

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

**Thursday, January 2, 2020
4:00 p.m. – 4:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

ACTION ITEMS <i>Executive Session Recommended – Confidential</i>		<i>Estimated Duration in Minutes</i>
Craig	a1. Consideration of Contract Award for ServiceNow Licenses.	20

Next Scheduled USAC Board of Directors Committee Meeting

**Tuesday, January 28, 2020
8:30 a.m. – 2:00 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
Thursday, January 2, 2020

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, January 2, 2020. Mr. Joe Gillan, Vice Chair and Acting Board Chair, called the meeting to order at 4:02 p.m. Eastern Time, with a quorum of 12 of the 19 Board members present:

Buzacott, Alan – <i>by telephone</i>	Mason, Ken – Treasurer – <i>by telephone</i>
Freeman, Sarah – <i>by telephone</i>	Polk, Stephanie – <i>by telephone</i>
Gerst, Matthew – <i>by telephone</i>	Sekar, Radha – Chief Executive Officer
Gillan, Joe – Vice Chair/Acting Chair – <i>by telephone</i>	Wade, Dr. Joan – <i>by telephone</i>
Gregory, Amber – <i>by telephone</i>	Waller, Jeff – <i>by telephone</i>
Jacobs, Ellis – <i>by telephone</i>	Wibberly, Dr. Kathy – <i>by telephone</i>

Mr. Atilla Tinic and Ms. Olivia Wein joined the meeting by telephone, respectively, at 4:06 p.m. and 4:07 p.m. Eastern Time. They participated in the discussion of and voted on item a1.

Members of the Board not present:

Choroser, Beth
Domenech, Dr. Dan
Feiss, Geoff
Fontana, Brent

Officers of the corporation present:

Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Davis, Craig – Vice President of Procurement and Sourcing Strategy
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer – *by telephone*

Others present:

<u>NAME</u>	<u>COMPANY</u>
Daniels, Joel	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
Tiwari, Tanya

COMPANY
USAC
USAC

OPEN SESSION

- a1. Consideration of Contract Award for ServiceNow Licenses.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

At 4:04 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- a1. Consideration of Contract Award for ServiceNow Licenses.** Mr. Davis presented this item for consideration. The presentation included a summary slide and written report with information on USAC's proposed contract award to CDW for ServiceNow licenses.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management, subject to required FCC approval, to award a one-year, firm-fixed price contract for ServiceNow licenses to CDW for a total not-to-exceed price of \$335,159 (plus applicable taxes).

OPEN SESSION

At 4:16 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on item a1.

On a motion duly made and seconded, the Board adjourned at 4:16 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

**Tuesday, January 28, 2020
8:30 a.m. – 2:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

	<u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p>A. Approval of Board of Directors Meeting Minutes of October 29, 2019, December 9, 2019, December 23, 2019, and January 2, 2020</p> <p>B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i></p> <p>C. Approval of April 2021- January 2022 Board of Directors Quarterly Meeting Schedule</p> <p>D. Approval of the 2020 Audit Committee Charter. (<i>Same as aAC01C</i>)</p> <p>E. Resolution Honoring Board Members Whose Service on the Board Has Recently Ended</p>	10
Chair	a2. Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election of Appointment of Corporate Officers	10
Chair	a3. 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	15
Pam	a4. Approval of USAC Common and Consolidated 2nd Quarter 2020 Budgets for the January 31, 2020 FCC Filing	10
Jaymie	<p>ii. Enterprise Business Updates</p> <p>A. Shared Services</p> <ul style="list-style-type: none"> • USAC 2019 Annual Report Timeline 	10
Radha Kyle	<p>B. CEO Update</p> <ul style="list-style-type: none"> • October 2019 Board and Committee Recaps • 2019 Major Accomplishments • 2020 Major Initiatives • Information Technology Update 	40

<u>EXECUTIVE SESSION</u>		
Confidential – Executive Session Recommended		
Radha Vic	i1. Enterprise Business Updates (<i>Continued</i>) B. CEO Update (<i>Continued</i>) • Supply Chain Order	15
Chris	C. Enterprise Risk Management • Q4 2019 Update • Risk Management Council Minutes	20
Craig	D. Procurement • Procurement Business Update • Competition Advocate Annual Report	10
Charlie	E. Information on Contribution Factor	15
Charlie	a5. Approval of 2020 Annual USAC Common and Consolidated Budgets	20
Jen Crowe	i2. Information on One UASC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports	5
Tamika	i3. Personnel Matter – Human Resource Business Update • 2019 Accomplishments • 2019 HR Metrics • Employee Engagement	20
Ernesto	a6. Review of Statement of Ethical Conduct and Annual Disclosure Form for USAC Board Members	15
Ernesto	a7. Board Member Annual Training Module on Confidentiality and Acknowledgement of Confidentiality Agreement	15
Tamika	a8. Personnel Matter – Compensation Items	20
12:00 p.m.	i4. <i>Executive Session – Personnel Matter – Board Only– (Lunch)</i>	60

Next USAC Board of Directors Meeting

Tuesday, April 28, 2020
8:30 a.m. – 2:00 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
Tuesday, January 28, 2020

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, January 28, 2020. Mr. Joe Gillan, Acting Board Chair, called the meeting to order at 8:33 a.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Buzacott, Alan	Jacobs, Ellis - <i>by telephone</i>
Choroser, Beth	Mason, Ken – Treasurer
Domenech, Dr. Dan	Polk, Stephanie
Feiss, Geoff	Schell, Julie Tritt
Fontana, Brent	Tinic, Atilla
Freeman, Sarah	Waller, Jeff – <i>by telephone</i>
Gerst, Matthew	Wade, Dr. Joan
Gillan, Joe – Acting Chair and Vice Chair	Wien, Olivia - Secretary
Gregory, Amber	Wibberly, Dr. Kathy

Ms. Radha Sekar, Chief Executive Officer, joined the meeting at 8:36 a.m. Eastern Time. She voted on and participated in the discussion of all items.

Officers of the corporation present:

Ayer, Catriona – Vice President of Schools and Libraries
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Vice President of Enterprise Portfolio Management
Davis, Craig – Vice President of Procurement and Sourcing Strategy
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Lifeline
Hutchinson, Kyle – Vice President and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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>
Adkins, Sean	USAC
Bethel, Tameca	USAC
Benthall, Anthony	USAC
Bliss, Edward	USAC
Boakye-Gyan, Carol	USAC
Burgess, Melody	USAC
Butler, Stephen	USAC
D'Aguiar, J'amie	USAC
Daniels, Joel	USAC
Faunce, Donna	USAC
Fischer, Dennis	USAC
Gidley, Susan	USAC
Gray, Amanda	USAC
Howard, Chris	USAC
Hughet, Pamela	USAC
James, Christine	USAC
Kahn, Sammy	USAC
Kim, Nathan	USAC
Lee, Brandon	USAC
Little, Chris	USAC
Lubin, Joel	Lubin Consulting
Lutin, Smyth	USAC
Marjani, Regina	USAC
Matthews, Ellery	USAC
Mitchell, Tamika	USAC
Nuzzo, Patsy	USAC
Palmer, Ryan	FCC
Parker, Ben	USAC
Patel, Amish	USAC
Rios, Estee	USAC
Robinson, Ben	USAC
Savoy, Pamela	USAC
Samuels, Joel	USAC
Schecker, Larry	USAC
Sherlock, Matthew	USAC
Singh, Amit	USAC
Subramaniam, Nathan	USAC
Tamm, Nico	USAC
Theobald, Fred	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

a1. Consent Items. Mr. Gillan presented this item to the Board.

A. Approval of Board Meeting Minutes of October 29, 2019, December 9, 2019, December 23, 2019, and January 2, 2020.

B. Approval of moving all *Executive Session* items into *Executive Session*:

(1) **i1** – Enterprise Business Updates (*Continued*).

- **B.** CEO Business Update (*Continued*).
 - **1.** Protecting the Communications Supply Chain Order. USAC management recommends that this item be discussed in *Executive Session* because it relates to *pre-decisional matters pending before the FCC* and may include discussion of USAC's *internal rules and procedures* concerning the administration of the universal service support mechanisms.
- **C.** Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- **D.** Procurement Updates. USAC management recommends that the following items be discussed in *Executive Session* because they relate to USAC's *procurement strategy and contract administration*:
 - 1. Procurement Business Update.
 - 2. Competition Advocate Annual Report.
- **E.** Information on Contribution Factor. USAC management recommends that this matter be discussed in *Executive Session* because it relates to *internal controls /or confidential company data*, and may also include *pre-decisional matters pending before the FCC*. *In addition, 47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*

(2) **a5** – Approval of 2020 Annual USAC Common and Consolidated Budgets. USAC management recommends that this item be

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

- (3) **i2** – Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Report. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data* and 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) **i3** – Personnel Matter – Human Resource Business Update. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *confidential company data* and *personnel matters*.
- (5) **a6** – Review of Statement of Ethical Conduct and Annual Disclosure Form for USAC Board Members. USAC management recommends that this item be discussed in *Executive Session* because it relates to matters subject to *attorney/client privilege*.
- (6) **a7** – Board Member Annual Training Module on Confidentiality and Acknowledgement of Confidentiality Agreement. USAC management recommends that this item be discussed in *Executive Session* because it may involve discussion of matters subject to *attorney/client privilege*.
- (7) **a8** – Personnel Matter – Compensation Items. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.
- (8) **i4** – Executive Session with Board Only (Lunch) – Personnel Matter. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

C. Approval of April 2021 – January 2022 Board of Directors Quarterly Meeting Schedule.

Executive Committee	Programmatic Committees & Board of Directors
April 22, 2021	April 26-27, 2021
July 22, 2021	July 26-27, 2021
October 21, 2021	October 25-26, 2021
January 20, 2022	January 24-25, 2022

D. Approval of the 2020 Audit Committee Charter.

E. Resolution Honoring Board Members Whose Service on the Board Has Recently Ended. The Board recognized and honored Robert Bocher, Cynthia Kinser, and Joel Lubin, whose terms recently concluded. Robert Bocher served as a Board member from November 2015 through December 2019, Cynthia Kinser served as a Board member from January

2016 through December 2019, and Joel Lubin served as a Board member from January 2001 through December 2019. In addition Mr. Lubin also served as the Chair and Vice Chair of the USAC Board of Directors. The USAC Board and USAC management expressed their appreciation for their dedication to universal service as well as their leadership and guidance in USAC's administration of the federal Universal Service Fund.

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: (1) the Board meeting minutes of October 29, 2019, December 9, 2019, December 23, 2019, and January 2, 2020; and (2) 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 for April 2021 through January 2022; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the existing Audit Committee Charter, hereby accepts the recommendation of the Audit Committee and approves the current Audit Committee Charter without revision; and

RESOLVED FURTHER, that the USAC Board of Directors hereby expresses its sincere appreciation to Robert Bocher, Cynthia Kinser, and Joel Lubin for their dedicated service on the Board of Directors of the Universal Service Administrative Company, and wishes the best in their future endeavors.

- a2. Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election and Appointment of Corporate Officers.** Mr. Gillan introduced this item to the Board and requested that Mr. Gerst, Chair of the Nominating Committee, present the recommendations for the Committee At-Large Seats, Committee Chairs and Vice Chairs, Board Chair, Vice Chair, Secretary and Treasurer, and the appointment of USAC Staff as Assistant Secretary and Assistant Treasurer.

Election of Board Members to Committee At-Large Seats

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

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

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Rural Health Care Committee**: **Atilla Tinic** (representing service providers), **Dr. Joan Wade** (at-large member), and **Oliva Wein** (at-large member); and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Audit Committee**: **Joe Gillan** (representing the HCLI Committee), **Brent Fontana** (representing the RHC Committee), **Beth Choroser** (representing the SL Committee), **Geoff Feiss** (at-large member), and **Atilla Tinic** (at-large member); and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendations of the Nominating Committee and elects the following directors to serve in at-large seats on the **Executive Compensation Committee**: **Ken Mason** (at-large member), **Dr. Dan Domenech** (at-large member), **Dr. Kathy Wibberly** (at-large member), **Dr. Joan Wade** (at-large member) and **Geoff Feiss** (at-large member).

Election of Committee Chairs and Vice Chairs

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

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

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

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Audit Committee and elects **Geoff**

Feiss as Chair and **Beth Choroser** as Vice Chair of the **Audit Committee**; and

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

RESOLVED FURTHER, that each of the aforementioned directors shall serve for a term that begins immediately upon the adoption of this resolution by the Board and ends at such time as the chair or vice chair (as the case may be): (i) is replaced by a successor selected by the Board, (ii) resigns from the Committee or the Board, (iii) is removed by resolution of the Board, or (iv) is no longer a member of the Board (whichever comes first).

Election of Board Chair, Vice Chair, Secretary and Treasurer

RESOLVED, that the USAC Board of Directors elects **Joe Gillan** as Chair of the Board and **Ken Mason** as Vice Chair of the Board, **Olivia Wien** as Secretary of the corporation, and **Julie Tritt Schell** 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.

Appointment of USAC Staff Members as Assistant Secretary and Assistant Treasurer

RESOLVED, that the USAC Board of Directors accepts the recommendation of the USAC Nominating Committee and appoints **Ernesto Beckford** 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.

- a3. **Reports from Committee Chairs: Audit Committee, Executive 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 2019 quarterly meetings. Mr. Feiss reported for the Audit Committee; Mr. Gillan reported for the Executive Committee and the Executive Compensation Committee; Mr. Mason reported for the High Cost & Low Income Committee; Dr. Wibberly reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- a4. **Approval of USAC Common and Consolidated 2nd Quarter 2020 Budgets**

for the January 31, 2020 FCC Filing. Ms. Hughet presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 2nd quarter 2020 budgets for the January 31, 2020 FCC filing.

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

RESOLVED, that the USAC Board of Directors approves a 2nd Quarter 2020 common budget of \$23.96 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$23.96 million for common costs in the required January 31, 2020 filing to the FCC on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2020 consolidated budget of \$60.91 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$60.91 million for consolidated costs in the required January 31, 2020 filing to the FCC on behalf of the USAC Board of Directors.

ii. Enterprise Business Updates:

A. Shared Services: USAC 2019 Annual Report Timeline. Mr. Butler reviewed the timeline for publishing the USAC 2019 Annual Report.

B. CEO Update. Ms. Sekar and Mr. Hutchinson presented PowerPoint slides covering the following:

- October 2019 Board and Committee Recaps
- 2019 Major Accomplishments
- 2020 Major Initiatives
- Information Technology Update

At 9:33 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 at 9:33 a.m. Eastern Time and reconvened, continuing in *Executive Session* at 9:45 a.m. Eastern Time.

EXECUTIVE SESSION

B. CEO Business Update (Continued) – Protecting the Communications Supply Chain Order. Mr. Gaither presented PowerPoint slides covering the

following to the Board:

- Overview
- Obligations for USF Recipients
- For USAC
- USAC's Implementation Approach
- USAC Recommendations
- Supply Chain Order – Roadmap at a Glance

C. Enterprise Risk Management Update. Mr. Beyerhelm presented PowerPoint slides covering the following to the Board:

- Enterprise Risks – Q3 2019 Heat Map
- Enterprise Risks – Q3 to Q4
- Enterprise Risks – Q4 Heat Map
- FY 2019 Risk Reporting Highlights
- Risk Management Council Minutes (*For information purposes only, no discussion was held on this topic.*)

D. Procurement: Mr. Davis presented PowerPoint slides to the Board that covered the following:

- Procurement Business Update that provided an overview of major procurement activities through 2nd Quarter 2020
- Competition Advocate Annual report

E. Finance – Information on Contribution Factor. Mr. Salvator presented this item to the Board. The presentation included a written report providing USAC's estimate for the 2nd quarter 2020 contribution factor.

a5. Approval of 2020 Annual USAC Common and Consolidated Budgets. Mr. Salvator presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendations for the 2020 annual USAC common and consolidated budgets.

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

RESOLVED, that the USAC Board of Directors approves the 2020 annual common budget of \$98.3 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2020 annual consolidated budget of \$239.6 million.

i2. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Report. The Board received a report with information on one USAC Audit and Assurance Division contributor revenue audit report. Ms. Rios responded to questions from the Board.

At 11:15 a.m. Eastern Time the Board continued in *Executive Session* with only members of the Board, USAC leadership, and members of the Office of General Council present.

i3. Personnel Matter – Human Resource Business Update. Ms. Mitchell presented PowerPoint slides to the Board that covered the following:

- 2019 Accomplishments
- 2019 Metrics
- Employee Engagement

At 11:45 a.m. Eastern Time, the Board continued in *Executive Session* with only members of the Board present for lunch and discussion of a Personnel Matter. At 12:45 p.m. Eastern Time the Board, Ms. Mitchell and Mr. Beckford reconvened in *Executive Session*.

a6. Review of Statement of Ethical Conduct and Annual Disclosure Form for USAC Board Members. Mr. Beckford presented this item to the Board for consideration, requesting that that the Board review and reaffirm: (1) the Statement of Ethical Conduct for Members of the USAC Board of Directors, and (2) the Director Affiliation Disclosure Form.

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

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

a7. Board Member Annual Training Module on Confidentiality and Acknowledgement of Confidentiality Agreement. Mr. Beckford presented this item to the Board for consideration, requesting that the Board adopt a requirement that Board members, on an annual basis: (1) review and execute the USAC Confidential Information Use and Disclosure Agreement, and (2) complete an ethics and confidentiality training module. Mr. Gillan requested a revision be made to the resolution incorporated require the approval by the Board Chair, Vice Chair, Secretary and the Treasurer of the training module prepared by USAC management.

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

RESOLVED, that the USAC Board of Directors adopts a requirement that, on an annual basis, all Board members review and

execute the USAC Confidential Information Use and Disclosure Agreement on an annual basis; and

RESOLVED FURTHER, that the USAC Board of Directors adopts a requirement that, on an annual basis, all Board members complete an ethics and confidentiality training module prepared by USAC management and approved by the Board Chair, the Vice Chair, the Secretary, and the Treasurer.

a8A. Personnel Matter -- Compensation Item. Ms. Mitchell presented this item to the Board, outlining the requested changes to the USAC Compensation Policy.

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

RESOLVED, that the Board of Directors, having reviewed the revised USAC Compensation Policy recommended by the CEO and the Executive Compensation Committee, hereby approves the revised Compensation Policy set forth in Attachment A1.

a8B. Consideration of 2020 Salary Increase for the USAC Chief Executive Officer. Mr. Gillan presented this item to the Board.

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

RESOLVED, that the USAC Board of Directors, having reviewed the proposed 2020 merit-based salary increase for the USAC CEO, as recommended by the Executive Compensation Committee, hereby approves the salary increase, effective retroactively as of January 16, 2020.

OPEN SESSION

At 1:25 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 Mr. Gillan reported that in *Executive Session*, the Board took action on items a5 – a8 and discussed items i1B-E and i2 – i4.

On a motion duly made and seconded, the Board adjourned at 1:25 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

<p>Wednesday, March 25, 2020 12:30 p.m. – 1:00 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
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ACTION ITEMS Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Craig	<p>a1. Consideration of an Increase in the Not-to-Exceed Contract Values for USAC’s Indefinite Delivery Indefinite Quantify Contracts for Information Technology Temporary Staff Augmentation.</p>	20

Next Scheduled USAC Board of Directors Committee Meeting

<p>Tuesday, April 28, 2020 8:30 a.m. – 2:00 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
Wednesday, March 25, 2020

MINUTES¹

A meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Wednesday, March 25, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 12:31 p.m. Eastern Time, with a quorum of 15 of the 19 Board members present:

Buzacott, Alan – *by telephone*
Choroser, Beth – *by telephone*
Domenech, Dr. Dan – *by telephone*
Feiss, Geoff – *by telephone*
Fontana, Brent – *by telephone*
Freeman, Sarah – *by telephone*
Gillan, Joe – Chair – *by telephone*
Gregory, Amber – *by telephone*

Schell Julie Tritt – Treasurer – *by telephone*
Sekar, Radha – CEO – *by telephone*
Tinic, Atilla – *by telephone*
Wade, Dr. Joan – *by telephone*
Waller, Jeff – *by telephone*
Wein, Olivia – Secretary – *by telephone*
Wibberly, Dr. Kathy – *by telephone*

Mr., Ken Mason, Vice Chair, joined the call at 12:34 p.m. Eastern Time. He participated in the discussion and voted on item i1.

Members of the Board not present:

Gerst, Matthew
Jacobs, Ellis
Polk, Stephanie

Officers of the corporation present by telephone:

Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Vice President of Enterprise Portfolio Management
Davis, Craig – Vice President of Procurement and Sourcing Strategy
Hutchinson, Kyle – Vice President, Chief Information Officer
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 by telephone:

<u>NAME</u>	<u>COMPANY</u>
James, Christine	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

a1. Consideration of an Increase in the Not-to-Exceed Contract Values for USAC's

Indefinite Delivery Indefinite Quantify Contracts for Information Technology Temporary Staff Augmentation. USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

At 12:33 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. Consideration of an Increase in the Not-to-Exceed Contract Values for USAC's

Indefinite Delivery Indefinite Quantify Contracts for Information Technology Temporary Staff Augmentation. Mr. Davis presented this item for consideration. The presentation included a summary slide and written report with information on USAC's proposed increase in the not-to-exceed value of its seven indefinite delivery, indefinite quantity (IDIQ) contracts for information technology (IT) temporary staff augmentation.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management, subject to required FCC approval, to increase the total not-to-exceed amount of the seven IDIQ contracts for IT temporary staff augmentation by \$3.8 million, from the former not-to-exceed amount of \$5.0 million, for a new not-to-exceed amount of \$8.8 million (plus applicable taxes), in the aggregate, during the current one-year option period.

OPEN SESSION

At 12:51 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on item a1.

On a motion duly made and seconded, the Board adjourned at 12:53 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

**Tuesday, April 28, 2020
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 28, 2020 and March 25, 2020 B. Approval of Executive Committee Meeting Minutes of January 23, 2020 C. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> D. Review/Approval of Executive Compensation Committee Charter (<i>See aBOD05cf</i>)	5
Chair	a2. Reports from the Committee Chairs: Audit Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee	15
Charlie	a3. Approval of USAC Common and Consolidated 3 rd Quarter 2020 Budgets for the May 1, 2020 FCC Filing	10

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		
Radha Vic Michelle	ii. Enterprise Business Updates A. CEO Update <ul style="list-style-type: none"> • USAC COVID-19 Approach and Impact • Supply Chain Update • ERP Update 	20
Chris	B. Enterprise Risk Management <ul style="list-style-type: none"> • Q1 2020 Update • Risk Management Council Minutes <i>(For Information Only)</i> 	–
Chris	C. Procurement Business Update <i>(For Information Only)</i>	–
Charlie	D. Information on Contribution Factor	15
Chris	a4. Consideration of a Contract Award for CISO Advisory Services	5

<u>EXECUTIVE SESSION</u>		
Confidential – <i>Executive Session Recommended</i>		
Teleshia	i2. Information on Two USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–
Ernesto	a5. Personnel Matter – Review/Approval of Executive Compensation Committee Charter	–

Next USAC Board of Directors Meeting

<p>Tuesday, July 28, 2020 8:30 a.m. – 2:00 p.m. Eastern Time USAC Offices, Washington, D.C.</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

BOARD OF DIRECTORS MEETING
Tuesday, April 28, 2020

MINUTES¹

Due to the temporary closure of USAC's offices in Washington, D.C. in response to the COVID-19 pandemic, the quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, April 28, 2020. Mr. Joe Gillan, Committee Chair, called the meeting to order at 10:42 a.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Choroser, Beth	Polk, Stephanie
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Fontana, Brent	Tinic, Atilla
Freeman, Sarah	Waller, Jeff
Gerst, Matthew	Wade, Dr. Joan
Gillan, Joe – Chair	Wien, Olivia - Secretary
Gregory, Amber	Wibberly, Dr. Kathy

Mr. Ellis Jacobs joined the meeting at 2:45 p.m. Eastern Time. He did not vote on or participate in the discussion of items a1–a3.

Officers of the corporation present:

Ayer, Catriona – Vice President of Shared Services
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Vice President of Enterprise Portfolio Management
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resources Program
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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>
Benham, Cathy	CMS Consulting Inc.
Butler, Stephen	USAC
Carroll, Kathy	CMS Consulting Inc.
Cruzan, Cathy	Funds For Learning
D'Aguiar, J'amie	USAC
DiVo, Victor	USAC
Goode, Vernell	USAC
Hamm, Aaron	USAC
James, Christine	USAC
Kriete, Debra	SECA
Lee, James	USAC
Lock, Sean	Funds For Learning
Mitchell, Tamika	USAC
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

- a1. Consent Items.** Mr. Gillan presented this item to the Board.
- A. Approval of Board meeting minutes of January 28, 2020, and March 25, 2020, and the Executive Committee meeting minutes of January 23, 2020.
 - B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **ii** – Enterprise Business Updates.
 - A. CEO Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - B. Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would

result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

- C. Procurement Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- D. Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data*, and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b)* requires USAC to keep all data obtained from contributors confidential.

(2) a4 – Consideration of a Contact Award for CISO Advisory Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

(3) i2 – Information on Two Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data* and 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) a5 – Personnel Matter – Review of Executive Compensation Committee Charter. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

- C. Review of Executive Compensation Committee Charter. In accordance with Section C of USAC's Executive Compensation Committee Charter, the Executive Compensation Committee of the USAC Board of Directors is required to review and reassess the adequacy of the Charter and recommend changes, as deemed necessary, to the Board.

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: (1) the Board meeting minutes of January 28, 2020, and March 25, 2020, and the Executive Committee meeting minutes of January 23, 2020; and (2) discussion in *Executive Session* of the items noted above; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the existing Executive Committee Charter, hereby

accepts the recommendation of the Executive Compensation Committee and approves the current Executive Compensation Committee Charter without revision.

- a2. Reports from Committee Chairs: Audit 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 2020 quarterly meetings. Mr. Feiss reported for the Audit Committee; Mr. Mason reported for the Executive Compensation Committee and the High Cost and Low Income Committee; Dr. Wibberly reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.
- a4. Approval of USAC Common and Consolidated 3rd Quarter 2020 Budgets for the May 1, 2020 FCC Filing.** Mr. Salvator presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 3rd quarter 2020 budgets for the May 1, 2020 FCC filing.

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

RESOLVED, that the USAC Board of Directors approves a 3rd Quarter 2020 common budget of \$24.49 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$24.49 million for common costs in the required May 1, 2020 filing to the FCC on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2020 consolidated budget of \$60.24 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$60.24 million for consolidated costs in the required May 1, 2020 filing to the FCC on behalf of the USAC Board of Directors.

At 10:55 a.m. Eastern Time, on a motion duly made and seconded, the Committee recessed and reconvened in *Executive Session* at 2:45 p.m. Eastern Time for the purpose of discussing the confidential items noted above. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- i1. Enterprise Business Updates:**

- A. CEO Update.** Ms. Sekar, Mr. Gaither, and Ms. Garber presented PowerPoint slides covering the following:
- USAC COVID-19 Approach and Impact
 - Supply Chain Update
 - ERP Update
- B. Enterprise Risk Management.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. Topics in the report included the following:
- Enterprise Risks Q1 2020
 - Risk Management Council Minutes
- C. Procurement Business Update:** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an update that provided an overview of major procurement activities from 1st and 2nd quarter 2020.
- D. Finance – Information on Contribution Factor.** Mr. Salvator presented this item to the Board. The presentation included a written report providing USAC’s estimate for the 3rd quarter 2020 contribution factor.

- a4. Consideration of Contract Award for Chief Information Security Officer (CISO) Advisory Services.** Mr. Beyerhelm presented this item to the Board for consideration. The presentation included a written summary and report detailing USAC management’s recommendations to award a firm fixed price contract to Kybernet for Chief Information Security Officer (CISO) advisory services.

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, authorizes USAC management to award a firm fixed price contract to Kybernet for CISO advisory services. The contract is fixed price for a base period of twelve (12) months for approximately \$357,000, and includes option years at \$362,355 for year 2, and \$367,790.33 for year 3, for a total of \$1,087,145.33 (plus applicable taxes)). Exercise of option terms to extend the contract beyond the initial twelve (12) month term are subject to FCC and Board approval.

- i2. Information on Two USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held.

OPEN SESSION

At 3:29 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr.

Gillan reported that in *Executive Session*, the Board took action on item a4 and discussed items i1A and i1D.

On a motion duly made and seconded, the Board adjourned at 3:31 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

<p>Friday, June 26, 2020 12:00 p.m. – 12:30 p.m. Eastern Time (Immediately Following Board Meeting) USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

ACTION ITEMS <i>Executive Session Recommended – Confidential</i>		<i>Estimated Duration in Minutes</i>
Chris	a1. Consideration of Contract Award for Enterprise Statistician Services	15

Next Scheduled USAC Board of Directors Committee Meeting

<p>Tuesday, July 28, 2020 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
Friday, June 26, 2020

MINUTES¹

Due to the temporary closure of USAC's offices in Washington, D.C. in response to the COVID-19 pandemic, the non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Friday, June 26, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 12:05 p.m. Eastern Time, with a quorum of 16 of the 19 Board members present:

Choroser, Beth	Gregory, Amber
Domenech, Dr. Dan	Jacobs, Ellis
Buzacott, Alan	Mason, Ken – Vice Chair
Feiss, Geoff	Schell Julie Tritt – Treasurer
Fontana, Brent	Sekar, Radha – CEO
Freeman, Sarah	Wade, Dr. Joan
Gillan, Joe – Chair	Waller, Jeff
Gerst, Matt	Wein, Olivia – Secretary

Members of the Board not present:

Polk, Stephanie
Tinic, Atilla
Wibberly, Dr. Kathy

Officers of the corporation present by telephone:

Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Gaither, Vic – Vice President of High Cost
Hutchinson, Kyle – Vice President of IT, Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer and
Assistant Treasurer

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
Hamm, Aaron	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>
James, Christine	USAC
Lee, James	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

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

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

At 12:05 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. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- a1. **Consideration of Contract Award for Enterprise Statistician Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a summary slide and written report with information on USAC management's proposed award of an indefinite delivery indefinite quantity (IDIQ) task order-based contract for Enterprise Statistician Services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, authorizes USAC management to award an IDIQ task order-based contract to Econometrica, Inc. for Enterprise Statistician Services. The contract is for a base period of twelve (12) months for a not-to-exceed amount of \$300,000 (plus applicable taxes), with the ability to exercise four additional one-year option years at \$300,000 per year, for a total not-to-exceed \$1,500,000 (plus applicable taxes). Exercise of option terms to extend the contract beyond the initial twelve (12) month term are subject to FCC and Board approval.

OPEN SESSION

At 12:10 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on item a1.

On a motion duly made and seconded, the Board adjourned at 12:10 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

	JULY 27, 2020 <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 28, 2020 and June 26, 2020	5
Chair	a2. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Charlie	a3. Approval of Connected Care Pilot Program 4th Quarter 2020 Demand Projection for the July 31, 2020 FCC Filing	10
Charlie	a4. Approval of USAC Common and Consolidated 4th Quarter 2020 Budgets for the July 31, 2020 FCC Filing	5
Kyle	i1. Enterprise Business Updates A. Information Technology Update	10

	JULY 28, 2020 <u>OPEN SESSION</u>	<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i>	2

	<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended	
Radha Catriona Michelle	i1. Enterprise Business Updates (<i>Continued</i>) B. CEO Update <ul style="list-style-type: none"> • April 2020 Board and Committee Recaps • COVID-19 Update • Business & Enterprise System Realignment • Shared Services – Enterprise Initiatives • Business Systems 	30
Chris	C. Procurement Business Update (<i>For Information Only</i>)	–
Charlie	D. Information on Contribution Factor	10
Chris	a5. Consideration of a Contract Award for the Fraud Risk Assessment	10

Teleshia	i2. Information on Two USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–
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Next USAC Board of Directors Meeting

<p>Tuesday, October 27, 2020 8:30 a.m. – 2:00 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
Monday, July 27, 2020

MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore the quarterly *Open Session* meeting of the USAC Board of Directors (Board) was conducted by web conference on Monday, July 27, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 12:25 p.m. Eastern Time, with a quorum of 16 of the 19 Board members present:

Buzacott, Alan	Jacobs, Ellis
Choroser, Beth	Mason, Ken – Vice Chair
Domenech, Dr. Dan	Polk, Stephanie
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Waller, Jeff
Gerst, Matthew	Wade, Dr. Joan
Gillan, Joe – Chair	Wein, Olivia – Secretary
Gregory, Amber	Wibberly, Dr. Kathy

Mr. Tinic join the meeting at 12:32 p.m. Eastern Time. He did not vote on item a1.

Members of the Board not present:

Fontana, Brent
Schell, Julie Tritt – Treasurer

Officers of the corporation present:

Ayer, Catriona – Vice President of Shared Services
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Benham, Cathy	CMS Consulting Inc.
Butler, Stephen	USAC
Carroll, Kathy	CMS Consulting Inc.
DiVo, Victor	USAC
Goode, Vernell	USAC
Hamm, Aaron	USAC
James, Christine	USAC
Kriete, Debra	SECA
Lee, James	USAC
Mitchell, Tamika	USAC
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

a1. Consent Items. Mr. Gillan presented this item to the Board.

A. Approval of Board Meeting Minutes of April 28, 2020 and June 26, 2020.

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 28, 2020 and June 26, 2020.

a2. Reports from Committee Chairs: Audit Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee. The committee chairs reported on matters discussed and actions taken by their respective committees since the April 2020 quarterly meetings. Mr. Feiss reported for the Audit Committee; Mr. Mason reported for the High Cost and Low Income Committee; Dr. Wibberly reported for the Rural Health Care Committee; and Dr. Domenech reported for the Schools and Libraries Committee.

a3. Approval of the Connected Care Pilot Program 4th Quarter 2020 Demand Projection for the July 31, 2020, FCC Filing. Mr. Salvator presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Connected Care Pilot Program 4th Quarter 2020 demand projection for the July 31, 2020 FCC filing.

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 at its meeting on July 27, 2020 the 4th Quarter 2020 Connected Care Pilot Program demand estimate of \$8.33 million, hereby directs USAC staff to proceed with the required July 31, 2020 filing to the FCC on behalf of the USAC Board of Directors.

- a4. Approval of USAC Common and Consolidated 4th Quarter 2020 Budgets for the July 31, 2020 FCC Filing.** Mr. Salvator presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 4th Quarter 2020 budgets for the July 31, 2020 FCC filing.

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

RESOLVED, that the USAC Board of Directors approves a 4th Quarter 2020 common budget of \$25.90 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$25.90 million for common costs in the required July 31, 2020 filing to the FCC on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 4th Quarter 2020 consolidated budget of \$59.38 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$59.38 million for consolidated costs in the required July 31, 2020 filing to the FCC on behalf of the USAC Board of Directors.

ii. Enterprise Business Updates:

A. Information Technology Update. Mr. Hutchinson presented PowerPoint slides covering the following:

- Program Updates
- Enterprise Updates
- Compliance Updates
- Organization Updates
- IT Strategic Vision

On a motion duly made and seconded, the Board adjourned at 12:58 p.m. Eastern Time, with Mr. Gillan noting that an *Executive Session* meeting of the Board of Directors would be held on July 28, 2020.

/s/ Ernesto Beckford
Assistant Secretary

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

BOARD OF DIRECTORS MEETING
Tuesday, July 28, 2020

MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore the quarterly *Executive Session* meeting of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, July 28, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 12:49 p.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Choroser, Beth	Polk, Stephanie
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Tinic, Atilla
Gerst, Matthew	Waller, Jeff
Gillan, Joe – Chair	Wade, Dr. Joan
Gregory, Amber	Wien, Olivia - Secretary
Jacobs, Ellis	Wibberly, Dr. Kathy

Member of the Board not present:

Fontana, Brent

Officers of the corporation present:

Ayer, Catriona – Vice President of Shared Services
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resource Program
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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>
DiVo, Victor	USAC
Goode, Vernell	USAC
Hamm, Aaron	USAC
James, Christine	USAC
Lee, James	USAC
Mitchell, Tamika	USAC
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

a1. Consent Items. Mr. Gillan presented this item to the Board.

B. Approval of moving all *Executive Session* items into *Executive Session*:

(1) **i1** – Enterprise Business Updates.

- **B.** CEO Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- **C.** Procurement Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- **D.** Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data*, and may also include *pre-decisional matters pending before the FCC*. *In addition, 47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential.*

(2) **a4** – Consideration of a Contact Award for the Fraud Risk Assessment. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

- (3) **i2** – Information on Two Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data* and 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.*

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 discussion in *Executive Session* of the items noted above.

At 12:52 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 noted above. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

i1. Enterprise Business Updates:

B. CEO Update. Ms. Sekar, Ms. Ayer, and Ms. Garber presented PowerPoint slides covering the following:

- April 2020 Board and Committee Recaps
- COVID-19 Update
- Business and Enterprise System Realignment
- Shared Services – Enterprise Initiatives
- Business Systems

C. Procurement Business Update: Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an update that provided an overview of major procurements completed in 2nd Quarter 2020 and 3rd Quarter anticipated activities.

D. Finance – Information on Contribution Factor. Mr. Salvator presented this item to the Board. The presentation included a written report providing USAC’s estimate for the 4th Quarter 2020 contribution factor.

a4. Consideration of Contract Award for Fraud Risk Assessment. Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management’s recommendation to award a firm-fixed price contract to Grant Thornton LLP for the Fraud Risk Assessment.

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, authorizes USAC management to award a firm fixed price (FFP) contract to Grant Thornton LLP for Fraud Risk Assessment. The contract is for a base period of twelve (12) months for a not-to-exceed amount of \$571,091.70 (plus applicable taxes), with the ability to exercise three additional one-year option terms at an average cost of \$456,150 per one-year option (plus applicable taxes), for a total not-to-exceed amount of \$1,939,541.70 (plus applicable taxes), subject to Federal Communications Commission and Board approval. USAC management also requests an additional 10 percent contingency reserve of the FFP in the base period in the amount of \$57,109.17 (plus applicable taxes) for a total not-to-exceed amount of \$1,996,650.87 (plus applicable taxes). Exercise of options to extend the contract beyond the initial twelve (12) month term are subject to FCC and Board approval.

- i2. Information on Two USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held.

OPEN SESSION

At 1:27 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on item a5 and discussed items i1B, i1C, and i1D.

On a motion duly made and seconded, the Board adjourned at 1:27 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

**Tuesday, September 29, 2020
2:00 p.m. – 3:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

ACTION ITEMS <i>Executive Session Recommended – Confidential</i>		<i>Estimated Duration in Minutes</i>
Chris	a1. Consideration of Contract Award for the Financial Statement Audit and Agreed Upon Procedures (AUP) Audit	15
Tamika	a2. Consideration of Contract Awards for the USAC Employee Benefit Programs	15

Next Scheduled USAC Board of Directors Committee Meeting

**Monday and Tuesday
October 26 – 27, 2020
Webex**

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

BOARD OF DIRECTORS MEETING
Tuesday, September 29, 2020

MINUTES¹

Due to the temporary closure of USAC's offices in Washington, D.C. in response to the COVID-19 pandemic, the non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, September 29, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 2:02 p.m. Eastern Time, with a quorum of 15 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Choroser, Beth	Gregory, Amber
Domenech, Dr. Dan	Jacobs, Ellis
Feiss, Geoff	Schell Julie Tritt – Treasurer
Fontana, Brent	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Wein, Olivia – Secretary
Gerst, Matt	Waller, Jeff
Gillan, Joe – Chair	

Mr. Atilla Tinic joined the conference at 2:21 p.m. Eastern Time. He did not participate in the discussion or vote on items a1 or a2.

Members of the Board not present:

Wade, Dr. Joan
Wibberly, Dr. Kathy

Officers of the corporation present by telephone:

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

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
James, Christine	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

Morning, Kimberly

Nuzzo, Patsy

Samuels, Victoria

COMPANY

USAC

USAC

USAC

OPEN SESSION

- a1. **Consideration of Contract Award for the Financial Statement Audit and Agreed Upon Procedures (AUP) Audit.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

- a2. **Consideration of Contract Awards for the USAC Employee Benefit Programs.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

At 2:02 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. **Consideration of Contract Award for the Financial Statement Audit and Agreed Upon Procedures (AUP) Audit.** Mr. Beyerhelm presented this item for consideration. The presentation included a summary slide and written report with information on USAC's proposed award for a firm-fixed-price contract for performance of the Financial Statement Audit and Agreed Upon Procedures Audit.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, authorizes USAC management to award a firm-fixed-price contract to PricewaterhouseCoopers LLP for performance of the Financial Statement Audit and Agreed Upon Procedures (AUP) Audit. The contract is for a base period of twelve (12) months for a not-to-exceed amount of \$1,135,000.00 (plus applicable taxes), with the ability to exercise four additional one-year option terms

at an average cost of \$1,120,000.00 per one-year option (plus applicable taxes), subject to FCC and Board approval, for a total not-to-exceed amount of \$5,615,000.00 (plus applicable taxes). Exercise of options to extend the contract beyond the initial twelve (12) month term are subject to FCC and Board approval.

- a2. Consideration of Contract Awards for the USAC Employee Benefit Programs.** Mr. Beyerhelm presented this item for consideration. The presentation included a summary slide and written report with information on USAC's proposed award for contracts to for medical and prescription drug benefits (collectively, medical benefits) and dental, vision, FMLA, life and disability benefits for calendar year (CY) 2021.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management, subject to FCC approval, to award a one-year contract for employee medical benefits to Cigna for a not-to-exceed cost of \$12,486,385 and to award a one-year contract to Guardian with a new 2-years rate guarantee for dental, and a one-year rate guarantee for FMLA, vision, life, and disability benefits, at a not-to-exceed cost of \$1,371,621. The total estimated costs for the 2021 USAC employee benefits program is \$13,858,007.

OPEN SESSION

At 2:20 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 Mr. Gillan reported that, in *Executive Session*, the Board discussed and took action on items a1 and a2.

On a motion duly made and seconded, the Board adjourned at 2:22 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

	OCTOBER 26, 2020 <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 27, 2020, July 28, 2020, and September 29, 2020 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, 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 Connected Care Pilot Program 1st Quarter 2021 Demand Projection for the November 2, 2020 FCC Filing	5
Charlie	a5. Approval of USAC Common and Consolidated 1st Quarter 2021 Budgets for the November 2, 2020 FCC Filing	5
Kyle	i1. Enterprise Business Updates A. Information Technology Update	10

	OCTOBER 27, 2020 <u>EXECUTIVE SESSION</u> Confidential – <i>Executive Session Recommended</i>	<i>Estimated Duration in Minutes</i>
Radha	ii1. Enterprise Business Updates (<i>Continued</i>) B. CEO Update <ul style="list-style-type: none"> • July 2020 Board and Committee Recaps • COVID-19 Update 	10
Michelle Vic	<ul style="list-style-type: none"> • ERP Update • Supply Chain Order Update 	15 15
Chris	C. Enterprise Risk Management Update (<i>For Information only</i>) <ol style="list-style-type: none"> 1. Q3 2020 Update 2. Risk Management Council Minutes 	-
Chris	D. 1 Procurement Business Update (<i>For Information Only</i>) 2. Information on Vendor Selection	10
Charlie	E. Information on Contribution Factor	10

Chris	a6. Consideration of Task Award for Legacy Report Migration to Tableau Services	10
Chris	a7. Consideration of a Third One-Year Contract Option for Call Center Services	5
Chris	a8. Consideration of Contract Award for Acrobat Pro DC Licenses	5
Teleshia	i2. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–
Tamika	i3. <i>Personnel Matter:</i> Human Resources Business Update	15
Chair	i4. <i>Confidential Executive Session:</i> Board of Directors Only	30

Next USAC Board of Directors Meeting

<p>January 25-26, 2020 Virtual Meeting</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

BOARD OF DIRECTORS MEETING
Monday, October 26, 2020

MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore the quarterly *Open Session* meeting of the USAC Board of Directors (Board) was conducted by web conference on Monday, October 26, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 12:28 p.m. Eastern Time, with a quorum of all 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Choroser, Beth	Polk, Stephanie
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Fontana, Brent	Tinic, Atilla
Freeman, Sarah	Waller, Jeff
Gerst, Matthew	Wade, Dr. Joan
Gillan, Joe – Chair	Wein, Olivia – Secretary
Gregory, Amber	Wibberly, Dr. Kathy
Jacobs, Ellis	

Officers of the corporation present:

Ayer, Catriona – Vice President of Shared Services
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resources Program
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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>
Alfred, Kraynal	USAC
Benham, Cathy	CMS Consulting Inc.
Campos, Rosy	CMS Consulting Inc.
DiVo, Victor	USAC
Goode, Vernell	USAC
James, Christine	USAC
Kriete, Debra	South Dakota State E-rate Coordinator
Lee, James	USAC
LeNard, David	E-Rate Elite Services
Lock, Sean	Funds For Learning
Mitchell, Tamika	USAC
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Rivera, Dan	Aruba
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

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

a1. Consent Items. Mr. Gillan presented this item to the Board.

A. Approval of Board Meeting Minutes of July 27, 2020, July 28, 2020, and September 29, 2020.

B. Approval of moving all *Executive Session* Items into *Executive Session*.

- **ii** – Enterprise Business Updates.
 - **B.** CEO Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - **C.** Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data*, and *internal rules and procedures* concerning the administration of the universal service support

mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

- **D.** Procurement Business Update and Information on Procurement Process. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- **E.** Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data*, and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- **a6** – Consideration of Contract Award for Legacy Report Migration to Tableau Service. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- **a7** – Consideration of a Third One-Year Contract Option for Call Center Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- **a8** – Consideration of Contract Award for Acrobat Pro DC Licenses. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- **i2** – Information on One Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *internal controls or confidential company data* and 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*.
- **i3** – Personnel Matter: Employee Engagement Survey. USAC management recommends that discussion of this item occur in *Executive Session* because it involves *confidential company data* and *internal personnel matters*.

- **i4** – Confidential Executive Session: Board of Directors Only. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal 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: (1) the Board meeting minutes of July 27, 2020, July 28, 2020, and September 29, 2020; and (2) discussion in *Executive Session* of the items noted above.

- a2. Reports from Committee Chairs: Audit Committee, Executive Compensation Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** The committee chairs reported on matters discussed and actions taken by their respective committees since the July 2020 quarterly meetings. Mr. Feiss reported for the Audit Committee; Mr. Mason reported for the High Cost and Low Income Committee; Dr. Wibberly 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.** Mr. Gillan presented this item to the Board, announcing his nominations for the Nominating Committee members and the Nominating Committee chair. He also shared their responsibilities in preparation for the January 2021 quarterly meeting.

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 25, 2021 meeting nominations for the elected USAC officer positions; and

RESOLVED FURTHER, that the USAC Board of Directors appoints **Matthew Gerst** as Nominating Committee Chair and **Julie Tritt Schell** and **Dr. Joan Wade** 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 25, 2021 meeting nominations for a chair and vice chair of each respective committee.

- a4. Approval of the Connected Care Pilot Program 1st Quarter 2020 Demand Projection for the November 2, 2020, FCC Filing.** Mr. Salvator presented this

item for consideration. The presentation included a written report on USAC management's recommendations for the Connected Care Pilot Program 1st Quarter 2020 demand projection for the November 2, 2020 FCC filing.

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 at its meeting on October 26, 2020 the 1st Quarter 2021 Connected Care Pilot Program demand estimate of \$8.33 million, hereby directs USAC staff to proceed with the required November 2, 2020 filing to the FCC on behalf of the USAC Board of Directors.

- a5. Approval of USAC Common and Consolidated 1st Quarter 2021 Budgets for the November 2, 2020 FCC Filing.** Mr. Salvator presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 1st Quarter 2021 budgets for the November 2, 2020 FCC filing.

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

RESOLVED, that the USAC Board of Directors approves a 1st Quarter 2021 common budget of \$27.25 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$27.25 million for common costs in the required November 2, 2020 filing to the FCC on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 1st Quarter 2021 consolidated budget of \$58.91 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$58.91 million for consolidated costs in the required November 2, 2020 filing to the FCC on behalf of the USAC Board of Directors.

ii. Enterprise Business Updates:

A. Information Technology Update. Mr. Hutchinson presented PowerPoint slides covering the following:

- Compliance Updates
 - 508 Compliance Status / External 508 Vendor Testing Updates
 - FISMA Status
- IT Performance & SLA's

- E-Gov Assessment Update

At 12:28 a.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned until October 27, 2020 at approximately 12:40 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

BOARD OF DIRECTORS MEETING
Tuesday, October 27, 2020

MINUTES¹

Due to the COVID-19 pandemic, USAC continued mandatory telework; therefore the quarterly *Executive Session* meeting of the USAC Board of Directors (Board) was conducted by web conference on Tuesday, October 27, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 1:00 p.m. Eastern Time, with a quorum of 18 of the 19 Board members present:

Buzacott, Alan	Mason, Ken – Vice Chair
Choroser, Beth	Polk, Stephanie
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Tinic, Atilla
Gerst, Matthew	Waller, Jeff
Gillan, Joe – Chair	Wade, Dr. Joan
Gregory, Amber	Wein, Olivia - Secretary
Jacobs, Ellis	Wibberly, Dr. Kathy

Mr. Tinic joined the meeting at 1:36 p.m. Eastern Time. He did not participate in the discussion of item i1.

Officers of the corporation present:

Ayer, Catriona – Vice President of Shared Services
Beckford, Ernesto – Vice President, General Counsel, and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Davis, Craig – Vice President of Schools and Libraries
Delmar, Teleshia – Vice President of Audit and Assurance
Gaither, Victor – Vice President of High Cost
Garber, Michelle – Vice President of Enterprise Resource Program
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President of Rural Health Care

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>
DiVo, Victor	USAC
Goode, Vernell	USAC
James, Christine	USAC
Lee, James	USAC
Mitchell, Tamika	USAC
Morning, Kim	USAC
Nelbach, Nick	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

At 1:00 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. The Board approved discussing confidential items in *Executive Session* on Monday, October 26, 2020. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

i1. Enterprise Business Updates:

B. CEO Update. Ms. Sekar, Mr. Gaither, and Ms. Garber presented PowerPoint slides covering the following:

- July 2020 Board and Committee Recaps
- COVID-19 Update
- Enterprise Resource Planning Update
- Supply Chain Order Update

- C. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held.
- Q3 2020 Update
 - Risk Management Council Minutes
- D. 1. Procurement Business Update:** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an update that provided an overview of major procurements completed in 3rd Quarter 2020 and 4th Quarter anticipated activities.
- 2. Information on Procurement Process.** Mr. Beyerhelm presented this item to the Board providing an overview of the USAC Procurement process.
- E. Finance – Information on Contribution Factor.** Mr. Salvator presented this item to the Board. The presentation included a written report providing USAC’s estimate for the 1st Quarter 2021 contribution factor.
- a6. Consideration of Task Order Award for Legacy Report Migration to Tableau Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management’s recommendation to award firm-fixed-price task order for performance of Legacy Report Migration to Tableau services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price task order (Task Order) to Grant Thornton for performance of Legacy Report Migration to Tableau services. The Task Order is for a base period of twenty-two (22) months for a not-to-exceed amount of \$1,266,767.49 (plus applicable taxes), with the ability to exercise an additional one year option in the amount of \$233,232.51, subject to FCC and Board approval, for a total not-to-exceed amount of \$1,500,000 (plus applicable taxes).

- a7. Consideration of a Third One-Year Contract Option for Call Center Services.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management’s recommendation to exercise a third, one-year contract option for call center services from Sutherland Government Solutions, Inc.

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

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

management to exercise the third one-year contract option to purchase call center services from Sutherland Government Solutions, Inc. for a not-to-exceed amount of \$1.53 million (plus applicable taxes), subject to required FCC approval.

- a8. Consideration of Contract Award for Acrobat Pro DC Licenses.** Mr. Beyerhelm presented this item to the Board. The presentation included a written summary and report detailing USAC management's recommendation to award a three-year firm-fixed price contract for Acrobat Pro DC licenses.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management, subject to required FCC approval, to award a three-year, firm-fixed price contract for Acrobat Pro DC licenses to ITSavvy, for a total not-to-exceed price of \$262,470 (plus applicable taxes).

- i2. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Reports.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held.

At 2:15 p.m. Eastern Time, the Board continued in Executive Session with only members of the Board, USAC leadership and members of the Office of the General Counsel.

- i3. Personnel Matter. Human Resources Business Update.** Ms. Mitchell presented PowerPoint slides covering an overview of the January 2020 Employee Engagement Survey.

- i4. Confidential Executive Session.**

At 2:32 p.m. Eastern Time, the Board continued in Executive Session with only members of the Board present. Mr. Gillan facilitated this discussion.

OPEN SESSION

At 2:58 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board took action on items a6, a7, and a8 and discussed items i1B, i1C, i1D, i1E, i2, i3, and i4.

On a motion duly made and seconded, the Board adjourned at 2:58 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

**Universal Service Administrative Company
 Joint Meeting of the Rural Health Care Committee and
 Board of Directors
 Meeting Agenda**

<p>Monday, November 16, 2020 1:00 p.m. – 2:00 p.m. Eastern Time VIRTUAL MEETING USAC OFFICES 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

ACTION ITEMS <i>Executive Session Recommended – Confidential</i>		<i>Estimated Duration in Minutes</i>
Chris	a1. Consideration of Task Order Awards for Business Process Outsourcing (BPO) Services	30
Tamika /Radha	a2. Personnel Matter: Consideration of 2021 Merit-Based Salary Increase and Incentive Awards Program for USAC Employees.	30

Next Scheduled USAC Rural Health Care Committee Meeting

<p>VIRTUAL MEETINGS January 25, 2021 – Open Session Board and Committee Meetings January 26, 2021 – Executive Session Committee Meetings January 27, 2021 – Executive Session Board Meeting</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

BOARD OF DIRECTORS MEETING
Monday, November 16, 2020

MINUTES¹

Due to the temporary closure of USAC's offices in Washington, D.C. in response to the COVID-19 pandemic, the non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Monday, November 16, 2020. Mr. Joe Gillan, Board Chair, called the meeting to order at 1:01 p.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Buzacott, Alan	Polk, Stephanie
Choroser, Beth	Schell Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Fontana, Brent	Tinic, Atilla
Freeman, Sarah	Wade, Dr. Joan
Gregory, Amber	Waller, Jeff
Gillan, Joe – Chair	Wein, Olivia – Secretary
Jacobs, Ellis	Wibberly, Dr. Kathy
Mason, Ken – Vice Chair	

Members of the Board not present:

Domenech, Dr. Dan
Gerst, Matt

Officers of the corporation present:

Beckford, Ernesto – Vice President, General Counsel and Assistant Secretary
Beyerhelm, Chris – Chief Administrative Officer
Salvator, Charles – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Sweeney, Mark – Vice President, Rural Health Care

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

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
Mitchell, Tamika	USAC
Morning, Kimberly	USAC
Nuzzo, Patsy	USAC
Samuels, Victoria	USAC
Tiwari, Tanya	USAC

OPEN SESSION

- a1. **Consideration of Task Order Awards for Business Process Outsourcing (BPO) Services.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

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

- a2. **Personnel Matter: Consideration of 2021 Merit-Based Salary Increase and Incentive Awards Program for USAC Employees.** USAC management recommended that discussion of this item be conducted in *Executive Session* because it involves *internal personnel matters*.

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

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

At 1:02 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 Task Order Awards for Business Process Outsourcing (BPO) Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a summary slide and written report with information on USAC's proposed award a fixed unit price task order for performance of BPO services for end-to-end processing of applications and invoice processing for the Connected Care Pilot.

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

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

award a fixed unit price task order to ICF Incorporated, LLC for performance of BPO services for end-to-end processing of applications and invoice processing for the Connected Care Pilot. The base period will be 12 months with the ability to exercise an additional one-year option term, subject to FCC and Board approval, for a total amount of \$1,000,000 (plus applicable taxes). If an additional option year is required, USAC will seek approval from the FCC and the Board for the additional funding.

- a2. Consideration of 2021 Merit-Based Salary Increase and Incentive Awards Program for USAC Employees.** Ms. Mitchell presented the USAC management and the Executive Compensation Committee proposed 2021 merit-based salary increase and incentive awards programs for USAC employees for consideration.

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

RESOLVED, that the USAC Board of Directors, having reviewed the USAC management and the Executive Compensation Committee proposed 2021 merit-based salary increase and incentive awards programs for USAC employees, hereby approves the proposed program.

OPEN SESSION

At 1:10 p.m. Eastern Time, on a motion duly made and seconded, the Board moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Board discussed and took action on items a1 and a2.

On a motion duly made and seconded, the Board adjourned at 1:11 p.m. Eastern Time.

/s/ Ernesto Beckford
Assistant Secretary

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

BOARD OF DIRECTORS MEETING
Monday, December 14 2020

MINUTES

In a Public Notice, dated November 24, 2020 (DA 20-1396), Federal Communications Commission (FCC or Commission) Chairman Pai appointed the following six individuals to the USAC Board of Directors (Board):

- Representative for incumbent local exchange carriers (non-Bell Operating Companies) with \$40 million or less in annual revenues: Geoffrey A. Feiss, General Manager, Montana Telecommunications Association;
- Representative for competitive local exchange carriers: Joseph Gillan, Consultant, Gillan Associates;
- Representative for low-income consumers: Ellis Jacobs, Senior Attorney, Advocates for Basic Legal Equality, Inc.;
- Representative for interexchange carriers with annual operating revenues of \$3 billion or less: Michael Skrivan, Vice President Regulatory, Consolidated Communications;
- Representative for schools that are eligible to receive discounts pursuant to section 54.501 of the Commission's rules: Joan H. Wade, Ed.D., Executive Director, Association of Educational Service Agencies; and
- Representative for rural health care providers that are eligible to receive supported services pursuant to section 54.601 of the Commission's rules: Katharine Hsu Wibberly, Ph.D., Executive Director, Mid-Atlantic Telehealth Resource Center.

On December 8, 2020, the Board was requested to vote by written unanimous consent to elect these members to the Board and appoint them to a committee by virtue of the constituency they represent.

- a1. Election of Members to the USAC Board of Directors and Appointment of Members to Programmatic Committees.** On December 14, 2020, 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, 2021:¹

- Geoffrey Feiss for a term expiring on December 31, 2023;

¹ Each is director is appointed for a three year term. See 47 C.F.R. § 54.703(d).

- Joseph Gillan, for a term expiring on December 31, 2023;
- Ellis Jacobs, for a term expiring on December 31, 2023;
- Michael Skrivan, for a term expiring on December 31, 2023;
- Dr. Joan Wade for a term expiring on December 31, 2023;
- Dr. Katharine Wibberly for a term expiring on December 31, 2023.

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 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:

- Dr. Joan Wade is hereby appointed to the Schools & Libraries Committee;
- Geoffrey Feiss, Joseph Gillan, Ellis Jacobs, and Michael Skrivan are hereby appointed to the High Cost & Low Income Committee; and
- Dr. Katharine Hsu Wibberly is hereby appointed to the Rural Health Care Committee.

/s/ Ernesto Beckford
Assistant Secretary