***Ex Parte* Notice**

March 5, 2018

Ms. Marlene H. Dortch, Secretary

Federal Communications Commission

445 12th Street, S.W.

Washington, D.C. 20554

**Re: Meeting with Commissioner Brendan Carr regarding transfer of Universal Service Funds to U.S. Treasury**

Dear Ms. Dortch:

On Thursday, March 1, 2018 the following persons attend a meeting with Commissioner Brendan Carr and Jamie Susskind:

* Dale McDonald, National Catholic Educational Association
* Joe McTighe, Council for American Private Education
* Whitney Silverman, National Association of Independent Schools
* Jennifer Daniels, United States Conference of Catholic Bishops

The meeting was requested to discuss the potential impact of the transfer of Universal Service Funds to the United States Treasury on the continued participation of private and religious schools in the E-rate program. Until this point in time, private and religious school participation in the E-rate program has been conditioned upon the belief that receipt of discounted services provided under the administration of the Universal Service Administrative Company (USAC) did not make the applicants recipients of federal funds. This understanding was fostered by the 2000 legal opinion of the Office of Budget and Management (OMB)1. If a school is a direct recipient of federal funds that designation triggers compliance burdens that small schools are not equipped to fulfill and federal obligations that intrude on the independence of the school.

The participants discussed the implications of the fund transfer and sought guidance from the FCC regarding means whereby the continued administration of the program by USAC and the service provider filing the Service Provider Invoice (SPI) Form 474 to have the discounted portion of the services paid by the U.S. Treasury to the service provider (rather than the applicant filing the Billed Entity Applicant Reimbursement (BEAR) Form 472 for direct payments) would constitute receipt of services, not federal funds, by the private schools. We urged the Commission to take these concerns under advisement.

Sincerely,



Dale McDonald, PBVM, PhD

Director of Public Policy

1Office of Management and Budget, Status of Universal Service Fund (April 28, 2000), available at <https://www.fundsforlearning.com/docs/2017/08/OMB%20Memo.pdf>