

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

**Monday, January 26, 2015
3:00 p.m. – 5:00 p.m. Eastern Time
USAC Offices
2000 L Street, N.W., Suite 200
Washington, D.C. 20036**

OPEN SESSION

- a1.** Consent Items (each available for discussion upon request):
- A. Approval of Schools and Libraries Committee Meeting Minutes of October 27, 2014.
 - B. Approval of moving all *Executive Session* items into *Executive Session*.
 - C. Approval of audit reports without findings.
 - D. Routine procurements: Deemed consideration and approval of in *Executive Session*.
- a2.** Recommendation for Election of Committee Chair and Vice Chair.
- a3.** Approval of Schools and Libraries Support Mechanism 2nd Quarter 2015 Programmatic Budget and Demand Projection for the January 30, 2015 FCC Filing.
- a4.** Action on One USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Report – *Executive Session Option*.
- a5.** Miscellaneous. Solicit ideas for April 2015 Committee meeting agenda.

EXECUTIVE SESSION

- a6.** Consideration of Contract Award for Schools and Libraries Program Operations Information Systems Modernization Assistance – **Confidential** – *Executive Session Recommended*.
- a7.** Consideration of an Amendment to the Contract Award for Payment Quality Assurance Program Support Services – **Confidential** – *Executive Session Recommended*.
- a8.** Business Update – **Confidential** – *Executive Session Recommended*.
- Strategy and Performance Management Discussion.
 - Key Strategic Initiatives (including SL IT Modernization).
 - 2015 Annual Budget Discussion and Approval.
 - General Business Update.

Next Scheduled USAC Schools & Libraries Committee Meeting

**Monday, April 27, 2015
3:00 p.m. – 5:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, January 26, 2015

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, January 26, 2015. Mr. Brian Talbott, Committee Chair, called the meeting to order at 3:00 p.m. Eastern Time, with six of the seven Committee members present:

Domenech, Dr. Dan	Noriega, Raquel
Henderson, Chris – Chief Executive Officer	Tritt Schell, Julie
Mason, Ken	Talbott, Dr. Brian – Vice Chair

Members of the Board not present:

Campbell, Anne – Chair

Other Board members and officers of the corporation present:

Belden, Richard – Chief Operating Officer
Blackwell, Mel – Vice President, Schools & Libraries Division
Brisé, Ronald – Member of the Board
Brown, Eric – Member of the Board
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
Feiss, Geoff – Member of the Board
Jones, Rochelle – Member of the Board
King, Sola – Vice President of Human Resources, Chief Human Capital Officer
Majcher, Karen – Vice President, High Cost & Low Income Division
Scott, Wayne – Vice President of Internal Audit
Wibberly, Kathy – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Ayer, Catriona	USAC
Beard, Jay	USAC
Betancourt, Laura	USAC
Bethel, Tameca	USAC

<u>NAME</u>	<u>COMPANY</u>
Delmar, Teleshia	USAC
Duvall, Rashann	USAC
Flock, Eric	USAC
Frelow, Leslie	USAC
Garber, Michelle	USAC
Goldberger, Jill – <i>by telephone</i>	FCC
Hutchinson, Kyle	USAC
Kaplan, Peter	Funds For Learning
King, Lauren	USAC
Kraft, Mick	USAC
Morning, Kim	USAC
Murphy, Tom	USAC
Nalbach, Nick	USAC
Nuzzo, Patsy	USAC
Palcic, Catherine	USAC
Schrieber, Johnnay	USAC
Shaffer, Dana	FCC
Sinkfield, David	USAC
Smith, Chris	USAC
Spade, Gina	FCC
Wilson, Reggie	USAC

OPEN SESSION

Action Items

a1. Consent Items.

- A.** Committee meeting minutes of October 27, 2014 (*see Attachment A*).
- B.** Approval for discussing in *Executive Session* agenda items:
 - (1) a6 – Consideration of contract awards for Schools and Libraries Program operations information systems modernization. USAC management recommended that discussion of this item be conducted in *Executive Session* because it relates to *USAC’s procurement strategy and contract administration*.
 - (2) a7 – Consideration of an amendment to the contract award for Payment Quality Assurance program support services. USAC management recommended that discussion of this item be conducted in *Executive Session* because it relates to *USAC’s procurement strategy and contract administration*.
 - (3) a8 – Business Update. USAC management recommended that this matter be discussed in *Executive Session* because the report relates to *USAC’s procurement strategy and contract administration, pre-decisional matters pending before the FCC, and may also include discussion of personnel matters and attorney/client privileged communications*.

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

C. Routine procurements, deemed consideration and approval of in *Executive Session*: None.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of October 27, 2014; and discussion in *Executive Session* of contract awards for Schools and Libraries Program operations information systems modernization, an amendment to the contract award for Payment Quality Assurance program support services, and the general business update.

- a2. **Recommendation for Election of Committee Chair and Vice Chair.** The Committee deferred making nominations as FCC Chairman Wheeler had not yet made selections for seats of Board members whose terms have expired or for open seats.
- a3. **Approval of Schools and Libraries Support Mechanism 2nd Quarter 2015 Programmatic Budget and Demand Projection for the January 30, 2015 FCC Filing.** Mr. Blackwell presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee approves a 2nd Quarter 2015 programmatic operating and capital budget for the Schools and Libraries Support Mechanism of \$15.8 million; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$15.8 million for Schools and Libraries Support Mechanism administrative and capital costs in the required January 30, 2015 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee, having reviewed at its meeting on January 26, 2015, a summary of the 2nd Quarter 2015 support mechanism demand estimates, including administrative costs, hereby directs USAC management to proceed with the required January 30, 2015 filing to the FCC on behalf of the Committee. Management may make adjustments if the variance is equal to or less than \$10.0 million or may seek approval from the Schools & Libraries Committee Chair to make adjustments if the variance is greater than \$10.0 million but no more than \$15.0 million.

- a4. **Action on One USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Report.** Mr. Chris Smith, Manager, Internal Audit, presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the USAC Internal Audit Division Schools and Libraries Support Mechanism beneficiary audit report labeled SL2014BE001 together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such report final.

At 3:36 p.m. Eastern Time, the Committee moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a6. Consideration of Contract Award for Schools and Libraries Program Operations Information Systems Modernization Assistance.** Mr. Belden presented this item for discussion.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management, subject to obtaining any necessary FCC approvals, to award a contract to Appian Corporation for a firm-fixed price of \$12,514,850 for a three-year term. The Committee further authorizes contingency funding in the amount of \$1,165,846 to be used to address unforeseen changes in scope during the implementation process. The Committee further authorizes USAC management to engage Appian Corporation and Deloitte, as necessary, for additional Enterprise Data Strategy consulting services for a total not-to-exceed amount of \$2,000,000. The total amount requested to be authorized by the USAC Schools and Libraries Committee is \$15,680,696.

- a7. Consideration of an Amendment to the Contract Award for Payment Quality Assurance Program Support Services.** Mr. Belden presented this item for discussion.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management to amend the existing contract award to Cotton & Company to include estimated time and materials costs of \$552,000 for E-rate applicant site visits as part of the option year one contract resulting in a total estimated cost for option year one of \$2,621,680.

- a8.** Business Update – Mr. Blackwell, Mr. Eric Flock, Senior Manager of Program Management, and Ms. Leslie Frelow, Director of Program Management, presented this item for discussion, which included the following topics:
- Strategy and Performance Management Discussion.
 - Key Strategic Initiatives (including SL IT Modernization).
 - 2015 Annual Budget Discussion and Approval.
 - General Business Update.

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

RESOLVED, that the USAC Schools and Libraries Committee approves a 2015 annual Schools and Libraries Support Mechanism operating budget of \$56.3 million; and

RESOLVED FURTHER, that the USAC Schools and Libraries Committee approves a 2015 annual Schools and Libraries Support Mechanism capital budget of \$6.4 million.

On a motion duly made and seconded, the Committee recessed from *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Committee discussed and took action on items a6, a7 and a8 above. On a motion duly made and seconded, the Committee adjourned at 5:13 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
Schools & Libraries Committee Meeting
Agenda**

**Monday, March 9, 2015
4:30 p.m. – 5:30 p.m. Eastern Time
USAC Offices
2000 L Street, N.W., Suite 200
Washington, D.C. 20036**

INFORMATION ITEMS

- i1.** Discussion of the Schools and Libraries Program Filing Window.

Next Scheduled USAC Executive Committee Meeting

**Monday, April 27, 2015
3:00 p.m. – 5:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

2000 L Street, N.W., Suite 200

Washington, D.C. 20036

SCHOOLS & LIBRARIES COMMITTEE MEETING

Monday, March 9, 2015

MINUTES

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, March 9, 2015. Dr. Brian Talbott, Committee Vice Chair, called the meeting to order at 4:36 p.m. Eastern Time, with six of the seven Committee members present:

Domenech, Dr. Dan
Henderson, Chris – CEO
Mason, Ken

Noriega, Raquel
Tritt Schell, Julie
Talbott, Dr. Brian – Vice Chair

Other Board members and officers of the corporation present:

Belden, Richard – Chief Operating Officer
Blackwell, Mel – Vice President, Schools and Libraries Division
Capozzi, David – General Counsel and Assistant Secretary
Lubin, Joel – Member of the Board

Others present for the meeting:

Nuzzo, Patsy, USAC

OPEN SESSION

Information Items

- i1. Discussion of the Schools and Libraries Program Filing Window.** Mr. Henderson presented information concerning the current window filing deadlines, discussions with the FCC, and stakeholder requests in support of and against changing the window filing deadline. Following the discussion, the Committee requested that Mr. Henderson and USAC management continue working with the FCC on this matter. The Committee also expressed its support for up to a two week extension of the filing window to be determined at the discretion of USAC management.

On a motion duly made and seconded, the Committee adjourned at 5:16 p.m. Eastern Time.

/s/ David A. Capozzi
Assistant Secretary

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

<p>Monday, April 27, 2015 3:00 p.m. – 5:00 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</p>
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<u>OPEN SESSION</u>	
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="padding-left: 40px;">A. Approval of Schools and Libraries Committee Meeting Minutes of January 26, 2015 and March 9, 2015.</p> <p style="padding-left: 40px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p>
Chair	a2. Recommendation for Election of Committee Chair and Vice Chair.
Mel	a3. Approval of Schools and Libraries Support Mechanism 3rd Quarter 2015 Programmatic Budget and Demand Projection for the May 1, 2015 FCC Filing.
Chris Smith	a4. Action on Three USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i> .
Mel	a5. Consideration of Approval to Make Commitments for Category One and Two Services at All Discount Rates for Funding Year 2015
Mel	<p>i1. Business Update:</p> <ul style="list-style-type: none"> • General Business Update. • Key Measurements. • Strategic Initiatives (including Track 3 Business Process Management Update).

Next Scheduled USAC Schools & Libraries Committee Meeting

<p>Monday, July 27, 2015 3:00 p.m. – 5:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, April 27, 2015

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, April 27, 2015. Mr. Brian Talbott, Committee Vice Chair, called the meeting to order at 3:01 p.m. Eastern Time, with six of the seven Committee members present:

Domenech, Dr. Dan	Noriega, Raquel
Henderson, Chris – Chief Executive Officer	Tritt Schell, Julie
Mason, Ken	Talbott, Dr. Brian – Vice Chair

Members of the Board not present:

Campbell, Anne – Chair

Other Board members and officers of the corporation present:

Belden, Richard – Chief Operating Officer
Blackwell, Mel – Vice President, Schools & Libraries Division
Brown, Eric – Member of the Board
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
Feiss, Geoff – Member of the Board
Gillan, Joe – Member of the Board
Jimenez, Jose – Member of the Board
Jones, Rochelle – Member of the Board
Moeller, Mike – Vice President of Strategy and Performance Management
Scott, Wayne – Vice President of Internal Audit
Taylor, Peter – Vice President and Chief Information Officer
Wein, Olivia – Member of the Board
Wibberly, Kathy – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Ayer, Catriona	USAC
Bethel, Tameca	USAC
Chu, Josey	USAC
Delmar, Teleshia	USAC
Duvall, Rashann	USAC
Emmanuel, Sherard	USAC
Frelow, Leslie	USAC
Garber, Michelle	USAC
Grinnalds, Eric	Appian
Hanly, Garnet	FCC
Hiromoto, Scott	GAO
Holo, Melissa	USAC
Hutchinson, Kyle	USAC
Jones, Frank	Solix
Kaplan, Peter	Funds For Learning
King, Lauren	USAC
Lenhardt, Chris	E-Rate Elite
Mansur, Max	Appian
Miller, Jack	Solix
Morning, Kim	USAC
Nuzzo, Patsy	USAC
Palcic, Catherine	USAC
Rogers, Camelia	Kellogg & Sovereign
Salvator, Charles	USAC
Schrieber, Johnnay	USAC
Shaffer, Dana	FCC
Smith, Chris	USAC
Spade, Gina – <i>by telephone</i>	FCC
Vann, Alexis	USAC
Wilson, Reggie	USAC

OPEN SESSION

Action Items

a1. Consent Items.

- A. Committee meeting minutes of January 26, 2015 and March 9, 2015

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of January

26, 2015 and March 9, 2015.

- a2. Recommendation for Election of Committee Chair and Vice Chair.** Dr. Talbott presented this item for consideration. Dr. Talbott, on behalf of the Committee, thanked Anne Campbell for her long and valuable service to the Committee as Chair and as a member of the USAC Board of Directors.

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

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

- a3. Approval of Schools and Libraries Support Mechanism 3rd Quarter 2015 Programmatic Budget and Demand Projection for the May 1, 2015 FCC Filing.** Mr. Blackwell presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee approves a 3rd Quarter 2015 programmatic operating and capital budget for the Schools and Libraries Support Mechanism of \$14.8 million; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$14.8 million for Schools and Libraries Support Mechanism administrative and capital costs in the required May 1, 2015 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee, having reviewed at its meeting on April 27, 2015, a summary of the 3rd Quarter 2015 support mechanism demand estimates, including administrative costs, hereby directs USAC management to proceed with the required May 1, 2015 filing to the FCC on behalf of the Committee. Management may make adjustments if the variance is equal to or less than \$10.0 million or may seek approval from the Schools & Libraries Committee Chair to make adjustments if the variance is greater than \$10.0 million but not more than \$15.0 million.

- a4. Action on Three USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Manager,

Internal Audit, presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the USAC Internal Audit Division Schools and Libraries Support Mechanism beneficiary 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.

- a5. Consideration of Approval to Make Commitments for Category One and Two Services at All Discount Rates for Funding Year 2015.** Mr. Blackwell presented this item for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee authorizes staff to commit, upon FCC approval, waves for FY 2015 with the parameters set at all levels for Category 1 and 2 services.

- i1. Business Update.** Mr. Blackwell and Ms. Catriona Ayer, Senior Director, Schools and Libraries Division, presented this item for discussion.

- Funding Year 2015 Application Filing Window.
- Trainings and Outreach:
 - Spring Trainings.
 - Dedicated Website Area.
 - News Briefs and Conference Calls.
 - Webinars.
 - Tribal Liaison.
- Day-to-Day Operations:
 - Funding Decisions.
 - Client Service Bureau.
 - Invoicing.
 - Appeals Processing.
- Key Measurements.
- SLD Strategy Map.
- Key Strategic Initiatives.

On a motion duly made and seconded, the Committee adjourned at 5:00 p.m. Eastern Time.

/s/ David A. Capozzi
Assistant Secretary

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

**Monday, July 27, 2015
1:00 p.m. – 3:00 p.m. Eastern Time
USAC Offices
2000 L Street, N.W., Suite 200
Washington, D.C. 20036**

OPEN SESSION

- a1.** Consent Items (each available for discussion upon request):
- A. Approval of Schools and Libraries Committee Meeting Minutes of April 27, 2015.
 - B. Approval of moving all *Executive Session* items into *Executive Session*.
 - C. Approval of Schools and Libraries Support Mechanism 4th Quarter 2015 Programmatic Budget and Demand Projection for the July 31, 2015 FCC Filing.
 - D. Approval of Schools and Libraries Support Mechanism Audits With No Findings.
- a2.** Action on Eight USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – *Executive Session Option*.
- ii.** Business Update:
- General Business Update.
 - Key Measurements.
 - Strategic Initiatives (including Track 3 Business Process Management Update).

EXECUTIVE SESSION

- a3.** Consideration of an Increase to the Contract for Development and Support of a Cost Model for Fiber Construction Costs – **Confidential** – *Executive Session Recommended*
- a4.** Request for Approval to Use Alternative Vendors for Implementing Enterprise Data Strategy as Part of the Schools and Libraries Program Operations Information Systems Modernization – **Confidential** – *Executive Session Recommended*
- a5.** Request Approval to Award Contract for Consulting Services Associated with Network and Fiber Construction – **Confidential** – *Executive Session Recommended*

Next Scheduled USAC Schools & Libraries Committee Meeting

**Monday, October 26, 2015
1:00 p.m. – 3:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, July 27, 2015

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, July 27, 2015. Ms. Julie Tritt Schell, Committee Chair, called the meeting to order at 1:02 p.m. Eastern Time, with all six Committee members present (there is one vacancy):

Domenech, Dr. Dan – Vice Chair	Noriega, Raquel – <i>by telephone</i>
Henderson, Chris – Chief Executive Officer	Tritt Schell, Julie – Chair
Mason, Ken	Talbott, Dr. Brian

Other Board members and 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
Feiss, Geoff – Member of the Board
Garber, Michelle – Vice President, Lifeline Division
Gillan, Joe – Member of the Board
Hays, Kate – Vice President of Stakeholder Engagement
Jimenez, Jose – Member of the Board
Jones, Rochelle – Member of the Board
Jortner, Wayne – Member of the Board
Moeller, Mike – Vice President of Strategy and Performance Management
Scott, Wayne – Vice President of Internal Audit
Wein, Olivia – Member of the Board
Wibberly, Kathy – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Abebe, Hiwot	USAC
Ayer, Catriona	USAC
Bethel, Tameca	USAC

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

<u>NAME</u>	<u>COMPANY</u>
Delmar, Teleshia	USAC
Duvall, Rashann	USAC
Frelow, Leslie	USAC
Geppert, Carl	KPMG
Harrington, John	Funds for Learning
Hensley, Terry	KPMG
Hill, Joycelyn	Williams Adley
Hutchinson, Kyle	USAC
Jones, Frank	Solix
Kaplan, Peter	Funds For Learning
King, Lauren	USAC
Kriete, Debra	South Dakota DOE
Lee, Brandon	USAC
Mansur, Max	Appian
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Palcic, Catherine	USAC
Park, Sang	USAC
Rogers, Camelia	Kellogg & Sovereign
Salvator, Charles	USAC
Schrieber, Johnnay	USAC
Seguin, Eric	Solix
Smith, Chris	USAC
Spade, Gina – <i>by telephone</i>	FCC
Wilson, Reggie	USAC

OPEN SESSION

Action Items

a1. Consent Items.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of April 27, 2015, and discussion in *Executive Session* of procurement matters; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee approves a 4th Quarter 2015 programmatic operating and capital budget for the Schools and Libraries Support Mechanism of \$15.6 million; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$15.2 million for Schools and Libraries Support Mechanism administrative and capital costs in the required July 31, 2015 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee approves a revised annual 2015 Schools & Libraries Support Mechanism operating budget of \$56.5 million; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee, having reviewed at its meeting on July 27, 2015, a summary of the 4th Quarter 2015 support mechanism demand estimates, including administrative costs, hereby directs USAC management to proceed with the required July 31, 2015 filing to the FCC on behalf of the Committee. Management may make adjustments if the variance is equal to or less than \$10.0 million or may seek approval from the Schools & Libraries Committee Chair to make adjustments if the variance is greater than \$10.0 million but no more than \$15.0 million.

RESOLVED FURTHER, that the USAC Schools & Libraries Committee, having reviewed the USAC Internal Audit Division Schools and Libraries Support Mechanism beneficiary 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.

- a2. Action on Eight USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Manager, Internal Audit, presented this item to the Committee for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the USAC Internal Audit Division Schools and Libraries Support Mechanism beneficiary 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.

- i1. Business Update.** Mr. Blackwell and Ms. Catriona Ayer presented this item for discussion.
- Trainings and Outreach:
 - Spring Service Provider Trainings.
 - Fall Applicant Trainings.

- Updated Website.
- News Briefs and Conference Calls.
- Webinars.
- Tribal Liaison.
- Day to Day Operations:
 - Funding Decisions.
 - Invoicing.
 - Appeals Processing.
- Key Measurements
- 2015 SLD Key Strategic Initiatives
 - Business Process Management Update.
 - EPC Update.
 - Data Clean up Initiative.

At 2:45 p.m. Eastern Time the Committee moved into *Executive Session* with only officers, Committee members, the FCC, and Ms. Ayer present for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a3. Consideration of an Increase to the Contract for Development and Support of a Cost Model for Fiber Construction Costs.** Mr. Belden presented this item to the Committee for consideration.

On a motion duly made and seconded and after discussion, with Ms. Noriega and Mr. Mason abstaining, the Committee adopted the following resolution:

RESOLVED, that the USAC Board of Directors Schools and Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes an increase of \$250,000 to the contract with CostQuest to develop a fiber construction cost estimator model.

- a4. Request for Approval to Use Alternative Vendors for Implementing Enterprise Data Strategy as Part of the Schools and Libraries Program Operations Information Systems Modernization.** Mr. Belden presented this item to the Committee for consideration.

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

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management to use alternative vendors for implementing USAC's Enterprise Data Strategy in conjunction with the Schools and Libraries Program Operations Information Systems Modernization, as part of the not-to-exceed

amount of \$2,000,000 approved by the Committee in the January 26, 2015 meeting.

- a5. Request Approval to Award Contract for Consulting Services Associated with Network and Fiber Construction.** Mr. Belden presented this item to the Committee for consideration.

On a motion duly made and seconded and after discussion, with Ms. Noriega voting against the resolution, the Committee adopted the following resolution:

RESOLVED, that the USAC Schools & Libraries Committee, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to Mighty River, LLC to provide consulting services in the areas of network and fiber construction in an amount not-to-exceed \$540,000.

- i2. EPC Portal Discussion.** Dr. Talbott led the discussion of this item.

At 3:46 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Ms. Schell reported that in *Executive Session*, the Committee discussed and took action on items a3, a4 and a5 and discussed item i2. On a motion duly made and seconded, the Committee adjourned at 3:47 p.m. Eastern Time.

/s/ David A. Capozzi
Assistant Secretary

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

**Thursday, October 22, 2015
10:00 a.m. – 11:00 a.m. Eastern Time
USAC Offices
2000 L Street, N.W., Suite 200
Washington, D.C. 20036**

<u>LEAD</u>	<u>OPEN SESSION</u>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Schools and Libraries Committee Meeting Minutes of July 27, 2015. B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i> . C. Routine Procurements: Deemed consideration and approval in <i>Executive Session</i> . D. Approval of Schools and Libraries Support Mechanism 1st Quarter 2016 Programmatic Budget and Demand Projection for the November 2, 2015 FCC Filing.
Chris Smith	a2. Action on 19 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i> .
Mel	a3. Consideration of Funding Year 2016 Filing Window Dates.

<u>EXECUTIVE SESSION</u>	
Richard	a4. Consideration of Modifications to Contract for Schools and Libraries Program Operations Information Systems Modernization Assistance – Confidential – <i>Executive Session Recommended</i> .

Next Scheduled USAC Schools & Libraries Committee Meeting

**Monday, October 26, 2015
1:30 p.m. – 3:30 a.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Thursday, October 22, 2015

MINUTES

A meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Thursday, October 22, 2015. Ms. Julie Tritt Schell, Committee Chair, called the meeting to order at 10:01 a.m. Eastern Time, with four of the five Committee members present (there are two vacancies):

Henderson, Chris – Chief Executive Officer
Mason, Ken – *by telephone*
Schell, Julie Tritt – Chair – *by telephone*
Talbott, Dr. Brian – *by telephone*

Members of the Committee not present:

Domenech, Dr. Dan – Vice Chair

Other Board members and 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
Scott, Wayne – Vice President of Internal Audit
Wein, Olivia – Member of the Board

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Delmar, Teleshia	USAC
Gelman, Sheryl	USAC
Geppert, Carl	KPMG
Guinan, Gabriel Gross	USAC
Henzey, Terry	KPMG
Hill, Jocelyn	Williams Adley
Moosvi, Shabbir	Williams Adley
Nuzzo, Patsy	USAC

<u>NAME</u>	<u>COMPANY</u>
Schrieber, Johnnay	USAC
Smith, Chris	USAC

OPEN SESSION

a1. Consent Items.

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

RESOLVED, that the USAC Schools & Libraries Committee hereby approves the Committee meeting minutes of July 27, 2015, and discussion in *Executive Session* of a procurement matter and information on the 2016 annual support mechanism budget; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee approves a 1st Quarter 2016 programmatic operating and capital budget for the Schools and Libraries Support Mechanism of \$16.17 million; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee directs USAC staff to submit a collection requirement of \$24.66 million for Schools and Libraries Support Mechanism administrative and capital costs in the required November 2, 2015 filing to the FCC on behalf of the Committee; and

RESOLVED FURTHER, that the USAC Schools & Libraries Committee, having reviewed at its meeting on October 26, 2015, a summary of the 4th Quarter 2015 support mechanism demand estimates, including administrative costs, hereby directs USAC management to proceed with the required November 2, 2015 filing to the FCC on behalf of the Committee. Management may make adjustments if the variance is equal to or less than \$10.0 million or may seek approval from the Schools & Libraries Committee Chair to make adjustments if the variance is greater than \$10.0 million but no more than \$15.0 million.

a2. Action on 19 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports. Mr. Chis Smith, Senior Manager of Internal Audit, presented this item for discussion.

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 Schools & Libraries Committee, having reviewed the USAC Internal Audit Division Schools and Libraries Support Mechanism beneficiary audit reports listed in Exhibit I to this briefing paper together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

- a3. Consideration of Funding Year 2016 Filing Window Dates.** Mr. Blackwell 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 Schools & Libraries Committee authorizes USAC management to open and close the Funding Year 2016 filing window upon consultation with the Committee Chair and the FCC, and USAC management.

At 10:36 a.m. Eastern Time the Committee moved into *Executive Session* with only officers and Committee members present for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- a4. Consideration of Modifications to the Contract for Schools and Libraries Program Operations Information Systems Modernization Assistance.** Mr. Belden presented this item for consideration.

At 11:02 a.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Ms. Schell reported that in *Executive Session*, the Committee discussed and took action on items a1, a2, a3 and discussed item i4. On a motion duly made and seconded, the Committee adjourned at 11:02 p.m. Eastern Time.

/s/ David A. Capozzi
Assistant Secretary

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

<p>Monday, October 26, 2015 1:30 p.m. – 3:30 p.m. Eastern Time USAC Offices 2000 L Street, N.W., Suite 200 Washington, D.C. 20036</p>
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<u>OPEN SESSION</u>	
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <ul style="list-style-type: none"> A. Approval of Schools and Libraries Committee Meeting Minutes of July 27, 2015. B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i>. C. Routine Procurements: Deemed consideration and approval in <i>Executive Session</i>. D. Approval of Schools and Libraries Support Mechanism 1st Quarter 2016 Programmatic Budget and Demand Projection for the November 2, 2015 FCC Filing. <p><i>(Report of action taken on this item at the October 22, 2015 Committee meeting.)</i></p>
Chris Smith	<p>a2. Action on 19 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i>.</p> <p><i>(Report of action taken on this item at the October 22, 2015 Committee meeting.)</i></p>
Mel	<p>a3. Consideration of Funding Year 2016 Filing Window Dates.</p> <p><i>(Report of action taken on this item at the October 22, 2015 Committee meeting.)</i></p>
Mel	<p>i1. Support Mechanism Business Update:</p> <ul style="list-style-type: none"> • General Business Update. • Key Measurements. • Strategic Initiatives.

<u>EXECUTIVE SESSION</u>	
Richard	<p>a4. Consideration of Modifications to the Contract for Schools and Libraries Program Operations Information Systems Modernization Assistance – Confidential – <i>Executive Session Recommended</i>.</p> <p><i>(Report of action taken on this item at the October 22, 2015 Committee meeting.)</i></p>
Richard	<p>i2. Information on Estimated 2016 Annual Support Mechanism Budget – Confidential – <i>Executive Session Recommended</i>.</p>

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

Next Scheduled USAC Schools & Libraries Committee Meeting

**Monday, January 25, 2016
1:00 p.m. – 3:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

SCHOOLS & LIBRARIES COMMITTEE MEETING
Monday, October 26, 2015

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) Schools & Libraries Committee (Committee) was held at USAC's offices in Washington, D.C. on Monday, October 26, 2015. Ms. Julie Tritt Schell, Committee Chair, called the meeting to order at 1:32 p.m. Eastern Time, with three of the five Committee members present (there are two vacancies):

Henderson, Chris – Chief Executive Officer
Talbott, Dr. Brian – *by telephone*
Tritt Schell, Julie – Chair – *by telephone*

Members of the Committee not present:

Domenech, Dr. Dan – Vice Chair
Mason, Ken

Other Board members and 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
Feiss, Geoff – Member of the Board
Hays, Kate – Vice President of Stakeholder Engagement
Jimenez, Jose – Member of the Board
Jones, Rochelle – Member of the Board
Jortner, Wayne – Member of the Board
Lubin, Joel – Member of the Board
Scott, Wayne – Vice President of Internal Audit
Wein, Olivia – Member of the Board
Wibberly, Kathy – Member of the Board

Others present for the meeting:

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

<u>NAME</u>	<u>COMPANY</u>
Abebe, Hiwot	USAC
Ayer, Catriona	USAC
Beard, Jay	USAC
Bethel, Tameca	USAC
Cruzen, Cathy	Funds For Learning
Delmar, Teleshia	USAC
Duvall, Rashann	USAC
Frelow, Leslie	USAC
Guinan, Gabriela Gross	USAC
Harrington, Bethany	Funds For Learning
Harrington, John	Funds For Learning
Heend, Orin	Funds For Learning
Hollister, Bryan	USAC
Howard, Mackenzie	USAC
Jones, Frank	Solix
Kaplan, Peter	Funds For Learning
King, Lauren	USAC
Kraft, Mick	USAC
Lee, Brandon	USAC
Mansur, Max	Appian
Miller, Jack	Solix
Ngugi, Kevin	USAC
Nuzzo, Patsy	USAC
Palcic, Catherine	USAC
Riley, Adam	USAC
Rogers, Camelia	Kellogg & Sovereign
Salvator, Charles	USAC
Schrieber, Johnnay	USAC
Seguin, Eric	Solix
Shadangi, Abhishek	Appian
Sinkfield, David	USAC
Smith, Chris	USAC
Stankhaus, Paul	CSM
Templeman, Blake	Funds For Learning
Wilson, Reggie	USAC
Zufolo, Jessica	USAC

OPEN SESSION

- a1. Consent Items.** Ms. Schell report on action taken on this item at the October 22, 2015 Committee meeting.
- a2. Action on 19 USAC Internal Audit Division Schools and Libraries Support Mechanism Beneficiary Audit Reports.** Ms. Schell reported on action taken on this item at the October 22, 2015 Committee meeting.
- a3. Consideration of Funding Year 2016 Filing Window Dates.** Ms. Schell reported on action taken on this item at the October 22, 2015 Committee meeting.
- a4. Consideration of Modifications to the Contract for Schools and Libraries Program Operations Information Systems Modernization Assistance.** Ms. Schell reported on action taken on this item at the October 22, 2015 Committee meeting.
- i1. Business Update.** Mr. Blackwell, Ms. Leslie Frelow, Director of Program Management, Ms. Howard, Program Analyst, and Ms. Catriona Ayer, Senior Director of Program Management, presented this item for discussion.
- SLD Business Update:
 - FY 2015 Funding Decisions.
 - Invoicing.
 - Appeals Processing.
 - Trainings and Outreach:
 - SLD Outreach.
 - Fall Applicant Trainings Registration.
 - Key Measurements.
 - 2015 SLD Key Strategic Initiatives
 - Data Quality Review.
 - Direct BEAR Payments.
 - Deloitte Business Process Redesign Status.
 - Tribal Public Service Announcement.
 - Portal/EPC.
 - Circle of Life.

At 3:18 p.m. Eastern Time the Committee moved into ***Executive Session*** with only officers, Committee members, the FCC, and Ms. Ayer, Mr. Brandon Lee and Ms. Jessica Zufolo present for the purpose of discussing the confidential items listed above.

EXEXUTIVE SESSION

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

i2. Information on Estimated 2016 Annual Support Mechanism Budget. Mr. Belden presented this item to the Committee for consideration.

At 3:48 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Ms. Schell reported that in *Executive Session*, the Committee discussed item i2. On a motion duly made and seconded, the Committee adjourned at 3:48 p.m. Eastern Time.

/s/ David A. Capozzi
Assistant Secretary