

**Universal Service Administrative Company
 Joint High Cost and Low Income and Board of Directors
 Meeting Agenda**

**Monday, January 23, 2023
 Written Unanimous Consent
 Please respond by January 23, 2023 6:00 p.m. Eastern Time
 USAC Offices
 700 12th Street, N.W., Suite 900
 Washington, D.C. 20005**

High Cost and Low Income Committee Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
–	a1. Consideration of a Contract Modification for Lifeline Program Call Center Services	–

Board of Directors Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
–	a1. Consideration of a Contract Modification for Affordable Connectivity Program Call Center Services	–

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

BOARD OF DIRECTORS MEETING
Monday, January 23, 2023

MINUTES¹

Previously, on November 28, 2022 the Board authorized USAC to award a contract to a new vendor, Navient B.P.O., LLC, for the Affordable Connectivity Program (ACP) call center services. On December 12, 2022, the Board authorized USAC to increase the total not-to-exceed amount of the contract with the current vendors, Conduent State & Local Solutions, Inc. and Ernst & Young LLP, to ensure a smooth transition to the new vendor. Due to higher call volumes than anticipated and to ensure a seamless vendor transition, USAC management requested modifications of the contract with the Conduent State & Local Solutions, Inc.

- a1. Consideration of a Contract Modification for Affordable Connectivity Program Call Center Services.** On January 20, 2023, briefing papers were distributed to the Board requesting members to vote electronically for this matter pursuant to Article II, Section 9 of USAC's By-laws.² Responses to approve a contract modification for ACP call center services were timely received by January 23, 2023, providing unanimous consent from all 19 Board members. The Board adopted the following resolution:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify the Affordable Connectivity Program (ACP) call center services contract with Conduent State & Local Solutions, Inc. (1) by increasing the total not-to-exceed amount of the contract by \$4,100,000.00 (plus applicable taxes) from \$33,140,000.00 to \$37,240,000.00 (plus applicable taxes), and (2) by extending the contract period of performance end date from February 15, 2023 to April 15, 2023, to account for expenses associated with continued call center support during the transition to a new vendor, subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

/s/ Erin Williams
Assistant Secretary

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

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

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

**Tuesday, January 31, 2023
10:00 a.m. – 1:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of October 25, November 28, December 15, and December 30, 2022 B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> C. Review of the 2023 Audit Committee Charter D. Approval of Adjusted April 2023 – January 2024 Board of Directors Quarterly Meeting Schedule and April 2024 – January 2025 Board of Directors Quarterly Meeting Schedule E. Review of the Nominating Committee Charter F. Consideration and Approval of Three Routine Procurements G. Resolution Honoring a Board Member Whose Service on the Board Has Recently Ended	10
Chair	a2. Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election of Appointment of Corporate Officers	15
Chair	i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Executive Compensation Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Michelle	a3. Approval of Connected Care Pilot Program 2nd Quarter 2023 Budget and Demand Projection for the January 31, 2023 FCC Filing	5
Mark	i2. Connected Care Pilot Program Update (<i>For Information Only</i>)	-
Michelle	a4. Approval of USAC Common and Consolidated 2nd Quarter 2023 Budget and Demand Projection for the January 31, 2023 FCC Filing	10
Radha	i3. Enterprise Business Updates A. CEO Update <ul style="list-style-type: none"> • 2022 Accomplishments B. Appropriated Programs <ul style="list-style-type: none"> • Emergency Connectivity Fund Update • Affordable Connectivity Program Update 	10 5
Stephen	i4. 2022 Annual Report Timeline	5

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Michelle	a5. Approval of 2023 Annual USAC Common and Consolidated Budgets	15
Radha	i5. Update on ERP	15
Michelle	i6. Information on Contribution Factor	5
Erin	a6. Reaffirming USAC Employee Ethical Standards	10
Chris / Erin	i7. Annual Competition Advocate Report	5
Chris	i8. Enterprise Risk Management Update: 1. 4Q 2022 Risk Management 2. Risk Management Council Minutes <i>(For Information Only)</i>	–
Chris	i9. Procurement Business Update <i>(For Information Only)</i>	–
Chris	a7. Consideration of a Task Order Award for Contributor Revenue Audit Services	5
Chris	a8. Consideration of a Task Order Award for Penetration Testing	5
Chris	a9. Consideration of a Contract Award for ServiceNow Licenses and Support	5
Chris	a10. Consideration of a Task Order Modification for Long-Term Affordable Connectivity Program Project Management Office Services	–
Chris	a11. Consideration of a Contract Modification and to add Option Terms for Affordable Connectivity Program Third Party Identification and Verification Services	–
Chris	a12. Consideration of a Contract Modification for IT Security Assessment Services	–
Teleshia	i10. Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–
Sabina	i11. Personnel Matter: Human Resource Business Update	10
Chair	a13. Confidential Executive Session: Personnel Matter	5
Chair	i12. Confidential Executive Session: Board of Directors Only	25

Next Scheduled USAC Board of Directors Meeting

<p>Friday, April 21, 2023 USAC Offices, Washington, D.C.</p>
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UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

BOARD OF DIRECTORS MEETING
Tuesday, January 31, 2022

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, January 31, 2023. Mr. Joe Gillan, Board Chair, called the meeting to order at 10:02 a.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Buzacott, Alan	Sanquist, Christine
Chalk, Indra – <i>by telephone</i>	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Fontana, Brent – <i>by telephone</i>	Skrivan, Michael
Freeman, Sarah – <i>by telephone</i>	Wade, Dr. Joan
Gillan, Joe – Chair	Waller, Jeff – <i>by telephone</i>
Gregory, Amber	Wein, Olivia – Secretary
Jacobs, Ellis – <i>by telephone</i>	Wibberly, Dr. Kathy
Mason, Ken – Vice Chair	

Dr. Dan Domenech joined the meeting by telephone at 10:49 a.m. Eastern Time. He did not participate in the discussion or vote on items a1-a4 or participate in the discussion of items i1-i3.

Ms. Stephanie Polk joined the meeting by telephone at 11:03 a.m. Eastern Time. She did not participate in the discussion or vote on items a1-a4 or participate in the discussion of items i1-i4.

Officers of the corporation present:

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

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>
Behnam, Cathy – <i>by telephone</i>	CSM
Bolling, Christopher – <i>by telephone</i>	USAC
Campos, Rosy – <i>by telephone</i>	CSM
Carlin, Tyler – <i>by telephone</i>	KPMG
Case, Kevin – <i>by telephone</i>	USAC
Claxton, Naomi – <i>by telephone</i>	USAC
Glisson, Connor – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Hamm, Aaron	USAC
Havivi, Daniel – <i>by telephone</i>	USAC
Kriete, Debra – <i>by telephone</i>	South Dakota Department of Education
Little, Chris – <i>by telephone</i>	USAC
Parsons, Laura – <i>by telephone</i>	Maximus
Phillippi, Megan	USAC
Robinson, Crystal	USAC
Sadirkhanova, Sabina	USAC
Schultz, Kent – <i>by telephone</i>	Deloitte
Shrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies, LLC
Tiwari, Tanya – <i>by telephone</i>	Morgan Lewis
Tyler, Gerrod	USAC
Wilson, Carl – <i>by telephone</i>	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 25; November 28; and December 15, and 30, 2022.
 - B. Approval of moving all *Executive Session* Items into *Executive Session*.
 - (1) **a5** – Approval of 2023 Annual USAC Common and Consolidated Budgets. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (2) **i5** – Update on ERP. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures. In addition, this item might include discussion of *pre-decisional matters pending before the FCC* or

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

- (3) **i6** – Information on Contribution Factor. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (4) **a6** – Reaffirming USAC Employee Ethical Standards. USAC management recommended that discussion of this item be conducted in *Executive Session* because the discussion may include examples of how the Statement and Disclosure Form apply, and could include specific facts protected by the *attorney/client privilege*.
- (5) **i7** – Annual Competition Advocate Report. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (6) **i8** – Enterprise Risk Management Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (7) **i9** – Procurement Business Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (8) **a7** – Consideration of a Task Order Award for Contributor Revenue Audit Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (9) **a8** – Consideration of a Task Order Award for Penetration Testing. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (10) **a9** – Consideration of a Contract Award for ServiceNow Licenses and Support. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

- (11) **a10** – Consideration of a Task Order Modification for Long-Term Affordable Connectivity Program Project Management Office Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (12) **a11** – Consideration of a Contract Modification and to add Option Terms for Affordable Connectivity Program Third Party Identification and Verification Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (13) **a12** – Consideration of a Contract Modification for IT Security Assessment Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (14) **i10** – Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
 - (15) **i11 – Personnel Matter**: Human Resources Business Update. USAC management recommended that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
 - (16) **a13 – Confidential Executive Session: Personnel Matter**. USAC management recommended that discussion of this item occur in *Executive Session* because it involves *internal personnel matters*.
 - (17) **i12 – Confidential Executive Session**: Board of Directors Only. USAC management recommended that this item be discussed in *Executive Session* because it involves *internal personnel matters* and it relates to USAC’s *procurement strategy and contract administration*.
- C. Review of the 2023 Audit Committee Charter.
- D. Approval of Adjusted April 2023 – January 2024 Board of Directors Quarterly Meeting Schedule and April 2024 – January 2025 Board of Directors Quarterly Meeting Schedule.
- E. Review of the Nominating Committee Charter.
- F. Consideration and Approval of Three Routine Procurements

- (1) Approval of the Consideration of a Task Order Modification for Long-Term Affordable Connectivity Program Project Management Office Services. The resolution is provided in **aBOD10cf**.
- (2) Approval of the Consideration of a Contract Modification and to add Option Terms for Affordable Connectivity Program Third Party Identification and Verification Services. The resolution is provided in **aBOD11cf**.
- (3) Approval of the Consideration of a Contract Modification for IT Security Assessment Services. The resolution is provided in **aBOD12cf**.

G. Resolution Honoring a Board Member Whose Service on the Board Has Recently Ended. The Board would like to recognize and honor Beth Choroser, whose term has recently concluded. Ms. Choroser served as a Board member from January 2017 through December 2022. The USAC Board and USAC management are extremely appreciative of her dedication to universal service as well as her leadership, guidance, and expertise in USAC's administration of the federal Universal Service Fund.

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

RESOLVED, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of October 25, November 28, December 15, and December 30, 2022; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of three routine procurements as presented in items aBOD10cf – aBOD12cf; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the revised 2023 Audit Committee Charter presented by the Audit Committee, hereby accepts the recommendation of the Audit Committee and approves the revised 2023 Audit Committee Charter; and

RESOLVED FURTHER, that the USAC Board of Directors adopts the Board of Directors and committee adjusted April 2023 – January 2024 Board meeting schedule and the and the April 2024 – January 2025 meeting schedule; and

RESOLVED FURTHER, that the USAC Board of Directors having reviewed the 2023 Nominating Committee Charter presented by the Nominating Committee, hereby accepts the recommendation of the Nominating Committee and approves the Nominating Committee Charter without revision; and

RESOLVED FURTHER, that the USAC Board of Directors hereby expresses its sincere appreciation to Beth Choroser for her dedicated

service on the Board of Directors of the Universal Service Administrative Company and wishes the best in her future endeavors.

- a2. Annual Election of Committee At-Large Seats, Chairs and Vice Chairs and Election of Appointment of Corporate Officers.** Mr. Gillan introduced this item to the Board requesting that Dr. Wade, Chair of the Nominating Committee, report on the Nominating Committee's recommendations for the election of committee chairs, vice chairs, and at-large members, corporate officers, and the appointment of USAC staff members as Assistant Secretary and Assistant Treasurer.

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

Election of Board 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), **Alan Buzacott** (at-large member), **Brent Fontana** (at-large member), and **Christine Sanquist** (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**: **Olivia Wein** (at-large member) and **Ken Mason** (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**: **Geoff Feiss** (representing service providers), **Dr. Joan Wade** (at-large member), and **Michael Skrivan** (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 High Cost & Low Income Committee), **Brent Fontana** (representing the Rural Health Care Committee), **Julie Tritt Schell** (representing the Schools & Libraries Committee), **Geoff Feiss** (at-large member), and **Stephanie Polk** (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), **Christine Sanquist** (at-large

member), **Julie Tritt Schell** (at-large member), **Dr. Joan Wade** (at-large member) and **Dr. Kathy Wibberly** (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 **Stephanie Polk** as Vice Chair of the **Audit Committee**; and

RESOLVED FURTHER, that the USAC Board of Directors accepts the recommendation of the Board Chair and elects **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 Wein** 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.

- ii. **Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries**

Committee. Mr. Feiss presented the report for the Audit Committee. Mr. Mason presented the report for the High Cost & Low Income Committee and the Executive Compensation Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Ms. Schell presented the report for the Schools & Libraries Committee.

- a3. Approval of Connected Care Pilot Program 2nd Quarter 2023 Budget and Demand Projection for the January 31, 2023 Federal Communications Commission (FCC) Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Connected Care Pilot Program 2nd quarter 2023 demand projection for the January 31, 2023 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 2023 Connected Care Pilot Program direct budget of \$0.00 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.00 million for Connected Care Pilot Program administrative costs in the required January 31, 2023 filing to the Federal Communications Commission on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on January 31, 2023 the 2nd Quarter 2023 Connected Care Pilot Program demand estimate of \$8.43 million, hereby directs USAC staff to proceed with the required January 31, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i2. Connected Care Pilot Program Update.** Mr. Gillan noted that the report was provided for *information only* and would be posted on USAC's public website. No discussion was held.

- a5. Approval of USAC Common and Consolidated 2nd Quarter 2023 Budgets for the January 31, 2023 FCC Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 2nd Quarter 2023 budgets for the January 31, 2023 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 2023 common budget of \$33.90 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$33.90 million

Available For Public Use

for common costs in the required January 31, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2nd Quarter 2023 consolidated budget to administer the Universal Service Fund of \$71.91 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$71.91 million for consolidated costs in the required January 31, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

i3. Enterprise Business Updates:

A. CEO Update. Ms. Sekar provided a verbal update on USAC's 2022 accomplishments.

B. Appropriated Programs. Ms. Sekar provided a verbal update on the Emergency Connectivity Fund and the Affordable Connectivity Program.

i4. 2022 Annual Report Timeline. Mr. Bulter presented PowerPoint slides providing updates on key milestones for the release of the 2022 Annual Report.

At 10:53 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

a5. Approval of 2023 Annual USAC Common and Consolidated Budgets. Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the 2023 annual USAC common and consolidated budgets.

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

RESOLVED, that the USAC Board of Directors approves the 2023 annual common budget of \$133.42 million; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 2023 annual consolidated budget of \$275.73 million.

i5. Update on ERP. Ms. Sekar presented a verbal update on the Enterprise Resource Planning System.

i6. Information on Contribution Factor. Ms. Garber presented this item to the Board. The presentation included a written report providing USAC's estimate of the 2nd Quarter 2023 contribution factor.

- a6. Reaffirming USAC Employee Ethical Standards.** Ms. Williams presented this item to the Board. The presentation included a report detailing USAC management’s request that the Board review and reaffirm the USAC Statement of Ethical Conduct without revision.

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

RESOLVED, that the USAC Board of Directors accepts the recommendation of the USAC General Counsel and hereby reaffirms the February 2021 version of the *USAC Statement of Ethical Conduct*.

- i7. Annual Competition Advocate Report.** Ms. Williams and Mr. Beyerhelm presented PowerPoint slides describing USAC’s non-competitive procurement activity for calendar year 2022 for all procurements above the micro-purchase threshold of \$10,000.
- i8. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included the following items:
- Q4 2022 Enterprise Risk Management Update
 - Q4 2022 Risk Management Council Minutes
- i9. Procurement Business Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in Q4 2022 and Q1 2023 anticipated activities.
- a7. Consideration of a Task Order Award for Contributor Revenue Audit Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management’s recommendation to award a time and material task order for contributor revenue audit services

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a time and material task order under the USAC Professional Services Indefinite Delivery/Indefinite Quantity contract (Contract No. USAC 20-015) to Moss Adams LLP for contributor revenue audit services to perform full scope performance audits of select contributors to the Universal Service Fund. The task order has a twelve (12) month period of performance for a total not-to-exceed amount of \$939,775.00 (plus applicable taxes).

- a8. Consideration of a Task Order Award for Penetration Testing.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a task order for penetration testing support.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a task order under the USAC Professional Services Indefinite Delivery/Indefinite Quantity contract (Contract No. USAC-20-015) to Ampcus Inc. for penetration testing to support a greater understanding of USAC's security readiness, and to test existing systems consistent with the Federal Information Security Modernization Act and the National Institute of Standards and Technology. The task order has a base period of twelve (12) months for a total not-to-exceed amount of \$328,656.00 (plus applicable taxes).

- a9. Consideration of a Contract Award for ServiceNow Licenses and Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract for ServiceNow licenses and support.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for ServiceNow licenses and support to SHI International Corp. for a three (3) year period of performance for a not-to-exceed amount of \$1,270,817.34 (plus applicable taxes).

- a10. Consideration of a Task Order Modification for Long-Term Affordable Connectivity Program Project Management Office Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its task order with Deloitte LLP for long-term project management office services to support the Affordable Connectivity Program (ACP) by increasing the total not-to-exceed amount of the contract by \$2,339,937.00 (plus applicable taxes) from \$16,240,258.00 (plus applicable taxes) to \$18,580,195.00 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a11. Consideration of a Contract Modification for Affordable Connectivity Program Third Party Identification and Verification Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its Third Party Identification and Verification (TPIV) services contract with Transunion Public Sector to support the Affordable Connectivity Program (ACP) (1) by increasing the not-to-exceed amount for the first one-year option period of the contract by \$175,000.00 (plus applicable taxes), from \$775,000.00 (plus applicable taxes) to \$950,000.00 (plus applicable taxes), and (2) by adding three additional one-year option terms to the contract for a combined not-to-exceed amount of \$4,096,000.00 (plus applicable taxes). The contract's new total not-to-exceed amount will be \$5,486,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a12. Consideration of a Contract Modification for IT Security Assessment Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its IT security assessment services contract with Coalfire Federal by increasing the total not-to-exceed amount of the contract by \$389,905.90 (plus applicable taxes) from \$3,320,714.30 (plus applicable taxes) to \$3,710,620.20 (plus applicable taxes), subject to required Federal Communications Commission approval.

- i10. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Report.** This item was provided for *information purposes only*. Mr. Gillan noted that the summary and reports can be found in the Board Audit Briefing Book. No discussion was held.
- i11. Personnel Matter: Human Resource Business Update.** Ms. Sadirkhanova presented PowerPoint slides to the Board highlighting key accomplishments, 2022 HR metrics, and key next steps for HR activities.

The Board recessed at 12:14 p.m. Eastern Time and reconvened in *Executive Session* at 12:25 p.m. Eastern Time with only members of the Board and Chief Human Resources Officer, Sabina Sabina Sadirkhanova, present.

a13. Confidential Executive Session: Personnel Matter. Mr. Gillan presented this time to the Board for consideration.

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

RESOLVED, that the USAC Board of Directors, having reviewed the proposed 2023 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 1, 2023.

At 12:30 p.m. Eastern Time, the Board continued in confidential *Executive Session* with only members of the Board present.

i5. Confidential Executive Session: Board of Directors Only. Mr. Gillan facilitated this discussion.

OPEN SESSION

At 12:45 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-a9 and a13 and discussed items i5-i7 and i11-i12.

On a motion duly made and seconded, the Board adjourned at 12:45 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

**Universal Service Administrative Company
Joint Meeting of the High Cost & Low Income Committee and
Board of Directors Meeting Agenda**

<p>Thursday, March 16, 2023 3:30 p.m. – 4:00 p.m. ET Virtual Meeting USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
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BOARD ACTION ITEMS		<i>Estimated Duration in Minutes</i>
<u>OPEN SESSION</u>		
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="padding-left: 20px;">A. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i></p> <p style="padding-left: 20px;">B. Consideration and Approval of Two Routine Procurement Approvals</p>	5
<u>EXECUTIVE SESSION</u>		<i>Estimated Duration in Minutes</i>
Confidential – Executive Session Recommended		
Chris	<p>a2. Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO) Services (<i>same as aHCLI01cf</i>)</p>	5
Chris	<p>a3. Consideration of Contract Award for Dell/EMC Unity Hardware Support</p>	5
Chris	<p>a4. Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting</p>	-
Chris	<p>a5. Consideration of Contract Modification for Microsoft Enterprise Agreement</p>	-

HIGH COST & LOW INCOME COMMITTEE ACTION ITEMS		<i>Estimated Duration in Minutes</i>
<u>EXECUTIVE SESSION</u>		
Confidential – Executive Session Recommended		
Chris	<p>a1. Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO) Services (<i>same as aBOD02cf</i>)</p>	5

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

BOARD OF DIRECTORS MEETING
Thursday, March 16, 2023

MINUTES¹

The non-quarterly meeting of the USAC Board of Directors (Board) was conducted by web conference on Thursday, March 16, 2023. Mr. Joe Gillan, Board Chair, called the meeting to order at 3:31 p.m. Eastern Time, with a quorum of 17 of the 19 Board members present:

Buzacott, Alan	Polk, Stephanie
Chalk, Indra	Sanquist, Christine
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Fontana, Brent	Sekar, Radha – Chief Executive Officer
Feiss, Geoff	Skrivan, Michael
Freeman, Sarah	Wade, Dr. Joan
Gillan, Joe – Chair	Waller, Jeff
Gregory, Amber	Wein, Olivia – Secretary
Mason, Ken – Vice Chair	

Member of the Board not present:

Jacobs, Ellis	Wibberly, Dr. Kathy
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Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and Assistant Treasurer
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O’Brien, Tim – Vice President of Lifeline
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

Others present by telephone:

<u>NAME</u>	<u>COMPANY</u>
Hamm, Aaron	USAC
Phillippi, Megan	USAC
Wilson, Carl	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.

OPEN SESSION

- a1. Consent Items.** Mr. Gillan presented this item to the Board.
- A.** Approval of moving all *Executive Session* items into *Executive Session*:
- (1) **a2** – Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO) Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (2) **a3** – Consideration of Contract Award for Dell/EMC Unity Hardware Support. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (3) **a4** – Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
 - (4) **a5** – Consideration of Contract Modification for Microsoft Enterprise Agreement. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- B.** Consideration and Approval of Two Routine Procurements
- (1) Approval of the Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting. The resolution is provided in **aBOD04cf**.
 - (2) Approval of the Consideration of Contract Modification for Microsoft Enterprise Agreement. The resolution is provided in **aBOD05cf**.

On a motion duly made and seconded, with Mr. Fontana abstaining, the Board adopted the following resolution:

RESOLVED, that the USAC Board of Directors hereby approves: (1) discussion in Executive Session of the items noted above; and (2) the two routine procurements as presented in items aBOD04cf – aBOD05cf.

At 3:32 p.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items.

EXECUTIVE SESSION

- a2. Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO) Services.** Mr. Beyerhelm

presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a contract for Affordable Connectivity Program BPO 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, subject to required Federal Communications Commission approval, to award a contract to Maximus Federal Services, Inc. for Affordable Connectivity Program BPO Services. The contract will have a hybrid fee structure of firm-fixed price and fixed-unit price for a total not-to-exceed amount of \$9,904,002.45 (plus applicable taxes) over a base period of twelve (12) months, with the ability to exercise four (4) additional one-year option terms, subject to required FCC and Board approvals. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a3. Consideration of Contract Award for Dell/EMC Unity Hardware Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract for Dell/EMC Unity hardware support to facilitate continued housing of all USAC servers, databases, applications, and departmental network drives

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 firm-fixed price contract for Dell/EMC Unity hardware support to facilitate continued housing of all USAC servers, databases, applications, and departmental network drives to TommyTQL LLC for a one-year period of performance for a not-to-exceed amount of \$549,235.78 (plus applicable taxes).

- a4. Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its Amazon Web Services and GovCloud hosting contract with Amazon Web Services to support USAC's various Universal Service Fund programs, including the Lifeline National Eligibility Verifier, High Cost Broadband Portal, National Lifeline Accountability Database, Centralized Geocoding, and other IT projects, by increasing the not-to-exceed amount by

\$600,000.00 (plus applicable taxes), from \$600,000.00 (plus applicable taxes) to \$1,200,000.00 (plus applicable taxes), over the remainder of the twelve (12) month period of performance, subject to required Federal Communications Commission approval. This modification is necessary due to USAC's increased Amazon Web Services usage for both existing and new projects and initiatives.

a5. Consideration of Contract Modification for Microsoft Enterprise Agreement.

No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its three-year Microsoft Enterprise Agreement with Microsoft for software licensing that supports all of USAC's business units and USAC's call center customer relationship management (CRM) system, by increasing the contract not-to-exceed amount by \$2,146,059.60 (plus applicable taxes), from a total not-to-exceed amount of \$2,853,940.40 (plus applicable taxes) to \$5,000,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval. This modification is necessary due to USAC's annual true-up requirement under the agreement and significant growth in USAC's business units.

OPEN SESSION

At 3:39 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 a2 and a3.

On a motion duly made and seconded, the Board adjourned at 3:41 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

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

**Friday, April 21, 2023
10:00 a.m. –1:00 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	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of January 23 and 31; and March 16, 2023 B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> C. Consideration and Approval of Four Routine Procurements	5
Chair	i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Michelle	a2. Approval of Connected Care Pilot Program 3rd Quarter 2023 Budget and Demand Projection for the May 2, 2023 Federal Communications Commission Filing	5
Mark	i2. Connected Care Pilot Program Update (<i>For Information Only</i>)	-
Michelle	a3. Approval of USAC Common and Consolidated 3rd Quarter 2022 Budgets for the May 2, 2023 FCC Filing	10
Teleshia	i3. Information on Three Supply Chain Audit Reports	5
Radha Tim	i4. Enterprise Business Updates A. Appropriated Programs <ul style="list-style-type: none"> • Emergency Connectivity Fund (ECF) • Affordable Connectivity Program (ACP) B. Call Center Transition C. ACP Updates <ul style="list-style-type: none"> • System Modernization Efforts • Data Transparency Collection Project 	20

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Steve	i5. Enterprise Business Updates <i>(Continued)</i> A. 2022 Complaints Report Synopsis	10
Michelle	i6. Information on Contribution Factor	5
Chris	i7. Enterprise Risk Management: 1. 1Q 2023 Risk Management Update 2. Risk Management Council Minutes <i>(For Information Only)</i>	–
Chris	i8. Procurement Business Update <i>(For Information Only)</i>	–
Chris	a4. Consideration of a Contract Award for Computer Matching Program Operations and Maintenance Services <i>(same as aHCLI04)</i>	5
Chris	a5. Consideration of a Contract Award for EnterpriseDB Postgres Licenses and Support Services	5
Chris	a6. Consideration of Contract Award for Proofpoint Licenses and Support Services	5
Chris	a7. Consideration of Contract Award for AWS GovCloud Hosting Services	5
Chris	a8. Consideration of a Contract Award for Cisco Smartnet Licenses and Support Services	5
Chris	a9. Consideration of a Contract Modification for CISO Advisory Services	-
Chris	a10. Consideration of a Contract Modification for Affordable Connectivity Program (ACP) Call Center Services	-
Chris	a11. Consideration to Exercise the First One-year Option Term for Web Application Support Services	-
Chris	a12. Consideration to Exercise the First One-year Option Term for Information Security Program Compliance Support Services	-
Mark	i9. Rural Health Care Connect Demonstration	30
Teleshia	i10. Information on One USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Report <i>(For Information Only)</i>	–
Chair	i11. Confidential Executive Session: Board of Directors Only	15

Next Scheduled USAC Board of Directors Meeting

<p>Tuesday, July 25, 2023 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
Friday, April 21, 2023

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Friday, April 21, 2023. Mr. Joe Gillan, Board Chair, called the meeting to order at 10:01 a.m. Eastern Time, with a quorum of all 19 Board members present:

Buzacott, Alan	Polk, Stephanie – <i>by telephone</i>
Chalk, Indra	Sanquist, Christine – <i>by telephone</i>
Domenech, Dr. Dan	Schell, Julie Tritt – Treasurer
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Fontana, Brent – <i>by telephone</i>	Skrivan, Michael – <i>by telephone</i>
Freeman, Sarah – <i>by telephone</i>	Wade, Dr. Joan
Gillan, Joe – Chair	Waller, Jeff – <i>by telephone</i>
Gregory, Amber	Wein, Olivia – Secretary
Jacobs, Ellis – <i>by telephone</i>	Wibberly, Dr. Kathy
Mason, Ken – Vice Chair	

Officers of the corporation present:

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Bolling, Christopher – <i>by telephone</i>	USAC
Braxton, Carolyn	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>
Campbell, Jo-Ann	USAC
Campos, Rosy – <i>by telephone</i>	CSM, Inc.
Caparas, Mharibeth	USAC
Duffy, Maura	USAC
Edmonds, Daisy	USAC
Goode, Vernell	USAC
Granger, Jaquie	USAC
Kriete, Debra – <i>by telephone</i>	South Dakota State E-rate Coordinator
Kolachina, Roja	USAC
Loughlin, John – <i>by telephone</i>	Senture
Louis, Bianca	USAC
Morgan, Meredith	USAC
Nuzzo, Patsy	USAC
Phillippi, Megan	USAC
Robinson, Crystal	USAC
Robinson, Jen – <i>by telephone</i>	USAC
Rones, Julie	USAC
Suggs-Moore, Vickie	USAC
Sauls, Lucas – <i>by telephone</i>	Maximus
Walker, Jillian	USAC
Wilson, Carl	USAC
Xu, Wayne – <i>by telephone</i>	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 23 and 31; and March 16, 2023.
 - B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i5** – Enterprise Business Updates (*Continued*).
 - A. 2022 Complaints Report Synopsis. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - (2) **i6** – Information on Contribution Factor. USAC management recommended that this item be discussed in *Executive Session* because

it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.

- (3) **i7** – Enterprise Risk Management Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (4) **i8** – Procurement Business Update. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (5) **a4** – Consideration of Approval of a Contract Award for Computer Matching Program Operations and Maintenance Services (*same as aHCLI04*). USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (6) **a5** – Consideration of a Contract Award for EnterpriseDB Postgres Licenses and Support Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (7) **a6** – Consideration of Contract Award for Proofpoint Licenses and Support Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (8) **a7** – Consideration of Contract Award for AWS GovCloud Hosting Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (9) **a8** – Consideration of a Contract Award for Cisco Smartnet Licenses and Support Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (10) **a9** – Consideration of a Contract Modification for CISO Advisory Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (11) **a10** – Consideration of a Contract Modification for Affordable Connectivity Program (ACP) Call Center Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.

- (12) **a11** – Consideration to Exercise the First One-year Option Term for Web Application Support Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (13) **a12** - Consideration to Exercise the First One-year Option Term for Information Security Program Compliance Support Services. USAC management recommended that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (14) **i9** – Rural Health Care Connect Demonstration. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (15) **i10** – Information on One USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Report. USAC management recommended that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (16) **i11** – *Confidential Executive Session*: Board of Directors Only. USAC management recommended that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

C. Consideration and Approval of Four Routine Procurements

- (1) Approval of the Consideration of a Contract Modification for CISO Advisory Services. The resolution was provided in **aBOD09cf**.
- (2) Approval of the Consideration of a Contract Modification for Affordable Connectivity Program (ACP) Call Center Services. The resolution was provided in **aBOD10cf**.
- (3) Approval of the Consideration to Exercise the First One-year Option Term for Web Application Support Services. The resolution was provided in **aBOD11cf**.
- (4) Approval of the Consideration to Exercise the First One-year Option Term for Information Security Program Compliance Support Services. The resolution was provided in **aBOD12cf**.

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

RESOLVED, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of January 23 and 31; and March 16, 2023; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of four routine procurements as presented in items aBOD09cf – aBOD12cf.

- i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** Mr. Feiss presented the report for the Audit Committee. Mr. Mason presented the report for the High Cost & Low Income Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Dr. Domenech presented the report for the Schools & Libraries Committee.
- a2. Approval of Connected Care Pilot Program 3rd Quarter 2023 Budget and Demand Projection for the May 2, 2023 Federal Communications Commission (FCC) Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management’s recommendations for the Connected Care Pilot Program 3rd quarter 2023 demand projection for the May 2, 2023 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 2023 Connected Care Pilot Program direct budget of \$0.00 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.00 million for Connected Care Pilot Program administrative costs in the required May 2, 2023 filing to the Federal Communications Commission on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on April 21, 2023 the 3rd Quarter 2023 Connected Care Pilot Program demand estimate of \$8.38 million, hereby directs USAC staff to proceed with the required May 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i2. Connected Care Pilot Program Update.** Mr. Gillan noted that the report was provided for *information only* and would be posted on USAC’s public website. No discussion was held.
- a3. Approval of USAC Common and Consolidated 3rd Quarter 2023 Budgets for the May 2, 2023 FCC Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management’s recommendations for USAC’s common and consolidated 3rd Quarter 2023 budgets for the May 2, 2023 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 2023 common budget of \$32.91 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$32.91 million for common costs in the required May 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 3rd Quarter 2023 consolidated budget to administer the Universal Service Fund of \$68.04 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$68.04 million for consolidated costs in the required May 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i3. Information on Three USAC Audit and Assurance Division Supply Chain Audit Report.** Ms. Delmar presented this item to the Board which included the results of three Supply Chair Audit Reports released in March 2023. No audit findings were identified in the audit reports.
- i4. Enterprise Business Updates:**
- A. Appropriated Programs.** Ms. Sekar provided a verbal update on the Emergency Connectivity Fund and the Affordable Connectivity Program.
 - B. Call Center Transition.** Ms. Sekar provided a verbal update on the transition of the ACP and Lifeline call center vendor.
 - C. ACP Updates.** Mr. O'Brien presented PowerPoint slides providing updates on system modernization efforts and the data transparency collection project.

At 10:33 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- i5. Enterprise Business Updates (Continued):**
- A. 2022 Complaints Report Synopsis.** Mr. Butler presented PowerPoint slides providing a summary of the 2022 Annual Complaints Report.

- i6. Information on Contribution Factor.** Ms. Garber presented this item to the Board. The presentation included a written report providing USAC’s estimate of the 3rd Quarter 2023 contribution factor.
- i7. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included the following items:
- 1Q2023 Enterprise Risk Management Update
 - 1Q2023 Risk Management Council Minutes
- i8. Procurement Business Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in 1Q2023 and 2Q2023 anticipated activities.
- a4. Consideration of a Contract Award for Computer Matching Program Operations and Maintenance Services (same as aHCLI04).** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management’s recommendation to award a contract to CMS to support the API providing automated computer matching for eligibility verifications for the ACP program.

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 one (1) year sole source contract to the Centers for Medicare and Medicaid Services for operations and maintenance services and IT security incident work in support of the currently developed and in-use application programming interface providing automated computer matching for eligibility verifications for the Affordable Connectivity Program, for a firm-fixed price of \$648,120.00 (plus applicable taxes) over the one (1) year term, subject to required Federal Communications Commission approval and subject to an allocation of the total contract cost to the congressionally appropriated funds available to the Affordable Connectivity Program, as eventually determined by the parties and as instructed in writing by the Federal Communications Commission.

- a5. Consideration of a Contract Award for EnterpriseDB Postgres Licenses and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC

management's recommendation to award a firm-fixed price contract for EnterpriseDB licenses and support

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for EnterpriseDB Postgres licenses and support to CTG Federal, LLC, for a one (1) year period of performance for a total not-to-exceed amount of \$411,874.00 (plus applicable taxes).

- a6. Consideration of Contract Award for Proofpoint Licenses and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract for Proofpoint licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for Proofpoint licenses and support services to SHI International Corp. for a one (1) year period of performance for a total not-to-exceed amount of \$417,051.13 (plus applicable taxes).

- a7. Consideration of Contract Award for AWS GovCloud Hosting Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract for AWS GovCloud hosting services.

On a motion duly made and seconded, with Mr. Fontana abstaining, 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 contract for AWS GovCloud hosting services to Amazon Web Services, Inc., for a one (1) year period of performance for a total not-to-exceed amount of \$1,500,000.00 (plus applicable taxes), with such amount including a contingency of \$200,000.00 (plus applicable taxes) to cover additional hosting needs based on the 2023 USAC IT projects roadmap, subject to required Federal Communication Commission approval.

- a8. Consideration of a Contract Award for Cisco Smartnet Licenses and Support Services.** Mr. Beyerhelm presented this item for consideration. The presentation

included a written summary and report detailing USAC management's recommendation to award a firm-fixed price contract for Cisco Smartnet licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed price contract for Cisco Smartnet licenses and support services to Axelliant, LLC for a one (1) year period of performance for a total not-to-exceed amount of \$312,281.38 (plus applicable taxes).

- a9. Consideration of a Contract Modification for CISO Advisory Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its CISO advisory services contract with Kybernet LLC by extending the period of performance of the final option year of the contract by three (3) months, and increasing the total not-to-exceed amount of the contract by \$99,952.84 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$1,084,145.33 (plus applicable taxes) to \$1,187,098.17 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a10. Consideration of a Contract Modification for Affordable Connectivity Program (ACP) Call Center Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with Navient B.P.O., LLC, by increasing the contract's total not-to-exceed price by \$6,500,000.00 (plus applicable taxes) for postage fees associated with Affordable Connectivity Program mailings, thereby increasing the total not-to-exceed amount from \$110,198,786.31 (plus applicable taxes) to \$116,698,786.31 (plus applicable taxes), subject to required Federal Communications Commission (FCC) approval.

- a11. Consideration to Exercise the First One-year Option Term for Web Application Support Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management: (1) to exercise the first one-year option of the web application

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support service task order (Task Order #17HC) for the High Cost Program with 22nd Century Technologies, for a total not-to exceed amount of \$2,444,831.00 (plus applicable taxes), thereby increasing the total amount of the task order from \$2,408,742.60 (plus applicable taxes) to \$4,853,573.60 (plus applicable taxes), subject to required Federal Communications Commission approval; and (2) to exercise the first one-year option of the web application support services task order (Task Order #17LI) for the Lifeline Program with Accenture Federal Services LLC, for a total not-to exceed amount \$3,727,863.20 (plus applicable taxes), thereby increasing the total amount from \$3,628,464.96 (plus applicable taxes) to \$7,356,328.16 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a12. Consideration to Exercise the First One-year Option Term for Information Security Program Compliance Support Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, , that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the first one-year option of the information security program compliance support services contract with KPMG LLP, for a total not-to exceed amount of \$3,679,272.82 (plus applicable taxes), increasing the total not-to-exceed amount of the contract from \$3,833,187.20 (plus applicable taxes) to \$7,512,460.02 (plus applicable taxes), subject to required Federal Communications Commission approval.

The Board took a 15-minute recess at 11:05 a.m. Eastern Time and reconvened in *Executive Session* at 11:20 a.m. Eastern Time.

- i9. Rural Health Care Connect Demonstration.** Ms. Duffy provided a live demonstration of the Rural Health Care Connect system.
- i10. Information on One USAC Audit and Assurance Division Universal Service Contributor Revenue Audit Report.** This item was provided for *information purposes only*. No discussion was held.

At 11:40 a.m. Eastern Time, the Board continued in confidential *Executive Session* with only members of the Board present.

- i11. Confidential Executive Session: Board of Directors Only.** Mr. Gillan facilitated this discussion.

OPEN SESSION

At 11:48 a.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 i5, i6, i9, and i11.

On a motion duly made and seconded, the Board adjourned at 11:48 a.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

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

**Tuesday, July 25, 2023
10:00 a.m. –1:30 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of April 21, 2023 B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> C. Consideration and Approval of Seven Routine Procurements	5
Chair	i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee	10
Michelle	a2. Approval of Connected Care Pilot Program 4th Quarter 2023 Budget and Demand Projection for the August 2, 2023 FCC Filing	5
Mark	i2. Connected Care Pilot Program Update (<i>For Information Only</i>)	-
Michelle	a3. Approval of USAC Common and Consolidated 4th Quarter 2023 Budget and Demand Projection for the August 2, 2023 FCC Filing	10
Teleshia	i3. Information on Seven Supply Chain Audit Reports (<i>For Information Only</i>)	-
Radha	i4. Enterprise Business Updates A. Appropriated Programs <ul style="list-style-type: none"> • Emergency Connectivity Fund (ECF) • Affordable Connectivity Program (ACP) 	10

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Kyle Joe/Teleshia Tim	i5. Enterprise Business Updates (<i>Continued</i>) A. Information Security Update <ul style="list-style-type: none"> • Zero Trust Architecture Update • Security Compliance Update • Federal Information Security Act Compliance Update B. User Experience Audit Update C. 1. Affordable Connectivity Program Update 2. Transparency Data Collection Project Update	40

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Michelle	i6. Information on Contribution Factor	5
Chris	i7. Enterprise Risk Management: A1. 2023 Risk Management Update A2. Risk Management Council Minutes <i>(For Information Only)</i>	–
Chris	i8. Procurement Business Update <i>(For Information Only)</i>	–
Chris	a4. Consideration of a Contract Modification for Call Center Services and Customer Relationship Management (CRM) System	–
Chris	a5. Consideration of a Contract Modification for Web Hosting Services	–
Chris	a6. Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services, and Added Services	–
Chris	a7. Consideration of a Contract Modification for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support	–
Chris	a8. Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for the Affordable Connectivity Program Portal	–
Chris	a9. Consideration of a Contract Modification for CISO Advisory Services	–
Chris	a10. Consideration of a Contract Modification for Enterprise Resource Planning (ERP) Analysis and Project Management Office (PMO) Services	-
Chris	a11. Consideration of a Contract Award for Oracle Licenses and Technical Support	5
Chris	a12. Consideration of a Contract Award for CyberArk Licenses	5
Chris	a13. Consideration of a Contract Award for Socrata Software Licenses and Support	5
Chris	a14. Consideration of a Contract Award for IT Security Operations Center (SOC) Services	5
Michelle/ Fred	i9. E-File Contributor Messaging System Demonstration <i>(Lunch)</i>	
Michelle	i10. Acceptance of USAC’s 2022 Annual Financial Audit and Agreed-Upon Procedures Review (Same as aAC05cf)	10
Teleshia	i11. Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–
Chair	i12. Confidential Board of Directors <i>Executive Session</i>	15

Next Scheduled USAC Board of Directors Meeting

<p>Tuesday, October 31, 2023 USAC Offices, Washington, D.C.</p>

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

BOARD OF DIRECTORS MEETING
Tuesday, July 25, 2023

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, July 25, 2023. Mr. Joe Gillan, Board Chair, called the meeting to order at 10:00 a.m. Eastern Time, with a quorum of 16 of 19 Board members present:

Buzacott, Alan	Sanquist, Christine – <i>by telephone</i>
Chalk, Indra	Schell, Julie Tritt – Treasurer
Domenech, Dr. Dan	Sekar, Radha – Chief Executive Officer
Feiss, Geoff	Skrivan, Michael – <i>by telephone</i>
Freeman, Sarah – <i>by telephone</i>	Wade, Dr. Joan
Gillan, Joe – Chair	Waller, Jeff – <i>by telephone</i>
Gregory, Amber	Wein, Olivia – Secretary
Mason, Ken – Vice Chair	Wibberly, Dr. Kathy

Mr. Brent Fontana joined the meeting *by telephone* at 10:17 a.m. Eastern Time. He did not vote on items a1, a2, or a3. Due to system technical difficulties, Mr. Ellis Jacobs, joined the meeting *by telephone* at 10:27 a.m. Eastern Time. He did not vote on items a1, a2, or a3 or take part in the discussion of item i4. Ms. Stephanie Polk joined the meeting *by telephone*, at 11:32 a.m. Eastern Time. She did not vote on items a1– a14 or participate in the discussion of items i4 – i6.

Members of the Board not present:

Sanquist, Christine

Officers of the corporation present:

Beyerhelm, Chris – Vice President and 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 – *by telephone*
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and
Assistant Treasurer
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline

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

Sweeney, Mark – Vice President of Rural Health Care
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

Others present:

<u>NAME</u>	<u>COMPANY</u>
Armstrong, Katlyn	USAC
Best, Ceyda	USAC
Boakye-Gyan, Carol	USAC
Bolling, Christopher – <i>by telephone</i>	USAC
Calhoun, Mitch	USAC
Campbell, Jo-Ann	USAC
Case, Kevin – <i>by telephone</i>	USAC
Claxton, Naomi	USAC
Eucker, Erik	USAC
Faunce, Donna	USAC
Goode, Vernell	USAC
Gustafson, Jaymie	USAC
Hamm, Aaron	USAC
Howard, Chris	USAC
Jaruboon, Jetshada – <i>by telephone</i>	Maximus
Kriete, Debra	South Dakota State E-rate Coordinator
Krueger, Katie	KPMG
Lewelling, Chloe	USAC
Morgan, Meredith	USAC
Nuzzo, Patsy	USAC
Parker, Ben	USAC
Robinson, Benjamin	USAC
Robinson, Crystal	USAC
Rones, Julie	USAC
Schecker, Laurance	USAC
Schrader, Theresa	Broadband Legal Strategies
Singh, Amit	USAC
Theobald, Fred	USAC
Tyler, Gerrod	USAC
Weith, Tim	USAC
Wirfs, Tyler	USAC
Woycke, Abe	USAC
Xu, Wayne	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 and requested that item a10 Consideration of a Contract Modification for Enterprise Resource Planning Analysis and Project Management Office Services be removed from the consent items and discussed in *Executive Session*. The resolution and minutes

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reflect this change.

- A. Approval of Board of Directors Meeting Minutes of April 21, 2023.
- B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i5** – Enterprise Business Updates (*Continued*).
 - A. Information Security Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - B. User Experience Audit Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - C-1. Affordable Connectivity Program Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - C-2. Transparency Data Collection Project Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - (2) **i6** – Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b)* requires USAC to keep all data obtained from contributors confidential.

- (3) i7 – Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (4) i8 – 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*.
- (5) a4 – Consideration of a Contract Modification for Call Center Services and Customer Relationship Management (CRM) System. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (6) a5 – Consideration of a Contract Modification for Web Hosting Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (7) a6 – Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services, and Added Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (8) a7 – Consideration of a Contract Modification for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (9) a8 – Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for the Affordable Connectivity Program Portal. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (10) a9 – Consideration of a Contract Modification 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*.
- (11) a10 – Consideration of a Contract Modification for Enterprise Resource Planning Analysis and Project Management Office Services. USAC management recommends that this item be discussed in

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

(12) **a11** – Consideration of a Contract Award for Oracle Licenses and Technical Support. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

(13) **a12** – Consideration of a Contract Award for CyberArk Licenses. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

(14) **a13** – Consideration of a Contract Award for Socrata Software Licenses and Support. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

(15) **a14** – Consideration of a Contract Award for IT Security Operations Center (SOC) Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.

(16) **i9** – E-File Contributor Messaging System Demonstration (*Lunch*). USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

(17) **i10** – Acceptance of USAC's 2022 Annual Financial Audit and Agreed-Upon Procedures Review. USAC management recommends that this matter be discussed in *Executive Session* because it relates to *specific internal controls, or confidential company data* that would constitute a discussion of internal rules and procedures.

(18) **i11** – Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.

(19) **i12** – Confidential Board of Directors *Executive Session*. For Board of Directors Only. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

C. Consideration and Approval of Six Routine Procurements

- (1) Consideration of a Contract Modification for Call Center Services and Customer Relationship Management (CRM) System. The resolution is provided in **aBOD04cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (2) Consideration of a Contract Modification for Web Hosting Services. The resolution is provided in **aBOD5cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (3) Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services, and Added Services. The resolution is provided in **aBOD6cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (4) Consideration of a Contract Modification for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support. The resolution is provided in **aBOD07cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (5) Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for Affordable Connectivity Program Portal. The resolution is provided in **aBOD08cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (6) Consideration of a Contract Modification for CISO Advisory Services. The resolution is provided in **aBOD09cf**. If discussion is needed, it will be conducted in *Executive Session*.

On a motion duly made and seconded, with Ms. Schell abstaining from consent items a4 and a6, the Board adopted the following resolutions:

RESOLVED, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of April 21, 2023; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of six routine procurements as presented in items aBOD04cf – aBOD09cf.

- i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** Mr. Feiss presented the report for the Audit Committee. Mr. Mason presented the report for the High Cost & Low Income Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Dr. Domenech presented the report for the Schools & Libraries Committee.
- a2. Approval of Connected Care Pilot Program 4th Quarter 2023 Budget and Demand Projection for the August 2, 2024 Federal Communications Commission (FCC) Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's

recommendations for the Connected Care Pilot Program 4th quarter 2023 demand projection for the August 2, 2023 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 2023 Connected Care Pilot Program direct budget of \$0.00 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.00 million for Connected Care Pilot Program administrative costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on July 25, 2023 the 4th Quarter 2023 Connected Care Pilot Program demand estimate of \$8.27 million, hereby directs USAC staff to proceed with the required August 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i2. **Connected Care Pilot Program Update.** Mr. Gillan noted that the report was provided for *information only* and would be posted on USAC's public website. No discussion was held.

- a3. **Approval of USAC Common and Consolidated 4th Quarter 2023 Budgets for the August 2, 2023 FCC Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 4th Quarter 2023 budgets for the August 2, 2023 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 2023 common budget of \$33.21 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$33.21 million for common costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 4th Quarter 2023 consolidated budget to administer the Universal Service Fund of \$68.50 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$68.50 million for consolidated costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i3. Information on Seven USAC Audit and Assurance Division Supply Chain Audit Reports.** This item was provided for *information purposes only*. No discussion was held. Mr. Gillan noted that the Board of Directors Supply Chain Audit Briefing Book would be made public and posted to the USAC website.
- i4. Enterprise Business Updates:**
- A. Appropriated Programs.** Ms. Sekar provided a verbal update on the Emergency Connectivity Fund and the Affordable Connectivity Program.

At 10:25 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- i5. Enterprise Business Updates (Continued):**
- A. Information Security Update.** Mr. Hutchinson presented PowerPoint slides that included updates on zero trust architecture, security compliance, and compliance to the Federal Information Security Act.
 - B. User Experience Audit Update.** Mr. Gillan and Ms. Delmar discussed this item and presented PowerPoint slides providing updates on this topic.
 - C. 1. Affordable Connectivity Program (ACP) Update.** Mr. O'Brien discussed this item and presented a PowerPoint presentation providing trends in program integrity for the ACP program.
2. Transparency Data Collection Project Update. Mr. O'Brien discussed this item and presented a PowerPoint presentation providing an overview of the background, objectives, and timeline of the project.
- i6. Information on Contribution Factor.** Ms. Garber presented this item to the Board. The presentation included a written report providing USAC's estimate of the 4th Quarter 2023 contribution factor.
- i7. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included the following items:

- 1Q2023 Enterprise Risk Management Update
- 1Q2023 Risk Management Council Minutes

- i8. Procurement Business Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in 2Q2023 and 3Q2023 anticipated activities.
- a4. Consideration of a Contract Modification for Call Center Services and Customer Relationship Management (CRM) System.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

On a motion duly made and seconded, with Ms. Schell abstaining, the Board adopted the following resolutions:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with Ernst & Young LLP for call center and customer relationship management system services for E-Rate, Rural Health Care, and High Cost by increasing the total not-to-exceed amount by \$311,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount supporting these programs from \$9,934,048.41 (plus applicable taxes) to \$10,245,048.41 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval.

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with Ernst & Young LLP for call center and customer relationship management system services for the Emergency Connectivity Fund (ECF) by increasing the total not-to-exceed amount by \$75,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount supporting ECF from \$875,397.00 (plus applicable taxes) to \$950,397.00 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a5. Consideration of a Contract Modification for Web Hosting Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its web hosting services contract to support the Affordable

Connectivity Program with New Tech Solutions, Inc by increasing the total not-to-exceed amount of the contract by \$276,661.64 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$393,338.36 (plus applicable taxes) to \$670,000.00 (plus applicable taxes) over the three year period of performance, subject to required Federal Communications Commission approval. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a6. Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services, and Added Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

On a motion duly made and seconded, with Ms. Schell abstaining, the Board adopted the following resolutions:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with Ernst & Young LLP for Emergency Connectivity Fund long term project management, business process outsourcing, call center services, and Added Services by increasing the total not-to-exceed amount by \$1,500,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$31,831,126.00 (plus applicable taxes) to \$33,331,126.00 (plus applicable taxes) over the remainder of the contract term, subject to required Federal Communications Commission approval. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a7. Consideration of a Contract Modification for Palo Alto Enterprise License Agreement and Firewall Hardware and Software Support.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its three-year contract with Sun Management for a Palo Alto enterprise license agreement and firewall hardware and software support by increasing the contract not-to-exceed amount by \$65,000.00 (plus applicable taxes), from a total not-to-exceed amount of \$1,467,533.00 (plus applicable taxes) to \$1,532,533.00 (plus applicable taxes), subject to required Federal Communications Commission approval. This contract supports all of USAC's commercial cloud environments for the High Cost Low Income system, Centralized Geocoding Repository, OpenSearch and other cloud hosted programs.

- a8. Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems Modifications for the Affordable Connectivity Program Portal.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

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 increase the final option year not-to-exceed amount of its contract with Accenture for operation and maintenance, design and development, licensing, and hosting of the National Verifier and National Lifeline Accountability Database system modifications for the Affordable Connectivity Program, by \$4,100,000.00 (plus applicable taxes) from \$12,515,000.00 (plus applicable taxes) to \$16,615,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a9. Consideration of a Contract Modification for CISO Advisory Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its CISO advisory services contract with Kybernet LLC by (1) extending the period of performance of the final option year of the contract by three (3) months, and (2) increasing the total not-to-exceed amount of the contract by \$95,996.34 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$1,187,098.17 (plus applicable taxes) to \$1,283,094.51 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a10. Consideration of a Contract Modification for Enterprise Resource Planning Analysis and Project Management Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract modification for Enterprise Resource Planning analysis and project management services.

On a motion duly made and seconded, with Ms. Schell abstaining, the Board adopted the following resolution:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to (1) modify the period of performance of the third option term of

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its contract with Ernst & Young LLP for analysis and project management services for the enterprise resource planning system from twelve (12) months to sixteen (16) months, and (2) modify the contract by increasing the total not-to-exceed amount of the third option term of the contract by \$8,100,000.00 (plus applicable taxes) from \$500,000.00 (plus applicable taxes) to \$8,600,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$11,849,744.00 (plus applicable taxes) to \$19,949,744.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a11. Consideration of a Contract Award for Oracle Licenses and Technical Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed-price contract for Oracle licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price contract for Oracle licenses and technical support to Oracle America, Inc. The contract has a period of performance of twelve (12) months for a not-to-exceed amount of \$1,489,167.63 (plus applicable taxes), with such amount including a contingency of \$50,000.00 (plus applicable taxes) to cover potential increases in the level of required support throughout the life of the contract and is subject to required Federal Communications Commission approval.

- a12. Consideration of a Contract Award for CyberArk Licenses.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a firm-fixed-price contract for CyberArk licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price contract for CyberArk licenses and support to Access IT Group, Inc. for a twelve (12) month base period and two (2) additional one (1)-year option terms, for a total not-to-exceed amount of \$539,517.03 (plus applicable taxes) with such amount including a contingency of \$100,000.00 (plus applicable taxes) to cover potential growth in business units, subject to required Federal Communications Commission approval.

- a13. Consideration of a Contract Award for Socrata Software Licenses and Support.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's

recommendation to award a firm-fixed-price contract for Socrata licenses and support services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price contract for Socrata licenses and support services to New Tech Solutions, Inc., for a three (3) year period of performance for a total not-to-exceed amount of \$1,162,417.48 (plus applicable taxes), with such amount including a contingency of \$100,000.00 (plus applicable taxes) to cover unforeseen growth within the business units, subject to required Federal Communications Commission approval.

- a14. Consideration of a Contract Award for IT Security Operations Center (SOC) Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary and report detailing USAC management's recommendation to award a contract for IT security operations center (SOC) services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management, subject to required Federal Communications Commission approval, to award a contract to XOR Security LLC for IT security operations center services. The contract will have a not-to-exceed amount of \$1,403,320.70 (plus applicable taxes) over the twelve (12) month base period, with the ability to exercise two (2) additional one (1) year option terms, for a three (3) year total not-to-exceed amount of \$4,657,066.49 (plus applicable taxes), with such amount including a contingency in the amount of \$250,000.00 (plus applicable taxes) to cover unforeseen costs over the life of the contract. Exercise of options to extend the contract beyond the initial twelve (12) month base period is subject to Federal Communications Commission and USAC Board of Directors approval.

- i10. Acceptance of USAC's 2022 Annual Financial Audit and Agreed-Upon Procedures Review** (Same as aAC05cf). Ms. Garber provided an overview of this item to the Board.
- i11. Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports.** This item was provided for *information purposes only*. No discussion was held.

The Board recessed at 11:34 a.m. Eastern Time and reconvened, continuing in *Executive Session* at 11:45 a.m. Eastern Time.

- i9. E-File Contributor Messaging System Demonstration. Mr. Theobald provided a demonstration of the E-File Contributor Messaging system and responded to Board questions.

At 12:15 the Board continued in *Executive Session* with non-staff members of the Board present.

- i12. **Confidential *Executive Session*: Board of Directors Only.** Mr. Gillan facilitated this discussion.

OPEN SESSION

At 12:35 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 a10-a14 and discussed items i5, i6, i9, i10, and i12.

On a motion duly made and seconded, the Board adjourned at 12:35 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

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

Written Unanimous Consent
Please respond by Tuesday, August 1, 2023
6:00 p.m. Eastern Time

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

ACTION ITEMS <i>Open Session</i>		<i>Estimated Duration in Minutes</i>
-	a1. Approval of Connected Care Pilot Program Revised 4th Quarter 2023 Budget and Demand Projection for the August 2, 2023 FCC Filing	—

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

BOARD OF DIRECTORS COMMITTEE MEETING
Tuesday, August 1, 2023

MINUTES¹

On Monday, July 31, 2023, USAC management requested that the Board of Directors (Board) consider by written unanimous consent a revised 4th Quarter 2023 (4Q2023) Connected Care Pilot Program budget and demand projection for submission to the Federal Communications Commission (FCC) in USAC's August 2, 2023, quarterly filing. Responses were requested by Tuesday, August 1, 2023, at 6 p.m. Eastern Time.

All 19 Board members responded by Monday, August 1, 2023, at 2:23 p.m. Eastern Time, unanimously approving the following resolutions:

RESOLVED, that the USAC Board of Directors approves a 4th Quarter 2023 Connected Care Pilot Program direct budget of \$0.00 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$0.00 million for Connected Care Pilot Program administrative costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the Board; and

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed at its meeting on July 31, 2023 the 4th Quarter 2023 Connected Care Pilot Program demand estimate of (\$0.02) million, hereby directs USAC staff to proceed with the required August 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

/s/ Erin Williams
Assistant Secretary

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.

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

**Tuesday, October 31, 2023
10:00 a.m. –1:00 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	a1. Consent Items (each available for discussion upon request): A. Approval of Board of Directors Meeting Minutes of July 25, 2023, August 1, 2023 B. Approval of moving all <i>Executive Session</i> Items into <i>Executive Session</i> C. Consideration and Approval of Ten Routine Procurements D. Consideration of Approval to Reimburse Board Members to Attend an Event Other Than a Quarterly USAC Board or Committee Meeting	5
Chair	i1. Reports from the Committee Chairs: High Cost & Low Income Committee, Executive Compensation Committee, Schools & Libraries Committee, Rural Health Care Committee, and Audit Committee,	10
Chair	a2. Appointment of a Nominating Committee and Direction to Committees for the Appointment of Committee Chairs and Vice Chairs	5
Michelle	a3. Approval of Connected Care Pilot Program 1st Quarter 2024 Budget and Demand Projection for the November 2, 2023 FCC Filing	5
Mark	i2. Connected Care Program Status Update (<i>For Information Only</i>)	–
Michelle	a4. Approval of USAC Common and Consolidated 1st Quarter 2024 Budget and Demand Projection for the November 2, 2023 FCC Filing	10
Radha Michelle	i3. Enterprise Business Updates A. Appropriated Programs B. ERP Status Update	10 10

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Kyle Tim Radha Erin	i4. Enterprise Business Updates (Continued)	
	A. IT Business Update	10
	B. Transparency Data Collection Project Demonstration	10
	C. GAO Audit on FCC Oversight of USAC (Discussion Only)	5
	D. Consumer Research Litigation (Discussion Only)	5
Michelle	i5. Information on Contribution Factor	5
Chris	i6. Enterprise Risk Management:	
	A1. Q3 2023 Risk Management Update A2. Risk Management Council Minutes <i>(For Information Only)</i>	–
Chris	i7. Procurement Business Update <i>(For Information Only)</i>	–
Chris	a5. Consideration of a Contract Awards for High Cost Broadband Network Engineering Audit Services	5
Chris	a6. Consideration of a Contract Award for Enterprise Telecommunications Engineer Services	5
Chris	a7. Consideration of a Contract Award for Varonis Licenses Subscription	5
Chris	a8. Consideration to Exercise Option Term for Long-Term Affordable Connectivity Program Project Management Office Services	-
Chris	a9. Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for Affordable Connectivity Program Portal	–
Chris	a10. Consideration to Exercise Second One-Year Option Term of Task Order for Enterprise Architecture Assessment and Support Services	–
Chris	a11. Consideration to Exercise the Second One-Year Option Term for Affordable Connectivity Program Email Processing Services	–
Chris	a12. Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services	–
Chris	a13. Consideration to Exercise Option Terms for Call Center Services & Customer Relationship Management System	–
Chris	a14. Consideration to Exercise Option Terms for Beneficiary and Contributor Audit Program (BCAP) Contract	–
Chris	a15. Consideration to Exercise One-Year Option Term for National Supply Chain Audit Services	–
Chris	a16. Consideration of a Contract Modification for Emergency Connectivity Fund Business Process Outsourcing Services	–
Chris	a17. Consideration to Exercise Option Term for Affordable Connectivity Program Business Process Outsourcing Services	–

<u>EXECUTIVE SESSION (CONTINUED)</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Teleshia	i8. Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports <i>(For Information Only)</i>	–

<u>CONFIDENTIAL EXECUTIVE SESSION</u> Executive Session Recommended		
Chris	a18. <i>Personnel Matter:</i> Consideration of Contract Awards for the USAC Employee Benefit Program	10
Chris	a19. <i>Personnel Matter:</i> Consideration of 2024 Compensation Item	10
Chair	i9. <i>Confidential Executive Session:</i> Board of Directors Only	15

Next Scheduled USAC Board of Directors Meeting

<p>Tuesday, January 30, 2024 USAC Offices, Washington, D.C.</p>

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

BOARD OF DIRECTORS MEETING
Tuesday, October 31, 2023

MINUTES¹

The quarterly meeting of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Tuesday, October 31, 2023. Mr. Joe Gillan, Board Chair, called the meeting to order at 10:02 a.m. Eastern Time, with a quorum of 14 of 19 Board members present:

Buzacott, Alan	Sanquist, Christine
Chalk, Indra	Schell, Julie Tritt – Treasurer
Domenech, Dr. Dan	Sekar, Radha – Chief Executive Officer
Feiss, Geoff	Skrivan, Michael
Gillan, Joe – Chair	Wade, Dr. Joan – <i>by telephone</i>
Gregory, Amber	Wein, Olivia – Secretary
Mason, Ken – Vice Chair	Wibberly, Dr. Kathy

Mr. Ellis Jacobs joined the meeting *by telephone* at 10:05 a.m. Eastern Time. He did not vote on item a1. Ms. Sarah Freeman joined the meeting at 10:25 a.m. Eastern Time. She did not vote on items a1-a4 or take part in the discussion of item i1.

Members of the Board not present:

Fontana, Brent	Waller, Jeff
Polk, Stephanie	

Officers of the corporation present:

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

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>
Armstrong, Katlyn	USAC
Benham, Cathy – <i>by telephone</i>	CSM
Campos, Joel – <i>by telephone</i>	Maximus
Case, Kevin	USAC
Claxton, Naomi	USAC
Faunce, Donna	USAC
Francisco, Dale	USAC
Goode, Vernell	USAC
Gustafson, Jaymie	USAC
Hamm, Aaron	USAC
Johnson, Avaneque	USAC
Johnson, Tiffany – <i>by telephone</i>	USAC
King, Ryan	USAC
Loewus-Deitch, Jonathan	USAC
Lougheed, Matthew	USAC
Morgan, Meredith	USAC
Morning, Kimberly – <i>by telephone</i>	Morgan Lewis
Nuzzo, Patsy	USAC
Oliver, Lindsay	USAC
Parker, Ben	USAC
Sadirkhanova, Sabina	USAC
Sauls, Lucas – <i>by telephone</i>	Maximus
Schrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies
Strandberg, Steve	USAC
Streauslin, Brandi	USAC
White, Stacy	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 of Directors Meeting Minutes of July 25 and August 1, 2023.
 - B.** Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) i4** – Enterprise Business Updates (*Continued*).
 - A.** IT 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, where discussion of the matter in

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

- B. Transparency Data Collection Project Demonstration. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - C. GAO Audit on FCC Oversight of USAC. USAC management recommends that this item be discussed in *Executive Session* because it involves the discussion of *internal rules and procedures* concerning the administration of the universal service support mechanisms, relates to *specific internal controls or confidential company data*, and may also include *pre-decisional matters pending before the FCC*.
 - D. Consumer Research Litigation. USAC management recommends that this item be discussed in *Executive Session* because it may also include *pre-decisional matters* pending before a court or governmental agency or instrumentality to which USAC is privy, where discussion of such matters in open session would undermine the agency's deliberative process or would result in the disclosure of an agency's conclusions or rationales before the agency had formally decided the matter.
- (2) **i5** – Information on Contribution Factor. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters pending before the FCC*. In addition, *47 C.F.R. § 54.711(b)* requires USAC to keep all data obtained from contributors confidential.
- (3) **i6** – Enterprise Risk Management Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms, where discussion of the matter in open session would result in *disclosure*

of confidential techniques and procedures that would compromise program integrity.

- (4) **i7** – Procurement Business Update. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (5) **a5** – Consideration of a Contract Awards for High Cost Broadband Network Engineering Audit Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (6) **a6** – Consideration of a Contract Award for Enterprise Telecommunications Engineer Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (7) **a7** – Consideration of a Contract Award for Varonis Licenses Subscription. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (8) **a8** – Consideration to Exercise Option Term for Long-Term Affordable Connectivity Program Project Management Office Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (9) **a9** – Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for Affordable Connectivity Program Portal. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (10) **a10** – Consideration to Exercise Second One-Year Option Term of Task Order for Enterprise Architecture Assessment and Support Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (11) **a11** – Consideration to Exercise the Second One-Year Option Term for Affordable Connectivity Program Email Processing Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC’s *procurement strategy and contract administration*.
- (12) **a12** – Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business

Process Outsourcing, 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*.

- (13) **a13** – Consideration to Exercise Option Terms for Call Center Services and Customer Relationship Management System. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (14) **a14** – Consideration to Exercise Option Term for Beneficiary and Contributor Audit Program (BCAP) Contract. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (15) **a15** – Consideration to Exercise One-Year Option Term for National Supply Chain Audit Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (16) **a16** – Consideration of a Contract Modification for Emergency Connectivity Fund Business Process Outsourcing Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (17) **a17** – Consideration to Exercise Option Term for Affordable Connectivity Program Business Process Outsourcing Services. USAC management recommends that this item be discussed in *Executive Session* because it relates to USAC's *procurement strategy and contract administration*.
- (18) **i8** – Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports. USAC management recommends that this item be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* and may also include *pre-decisional matters* pending before the FCC to which USAC is privy, where discussion of such matters in open session would undermine the deliberative process or result in the disclosure of an agency's conclusions or rationales before the matter is formally decided. In addition, *47 C.F.R. § 54.711(b) requires USAC to keep all data obtained from contributors confidential*.
- (19) **a18** – *Personnel Matter*: Consideration of Contract Awards for the USAC Employee Benefit Program. USAC management recommends that discussion of this item occur in *Executive*

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

- (20) **a19 – Personnel Matter:** Consideration of 2024 Compensation Item. USAC management recommends that this meeting occur in *Executive Session* because it involves *personnel matters*.
- (21) **i9 – Confidential Board of Directors *Executive Session*.** For Board of Directors Only. USAC management recommends that this item be discussed in *Executive Session* because it involves *internal personnel matters*.

C. Consideration and Approval of Ten Routine Procurements

- (1) Consideration to Exercise Option Term for Long-Term Affordable Connectivity Program Project Management Office Services. The resolution is provided in **aBOD08cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (2) Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for Affordable Connectivity Program Portal. The resolution is provided in **aBOD9cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (3) Consideration to Exercise Second One-Year Option Term of Task Order for Enterprise Architecture Assessment and Support Services. The resolution is provided in **aBOD10cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (4) Consideration to Exercise the Second One-Year Option Term for Affordable Connectivity Program Email Processing Services. The resolution is provided in **aBOD11cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (5) Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, and Call Center Services. The resolution is provided in **aBOD12cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (6) Consideration to Exercise Option Terms for Call Center Services & Customer Relationship Management System. The resolution is provided in **aBOD13cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (7) Consideration to Exercise Option Terms for Beneficiary and Contributor Audit Program (BCAP) Contract. The resolution is provided in **aBOD14cf**. If discussion is needed, it will be conducted in *Executive Session*.
- (8) Consideration to Exercise One-Year Option Term for National Supply Chain Audit Services. The resolution is provided in

aBOD15cf. If discussion is needed, it will be conducted in *Executive Session*.

- (9) Consideration of a Contract Modification for Emergency Connectivity Fund Business Process Outsourcing Services. The resolution is provided in **aBOD16cf.** If discussion is needed, it will be conducted in *Executive Session*.
- (10) Consideration to Exercise Option Term for Affordable Connectivity Program Business Process Outsourcing Services. The resolution is provided in **aBOD17cf.** If discussion is needed, it will be conducted in *Executive Session*.

D. Consideration of Approval to Reimburse Board Members to Attend an Event Other than a USAC Board or Committee Meeting. (*see Attachments D-1 through D-3*).

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

RESOLVED, that the USAC Board of Directors hereby approves: (1) the Board meeting minutes of July 25, 2023 and August 1, 2023; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of ten routine procurements as presented in items **aBOD08cf – aBOD17cf.**

RESOLVED, that in accordance with the *Procedures for Requesting Approval and Reimbursing a Member of the Board of Directors for Expenses Incurred while Conducting USAC Business other than Board of Directors Meetings*, the Board of Directors authorizes USAC management to reimburse Mr. Joe Gillan, Mr. Ken Mason, and Ms. Julie Tritt Schell should they travel to Washington, D.C. for the purpose of participating in USAC’s 2024 Budget Planning Review.

- i1. Reports from the Committee Chairs: Audit Committee, High Cost & Low Income Committee, Rural Health Care Committee, and Schools & Libraries Committee.** Mr. Mason presented the report for the Executive Compensation Committee and the High Cost & Low Income Committee. Dr. Domenech presented the report for the Schools & Libraries Committee. Dr. Wibberly presented the report for the Rural Health Care Committee. Mr. Feiss presented the report for the Audit Committee.
- a2. 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 2024 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 30, 2024 meeting nominations for the elected USAC officer positions; and

RESOLVED FURTHER, that the USAC Board of Directors appoints **Sarah Freeman** as Nominating Committee Chair and **Dr. Joan Wade** and **Amber Gregory** as members of the Nominating Committee; and

RESOLVED FURTHER, that the USAC Board of Directors directs each committee of the Board to bring to the Board, at the January 30, 2024 meeting, nominations for a chair and vice-chair of each respective committee.

- a3. Approval of Connected Care Pilot Program 1st Quarter 2024 Budget and Demand Projection for the November 2, 2023 Federal Communications Commission (FCC) Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Connected Care Pilot Program 1st quarter 2024 demand projection for the November 2, 2023 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, having reviewed at its meeting on October 31, 2023 the 1st Quarter 2024 Connected Care Pilot Program demand estimate of (\$0.51) million, hereby directs USAC staff to proceed with the required November 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

- i2. Connected Care Pilot Program Update.** Mr. Gillan noted that the report was provided for *information only* and would be posted on USAC's public website. No discussion was held.
- a4. Approval of USAC Common and Consolidated 1st Quarter 2024 Budgets for the November 2, 2023 FCC Filing.** Ms. Garber presented this item for consideration. The presentation included a written report on USAC management's recommendations for USAC's common and consolidated 1st Quarter 2024 budgets for the November 2, 2023 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 2024 common budget of \$37.35 million; and

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RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$37.35 million for common costs in the required November 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors; and

RESOLVED FURTHER, that the USAC Board of Directors approves a 1st Quarter 2024 consolidated budget to administer the Universal Service Fund of \$71.54 million; and

RESOLVED FURTHER, that the USAC Board of Directors directs USAC staff to submit a collection requirement of \$71.54 million for consolidated costs in the required November 2, 2023 filing to the Federal Communications Commission on behalf of the USAC Board of Directors.

i3. Enterprise Business Updates:

- A. Appropriated Programs.** Mr. Davis presented PowerPoint slides on the status of the Emergency Connectivity Fund and Mr. O'Brien provided an update on the Affordable Connectivity Program.
- B. ERP Status Update.** Ms. Garber provided an update on Enterprise Resource Planning.

At 10:51 a.m. Eastern Time, on a motion duly made and seconded, the Board moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

i4. Enterprise Business Updates (Continued):

- A. IT Business Update.** Mr. Hutchinson presented PowerPoint slides that included updates on the IT Strategic Plan, Zero Trust Architecture Roadmap, and the USAC Cloud Architecture.
- B. Transparency Data Collection Project Demonstration.** Mr. O'Brien introduced this item and Mr. Loewus-Deitch conducted the demonstration.
- C. GAO Audit on FCC Oversight of USAC.** Ms. Sekar provided a verbal update to the Board.
- D. Consumer Research Litigation.** Ms. Williams verbally presented this item to the Board.

- i5. Information on the Contribution Factor.** Ms. Garber presented this item to the Board. The presentation included a written report providing USAC’s estimate of the 1st Quarter 2024 contribution factor.
- i6. Enterprise Risk Management Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included the following items:
- Q3 2023 Enterprise Risk Management Update
 - Q3 2023 Risk Management Council Minutes
- i7. Procurement Business Update.** Mr. Gillan noted that the report was provided for *information only*. No discussion was held. The report included an overview of major procurements completed in Q3 2023 and Q1 2024 anticipated activities.

The Board recessed at 11:36 a.m. Eastern Time and reconvened, continuing in *Executive Session* at 11:55 a.m. Eastern Time.

- a5. Consideration of a Contract Awards for High Cost Broadband Network Engineering Audit Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management’s recommendation to award a contract modification for Enterprise Resource Planning analysis and project management services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to award four (4) separate Indefinite Delivery Indefinite Quantity task order-based contracts for High Cost broadband network engineering audit services for a collective total not-to-exceed amount of \$1,500,000.00 (plus applicable taxes) over the four (4) concurrent twelve (12) month base periods. CN Ventures, Elite Systems, KCCTech, and Palmetto Engineering & Consulting will each be awarded one (1) of the four (4) contracts, with each individual contract having a twelve (12) month base period and the ability to exercise four (4) additional one (1) year option terms. Exercise of option terms to extend the contracts beyond the initial twelve (12) month base period is subject to required Federal Communications Commission (FCC) and Board approvals.

- a6. Consideration of a Contract Award for Enterprise Telecommunications Engineer Services.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background

detailing USAC management's recommendation to award a contract modification for Enterprise Telecommunications Services.

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

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award an indefinite delivery indefinite quantity task order-based time and material contract to Excyl, Inc. for Enterprise Telecommunications Engineer Services. The contract will be for a twelve (12) month base period, with the ability to exercise four (4) additional one- year option terms, for a five (5) year total not-to-exceed amount of \$1,094,608.00 (plus applicable taxes), with such amount including a contingency in the amount of \$100,000.00 (plus applicable taxes) to cover unforeseen costs over the life of the contract, subject to required Federal Communications Commission approval.

- a7. Consideration of a Contract Award for Varonis Licenses Subscription.** Mr. Beyerhelm presented this item for consideration. The presentation included a written summary, and the discussion provided background detailing USAC management's recommendation to award a contract for annual licenses and support for Varonis Licenses Subscription.

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

RESOLVED, that the Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price contract for annual licenses and support for Varonis Licenses Subscription to CDI, LLC for a three (3) year period of performance for a not-to-exceed amount of \$1,101,990.04 (plus applicable taxes), with such amount including a contingency of \$100,000.00 (plus applicable taxes) to cover potential growth within the business unit.

- a8. Consideration to Exercise Option Term for Long-Term Affordable Connectivity Program Project Management Office Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the second and final one-year option term of its task order with Deloitte LLP for long-term project management office services to support the Affordable Connectivity Program (ACP) for a not-to-exceed amount of \$4,250,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$18,580,195.00 (plus applicable taxes) to \$22,830,195.00 (plus applicable taxes), subject to required Federal Communications Commission

approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a9. Consideration of a Contract Modification for Operation and Maintenance, Design and Development, Licensing, and Hosting of the National Verifier and National Lifeline Accountability Database Systems for Affordable Connectivity Program Portal.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to modify its contract with Accenture Federal Services, LLC for the operation and maintenance, design, development, licensing, and hosting of the National Verifier and National Lifeline Accountability Database system for the Affordable Connectivity Program (ACP) by adding and exercising a third and final option term for a not-to-exceed amount of \$5,800,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed (NTE) amount from \$16,615,000.00 (plus applicable taxes) to \$22,415,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a10. Consideration to Exercise Second One-Year Option Term of Task Order for Enterprise Architecture Assessment and Support Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its task order under the USAC Professional Indefinite Delivery/Indefinite Quantity contract (Contract No. USAC 20-015) with Guidehouse, LLP for Enterprise Architecture Assessment and associated support by: (1) increasing the not-to exceed amount of the first one-year option term by \$537,500.00 (plus applicable taxes), and (2) exercising the second and final one-year option term for a not-to-exceed amount of \$3,517,500.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$4,317,493.64 to \$8,372,493.64 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a11. Consideration to Exercise the Second One-Year Option Term for Affordable Connectivity Program Email Processing Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the second and final one-year option term of the Affordable Connectivity Program (ACP) email services contract with

Guidehouse, LLP for a total not-to-exceed amount of \$6,248,769.10 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$10,349,826.22 (plus applicable taxes) to \$16,598,595.32 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a12. Consideration of a Contract Modification for Emergency Connectivity Fund Long Term Project Management, Business Process Outsourcing, Call Center Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its contract with Ernst & Young LLP for Emergency Connectivity Fund (ECF) long-term project management, business process outsourcing, and call center services by adding and exercising a second and final option term for a not-to-exceed amount of \$8,400,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount of \$33,331,126.00 to \$41,731,126.00 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a13. Consideration to Exercise Option Terms for Call Center Services & Customer Relationship Management System.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to exercise the second of four one-year option terms of its existing contract with Ernst & Young LLP for call center and customer relationship management system services for E-Rate, Rural Health Care, Finance, and High Cost by increasing the total not-to-exceed amount by \$3,991,086.20 (plus applicable taxes), thereby increasing the total not-to exceed amount supporting these programs from \$10,245,048.41 (plus applicable taxes) to \$14,236,134.61 (plus applicable taxes), subject to required Federal Communications Commission approval.

RESOLVED FURTHER, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to exercise the second of four one-year option terms of its existing contract with Ernst & Young LLP for call center and customer relationship management system services for the Emergency Connectivity Fund (ECF) by increasing the total not-to-exceed amount by \$670,475.00 (plus applicable taxes), thereby increasing the total not-to exceed amount supporting ECF from \$950,397.00 (plus applicable taxes) to

\$1,620,872.00 (plus applicable taxes) plus applicable taxes), subject to required Federal Communications Commission approval. This amount will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a14. Consideration to Exercise Option Terms for Beneficiary and Contributor Audit Program (BCAP) Contract.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the fourth one-year option term for the Beneficiary and Contributor Audit Program (BCAP) Services contract. The fourth one-year option term has a not-to-exceed amount of \$6,100,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$25,300,000.00 (plus applicable taxes) to \$31,400,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a15. Consideration to Exercise One-Year Option Term for National Supply Chain Audit Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the second one-year option term under the USAC Professional Indefinite Delivery/Indefinite Quantity contract (Contract No. AAD-21-016) for National Supply Chain Audit Services for a not-to-exceed amount of \$1,800,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$3,200,000.00 (plus applicable taxes) to \$5,000,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a16. Consideration of a Contract Modification for Emergency Connectivity Fund Business Process Outsourcing Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its Emergency Connectivity Fund (ECF) Business Process Outsourcing (BPO) contract with Maximus Federal Services by: (1) increasing the not-to-exceed amount of the second one-year option term by \$300,000.00 (plus applicable taxes), and (2) adding an additional one-year option term (Option Year 3) to the contract for a not-to-exceed amount of \$1,000,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$7,300,000.00 (plus applicable taxes) to \$8,600,000.00 (plus applicable taxes), subject to required FCC approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- a17. Consideration to Exercise Option Term for Affordable Connectivity Program Business Process Outsourcing Services.** No additional discussion was held on this item. The Board adopted the following resolution as part of the Consent Items:

RESOLVED, that the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the first one-year option term of its Affordable Connectivity Program Business Process Outsourcing contract with Maximus Federal Services for a not-to-exceed amount of \$7,500,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$9,904,002.45 (plus applicable taxes) to \$17,404,002.45 (plus applicable taxes), subject to required Federal Communications Commission approval. Amounts associated with these services will be expensed using congressionally appropriated funds and not the Universal Service Fund.

- i8. Information on Two USAC Audit and Assurance Audit Division Universal Service Contributor Revenue Audit Reports.** This item was provided for *information purposes only*. No discussion was held.

At 12:04 the Board continued in *Confidential Executive Session* with only members of the Board, Ms. Sekar, Mr. Beyerhelm, and Ms. Sadirkhanova present.

- a18. Personnel Matter:** Consideration of Contract Awards for the USAC Employee Benefit Program. Mr. Beyerhelm presented this item to the Board.

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 Federal Communications Commission approval, to award a one-year contract for employee medical and prescription drug benefits to Cigna Corporation for a not-to-exceed cost of \$13,543,594 (plus applicable taxes) and to award a one-year contract to The Guardian Life Insurance Company of America, Inc. for dental, vision, life, and disability benefits, for a not-to-exceed cost of \$1,518,225 (plus applicable taxes). The total estimated costs for the calendar year 2024 for USAC employee and retiree benefits program is \$15,061,820 (plus applicable taxes).

- a19. Personnel Matter:** Consideration of 2024 Compensation Item. Mr. Beyerhelm facilitated this discussion.

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

RESOLVED, that the USAC Board of Directors, having reviewed the USAC management and the Executive Compensation Committee

proposed 2024 merit-based salary increase and incentive awards programs for USAC employees, hereby approves the proposed program.

At 12:25 the Board continued in *Confidential Executive Session* with only non-staff members of the Board present.

i9. Confidential Executive Session: Board of Directors Only. Mr. Gillan facilitated this discussion.

OPEN SESSION

At 12:40 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 acted on items a5-a7, a18 and a19, and discussed items i4, i5, and i9.

On a motion duly made and seconded, the Board adjourned at 12:40 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

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

**Monday, December 18, 2023
Written Unanimous Consent
Please Respond by December 22, 2023 at 5:00 p.m. ET
Universal Service Administrative Company Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>LEAD</u>	<u>Open Session</u> <i>Available for Public Use</i>
Chair	a1. Election of Members to the USAC Board of Directors and Appointment of Members to Programmatic Committees

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

BOARD OF DIRECTORS MEETING
Monday, December 18, 2023

MINUTES

In a Public Notice dated December 14, 2023 (DA-22-1365A1), Federal Communications Commission (FCC or Commission) Chairwoman Rosenworcel appointed the following six individuals to the USAC Board of Directors (Board):

- Mona L. Thompson, General Manager of the Cheyenne River Sioux Tribe Telephone Authority, Representative for Tribal communities;
- Sheba Chacko, Chief Regulatory Counsel, British Telecoms in the Americas, Representative for competitive local exchange carriers;
- Kara Semmler, General Counsel and Executive Director, South Dakota Telecommunications Association, Representative for incumbent local exchange carriers (non-Bell Operating Companies) with \$40 million or less in annual revenue;
- Angela Siefer, Executive Director, National Digital Inclusion Alliance, Representative for low-income consumers;
- Joan H. Wade, Ed.D., Executive Director, Association of Educational Service Agencies, Representative for schools that are eligible to receive discounts pursuant to section 54.501 of the Commission's rules; and
- Katharine Hsu Wibberly, Ph.D., Director, Mid-Atlantic Telehealth Resource Center, Representative for rural health care providers that are eligible to receive supported services pursuant to section 54.601 of the Commission's rules.

On December 18, 2023, 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 19, 2023 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 Chairwoman 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, 2024:

- Kara Semmler for a term expiring on December 31, 2026;
- Katharine Hsu Wibberly, Ph.D. for a term expiring on December 31, 2026;

- Joan H. Wade Ed.D. for a term expiring on December 31, 2026;
- Angela Siefer for a term expiring on December 31, 2026;
- Sheba Chacko for a term expiring on December 31, 2026; and
- Mona L Thompson for a term expiring on December 31, 2026;

RESOLVED FURTHER, that each of the aforementioned directors shall remain a director until: (i) such director's resignation, (ii) such director's removal pursuant to Article II, § 7 of the USAC By-laws and the provisions of the Delaware General Corporation Law, (iii) the 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 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 and Mona Thompson are hereby appointed to the Schools & Libraries Committee;
- Angela Siefer, Kara Semmler, and Sheba Chacko 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/ Erin Williams
Assistant Secretary