



Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

Federal Universal Service Support Mechanisms Fund Size
Projections for Second Quarter 2024

UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY
700 12TH STREET N.W., SUITE 900
WASHINGTON, D.C. 20005
VOICE: 202.776.0200
FAX: 202.776.0080
www.usac.org

February 1, 2024

TABLE OF CONTENTS

INTRODUCTION..... 1

ADMINISTRATIVE EXPENSES AND INTEREST INCOME PROJECTION 2

ADMINISTRATIVE EXPENSES..... 2

FUND ACTIVITY..... 3

EFFORTS TO PREVENT AND REDUCE IMPROPER PAYMENTS 3

FUNDING REQUIREMENTS..... 9

HIGH COST SUPPORT MECHANISM 9

 Connect America Fund Phase II 9

 Connect America Fund Phase II Auction 11

 Connect America Fund/Intercarrier Compensation Support 11

 Rural Broadband Experiments 12

 Mobility Fund Phase I 12

 Rate-of-Return Carriers 12

 High Cost Loop Support (including Safety Net Additive and Safety Valve Support) 13

 Alaska Plan Support 13

 Connect America Broadband Loop Support..... 14

 Alternative Connect America Model (A-CAM)..... 14

 A-CAM II..... 15

 Enhanced ACAM connect America cost model (E-ACAM) 15

 Price Cap Carriers 16

 Competitive Eligible Telecommunications Carriers 16

 Uniendo a Puerto Rico Fund/Connect USVI Fund 16

 Rural Digital Opportunity Fund 17

 High Cost Support Mechanism Summary..... 17

LOW INCOME SUPPORT MECHANISM..... 18

 Lifeline Support 18

 Link-up Support..... 19

LOW INCOME SUPPORT MECHANISM SUMMARY..... 19

RURAL HEALTH CARE SUPPORT MECHANISM..... 20

 Funding Year 2009 20

 Funding Year 2010 21

 Funding Year 2011 21

 Funding Year 2012 21

 Funding Year 2013 22

 Funding Year 2014 22

 Funding Year 2015 23

 Funding Year 2016 23

 Funding Year 2017 24

 Funding Year 2018 24

 Funding Year 2019 25

 Funding Year 2020 25

 Funding Year 2021 26



Funding Year 2022 26

Funding Year 2023 27

RURAL HEALTH CARE SUPPORT MECHANISM SUMMARY..... 28

CONNECTED CARE PILOT PROGRAM..... 28

CONNECTED CARE PILOT PROGRAM SUMMARY..... 29

SCHOOLS AND LIBRARIES SUPPORT MECHANISM..... 29

Funding Year 1998 29

Funding Year 1999 30

Funding Year 2000 30

Funding Year 2001 31

Funding Year 2002 31

Funding Year 2003 32

Funding Year 2004 32

Funding Year 2005 33

Funding Year 2006 33

Funding Year 2007 34

Funding Year 2008 34

Funding Year 2009 35

Funding Year 2010 35

Funding Year 2011 36

Funding Year 2012 36

Funding Year 2013 37

Funding Year 2014 37

Funding Year 2015 38

Funding Year 2016 39

Funding Year 2017 39

Funding Year 2018 40

Funding Year 2019 40

Funding Year 2020 41

Funding Year 2021 42

Funding Year 2022 42

Funding Year 2023 43

FCC Decisions and Unused Funds 43

SCHOOLS AND LIBRARIES SUPPORT MECHANISM SUMMARY 55

AUTHORIZATION TO FILE WITH THE COMMISSION 56

APPENDICES

HIGH COST

High Cost Support Projected by State by Study Area – 2Q2024.....	HC01
High Cost Support Projected by State – 2Q2024.....	HC02
Alaska Plan Support Projected by State by Study Area – 2Q2024	HC03
High Cost Loop Support Projected by State by Study Area – 2Q2024.....	HC04
Safety Valve Support Projected by State by Study Area – 2Q2024	HC05
Frozen High-Cost Support Projected by State by Study Area – 2Q2024.....	HC06
Connect America Fund Broadband Loop Support Projected by State by Study Area – 2Q2024.....	HC07
Connect America Fund Broadband Loop Support Projected by State – 2Q2024.....	HC08
Connect America Fund Intercarrier Compensation Support Projected by State by Study Area – 2Q2024	HC09
Mobility Fund Phase I by State by Study Area – 2Q2024.....	HC10
Connect America Fund Phase II Frozen Support (ACS) Projected by State by Study Area – 2Q2024	HC11
Rural Broadband Experiments Support Projected by State by Study Area – 2Q2024.....	HC12
Alternative Connect America Cost Model Support Projected by State by Study Area – 2Q2024	HC13
Rate of Return Budget Control Support Projected – 2Q2024.....	HC14
Connect America Fund Broadband Loop Support by State by Study Area – 2021 True – Up – 2Q2024.....	HC15
Connect America Fund Phase II Auction Support Projected by State by Study Area – 2Q2024.....	HC16
Alternative Connect America Cost Model II Support Projected by State by Study Area – 2Q2024.....	HC17
Uniendo Puerto Rico Fund Support Projected by State by Study Area – 2Q2024.....	HC18
Connect USVI Fund Support Projected by State by Study Area – 2Q2024..	HC19
Rural Digital Opportunity Fund Projected by State by Study Area – 2Q2024.....	HC20

LOW INCOME

Low Income Support Projected by State by Study Area – 2Q2024.....	LI01
[RESERVED]	LI02
Eligible Telecommunications Carriers – 4Q2023.....	LI03

APPENDICES

Quarterly Low Income Disbursement Amounts by Company – 4Q2023	LI04
Annual Low Income Support Claimed by State and Company –	
January 2021 through December 2023	LI05
Historical Data: Support Claimed by ETCs Each Month –	
January 1998 through December 2023	LI06
Low Income Support Claimed by State or Jurisdiction –	
January 2021 through December 2023	LI07
Lifeline Subscribers by State or Jurisdiction –	
January 2023 through December 2023	LI08
Link-Up Beneficiaries by State or Jurisdiction –	
January 2023 through December 2023	LI09
[RESERVED]	LI10

RURAL HEALTH CARE

Funding Year 2009 Disbursements to Service Providers through – 4Q2023..	RH01
Funding Year 2010 Disbursements to Service Providers through – 4Q2023..	RH02
Funding Year 2011 Disbursements to Service Providers through – 4Q2023..	RH03
Funding Year 2012 Disbursements to Service Providers through – 4Q2023..	RH04
Funding Year 2013 Disbursements to Service Providers through – 4Q2023..	RH05
Funding Year 2014 Disbursements to Service Providers through – 4Q2023..	RH06
Funding Year 2015 Disbursements to Service Providers through – 4Q2023..	RH07
Funding Year 2016 Commitments – 4Q2023	RH08
Funding Year 2016 Disbursements to Service Providers through – 4Q2023..	RH09
Funding Year 2017 Commitments – 4Q2023	RH10
Funding Year 2017 Disbursements to Service Providers through – 4Q2023..	RH11
Funding Year 2018 Commitments – 4Q2023	RH12
Funding Year 2018 Disbursements to Service Providers through – 4Q2023..	RH13
Funding Year 2019 Commitments – 4Q2023	RH14
Funding Year 2019 Authorizations – 4Q2023	RH15
Funding Year 2019 Disbursements to Service Providers through – 4Q2023..	RH16
Funding Year 2020 Commitments – 4Q2023	RH17
Funding Year 2020 Authorizations – 4Q2023	RH18
Funding Year 2020 Disbursements to Service Providers through – 4Q2023..	RH19
Funding Year 2021 Commitments – 4Q2023	RH20
Funding Year 2021 Authorizations – 4Q2023	RH21
Funding Year 2021 Disbursements to Service Providers through – 4Q2023..	RH22
Funding Year 2022 Commitments – 4Q2023	RH23

APPENDICES

Funding Year 2022 Authorizations – 4Q2023	RH24
Funding Year 2022 Disbursements to Service Providers through – 4Q2023..	RH25
Funding Year 2023 Commitments – 4Q2023	RH26
Funding Year 2023 Authorizations – 4Q2023	RH27
Funding Year 2023 Disbursements to Service Providers through – 4Q2023..	RH28

SCHOOLS AND LIBRARIES

Funding Year 2007 Commitments – 4Q2023	SL01
Funding Year 2012 Commitments – 4Q2023	SL02
Funding Year 2013 Commitments – 4Q2023	SL03
Funding Year 2014 Commitments – 4Q2023	SL04
Funding Year 2014 Authorizations – 4Q2023	SL05
Funding Year 2014 Disbursements to Service Providers through – 4Q2023 ..	SL06
Funding Year 2015 Commitments – 4Q2023	SL07
Funding Year 2015 Authorizations – 4Q2023.....	SL08
Funding Year 2015 Disbursements to Service Providers through – 4Q2023 ..	SL09
Funding Year 2016 Commitments – 4Q2023	SL10
Funding Year 2016 Authorizations – 4Q2023.....	SL11
Funding Year 2016 Disbursements to Service Providers through – 4Q2023 ..	SL12
Funding Year 2017 Commitments – 4Q2023	SL13
Funding Year 2017 Authorizations – 4Q2023.....	SL14
Funding Year 2017 Disbursements to Service Providers through – 4Q2023 ..	SL15
Funding Year 2018 Commitments – 4Q2023	SL16
Funding Year 2018 Authorizations – 4Q2023.....	SL17
Funding Year 2018 Disbursements to Service Providers through – 4Q2023 ..	SL18
Funding Year 2019 Commitments – 4Q2023	SL19
Funding Year 2019 Authorizations – 4Q2023.....	SL20
Funding Year 2019 Disbursements to Service Providers through – 4Q2023 ..	SL21
Funding Year 2020 Commitments – 4Q2023	SL22
Funding Year 2020 Authorizations – 4Q2023.....	SL23
Funding Year 2020 Disbursements to Service Providers through – 4Q2023 ..	SL24
Funding Year 2021 Commitments – 4Q2023	SL25
Funding Year 2021 Authorizations – 4Q2023.....	SL26
Funding Year 2021 Disbursements to Service Providers through – 4Q2023 ..	SL27
Funding Year 2022 Commitments – 4Q2023	SL28
Funding Year 2022 Authorizations – 4Q2023.....	SL29
Funding Year 2022 Disbursements to Service Providers through – 4Q2023 ..	SL30
Funding Year 2023 Commitments – 4Q2023	SL31

APPENDICES

Funding Year 2023 Authorizations – 4Q2023.....SL32
Funding Year 2023 Disbursements to Service Providers through – 4Q2023 .SL33

OTHER APPENDICES

Universal Service Administrative Company 2Q2024 Budget.....M01
Fund Size Projection for 2Q2024M02
Schedule of USF Receipts, Interest Income, and Cash Outlays:
 January 1 through December 31, 2023 – Cash Basis M03
 January 1 through December 31, 2023 – Accrual Basis M04

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

**BEFORE THE FEDERAL, COMMUNICATIONS COMMISSION
WASHINGTON, D.C.**

**FEDERAL UNIVERSAL SERVICE SUPPORT MECHANISMS FUND
SIZE PROJECTIONS FOR SECOND QUARTER 2024**

INTRODUCTION

The Universal Service Administrative Company (USAC) hereby submits the federal Universal Service Support Mechanisms fund size and administrative cost projections for the second quarter of calendar year 2024 (2Q2024), in accordance with Section 54.709 of the Federal Communications Commission’s (FCC or Commission) rules.¹

USAC is the not-for-profit corporation responsible for administering the federal Universal Service Fund (USF) and the following Universal Service Support Mechanisms (also referred to as “Support Mechanisms” or “Programs”): High Cost, Low Income, Rural Health Care, Schools and Libraries, and Connected Care Pilot.² USAC also performs the billing, collection, and disbursement functions for the Support Mechanisms.³

Upon approval of the quarterly funding requirements for the Support Mechanisms, the projected administrative expenses, and the submission of the contribution base amount, the Commission will establish a quarterly contribution factor. USAC will bill USF contributors monthly for their individual obligations based on the approved contribution factor, collect amounts owed from contributors, and distribute funds to eligible recipients based on the schedules filed herein.⁴

¹ 47 C.F.R. § 54.709(a)(3).

² 47 C.F.R. § 54.701.

³ 47 C.F.R. § 54.702(b)

⁴ See 47 C.F.R. §§ 54.709(a)(3), 54.201, 54.203, 54.301-54.307, 54.407, 54.413, 54.515.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

***ADMINISTRATIVE EXPENSES AND INTEREST INCOME
PROJECTION***

ADMINISTRATIVE EXPENSES

Section 54.709(a)(3) of the Commission's rules requires USAC to submit its projected quarterly budget at least 60 days prior to the start of the quarter.⁵ USAC includes any costs that can be directly attributed to the High Cost, Low Income, Rural Health Care, and Schools and Libraries Support Mechanisms, as well as the Connected Care Pilot Program, in the projected administrative expenditures of each mechanism. USAC's remaining joint and common costs, including costs associated with the billing, collection, and disbursement of funds, are included in the projected administrative expenditures of the respective support mechanisms based on USAC's methodology for allocating costs submitted to the Commission.⁶

USAC projects a consolidated budget of \$75.34 million for 2Q2024. Direct costs for all support mechanisms total \$37.02 million and are listed for each mechanism in the chart provided below. Joint and common costs (including billing, collection, and disbursement activities) total \$38.32 million and are listed in the chart below based on the allocation methodology on file with the Commission.

⁵ 47 C.F.R. § 54.709(a)(3).

⁶ On January 1, 2006, USAC implemented a revised methodology for allocating joint and common costs that was filed with the Commission on October 3, 2005. *See* Letter from D. Scott Barash, USAC, to Marlene Dortch, FCC, CC Docket Nos. 97-21 *et al.* (Oct. 3, 2005) (explaining revisions to USAC's method for allocating joint and common administrative costs among the four Universal Service Support Mechanisms). On January 1, 2021, USAC applied this methodology to the Connected Care Pilot Program. *See* Letter from Charles Salvator, USAC, to Marlene Dortch, FCC, CC Docket Nos. 97-21 *et al.* (Dec. 21, 2020) (confirming the method for allocating USAC common costs among the four universal service support mechanisms and the Connected Care Pilot Program).

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

2Q2024 Administrative Expenses (in millions) – Budgeted

USF Mechanism	Direct Costs	USAC Common Costs	Total
High Cost	\$7.61	\$14.17	\$21.78
Low Income	\$12.70	\$7.85	\$20.55
Rural Health Care	\$4.73	\$4.13	\$8.86
Schools & Libraries	\$11.98	\$12.17	\$24.15
Connected Care Pilot	\$0.00	\$0.00	\$0.00
Total	\$37.02	\$38.32	\$75.34

Appendix M01 provides USAC’s administrative expenditures budget for 2Q2024.

FUND ACTIVITY

Appendix M02 provides the fund size projections for 2Q2024. Appendices M03 and M04 provide 2023 year-to-date statements of fund activity on a cash and accrual basis, respectively.

EFFORTS TO PREVENT AND REDUCE IMPROPER PAYMENTS

USAC has established a foundation of processes, systems, procedures, and outreach activities to prevent or reduce “improper” payments as defined by the Improper Payments Information Act of 2002 (Pub. L. No. 107-300).⁷ USAC initiated efforts, consistent with its February 28, 2008 letter to the Commission, to identify additional measures to prevent or reduce potential improper payments and to allocate the additional resources needed to implement such measures.⁸ Commission staff directed USAC to report its progress in implementing proposed actions to prevent or reduce improper payments and to project the anticipated administrative costs of such actions on a quarterly basis.⁹

⁷ See Improper Payments Information Act of 2002, Pub. L. No. 107-300, 116 Stat 2350 (2002).

⁸ See Letter from D. Scott Barash, Acting Chief Executive Officer, USAC, to Anthony Dale, FCC Managing Director (Feb. 28, 2008) (concerning suggested additional steps to reduce or prevent improper payments).

⁹ See Letter from Anthony Dale, FCC Managing Director, to D. Scott Barash, Acting Chief Executive Officer, USAC (Aug. 18, 2008).

Universal Service Administrative Company 2Q2024 Fund Size Projections

The steps initiated by USAC include additional oversight and managerial controls, strengthened audit and investigative techniques, improved information technology tools, and more effective use of outreach resources. In 2Q2024, USAC will continue efforts identified and initiated during the previous years. These efforts include, but are not limited to the following:

1. *Assessing and strengthening USAC's internal controls*

USAC's Finance Division Internal Controls Team is responsible for testing key controls of USAC's processes. USAC's Audit and Assurance Division (AAD) has a Strategic Audit function that is responsible for assessing business operations. USAC's Office of the Chief Administrative Officer (OCAO) tracks the completion of the remediation activities and corrective action plans for all control deficiencies developed in response to internal and external testing results. OCAO established a framework for an Enterprise Risk Management (ERM) program at USAC. The Finance, OCAO, and AAD groups meet with USAC Leadership quarterly through the Risk Management Council to report on risk-related functions in the enterprise.

2. *Strengthening audit and investigative techniques*

The FCC's Office of Managing Director (OMD) directed USAC to implement an assessment program to determine the rate of improper payments made to universal service support mechanism beneficiaries to support the FCC's improper payment reporting requirements and to assess universal service support mechanism beneficiary compliance with FCC regulations.¹⁰ USAC successfully implemented an assessment program, known as the Payment Quality Assurance (PQA) Program, in August 2010.

¹⁰ Letter from Steven Van Roekel, FCC Managing Director, to Scott Barash, USAC Acting Chief Executive Officer (Feb. 12, 2010) (discussing the implementation of the Improper Payments Information Act of 2002 (IPIA) assessment program

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

The FCC also directed USAC to establish a comprehensive support mechanism Beneficiary and USF contributor audit program, known as BCAP (“Beneficiary and Contributor Audit Program”). The BCAP plans are designed to:

- Assess beneficiaries’ and contributors’ compliance with FCC Rules;
- Identify correct contribution obligations (for contributor audits);
- Identify overpayments that must be recaptured (for beneficiary audits);
- Deter waste, fraud, and abuse; and
- Identify FCC Rules that may require the attention of USAC or FCC management.

In 2023, AAD, OMD and WCB developed an audit plan for fiscal year 2024 that incorporates a hybrid approach for selecting beneficiaries and contributors for audit. The selection methodology is based on a combination of high risk factors, high dollar, random selection, and targeted entities, because of whistleblower allegations or FCC request.

The status of all audits in process as of December 31, 2023 is summarized in the table below.

Audit Status As of December 31, 2023				
Program	Announced	Fieldwork	Reporting	Total
Contributor Revenue	1	10	6	17
High Cost	2	22	21	45
Low Income	0	27	8	35
Schools & Libraries	0	28	53	81
Rural Health Care	0	11	22	33
Total	3	98	110	211

As noted above, USAC implemented the PQA Program in 2010 to test improper payments and compliance with FCC regulations. The testing results for the two most recent

and companion audit program). Although not subject to improper payment reporting, USF contributor compliance with FCC regulations is assessed as part of the Beneficiary and Contributor Audit Program (BCAP).

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

years are noted below. Using a statistically drawn sample, support mechanism disbursements are selected each month and reviewed to verify that payments were made at the correct amount in accordance with FCC rules. The table below summarizes the error rates noted and the estimated improper payment amounts reported for fiscal years (FYs) 2023 and 2022:

Support Mechanism	FY 2023		FY 2022	
	Estimated Improper Payment Rate	Estimated Improper Payment Amount (<i>millions</i>)	Estimated Improper Payment Rate	Estimated Improper Payment Amount (<i>millions</i>)
High Cost	2.88%	\$51.71	NA	NA
Low Income	2.18%	\$11.50	6.13%	\$37.21
Schools & Libraries	1.59%	\$32.90	3.73%	\$80.57
Rural Health Care	NA	NA	NA	NA

The sample size and status of FY 2024 PQA assessments in process as of December 31, 2023 are summarized in the table below.

PQA Testing Status As of December 31, 2023				
Program	Sample Size	Announced	In Process	Completed
High Cost ¹¹	130	0	130	0
Low Income	220	0	145	0
Schools & Libraries	350	0	233	0
Rural Health Care	N/A	N/A	N/A	N/A
Total	700		508	0

3. *Improving information technology tools*

USAC has undertaken a systematic review of the capabilities of its current financial systems to determine whether additional functionality can be added to improve financial operations and has made several improvements to its financial systems and is working on

¹¹ High Cost FY22 numbers were completed and reported in FY23. High Cost FY23 PQA assessments are in progress.

Universal Service Administrative Company 2Q2024 Fund Size Projections

other systems enhancement initiatives. USAC has engaged the services of a systems integrator and PMO, with the goal of replacing its current financial system with a commercial off-the-shelf enterprise resource planning tool.

Expanding and enhancing outreach and education

In the last quarter, USAC conducted extensive outreach, including the activities described below.

- The High Cost program conducted comprehensive outreach and provided extensive customer service support in the fourth quarter of 2023 to help carriers comply with FCC requirements to conduct quarterly network speed and latency testing at a random sample of subscriber locations deployed with Connect America Fund (CAF) support. The program kicked off outreach activities to prepare carriers to submit and certify 2023 deployment data showing where they built broadband with CAF funding in 2023 – in the High Cost Universal Broadband (HUBB) portal by the annual March 1 filing deadline. High Cost continued outreach to support implementation of the newest CAF fund, Enhanced ACAM, with extensive email communications to participating carriers and a new webpage. High Cost hosted two webinars in the fourth quarter of 2023, including the annual Circle of Life webinar to educate carriers on how to avoid the most common findings of High Cost beneficiary audits.
- The Rural Health Care (RHC) program conducted outreach to Healthcare Connect Fund (HCF) and Telecommunications (Telecom) participants in preparation for the opening of the Funding Year (FY) 2024 filing window on December 1, 2023. Additionally, the RHC team continued to maintain associated materials and webpages that assist program participants with the modernized FCC Forms 461, 462, 463 and 466 in HCF. This included three webinars, website updates to improve the applicant experience in RHC Connect, and

Universal Service Administrative Company 2Q2024 Fund Size Projections

refreshed resources for HCF and Telecom program participants. RHC conducted separate outreach to Connected Care Pilot Program (CCPP) selectees, including one CCPP invoicing best practices webinar where subject matter experts were available to answer live questions from program participants. The RHC program continued to communicate important funding process information to the selectees through email and the CCPP Learn webpage on the USAC website. In addition, the RHC program hosted its first Schools, Health & Libraries Broadband coalition (SHLB) participant open house at USAC HQ. During this visit, the RHC program saw, first-hand, how participants benefit from the RHC programs. The RHC Outreach team traveled to Alaska to present at the Alaska Native Health Board Mega Meeting. While in Alaska, RHC hosted the first hybrid site visit, meeting with a participant in person and sharing it live with USAC staff.

- The Schools and Libraries (E-Rate) program conducted six fall E-Rate training sessions in Q4 2023, including Program Overview, Eligible Services, Pre-Commitment, and Category Two Budgets, among others. In addition, E-Rate delivered targeted outreach and training on legacy system consolidation status, training opportunities, and resources as needed to inform all stakeholders of the invoicing cutover to the E-Rate Productivity Center. E-Rate issued six News Briefs in Q4 2023 covering current topics of interest in the funding cycle including two Special Editions about the systems consolidation. E-Rate also conducted monthly conference calls with key stakeholder groups to answer program questions for these communities.

- The Lifeline program released a system upgrade in the National Lifeline Accountability Database (NLAD). Providers can now receive an ‘APPLICATION_PENDING_CERTS’ error. The Lifeline team also updated the FCC Form 555 materials and hosted a training on how to complete the form. Lifeline also announced the return of the reverification process

Universal Service Administrative Company 2Q2024 Fund Size Projections

which was followed up by an overview in the January webinar. The Lifeline team held their quarterly Tribal Training webinar in December which provide a step by-step overview of how to apply for the Lifeline benefit via mail.

- The Contributors team hosted eight webinars to train service providers on how to fill out the FCC Form 499-Q, basic 499 Filer ID training, and the introduction of new functionalities in E-File. During the quarter, 792 participants joined the webinars.

USAC conducted 24 webinars: three monthly webinars for Lifeline carrier and one webinar for Tribal Lifeline partners, six webinars for Schools and Libraries' audiences, four webinars for Rural Health Care participants (including service providers and CCPP selectees), eight webinars for Contributors, and two for High Cost participants.

FUNDING REQUIREMENTS

HIGH COST SUPPORT MECHANISM

Appendix HC01 provides projected High Cost support by state by study area for 2Q2024. HC01 also provides the projected amount of individual company support, and projected per-month amounts for the components of High Cost support that each Eligible Telecommunications Carrier (ETC)¹² may be eligible to receive. HC02 provides the total projected amount of annualized High Cost support for 2Q2024 for each state.

CONNECT AMERICA FUND PHASE II

The FCC released an Order on June 10, 2014 adopting rules, among other things, to institute the foundation for the award of Phase II (model-based) support through a competitive bidding process in price cap areas where the price cap carrier declines the offer

¹² See 47 C.F.R. § 54.1310; 47 C.F.R. §§ 54.301-54.303.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

of model-based support.¹³ The Order also permitted price cap carriers that declined model-based support to participate in the 2016 competitive bidding process.¹⁴ On April 29, 2015, the FCC released a Public Notice announcing the offers of model-based Phase II support to price cap carriers to fund voice and broadband-capable networks in their service areas.¹⁵ The total offer was \$1.675 billion annually, for six calendar years, 2015-2020.¹⁶ Next, on June 16, 2015, the Bureau released a Public Notice announcing acceptance by Frontier Communications of model-based support for each of the 28 states it serves.¹⁷ For states where their model-based support is greater than Phase I Frozen support, Frontier elected to receive the lump sum payment associated with prior months that reflects the difference between Phase II model support and Phase I Frozen support. In August 2015, the Bureau released public notices for Consolidated Communications, AT&T, CenturyTel, Inc. dba CenturyLink, Cincinnati Bell, Fairpoint Communications, Inc., Hawaiian Telecom, Inc., Micronesian, and Windstream Corporation for announcement of acceptance of model-based support.¹⁸ On July 29, 2019, the Commission announced a process by which price cap

¹³ See generally *Connect America Fund Omnibus Order and FNPRM*, WC Docket Nos. 10-90 *et al.*, Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, 29 FCC Rcd 7051 (2014) (*CAF Omnibus Order*).

¹⁴ *Id.* at 7062-7063, para. 37.

¹⁵ See *Wireline Competition Bureau Announces Connect America Phase II Support Amounts Offered to Price Cap Carriers to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 3905 (2015).

¹⁶ *Id.*

¹⁷ See *Wireline Competition Bureau Authorizes Frontier Communications Corporation to Receive \$283 Million in Connect America Phase II Support to Serve 1.3 Million Rural Americans in 28 States*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 6310 (2015).

¹⁸ See *Wireline Competition Bureau Authorizes Windstream to Receive Over \$ 174 Million in Connect America Phase II Support in 17 States*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 8245 (2015); *Wireline Competition Bureau Authorizes Fairpoint to Receive Over \$37 Million in Connect America Phase II Support in 14 States*, WC Docket No. 10-90, 30 FCC Rcd 8245 (2015); *Wireline Competition Bureau Authorizes the Micronesian Telecommunications Corporation to Receive Over \$2.5 Million and Hawaiian Telecom, Inc. to Receive Over \$ 4 Million in Connect America Phase II Support*, WC Docket No. 10-90, 30 FCC Rcd 8471 (2015); *Wireline Competition Bureau Authorizes Additional Cap Carriers to Receive Almost \$950 Million in Phase II Connect America Support et al.*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 8577 (2015).

Universal Service Administrative Company 2Q2024 Fund Size Projections

carrier receiving CAF Phase II support could elect to receive an additional, seventh year of support.¹⁹ All eligible carriers elected to receive support.

Finally, on October 31, 2016, the Commission adopted service obligations for Alaska Communications Systems (ACS).²⁰ ACS will receive Phase II frozen support for a 10-year term and be required to offer voice service and broadband service at the same speed, latency, usage, and pricing metrics as established for Phase II model-based carriers. ACS will continue to receive CAF Phase II frozen support until 2025.

For 2Q2024, CAF Phase II projected support is estimated to be \$4.92 million.

Appendix HC11 provides projected CAF Phase II frozen support by state by study area for 2Q2024.

CONNECT AMERICA FUND PHASE II AUCTION

The Wireline Competition Bureau released a Public Notice on August 28, 2018 announcing the winners of the Connect America Fund Phase II auction.²¹

For 2Q2024, total CAF Phase II auction projected support is estimated to be \$38.70 million. Appendix HC16 provides projected CAF Phase II auction support by state by study area for 2Q2024.

CONNECT AMERICA FUND/INTERCARRIER COMPENSATION SUPPORT

In the *USF/ICC Transformation Order*, the FCC adopted a transitional recovery mechanism with an effective date of July 1, 2012 to facilitate incumbent carriers' gradual transition away from intercarrier compensation (ICC) revenues.²² Eligible incumbent carriers may receive additional support through this recovery mechanism.

¹⁹ See *Wireline Competition Bureau Announces Deadline for Price Cap Carriers to Elect Seventh Year of Connect America Fund Phase II Model Based Support*, DA-20-800, July 29, 2019.

²⁰ See *FCC Adopts CAF Phase II Service Obligations for ACS*, WC Docket 10-90, DA FCC 16-143, 31 FCC Rcd 12086 (2016)

²¹ See *Connect America Fund Phase II Auction (Auction 903) Closes Winning Bidders Announced FCC Form 683 Due October 15, 2018*, WC Docket Nos. 10-90 *et al.*, Public Notice, 29 FCC Rcd 7051 (2018).

²² See 47 C.F.R. § 54.304(b).

Universal Service Administrative Company 2Q2024 Fund Size Projections

For 2Q2024, total CAF/ICC support is estimated to be \$88.56 million.

Appendix HC09 provides projected CAF/ICC support by state by study area for 2Q2024.

RURAL BROADBAND EXPERIMENTS

On July 11, 2014, the FCC adopted the *Rural Broadband Experiments (RBE) Order* to advance the deployment of voice and broadband networks in high-cost areas and help design the Phase II competitive bidding process and Remote Areas Fund.²³ The FCC established a budget of \$100 million over ten years for funding experiments in price cap areas that are not served by unsubsidized competitors.²⁴

For 2Q2024, total RBE support is estimated to be \$0.50 million, all of which will be paid from cash reserved in the High Cost account. Thus, there is no 2Q2024 collection requirement for RBE. Appendix HC12 provides projected RBE support by state by study area for 2Q2024.

MOBILITY FUND PHASE I

In accordance with the Public Notice issued by the Wireline Competition Bureau on November 1, 2017, Mobility Fund Phase I support of \$6.78 million for 2Q2024 will be paid with funds available in the High Cost account. Thus, there is no 2Q2024 collection requirement for Mobility Fund Phase I.²⁵ Appendix HC10 provides Mobility Fund Phase I support by state by study area for 2Q2024.

RATE-OF-RETURN CARRIERS

Rate-of-return carriers not affiliated with price cap carriers may continue to receive legacy High Cost Program support.²⁶ In the *December 2018 Rate-of-Return Reform Order*, the

²³ See *Connect America Fund, ETC. Annual Reports and Certifications*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 8769 (2014) (*Rural Broadband Experiments Order*).

²⁴ See *id.* at 8772, para. 9.

²⁵ See *Wireline Competition Bureau Provides Guidance to the Universal Service Administrative Company Regarding the High-Cost Universal Services Mechanism Budget*, WC Docket No. 10-90, Public Notice, 32 FCC Rcd 9243 (WCB 2017).

²⁶ See *USF/ICC Transformation Order*, 26 FCC Rcd at 17740, para. 206.

Universal Service Administrative Company 2Q2024 Fund Size Projections

FCC established a new budget for legacy carriers of \$1.42 billion, to be increased annually by inflation.²⁷ However, the FCC waived the budget for July 2023-June 2024.²⁸

Appendix HC14 provides the rate-of-return budget control projected support amounts due to the budget control mechanism for 2Q2024.

HIGH COST LOOP SUPPORT (INCLUDING SAFETY NET ADDITIVE AND SAFETY VALVE SUPPORT)

HCL support is calculated based on the results of the annual collection of 2012 incumbent local exchange carrier (LEC) loop cost and expense adjustment data submitted to the FCC and USAC on October 1, 2013.²⁹ Growth in total HCL support for rural carriers is limited under Section 54.1302 of the Commission's rules to the current level of funding adjusted yearly by the annual growth in supported rural loops.³⁰ The *Rural Task Force (RTF) Order* increased HCL support for rural carriers effective July 1, 2001.³¹

For 2Q2024, projected HCL support is \$57.05 million, which includes \$0.05 million for Safety Valve Support (SVS). Appendix HC04 provides projected monthly HCL support payments by state by study area for 2Q2024. Appendix HC05 displays projected SVS payments by state by study area for 2Q2024.

ALASKA PLAN SUPPORT

In the *Alaska Plan Order*, the FCC approved frozen support for Alaska rate-of-return carriers for 10 years and obligated those carriers to offer voice and broadband services at

²⁷ See *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order, Further Notice of Proposed Rulemaking, and Order on Reconsideration, FCC 18-176, para. 79, 84 (2018) (*December 2018 Rate of Return Reform Order*)

²⁸ See *Connect America Fund*, WC Docket No. 10-90, Order, FCC 23-40 (2023)

²⁹ Universal Service Fund (USF) 2012 Submission of 2011 Study Results (filed Oct. 1, 2012) (*USF Data Submission*).

³⁰ 47 C.F.R. § 54.1302(a); see also 47 C.F.R. § 54.1303.

³¹ *Federal-State Joint Board on Universal Service et al.*, CC Docket Nos. 96-45 et al., Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking, and Report and Order, 16 FCC Rcd 11244 (2001) (*RTF Order*).

Universal Service Administrative Company 2Q2024 Fund Size Projections

specified speeds to a specified number of locations while meeting certain service obligations.³²

For 2Q2024, projected Alaska Plan support is \$32.08 million. Appendix HC03 provides 2Q2024 projections for Alaska Plan support by state by study area.

CONNECT AMERICA BROADBAND LOOP SUPPORT

Connect America Broadband Loop Support (CAF BLS) replaces what was previously known as Interstate Common Line Support (ICLS).³³ The FCC made modifications to modernize ICLS rules to provide support in situations where the customer no longer subscribes to traditional regulated local exchange voice service.³⁴ CAF BLS will provide support for broadband-capable loops, regardless of whether the customer chooses traditional voice, bundle of voice and broadband, or only broadband.³⁵

For 2Q2024, CAF BLS is projected to be \$219.92 million. Appendix HC07 provides USAC's 2Q2024 projections of CAF BLS by state by study area and Appendix HC08 provides USAC's 2Q2024 projections of CAF BLS by state. Appendix HC15 provides USAC's 2Q2024 projections of the CAF BLS true-up by state by study area.

ALTERNATIVE CONNECT AMERICA MODEL (A-CAM)

Alternative Connect America Model (A-CAM) allows carriers the option of electing a set amount of monthly support over a fixed term or remaining with a reformed version of legacy support mechanisms with CAF-BLS and HCL support.

For 2Q2024, A-CAM support is projected to be \$42.24 million, of which \$.82 million will be paid from funds available in the High Cost account. Appendix HC13 provides A-CAM support projected by state by study area for 2Q2024.

³² See WC-Docket Nos. 10-90 and 16-271 DA 16-425

³³ See *Rate-of-Return Reform Order*, 31 FCC Rcd at 3091, para. 5.

³⁴ *Id.*

³⁵ *Id.*

Universal Service Administrative Company 2Q2024 Fund Size Projections

A-CAM II

On December 13, 2018, the FCC released the *December 2018 Rate-of-Return Order*, which directed the FCC to make model offers of up to \$200.00 per location to all legacy rate-of-return carriers that did not previously elect model support or support pursuant to the Alaska Plan.³⁶ To implement the increase, the FCC released a Public Notice with the support amounts.³⁷

For 2Q2024, A-CAM II support is projected to be \$54.96 million. Appendix HC17 provides projected A-CAM II support by state by study area for 2Q2024.

ENHANCED ACAM CONNECT AMERICA COST MODEL (E-ACAM)

On July 24, 2023, the FCC released a Report and Order announcing the establishment of the Enhanced Alternative Connect America Cost Model (E-ACAM) that will support deployment of 100/20 Mbps service (or greater) through rural areas served by carriers currently receiving A-CAM support and in areas served by legacy rate-of-return support recipients within a budget of \$1.27 billion annually, or no more than \$1.33 billion annually if certain conditions are met, over a 15-year term beginning January 1, 2024.³⁸

For 2Q2024, E-ACAM support is projected to be \$315.13 million.

³⁶ See *Id.*, para. 34.

³⁷ See *Wireline Competition Bureau Authorizes 171 Rate-Of-Return Companies to Receive \$491 Million Annually in Alternative Connect America Cost Model II Support to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 34 FCC Rcd at 7271 (2019).

³⁸ See *Enhanced A-CAM Order*, WC Docket No. 10-90, at 31-33, paras. 73-75).

Universal Service Administrative Company 2Q2024 Fund Size Projections

PRICE CAP CARRIERS

For 2Q2024, total frozen High Cost support for price cap carriers is estimated to be \$2.81 million. Appendix HC06 provides frozen High Cost support for price cap carriers by state by study area for 2Q2024.

COMPETITIVE ELIGIBLE TELECOMMUNICATIONS CARRIERS

The *USF/ICC Transformation Order* transitioned existing Competitive Eligible Telecommunications Carriers (CETCs) support to the CAF over a five-year period beginning January 1, 2012.³⁹ For the transition, the FCC set each CETC's baseline support at its total 2011 support in a given study area, or an amount equal to 3,000 times the number of reported lines as of year-end 2011, whichever was lower.⁴⁰ That monthly baseline amount was provided from January 1, 2012 to September 30, 2012.⁴¹ Beginning July 1, 2012, each CETC's support was reduced by 20 percent for each July to June time period.⁴² However, consistent with FCC rules, Mobility Fund Phase II was not implemented by September 30, 2014 and CETC support was not subject to an additional 20 percent reduction in support beginning July 2014.⁴³

For 2Q2024, total frozen High Cost support for CETCs is \$88.35 million. Appendix HC06 provides frozen High Cost support for CETCs by state by study area for 2Q2024.

UNIENDO A PUERTO RICO FUND/CONNECT USVI FUND

On September 30, 2019, the FCC released the *Uniendo a Puerto Rico Fund and the Connect USVI Fund Order*, which allocated nearly a billion dollars in federal universal service support to Puerto Rico and the U.S. Virgin Islands. These funds will facilitate the improvement and

³⁹ *See id.* at 17830, para. 513.

⁴⁰ *See id.* at 17831, para. 515.

⁴¹ *See id.*

⁴² *See id.*

⁴³ *USF/ICC Transformation Order*, 26 FCC Rcd at 17831, para. 515; *see also* 47 C.F.R. § 54.307.

Universal Service Administrative Company 2Q2024 Fund Size Projections

expansion of existing fixed and mobile networks in Puerto Rico and the U.S. Virgin Islands.⁴⁴

For 2Q2024, Uniendo a Puerto Rico Fund/Connect USVI Fund support is projected to be \$12.77 million. Appendix HC18 provides the Uniendo Puerto Rico Fund mobile and fixed support projected by state by study area for 2Q2024. Appendix HC19 provides the Connect USVI Fund mobile and fixed support projected by state by study area for 2Q2024.

RURAL DIGITAL OPPORTUNITY FUND

On February 7, 2020, the FCC released the *Rural Digital Opportunity Fund Order*, which provided up to \$20.4 billion to fund the deployment of up to gigabit speed broadband networks in unserved rural communities through a two-phase reverse auction mechanism.⁴⁵

For 2Q2024, Rural Digital Opportunity Fund support is projected to be \$152.01 million. Appendix HC20 provides the Rural Digital Opportunity Fund support projected by state by study area for 2Q2024.

HIGH COST SUPPORT MECHANISM SUMMARY

The 2Q2024 High Cost Support Mechanism funding requirements are projected as follows: \$57.05 million for HCL support, \$219.92 million for CAF BLS, \$2.81 million for frozen Price Cap Carrier Support, \$4.92 million for CAF Phase II, \$38.70 million for CAF Phase II Auction, \$88.35 million for frozen CETC Support, \$88.56 million for CAF/ICC Support, \$32.08 million for Alaska Plan Support, \$42.24 million for A-CAM, \$54.96 million for A-CAM II, \$315.13 million for E-ACAM, \$12.77 million for Uniendo a Puerto

⁴⁴ See *The Uniendo a Puerto Rico Fund and the Connect USVI Fund et al.*, WC Docket No. 18-143 et al., Report and Order and Order on Reconsideration, FCC 19-95, para. 3 (2019) (*Uniendo a Puerto Rico Fund and the Connect USVI Fund Order*).

⁴⁵ See *Rural Digital Opportunity Fund et al.*, WC Docket No. 19-126 et al., Report and Order, FCC 20-5 (2020) (*Rural Digital Opportunity Fund Order*).

Universal Service Administrative Company 2Q2024 Fund Size Projections

Rico/Connect USVI, and \$152.01 million for Rural Digital Opportunity Fund. This results in base projected demand of \$1,109.50 million.

The following funding requirements will be paid from funds available in the High Cost account: Rural Broadband Experiments \$0.50 million, Mobility Fund Phase I \$6.78 million, and incremental A-CAM support \$.82 million.

The total funding requirement of \$1,109.50 million is adjusted as follows: decreased by prior period adjustments of \$30.37 million⁴⁶ and increased by administrative costs of \$21.78 million; resulting in a total projected 2Q2024 funding requirement for the High Cost Support Mechanism of \$1,100.91 million.

LOW INCOME SUPPORT MECHANISM

LIFELINE SUPPORT

ETCs providing Lifeline support are entitled to receive funding for the waiver of charges and reduced rates provided to qualified low-income subscribers.⁴⁷ In the *Lifeline Reform Order*, all non-tribal Lifeline support was set to a flat rate of \$9.25 for all subscribers.⁴⁸ As established in the *Tribal Order*, tribal support makes available each month up to an additional \$25 per low-income subscriber to eligible residents of tribal lands.⁴⁹ The *2016 Lifeline Order* extended Lifeline support to broadband services and adopted a phase-down of support for voice-only service beginning in 2019.⁵⁰

For 2Q2024, USAC projects \$297.43 million will be required for Lifeline support.

⁴⁶ Prior period adjustments reconcile projections to actual results and include adjustments for billings, interest income, bad debt, and administrative expenses.

⁴⁷ 47 C.F.R. §§ 54.401-54.417.

⁴⁸ See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket Nos. 11-42 *et al.*, CC Docket No. 96-45, Report and Order and Further Notice of Proposed Rule Making, 27 FCC Rcd 6656, 6683, para. 58 (2012) (*Lifeline Reform Order*).

⁴⁹ See 47 C.F.R. § 54.400(e); *Federal-Joint Board on Universal Service et al.*, CC Docket 96-45, Twenty-Fifth Order on Reconsideration, Report and Order, Order, and Further Notice of Proposed Rulemaking, 18 FCC Rcd 10958 (2003) (*Tribal Order*). On August 31, 2000, the FCC stayed the implementation of the federal Lifeline and Link-up rule amendments only to the extent that they apply to qualifying low-income consumers living near reservations.

⁵⁰ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, Third Report and Order and Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 3985-87, paras. 62-66 (2016) (*2016 Lifeline Order*).

Universal Service Administrative Company 2Q2024 Fund Size Projections

LINK-UP SUPPORT

Link-Up support is available for ETCs that provide support on tribal lands, but is limited to those ETCs receiving High Cost Program support.⁵¹ ETCs may claim a 100 percent reduction up to \$100 of the customary charge for commencing telephone service for a single telecommunication connection at a subscriber's principal place of residence.⁵²

For 2Q2024, USAC projects that \$0.06 million will be required for Link-Up support.

LOW INCOME SUPPORT MECHANISM SUMMARY

The estimated 2Q2024 Low Income Support Mechanism funding requirements are projected as follows: \$297.43 million for Lifeline and \$0.06 million for Link-Up, resulting in a total funding requirement of \$297.49 million.

The total fund requirement of \$297.49 million is adjusted as follows: decreased by prior period adjustments of \$148.83 million⁵³ and increased for administrative costs of \$20.55 million; resulting in a total projected 2Q2024 funding requirement for the Low Income Support Mechanism of \$169.21 million.

Appendix LI01 provides projected Low Income support amounts by state and study Area for 2Q2024.⁵⁴ LI03 provides a list of ETCs for 4Q2023.⁵⁵ LI04 provides detail on company specific Low Income disbursement amounts for 4Q2023. LI05 provides detail on annual company-specific Low Income support claimed by state and company for January 2021 through December 2023. LI06 provides historical data of monthly support amounts claimed by ETCs from January 1998 through December 2023. LI07 provides detail on Low Income support claimed by state or jurisdiction for January 2021 through December 2023.

⁵¹ See *id.* at 6767, para. 254.

⁵² 47 C.F.R. § 54.413(a)(1).

⁵³ Prior period adjustments reconcile projections to actual results and include adjustments for billings, disbursements, interest income, bad debt, and administrative expenses.

⁵⁴ Companies that are no longer ETCs have been removed from LI01.

⁵⁵ Companies that are no longer ETCs have been removed from LI03.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

LI08 and LI09 provide subscriber and beneficiary information by state or jurisdiction for Lifeline and Link-Up support, respectively, for January 2023 through December 2023.

RURAL HEALTH CARE SUPPORT MECHANISM

In the *2018 Rural Health Care Program Funding Cap Order*, the Commission amended its rules to allow unused funds from previous funding years to be carried forward for use in subsequent funding years, beginning in Funding Year 2018.⁵⁶ On an annual basis, unused funds will be made available in the second quarter of each calendar year for use in the next full funding year of the Rural Health Care Program.⁵⁷

In the *2018 Rural Health Care Program Funding Cap Order*, the Commission also required USAC to file quarterly estimates of unused funds that will be available for carryover in subsequent funding years.⁵⁸ The following is a summary of estimated unused funds as of December 31, 2023 for Funding Years 2009 through 2022. Funding years prior to Funding Year 2009 are closed.

FUNDING YEAR 2009

Funding Year 2009 began on July 1, 2009 and ended on June 30, 2010. Balances as of December 31, 2023 are as follows:

Funding Year 2009	Amounts in Millions
Amount Authorized and Actually Collected	\$211.02
Amount Carried Forward / Backward	\$146.22
Amount Authorized for Disbursement	(\$355.66)
Reserve for Outstanding Obligations	(\$0.32)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	(\$1.26)
Estimated Remaining Balance	(\$0.00)

⁵⁶ *Promoting Telehealth in Rural America*, WC Docket No. 17-310, Report and Order, FCC 18-82, para. 25 (2018) (*2018 Rural Health Care Program Funding Cap Order*).

⁵⁷ *Id.*, para. 27.

⁵⁸ *Id.*, para. 26.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH01.

FUNDING YEAR 2010

Funding Year 2010 began on July 1, 2010 and ended on June 30, 2011. Balances as of December 31, 2023 are as follows:

Funding Year 2010	Amounts in Millions
Amount Authorized and Actually Collected	\$87.39
Amount Carried Forward / Backward	(\$0.01)
Amount Authorized for Disbursement	(\$87.32)
Reserve for Outstanding Obligations	(\$0.06)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	\$0.00
Estimated Remaining Balance	\$0.00

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH02.

FUNDING YEAR 2011

Funding Year 2011 began on July 1, 2011 and ended on June 30, 2012. Balances as of December 31, 2023 are as follows:

Funding Year 2011	Amounts in Millions
Amount Authorized and Actually Collected	\$101.33
Amount Carried Forward / Backward	\$0.00
Amount Authorized for Disbursement	(\$101.29)
Reserve for Outstanding Obligations	(\$0.04)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	\$0.00
Estimated Remaining Balance	(\$0.00)

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH03.

FUNDING YEAR 2012

Funding Year 2012 began on July 1, 2012 and ended on June 30, 2013. Balances as of December 31, 2023 are as follows:

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding Year 2012	Amounts in Millions
Amount Authorized and Actually Collected	\$118.32
Amount Carried Forward / Backward	(\$0.02)
Amount Authorized for Disbursement	(\$116.91)
Reserve for Outstanding Obligations	(\$1.26)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	(\$0.09)
Estimated Remaining Balance	\$0.04

Cumulative payments to service providers through 4Q2023 are listed in Appendices RH04.

FUNDING YEAR 2013

Funding Year 2013 began on July 1, 2013 and ended on June 30, 2014. Balances as of December 31, 2023 are as follows:

Funding Year 2013	Amounts in Millions
Amount Authorized and Actually Collected	\$178.76
Amount Carried Forward / Backward	(\$2.02)
Amount Authorized for Disbursement	(\$175.16)
Reserve for Outstanding Obligations	(\$1.55)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	(\$0.03)
Estimated Remaining Balance	(\$0.00)

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH05.

FUNDING YEAR 2014

Funding Year 2014 began on July 1, 2014 and ended on June 30, 2015. Balances as of December 31, 2023 are as follows:

Funding Year 2014	Amounts in Millions
Amount Authorized and Actually Collected	\$232.88
Amount Carried Forward / Backward	(\$1.93)
Amount Authorized for Disbursement	(\$223.70)
Reserve for Outstanding Obligations	(\$0.94)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	(\$0.00)
Reserve for FCC Appeals	(\$6.29)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Estimated Remaining Balance	\$0.02
------------------------------------	--------

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH06.

FUNDING YEAR 2015

Funding Year 2015 began on July 1, 2015 and ended on June 30, 2016. Balances as of December 31, 2023 are as follows:

Funding Year 2015	Amounts in Millions
Amount Authorized and Actually Collected	\$294.16
Amount Carried Forward / Backward	(\$8.47)
Amount Authorized for Disbursement	(\$268.08)
Reserve for Outstanding Obligations	(\$7.52)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	(\$0.00)
Reserve for FCC Appeals	(\$10.01)
Estimated Remaining Balance	\$0.08

Cumulative payments to service providers through 4Q2023 are listed in Appendix RH07.

FUNDING YEAR 2016

Funding Year 2016 began on July 1, 2016 and ended on June 30, 2017. Balances as of December 31, 2023 are as follows:

Funding Year 2016	Amounts in Millions
Amount Authorized and Actually Collected	\$402.70
Amount Carried Forward / Backward	(\$63.02)
Amount Authorized for Disbursement	(\$307.25)
Reserve for Outstanding Obligations	(\$5.21)
Reserve for Pending Applications	\$0.00
Reserve for USAC Appeals	\$0.00
Reserve for FCC Appeals	(\$15.28)
Administrative Expenses	(\$12.29)
Estimated Remaining Balance	(\$0.35)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding commitments made to applicants during 4Q2023 are included in Appendix RH08. Cumulative payments to service providers through 4Q2023 are listed in Appendix RH09.

FUNDING YEAR 2017

Funding Year 2017 began on July 1, 2017 and ended on June 30, 2018. Balances as of December 31, 2023 are as follows:

Funding Year 2017	Amounts in Millions
Amount Authorized and Actually Collected	\$367.59
Amount Carried Forward / Backward	(\$2.74)
Amount Authorized for Disbursement	(\$336.80)
Reserve for Outstanding Obligations	(\$3.35)
Reserve for Pending Applications	(\$1.76)
Reserve for USAC Appeals	(\$0.45)
Reserve for FCC Appeals	(\$10.59)
Administrative Expenses	(\$10.37)
Estimated Remaining Balance	\$1.53

Funding commitments made to applicants during 4Q2023 are included in Appendix RH10. Cumulative payments to service providers through 4Q2023 are listed in Appendix RH11.

FUNDING YEAR 2018

Funding Year 2018 began on July 1, 2018 and ended on June 30, 2019. Balances as of December 31, 2023 are as follows:

Funding Year 2018	Amounts in Millions
Amount Authorized and Actually Collected	\$581.28
Amount Carried Forward / Backward	(\$241.77)
Amount Authorized for Disbursement	(\$298.26)
Reserve for Outstanding Obligations	(\$1.90)
Reserve for Pending Applications	(\$2.83)
Reserve for USAC Appeals	(\$20.53)
Reserve for FCC Appeals	(\$2.90)
Administrative Expenses	(\$12.09)
Estimated Remaining Balance	\$1.00

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding commitments made to applicants during 4Q2023 are included in Appendix RH12. Cumulative payments to service providers through 4Q2023 are listed in Appendix RH13.

FUNDING YEAR 2019

Funding Year 2019 began on July 1, 2019 and ended on June 30, 2020. Balances as of December 31, 2023 are as follows:

Funding Year 2019	Amounts in Millions
Amount Authorized and Actually Collected	\$594.07
Amount Carried Forward / Backward	(\$154.29)
Amount Authorized for Disbursement	(\$412.90)
Reserve for Outstanding Obligations	(\$0.69)
Reserve for Pending Applications	(\$0.75)
Reserve for USAC Appeals	(\$1.93)
Reserve for FCC Appeals	(\$6.87)
Administrative Expenses	(\$16.34)
Estimated Remaining Balance	\$0.30

Funding commitments made to applicants during 4Q2023 are included in Appendix RH14. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices RH15 and RH16, respectively.

FUNDING YEAR 2020

Funding Year 2020 began on July 1, 2020 and ended on June 30, 2021. Balances as of December 31, 2023 are as follows:

Funding Year 2020	Amounts in Millions
Amount Authorized and Actually Collected	\$604.76
Amount Carried Forward / Backward	(\$111.45)
Amount Authorized for Disbursement	(\$371.53)
Reserve for Outstanding Obligations	(\$17.70)
Reserve for Pending Applications	(\$3.93)
Reserve for USAC Appeals	(\$66.36)
Reserve for FCC Appeals	(\$7.81)
Administrative Expenses	(\$19.80)
Estimated Remaining Balance	\$6.18

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding commitments made to applicants during 4Q2023 are included in Appendix RH17. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices RH18 and RH19, respectively.

FUNDING YEAR 2021

Funding Year 2021 began on July 1, 2021 and ended on June 30, 2022. Balances as of December 31, 2023 are as follows:

Funding Year 2021	Amounts in Millions
Amount Authorized and Actually Collected	\$306.02
Amount Carried Forward / Backward	\$182.89
Amount Authorized for Disbursement	(\$407.99)
Reserve for Outstanding Obligations	(\$43.24)
Reserve for Pending Applications	(\$1.42)
Reserve for USAC Appeals	(\$1.99)
Reserve for FCC Appeals	(\$2.39)
Administrative Expenses	(\$26.48)
Estimated Remaining Balance	\$5.40

Funding commitments made to applicants during 4Q2023 are included in Appendix RH20. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices RH21 and RH22, respectively.

FUNDING YEAR 2022

Funding Year 2022 began on July 1, 2022 and ended on June 30, 2023. Balances as of December 31, 2023 are as follows:

Funding Year 2022	Amounts in Millions
Amount Authorized and Actually Collected	\$367.35
Amount Carried Forward / Backward	\$237.22
Amount Authorized for Disbursement	(\$364.34)
Reserve for Outstanding Obligations	(\$182.57)
Reserve for Pending Applications	(\$0.01)
Reserve for USAC Appeals	(\$1.29)
Reserve for FCC Appeals	(\$1.03)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Administrative Expenses	(\$27.20)
Estimated Remaining Balance	\$28.13

Funding commitments made to applicants during 4Q2023 are included in Appendix RH23. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices RH24 and RH25, respectively.

FUNDING YEAR 2023

On March 3, 2023, the Commission announced a funding cap for Funding Year 2023 of \$682.36 million for the Rural Health Care Program.⁵⁹ This reflects a 7.0 percent inflation-adjusted increase in the \$637.72 million cap from Funding Year 2022. The filing window for Funding Year 2023 closed on May 1, 2023. Based on applications received within the filing window, USAC estimates total program demand for Funding Year 2023 of \$739.46 million, including administrative costs.

The FCC instructed USAC to carry forward available funds as of April 30, 2023 of \$211.50 million to Funding Year 2023 from prior funding years as follows, 2009: \$0.05 million; 2017: \$0.84 million; 2019: \$26.07 million; 2020: \$21.32 million, 2021: \$48.77 million, 2022: \$114.45 million (net of funds carried back to funding years with a negative carry forward balance), of which \$50 million was to be reserved for future funding years and \$57.10 million was to be used to fund demand above the cap, with the remainder used to offset collections in 4Q2023.

The FCC further instructed USAC to carry forward \$73.76 million from available funds as of July 31, 2023, to reduce required collections in 4Q2023 as follows, 2014: \$0.01 million, 2015: \$0.18 million, 2016: \$0.95 million, 2017: \$29.07 million, 2018: \$4.37 million,

⁵⁹ See *Wireline Competition Bureau Announces E-Rate and RHC Programs' Inflation-Based Caps for Funding Year 2021*, CC Docket No. 02-6, WC Docket No. 02-60, Public Notice, DA 21-332 (2021).

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

2019: \$5.36 million, 2020: \$8.4 million, 2021: \$2.4 million, 2022: \$20.92 million, 2023: \$2.10 million.

Based on program demand of \$739.46 million, carry forward funds available to offset collections of \$178.16 million, and collections of \$170.59 million in 1Q2024, there is a remaining collection requirement of \$170.59 for Funding Year 2023 in 2Q2024.

Funding commitments made to applicants during 4Q2023 are included in Appendix RH26. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices RH27 and RH28, respectively.

RURAL HEALTH CARE SUPPORT MECHANISM SUMMARY

The 2Q2024 Rural Health Care Support Mechanism collection requirement of \$170.59 million is adjusted as follows: decreased by a prior period adjustment of \$0.56 million⁶⁰ resulting in a total projected 2Q2024 funding requirement for the Rural Health Care Support Mechanism of \$170.03 million.

CONNECTED CARE PILOT PROGRAM

On April 2, 2020, the FCC issued Order FCC 20-44, establishing the Connected Care Pilot Program within the USF, making an additional \$100 million available over three years to help defray health care providers' qualifying costs of providing connected care services, which focused primarily on low-income or veteran patients.⁶¹ The Order authorized collections of \$100 million over three years (12 quarters) at \$8.33 million per quarter beginning in 4Q2020.⁶² The Order states that the purpose of the Pilot Program is to examine how the Fund can help support the trend towards connected care services,

⁶⁰ Prior period adjustments reconcile projections to actual results and include adjustments for billings, interest income, and bad debt.

⁶¹ See *Promoting Telehealth for Low-Income Consumers, COVID-19 Telehealth Program*, WC Docket Nos. 18-213 and 20-89, Report and Order, FCC 20-44, para. 37 (2020).

⁶² *Id.*, para. 42.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

particularly for low income consumers and veterans.⁶³ The Order indicates that \$100 million funding for the Pilot Program will be separate from the budgets of the other existing universal service programs and directs USAC to separately collect funds for the Pilot Program.⁶⁴

CONNECTED CARE PILOT PROGRAM SUMMARY

There is no collection requirement for the Connected Care Pilot Program in 2Q2024.

SCHOOLS AND LIBRARIES SUPPORT MECHANISM

Following is a summary of Schools and Libraries Support Mechanism net commitments⁶⁵ and payments⁶⁶ by Funding Year as of December 31, 2023.

FUNDING YEAR 1998

FUNDING YEAR 1998					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$678.85	40.04%	\$507.75	36.29%	74.80%
Internet Access	\$134.10	7.91%	\$94.82	6.78%	70.71%
Internal Connections	\$882.49	52.05%	\$796.40	56.93%	90.24%
TOTAL	\$1,695.44	100.00%	\$1,398.97	100.00%	82.51%
Deobligations due to Expired FRNs	(\$296.47)				
Net Commitments	\$1,398.97				

⁶³ *Id.*, para. 5.

⁶⁴ *Id.*, paras. 38, 42.

⁶⁵ Net Commitments are the amount of total funding commitments (including appeals, less funding commitment adjustments (COMADs) and other recaptures) reduced by the remaining dollar amount of commitments that had not been fully disbursed by their invoicing deadline.

⁶⁶ Net authorized for payment is the amount of total approved invoices less any returned funds. Authorized payments may be greater than net commitments due to recoveries in the process of collection.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 1999

FUNDING YEAR 1999					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$634.27	29.54%	\$452.12	27.40%	71.28%
Internet Access	\$148.65	6.92%	\$95.37	5.78%	64.16%
Internal Connections	\$1,364.53	63.54%	\$1,102.44	66.82%	80.79%
TOTAL	\$2,147.45	100.00%	\$1,649.93	100.00%	76.83%
Deobligations due to Expired FRNs	(\$497.52)				
Net Commitments	\$1,649.93				

FUNDING YEAR 2000

FUNDING YEAR 2000					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$717.78	34.55%	\$480.46	29.17%	66.94%
Internet Access	\$218.65	10.53%	\$131.86	8.01%	60.31%
Internal Connections	\$1,140.97	54.92%	\$1,034.62	62.82%	90.68%
TOTAL	\$2,077.40	100.00%	\$1,646.94	100.00%	79.28%
Deobligations due to Expired FRNs	(\$430.46)				
Net Commitments	\$1,646.94				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2001

FUNDING YEAR 2001					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$766.34	35.32%	\$540.87	32.26%	70.58%
Internet Access	\$224.65	10.35%	\$146.93	8.76%	65.40%
Internal Connections	\$1,178.96	54.33%	\$988.86	58.98%	83.88%
TOTAL	\$2,169.95	100.00%	\$1,676.66	100.00%	77.27%
Deobligations due to Expired FRNs	(\$493.29)				
Net Commitments	\$1,676.66				

FUNDING YEAR 2002

FUNDING YEAR 2002					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$848.89	40.23%	\$610.19	38.28%	71.88%
Internet Access	\$250.99	11.89%	\$169.40	10.63%	67.49%
Internal Connections	\$1,010.38	47.88%	\$814.60	51.10%	80.62%
TOTAL	\$2,110.26	100.00%	\$1,594.19	100.00%	75.54%
Deobligations due to Expired FRNs	(\$515.79)				
Net Commitments	\$1,594.47				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2003

FUNDING YEAR 2003					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$898.73	35.68%	\$657.50	33.94%	73.16%
Internet Access	\$271.87	10.79%	\$203.32	10.49%	74.79%
Internal Connections	\$1,347.99	53.52%	\$1,076.69	55.57%	79.87%
TOTAL	\$2,518.59	100.00%	\$1,937.51	100.00%	76.93%
Deobligations due to Expired FRNs	(\$581.08)				
Net Commitments	\$1,937.51				

FUNDING YEAR 2004

FUNDING YEAR 2004					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$933.66	46.00%	\$689.93	44.94%	73.90%
Internet Access	\$242.31	11.94%	\$193.34	12.59%	79.79%
Internal Connections	\$853.51	42.06%	\$651.97	42.47%	76.39%
TOTAL	\$2,029.48	100.00%	\$1,535.24	100.00%	75.65%
Deobligations due to Expired FRNs	(\$494.24)				
Net Commitments	\$1,535.24				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2005

FUNDING YEAR 2005					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$983.88	48.99%	\$778.02	47.93%	79.08%
Internet Access	\$259.38	12.92%	\$214.35	13.20%	82.64%
Internal Connections	\$644.93	32.11%	\$539.26	33.22%	83.62%
Internal Connections-Maint	\$120.02	5.98%	\$91.66	5.65%	76.37%
TOTAL	\$2,008.21	100.00%	\$1,623.29	100.00%	80.83%
Deobligations due to Expired FRNs	(\$384.87)				
Net Commitments	\$1,623.34				

FUNDING YEAR 2006

FUNDING YEAR 2006					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,064.93	54.60%	\$849.64	54.23%	79.78%
Internet Access	\$290.31	14.88%	\$236.49	15.09%	81.46%
Internal Connections	\$476.36	24.42%	\$394.61	25.19%	82.84%
Internal Connections-Maint	\$118.97	6.10%	\$86.02	5.49%	72.30%
TOTAL	\$1,950.57	100.00%	\$1,566.76	100.00%	80.32%
Deobligations due to Expired FRNs	(\$383.09)				
Net Commitments	\$1,567.48				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2007

FUNDING YEAR 2007					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,163.90	49.36%	\$947.36	48.51%	81.40%
Internet Access	\$310.51	13.17%	\$258.89	13.26%	83.38%
Internal Connections	\$726.02	30.79%	\$627.74	32.14%	86.46%
Internal Connections-Maint	\$157.74	6.69%	\$118.91	6.09%	75.38%
TOTAL	\$2,358.17	100.00%	\$1,952.90	100.00%	82.81%
Deobligations due to Expired FRNs	(\$405.24)				
Net Commitments	\$1,952.93				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL01.

FUNDING YEAR 2008

FUNDING YEAR 2008					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,291.68	54.42%	\$1,047.22	54.36%	81.07%
Internet Access	\$333.52	14.05%	\$278.64	14.46%	83.55%
Internal Connections	\$623.21	26.26%	\$508.16	26.38%	81.54%
Internal Connections-Maint	\$124.95	5.26%	\$92.38	4.80%	73.93%
TOTAL	\$2,373.36	100.00%	\$1,926.40	100.00%	81.17%
Deobligations due to Expired FRNs	(\$446.96)				
Net Commitments	\$1,926.40				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2009

FUNDING YEAR 2009					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,353.70	48.23%	\$1,111.42	47.63%	82.10%
Internet Access	\$350.26	12.48%	\$292.70	12.54%	83.57%
Internal Connections	\$910.66	32.44%	\$788.74	33.80%	86.61%
Internal Connections-Maint	\$192.36	6.85%	\$140.37	6.02%	72.97%
TOTAL	\$2,806.98	100.00%	\$2,333.23	100.00%	83.12%
Deobligations due to Expired FRNs	(\$473.75)				
Net Commitments	\$2,333.23				

FUNDING YEAR 2010

FUNDING YEAR 2010					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,429.16	47.67%	\$1,176.80	48.02%	82.34%
Internet Access	\$392.65	13.10%	\$330.23	13.48%	84.10%
Internal Connections	\$973.96	32.48%	\$795.48	32.46%	81.67%
Internal Connections-Maint	\$202.50	6.75%	\$147.96	6.04%	73.07%
TOTAL	\$2,998.27	100.00%	\$2,450.47	100.00%	81.73%
Deobligations due to Expired FRNs	(\$547.57)				
Net Commitments	\$2,450.70				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2011

FUNDING YEAR 2011					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,467.20	55.09%	\$1,188.62	55.25%	81.01%
Internet Access	\$467.46	17.55%	\$387.77	18.03%	82.95%
Internal Connections	\$602.82	22.63%	\$498.70	23.18%	82.73%
Internal Connections-Maint	\$126.02	4.73%	\$76.19	3.54%	60.46%
TOTAL	\$2,663.50	100.00%	\$2,151.28	100.00%	80.77%
Deobligations due to Expired FRNs	(\$511.96)				
Net Commitments	\$2,151.54				

FUNDING YEAR 2012

FUNDING YEAR 2012					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,516.26	51.11%	\$1,220.97	51.43%	80.53%
Internet Access	\$569.98	19.21%	\$461.64	19.44%	80.99%
Internal Connections	\$747.87	25.21%	\$612.14	25.78%	81.85%
Internal Connections-Maint	\$132.30	4.46%	\$79.35	3.34%	59.98%
TOTAL	\$2,966.41	100.00%	\$2,374.10	100.00%	80.03%
Deobligations due to Expired FRNs	(\$591.51)				
Net Commitments	\$2,374.90				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL02.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2013

FUNDING YEAR 2013					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,564.95	71.05%	\$1,239.97	70.73%	79.23%
Internet Access	\$637.58	28.95%	\$513.06	29.27%	80.47%
Internal Connections	\$0.00	0.00%	\$0.00	0.00%	0.00%
Internal Connections-Maint	\$0.00	0.00%	\$0.00	0.00%	0.00%
TOTAL	\$2,202.53	100.00%	\$1,753.03	100.00%	79.59%
Deobligations due to Expired FRNs	(\$449.33)				
Net Commitments	\$1,753.20				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL03.

FUNDING YEAR 2014

FUNDING YEAR 2014					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$1,631.04	69.47%	\$1,301.79	69.52%	79.81%
Internet Access	\$716.83	30.53%	\$570.87	30.48%	79.64%
Internal Connections	\$0.00	0.00%	\$0.01	0.00%	0.00%
Internal Connections-Maint	\$0.00	0.00%	\$0.00	0.00%	0.00%
TOTAL	\$2,347.87	100.00%	\$1,872.67	100.00%	79.76%
Deobligations due to Expired FRNs	(\$474.37)				
Net Commitments	\$1,873.50				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding commitments made to applicants during 4Q2023 are included in Appendix SL04. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL05 and SL06, respectively.

FUNDING YEAR 2015

FUNDING YEAR 2015					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Telecommunications	\$817.65	25.34%	\$701.53	25.11%	85.80%
Internet Access	\$725.71	22.49%	\$605.06	21.66%	83.37%
Internal Connections	\$1,157.15	35.85%	\$1,098.12	39.31%	94.90%
Internal Connections-Maint	\$22.71	0.70%	\$17.30	0.62%	76.18%
MIBS	\$23.19	0.72%	\$13.13	0.47%	56.62%
Voice	\$480.94	14.90%	\$358.48	12.83%	74.54%
TOTAL	\$3,227.35	100.00%	\$2,793.62	100.00%	86.56%
Deobligations due to Expired FRNs	(\$429.02)				
Net Commitments	\$2,798.33				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL07. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL08 and SL09, respectively.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2016

FUNDING YEAR 2016					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,653.27	59.73%	\$1,377.04	58.62%	83.29%
Internal Connections	\$793.96	28.68%	\$730.19	31.08%	91.97%
Internal Connections-Maint	\$23.30	0.84%	\$15.44	0.66%	66.27%
MIBS	\$23.17	0.84%	\$20.49	0.87%	88.43%
Voice	\$274.38	9.91%	\$206.04	8.77%	75.09%
TOTAL	\$2,768.08	100.00%	\$2,349.20	100.00%	84.87%
Deobligations due to Expired FRNs	(\$418.72)				
Net Commitments	\$2,349.36				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL10. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL11 and SL12, respectively.

FUNDING YEAR 2017

FUNDING YEAR 2017					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,651.58	69.76%	\$1,391.88	69.48%	84.28%
Internal Connections	\$542.69	22.92%	\$488.16	24.37%	89.95%
Internal Connections-Maint	\$22.70	0.96%	\$11.26	0.56%	49.60%
MIBS	\$25.35	1.07%	\$20.12	1.00%	79.37%
Voice	\$125.22	5.29%	\$91.83	4.58%	73.33%
TOTAL	\$2,367.54	100.00%	\$2,003.25	100.00%	84.61%
Deobligations due to Expired FRNs	(\$350.57)				
Net Commitments	\$2,016.97				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding commitments made to applicants during 4Q2023 are included in Appendix SL13. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL14 and SL15, respectively.

FUNDING YEAR 2018

FUNDING YEAR 2018					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,738.59	75.98%	\$1,513.02	75.72%	87.03%
Internal Connections	\$485.32	21.21%	\$437.46	21.89%	90.14%
Internal Connections-Maint	\$21.72	0.95%	\$12.97	0.65%	59.71%
MIBS	\$20.18	0.88%	\$18.93	0.95%	93.81%
Voice	\$22.31	0.98%	\$15.67	0.78%	70.24%
TOTAL	\$2,288.12	100.00%	\$1,998.05	100.00%	87.32%
Deobligations due to Expired FRNs	(\$286.57)				
Net Commitments	\$2,001.55				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL16. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL17 and SL18, respectively.

FUNDING YEAR 2019

FUNDING YEAR 2019					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,589.90	67.20%	\$1,332.03	66.41%	83.78%
Internal Connections	\$730.35	30.87%	\$642.44	32.03%	87.96%

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Internal Connections-Maint	\$24.90	1.05%	\$12.14	0.61%	48.76%
MIBS	\$20.90	0.88%	\$19.20	0.96%	91.87%
Voice	\$0.00	0.00%	\$0.00	0.00%	0.00%
TOTAL	\$2,366.05	100.00%	\$2,005.81	100.00%	84.77%
Deobligations due to Expired FRNs	(\$311.41)				
Net Commitments	\$2,054.64				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL19. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL20 and SL21, respectively.

FUNDING YEAR 2020

FUNDING YEAR 2020					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,576.78	63.02%	\$1,294.73	65.01%	82.11%
Internal Connections	\$868.17	34.70%	\$660.05	33.14%	76.03%
Internal Connections-Maint	\$28.66	1.15%	\$12.32	0.62%	42.99%
MIBS	\$28.50	1.14%	\$24.47	1.23%	85.86%
TOTAL	\$2,502.11	100.00%	\$1,991.57	100.00%	79.60%
Deobligations due to Expired FRNs	(\$301.85)				
Net Commitments	\$2,200.26				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL22. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL23 and SL24, respectively.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FUNDING YEAR 2021

FUNDING YEAR 2021					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,532.86	58.58%	\$1,265.87	59.41%	82.58%
Internal Connections	\$1,022.25	39.06%	\$818.15	38.40%	80.03%
Internal Connections-Maint	\$26.02	0.99%	\$14.19	0.67%	54.53%
MIBS	\$35.68	1.36%	\$32.50	1.53%	91.09%
TOTAL	\$2,616.81	100.00%	\$2,130.71	100.00%	81.42%
Deobligations due to Expired FRNs	(\$196.56)				
Net Commitments	\$2,420.25				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL25. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL26 and SL27, respectively.

FUNDING YEAR 2022

FUNDING YEAR 2022					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,540.80	55.25%	\$1,090.36	58.10%	70.77%
Internal Connections	\$1,179.48	42.30%	\$742.68	39.57%	62.97%
Internal Connections-Maint	\$27.38	0.98%	\$12.14	0.65%	44.34%
MIBS	\$40.87	1.47%	\$31.57	1.68%	77.24%
TOTAL	\$2,788.53	100.00%	\$1,876.75	100.00%	67.30%
Deobligations due to Expired FRNs	(\$56.45)				

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Net Commitments	\$2,732.08				
------------------------	------------	--	--	--	--

Funding commitments made to applicants during 4Q2023 are included in Appendix SL28. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL29 and SL30, respectively.

FUNDING YEAR 2023

FUNDING YEAR 2023					
	Net Commitments		Net Authorized for Payment		Auth/Com
	Millions of Dollars	% of Total Commitments	Millions of Dollars	% of Total Authorized for Payment	% of Committed Authorized for Payment
Internet Access	\$1,415.85	57.21%	\$206.14	40.51%	14.56%
Internal Connections	\$994.98	40.20%	\$289.14	56.83%	29.06%
Internal Connections-Maint	\$26.01	1.05%	\$0.94	0.18%	3.61%
MIBS	\$38.11	1.54%	\$12.59	2.47%	33.04%
TOTAL	\$2,474.95	100.00%	\$508.81	100.00%	20.56%
Deobligations due to Expired FRNs	(\$39.20)				
Net Commitments	\$2,435.75				

Funding commitments made to applicants during 4Q2023 are included in Appendix SL31. Authorized funding by applicant during 4Q2023 and cumulative payments to service providers through 4Q2023 are listed in Appendices SL32 and SL33, respectively.

FCC DECISIONS AND UNUSED FUNDS

In the *Schools and Libraries Third Report and Order*, the Commission amended its rules to allow unused funds from prior Funding Years to be carried forward on an annual basis in the second quarter of each calendar year for use in the next full Funding Year.⁶⁷ The

⁶⁷ Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, Third Report and Order and Second Further Notice of Proposed Rulemaking, 18 FCC Rcd 26912, paras. 52-57 (2003) (*Schools and Libraries Third Report and Order*).

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Commission required USAC to file quarterly estimates of unused funds from prior Funding Years in submitting its projection of Schools and Libraries Support Mechanism demand for the upcoming quarter.

The following is a summary of estimated unused funds as of December 31, 2023 for each funding year, including adjustments made by the Commission and projections of unused funds as required by Commission rules.

Funding Year 1998

Funding Year 1998 began on July 1, 1998 and ended on June 30, 1999. Balances as of December 31, 2023 are as follows:

FY 1998	Amounts in Millions
Amount Authorized and Actually Collected	\$1,925.00
Amount Authorized for Disbursement	(\$1,398.97)
Administrative Expenses (21 months)	(\$41.79)
Amount Carried Forward / Backward	(\$6.70)
Amount Applied to Adjust 2000, 2001, and 2002 Collections	(\$477.16)
Reserve for USAC Appeals	(\$0.01)
Reserve for FCC Appeals	(\$0.37)
Estimated Remaining Balance	(\$0.00)

Funding Year 1999

Funding Year 1999 began on July 1, 1999 and ended on June 30, 2000. Balances as of December 31, 2023 are as follows:

FY 1999	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,649.93)
Administrative Expenses	(\$32.32)
Amount Applied to Adjust Third Quarter 2002 Collections	(\$256.16)
Amount Applied to Adjust Fourth Quarter 2002 Collections	(\$212.93)
Amount Carried Forward / Backward	(\$93.77)
Amount Received from Rollover	\$0.00

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Reserve for USAC Appeals	(\$0.02)
Reserve for FCC Appeals	(\$4.87)
Estimated Remaining Balance	(\$0.00)

Funding Year 2000

Funding Year 2000 began on July 1, 2000 and ended on June 30, 2001. Balances as of December 31, 2023 are as follows:

FY 2000	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,646.94)
Administrative Expenses	(\$32.24)
Amount Applied to Adjust Fourth Quarter 2002 Collections	(\$136.85)
Amount Applied to Adjust First Quarter 2003 Collections	(\$246.18)
Amount Carried Forward / Backward	(\$182.66)
Reserve for USAC Appeals	(\$0.51)
Reserve for FCC Appeals	(\$4.64)
Estimated Remaining Balance	(\$0.02)

Funding Year 2001

Funding Year 2001 began on July 1, 2001 and ended on June 30, 2002. Balances as of December 31, 2023 are as follows:

FY 2001	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,676.66)
Administrative Expenses	(\$30.56)
Amount Carried Forward / Backward	(\$489.36)
Remaining Uncommitted Requests	(\$20.33)
Reserve for USAC Appeals	(\$41.45)
Reserve for FCC Appeals	(\$24.30)
Estimated Remaining Balance	(\$32.66)

Funding Year 2002

Funding Year 2002 began on July 1, 2002 and ended on June 30, 2003. Balances as of December 31, 2023 are as follows:

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FY 2002	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,594.19)
Administrative Expenses	(\$38.53)
Amount Carried Forward / Backward	(\$594.38)
Potential Additional Disbursements on Committed FRNs	(\$0.28)
Remaining Uncommitted Requests	(\$0.93)
Reserve for USAC Appeals	(\$0.01)
Reserve for FCC Appeals	(\$21.68)
Estimated Remaining Balance	\$0.00

Funding Year 2003

Funding Year 2003 began on July 1, 2003 and ended on June 30, 2004. Balances as of December 31, 2023, are as follows:

FY 2003	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,937.51)
Administrative Expenses	(\$44.19)
Amount Carried Forward / Backward	(\$638.23)
Amount Received from Rollover	\$420.00
Remaining Uncommitted Requests	(\$32.83)
Reserve for USAC Appeals	(\$0.01)
Reserve for FCC Appeals	(\$17.23)
Estimated Remaining Balance	\$0.00

Funding Year 2004

Funding Year 2004 began on July 1, 2004 and ended on June 30, 2005. Balances as of December 31, 2023 are as follows:

FY 2004	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,535.24)
Administrative Expenses	(\$55.75)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Amount Carried Forward / Backward	(\$723.59)
Amount Received from Rollover	\$150.00
Amount Applied to Adjust Collections	(\$550.00)
Adjustment for Reduction in Collections	\$550.00
Reserve for USAC Appeals	(\$0.14)
Reserve for FCC Appeals	(\$85.28)
Estimated Remaining Balance	\$0.00

Funding Year 2005

Funding Year 2005 began on July 1, 2005 and ended on June 30, 2006. Balances as of December 31, 2023 are as follows:

FY 2005	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,623.29)
Administrative Expenses	(\$64.99)
Amount Carried Forward / Backward	(\$534.14)
Potential Additional Disbursements on Committed FRNs	(\$0.05)
Remaining Uncommitted Requests	(\$0.16)
Reserve for USAC Appeals	(\$0.02)
Reserve for FCC Appeals	(\$27.38)
Estimated Remaining Balance	(\$0.03)

Funding Year 2006

Funding Year 2006 began on July 1, 2006 and ended on June 30, 2007. Balances as of December 31, 2023, are as follows:

FY 2006	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,566.76)
Administrative Expenses	(\$80.74)
Amount Carried Forward / Backward	(\$586.16)
Potential Additional Disbursements on Committed FRNs	(\$0.72)
Reserve for USAC Appeals	(\$0.01)
Reserve for FCC Appeals	(\$15.95)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Estimated Remaining Balance	(\$0.34)
------------------------------------	----------

Funding Year 2007

Funding Year 2007 began on July 1, 2007 and ended on June 30, 2008. Balances as of December 31, 2023 are as follows:

FY 2007	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,952.90)
Administrative Expenses	(\$81.24)
Amount Carried Forward / Backward	(\$850.00)
Potential Additional Disbursements on Committed FRNs	(\$0.03)
Amount Received from Rollover	\$650.00
Remaining Uncommitted Requests	(\$0.94)
Reserve for USAC Appeals	(\$0.02)
Reserve for FCC Appeals	(\$14.87)
Estimated Remaining Balance	(\$0.00)

Funding Year 2008

Funding Year 2008 began on July 1, 2008 and ended on June 30, 2009. Balances as of December 31, 2023 are as follows:

FY 2008	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$1,926.40)
Administrative Expenses	(\$125.59)
Amount Carried Forward / Backward	(\$777.62)
Amount Received from Rollover	\$600.00
Reserve for USAC Appeals	(\$0.02)
Reserve for FCC Appeals	(\$19.84)
Estimated Remaining Balance	\$0.53

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding Year 2009

Funding Year 2009 began on July 1, 2009 and ended on June 30, 2010. Balances as of December 31, 2023 are as follows:

FY 2009	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$2,333.23)
Administrative Expenses	(\$81.27)
Amount Carried Forward / Backward	(\$725.44)
Amount Received from Rollover	\$900.00
Remaining Uncommitted Requests	(\$0.02)
Reserve for USAC Appeals	(\$0.02)
Reserve for FCC Appeals	(\$10.04)
Estimated Remaining Balance	(\$0.02)

Funding Year 2010

Funding Year 2010 began on July 1, 2010 and ended on June 30, 2011. Balances as of December 31, 2023 are as follows:

FY 2010	Amounts in Millions
Amount Authorized and Actually Collected	\$2,270.25
Amount Authorized for Disbursement	(\$2,450.47)
Administrative Expenses	(\$75.33)
Amount Carried Forward / Backward	(\$740.01)
Amount Received from Rollover	\$1,150.00
Amount Applied to Adjust Collections FY2004	(\$140.00)
Potential Additional Disbursements on Committed FRNs	(\$0.23)
Reserved for Invoices Awaiting Approval Expired FRNs	\$0.00
Reserve for USAC Appeals	(\$0.05)
Reserve for FCC Appeals	(\$14.20)
Estimated Remaining Balance	(\$0.04)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding Year 2011

Funding Year 2011 began on July 1, 2011 and ended on June 30, 2012. Balances as of December 31, 2023 are as follows:

FY 2011	Amounts in Millions
Amount Authorized and Actually Collected	\$2,290.68
Amount Authorized for Disbursement	(\$2,151.28)
Administrative Expenses	(\$69.17)
Amount Carried Forward / Backward	(\$651.07)
Amount Received from Rollover	\$850.00
Amount Applied to Adjust Collections FY2004	(\$250.00)
Potential Additional Disbursements on Committed FRNs	(\$0.26)
Reserved for Invoices Awaiting Approval Expired FRNs	\$0.00
Remaining Uncommitted Requests	\$0.00
Reserve for USAC Appeals	(\$0.03)
Reserve for FCC Appeals	(\$18.87)
Estimated Remaining Balance	\$0.00

Funding Year 2012

Funding Year 2012 began on July 1, 2012 and ended on June 30, 2013. Balances as of December 31, 2023 are as follows:

FY 2012	Amounts in Millions
Amount Authorized and Actually Collected	\$2,338.80
Amount Authorized for Disbursement	(\$2,374.10)
Administrative Expenses	(\$67.31)
Amount Carried Forward / Backward	(\$894.02)
Amount Received from Rollover	\$1,050.00
Amount Applied to Adjust Collections FY2004	(\$40.00)
Potential Additional Disbursements on Committed FRNs	(\$0.80)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.04)
Reserve for USAC Appeals	(\$1.03)
Reserve for FCC Appeals	(\$11.39)
Estimated Remaining Balance	\$0.11

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding Year 2013

Funding Year 2013 began on July 1, 2013 and ended on June 30, 2014. Balances as of December 31, 2023 are as follows:

FY 2013	Amounts in Millions
Amount Authorized and Actually Collected	\$2,380.30
Amount Authorized for Disbursement	(\$1,753.03)
Administrative Expenses	(\$62.90)
Amount Carried Forward / Backward	(\$879.14)
Amount Received from Rollover	\$450.00
Amount Applied to Adjust Collections FY2004	(\$120.00)
Potential Additional Disbursements on Committed FRNs	(\$0.17)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.24)
Reserve for USAC Appeals	(\$0.29)
Reserve for FCC Appeals	(\$13.57)
Estimated Remaining Balance	\$0.96

Funding Year 2014

Funding Year 2014 began on July 1, 2014 and ended on June 30, 2015. Balances as of December 31, 2023 are as follows:

FY 2014	Amounts in Millions
Amount Authorized and Actually Collected	\$2,413.82
Amount Authorized for Disbursement	(\$1,872.67)
Administrative Expenses	(\$74.94)
Amount Carried Forward / Backward	(\$649.80)
Amount Received from Rollover	\$200.00
Potential Additional Disbursements on Committed FRNs	(\$0.83)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.05)
Remaining Uncommitted Requests	(\$0.02)
Reserve for USAC Appeals	(\$0.12)
Reserve for FCC Appeals	(\$15.48)
Estimated Remaining Balance	(\$0.09)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Funding Year 2015

Funding Year 2015 began on July 1, 2015 and ended on June 30, 2016. Balances as of December 31, 2023 are as follows:

FY 2015	Amounts in Millions
Amount Authorized and Actually Collected	\$2,250.00
Amount Authorized for Disbursement	(\$2,793.62)
Administrative Expenses	(\$103.04)
Amount Carried Forward / Backward	(\$899.78)
Amount Received from Rollover	\$1,575.05
Potential Additional Disbursements on Committed FRNs	(\$4.71)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.31)
Reserve for USAC Appeals	(\$0.75)
Reserve for FCC Appeals	(\$10.81)
Estimated Remaining Balance	\$12.03

Funding Year 2016

Funding Year 2016 began on July 1, 2016 and ended on June 30, 2017. Balances as of December 31, 2023 are as follows:

FY 2016	Amounts in Millions
Amount Authorized and Actually Collected	\$1,842.25
Amount Authorized for Disbursement	(\$2,349.20)
Administrative Expenses	(\$120.35)
Amount Carried Forward / Backward	(\$1,251.93)
Amount Received from Rollover	\$1,900.00
Potential Additional Disbursements on Committed FRNs	(\$0.16)
Reserve for USAC Appeals	(\$0.48)
Reserve for FCC Appeals	(\$18.73)
Estimated Remaining Balance	\$1.40

Funding Year 2017

Funding Year 2017 began on July 1, 2017 and ended on June 30, 2018. Balances as of December 31, 2023 are as follows:

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

FY 2017	Amounts in Millions
Amount Authorized and Actually Collected	\$2,064.22
Amount Authorized for Disbursement	(\$2,003.25)
Administrative Expenses	(\$110.67)
Amount Carried Forward / Backward	(\$1,116.63)
Amount Received from Rollover	\$1,200.24
Potential Additional Disbursements on Committed FRNs	(\$13.72)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.01)
Reserve for USAC Appeals	(\$0.63)
Reserve for FCC Appeals	(\$11.70)
Estimated Remaining Balance	\$7.85

Funding Year 2018

Funding Year 2018 began on July 1, 2018 and ended on June 30, 2019. Balances as of December 31, 2023 are as follows:

FY 2018	Amounts in Millions
Amount Authorized and Actually Collected	\$1,629.45
Amount Authorized for Disbursement	(\$1,998.05)
Administrative Expenses	(\$97.28)
Amount Carried Forward / Backward	(\$691.85)
Amount Received from Rollover	\$1,200.00
Potential Additional Disbursements on Committed FRNs	(\$3.50)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.08)
Reserve for USAC Appeals	(\$2.99)
Reserve for FCC Appeals	(\$27.87)
Estimated Remaining Balance	\$7.83

Funding Year 2019

Funding Year 2019 began on July 1, 2019 and ended on June 30, 2020. Balances as of December 31, 2023 are as follows:

FY 2019	Amounts in Millions
Amount Authorized and Actually Collected	\$1,699.18
Amount Authorized for Disbursement	(\$2,005.81)
Administrative Expenses	(\$74.11)
Amount Carried Forward / Backward	(\$513.07)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Amount Received from Rollover	\$1,000.00
Potential Additional Disbursements on Committed FRNs	(\$48.83)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.03)
Remaining Uncommitted Requests	(\$0.06)
Reserve for USAC Appeals	(\$6.69)
Reserve for FCC Appeals	(\$47.60)
Estimated Remaining Balance	\$2.98

Funding Year 2020

Funding Year 2020 began on July 1, 2020 and ended on June 30, 2021. Balances as of December 31, 2023 are as follows:

FY 2020	Amounts in Millions
Amount Authorized and Actually Collected	\$2,313.05
Amount Authorized for Disbursement	(\$1,991.57)
Administrative Expenses	(\$69.83)
Amount Carried Forward / Backward	(\$505.42)
Amount Received from Rollover	\$500.00
Potential Additional Disbursements on Committed FRNs	(\$208.69)
Remaining Uncommitted Requests	(\$0.90)
Reserve for USAC Appeals	(\$7.78)
Reserve for FCC Appeals	(\$9.94)
Estimated Remaining Balance	\$18.92

Funding Year 2021

Funding Year 2021 began on July 1, 2021 and ended on June 30, 2022. Balances as of December 31, 2023 are as follows:

FY 2021	Amounts in Millions
Amount Authorized and Actually Collected	\$2,373.25
Amount Authorized for Disbursement	(\$2,130.71)
Administrative Expenses	(\$66.61)
Amount Carried Forward / Backward	(\$85.94)
Amount Received from Rollover	\$500.00
Potential Additional Disbursements on Committed FRNs	(\$289.54)
Remaining Uncommitted Requests	(\$25.92)
Reserve for FY 2024 E-Rate Tribal Libraries Pilot	(\$190.18)

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Reserve for USAC Appeals	(\$9.79)
Reserve for FCC Appeals	(\$2.94)
Estimated Remaining Balance	\$71.62

Funding Year 2022

Funding Year 2022 began on July 1, 2022 and will end on June 30, 2023. Balances as of December 31, 2023 are as follows:

FY 2022	Amounts in Millions
Amount Authorized and Actually Collected	\$2,456.69
Amount Authorized for Disbursement	(\$1,876.75)
Administrative Expenses	(\$73.72)
Amount Carried Forward / Backward	\$35.41
Amount Received from Rollover	\$500.00
Potential Additional Disbursements on Committed FRNs	(\$855.33)
Reserved for Invoices Awaiting Approval Expired FRNs	(\$0.01)
Remaining Uncommitted Requests	(\$29.77)
Reserve for USAC Appeals	(\$10.59)
Reserve for FCC Appeals	(\$0.68)
Estimated Remaining Balance	\$145.25

SCHOOLS AND LIBRARIES SUPPORT MECHANISM SUMMARY

On March 3, 2023, the FCC announced the funding cap for Funding Year 2023 of \$4,768.41 million.⁶⁸ This reflects a 7.0 percent inflation-adjusted increase to the \$4,456.46 million cap from Funding Year 2022.⁶⁹ The filing window for Funding Year 2023 closed on March 28, 2023. Based on applications received, USAC estimates demand for Funding Year 2023 will be \$2,712.39 million (net of projected post window close adjustments).

In consultation with the FCC, USAC projects that a total of \$250 million will be available to carry-forward to Funding Year 2023 from prior funding years as follows, 2005:

⁶⁸ See *Wireline Competition Bureau Announces E-Rate and RHC Programs' Inflation-Based Caps for Funding Year 2021*, CC Docket No. 02-6, WC Docket No. 02-60, Public Notice, DA 21-332 (2021).

⁶⁹ *Id.*

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

\$0.31 million; 2006: \$0.22 million; 2007: \$0.05 million; 2008: \$0.04 million; 2010: \$0.09 million; 2012: \$1.45 million; 2013: \$0.64 million; 2014: \$5.80 million; 2015: \$12.83 million; 2016: \$6.46 million; 2017: \$12.87 million; 2018: \$19.23 million; 2019: \$54.26 million; 2020: \$128.17 million; and 2021: \$7.58; (net of funds carried back to funding years with a negative carry forward balance). Based on estimated demand of \$2,712.39 million and funds carried forward of \$250 million, the 2Q2024 collection requirement for Funding Year 2023 is \$631.45 million.

The net fund requirement of \$631.45 million is adjusted as follows: decreased by the prior period adjustments of \$3.24 million⁷⁰ and increased by \$24.15 million for administrative expenses; resulting in a total projected 2Q2024 funding requirement for the Schools and Libraries Support Mechanism of \$652.36 million.

AUTHORIZATION TO FILE WITH THE COMMISSION

At their January 29, 2024 meeting, USAC's High Cost & Low Income, Schools and Libraries, and Rural Health Care Committees adopted resolutions authorizing USAC staff to file with the Commission the 2Q2024 projected support mechanism funding requirements for those programs. At its January 30, 2024 meeting, the USAC Board of Directors adopted a resolution authorizing USAC staff to file with the Commission the 2Q2024 projected support mechanism funding requirements, and the inclusion of the projected 2Q2024 common administrative expenses in this report to the Commission.

⁷⁰ Prior period adjustments reconcile projections to actual results and include adjustments for billings, interest income, and bad debt.

**Universal Service Administrative Company 2Q2024 Fund Size
Projections**

Respectfully submitted,

UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY
Michelle Garber, Vice President of Finance, and
Chief Financial Officer

February 1, 2024