

Federal Communications Commission Washington, D.C. 20554

December 19, 2018

Radha Sekar Chief Executive Officer Universal Service Administrative Company 700 12th Street, N.W., Suite 900 Washington, D.C. 20005

Re: Budget Review Process

Dear Ms. Sekar:

To further ensure the Federal Communications Commission's (FCC) effective and efficient oversight of the Universal Service Administrative Company's (USAC) operations, USAC will submit to the Office of Managing Director (OMD) a report projecting USAC's planned budget and spending by budget object class for USAC's administrative expenses for each upcoming calendar year. USAC shall annually submit this preliminary budget report for OMD review in December, and OMD shall provide feedback within 30 days of receipt. USAC shall submit a final budget report for OMD review and approval in January. OMD will review the final budget report and provide feedback within 10 days. Pursuant to USAC's current procedures of providing the FCC with quarterly budget updates, USAC shall update its final annual budget submission at least quarterly.

OMD looks forward to continuing to work closely with USAC to ensure that the FCC's review and approval of USAC's budget and administrative expenses runs smoothly. Thank you for your commitment to this process, and please let me know if you have any questions.

Sincerely,

Mark Stephens

Managing Director

¹ The Office of Management and Budget's guidance in Circular A-11, entitled Preparation, Submission, and Execution of the Budget, provides a complete listing of budget object classes used by the Federal government. The FCC will work with USAC on the form and content of this budget report.