

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

BOARD OF DIRECTORS MEETING
Friday, January 13, 2017

MINUTES

In a Public Notice, dated December 13, 2016 (DA 16-1378), FCC Chairman Wheeler appointed the following six persons to the Universal Service Administrative Company's Board of Directors (Board):

- Robert Bocher, Consultant, Wisconsin Dept. of Public Instruction;
- Beth Choroser, Vice President of Regulatory, Comcast Corporation;
- Dr. Daniel A. Domenech, Executive Director, American Association School Administrators;
- Matthew Gerst, Director for Regulatory Affairs, CTIA;
- Cynthia Kinser, Deputy Attorney General, Office of the Tennessee Attorney General; and
- Joel Lubin, Joel Lubin, Consultant, AT&T.

On January 5, 2017, the Board was requested to vote by written unanimous consent to elect these members to the Board and appoint them by virtue of the constituency they represent, or in filling vacant positions, to a committee.

a1. Election of Members to the USAC Board of Directors and Appointment of Members to Programmatic Committees. On January 13, 2016, on a motion duly made and approved by written unanimous consent, the Board adopted the following resolutions:

RESOLVED, that the USAC Board of Directors, having received the selections from the Chairman of the FCC pursuant to 47 C.F.R. § 54.703(c)(3) and pursuant to Article II, § 4 of the USAC By-laws, hereby elects to the USAC Board of Directors effective January 1, 2017:¹

- Robert Bocher, for a term expiring on December 31, 2019;
- Beth Choroser, for a term expiring on December 31, 2019;
- Dr. Daniel A. Domenech for a term expiring on December 31, 2019;
- Matthew Gerst, for a term expiring on December 31, 2019;
- Cynthia Kinser for a term expiring on December 31, 2019;
- Joel Lubin for a term expiring on December 31, 2019;

RESOLVED FURTHER, that each of the aforementioned directors shall remain a director until such director's: (i) resignation, (ii) removal pursuant to Article II, § 7 of the USAC By-laws and the provisions of the Delaware General Corporation Law, (iii) election of a successor pursuant to

¹ 47 C.F.R. § 54.703(d).

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Article II, § 4 of the USAC By-laws or (iv) action by the stockholder of the corporation pursuant to the Article I of the USAC By-laws; and

RESOLVED FURTHER, that consistent with 47 C.F.R. § 54.705 and the USAC By-laws, Article II, and by virtue of the constituency they represent:

- Robert Bocher, Beth Choroser and Dr. Daniel Domenech are hereby appointed to the Schools & Libraries Committee;
- Matthew Gerst, Cynthia Kinser and Joel Lubin are hereby appointed to the High Cost & Low Income Committee; and
- Cynthia Kinser is hereby appointed to the Rural Health Care Committee.

/s/ Vickie Robinson
Assistant Secretary

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

**Tuesday, January 31, 2017
9:00 a.m. – 2:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <ul style="list-style-type: none"> A. Approval of Board of Directors Meeting Minutes of October 25, 2016, December 7, 2016 and January 13, 2017. B. Approval of Moving all <i>Executive Session</i> Items into <i>Executive Session</i>. C. Routine procurements: Deemed consideration and approval of in <i>Executive Session</i>. <i>None</i> D. Approval of April 2018 – January 2019 Board of Directors Quarterly Meeting Schedule. E. Approval of 2nd Quarter 2017 USAC Common and Consolidated Budgets. F. Approval of 2017 Audit Committee Charter (<i>Same as aAC03</i>). G. Resolution Honoring Board Members Whose Service on the Board Has Recently Ended. 	5
Chair	<p>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.</p>	5
Chair	<p>a3. Annual Election of Committee Chairs and Vice Chairs and Election of Appointment of Corporate Officers.</p>	5
Vickie	<p>a4. Review and Approval of:</p> <ul style="list-style-type: none"> A. Statement of Ethical Conduct for Members of the USAC Board of Directors and Revisions to Board Member Annual Disclosure Form. B. Revisions to USAC Employee Ethics Standards. 	5
Chris	<p>i2. Business Update:</p> <ul style="list-style-type: none"> A. 2017 Corporate Goals and Initiatives (Chris, Mark and Hemang) B. 2017 IT Update (Pete) C. Data Strategy Board Update: Open Data (Daniel) D. Exhibits D-2. Finance Reports 	<ul style="list-style-type: none"> A. 30 B. 30 C. 15

<u>EXECUTIVE SESSION</u>		
Chera	i2. Business Update – Confidential – <i>Executive Session Recommended.</i> D-1. 2017 Stakeholder Engagement Plan (Kate) – (1/30 at noon) E. Engagement Survey Update	E. 15
Fred Theobald	i3. Quarterly Report on USF Contribution Matters – Confidential – <i>Executive Session Recommended.</i>	20
Nikki-Blair	i4. Information on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. – Confidential – <i>Executive Session Recommended.</i>	5
Charlie	i5. General Procurement Update. – Confidential – <i>Executive Session Recommended.</i>	10
Vickie	i6. Standards of Confidentiality for Board Materials – Confidential – <i>Executive Session Recommended.</i>	10
Wayne	a5. Consideration of Contract Award for Beneficiary Audit Program Co-Sourcing Services. – Confidential – <i>Executive Session Recommended.</i>	5
Pete	a6. Procurements. – Confidential – <i>Executive Session Recommended.</i> A. Consideration of Contract Award for Disaster Recovery Colocation. B. Consideration of Contract Award for VMware Licensing Agreement. C. Consideration of Contract Award for Gartner Services	5
Chris	a7. Approval of 2017 Annual Common and Consolidated Budgets. – Confidential – <i>Executive Session Recommended.</i>	20
Chair	i7. Executive Session (Lunch) with Board Only – Confidential – <i>Executive Session Recommended.</i>	60
Chris	a8. Personnel Matter (Post Lunch) – Confidential & Proprietary – <i>Executive Session Recommended.</i>	60

Next USAC Board of Directors Meeting

<p>Tuesday, April 25, 2017 9:30 a.m. – 3:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>

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

BOARD OF DIRECTORS MEETING
Tuesday, January 31, 2017

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, January 31, 2017. Dr. Brian Talbott, Board Chair, presided over the meeting. Dr. Talbott called the meeting to order at 9:19 a.m. Eastern Time, with a quorum of 16 of the 19 Board members present:

Bocher, Robert	Henderson, Chris – CEO
Brisé, Ronald	Kinser, Cynthia – <i>by telephone</i>
Buzacott, Alan	Lubin, Joel – Vice Chair
Choroser, Beth	Mason, Ken
Domenech, Dr. Daniel	Talbott, Dr. Brian Talbott – Chair
Feiss, Geoff	Tinic, Atilla
Fontana, Brent	Wein, Olivia
Gerst, Matthew	Wibberly, Dr. Kathy
Gillan, Joe	

Mr. Ellis Jacobs joined the meeting by telephone at 9:22 a.m. He participated in the discussion and voted on all items. Dr. Mike Hernandez joined the meeting at 9:25 a.m. Eastern Time. He did not vote on or participate in the discussion of item a1.

Officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries and Acting Vice President of Rural Health Care
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Hays, Kate – Vice President of Stakeholder Engagement
Poulin, Chera – Vice President of People Culture and Change
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance and Chief Financial Officer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer
Taylor, Peter – Vice President of Information Technology and Chief Information Officer

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Carpenter, Nikki-Blair	USAC
Delmar, Teleshia	USAC
Eltgroth, Deborah	USAC
Goode, Vernell	USAC
Johnson, William	USAC
King, Lauren	USAC
McNeff, Kristina	USAC
Miller, Jack	Solix
Nuzzo, Patsy	USAC
Rovetto, Ed	USAC
Sequin, Eric	Solix
Stenger, Douglas	USAC
Sunn, Meagan	CTIA
Theobald, Fred	USAC
Wilson, Reggie	USAC
Zielaski, Daniel	USAC

OPEN SESSION

- a1. Consent Items.** Dr. Talbott presented this item to the Board.
- A. Board meeting minutes of October 25, 2016, December 7, 2016, and January 13, 2017.
 - B. Approval for discussing in *Executive Session* agenda items:
 - (1) **i2-E.** Business Update. Engagement Survey Update. USAC management recommends that discussion of this item includes personnel matters and therefore should occur in *Executive Session* consistent with USAC's long-standing practice and to preserve privacy.
 - (2) **i3.** Quarterly Report on USF Contribution Matters. USAC management recommends that this matter be discussed in *Executive Session* because the report relates to *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) **i4.** Information on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends 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.*
 - (4) **i5.** General Procurement Update. USAC management recommends that this matter be discussed in *Executive Session* because this

matter relates to USAC’s *procurement strategy and contract administration*.

- (5) **i6.** Standards of Confidentiality for Board Materials. USAC management recommends that this item be discussed in *Executive Session* because this matter *may include pre-decisional matters pending before the FCC*.
- (6) **a5.** Consideration of Contract Award for Beneficiary Audit Program Co-Sourcing Services. USAC management recommends that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (7) **a6.** Procurements. Consideration of Contract Awards for Disaster Recovery Colocation, VMware Licensing, and Gartner Services. USAC management recommends that these items be discussed in *Executive Session* because they relate to USAC’s *procurement strategy and contract administration*.
- (8) **a7.** – Approval of 2017 Annual Common and Consolidated Budgets. USAC management recommends this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (9) **i7.** – Executive Session (Lunch) with Board Only. USAC management recommends that discussion of this item includes personnel matters and therefore should occur in *Executive Session* consistent with USAC’s long-standing practice and to preserve privacy.
- (10) **a8.** – Personnel Matter. Consistent with USAC’s long-standing practice and to preserve privacy, USAC management recommends that this item be discussed in *Executive Session*.

C. Routine Procurements: Deemed consideration and approval in *Executive Session*. None.

D. Approval of April 2018 – January 2019 Board of Directors Quarterly Meeting Schedule.

The USAC Board of Directors is required to meet quarterly in Washington, D.C. At its January 2016 and October 2016 meeting, the Board approved quarterly meeting dates through January 2018 as follows:

Executive Committee	Programmatic Committees & Board of Directors
April 20, 2017	April 24-25, 2017
July 20, 2017	July 24-25, 2017
October 19, 2017	October 23-24, 2017
January 25, 2018	January 29-30, 2018

Below is the recommended schedule of meetings for April 2018 through January 2019:

Executive Committee	Programmatic Committees & Board of Directors
April 19, 2018	April 23-24, 2018
July 19, 2018	July 23-24, 2018
October 25, 2018	October 29-30, 2018
January 24, 2019	January 28-29, 2019

- E. Approval of 2nd Quarter 2017 USAC Common and Consolidated Budgets.

The USAC Board of Directors (Board) is requested to approve the 2nd Quarter 2017 (2Q2017) common and consolidated operating and capital budgets for USAC.

- F. Approval of 2017 Audit Committee Charter.

The Audit Committee approved the 2017 Audit Committee Charter during its meeting of January 30, 2017. The Audit Committee recommends that the Board approve the Charter.

- G. Resolution Honoring Board Members Whose Service on the Board Has Recently Ended.

The Board would like to recognize and honor Mr. Jose Jimenez and Mr. Wayne Jortner whose terms have recently expired. Their leadership and guidance will be greatly missed.

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 25, 2016, December 7, 2016, and January 13, 2017; and discussion in *Executive Session* of the items noted above; and

RESOLVED FURTHER, that the USAC Board of Directors adopts the Board of Directors and Committee quarterly meetings schedule set forth above for April 2018 – January 2019; and

RESOLVED FURTHER, that the USAC Board of Directors, after reviewing the recommendation of the USAC Audit Committee, hereby approves the 2017 Audit Committee Charter; and

RESOLVED FURTHER, that the USAC Board of Directors hereby expresses its sincere appreciation to Mr. Jose Jimenez for his dedicated service on the Board of Directors of the Universal Service

Administrative Company, and the Board wishes him the best in his future endeavors;

RESOLVED FURTHER, that the USAC Board of Directors hereby expresses its sincere appreciation to Mr. Wayne Jortner for his dedicated service on the Board of Directors of the Universal Service Administrative Company, and the Board wishes him the best in his future endeavors.

- a2. Reports from 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 2016 quarterly meetings. Mr. Gillan reported for the Audit Committee; Mr. Lubin reported for the High Cost & Low Income Committee and Executive Compensation Committee; Dr. Talbott reported for the Executive Committee; Dr. Wibberly reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- a3. Annual Election of Committee Chairs and Vice Chairs and Election of Appointment of Corporate Officers.** Mr. Feiss 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 elects **Dr. Brian Talbott** as Chair and **Joel Lubin** as Vice Chair of the Board, **Ellis Jacobs** as Secretary of the corporation, and **Ronald Brisé** as Treasurer of the corporation, each for a term that begins immediately upon adoption of this resolution and ends when such member's successor has been elected, when such member resigns such position, is removed by resolution of the Board, or is no longer a member of the Board.

RESOLVED, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects **Atila Tinic** to serve in an at-large seat on the **Audit Committee**;

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects and **Beth Choroser** to serve in an at-large seat on **Schools & Libraries Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Nominating Committee and elects

Dr. Mike Hernandez to fill an at-large seat on the **Executive Compensation Committee**.

RESOLVED, that the USAC Board of Directors accepts the recommendation of the Audit Committee and elects **Joe Gillan** as Chair and **Geoff Feiss** as Vice Chair of the **Audit Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the High Cost & Low Income Committee and elects **Joel Lubin** as Chair and **Joe Gillan** as Vice Chair of the **High Cost & Low Income Committee**; and

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

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

RESOLVED FURTHER, that each of the aforementioned directors shall serve for a term that begins immediately upon the adoption of this resolution by the Board and ends when a successor to a Chair and/or Vice Chair has been elected, when the Chair or Vice Chair resigns from the Committee, is removed by resolution of the Board, or is no longer a member of the Board.

RESOLVED, that the USAC Board of Directors accepts the recommendation of the USAC Nominating Committee and appoints **Vickie Robinson** as Assistant Secretary of the corporation and **Charles Salvator** as Assistant Treasurer of the corporation, each for a term that begins immediately upon adoption of this resolution and ends when such person's successor has been appointed, such person resigns from such position, his employment with USAC terminates for whatever reason, or such person is removed by the CEO or by resolution of the Board.

a4. Review and Approval of:

- A. Statement of Ethical Conduct for Members of the USAC Board of Directors and Revisions to Board Members Annual Disclosure Form.**
- B. Revision of USAC Employee Ethics Standards.** Ms. Robinson presented these items 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 hereby adopts *Statement of Ethical Conduct for Members of the USAC Board of Directors*, July 2015 version, without revision; and

FURTHER RESOLVED, that the USAC Board of directors hereby adopts the recommendation of the USAC General Counsel to modify the *Board Member Annual Disclosure of Corporate or Entity Affiliations* as described in the briefing paper accompanying this resolution.

RESOLVED, that the USAC Board of Directors accepts the recommendation of the USAC General Counsel and hereby adopts the revisions to the July 2015 version of the USAC *Statement of Ethical Conduct for Employees*.

- i1. **Business Update.** Mr. Shah, Mr. Taylor and Mr. Daniel Zielaski, Director of Data Strategy and Insight, presented these items for discussion.
 - A. Goals and Initiative.
 - B. 2017 IT Update.
 - C. Data Strategy Board Update: Open Data.
 - D. Exhibits. The reports were included as informational items only.

At 10:50 a.m. Eastern Time the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above. The Board then recessed and reconvened at 11:00 a.m. Eastern Time.

EXECUTIVE SESSION

- a5. **Consideration of Contract Award for Beneficiary Audit Program Co-Sourcing Services.** Mr. Scott presented this item to the Board 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 management to award contracts for co-sourcing services for Beneficiary audits to BCA Watson Rice, LLP and CliftonLarsonAllen for a term to include a base year and two option years and a combined, not-to-exceed total price of \$9,889,576.10, subject to required FCC approvals.

- i2. **Business Update.**
 - D-1. 2017 Stakeholder Engagement Plan – This item was deferred.
 - E. Engagement Survey Update. Ms. Poulin presented this item for discussion

- i4. **Information on Four USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Ms. Nikki-Blair Carpenter, Director of Internal Audit, presented this item for discussion.
- i3. **Quarterly Report on USF Contribution Matters.** Mr. Fred Theobald, Director of Financial Operations, presented this item to the Board for discussion.
- i5. **General Procurement Update.** Mr. Salvator presented this time to the Board for Discussion.
- i6. **Standards of Confidentiality for Board Materials.** Ms. Robinson presented this item to the Board for discussion.
- a6. **Procurements.** Mr. Taylor presented these items for consideration.
 - A. **Consideration of Contract Award for Disaster Recovery Colocation.**
 - B. **Consideration of Contract Award for VMware Licensing Agreement.**
 - C. **Consideration of Contract Award for Gartner Services**

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to renew the existing contract award to Quality Investment Properties Richmond, LLC in an amount not to exceed **\$1,232,640**, plus applicable sales taxes, over five years, subject to required FCC approvals.

RESOLVED, that the USAC Board of Directors having reviewed USAC management's recommendation, hereby authorizes management to award a two year ELA to a qualified VMware reseller for the not to exceed amount of **\$1,993,086** plus applicable sales taxes, subject to required FCC approvals.

RESOLVED, that the USAC Board of Directors, having reviewed USAC management's recommendation, hereby authorizes management to award a noncompetitive one year contract to Gartner, Inc. for the firm fixed price of **\$285,350**, plus applicable taxes.

- a7. **Approval of 2017 Annual Common and Consolidated Budgets.** Mr. Henderson presented this item to the Board 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 2017 annual common operating budget of \$89.86 million; and

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RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual common capital budget of \$17.56 million.

RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual consolidated operating budget of \$199.85 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual consolidated capital budget of \$39.33 million.

At 12:44 p.m. Eastern Time the Board continued in *Executive Session* with only members of the elected Board present.

i7. Executive Session with Board Only. Dr. Talbott introduced this item for discussion.

At 1:30 p.m. Mr. Henderson rejoined the Board for the following discussion.

a8. Executive Session with CEO. Mr. Henderson presented this item for discussion.

On a motion duly made and seconded and after discussion, with Ms. Kinser and Mr. Feiss abstaining, the Board adopted the following resolution:

RESOLVED, that the USAC Board of Directors after considering the recommendation of USAC management and the Executive Compensation Committee, hereby approves the proposed 2017 merit-based salary increase and incentive awards program for USAC employees.

At 2:19 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 took action on items a5, a6, a7 and a8 and discussed items i2, i3, i4, i5, i6, and i7. On a motion duly made and seconded, the Board adjourned at 2:20 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Wednesday, February 1, 2017
9:30 a.m. – 10:30 a.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chris	a1. Approval of 2nd Quarter 2017 USAC Common and Consolidated Budgets and Quarterly Budget and Demand Projections.	5

<u>EXECUTIVE SESSION</u>		
Fred Theobald	i1. Quarterly Report on USF Contribution Matters – Confidential – <i>Executive Session Recommended.</i>	20

Next USAC Board of Directors Meeting

**Tuesday, April 25, 2017
8:30 a.m. – 3:00 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Wednesday, February 1, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Wednesday, February 1, 2017. Dr. Brian Talbott, Chair, called the meeting to order at 9:30 a.m. Eastern Time with a quorum of fifteen of the nineteen Committee members present.

Bocher, Robert – <i>by telephone</i>	Kinsler, Cynthia – <i>by telephone</i>
Brise, Ronald – <i>by telephone</i>	Lubin, Joel – Vice Chair – <i>by telephone</i>
Buzacott, Alan – <i>by telephone</i>	Mason, Ken – <i>by telephone</i>
Domenech, Dr. Dan – <i>by telephone</i>	Talbott, Dr. Brian Talbott – Chair
Feiss, Geoff – <i>by telephone</i>	Tinic, Atilla – <i>by telephone</i>
Gerst, Matthew – <i>by telephone</i>	Wein, Olivia – <i>by telephone</i>
Gillan, Joe – <i>by telephone</i>	Wibberly, Dr. Kathy – <i>by telephone</i>
Henderson, Chris – CEO	

Members of the Committee not present:

Choroser, Beth
Fontana, Brent
Hernandez, Dr. Mike
Jacobs, Ellis

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries and Acting Vice
President of Rural Health Care
Gaither, Vic – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant
Treasurer
Sweeney, Mark – Chief Operating Officer

Others present for the meeting:

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

OPEN SESSION

- a1. Approval of 2nd Quarter 2017 USAC Common and Consolidated Budgets and Quarterly Budget and Demand Projections.** Mr. Salvator presented this to the Board for consideration.

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

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2017 USAC common operating budget of \$22.51 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2017 USAC common capital budget of \$10.54 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$33.05 million for USAC common costs in the required February 1, 2017 filing to the FCC on behalf of the Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2017 USAC consolidated operating budget of \$49.75 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2017 USAC consolidated capital budget of \$13.04 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$62.79 million for USAC consolidated costs in the required February 1, 2017 filing to the FCC on behalf of the Board of Directors; and

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2017 programmatic operating budget for the High Cost Support Mechanism of \$2.86 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$2.86 million for High Cost Support Mechanism administrative costs in the required February 1, 2017 filing to the FCC on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on February 1, 2017 a summary of the 2nd Quarter 2017 High Cost Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required February 1, 2017 filing to the FCC on behalf of the Board. Staff may make adjustments if the total variance

for the High Cost Support Mechanism is equal to or less than \$10 million and, with approval of the High Cost Low Income Committee Chair, may make adjustments if the total variance is equal to or less than \$15 million; and

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2017 programmatic operating budget for the Low Income Support Mechanism of \$4.14 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2017 programmatic capital budget for the Low Income Support Mechanism of \$2.50 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$6.64 million for Low Income Support Mechanism administrative costs in the required February 1, 2017 filing to the FCC on behalf of the Board; and

RESOLVED, that the USAC Board of Directors, having reviewed at its meeting on February 1, 2017 a summary of the 2nd Quarter 2017 Low Income Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required February 1, 2017 filing to the FCC on behalf of the Board. Staff may make adjustments if the total variance for the Low Income Support Mechanism is equal to or less than \$10 million and, with approval of the High Cost Low Income Committee Chair, may make adjustments if the total variance is equal to or less than \$15 million; and

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2017 Rural Health Care Support Mechanism programmatic operating budget of \$1.49 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$1.49 million for Rural Health Care Support Mechanism administrative expenses in the required February 1, 2017 filing to the FCC on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on February 1, 2017, a summary of the 2nd Quarter 2017 Rural Health Care Support Mechanism demand estimate, including administrative costs, hereby directs USAC staff to proceed with the required February 1, 2017 filing to the FCC. USAC staff may make adjustments if the variance is equal to or less than \$1.0 million, or may seek approval from the Rural Health Care Committee Chair to make adjustments if the variance is greater than \$1.0 million, but not more than \$2.0 million; and

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2017 programmatic operating budget for the Schools and Libraries Support Mechanism of \$18.75 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$18.75 million for Schools and Libraries Support Mechanism operating and capital costs in the required February 1, 2017 filing to the FCC on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on February 1, 2017 a summary of the 2nd Quarter 2017 Schools and Libraries Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required February 1, 2017 filing to the FCC on behalf of the Board. USAC staff may make adjustments if the variance is equal to or less than \$10 million, or may seek approval from the Schools and Libraries Committee Chair to make adjustments if the variance is greater than \$10 million, but not more than \$15 million.

- i1. **Quarterly Report on USF Contribution Matters.** Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because the report relates to *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.*

At 9:06 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential items noted above.

EXECUTIVE SESSION

- i1. **Quarterly Report on USF Contribution Matters.** Mr. Salvatore presented these items to the Board for discussion.

At 9:18 a.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned 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 item i1. On a motion duly made and seconded, the Committee adjourned at 9:20 a.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Monday, March 20, 2017
4:00 p.m. – 4:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Charlie	a1. Consideration of Contract Award for Enterprise Statistician Services– Confidential – Executive Session Recommended.	20

Next USAC Board of Directors Meeting

**Tuesday, April 25, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Monday, March 20, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, March 20, 2017. Dr. Brian Talbott, Chair, called the meeting to order at 4:00 p.m. Eastern Time with a quorum of fourteen of the nineteen Committee members present.

Choroser, Beth – <i>by telephone</i>	Jacobs, Ellis – <i>by telephone</i>
Domenech, Dr. Dan – <i>by telephone</i>	Kinser, Cynthia – <i>by telephone</i>
Feiss, Geoff – <i>by telephone</i>	Lubin, Joel – Vice Chair – <i>by telephone</i>
Gerst, Matthew – <i>by telephone</i>	Mason, Ken – <i>by telephone</i>
Gillan, Joe – <i>by telephone</i>	Talbott, Dr. Brian Talbott – Chair – <i>by telephone</i>
Henderson, Chris – CEO	Tinic, Atilla – <i>by telephone</i>
Hernandez, Dr. Mike – <i>by telephone</i>	Wibberly, Dr. Kathy – <i>by telephone</i>

Members of the Committee not present:

Bocher, Robert
Brisé, Ronald
Buzacott, Alan
Fontana, Brent
Wein, Olivia

Other Board members and officers of the corporation present:

Gaither, Victor – Vice President of High Cost
Lee, Karen – Vice President of Rural Health Care
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Sweeney, Mark – Chief Operating Officer

Others present for the meeting:

NAME
King, Lauren

COMPANY
USAC

OPEN SESSION

- a1. Consideration of Contract Award for Enterprise Statistician Services.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Ms. Vickie Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

At 4:03 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential items noted above.

EXECUTIVE SESSION

- a1. Consideration of Contract Award for Enterprise Statistician Services.** Mr. Salvator presented these item to the Committee for discussion.

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a contract for Enterprise Statistician Services to Econometrica, Inc. for a not-to-exceed price of \$750,000 plus applicable sales taxes, as outlined above, subject to required FCC approvals.

At 4:13 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned 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 item a1. On a motion duly made and seconded, the Committee adjourned at 4:14 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

Tuesday, April 25, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of January 31, 2017, February 1, 2017 and March 20, 2017. B. Approval of Moving all <i>Executive Session</i> Items into <i>Executive Session</i> . C. Routine procurements: Deemed consideration and approval of in <i>Executive Session</i> . D. Approval of 3rd Quarter 2017 USAC Common and Consolidated Budgets.	5
Chair	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.	10
Chris	i1. Business Update: A. Exhibits (Information Only).	

<u>EXECUTIVE SESSION</u>		
Hemang Mark Stephen Kate	i1. Business Update – Confidential – <i>Executive Session Recommended</i> . B1. Discussion of Corporative Initiatives and Measures. B2. Operational Updates. B3. Customer Service Initiative. C. 2017 Stakeholder Engagement Plan.	B1. 40 B2. 20 B3. 20 C. 60
Fred Theobald	i2. Quarterly Report on USF Contribution Matters – Confidential – <i>Executive Session Recommended</i> .	30
Nikki- Blair	i3. Information on Six USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. – Confidential – <i>Executive Session Recommended</i> .	10
Charlie	i4. Transfer of Funds Management and Impact on Investment Committee – Confidential – <i>Executive Session Recommended</i>	30
Chair	i5. Executive Session (Lunch) with Board Only – Confidential – <i>Executive Session Recommended</i> .	60

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

Chris	i6. Personnel Matter (Post Lunch) – Confidential & Proprietary – <i>Executive Session Recommended.</i>	60
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Next USAC Board of Directors Meeting

Tuesday, July 25, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.

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

BOARD OF DIRECTORS MEETING
Tuesday, April 25, 2017

MINUTES

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, April 25, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:34 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Bocher, Robert	Jacobs, Ellis – Secretary
Brisé, Ronald - Treasurer	Kinser, Cynthia
Buzacott, Alan	Lubin, Joel – Vice Chair
Choroser, Beth	Mason, Ken
Domenech, Dr. Dan	Talbott, Dr. Brian Talbott – Chair
Feiss, Geoff	Tinic, Atilla
Gerst, Matthew	Wein, Olivia
Henderson, Chris – CEO	Wibberly, Dr. Kathy – <i>by telephone</i>
Hernandez, Dr. Mike	

Mr. Joe Gillan joined the meeting by telephone at 12:19 p.m. He participated in the discussion of items i4, i5 and i6.

Members of the Board not present:

Fontana, Brent

Officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Hays, Kate – Vice President of Stakeholder Engagement
Lee, Karen – Vice President of Rural Health Care
Poulin, Chera – Vice President of People, Culture and Change
Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer
Taylor, Peter – Vice President of Information Technology and Chief Information
Officer

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Butler, Stephen	USAC
Carpenter, Nikki-Blair	USAC
Crowe, Jennifer	USAC
Diephouse, Greg	USAC
Goode, Vernell	USAC
Hughet, Pamela	USAC
Johnson, William	USAC
King, Lauren	USAC
Lechter, Jonathan – <i>by telephone</i>	FCC
Litman, Travis	FCC
Lutz, Corey	USAC
Miller, Jack	Solix
Nuzzo, Patsy	USAC
Palmer, Ryan	FCC
Pilsch, Tracey	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Shaffer, Dana	FCC
Schecker, Laurence	USAC
Theobald, Fred	USAC

OPEN SESSION

a1. Consent Items. Dr. Talbott presented these items to the Board.

- A. Board meeting minutes of January 31, 2017, February 1, 2017 and March 20, 2017.
- B. Approval for discussing in *Executive Session* agenda items:
 - (1) **i1** – Business Update. USAC management recommends this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
 - (2) **i2** – Quarterly Report on USF Contribution Matters. USAC management recommends that this matter be discussed in *Executive Session* because the report relates to *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) **i3** – Information on Six USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends 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.*

- (4) **i4** – Transfer of Funds Management and Impact on Investment Committee.
- (5) **i5** – Executive Session (Lunch) with Board Only. USAC management recommends that discussion of this item includes personnel matters and therefore should occur in *Executive Session* consistent with USAC’s long-standing practice and to preserve privacy.
- (6) **i6** – Personnel Matter. Consistent with USAC’s long-standing practice and to preserve privacy, USAC management recommends that this item be discussed in *Executive Session*. In addition, this matter is subject to *attorney/client privilege*.

C. Routine Procurements: Deemed consideration and approval in *Executive Session*.

- (1) The Board is requested to approve the contract award to AccessIT Group for the purchase of F5 load balancers and a virtual management appliance.
- (2) The Board is requested to approve an increase of the contract award to EnterpriseDB (EDB) consulting services.
- (3) The Board is requested to approve the contract award to SHI International Corp. for the renewal of Red Hat Software and Support.
- (4) The Board is requested to approve the contract award to Sun Management, Inc. for the purchase of Next Generation Firewalls (NGFW).

D. Approval of 3rd Quarter 2017 USAC Common and Consolidated Budgets.

The Board is requested to approve the 3rd Quarter 2017 common and consolidated operating and capital budgets for USAC.

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 January 31, 2017, February 1, 2017 and March 20, 2017; and discussion in *Executive Session* of the items noted above; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to AccessIT Group for the purchase of

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

F5 load balancers and a virtual management appliance in the amount of \$375,579 plus applicable taxes; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to increase the contract award to EnterpriseDB consulting services by \$200,000.00, increasing the total value of the contract with EnterpriseDB consulting services to a not-to-exceed \$448,900 plus applicable taxes; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to SHI International Corp. for the renewal of Red Hat Software and Support in the amount of \$374,300.20 plus applicable taxes; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award a contract to Sun Management, Inc. for the purchase of the NGFW in the amount of \$396,100 plus applicable taxes; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2017 common operating budget of \$21.43 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2017 common capital budget of \$0.79 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$22.22 million for USAC common costs in the required May 2, 2017 filing to the FCC on behalf of the Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2017 consolidated operating budget of \$48.17 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2017 consolidated capital budget of \$0.79 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$48.96 million for USAC consolidated costs in the required May 2, 2017 filing to the FCC on behalf of the Board of Directors.

- a2. Reports from 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 2017 quarterly meetings. Mr. Feiss reported for the Audit Committee; Mr. Lubin reported for the High Cost & Low Income Committee and Executive Compensation Committee; Dr. Talbott reported for the Executive Committee; Mr. Brisé reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- i1. Business Update (Exhibit A).** These reports was provided for informational purposes. No discussion was held.
- Draft Investment Committee Meeting Minutes.
 - Cash and Accrual Activities.
 - USF Cash Reserve
 - Accounts Receivable Balance
 - USAC Quarterly Procurement Report
 - Audit Recovery Status Report

At 8:46 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- i1. Business Update.** Mr. Shah, Mr. Sweeney and Mr. Stephen Butler, Senior Director of Customer Service, and Ms. Hays, presented these items for discussion.
- B1.** Discussion of Corporate Initiatives and Measures.
 - B2.** Operational Updates.
 - B3.** Customer Service Initiatives.
 - C.** 2017 Stakeholder Engagement Plan.

The Board recessed at 10:51 a.m. and reconvened in *Executive Session* at 11:03 a.m. Eastern Time.

- i2. Quarterly Report on USF Contribution Matters.** Mr. Fred Theobald, Director of Financial Operations, presented this item to the Board for discussion.
- i3. Information on Six USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Ms. Nikki-Blair Carpenter, Director of Internal Audit, presented this item to the Board for discussion.
- i4. Transfer of Funds Management and Impact on Investment Committee.** Mr. Salvator and Ms. Vickie Robinson presented this item to the Board for discussion.

At 12:36 p.m. Eastern Time the Board continued in *Executive Session* with only members of the elected Board present.

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

- i5. Executive Session with Board Only.** Dr. Talbott introduced this item for discussion.

At 1:30 p.m. Mr. Henderson rejoined the Board for the following discussion.

- i6. Executive Session with CEO.** Mr. Henderson presented this item for discussion.

At 3:20 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board discussed items i1, i2, i3, i4, i5, and i6. On a motion duly made and seconded, the Board adjourned at 3:20 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Wednesday, May 3, 2017
1:00 p.m. – 2:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

EXECUTIVE SESSION

Chair	a1. Personnel Matter – Confidential – <i>Executive Session Recommended [excluding all USAC personnel].</i>
Wayne	i1. Report on Internal Control Activities by the Vice President of Internal Audit – Confidential – <i>Executive Session Recommended [excluding all USAC personnel except Vice President of Internal Audit and Vice President and General Counsel].</i>

Next USAC Board of Directors Meeting

**Tuesday, July 26, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Wednesday, May 3, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Wednesday, May 3, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 1:06 p.m. Eastern Time with a quorum of 15 of the 19 Committee members present.

Bocher, Robert – <i>by telephone</i>	Hernandez, Dr. Mike – <i>by telephone</i>
Brisé, Ronald – Treasurer, <i>by telephone</i>	Kinser, Cynthia – <i>by telephone</i>
Buzacott, Alan – <i>by telephone</i>	Lubin, Joel – Vice Chair
Choroser, Beth – <i>by telephone</i>	Mason, Ken – <i>by telephone</i>
Domenech, Dr. Dan – <i>by telephone</i>	Talbott, Dr. Brian Talbott – Chair
Feiss, Geoff – <i>by telephone</i>	Tinic, Atilla – <i>by telephone</i>
Gerst, Matthew – <i>by telephone</i>	Wein, Olivia – <i>by telephone</i>
Gillan, Joe – <i>by telephone</i>	

Mr. Ellis Jacobs, Secretary, joined the call at 1:09 p.m. Eastern Time. He participated in the discussion and voted on all items.

Members of the Committee not present:

Henderson, Chris – CEO
Fontana, Brent
Wibberly, Dr. Kathy

Other Board members and officers of the corporation present:

Robinson, Vickie – Vice President, General Counsel and Assistant Secretary
Scott, Wayne – Vice President of Internal Audit

Others present for the meeting:

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

OPEN SESSION

- a1. Resignation of Current Chief Executive Officer (CEO) and Appointment of Acting CEO.** Ms. Robinson recommended that discussion of this item occur in *Executive Session* because it involves an internal personnel matter.

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

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

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

- i1. Report on Internal Control Activities by the Vice President of Internal Audit.** Ms. Robinson recommended that this matter be discussed in *Executive Session* in accordance with the approved criteria and procedures for conducting USAC Board and Committee business in *Executive Session*, because this matter relates to specific internal controls, and/or confidential company data that would constitute a discussion of internal rules and procedures.

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

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

At 1:09 p.m. Eastern Time, on a motion duly made and seconded, with members of the Board and Ms. Robinson present, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a1. Resignation of Current Chief Executive Officer (CEO) and Appointment of Acting CEO.** Dr. Talbott presented this to the Board for consideration.

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

RESOLVED, that the USAC Board accepts the resignation of USAC's current CEO effective May 3, 2017; and

FURTHER RESOLVED, that the USAC Board appoints Vickie Robinson, as Acting CEO of USAC, including all duties and responsibilities associated with that office under USAC's Bylaws and pursuant to the FCC's Rules effective May 4, 2017; and

FURTHER RESOLVED, that the USAC Board directs the initiation of a search committee to recommend a permanent replacement for the office of USAC CEO; and

FURTHER RESOLVED, that the USAC Board of Directors authorizes USAC's outside counsel and the Chairman of the Board to work with the resigning CEO to develop a press release to announce the resignation of the current USAC CEO effective May 3, 2017.

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

At 1:25 p.m. Eastern Time, with only members of the Board present, the meeting continued in Executive Session.

At 1:35 p.m. Eastern Time, with only members of the Board, Ms. Robinson and Mr., Scott present, the Board continued in Executive Session.

i1. Report on Internal Control Activities by the Vice President of Internal Audit.

Mr. Scott presented this time for discussion.

At 2:00 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned 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 item a1 and i1. On a motion duly made and seconded, the Committee adjourned at 2:00 p.m. Eastern Time.

/s/ Ellis Jacobs

Secretary

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

BOARD OF DIRECTORS MEETING
Tuesday, June 20, 2017

MINUTES

On June 20, 2017, the Board was requested to vote by written unanimous consent to approve reimbursement of expenses incurred by Dr. Brian Talbott and Mr. Joel Lubin for travel associated with their attendance at an event other than a USAC Board or committee meeting.

- a1. Consideration of Request to Reimburse Board Members to Attend an Event Other than a USAC Board or Committee Meeting.** On June 29, 2017 with voting conducted electronically for this matter pursuant to Article II, Section 9 of USAC's By-laws.¹ Responses were timely received providing unanimous consent from all 19 members of the Board of Directors and the Board adopted the following resolution:

RESOLVED, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings* approved by the USAC Board of Directors, the USAC Board of Directors authorizes management to reimburse Dr. Talbott and Mr. Lubin, who supported the transition of USAC Chief Executive Officer position.

/s/ Vickie Robinson
Assistant Secretary

¹ USAC By-law, Article II, § 9 (“Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.”).

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

**Monday, June 26, 2017
3:30 p.m. – 4:15 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Charlie	a1. Consideration of Contract Award for Project Management Consulting Services – Confidential – <i>Executive Session Recommended.</i>	15

<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Daniel Zielaski	i1. Information on USAC’s Open Data Pilot	30

Next USAC Board of Directors Meeting

**Tuesday, July 25, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Monday, June 26, 2017

MINUTES

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, June 26, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 3:35 p.m. Eastern Time with a quorum of 14 of the 19 Committee members present.

Bocher, Robert – <i>by telephone</i>	Hernandez, Dr. Mike – <i>by telephone</i>
Buzacott, Alan – <i>by telephone</i>	Kinser, Cynthia – <i>by telephone</i>
Domenech, Dr. Dan – <i>by telephone</i>	Lubin, Joel – Vice Chair – <i>by telephone</i>
Feiss, Geoff – <i>by telephone</i>	Mason, Ken – <i>by telephone</i>
Fontana Brent – <i>by telephone</i>	Robinson, Vickie – Acting CEO, General Counsel and Assistant Secretary
Gerst, Matthew – <i>by telephone</i>	Talbott, Dr. Brian Talbott – Chair – <i>by telephone</i>
Gillan, Joe – <i>by telephone</i>	Tinic, Atilla – <i>by telephone</i>

Members of the Committee not present:

Brisé, Ronald – Treasurer
Choroser, Beth
Jacobs, Ellis – Secretary
Wein, Olivia
Wibberly, Dr. Kathy

Other Board members and officers of the corporation present:

Davis, Craig – Vice President of Schools and Libraries
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Shah, Hemang – Vice President of Strategy and Change Management
Sweeney, Mark – Chief Operating Officer
Taylor, Peter – Vice President of Information Technology and Chief Information
Officer

Others present for the meeting:

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

OPEN SESSION

- a1. Consideration of Contract Award for Project Management Consulting Services.** Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

At 3:37 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a1. Consideration of Contract Award for Project Management Consulting Services.** Mr. Salvator presented this item for consideration.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a contract for project management consulting services to Terrapin Consulting, LLC for assistance with the Cash-to-Treasury transition, for a term of fifty-two (52) weeks, with a not-to-exceed total price of \$300,000, plus applicable taxes.

At 4:01 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Committee took action on item a1.

OPEN SESSION

- i1. Information on USAC's Open Data Pilot.** Mr. Daniel Zielaski, Director of Data Strategy and Insights, presented this time to the Board.

On a motion duly made and seconded, the Board adjourned at 4:32 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Tuesday, July 25, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of April 25, 2017, May 3, 2017, June 20, 2017, and June 26, 2017. B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> .	5
Chair	a2. Reports from the Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Investment Committee, Rural Health Care Committee, and Schools & Libraries Committee.	10
Charlie	a3. Approval of 4th Quarter 2017 USAC Common and Consolidated Budgets.	10
Vickie Hemang Mark	i1. Business Update: A. Discussion of Corporate Initiatives and Operational Update. B. Exhibits (Information Only).	30

<u>EXECUTIVE SESSION</u>		
Charlie/ Kyle	a4. Procurements. A. Consideration of Contract Award for the Open Data One Year Extension – Confidential – <i>Executive Session Recommended</i> . B. Consideration of Contract Award for Storage Array Replacement – Confidential – <i>Executive Session Recommended</i> . C. Consideration of Funding Approval for Cash-to-Treasury Staff Augmentation – Confidential – <i>Executive Session Recommended</i> .	20
Charlie	a5. Consideration of the Revised 2017 Annual USAC Common and Consolidated Budgets. – Confidential – <i>Executive Session Recommended</i> .	30
Wayne	i2. Acceptance of USAC’s 2016 Annual Financial Audit and Agreed-Upon Procedures Review. <i>Same as aAC02cf</i>	20
Charlie/	i3. Procurements Reports – Confidential – <i>Executive Session</i>	30

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

Dennis Fischer	<i>Recommended.</i> A. Status of Major Procurements. B. Second Quarter 2017 Procurement Report. C. Update on EPC.	
Fred Theobald	i4. Quarterly Report on Universal Service Fund Contribution Matters – Confidential – <i>Executive Session Recommended.</i>	30
Nikki-Blair	i5. Information on 14 USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. – Confidential – <i>Executive Session Recommended.</i>	10
Chair	i6. Executive Session (Lunch) with Board Only – Confidential – <i>Executive Session Recommended.</i>	60
Vickie	a6. Personnel Matter (Post Lunch) – Confidential & Proprietary – <i>Executive Session Recommended.</i>	30
Vickie/Joel	a7. Approval of Revised Executive Compensation Committee Charter – Confidential – <i>Executive Session Recommended.</i>	15
Vickie	i7. Update on CEO Search – Confidential – <i>Executive Session Recommended.</i>	15

Next USAC Board of Directors Meeting

<p>Tuesday, October 24, 2017 8:30 a.m. – 2:30 p.m. Eastern Time USAC Offices, Washington, D.C.</p>

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

BOARD OF DIRECTORS MEETING
Tuesday, July 25, 2017

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, July 25, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:32 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Bocher, Robert	Lubin, Joel – Vice Chair
Buzacott, Alan	Mason, Ken
Choroser, Beth	Robinson, Vickie – Acting Chief Executive Officer, General Counsel and Assistant Secretary
Domenech, Dr. Dan	Talbott, Dr. Brian – Chair
Feiss, Geoff	Tinic, Atilla
Fontana, Brent – <i>by telephone</i>	Wein, Olivia
Gerst, Matthew	Wibberly, Dr. Kathy – <i>by telephone</i>
Gillan, Joe	
Hernandez, Dr. Mike	
Kinser, Cynthia	

Mr. Ronald Brisé joined the meeting at 8:53 a.m. He did not participate in the discussion of, or vote on, items a1 or a2.

Members of the Board not present:

Jacobs, Ellis – Secretary

Officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Lee, Karen – Vice President of Rural Health Care
Poulin, Chera – Vice President and Chief Human Resources Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Shah, Hemang – Vice President of Enterprise Portfolio Management
Sweeney, Mark – Chief Operating Officer

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beaver, Tracey	USAC
Beckford, Ernesto	USAC
Carpenter, Nikki-Blair	USAC
Crowe, Jennifer	USAC
Faunce, Donna	USAC
Fischer, Dennis	USAC
Francisco, Dale	USAC
Goldman, William	Socrata
Goode, Vernell	USAC
Hardy, Macey	USAC
Hodjatzadeh, Alex	USAC
Hutchinson, Kyle	USAC
King, Lauren	USAC
Lepore, Dominic	USAC
Litman, Travis	FCC
Lutz, Corey	USAC
Miller, Jack	Solix
Nuzzo, Patsy	USAC
Parmentier, Peter	USAC
Schecker, Laurence	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Theobald, Fred	USAC

OPEN SESSION

- a1. Consent Items.** Dr. Talbott presented these items to the Board.
- A. Approval of Board meeting minutes of April 25, 2017, May 3, 2017, June 20, 2017, and June 26, 2017.
 - B. Approval for discussing in *Executive Session* agenda items:
 - (1) **a4** – Procurements. USAC management recommends this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*
 - (2) **a5** – Consideration of the Revised 2017 Annual USAC Common and Consolidated Budgets. 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*.
 - (3) **il (Attachment A)** – Organizational Snapshot. 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) **i2** – Acceptance of USAC's 2016 Annual Financial Audit and Agreed-Upon Procedures Review. USAC management recommends that this matter be discussed in *Executive Session* because this report includes *confidential company data*. **47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.**
 - (5) **i3** – Procurements Reports. USAC management recommends that this item be discussed in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.
 - (6) **i4** – Quarterly Report on USF Contribution Matters. USAC management recommends that this matter be discussed in *Executive Session* because the report relates to *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.*
 - (7) **i5** – Information on 14 USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends 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.**
 - (8) **i6** – Executive Session (Lunch) with Board Only. USAC management recommends that this item be discussed in *Executive Session* because it includes personnel matters and therefore should occur in *Executive Session* consistent with USAC's long-standing practice and to preserve privacy.
 - (9) **a6** – Personnel Matter. USAC management recommends this item be discussed in *Executive Session* in accordance with the approved criteria and procedures for conducting USAC Board and Committee business *in Executive Session* and because it involves an internal confidential personnel matter. This matter is also subject to *attorney/client privilege*.
 - (10) **a7** – Approval of Revised Executive Compensation Committee Charter. USAC management recommends this item be discussed in *Executive Session* in accordance with the approved criteria and procedures for conducting USAC Board and Committee business *in Executive Session* and because it involves an internal confidential personnel matter. This matter is also subject to *attorney/client privilege*.
 - (11) **i7** – Update on CEO Search. USAC management recommends that this item be discussed in *Executive Session* because it includes personnel matters and therefore should occur in *Executive Session*

consistent with USAC's long-standing practice and to preserve privacy.

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 25, 2017, May 3, 2017, June 20, 2017, and June 26, 2017 and discussion in *Executive Session* of the items noted above.

- a2. Reports from Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Investment 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 2017 quarterly meetings. Mr. Gillan reported for the Audit Committee; Mr. Lubin reported for the Executive Committee, Executive Compensation Committee and the High Cost & Low Income Committee; Mr. Salvator reported for the Investment Committee; Dr. Wibberly reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- a3. Approval of 4th Quarter 2017 USAC Common and Consolidated Budgets.** Mr. Salvator presented this time 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 2017 USAC common operating budget of \$23.37 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 4th Quarter 2017 USAC common capital budget of \$0.94 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 4th Quarter 2017 USAC consolidated operating budget of \$50.25 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 4th Quarter 2017 USAC consolidated capital budget of \$4.07 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$17.05 million for USAC common costs in the required August 2, 2017 filing to the FCC on behalf of the Board of Directors.

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$43.22 million for USAC consolidated costs in the required August 2, 2017 filing to the FCC on behalf of the Board of Directors.

ii. Business Update.

- A. Discussion of Corporate Initiatives and Operational Update.** Ms. Robinson, Mr. Sweeney, and Mr. Shah provided the Board with an overall organizational update, building upon information shared internally, including an organizational update on the new Information Technology (IT), User Experience, and User Support teams, as well as an update on enterprise priorities. Key highlights included the restructuring of the previous Stakeholder Engagement function and IT division, the transfer of payroll processing to Finance, the reframing of the Strategy Division as the Enterprise Portfolio Management Division, and the renaming of Human Capital to Human Resources. Additional information was provided regarding enterprise-wide initiatives and key shifts in enterprise-wide priorities.
- B. Exhibits.** These reports were provided for informational purposes only. No discussion was held.
- Cash and Accrual Activities.
 - Universal Service Fund (USF) Cash Reserve.
 - Accounts Receivable Balance.
 - Audit Recovery Status Report.

At 9:31 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

ii. Business Update (continued).

- A. Attachment A - Organizational Snapshot.** Mr. Shah presented this item for discussion, summarizing USAC's focus areas, financial performance, human capital metrics, and risks.

The Board recessed at 10:23 a.m. Eastern Time and reconvened in *Executive Session* at 10:32 a.m. Eastern Time.

a4. Procurements.

- A. Consideration of Contract Award for the Open Data One Year Extension.** Mr. Shah presented this item for consideration noting that the Memorandum of Understanding (MOU) between the Federal Communications Commission (FCC) and USAC, as well as recent FCC orders, require USAC to make all non-confidential information (i.e., information that is not classified as Personally Identifiable Information) available publically in a timely matter and in format easily accessible for viewing and downloading. USAC launched its Open Data initiative with a

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

six-week long pilot project, which began in April 2017. The mid-June successful completion of this pilot project confirmed that to fully meet the FCC's open data requirements in 2017, neither in-house custom development nor a fully open-sourced solution would be feasible from total cost of ownership and implementation timeline perspectives.

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 Carahsoft Technology Corporation for the firm-fixed price of \$239,485, plus applicable sales taxes. This brings the total contract value of the award for Socrata-brand services to a total of \$254,485, plus applicable sales taxes, subject to FCC approval.

B. Consideration of Contract Award for Storage Array Replacement. Mr. Hutchinson presented this item for consideration, noting that that a single replacement array will be less costly than continuing to maintain the current Storage Area Network (SAN) environment.

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 Clearpath Solutions Group, LLC for the firm-fixed price of \$370,912, plus applicable sales taxes.

C. Consideration of Funding Approval for Cash-to-Treasury Staff Augmentation. Mr. Salvator presented this item for consideration, noting that while the Cash-to-Treasury project team is being sourced using internal USAC resources, he anticipated some staff augmentation required to complete the project.

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 procure staff support for a not-to-exceed amount of \$489,600, plus applicable taxes, to support the transfer of Universal Service Fund (USF) funds to the U.S. Treasury.

a5. Consideration of the Revised 2017 Annual USAC Common and Consolidated Budgets. Mr. Salvator 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 revised 2017 annual common operating budget of \$89.88 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual consolidated operating budget of \$194.01 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual common capital budget of \$9.35 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2017 annual consolidated capital budget of \$26.33 million.

- i2. **Acceptance of USAC’s 2016 Annual Financial Audit and Agreed-Upon Procedures Review.** Mr. Scott presented this item for discussion, noting that USAC’s 2016 Annual Financial Audit received a clean opinion with one finding on the Agreed-Upon Procedures Review.
- i3. **Procurements Reports.** Mr. Salvator provided a status update on major USAC procurements and a copy of the 2nd Quarter USAC Procurement Report. Mr. Fischer, Manager of Finance, delivered a “lessons learned” presentation to inform our procurement and vendor management activities.
- i4. **Quarterly Report on USF Contribution Matters.** Mr. Theobald, Director of Financial Operations, provided an update on USF contribution matters. This presentation included a contributor scorecard, metrics regarding successful filers, and a summary of key 2017 activities.
- i5. **Information on 14 USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Ms. Carpenter, Director of Internal Audit, presented this item to the Board for discussion.

At 11:58 a.m. Eastern Time, the Board continued in *Executive Session* with only members of the elected Board present.

- i6. **Executive Session with Board Only.** Dr. Talbott introduced this item for discussion and consideration. During discussion, members of the elected Board, on a motion duly made and seconded, adopted the following resolution:

RESOLVED, that the USAC Board of Directors directs that USAC’s Acting Chief Executive Officer be compensated, effective as of May 1, 2017 and throughout the period during which she serves as Acting Chief Executive Officer, at her current base pay plus \$1,400 per month but not to exceed the amount of basic pay in effect for Level I of the Executive Schedule under 5 U.S.C. 5312.

At 1:30 p.m. Eastern Time, Ms. Robinson rejoined the Board for discussion of the following items.

a6. Personnel Matter. Ms. Robinson 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 and considered the proposed options to address the potential contractual dispute that USAC management recommends, hereby approves that USAC continues to seek Commission approval to enter into a negotiated resolution and reach a monetary settlement to resolve the pending claims asserted by two former employees.

a7. Approval of Revised Executive Compensation Committee Charter. Ms. Robinson 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, having reviewed the proposed revisions to the Executive Compensation Committee Charter, hereby approves the revised Executive Compensation Committee Charter; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the severance policy proposed by the Executive Compensation Committee, with authorization to make necessary adjustments reflecting any subsequent FCC guidance, approves the adoption of the severance policy.

i7. Update on CEO Search. Ms. Robinson presented this item for discussion.

At 1:54 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board took action on items a4, a5, a6, and a7, and discussed items i1, i2, i3, i4, i5, i6 and i7. On a motion duly made and seconded, the Board adjourned at 1:55 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Thursday, September 28, 2017
3:00 p.m. – 4:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Charlie	a1. Consideration of Contract Extensions for USAC Employee Benefit Programs – Confidential – <i>Executive Session Recommended.</i>	20
Vickie	i1. Office of General Counsel’s Report on Personnel and Pending Litigation Matters – Confidential – <i>Executive Session Recommended.</i>	30

Next USAC Board of Directors Meeting

**Tuesday, October 24, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Thursday, September 28, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Thursday, September 28, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 3:01 p.m. Eastern Time, with a quorum of 14 of the 19 Board members present:

Brisé, Ronald – Treasurer – *by telephone*

Buzacott, Alan – *by telephone*

Domenech, Dr. Dan – *by telephone*

Fontana, Brent – *by telephone*

Gerst, Matthew – *by telephone*

Gillan, Joe – *by telephone*

Jacobs, Ellis – Secretary – *by telephone*

Kinser, Cynthia – *by telephone*

Lubin, Joel – Vice Chair – *by telephone*

Mason, Ken – *by telephone*

Robinson, Vickie – Acting Chief Executive Officer, General Counsel and Assistant Secretary

Talbott, Dr. Brian – Chair – *by telephone*

Wein, Olivia – *by telephone*

Wibberly, Dr. Kathy – *by telephone*

Mr. Atilla Tinic joined the meeting at 3:07 p.m. He voted on item a1 and participated in the discussion of item i1.

Members of the Board not present:

Bocher, Bob

Choroser, Beth

Feiss, Geoff

Hernandez, Dr. Mike

Officers of the corporation present:

Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer

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

Others present:

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

OPEN SESSION

- a1. Consideration of Contract Extensions for USAC Employee Benefit Programs.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

RESOLVED, that the USAC Board of Directors hereby approves the Committee discussing this item in *Executive Session*.

- i1. Office of General Counsel's Report on Personnel and Pending Litigation Matters.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Ms. Robinson recommended that discussion of this item occur in *Executive Session* because it involves *internal personnel matters, attorney/client privileged communications, and procurement strategy and contract administration*.

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 Committee discussing this item in *Executive Session*.

At 3:04 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a1. Consideration of Contract Extensions for USAC Employee Benefit Programs.** Mr. Salvator presented this item to the Board for consideration. Ms. Robinson noted that the employee survey results validated the importance of USAC benefits as a very important part of the Employee Value Proposition.

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, having reviewed the recommendation of USAC management, hereby authorizes USAC to exercise the second and final one-year option of its contract with CIGNA at a cost not-to-exceed \$9,058,238 for employee medical benefits and with Guardian for dental and vision benefits, and life and disability benefits, at a not-to-exceed cost of \$1,065,597, based on a headcount of 536. The total estimated costs for both renewals is \$10,123,835.

At 3:20 p.m. Eastern Time, the Board continued in *Executive Session* with only members of the Board and Mr. Ernesto Beckford present.

i1. Office of General Counsel's Report on Personnel and Pending Litigation Matters. Mr. Beckford, Senior Director and Deputy General Counsel, presented this item for discussion.

At 4:26 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a1 and discussed item i1. On a motion duly made and seconded, the Board adjourned at 4:27 p.m. Eastern Time.

/s/ Vickie Robinson
Assistant Secretary

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

**Tuesday, October 24, 2017
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of July 25, 2017 and September 28, 2017. B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> .	5
Chair	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.	10
Chair	a3. Appointment of a Nominating Committee and Direction to Committees for the Appointment of Committee Chairs and Vice Chairs.	10
Charlie	a4. Approval of 1st Quarter 2018 USAC Common and Consolidated Budgets and Demand Projections.	10
Vickie Mark	i1. Business Update: A. Organizational Update on Common Services Model. B. Tour of Expanded Office Space. C. Exhibits (Information Only).	30

<u>EXECUTIVE SESSION</u>		
Mark/ Stephen	a5. Consideration of a Contract Award for Call Center Services – Confidential – Executive Session Recommended.	15
Charlie	i2. Procurement Related Reports – Confidential – Executive Session Recommended. A. Third Quarter 2017 Procurement Report. B. Status on Major Procurements.	20
Charlie	i3. Information on Preliminary 2018 Annual USAC Common and Consolidated Budgets – Confidential – Executive Session Recommended. <i>Same as iEC01cf</i>	25
Fred Theobald	i4. Contributors and Providers Business Update – Confidential – Executive Session Recommended.	30

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

Nikki-Blair Carpenter	i5. Information on Nine USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports – Confidential – Executive Session Recommended.	10
Chair	i6. Executive Session (Lunch) with Board Only – Confidential – Executive Session Recommended. A. Update on CEO Search.	60
Vickie	i7. Personnel Matter and Discussion of FCC-USAC Executive Committee Quarterly Meeting (Post Lunch) – Confidential & Proprietary – Executive Session Recommended.	60

Next USAC Board of Directors Meeting

Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.

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

BOARD OF DIRECTORS MEETING
Tuesday, October 24, 2017

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, October 24, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 8:30 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Bocher, Robert	Hernandez, Dr. Mike
Brisé, Ronald	Jacobs, Ellis – Secretary
Buzacott, Alan	Kinser, Cynthia
Choroser, Beth	Lubin, Joel – Vice Chair
Domenech, Dr. Dan	Mason, Ken
Feiss, Geoff	Talbott, Dr. Brian – Chair
Fontana, Brent	Tinic, Atilla
Gerst, Matthew	Wein, Olivia
Gillan, Joe	

Ms. Vickie Robinson, Acting Chief Executive Officer, General Counsel and Assistant Secretary, joined the meeting at 8:35 a.m. She did not participate in the discussion of, or vote on item a1.

Members of the Board not present:

Wibberly, Dr. Kathy

Officers of the corporation present:

Davis, Craig – Vice President of Schools & Libraries
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer
Scott, Wayne – Vice President of Internal Audit
Sweeney, Mark – Chief Operating Officer

Others present:

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

<u>NAME</u>	<u>COMPANY</u>
Augustino, Steve	Kelley Drye
Beaver, Tracey	USAC
Beckford, Ernesto	USAC
Butler, Stephen	USAC
Carpenter, Nikki-Blair	USAC
Crowe, Jennifer	USAC
Diephouse, Greg	USAC
Ejaz, EJ	USAC
Francisco, Dale	USAC
Goode, Vernell	USAC
Guinan, Gabriela Gross	USAC
Hutchinson, Kyle	USAC
Johnson, William	USAC
Lechter, Jonathan – <i>by telephone</i>	FCC
Lutz, Corey	USAC
McCornac, Carolyn	USAC
Miller, Jack	Solix
Mitchell, Tamika	USAC
Modecki, Richard	Odgers Berndtson
Nuzzo, Patsy	USAC
Pilsch, Tracey	USAC
Schecker, Laurence	USAC
Schrieber, Johnnay	USAC
Sequin, Eric	Solix
Theobald, Fred	USAC
Tomlin, Nicole	USAC
Wilkinson, Derek	Odgers Berndtson

OPEN SESSION

- a1. Consent Items.** Dr. Talbott presented these items to the Board.
- A. Approval of Board meeting minutes of July 25, 2017 and September 28, 2017.
 - B. Approval for discussing in *Executive Session* agenda items:
 - (1) **a5** – Consideration of a Contract Award for Call Center Services. USAC management recommends this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
 - (2) **i2.** – Procurement Related Reports. USAC management recommends this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
 - (3) **i3** – Information on Preliminary 2018 Annual USAC Common and Consolidated Budgets. USAC management recommends that this

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

- (4) **i4** – Quarterly Report on USF Contribution Matters. USAC management recommends that this matter be discussed in *Executive Session* because the report relates to *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*.
- (5) **i5** – Information on Nine USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends 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*.
- (6) **i6** – Executive Session (Lunch) with Board Only. USAC management recommends that discussion of this item includes personnel matters and therefore should occur in *Executive Session* consistent with USAC's long-standing practice and to preserve privacy.
- (7) **i7** – Personnel Matter. Consistent with USAC's long-standing practice and to preserve privacy, USAC management recommends this item be discussed in *Executive Session*. This matter is also subject to *attorney/client privilege*.

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

RESOLVED, that the USAC Board of Directors hereby approves the Board meeting minutes of July 25, 2017 and September 28, 2017 and discussion in *Executive Session* of the items noted above.

- a2. Reports from Committee Chairs: Audit Committee, Executive Committee, Executive Compensation Committee, High Cost & Low Income Committee, Investment 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 2017 quarterly meetings. Mr. Gillan reported for the Audit Committee; Dr. Talbott reported for the Executive Committee; Mr. Lubin reported for the Executive Compensation Committee and the High Cost & Low Income Committee; Mr. Brisé reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- a3. Appointment of a Nominating Committee and Direction to Committees for the Appointment of Committee Chairs and Vice Chairs.** Dr. Talbott 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 establishes a Nominating Committee and directs the Committee to recommend to the USAC Board of Directors at its January 30, 2018 meeting nominations for the elected USAC officer positions; and

RESOLVED FURTHER, that the USAC Board of Directors appoints **Ken Mason** as Nominating Committee chair and **Matthew Gerst** and **Olivia Wein** 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 30, 2018 meeting nominations for a chair and vice chair of each respective committee.

- a4. Approval of 1st Quarter 2018 USAC Common and Consolidated Budgets and Demand Projections.** Mr. Salvator presented this item for consideration. Mr. Salvatore noted that USAC is exploring its status as a not-for-profit organization to determine what would be required to become a non-profit organization. A report will be provided at the January 2018 quarterly Board of Directors meeting.

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 2018 USAC common operating budget of \$25.43 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 1st Quarter 2018 USAC common capital budget of \$2.56 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 1st Quarter 2018 USAC consolidated operating budget of \$56.68 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 1st Quarter 2018 USAC consolidated capital budget of \$4.19 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$27.99 million for USAC common costs in the required November 2, 2017 filing to the FCC on behalf of the Board of Directors.

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$60.87 million for USAC consolidated costs in the required November 2, 2017 filing to the FCC on behalf of the Board of Directors.

ii. Business Update.

- A. Organizational Update on Common Services Model.** Ms. Robinson introduced this item, and Mr. Sweeney presented the item to the Board for discussion.
- B. Tour or Expanded Office Space.** Dr. Talbott noted that the Board would be given a tour following the discussion of items a5 and items i2-i5.
- C. Exhibits.** The following reports were provided for informational purposes only. No discussion was held.
- Investment Committee Minutes.
 - Cash and Accrual Activities.
 - Universal Service Fund (USF) Cash Reserve.
 - Accounts Receivable Balance.
 - Audit Recovery Status Report.

At 9:46 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above. The Board then recessed and reconvened at 10:03 a.m. Eastern time.

EXECUTIVE SESSION

- a5. Consideration of a Contract Award for Call Center Services.** Mr. Stephen Butler, Senior Director of Customer Service, presented this item for consideration. USAC management proposes consolidating the call center support services with the goal of contracting with one call center support vendor to improve program efficacy and cost-effectiveness. Mr. Butler explained that the call center would provide customer support for Schools and Libraries, Rural Health Care, and High Cost programs. Mr. Butler explained: (1) the solicitation process used by USAC to obtain proposals from call center services vendors; (2) a summary of the proposals received; and (3) the review and selection process undertaken by USAC to select Sutherland Global Services.

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

RESOLVED, that the Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a contract to purchase Call Center Outsourcing Services from Sutherland Global Services for a base period of 12 months for approximately \$1,750,000 (plus applicable taxes), with the ability to exercise four additional one-year term options (subject to FCC and Board of Directors

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approvals), for a five year total of approximately \$7,500,000 plus an additional 10% contingency reserve per year rounded up to approximately \$750,000 over the base year and four one-year options (plus applicable taxes), also subject to required FCC approvals.

FURTHER RESOLVED, that the Board of Directors requests USAC management to seek Board approval before exercising any of option years to continue Call Center Outsourcing Services from Sutherland Global Services after the base period.

- i2. Procurement Related Reports.** Mr. Salvator provided a status update on major USAC procurements and provided a summary of the Third Quarter USAC Procurement Report.
- i3. Information on Preliminary 2018 Annual USAC Common and Consolidated Budgets.** Mr. Salvator presented this item for discussion, noting that the final 2018 annual common and consolidated budgets would be presented to the Board for consideration at the January 2018 Board meeting.
- i4. Contributors and Providers Business Update.** Mr. Theobald, Director of Financial Operations, provided a quarterly contribution factor comparison, an overview of the contribution factor trends and a rule of thumb that identified what change in the Universal Service Fund demand or contribution base would cause a 0.1 percent change in the contribution factor.
- i5. Information on Nine USAC Internal Audit Division Universal Service Contributor Revenue Audit Reports.** Ms. Carpenter, Director of Internal Audit, and Ms. Jen Crowe, Manager of Internal Audit, presented this item to the Board for discussion.
- i6. Update on CEO Search.** At 11:15 a.m. Eastern Time, the Board continued in *Executive Session* with only members of the Board and Mr. Beckford, Senior Director and Deputy General Counsel present. The subject of discussion was an update on the selection process for a Chief Executive Officer.

At 11:35 a.m. Eastern Time, Mr. Salvator gave the Board a tour of the expanded office space. The Board reconvened in Executive Session at 12:10 p.m. Eastern Time with members of the Board, Mr. Beckford and Ms. Tomlin, Manager of Talent Acquisition, present.

- i6. Executive Session with Board Only.** Mr. Lubin introduced Mr. Wilkinson and Mr. Modecki to the Board. They presented an update on the status of the CEO search and reviewed an updated timeline. Mr. Lubin requested the Board provide availability for participating in upcoming search activities.

At 1:00 p.m. Eastern Time, Ms. Robinson rejoined the Board for discussion of the following items.

- i7. **Personnel Matter and Discussion of FCC-USAC Executive Committee Quarterly Meeting.** Ms. Robinson and Mr. Beckford presented an update on personnel matter.

OPEN SESSION

At 2:30 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a5 and discussed items i2, i3, i4, i5, i6 and i7.

- a6. **Miscellaneous.** Dr. Talbott added this item to the agenda for consideration.

On a motion duly made and seconded, with Ms. Kinser abstaining from voting on her own reimbursement, and after discussion, the Board adopted the following resolutions:

RESOLVED, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings* the Board of Directors authorizes management to reimburse those Board members who travel to Washington, D.C. for the purpose of interviewing CEO candidates and any travel required for the CEO transition.

FURTHER RESOLVED, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred in Conducting USAC Business other than Board of Directors Meetings* the Board of Directors authorizes management to reimburse Ms. Kinser for her additional expenses incurred during the July 2017 quarterly Board and Committee meetings.

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

On a motion duly made and seconded, the Board adjourned at 2:30 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary

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

**Monday, November 13, 2017
4:00 p.m. – 4:45 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Charlie	a1. Consideration of Contract Extensions for Information Technology Temporary Labor Agreements – Confidential – <i>Executive Session Recommended.</i>	20
Vickie/ Ernesto	i1. Office of General Counsel’s Report on Personnel Matters – Confidential – <i>Executive Session Recommended.</i>	25

Next USAC Board of Directors Meeting

**Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Monday, November 13, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, November 13, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 4:00 p.m. Eastern Time, with a quorum of 14 of the 19 Board members present:

Bocher, Bob *by telephone*
Brisé, Ronald – Treasurer – *by telephone*
Buzacott, Alan – *by telephone*
Domenech, Dr. Dan – *by telephone*
Fontana, Brent – *by telephone*
Gillan, Joe – *by telephone*
Hernandez, Dr. Mike – *by telephone*
Kinser, Cynthia – *by telephone*
Lubin, Joel – Vice Chair – *by telephone*
Mason, Ken – *by telephone*
Robinson, Vickie – Acting Chief Executive Officer, General Counsel and
Assistant Secretary
Talbott, Dr. Brian – Chair – *by telephone*
Tinic, Atilla – *by telephone*
Wein, Olivia – *by telephone*

Mr. Geoff Feiss and Mr. Matthew Gerst joined the meeting at 4:03 p.m. Eastern Time and participated in the discussion and voted on all items. Ms. Beth Choroser joined the meeting at 4:20 p.m. She participated on the discussion of item i1.

Members of the Board not present:

Wibberly, Dr. Kathy
Jacobs, Ellis – Secretary

Officers of the corporation present:

Davis, Craig – Vice President of Procurement & Strategic Sourcing
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant
Treasurer

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

Sweeney, Mark – Chief Operating Officer

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beckford, Ernesto	USAC
Hutchinson, Kyle	USAC
Nuzzo, Patsy	USAC

OPEN SESSION

- a1. Consideration of Contract Extensions for Information Technology Temporary Labor Agreements.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Ms. Robinson recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

RESOLVED, that the USAC Board of Directors hereby approves the Committee discussing this item in *Executive Session*.

- i1. Office of General Counsel's Report on Personnel Matters.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Ms. Robinson recommended that discussion of this item occur in *Executive Session* because it involves *internal personnel matters and attorney/client privileged communications*.

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 Committee discussing this item in *Executive Session*.

At 4:03 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a1. Consideration of Contract Extensions for Information Technology Temporary Labor Agreements.** USAC management requested Board approval for a not-to-exceed amount of \$1.3 million for task orders associated with the extension of the existing indefinite-delivery, indefinite-quantity (IDIQ) contracts for information technology temporary labor through February 4, 2018. Mr. Davis presented this item to the Board for consideration.

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 USAC management, hereby authorizes management to proceed with the extension of the existing IDIQ contracts for information technology temporary labor for a not-to-exceed amount for task orders of \$1.3 million for the period of performance through February 4, 2018.

At 4:15 p.m. Eastern Time, the Board continued in *Executive Session* with only members of the Board and Mr. Ernesto Beckford present.

- i1. **Office of General Counsel's Report on Personnel Matters.** Mr. Beckford, Senior Director and Deputy General Counsel, presented an update on various personnel matters.

At 4:30 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a1 and discussed item i1. On a motion duly made and seconded, the Board adjourned at 4:36 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary

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

**Thursday, November 16, 2017
4:30 p.m. – 4:36 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consideration of Candidates for the Position of Chief Executive Officer – Confidential – <i>Executive Session Recommended.</i>	30

Next USAC Board of Directors Meeting

**Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Thursday, November 16, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Thursday, November 16, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 4:30 p.m. Eastern Time, with a quorum of 15 of the 19 Board members present and Ms. Vickie Robinson recusing herself from the meeting. The meeting was initiated via telephone by Erica Myers from USAC's office in Washington, D.C. The following participated in the meeting via telephone:

Bocher, Bob
Brisé, Ronald – Treasurer
Buzacott, Alan
Choroser, Beth
Domenech, Dr. Dan
Feiss, Geoff
Fontana, Brent
Gerst, Matthew
Gillan, Joe
Kinser, Cynthia
Lubin, Joel – Vice Chair
Talbott, Dr. Brian – Chair
Tinic, Atilla
Wein, Olivia
Wibberly, Dr. Kathy

Members of the Board not present:

Hernandez, Dr. Mike
Jacobs, Ellis
Mason, Ken
Robinson, Vickie – Acting Chief Executive, Officer, General Counsel and
Assistant Secretary

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beckford, Ernesto	USAC

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

<u>NAME</u>	<u>COMPANY</u>
Myers, Erica	USAC
Nuzzo, Patsy	USAC
Tomlin, Nicole	USAC
Wilkinson, Derek	Odgers Berndtson

OPEN SESSION

- a1. Consideration of Candidates for the Position of Chief Executive Officer.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Dr. Talbott recommended that discussion of this matter occur in *Executive Session* because it *involves personnel matters*.

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

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

At 4:30 p.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 the Position of Chief Executive Officer.** Dr. Talbott presented this item for discussion.

On September 13, 2017, the Board retained Odgers Berndtson (Odgers), a global executive search firm, to assist the Board in conducting a search for a new Chief Executive Officer (CEO). Odgers' efforts led to a list of multiple applicants for the position. Odgers screened all applicants and identified a list of 14 potential candidates, which it submitted to the Board for consideration. The Board's Executive Committee, with participation from available Board members, selected five candidates from this list to participate in first round interviews. Available Board members interviewed each of the five candidates on November 15 and 16, 2017.

After the conclusion of the first round interviews on November 16, the Board held discussions on the candidates. After discussions, the Board convened a meeting to select two candidates to participate in second round interviews with the Board, to be held on November 17, 2017.

On a motion duly made and seconded and after discussion, with Mr. Feiss, Ms. Wein and Dr. Wibberly abstaining, each noting that they were not available to participate in all of the interviews, the Board unanimously adopted the following resolution:

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

RESOLVED, that the USAC Board of Directors hereby selects the two individuals identified by the Board during discussion to be invited to participate on November 17, 2017, in second round interviews with the Board for the USAC Chief Executive Officer position.

At 4:36 p.m. Eastern Time on a motion duly made and seconded, the Board moved out of *Executive Session* and reconvened in *Open Session* at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a1. On a motion duly made and seconded, the Board adjourned at 4:36 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary

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

**Friday, November 17, 2017
12:30 p.m. – 1:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consideration of Candidates for the Position of Chief Executive Officer – Confidential – <i>Executive Session Recommended.</i>	30

Next USAC Board of Directors Meeting

**Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Friday, November 17, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Friday, November 17, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 12:55 p.m. Eastern Time, with a quorum of 17 of the 19 Board members present and Ms. Vickie Robinson recusing herself from the meeting. The meeting was initiated via telephone by Erica Myers from USAC's office in Washington, D.C. The following participated in the meeting via telephone:

Bocher, Bob
Brisé, Ronald – Treasurer
Buzacott, Alan
Choroser, Beth
Domenech, Dr. Dan
Feiss, Geoff
Fontana, Brent
Gerst, Matthew
Gillan, Joe
Hernandez, Dr. Mike
Jacobs, Ellis
Lubin, Joel – Vice Chair
Mason, Ken
Talbott, Dr. Brian – Chair
Tinic, Atilla
Wein, Olivia
Wibberly, Dr. Kathy

Members of the Board not present:

Robinson, Vickie – Acting Chief Executive Officer, General Counsel and
Assistant Secretary

Ms. Cynthia Kinser participated during the second round interviews referenced below, but did not participate in the follow-up discussion regarding the ranking of candidates. She did not vote on item a1.

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beckford, Ernesto	USAC
Myers, Erica	USAC
Nuzzo, Patsy	USAC
Tomlin, Nicole	USAC
Wilkinson, Derek	Odgers Berndtson

OPEN SESSION

- a1. Consideration of Candidates for the Position of Chief Executive Officer.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Dr. Talbott recommended that discussion of this matter occur in *Executive Session* because it *involves personnel matters*.

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

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

At 12:56 p.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 the Position of Chief Executive Officer.** Dr. Talbott presented this item for discussion.

On September 13, 2017, the Board retained Odgers Berndtson (Odgers), a global executive search firm, to assist the Board in conducting a search for a new Chief Executive Officer (CEO). Odgers' efforts led to a list of multiple applicants for the position. Odgers screened all applicants and identified a list of 14 potential candidates, which it submitted to the Board for consideration. The Board's Executive Committee, with participation from available Board members, selected five candidates from this list to participate in first round interviews. Available Board members interviewed each of the five candidates on November 15 and 16, 2017.

After conclusion of the first round interviews on November 16, the Board held discussions on the candidates. After discussions, the Board convened a meeting, and selected two candidates to participate in second round interviews with the Board.

On November 17, 2017, the Board extensively interviewed each of the second round candidates. Following these interviews, the Board met to discuss the

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

candidates and unanimously ranked them in order of preference.

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

RESOLVED, that the USAC Board of Directors hereby selects and ranks in order of preference two candidates for the position of Chief Executive Office. One candidate, Radha Sekar, was ranked as having a higher preference by the Board.

At 12:58 p.m. Eastern Time on a motion duly made and seconded, the Board moved out of *Executive Session* and reconvened in *Open Session* at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a1. On a motion duly made and seconded, the Board adjourned at 12:59 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary

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

Tuesday, November 28, 2017
4:00 p.m. – 4:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Brian/Joel	a1. Selection by Consensus of a Candidate for the Position of Chief Executive Officer – Confidential – <i>Executive Session Recommended.</i>	30

Next USAC Board of Directors Meeting

Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.

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

BOARD OF DIRECTORS MEETING
Tuesday, November 28, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, November 28, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 4:05 p.m. Eastern Time, with a quorum of 13 of the 19 Board members present and Ms. Vickie Robinson recusing herself from this meeting:

Bocher, Bob *by telephone*
Brisé, Ronald – Treasurer – *by telephone*
Buzacott, Alan – *by telephone*
Choroser, Beth – *by telephone*
Gerst, Matthew – *by telephone*
Gillan, Joe – *by telephone*
Hernandez, Dr. Mike – *by telephone*
Jacobs, Ellis – *by telephone*
Kinser, Cynthia – *by telephone*
Lubin, Joel – Vice Chair – *by telephone*
Mason, Ken – *by telephone*
Talbott, Dr. Brian – Chair – *by telephone*
Wein, Olivia – *by telephone*

Dr. Kathy Wibberly joined the meeting at 4:09 p.m. Eastern Time and participated in the discussion and voted item a1.

Members of the Board not present:

Domenech, Dr. Dan
Feiss, Geoff
Fontana, Brent
Tinic, Atilla
Robinson, Vickie – Acting Chief Executive, Officer, General Counsel and
Assistant Secretary

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beckford, Ernesto	USAC

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

NAME
Nuzzo, Patsy

COMPANY
USAC

OPEN SESSION

- a1. Selection by Consensus of a Candidate for the Position of Chief Executive Officer.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Beckford recommended that discussion of this item be conducted in *Executive Session* because it *involves personnel matters*.

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 discussing this item in *Executive Session*.

At 4:07 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- a1. Selection by Consensus of a Candidate for the Position of Chief Executive Officer.** Dr. Talbot introduced this item for consideration.

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

RESOLVED, that, pursuant to 47 CFR § 54.704(b), the USAC Board of Directors hereby selects Radha Sekar as the Board's nominee for the position of Chief Executive Officer, and directs that her name, along with relevant professional and biographical information, be submitted to the Chairman of the Federal Communications Commission for approval.

At 4:25 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbot reported that in *Executive Session*, the Board took action on item a1. On a motion duly made and seconded, the Board adjourned at 4:25 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary

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

**Thursday, December 21, 2017
1:00 p.m. – 2:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Craig	a1. Consideration of Contract Award for Information Technology Temporary Staffing – Confidential – <i>Executive Session Recommended.</i>	15
Brian/ Ernesto	i1. Discussion on Information Technology Oversight – Confidential – <i>Executive Session Recommended.</i>	45

Next USAC Board of Directors Meeting

**Tuesday, January 30, 2018
8:30 a.m. – 2:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

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

BOARD OF DIRECTORS MEETING
Thursday, December 21, 2017

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Thursday, December 21, 2017. Dr. Brian Talbott, Board Chair, called the meeting to order at 1:02 p.m. Eastern Time, with a quorum of 10 of the 19 Board members present:

Bocher, Bob *by telephone*
Buzacott, Alan – *by telephone*
Choroser, Beth – *by telephone*
Feiss, Geoff – *by telephone*
Gerst, Matthew – *by telephone*
Gillan, Joe
Lubin, Joel – Vice Chair
Talbott, Dr. Brian – Chair
Wein, Olivia – *by telephone*
Wibberly, Dr. Kathy – *by telephone*

Members of the Board not present:

Brisé, Ronald – Treasurer
Domenech, Dr. Dan
Fontana, Brent
Hernandez, Dr. Mike
Jacobs, Ellis
Kinser, Cynthia
Mason, Ken
Robinson, Vickie – Acting Chief Executive, Officer, General Counsel and
Assistant Secretary
Tinic, Atilla

Officers of the corporation present:

Davis, Craig – Vice President of Procurement and Strategic Sourcing – *by telephone*
Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Beckford, Ernesto	USAC
Guinan, Gabriela Gross	USAC
Nuzzo, Patsy	USAC

OPEN SESSION

- a1. Consideration of Contract Award for Information Technology Temporary Staffing.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Beckford recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

RESOLVED, that the USAC Board of Directors determines that consideration of the recommended contract award to purchase IT temporary staff augmentation services shall be conducted in *Executive Session*.

- i1. Discussion on Information Technology Oversight.** In accordance with the approved criteria and procedures for conducting Board and committee business in *Executive Session*, Mr. Beckford recommended that discussion of this item be conducted in *Executive Session* because this item includes discussion of *personnel matters*.

At 1:06 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential items listed above.

EXECUTIVE SESSION

- a1. Consideration of Contract Award for Information Technology Temporary Staffing.** Mr. Davis presented this item for consideration. USAC management requested that the Board of Directors (Board) approve the award of eight indefinite delivery indefinite quantity (IDIQ) contracts for Information Technology (IT) temporary staff augmentation. Mr. Davis explained: (1) the solicitation process used by USAC to obtain proposals from temporary staffing vendors; (2) a summary of the proposals received; and (3) the review and selection process undertaken by USAC to select eight vendors.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to procure IT temporary staff augmentation services through eight IDIQ contracts with: (1) Manpower Group Public Sector, Inc.; (2) Mindlance, Inc.; (3) C3 Systems; (4) HireStrategy; (5) Ampcus; (6) Powersolv; (7) Zolon Tech, Inc.; and (8) VIVA USA, Inc.. Each contract shall be for an 11-month base period, with the ability for USAC to exercise two additional one-year options, subject to requisite FCC and Board of Directors approvals. Each of these IDIQ contracts shall be subject to a minimum of \$1000 per contract, and task orders collectively under all of these IDIQ contracts will not exceed \$13.5 million in the aggregate during the 11-month base period.

FURTHER RESOLVED, that the Board of Directors requests USAC management seek Board approval before exercising either option year under any awarded IDIQ to continue to procure IT temporary staff augmentation services from the recommended firms.

- i1. Discussion of Information Technology Oversight.** Dr. Talbott introduced this item to the Board.

At 1:30 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Talbott reported that in *Executive Session*, the Board took action on item a1 and discussed item i1. On a motion duly made and seconded, the Board adjourned at 1:32 p.m. Eastern Time.

/s/ Ellis Jacobs
Secretary