profit. The base year will have a not-to-exceed amount of \$90,000, and the two option years will have not-to-exceed amounts of \$65,000 for each year.

**a8. Consideration of Contract Award for Storage Area Network Systems for USAC's Co-location 2 Data Center.** Mr. Case presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to purchase a replacement SAN, for USAC's Co location 2 data center from Clearpath for the firm fixed price of \$227,981.00, plus \$13,678.86 in applicable sales taxes for a total of \$241,659.86.

**a9. Consideration of Contract Award for Microsoft Enterprise Products.** Mr. Case presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify the existing contract with Microsoft to increase the contract amount by \$190,637.27 to accommodate the final payments required in the agreement, such that the new contract amount shall not exceed \$1,387,204.27.

- i6. Quarterly Report on Universal Service Fund Contribution Matters.** Mr. Case presented this item for discussion.

The Board then recessed at 9:45 a.m. Eastern Time and reconvened at 10:19 a.m. Eastern Time in *Executive Session* with only the Board members, USAC officers, FCC Chairman Wheeler, FCC Managing Director Jon Wilkins and FCC staff (including Daniel Alvarez, Vickie Robinson, Dana Shaffer – by teleconference – and Gina Spade – by teleconference) present.

- i8. Discussion with Chairman Wheeler.**

At 11:19 a.m. Eastern Time the Board recessed and reconvened in *Executive Session* at 11:26 a.m. Eastern Time with only Board members and officers present.

- i7. Procurement Update.** Mr. Case presented this item for discussion.

At 11:34 am. Eastern Time, the Board continued in *Executive Session* with only Board members, Mr. Belden and Mr. Capozzi in attendance.

- a7. Personnel Matter.** Dr. Talbott discussed the status of the CEO search with the Board.

At 11:42 a.m. Eastern Time, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on items a5, a6, a7, a8 and a9, and discussed items i6 and i7 above, and held a discussion with Chairman Wheeler and FCC Managing Director Jon Wilkins.

On a motion duly made and seconded, the Board adjourned at 11:45 a.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

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

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

<p><b>Thursday, June 26, 2014</b> <b>11:50 a.m. – 12:08 p.m. Eastern Time</b> <b>USAC Offices</b> <b>2000 L Street, N.W., Suite 200</b> <b>Washington, D.C. 20036</b></p>
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<b><u>LEAD</u></b>	<b><u>ACTION ITEMS</u></b>
Chair	<p><b>a1.</b> Consideration of Candidates for USAC Chief Executive Officer – <i>Confidential – Executive Session Recommended – Personnel Matter – Contains Highly Confidential, Sensitive Information</i></p>

**Next USAC Board of Directors Meeting**

<p><b>Tuesday, July 29, 2014</b> <b>8:30 a.m. – 12:00 p.m. Eastern Time</b> <b>USAC Offices, Washington, D.C.</b></p>
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**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**June 26, 2014**

**MINUTES**

A meeting of the USAC Board of Directors (Board) was held at the offices of Korn Ferry in Washington, D.C. on Thursday, June 26, 2014. Dr. Brian Talbott, Board Chair, called the meeting to order at 11:50 a.m. Eastern Time, with a quorum of 11 of the 19 Board members present:

Campbell, Anne	Lubin, Joel – Vice Chair
Feiss, Geoff	Noriega, Raquel
Gillan, Joe	Schell, Julie Tritt
Jimenez, Jose – <i>by telephone</i>	Talbott, Dr. Brian – Chair
Jones, Rochelle	Wein, Olivia
Jortner, Wayne – <i>by telephone</i>	

Board members not present:

Belden, Richard – Interim CEO	Domench, Dr. Dan
Bergmann, Scott	Jacobs, Ellis
Brise', Ronald	Mason, Ken
Brown, Eric	Wibberly, Dr. Kathy

Officers of the corporation present:

Capozzi, David – General Counsel and Assistant Secretary

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
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None

**ACTION ITEMS**

- a1. Consideration of Candidates for USAC Chief Executive Officer.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this is a *personnel matter*.

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of this personnel matter shall be conducted in *Executive Session*.

At 11:51 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential item noted above.

### **EXECUTIVE SESSION**

**a1. Consideration of Candidates for USAC Chief Executive Officer.** Dr. Talbott presented this item for discussion, noting that over the past two days available Board members had interviewed six candidates identified by Korn Ferry for the USAC Chief Executive Officer position and following the interviews Board members present and on the phone had discussed the qualifications and abilities of each of the candidates. The Board then convened a meeting with a quorum present for discussing whether one or more of the interviewed candidates should be invited for second round interviews with the Board when it convenes for the July Board and committee meetings. A motion was made and seconded that the Board approve two of the six candidates interviewed for second round interviews with the Board. A motion was then made to amend the motion that the Board consider three candidates for second round interviews. The motion to amend was seconded, discussed and not adopted with four Board members voting in the affirmative and seven Board members voting in the negative. The Board then discussed the original motion to invite two candidates for second round interviews with the Board.

Following discussion, the Board unanimously adopted the original motion stating as follows:

**RESOLVED**, that the USAC Board of Directors hereby selects the two individuals identified by the Board during discussion to be invited to participate in second round interviews with the Board for the USAC Chief Executive Officer position.

On a motion duly made and seconded, the Board recessed from *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on item a1 above. On a motion duly made and seconded, the Board adjourned at 12:08 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary



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

<b>Tuesday, July 29, 2014 10:00 a.m. – 12:00 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</b>
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<b><u>OPEN SESSION</u></b>
<b><i>Action Items</i></b>
<b>a1.</b> Consent Items (each available for discussion upon request): <ul style="list-style-type: none"><li>• Approval of Board of Directors Meeting Minutes of April 29, 2014 and June 26, 2014</li><li>• Approval of moving all <b><i>Executive Session</i></b> items into <b><i>Executive Session</i></b></li><li>• Routine procurements: Deemed consideration and approval of in <b><i>Executive Session</i></b></li></ul>
<b>a2.</b> Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee
<b>a3.</b> Approval of 4th Quarter 2014 and Revised 2014 Annual USAC Common and Consolidated Budgets
<b>a4.</b> Miscellaneous. Solicit ideas for the October 2014 Board meeting agenda.

<b><i>Information Items</i></b>
<b>i1.</b> Assistant Treasurer's Report
<b>i2.</b> External Relations Report
<b>i3.</b> Bankruptcy and Other Litigation Matters Report
<b>i4.</b> USAC Internal Audit Division Audit Update – <b><i>Executive Session Option</i></b> <i>Same as iAC01</i>
<b>i5.</b> USAC Enterprise Data Strategy Update
<b>i6.</b> Acceptance of USAC 2013 Annual Financial Audit and Agreed-Upon Procedures Review <i>Same as aAC02</i>
<b>i7.</b> Mid-Year Report on USAC 2014 Objectives
<b>i8.</b> April 2014 Board Planning Session Follow-Up Discussion
<b><u><a href="#">The following are located in BoardEffect</a></u></b>
<ul style="list-style-type: none"><li>• Request for Reimbursement of Board of Directors Expenses</li><li>• USAC Board Members Address List</li></ul>
<b>Break</b>

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

<b><u>EXECUTIVE SESSION</u></b>
<i>Action Items</i>
<b>a5.</b> Action on Three USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>a6.</b> Consideration of an Extension to the 2008 FCC-USAC Memorandum of Understanding – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC05cf</i>
<b>a7.</b> Consideration of Revised Office Space Plan and Authorization to Execute an Amended Lease – <b>Confidential</b> – <i>Executive Session Recommended</i>
<i>Information Items</i>
<b>i9.</b> Update on USAC Management and Control of Personally Identifiable Information – <b>Confidential</b> – <i>Executive Session Recommended</i>
<b>i10.</b> Quarterly Report on Universal Service Fund Contribution Matters – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC03cf</i>
<b>i11.</b> Procurement Update – <b>Confidential</b> – <i>Executive Session Recommended</i> <i>Same as iEC02cf</i>
<b>i12.</b> Personnel Matter – <b>Confidential</b> – <i>Executive Session Recommended</i>

### **Next USAC Board of Directors Meeting**

<b>Tuesday, October 28, 2014</b> <b>8:30 a.m. – 12:00 p.m. Eastern Time</b> <b>USAC Offices, Washington, D.C.</b>
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**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**July 29, 2014**

**MINUTES**

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, July 29, 2014. Dr. Brian Talbott, Board Chair, called the meeting to order at 10:00 a.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Belden, Richard – Chief Operating Officer and Interim Chief Executive Officer	Jones, Rochelle
Brise', Ronald	Jortner, Wayne – Treasurer
Brown, Eric	Lubin, Joel – Vice Chair
Campbell, Anne	Mason, Kenneth
Domenech, Dr. Daniel	Noriega, Raquel
Feiss, Geoff	Talbott, Dr. Brian
Gillan, Joseph	Tritt Schell, Julie
Jacobs, Ellis – Secretary – <i>by telephone</i>	Wein, Olivia
Jimenez, Jose	Wibberly, Dr. Kathy

Board members not present:

Bergmann, Scott

Officers of the corporation present:

Blackwell, Mel – Vice President, Schools & Libraries Division  
Capozzi, David – General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig – Vice President, Rural Health Care Division  
Majcher, Karen – Vice President, High Cost & Low Income Division  
Scott, Wayne – Vice President of Internal Audit

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Ayer, Catriona	USAC
Bancroft, Royce	USAC
Batra, Sachin	USAC

<u>NAME</u>	<u>COMPANY</u>
Betancourt, Laura	USAC
Carpenter, Nikki-Blair	USAC
Cosson, Jim	USAC
Delmar, Teleshia	USAC
Dougherty, Michael	USAC
Duvall, Rashann	USAC
Garber, Michelle	FCC
Gross Guinan, Gabriela	USAC
Gulick, Donna	USAC
Hill, William	FCC
Holo, Melissa	USAC
Johnston, Anna	USAC
King, Sola	USAC
Kriete, Debra	South Dakota DOE
Lee, Brandon	USAC
Miller, Jack	Solix, Inc.
Murphy, Tom	USAC
Nuzzo, Patsy	USAC
Salvator, Charles	USAC
Schaible, Derek	USAC
Schreiber, Johnnay	USAC
Sinkfield, David	USAC
Trew, Anne Marie	USAC

## OPEN SESSION

### Action Items

#### **a1. Consent Items.**

- A. Approval of Board meeting minutes of April 29, 2014 and June 26, 2014.
- B. Approval of moving into *Executive Session* agenda items:
  - (1) a5 – Action on three USAC Internal Audit Division Universal Service Revenue Contributor Audit Reports. USAC management recommends this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*
  - (2) a6 – Discussion of FCC-USAC Memorandum of Understanding. USAC management recommends this item be discussed in *Executive Session* because this matter is subject to the *attorney/client privilege.*
  - (3) a7 – Consideration of Revised USAC Office Space Plan and Authorization to Execute Amended Lease. 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*.
- (4) i9 – Update on USAC Management and Control of Personally Identifiable Information. USAC management recommends that this matter be discussed in *Executive Session* because the information contained in this item relates to *USAC confidential techniques and procedures*.
  - (5) i10 – Quarterly Report on Universal Service Fund Contribution Matters. USAC management recommends that discussion of this item be conducted in *Executive Session* because this report relates to USAC's specific *internal controls, and/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*.
  - (6) i11 – Procurement Update. USAC management recommends that discussion of this item be conducted in *Executive Session* because this report relates to USAC's *procurement strategy and contract administration*.
  - (7) i12 – Personnel Matter. Consistent with USAC's long-standing practice and to preserve privacy, USAC management recommends that this personnel matter be discussed in *Executive Session*.

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

**RESOLVED**, that the USAC Board of Directors hereby approves the Board meeting minutes of April 29 and June 26, 2014; and discussion in *Executive Session* of three USAC Internal Audit Division contributor revenue audits, an extension to the 2008 FCC-USAC MOU, consideration of a revised USAC office space plan and authorization for management to execute an amended lease, and reports on USAC management and control of personally identifiable information, the quarterly report on the USF contribution base, the quarterly procurement update and personnel matters as required.

- a2. Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** The committee chairs reported on matters discussed and actions taken by their respective committees since the April 2014 quarterly meetings. Mr. Gillan reported for the Audit Committee; Mr. Lubin reported for the High Cost & Low Income Committee; Mr. Jortner reported for the Rural Health Care Committee; Ms. Campbell reported for the Schools and Libraries Committee; and Dr. Talbott reported for the Executive Committee.

**a3. Approval of 4th Quarter 2014 and Revised 2014 Annual USAC Common and Consolidated Budgets.** Mr. Case presented this item for consideration.

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

**RESOLVED**, that the USAC Board of Directors approves a 4th Quarter 2014 USAC common operating budget of \$12.1 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$1.7 million for USAC common costs in the required August 1, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 4th Quarter 2014 USAC consolidated operating budget of \$32.7 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 4th Quarter 2014 USAC consolidated capital budget of \$0.7 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$17.8 million for USAC consolidated costs in the required August 1, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a revised 2014 annual USAC common operating budget of \$46.4 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a revised annual 2014 USAC consolidated operating budget of \$124.8 million.

**Information Items**

- i1. Assistant Treasurer's Report.** This report was provided for informational purposes. No discussion was held.
- i2. External Relations Report.** This report was provided for informational purposes. No discussion was held.
- i3. Bankruptcy and Other Litigation Matters Report.** This report was provided for informational purposes. No discussion was held.

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

- i4. **USAC Internal Audit Division Audit Update.** Mr. Scott presented this item for discussion.
- i6. **Acceptance of USAC 2013 Annual Financial Audit and Agreed-Upon Procedures Review.** Mr. Scott presented this item for discussion.
- i7. **Mid-Year Report on USAC 2014 Objectives.** Mr. Belden presented this item for discussion.
- i8. **April 2014 Board Planning Session Follow-Up Discussion.** Mr. Belden presented this item for discussion.

The Board recessed at 11:30 a.m. Eastern Time and reconvened at 11:51 a.m. Eastern Time.

- i5. **USAC Enterprise Data Strategy Update.** Mr. Belden presented this item for discussion.

At 12:44 p.m. Eastern Time the Board moved into *Executive Session* for the purpose of discussing the confidential items notes above. The Board then recessed until 1:15 p.m. Eastern Time.

## **EXECUTIVE SESSION**

### **Action Items**

- a5. **Action on Three USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Mr. Charles Salvator, Director of Internal Audit, 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 Board of Directors, having reviewed the USAC Internal Audit Division contributor revenue audit reports listed in **Exhibit I** to the briefing paper, together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

- a6. **Consideration of an Extension to the 2008 FCC-USAC Memorandum of Understanding.** Mr. Belden presented this item for consideration.

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

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

**RESOLVED**, that the USAC Board of Directors hereby authorizes the USAC Interim Chief Executive Officer to execute an extension of the 2008 FCC-USAC Memorandum of Understanding through December 31, 2014.

- a7. Consideration of Revised Office Space Plan and Authorization to Execute an Amended Lease.** Mr. Belden 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 Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to proceed with the proposed real estate leasing transaction consistent with the terms outlined in this paper.

### **Information Items**

- i9. Update on USAC Management and Control of Personally Identifiable Information.** Mr. Case presented this item for discussion.
- i10. Quarterly Report on Universal Service Fund Contribution Matters.** Mr. Case presented this item for discussion.
- i11. Procurement Update.** Mr. Belden presented this item for discussion.

At 2:59 p.m. Eastern Time the Board continued in *Executive Session* with only members of the Board present.

- i12. Personnel Matter.** Dr. Talbott presented this item for discussion.

At 3:21 p.m. Eastern Time, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on items a5, a6 and a7, and discussed items i9, i10, i11 and i12.

On a motion duly made and seconded, the Board adjourned at 3:22 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary



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

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

**Wednesday, July 30, 2014  
8:30 a.m. – 11:00 a.m. Eastern Time  
USAC Offices  
2000 L Street, N.W., Suite 200  
Washington, D.C. 20036**

<b><u>LEAD</u></b>	<b><u>EXECUTIVE SESSION</u></b>
Chair	<b>a1.</b> Consideration of Candidates for USAC Chief Executive Officer – <i>Confidential – Executive Session Recommended – Personnel Matter – Contains Highly Confidential, Sensitive Information</i>

**Next USAC Board of Directors Meeting**

**Tuesday, October 28, 2014  
8:30 a.m. – 12:00 p.m. Eastern Time  
USAC Offices, Washington, D.C.**

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**July 30, 2014**

**MINUTES**

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Wednesday, July 30, 2014. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:40 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Bergmann, Scott – <i>by telephone</i>	Jortner, Wayne – Treasurer
Brise', Ronald	Lubin, Joel – Vice Chair
Campbell, Anne	Mason, Kenneth
Domenech, Dr. Daniel	Noriega, Raquel
Feiss, Geoff	Schell, Julie Tritt
Gillan, Joseph	Talbott, Dr. Brian
Jacobs, Ellis – Secretary – <i>by telephone</i>	Wibberly, Dr. Kathy – <i>by telephone</i>
Jimenez, Jose	Wein, Olivia
Jones, Rochelle	

Board members not present:

Belden, Richard – Interim Chief Executive Officer and Chief Operating Officer  
Brown, Eric

Officers of the corporation present:

Capozzi, David – General Counsel and Assistant Secretary

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Nuzzo, Patsy	USAC
Ingersoll, Charles	Korn Ferry
Marion, Kendra	Korn Ferry

**ACTION ITEMS**

- a1. Consideration of Candidates for USAC Chief Executive Officer.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this is a *personnel matter*.

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

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

**RESOLVED**, that the USAC Board of Directors determines that consideration of this personnel matter shall be conducted in *Executive Session*.

At 8:41 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential item noted above.

### **EXECUTIVE SESSION**

- a1. Consideration of Candidates for USAC Chief Executive Officer.** Dr. Talbott presented this item for discussion.

**RESOLVED**, that the USAC Board of Directors hereby nominates Chris Henderson to serve as USAC's Chief Executive Officer, and the USAC Board Chair is requested to work with the FCC Managing Director and Mr. Henderson to determine the appropriate process and timing for submitting Mr. Henderson's nomination to the Chairman of the FCC for approval consistent with the requirements set forth in 47 C.F.R. § 54.704(b); and

**FURTHER RESOLVED**, that upon approval by the Chairman of the FCC of Mr. Henderson's nomination, the USAC Board Chair is hereby authorized to enter into an employment arrangement with Mr. Henderson consistent with the requirements set forth in 47 C.F.R. § 54.715(b).

On a motion duly made and seconded, the Board recessed from *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on item a1 above. On a motion duly made and seconded, the Board adjourned at 10:55 a.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

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

<b>Tuesday, October 28, 2014 8:30 a.m. – 12:00 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</b>
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<b><u>OPEN SESSION</u></b>
<b><i>Action Items</i></b>
<b>a1.</b> Consent Items (each available for discussion upon request): <b>A.</b> Approval of Board of Directors Meeting Minutes of July 29, 2014 and July 30, 2014. <b>B.</b> Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i> . <b>C.</b> Routine procurements: Deemed consideration and approval of in <i>Executive Session</i> .
<b>a2.</b> Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee
<b>a3.</b> Approval of 1st Quarter 2015 USAC Common and Consolidated Budgets and Information on Estimated 2015 Annual Budgets
<b>a4.</b> Appointment of a Nominating Committee and Direction to Committees for the Appointment of Committee Chairs and Vice Chairs
<b>a5.</b> Miscellaneous

<b><i>Information Items</i></b>
<b>i1.</b> Assistant Treasurer's Report
<b>i2.</b> External Relations Report
<b>i3.</b> Bankruptcy and Other Litigation Matters Report
<b>i4.</b> USAC Internal Audit Division Audit Update – <i>Executive Session Option</i> <i>Same as iAC01</i>
<b>i5.</b> Semiannual Status Report on Actions Taken on Final USAC Audits – <i>Executive Session Option</i> <i>Same as iAC02</i>
<b>i6.</b> USAC Enterprise Data Strategy Update
<b>i7.</b> April 2014 Board Planning Session Follow-Up Discussion
<b>i8.</b> Miscellaneous. Solicit ideas for the January 2015 Board meeting agenda.
<b><u><a href="#">The following are located in BoardEffect</a></u></b>
<ul style="list-style-type: none"><li>• Request for Reimbursement of Board of Directors Expenses</li><li>• USAC Board Members Address List</li></ul>

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

**Break**

**EXECUTIVE SESSION**

***Action Items***

**a6.** Action on Three USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports – **Confidential** – ***Executive Session Recommended***

***Information Items***

**i9.** Quarterly Report on Universal Service Fund Contribution Matters – **Confidential** – ***Executive Session Recommended***  
*Same as iEC02cf*

**i10.** Procurement Update – **Confidential** – ***Executive Session Recommended***  
*Same as iEC01cf*

**i11.** USAC Information Technology Disaster Recovery Strategy Discussion – **Confidential** – ***Executive Session Recommended***

**i12.** Discussion of FCC-USAC Memorandum of Understanding – **Confidential** – ***Executive Session Recommended***  
*Same as iEC04cf*

**i13.** Personnel Matter – **Confidential** – ***Executive Session Recommended***

**Next USAC Board of Directors Meeting**

**Tuesday, January 27, 2015**  
**8:30 a.m. – 12:00 p.m. Eastern Time**  
**USAC Offices, Washington, D.C.**

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**BOARD OF DIRECTORS MEETING**  
**October 28, 2014**

**MINUTES**

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, October 28, 2014. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:37 a.m. Eastern Time, with a quorum of 13 of the 19 Board members present:

Bergmann, Scott	Jones, Rochelle
Brise', Ronald	Jortner, Wayne – Treasurer
Brown, Eric	Lubin, Joel – Vice Chair
Campbell, Anne	Talbott, Dr. Brian
Feiss, Geoff	Tritt Schell, Julie
Henderson, Chris – Chief Executive Officer	Wibberly, Dr. Kathy
Jacobs, Ellis – Secretary	

Ms. Raquel Noriega joined the meeting at 8:38 a.m. Eastern Time. She participated in the discussion of and voted on all items. Ms. Olivia Wein joined the meeting at 8:48 a.m. Eastern Time. She did not participated in the discussion of or vote on item a1. Mr. Joe Gillan joined the meeting at 8:53 a.m. Eastern Time. He did not participate in the discussion of or vote on items a1 and a2.

Board members not present:

Domenech, Dr. Daniel  
Jimenez, Jose  
Mason, Kenneth

Officers of the corporation present:

Belden, Richard – Chief Operating Officer  
Blackwell, Mel – Vice President, Schools & Libraries Division  
Capozzi, David – General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig – Vice President, Rural Health Care Division  
Majcher, Karen – Vice President, High Cost & Low Income Division  
Scott, Wayne – Vice President of Internal Audit

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Beard, Jay	USAC
Betancourt, Laura	USAC
Carpenter, Nikki-Blair	USAC
Dougherty, Michael	USAC
Garber, Michelle	FCC
Gross Guinan, Gabriela	USAC
Gulick, Donna	USAC
Hutchinson, Kyle	USAC
Kaylor, Catherine	USAC
King, Sola	USAC
Lee, Brandon	USAC
Miller, Jack	Solix, Inc.
Murphy, Tom	USAC
Nuzzo, Patsy	USAC
Palmer, Ray	FCC
Parker-Stoll, Anita	FCC
Pilsch, Tracey	USAC
Robinson, Vickie	FCC
Rogers, Camelia	KSLLC
Salvator, Charles	USAC
Schreiber, Johnnay	USAC
Shaffer, Dana	FCC
Sinkfield, David	USAC
Trew, Anne Marie	USAC

## OPEN SESSION

### Action Items

#### **a1. Consent Items.**

- A. Board meeting minutes of October 28, 2014 (*see Attachment A*).
- B. Approval for discussing in *Executive Session* agenda items:
  - (1) a6 – Action on Three USAC Internal Audit Division Universal Service contributor revenue audit reports. USAC management recommended this item be discussed in *Executive Session* because the reports relate to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*
  - (2) i9 – Quarterly Report on Universal Service Fund Contribution Matters. USAC management recommended that discussion of this item be conducted in *Executive Session* because this report relates to USAC’s specific *internal controls, and/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.*

- (3) i10 – Procurement Update. USAC management recommended that discussion of this item be conducted in *Executive Session* because this report relates to USAC’s *procurement strategy and contract administration*.
  - (4) i11 – USAC Information Technology Disaster Recovery Strategy Discussion. USAC management recommended that discussion of this item be conducted in Executive Session because this report relates to USAC’s procurement strategy and contract administration.
  - (5) i12 – Discussion of FCC-USAC Memorandum of Understanding. USAC management recommended that discussion of this item be conducted in in Executive Session because it involves attorney/client privileged communications.
  - (6) i13 – Personnel Matter. Consistent with USAC’s long-standing practice and to preserve privacy, USAC management recommended that this item be discussed in *Executive Session*.
- C. Routine procurements, deemed consideration and approval of in *Executive Session*:
- (1) Approval of Red Hat software licenses renewals for USAC information technology support. The Red Hat product is used as infrastructure software to support Rural Health Care, High Cost, Lifeline and NLAD applications.

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

**RESOLVED**, that the USAC Board of Directors hereby approves the Board meeting minutes of October 28, 2014; and discussion in *Executive Session* of three USAC IAD contributor revenue audits, and the quarterly report on the USF contribution base, the quarterly procurement update, USAC’s IT disaster recovery strategy, the FCC-USAC Memorandum of Understanding, and personnel matters as required; and

**FURTHER RESOLVED**, that the USAC Board of Directors hereby authorizes management, to enter into a contract for annual Red Hat software license renewals residing on the 33 virtual Linux servers for a not to exceed amount of \$175,676.

- a2. **Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** The committee chairs reported on matters discussed and actions taken by their respective committees since the July 2014 quarterly meetings. Mr. Scott reported for the Audit Committee; Mr. Lubin reported for the High Cost &



Low Income Committee; Mr. Jortner reported for the Rural Health Care Committee; Ms. Campbell reported for the Schools and Libraries Committee; and Dr. Talbott reported for the Executive Committee.

- a3. Approval of 1st Quarter 2015 USAC Common and Consolidated Budgets and Information on Estimated 2015 Annual Budgets.** Mr. Case presented this item for consideration.

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 1st Quarter 2015 USAC common operating budget of \$13.8 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 1st Quarter 2015 USAC common capital budget of \$0.9 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$14.7 million for USAC common costs in the required October 31, 2014 filing to the FCC on behalf of the Board of Directors; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 1st Quarter 2015 USAC consolidated operating budget of \$34.3 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors approves a 1st Quarter 2015 USAC consolidated capital budget of \$3.4 million; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$37.7 million for USAC consolidated costs in the required October 31, 2014 filing to the FCC on behalf of the Board of Directors.

- a4. Appointment of a Nominating Committee and Direction to Committees for the Appointment of Committee Chairs and Vice Chairs.**

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

**RESOLVED**, that the USAC Board of Directors establishes a Nominating Committee for the purpose of recommending to the USAC Board of Directors at its January 2015 meeting nominations for the elected

USAC officer positions; and

**RESOLVED FURTHER**, that the USAC Board of Directors appoints **Scott Bergmann** as Nominating Committee chair and **Geoff Feiss** and **Julie Tritt Schell** as members of the Nominating Committee; and

**RESOLVED FURTHER**, that the USAC Board of Directors directs each committee of the Board to bring to the Board at the January 27, 2015 meeting nominations for a chair and vice chair of each respective committee; and

**RESOLVED FURTHER**, that the USAC Board of Directors may, at the discretion of the Board Chair, defer the election of officers, committee chairs, and committee vice chairs in the event that appointment of Board members to fill seats expiring on December 31, 2014, does not occur before the January 2015 quarterly Board of Directors meeting.

### **Information Items**

- i1. Assistant Treasurer's Report.** This report was provided for informational purposes. No discussion was held.
- i2. External Relations Report.** This report was provided for informational purposes. No discussion was held.
- i3. Bankruptcy and Other Litigation Matters Report.** This report was provided for informational purposes. No discussion was held.
- i4. USAC Internal Audit Division Audit Update.** On a motion duly made and seconded, the Board approved discussing this item in *Executive Session*, to enable management to respond to Board member questions that related to *USAC's internal rules and procedures*.
- i5. Semiannual Status Report on Actions Taken on Final USAC Audits.** This report was provided for informational purposes. No discussion was held.
- i6. USAC Enterprise Data Strategy Update.** Mr. Belden presented this item for discussion.
- i7. April 2014 Board Planning Session Follow-Up Discussion.** Mr. Henderson presented this item for discussion.

At 9:46 a.m. Eastern Time the Board moved into *Executive Session* for the purpose of discussing the confidential items noted above. The Board then recessed until 10:06 a.m. Eastern Time.

## **EXECUTIVE SESSION**

### **Action Items**

- a6. Action on Three USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Mr. Charles Salvator, Director of Internal Audit, 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 Board of Directors, having reviewed the USAC Internal Audit Division contributor revenue audit reports listed in **Exhibit I** to the briefing paper, together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

### **Information Items**

- i4. Semiannual Status Report on Actions Taken on Final USAC Audits.** Mr. Scott presented this item for discussion.
- i9. Quarterly Report on Universal Service Fund Contribution Matters.** Mr. Case presented this item for discussion.
- i10. Procurement Update.** Mr. Belden presented this item for discussion.
- i11. USAC Information Technology Disaster Recovery Strategy Discussion.** Mr. Belden presented this item for discussion.

At 11:24 a.m. Eastern Time, the Board continued in *Executive Session* with only members of the Board and USAC officers present.

- i12. Discussion of FCC-USAC Memorandum of Understanding.** Mr. Henderson presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors hereby approves the revisions to the 2008 FCC-USAC Memorandum of Understanding (MOU) recommended by USAC management, and the Board authorizes management, subject to making editorial changes agreed upon by USAC and FCC staff, to execute an amendment to the MOU specifying such revisions.

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

At 11:45 a.m. Eastern Time, the Board continued in *Executive Session*, with only members of the Board, Mr. Belden and Mr. Capozzi present.

**i13. Personnel Matter.** Mr. Henderson presented this item for discussion.

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

**RESOLVED**, that the USAC Board of Directors hereby approves establishing the position of Vice President of Human Resources and Chief Human Capital Officer effective immediately.

Mr. Henderson discussed with the Board his intention to promote Sola King, USAC's current Senior Director of Human Resources to the new position of Vice President of Human Resources and Chief Human Capital Officer, which the Board supported.

The Board then continued its discussion of personnel matters with only Board members present.

At 12:41 p.m. Eastern Time, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed and took action on item a6 and discussed items i4, i9, i10, i11, i12 and i13. On a motion duly made and seconded, the Board adjourned at 12:42 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary