

**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

HIGH COST AND LOW INCOME COMMITTEE MEETING
Monday, January 23, 2023

MINUTES¹

Previously, on November 28, 2022 the Committee authorized USAC to award a contract to a new vendor, Navient B.P.O., LLC, for Lifeline call center services. 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 Lifeline Program Call Center Services.** On January 20, 2023, briefing papers were distributed to the Committee 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 Lifeline call center services were timely received by January 23, 2023, providing unanimous consent from all 11 Committee members. The Committee adopted the following resolution:

RESOLVED, that the USAC High Cost Low Income Committee, having reviewed the recommendation of USAC management, hereby authorizes management to modify the Lifeline Program call center services contract with Conduent State & Local Solutions, Inc. (1) by increasing the total not-to-exceed amount of the contract by \$1,800,000.00 (plus applicable taxes) from \$107,970,000.00 (plus applicable taxes) to \$109,770,000.00 (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.

/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
High Cost & Low Income Committee
Quarterly Meeting
Agenda**

<p>Monday, January 30, 2023 2:25 p.m. – 4:20 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
--

HIGH COST OPEN SESSION		<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="margin-left: 20px;">A. Approval of High Cost & Low Income Committee Meeting Minutes of October 24 and November 28, 2022</p> <p style="margin-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p> <p style="margin-left: 20px;">C. Consideration and Approval of One Lifeline Routine Procurement(s)</p>	5
Chair	<p>a2. Recommendation for Election of Committee Chair and Vice Chair</p>	5
Vic	<p>a3. Approval of High Cost Support Mechanism 2nd Quarter 2023 Programmatic Budget and Demand Projection for the January 31, 2023 FCC Filing</p>	5
Teleshia	<p>i1. Information on Seven USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–
Vic	<p>i2. High Cost Business Update:</p> <ul style="list-style-type: none"> • 2022 Year in Review • Plans for 1Q2023 • Roadmap • Appendix: Program Metrics and Verification Snapshot 	20

LOW INCOME OPEN SESSION		<i>Estimated Duration in Minutes</i>
Tim	<p>a4. Approval of Low Income Support Mechanism 2nd Quarter 2023 Programmatic Budget and Demand Projection for the January 31, 2023 FCC Filing</p>	5
Teleshia	<p>i3. Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report <i>(For Information Only)</i></p>	–

Available For Public Use

Tim	i4. Low Income (Lifeline) Business Update <ul style="list-style-type: none"> • 2022 Year in Review <ul style="list-style-type: none"> ○ National Verifier Highlights ○ Lifeline Subscriber Trends • Plans for Next Quarter • Roadmap • Appendix: Program Metrics and Service Type Trends 	20
-----	--	----

LOW INCOME EXECUTIVE SESSION Confidential –HC Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Tim	i5. Low Income (Lifeline) Business Update <i>(Continued)</i>	10
Tim	a5. Approval of Low Income Support Mechanism 2023 Annual Programmatic Budget	10
Teleshia	i6. Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i>	–
Teleshia	i7. Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i>	–
Chris	a6. Consideration to Exercise Remaining Option Terms for Lifeline Program Third Party Identification and Verification Services	–

HIGH COST EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Vic	i8. High Cost Business Update <i>(Continued)</i>	15
Vic	a7. Approval of High Cost Support Mechanism 2023 Annual Programmatic Budget	10
Chair	i9. <i>Executive Session</i> Discussion with the High Cost and Low Income Committee/Board <i>(if needed)</i>	-

Next Scheduled USAC High Cost & Low Income Committee Meeting

Thursday, April 20, 2023 USAC Offices, Washington, D.C.
--

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

HIGH COST & LOW INCOME COMMITTEE MEETING
Monday, January 30, 2023

MINUTES¹

The quarterly meeting of the High Cost & Low Income Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, January 30, 2023. Mr. Ken Mason, Committee Chair, called the meeting to order at 2:35 p.m. Eastern Time, with a quorum of all 11 Committee members present:

Chalk, Indra	Polk, Stephanie – <i>by telephone</i>
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah – <i>by telephone</i>	Skrivan, Michael
Gillan, Joe	Waller, Jeff – <i>by telephone</i>
Jacobs, Ellis – <i>by telephone</i>	Wein, Olivia – Vice Chair
Mason, Ken – Chair	

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Chief Administrative Officer – *by telephone*
Butler, Stephen – Vice President of Shared Services
Buzacott, Alan – Member of the Board
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 – *by telephone*
Gregory, Amber – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline
Schell, Julie Tritt – Member of the Board
Wade, Dr. Joan – Member of the Board
Wibberly, Dr. Kathy – Member of the Board
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Case, Kevin – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Havivi, Daniel – <i>by telephone</i>	USAC
Kahn, Sammy	USAC
Little, Chris	USAC
Parsons, Laura – <i>by telephone</i>	Maximus
Phillippi, Megan	USAC
Roach, Daulton – <i>by telephone</i>	Deloitte
Rones, Julie – <i>by telephone</i>	USAC
Ruffley, Brandon	USAC
Simab, Habib	USAC
Suggs-Moore, Vickie	USAC
Tiwari, Tanya – <i>by telephone</i>	Morgan Lewis
Wilson, Carl	USAC

HIGH COST OPEN SESSION

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

- a1. Consent Items.** Mr. Mason presented the consent items to the Committee:
- A.** Approval of High Cost & Low Income Committee Meeting Minutes of October 24 and November 28, 2022.
 - B.** Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) i5** – Low Income (Lifeline) Business Update (*Continued*). USAC management recommended that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - (2) a5** – Approval of Low Income Support Mechanism 2023 Annual Programmatic Budget. USAC management recommended that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
 - (3) i6** – Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports. USAC management recommended that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures.

- (4) **i7** – Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports. USAC management recommended that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures.
- (5) **a6** – Consideration to Exercise Remaining Option Terms for Lifeline Program Third Party Identification and Verification Services. USAC management recommends that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (6) **i8** – High Cost Business Update (*Continued*). USAC management recommended that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (7) **a7** – Approval of High Cost Support Mechanism 2023 Annual Programmatic Budget. USAC management recommended that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (8) **i9** – *Executive Session* Discussion with the High Cost and Low Income Committee/Board. USAC management recommended that this item be discussed in *Executive Session* because it relates to the Committee’s oversight responsibilities and may involve discussion of *specific internal controls or confidential company data* or *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. Consideration and Approval of One Routine Procurement.

- (1) Approval of the Consideration to Exercise Remaining Option Terms for Lifeline Program Third Party Identification and Verification Services. The resolution is provided in **aHCLI06cf**.

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

RESOLVED that the High Cost & Low Income Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of October 24 and November 28, 2022; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of one routine procurement as presented in item aHCLI06cf.

- a2. Recommendation for Election of Committee Chair and Vice Chair.** Mr. Mason introduced Ms. Wade. As the Chair of the Nominating Committee, Ms. Wade reported on the election recommendations for the High Cost and Low Income Committee.

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

RESOLVED, that the USAC High Cost and Low Income Committee recommends that the USAC Board of Directors elect **Ken Mason** as Chair and **Olivia Wein** as Vice Chair of the Committee. The term for each position begins immediately upon the election to such position 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).

- a3. Approval of High Cost Support Mechanism 2nd Quarter 2023 Programmatic Budget and Demand Projection for the January 31, 2022 Federal Communications Commission (FCC) Filing.** Mr. Gaither presented this item for consideration. The presentation included a written report on USAC management's recommendations for the High Cost support mechanism 2nd quarter 2023 programmatic budget and demand projection for the January 31, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 2nd Quarter 2023 High Cost Support Mechanism program budget of \$6.40 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$6.40 million for High Cost Support Mechanism administrative costs in the required January 31, 2023 filing to the Federal Communications Commission on

behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on January 30, 2023 the 2nd Quarter 2023 High Cost Support Mechanism demand estimate of \$972.91 million, hereby directs USAC staff to proceed with the required January 31, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the High Cost Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i1. **Information on Seven USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i2. **High Cost Business Update.** Mr. Gaither presented PowerPoint slides to the Committee covering the following items:
 - 2022 Year in Review
 - Plans for 1Q2023
 - Roadmap

LIFELINE OPEN SESSION

- a4. **Approval of Low Income Support Mechanism 2nd Quarter 2023 Programmatic Budget and Demand Projection for the January 31, 2023 FCC Filing.** Mr. O'Brien presented this item to the Committee for consideration. The presentation included a written report on USAC management's recommendations for the Low Income support mechanism 2nd quarter 2023 programmatic budget and demand projection for the January 31, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 2nd Quarter 2023 Low Income Support Mechanism direct program budget of \$14.32 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$14.32 million for Low Income Support Mechanism administrative costs in the required January 31, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost &

Low Income Committee, having reviewed at its meeting on January 30, 2023 the 2nd Quarter 2023 Low Income Support Mechanism demand estimate of \$202.05 million, hereby directs USAC staff to proceed with the required January 31, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the Low Income Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million..

- i3. Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report.** This item was provided for *information purposes* only. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i4. Low Income (Lifeline) Business Update.** Mr. O'Brien presented PowerPoint slides to the Committee covering the following items:
- 2022 Year in Review
 - National Verifier Highlights
 - Lifeline Subscriber Trends
 - Plans for Next Quarter
 - Roadmap

At 3:17 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into ***Executive Session*** for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

LOW INCOME EXECUTIVE SESSION

At 3:25 p.m., the Committee took a 10 minute recess and returned at 3:35 p.m. in Executive Session.

- i5. Low Income (Lifeline) Business Update (*Continued*).** Mr. O'Brien presented PowerPoint slides to the Committee covering the Call Center transition.
- a5. Approval of Low Income Support Mechanism 2023 Annual Programmatic Budget.** Mr. O'Brien presented this item to the Committee for consideration. The presentation included a written report on the Low Income Support Mechanism annual programmatic budget.

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

RESOLVED, that the High Cost & Low Income Committee approves a 2023 annual programmatic budget for the Low Income Support Mechanism of \$57.95 million.

- i6. **Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held.
- i7. **Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held.
- a6. **Consideration to Exercise Remaining Option Terms for Lifeline Program Third Party Identification and Verification Services.** No additional discussion was held on this item. The Committee adopted the following resolution as part of the Consent Items:

RESOLVED, that the High Cost Low Income Committee, having reviewed the recommendation of USAC management, hereby authorizes management to exercise the second, third and fourth one-year option terms of its Third Party Identification and Verification (TPIV) Services contract with Transunion Public Sector to support the Lifeline Program for a not-to-exceed amount of \$2,437,675.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount of the contract from \$1,180,000.00 (plus applicable taxes) to \$3,617,675.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

HIGH COST EXECUTIVE SESSION

- i8. **High Cost Business Update (*Continued*).** Mr. Gaither, Mr. Khan, and Mr. Ruffley presented a video demonstrating High Cost verification automation efforts.
- a7. **Approval of High Cost Support Mechanism 2023 Annual Programmatic Budget.** Mr. Gaither presented this item to the Committee for consideration. The presentation included a written report on the High Cost Support Mechanism annual budget.

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

RESOLVED, that the High Cost & Low Income Committee approves a 2023 annual programmatic budget for the High Cost Support Mechanism of \$25.78 million.

- i9. ***Executive Session Discussion with the High Cost and Low Income Committee and Board.*** The Committee determined that a confidential *Executive Session* for members of the High Cost and Low Income Committee and the Board was not needed.

OPEN SESSION

At 4:11 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Mason reported that in *Executive Session*, the Committee discussed items i5 and i8 and took action on items a5 and a7.

On a motion duly made and seconded, the Committee adjourned at 4:12 p.m. Eastern Time.

/s/ Erin Williams
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>
--

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> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Chris	a2. Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO) Services (<i>same as aHCLI01cf</i>)	5
Chris	a3. Consideration of Contract Award for Dell/EMC Unity Hardware Support	5
Chris	a4. Consideration of a Contract Modification for Amazon Web Services and GovCloud Hosting	-
Chris	a5. Consideration of Contract Modification for Microsoft Enterprise Agreement	-

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

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

HIGH COST & LOW INCOME COMMITTEE MEETING
Thursday, March 16, 2023

MINUTES¹

The non-quarterly meeting of the High Cost & Low Income Committee (Committee) was conducted by web conference on Thursday, March 16, 2023. At the requested of Ken Mason, Committee Chair, Joe Gillan, Board Chair, chaired the meeting. The meeting was called to order at 3:31 p.m. Eastern Time with a quorum of ten of the 11 Committee members present:

Chalk, Indra	Polk, Stephanie
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Skrivan, Michael
Gillan, Joe	Waller, Jeff
Mason, Ken – Chair	Wein, Olivia – Vice Chair

Member of the Board not present:

Jacobs, Ellis

Officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Buzacott, Alan – Member of the Board
Domenech, Dr. Dan – Member of the Board
Fontana, Brent – Member of the Board
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and Assistant Treasurer
Gregory, Amber – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline
Sanquist, Christine – Member of the Board
Schell, Julie Tritt – Member of the Board
Wade, Joan – Member of the Board
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 by telephone:

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

OPEN SESSION

- a1. **Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO).** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

RESOLVED, that the High Cost & Low Income Committee approves discussion of this item in *Executive Session*.

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

EXECUTIVE SESSION

- a1. **Consideration of Contract Award for Lifeline and Affordable Connectivity Program Business Process Outsourcing (BPO).** 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 Lifeline BPO services.

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

RESOLVED, that the High Cost & Low Income Committee of 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 Lifeline 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 \$8,457,181.70 (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 Federal Communications Commission and Committee approvals.

OPEN SESSION

At 3:39 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Committee took action on item a1.

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

/s/ Erin Williams
Assistant Secretary

**Universal Service Administrative Company
High Cost & Low Income Committee
Quarterly Meeting
Agenda**

<p>Thursday, April 20, 2022 1:30 p.m. – 2:45 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
--

HIGH COST OPEN SESSION		<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="padding-left: 20px;">A. Approval of High Cost & Low Income Committee Meeting Minutes of January 23 and 30; and March 16, 2023</p> <p style="padding-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p> <p style="padding-left: 20px;">C. Consideration and Approval of One Lifeline Routine Procurement</p>	5
Vic	<p>a2. Approval of High Cost Support Mechanism 3rd Quarter 2023 Programmatic Budget and Demand Projection for the May 2, 2023 FCC Filing</p>	5
Teleshia	<p>i1. Information on Eight USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–
Vic Kyle	<p>i2. High Cost Business Update</p> <ul style="list-style-type: none"> • 1Q2023 Accomplishments • Plans for 2Q2023 • RPA Rollout Status Roadmap • Roadmap • Appendix: Metrics 	25

LOW INCOME OPEN SESSION		<i>Estimated Duration in Minutes</i>
Tim	<p>a3. Approval of Low Income Support Mechanism 3rd Quarter 2023 Programmatic Budget and Demand Projection for the May 2, 2023 FCC Filing</p>	5

Available For Public Use

Tim	i3. Low Income (Lifeline) Business Update <ul style="list-style-type: none"> • Q12023 Accomplishments <ul style="list-style-type: none"> ○ National Verifier Highlights • Plans for Next Quarter • Roadmap • Appendix: Metrics 	25
-----	---	----

LOW INCOME EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Tim	i4. Low Income (Lifeline) Business Update <i>(Continued, if needed)</i>	–
Teleshia	i5. Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report <i>(For Information Only)</i>	–
Teleshia	i6. Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report <i>(For Information Only)</i>	–
Chris	a4. Consideration of a Contract Award for Computer Matching Program Operations and Maintenance Services <i>(same as aBOD04)</i>	5
Chris	a5. Consideration of a Contract Modification for Lifeline Call Center Services	-

HIGH COST EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Kyle	i7. High Cost Business Update <i>(Continued)</i> <ul style="list-style-type: none"> • HCLI Modernization Status Update 	10
Teleshia	i8. Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report(s) <i>(For Information Only)</i>	–

Available For Public Use

Next Scheduled USAC High Cost & Low Income Committee Meeting

Monday, July 24, 2023

USAC Offices, Washington, D.C.

Available For Public Use

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

HIGH COST & LOW INCOME COMMITTEE MEETING
Thursday, April 20, 2023

MINUTES¹

The quarterly meeting of the High Cost & Low Income Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Thursday, April 20, 2023. Mr. Ken Mason, Committee Chair, called the meeting to order at 1:30 p.m. Eastern Time, with a quorum of ten of 11 Committee members present:

Chalk, Indra	Mason, Ken – Chair
Feiss, Geoff	Polk, Stephanie – <i>by telephone</i>
Freeman, Sarah – <i>by telephone</i>	Sekar, Radha – Chief Executive Officer
Gillan, Joe	Waller, Jeff – <i>by telephone</i>
Jacobs, Ellis – <i>by telephone</i>	Wein, Olivia – Vice Chair

Member of the Committee not present:

Skrivan, Michael

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Butler, Stephen – Vice President of Shared Services – *by telephone*
Buzacott, Alan – Member of the Board
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
Gregory, Amber – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline
Schell, Julie Tritt – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care
Wade, Dr. Joan – Member of the Board
Wibberly, Dr. Kathy – Member of the Board
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Bolling, Christopher – <i>by telephone</i>	USAC
Borg, Jeanenne – <i>by telephone</i>	USAC
Faunce, Donna – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Havivi, Daniel – <i>by telephone</i>	USAC
Morgan, Meredith	USAC
Nuzzo, Patsy	USAC
Phillippi, Megan	USAC
Robinson, Jen – <i>by telephone</i>	USAC
Rones, Julie	USAC
Ruffley, Brandon – <i>by telephone</i>	USAC
Sadirkhanova, Sabina – <i>by telephone</i>	USAC
Simab, Habib	USAC
Suggs-Moore, Vickie	USAC
Wilson, Carl	USAC
Xu, Wayne – <i>by telephone</i>	USAC

HIGH COST OPEN SESSION

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

- a1. Consent Items.** Mr. Mason presented the consent items to the Committee:
- A.** Approval of High Cost & Low Income Committee Meeting Minutes of January 23 and 30; and March 16, 2023.
 - B.** Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) i4** – Low Income (Lifeline) Business Update (*Continued, if needed*). USAC management recommended that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - (2) i5** – Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report. USAC management recommended that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures.
 - (3) i6** – Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report. USAC

management recommended that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures.

- (4) **a4** – Consideration of a Contract Award for Computer Matching Program Operations and Maintenance Services (*same as aBOD04cf*). USAC management recommended that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (5) **a5** – Consideration of a Contract Modification for Lifeline Call Center Services. USAC management recommended that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.
- (6) **i7** – High Cost Business Update (*Continued*). USAC management recommended that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (7) **i8** – Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report. USAC management recommended that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures.

C. Consideration and Approval of One Routine Procurement.

Approval of the Consideration of a Contract Modification for Lifeline Call Center Services. The resolution was provided in **aHCLI05cf**.

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

RESOLVED, that the High Cost & Low Income Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of January 23, January 30, and March 16, 2023; (2) discussion in *Executive Session* of the items noted above; and (3) the approval of one routine procurement as presented in item aHCLI05cf.

- a2. **Approval of High Cost Support Mechanism 3rd Quarter 2023 Programmatic Budget and Demand Projection for the May 2, 2023 Federal Communications Commission (FCC) Filing.** Mr. Gaither presented this item for consideration. The

presentation included a written report on USAC management's recommendations for the High Cost support mechanism 3rd quarter 2023 programmatic budget and demand projection for the May 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 3rd Quarter 2023 High Cost Support Mechanism program budget of \$6.44 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$6.44 million for High Cost Support Mechanism administrative costs in the required May 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on April 20, 2023 the 3rd Quarter 2023 High Cost Support Mechanism demand estimate of \$1,044.23 million, hereby directs USAC staff to proceed with the required May 2, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the High Cost Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i1. **Information on Eight USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i2. **High Cost Business Update.** Mr. Gaither and Mr. Hutchinson presented PowerPoint slides to the Committee covering the following items:
 - 1Q2023 Accomplishments
 - Plans for 2Q2023
 - Robotics Process Automation Rollout Status Roadmap
 - Roadmap

LIFELINE OPEN SESSION

- a3. Approval of Low Income Support Mechanism 3rd Quarter 2023 Programmatic Budget and Demand Projection for the May 2, 2023 FCC Filing.** Mr. O'Brien presented this item to the Committee for consideration. The presentation included a written report on USAC management's recommendations for the Low Income Support Mechanism 3rd quarter 2023 programmatic budget and demand projection for the May 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 3rd Quarter 2023 Low Income Support Mechanism direct program budget of \$14.60 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$14.60 million for Low Income Support Mechanism administrative costs in the required May 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on April 20, 2023, the 3rd Quarter 2023 Low Income Support Mechanism demand estimate of \$206.97 million, hereby directs USAC staff to proceed with the required May 2, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the Low Income Support Mechanism is equal to or less than \$10 million or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i3. Low Income (Lifeline) Business Update.** Mr. O'Brien presented PowerPoint slides to the Committee covering the following items:
- Q1 2023 Accomplishments
 - National Verifier Highlights
 - Lifeline Subscriber Trends
 - Plans for Next Quarter
 - Roadmap

At 2:05 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into ***Executive Session*** for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

LOW INCOME EXECUTIVE SESSION

- i4. **Low Income (Lifeline) Business Update (*Continued, if needed*).** The Committee determined no further discussion was needed on the Low Income (Lifeline) Business Update in *Executive Session*.
- i5. **Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report.** This item was provided for *information purposes* only. No discussion was held.
- i6. **Information on One USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Report.** This item was provided for *information purposes* only. No discussion was held.
- a4. **Consideration of a Contract Award for Computer Matching Program Operations and Maintenance Services (*same as aBOD04cf*).** 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 Lifeline Program.

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

RESOLVED, that the USAC High Cost & Low Income Committee, 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 Lifeline 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 Universal Service Fund in support of the Lifeline Program, as eventually determined by the parties and as instructed in writing by the Federal Communications Commission.

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

RESOLVED, that the High Cost & Low Income Committee, 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 \$3,500,000.00 (plus applicable taxes) for postage fees associated with Lifeline mailings, thereby increasing the total not-to-exceed amount from \$61,986,817.30 (plus applicable

taxes) to \$65,486,817.30 (plus applicable taxes), subject to required Federal Communications Commission (FCC) approval.

HIGH COST EXECUTIVE SESSION

- i7. **High Cost Business Update (*Continued*)**. Mr. Gaither and Mr. Hutchinson presented PowerPoint slides on the HCLI modernization status.
- i8. **Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report**. This item was provided for *information purposes* only. No discussion was held.

OPEN SESSION

At 2:19 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Mason reported that in *Executive Session*, the Committee discussed item i7 and took action on item a4.

On a motion duly made and seconded, the Committee adjourned at 2:19 p.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

**Universal Service Administrative Company
High Cost & Low Income Committee
Quarterly Meeting
Agenda**

<p>Monday, July 24, 2023 11:00 a.m. – 12:15 p.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>

HIGH COST OPEN SESSION		<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="padding-left: 20px;">A. Approval of High Cost & Low Income Committee Meeting Minutes of April 20, 2023.</p> <p style="padding-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p>	5
Vic	<p>a2. Approval of High Cost Support Mechanism 4th Quarter 2023 Programmatic Budget and Demand Projection for the August 2, 2023 FCC Filing</p>	5
Teleshia	<p>i1. Information on Eleven USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–
Vic	<p>i2. High Cost Business Update:</p> <ul style="list-style-type: none"> • 2Q2023 Accomplishments • Plans for 3Q2023 • Roadmap • Appendix: Metrics 	25

LOW INCOME OPEN SESSION		<i>Estimated Duration in Minutes</i>
Tim	<p>a3. Approval of Low Income Support Mechanism 4th Quarter 2023 Programmatic Budget and Demand Projection for the August 2, 2023 FCC Filing</p>	5
Teleshia	<p>i3. Information on Four USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–

Available For Public Use

LOW INCOME OPEN SESSION		<i>Estimated Duration in Minutes</i>
Tim	i4. Low Income (Lifeline) Business Update <ul style="list-style-type: none"> • Q22023 Accomplishments • National Verifier Highlights • Plans for Next Quarter • Roadmap • Appendix: Program Metrics 	25

LOW INCOME EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Tim	i5. Low Income (Lifeline) Business Update <i>(Continued, if needed)</i>	5

HIGH COST EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Teleshia	i6. Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report <i>(For Information Only)</i>	–
Chris	a4. Consideration of a Contract Award for Mobile Assessment Services in the State of Alaska	5

Next Scheduled USAC High Cost & Low Income Committee Meeting

Monday, October 30, 2023 USAC Offices, Washington, D.C.
--

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

HIGH COST & LOW INCOME COMMITTEE MEETING
Monday, July 24, 2023

MINUTES¹

The quarterly meeting of the High Cost & Low Income Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, July 24, 2023. Mr. Ken Mason, Committee Chair, called the meeting to order at 11:00 a.m. Eastern Time, with a quorum of 10 of 11 Committee members present:

Chalk, Indra	Polk, Stephanie – <i>by telephone</i>
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Skrivan, Michael
Gillan, Joe	Waller, Jeff – <i>by telephone</i>
Mason, Ken – Chair	Wein, Olivia – Vice Chair

Members of the Committee not present:

Jacobs, Ellis

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Buzacott, Alan – Member of the Board
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
Gregory, Amber – Member of the Board
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
Wade, Dr. Joan – Member of the Board
Wibberly, Dr. Kathy – Member of the Board – *by telephone*
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Alomari, Ghanem	USAC
Burchins, Jessica – <i>by telephone</i>	Nelson Mullins Riley & Scarborough
Calhoun, Mitch	USAC
Campbell, Jo-Ann	USAC
Campos Rosy	CMS Consulting
Case, Kevin	USAC
Choi, Hillary	USAC
Claxton, Naomi	USAC
Faunce, Donna – <i>by telephone</i>	USAC
Goode, Vernell	USAC
Havivi, Daniel – <i>by telephone</i>	USAC
Hipolito, Mharizza	USAC
James, Christine	USAC
Kahn, Sammy	USAC
Krueger, Katie	KPMG
Malashenok, Inna	USAC
Morgan, Meredith	USAC
Nuzzo, Patsy	USAC
Ruffley, Brandon – <i>by telephone</i>	USAC
Schrader, Theresa	Broadband Legal Strategies
Shang, Matthew	USAC
Simab, Habib	USAC
Suggs-Moore, Vickie	USAC
Sural, Baylee	USAC
Weith, Tim	USAC
White, Stacy	USAC

HIGH COST OPEN SESSION

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

- a1. **Consent Items.** Mr. Mason presented the consent items to the Committee:
 - A. Approval of High Cost & Low Income Committee Meeting Minutes of April 20, 2023.
 - B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i5** – Low Income (Lifeline) Business Update (*Continued, if needed*).
USAC management recommended that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in

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

- (2) **i6** – Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report. USAC management recommends that this item be discussed in *Executive Session* because the report relates to *specific internal controls and/or confidential company data* that would constitute a discussion of internal rules and procedures and would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
- (3) **a4** – Consideration of a Contract Award for Mobile Assessment Services in the State of Alaska. USAC management recommends that this item be discussed in *Executive Session* because this matter relates to USAC’s *procurement strategy and contract administration*.

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

RESOLVED, that the High Cost & Low Income Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of April 20, 2023; and (2) discussion in *Executive Session* of the items noted above.

- a2. **Approval of High Cost Support Mechanism 4th Quarter 2023 Programmatic Budget and Demand Projection for the August 2, 2023 Federal Communications Commission (FCC) Filing.** Mr. Gaither presented this item for consideration. The presentation included a written report on USAC management’s recommendations for the High Cost support mechanism 4th quarter 2023 programmatic budget and demand projection for the August 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 4th Quarter 2023 High Cost Support Mechanism program budget of \$6.52 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$6.52 million for High Cost Support Mechanism administrative costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on July 24, 2023 the 4th

Quarter 2023 High Cost Support Mechanism demand estimate of \$1,066.88 million, hereby directs USAC staff to proceed with the required August 2, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the High Cost Support Mechanism is equal to or less than \$10 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i1. **Information on Eleven USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i2. **High Cost Business Update.** Mr. Gaither presented PowerPoint slides to the Committee covering the following items:
 - 2Q2023 Accomplishments
 - Plans for 3Q2023
 - Roadmap

LIFELINE OPEN SESSION

- a3. **Approval of Low Income Support Mechanism 4th Quarter 2023 Programmatic Budget and Demand Projection for the August 2, 2023 FCC Filing.** Mr. O'Brien presented this item to the Committee for consideration. The presentation included a written report on USAC management's recommendations for the Low Income Support Mechanism 4th quarter 2023 programmatic budget and demand projection for the August 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 4th Quarter 2023 Low Income Support Mechanism direct program budget of \$14.95 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$14.95 million for Low Income Support Mechanism administrative costs in the required August 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on July 24, 2023 the 4th Quarter 2023 Low Income Support Mechanism demand estimate of \$262.71 million, hereby directs USAC staff to proceed with the required August 2, 2023

filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the Low Income Support Mechanism is equal to or less than \$10 million or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million, but not more than \$15 million.

- i3. Information on Four USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i4. Low Income (Lifeline) Business Update.** Mr. O'Brien presented PowerPoint slides the Committee covering the following items:
- Q22023 Accomplishments
 - National Verifier Highlights
 - Lifeline Subscriber Trends
 - Plans for Next Quarter
 - Roadmap

At 11:45 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into ***Executive Session*** for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

LOW INCOME EXECUTIVE SESSION

- i5. Low Income (Lifeline) Business Update (*Continued, if needed*).** The Committee determined no further discussion was needed on the Low Income (Lifeline) Business Update in ***Executive Session***.

HIGH COST EXECUTIVE SESSION

- i6. Information on One USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Report.** This item was provided for *information purposes* only. No discussion was held.
- a4. Consideration of a Contract Award for Mobile Assessment Services in the State of Alaska.** 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 mobile assessment services in the state of Alaska.

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

RESOLVED, that the USAC High Cost Low Income Committee of the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to award a firm-fixed-price contract for mobile assessment services to Elite Systems, LLC for a one (1) year period of performance for a total not-to-exceed amount of \$437,800.00 (plus applicable taxes) with such amount including a 10% contingency of \$39,800.00 (plus applicable taxes) to cover potential unforeseen costs associated with the services, subject to required Federal Communications Commission approval.

OPEN SESSION

At 11:52 a.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Mason reported that in *Executive Session*, the Committee took action on item a4.

On a motion duly made and seconded, the Committee adjourned at 11:52 a.m. Eastern Time.

/s/ Erin Williams
Assistant Secretary

**Universal Service Administrative Company
High Cost & Low Income Committee
Quarterly Meeting
Agenda**

<p>Monday, October 30, 2023 10:00 a.m. – 11:35 a.m. Eastern Time USAC Offices 700 12th Street, N.W., Suite 900 Washington, D.C. 20005</p>
--

HIGH COST OPEN SESSION		<i>Estimated Duration in Minutes</i>
Chair	<p>a1. Consent Items (each available for discussion upon request):</p> <p style="margin-left: 20px;">A. Approval of High Cost & Low Income Committee Meeting Minutes of July 24, 2023.</p> <p style="margin-left: 20px;">B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i></p> <p style="margin-left: 20px;">C. Consideration and Approval of Four Routine Procurements</p>	5
Vic	<p>a2. Approval of High Cost Support Mechanism 1st Quarter 2024 Programmatic Budget and Demand Projection for the November 2, 2023 FCC Filing</p>	5
Teleshia	<p>i1. Information on Ten USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–
Vic	<p>i2. High Cost Business Update:</p> <ul style="list-style-type: none"> • Q3 2023 Accomplishments • Highlights of Enhanced ACAM • Plans for Q4 2023 • Roadmap • Appendix: Metrics 	25

LOW INCOME OPEN SESSION		<i>Estimated Duration in Minutes</i>
Tim	<p>a3. Approval of Low Income Support Mechanism 1st Quarter 2024 Programmatic Budget and Demand Projection for the November 2, 2023 FCC Filing</p>	5
Teleshia	<p>i3. Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports <i>(For Information Only)</i></p>	–

Available For Public Use

LOW INCOME OPEN SESSION (CONTINUED)		<i>Estimated Duration in Minutes</i>
Tim	i4. Low Income (Lifeline) Business Update <ul style="list-style-type: none"> • Q3 2023 Accomplishments • National Verifier Highlights • Plans for Q4 2023 • Roadmap • Appendix: Metrics 	25

LOW INCOME EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Teleshia	i5. Low Income (Lifeline) Business Update (<i>Continued</i>) <ul style="list-style-type: none"> • Lifeline Improper Payment Results 	5
Chris	a4. 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 the Lifeline Program	–
Chris	a5. Consideration to Exercise the Second One-Year Option Term for Lifeline Email Processing Services	–
Chris	a6. Consideration to Exercise Option Term for Lifeline Business Process Outsourcing Services	–

HIGH COST EXECUTIVE SESSION Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Vic Kyle Teleshia	i6. High Cost Business Update <ul style="list-style-type: none"> A1. Performance Measure Status A2. HCLI 2.0 Modernization Update A3. High Cost Improper Payment Results 	10 10 5
Chris	a7. Consideration of a Contract Modification for High Cost Model Operations and Maintenance and Enhancements	–

Next Scheduled USAC High Cost & Low Income Committee Meeting

Monday, January 29, 2024 USAC Offices, Washington, D.C.
--

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

HIGH COST & LOW INCOME COMMITTEE MEETING
Monday, October 30, 2023

MINUTES¹

The quarterly meeting of the High Cost & Low Income Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, October 30, 2023. Mr. Ken Mason, Committee Chair, called the meeting to order at 10:00 a.m. Eastern Time, with a quorum of 8 of 11 Committee members present:

Chalk, Indra	Mason, Ken – Chair
Feiss, Geoff	Sekar, Radha – Chief Executive Officer
Freeman, Sarah	Skrivan, Michael
Gillan, Joe	Wein, Olivia – Vice Chair

Members of the Committee not present:

Jacobs, Ellis	Waller, Jeff
Polk, Stephanie	

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Vice President and Chief Administrative Officer
Buzacott, Alan – Member of the Board
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
Gregory, Amber – Member of the Board
Hutchinson, Kyle – Vice President of IT and Chief Information Officer
O'Brien, Tim – Vice President of Lifeline
Sanquist, Christine – Member of the Board
Schell, Julie – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care
Wein, Olivia – Member of the Board
Wibberly, Dr. Kathy – Member of the Board – *by telephone*
Williams, Erin – Vice President, General Counsel, and Assistant Secretary

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

Others present:

<u>NAME</u>	<u>COMPANY</u>
Augustino, Steve – <i>by telephone</i>	Nelson Mullins Riley & Scarborough
Benham, Cathy – <i>by telephone</i>	CSM
Calhoun, Mitch	USAC
Campos, Joel – <i>by telephone</i>	Maximus
Case, Kevin	USAC
Claxton, Naomi	USAC
Duemmel, Mark	USAC
Faunce, Donna – <i>by telephone</i>	USAC
Green, Kevin	USAC
Goode, Vernell	USAC
Gould, Emily	USAC
Hamm, Aaron	USAC
Havivi, Daniel	USAC
Johnson, Tiffany – <i>by telephone</i>	USAC
Kahn, Sammy	USAC
King, Ryan	USAC
Little, Chris	USAC
Lougheed, Matthew	USAC
Malashenok, Yelena	USAC
Morning, Kimberly – <i>by telephone</i>	Morgan Lewis
Morgan, Meredith	USAC
Nuckols, Scott	Deloitte
Nuzzo, Patsy	USAC
Oliver, Lindsay	USAC
Rones, Julie	USAC
Ruffley, Brandon	USAC
Sadirkhanova, Sabina – <i>by telephone</i>	USAC
Sauls, Lucas – <i>by telephone</i>	Maximus
Schrader, Theresa – <i>by telephone</i>	Broadband Legal Strategies
Simab, Habib	USAC
Suggs-Moore, Vickie	USAC
Tessler, Joelle	USAC

HIGH COST OPEN SESSION

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

- a1. **Consent Items.** Mr. Mason presented the consent items to the Committee:
 - A. Approval of High Cost & Low Income Committee Meeting Minutes of July 24, 2023.
 - B. Approval of moving all *Executive Session* items into *Executive Session*:

- (1) **i5** – Low Income (Lifeline) Business Update (*Continued*). 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 and may also include a discussion of ***investigatory records or pending or contemplated enforcement action*** against participants in the universal service support mechanisms.
- (2) **a4** – 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 the Lifeline Program. USAC management recommends that this item be discussed in ***Executive Session*** because this matter relates to USAC’s ***procurement strategy and contract administration***.
- (3) **a5** – Consideration Exercise the Second One-Year Option Term for Lifeline Email Processing Services. USAC management recommends that this item be discussed in ***Executive Session*** because this matter relates to USAC’s ***procurement strategy and contract administration***.
- (4) **a6** – Consideration to Exercise Option Term for Lifeline Business Process Outsourcing Services. USAC management recommends that this item be discussed in ***Executive Session*** because this matter relates to USAC’s ***procurement strategy and contract administration***.
- (5) **i6** – High Cost Business Update: A1– Performance Measure Status and A2 – HCLI 2.0 Modernization Update. A3 – High Cost Improper Payment. 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 and may also include a discussion of ***investigatory records or pending or contemplated enforcement action*** against participants in the universal service support mechanisms.
- (6) **a7** – Consideration of a Contract Modification for High Cost Model Operations and Maintenance and Enhancements. USAC management recommends that this item be discussed in ***Executive Session*** because this matter relates to USAC’s ***procurement strategy and contract administration***.

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

RESOLVED, that the High Cost & Low Income Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of July 24, 2023; (2) discussion in ***Executive Session*** of the items noted above; and (3) the approval of four routine procurements as presented in items **aHCLI04cf – aHCLI07cf**.

- a2. Approval of High Cost Support Mechanism 1st Quarter 2024 Programmatic Budget and Demand Projection for the November 2, 2023 Federal Communications Commission (FCC) Filing.** Mr. Gaither presented this item for consideration. The presentation included a written report on USAC management's recommendations for the High Cost support mechanism 1st quarter 2024 programmatic budget and demand projection for the November 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 1st Quarter 2024 High Cost Support Mechanism program budget of \$6.34 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$6.34 million for High Cost Support Mechanism administrative costs in the required November 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on October 30, 2023 the 1st Quarter 2024 High Cost Support Mechanism demand estimate of \$1,090.21 million, hereby directs USAC staff to proceed with the required November 2, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the High Cost Support Mechanism is equal to or less than \$10 million or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million but not more than \$15 million.

- i1. Information on Ten USAC Audit and Assurance Division High Cost Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.
- i2. High Cost Business Update.** Mr. Gaither presented PowerPoint slides to the Committee covering the following items:
- Q3 2023 Accomplishments
 - Highlights of Enhanced ACAM
 - Plans for Q4 2023
 - Roadmap
 - Appendix: Metrics

LIFELINE OPEN SESSION

- a3. Approval of Low Income Support Mechanism 1st Quarter 2024 Programmatic Budget and Demand Projection for the November 2, 2023 FCC Filing.** Mr. O'Brien presented this item to the Committee for consideration. The presentation included a written report on USAC management's recommendations for the Low Income Support Mechanism 1st quarter 2024 programmatic budget and demand projection for the November 2, 2023 FCC filing.

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

RESOLVED, that the USAC High Cost & Low Income Committee approves a 1st Quarter 2024 Low Income Support Mechanism direct program budget of \$13.96 million; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee directs USAC staff to submit a collection requirement of \$13.96 million for Low Income Support Mechanism administrative costs in the required November 2, 2023 filing to the Federal Communications Commission on behalf of the Committee; and

RESOLVED FURTHER, that the USAC High Cost & Low Income Committee, having reviewed at its meeting on October 30, 2023 the 1st Quarter 2024 Low Income Support Mechanism demand estimate of \$225.47 million, hereby directs USAC staff to proceed with the required November 2, 2023 filing to the Federal Communications Commission on behalf of the Committee. USAC staff may make adjustments if the total variance for the Low Income Support Mechanism is equal to or less than \$10 million or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$10 million but not more than \$15 million.

- i3. Information on Two USAC Audit and Assurance Division Low Income Support Mechanism Beneficiary Audit Reports.** This item was provided for *information purposes* only. No discussion was held. Mr. Mason noted that the High Cost & Low Income Audit Briefing Book would be made public and posted to the USAC website.

- i4. Low Income (Lifeline) Business Update.** Mr. O'Brien presented PowerPoint slides the Committee covering the following items:
- Q3 2023 Accomplishments
 - 2023 Waviers
 - National Verifier Highlights
 - Plans for Next Quarter
 - Roadmap

- Appendix: Metrics

At 10:49 a.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

LOW INCOME EXECUTIVE SESSION

- i5. **Low Income (Lifeline) Business Update (Continued).** Ms. Delmar presented PowerPoint slides to the Committee covering Lifeline Improper Payment Results.
- a4. **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 the Lifeline Program.** No additional discussion was had on this item. The committee adopted the following resolution as a part of the Consent Items:

RESOLVED, that the USAC High Cost Low Income Committee, 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 Lifeline Program by adding and exercising a third and final option term for a not-to-exceed amount of \$9,500,000.00 (plus applicable taxes), thereby increasing the total not-to-exceed (NTE) amount from \$12,300,000.00 (plus applicable taxes) to \$21,800,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a5. **Consideration to Exercise the Second One-Year Option Term for Lifeline Email Processing Services.** No additional discussion was had on this item. The committee adopted the following resolution as a 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 Lifeline email services contract with Guidehouse, LLP for a total not-to-exceed amount of \$2,154,067.64 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$5,763,360.89 (plus applicable taxes) to \$7,917,428.53 (plus applicable taxes), subject to required Federal Communications Commission approval.

- a6. **Consideration to Exercise Option Term for Lifeline Business Process Outsourcing Services.** No additional discussion was had on this item. The committee adopted the following resolution as a 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 Lifeline Program Business Process Outsourcing contract with Maximus Federal Services for a not-to-exceed amount of \$8,464,925.00 (plus applicable taxes), thereby increasing the total not-to-exceed amount from \$8,457,181.70 (plus applicable taxes) to \$16,922,106.70 (plus applicable taxes), subject to required Federal Communications Commission approval.

HIGH COST EXECUTIVE SESSION

- i6. **High Cost Business Update (Continued).** Mr. Gaither presented information to the Committee on the status of Performance Measures testing; Mr. Hutchinson provided an update on the HCLI 2.0 Modernization; and Ms. Delmar presented information on High Cost Improper Payment Results.
- a7. **Consideration of a Contract Modification for High Cost Model Operations and Maintenance and Enhancements.** No additional discussion was had on this item. The committee adopted the following resolution as a part of the Consent Items:

RESOLVED, that the High Cost & Low Income Committee of the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes management to modify its existing contract with CostQuest Associates for the performance of High Cost model operations & maintenance and enhancements by increasing the total not-to-exceed amount by \$350,000.00 (plus applicable taxes), thereby increasing the total not-to exceed amount from \$1,600,000.00 (plus applicable taxes) to \$1,950,000.00 (plus applicable taxes), subject to required Federal Communications Commission approval.

OPEN SESSION

At 11:36 a.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Mason reported that in *Executive Session*, the Committee discussed items i5 and i6.

On a motion duly made and seconded, the Committee adjourned at 11:36 a.m. Eastern Time.

/s/ Erin Williams

Assistant Secretary

Available for Public Use