

Interstate TRS Fund **2017 Annual State Rate Data Request** **Filing Instructions**

Should you have any questions about these instructions or completion/content of the forms, please contact Bob Loube at 301-681-0338 or bobloube@earthlink.net. Questions about the submission of this data request can be made to Andy Morrow at TRSDataRequest@rolkaloube.com or call 717-585-6605.

Filing Requirements / Schedule / File Preparation

Form required of all states and US territories:

- Rate and Demand

Form to be completed as appropriate:

- Additional Costs Paid to Provider

Filing deadline:

Forms must be emailed to TRSDataRequest@rolkaloube.com on or before **February 20, 2018**.

Naming your file:

Each Excel workbook must be saved and submitted as a whole collection of completed data forms using this filing naming template: **xx_2017_Annual_v.xls**, **example: PR_2017_Annual_0.xls**

- | | |
|----|---|
| xx | Represents an abbreviation of the state or US territory (i.e. PA, DC, PR) |
| v | Represents a single digit for the version of the filing. The first filing submitted for the carrier should be 0. If the file is being replaced for some reason, increment by 1 each time a replacement file is created for submission. |

General Information

On November 19, 2007, the Federal Communications Commission released a Report and Order (FCC 07-186) adopting new cost recovery methodologies for the various forms of TRS. For traditional TRS, STS, and CTS, the Commission adopted the

MARS Plan. One MARS rate is calculated that applies to Interstate TRS and STS, and one MARS rate is calculated that applies to Interstate CTS (and currently all IP CTS).

Under the MARS plan each January the Fund Administrator will request each state TRS administrator, and each provider of TRS, STS, and CTS to provide the following data for the previous calendar year: (1) per-minute compensation rates for intrastate traditional TRS, STS, and CTS; (2) whether the rate applies to session minutes or conversation minutes; (3) the number of intrastate session minutes for traditional TRS, STS, and CTS; and (4) the number of intrastate conversation minutes for traditional TRS, STS, and CTS. If the contractual per-minute compensation rate does not include all of the costs paid by the state to the provider for the relay service, the state should also list other amounts paid to the provider during the relevant calendar year. All information submitted will be considered by RLSA to be confidential.

The intrastate minutes also include allocated 800-number, 900-number, and inbound two-line CTS minutes allocated as intrastate minutes (FCC DA 08-1476 ¶15). These allocated intrastate minutes must be included in the MARS calculation to ensure the rate reflects all intrastate minutes compensated by the states.

Completing the “Rate and Demand Worksheet”

Per the Commission Report and Order FCC 07-186, each state TRS administrator and each provider of interstate TRS and STS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate traditional TRS and STS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for traditional TRS and STS; and the number of intrastate conversation minutes for traditional TRS and STS.

Per the Commission Report and Order FCC 07-186, each state administrator and each provider of CTS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate CTS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for CTS; and the number of intrastate conversation minutes for CTS.

Header Instructions:

1. **Jurisdiction:** Enter the two character abbreviation for the state or territory being reported (such as “PR”, “VI”, “DC”, etc.).
2. **Prepared By:** Enter the name of the person responsible for the content of this report.
3. **Telephone:** Enter the telephone number, including an extension if appropriate, of the person named in step 2.
4. **Email Address:** Enter the email address of the person named in step 2.

Column Instructions: (Note that the jurisdiction column will complete automatically once a service type and provider have been entered.)

1. **Service Type:** Select the service type using the drop down list or type "TRS", "STS" or "CTS".
2. **Provider:** Enter the name of the service provider.
3. **Rate Start Date:** Enter a valid date including month, day and year when the contract rate became effective (such as "3/1/2017"). Note: Only rates that were in affect at some point during 2017 are to be reported.
4. **Rate End Date:** Enter a valid date including month, day and year when the contract rate terminates (such as "9/30/2017"). Note: Only rates that were in affect at some point during 2017 are to be reported.
5. **Conversation Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate conversation minutes (such as "4.52"). The currency format is already configured within the form and therefore, a dollar sign should not be typed.
6. **Session Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate session minutes (such as "4.52"). The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Conversation Minutes:** Enter the total intrastate conversation minutes for the period in which the rate was effective during the calendar year 2017.
8. **Session Minutes:** Enter the total intrastate session minutes for the period in which the rate was effective during the calendar year 2017.

Additional Cost Paid to the Provider

Please identify any incentives or services that were paid to a TRS provider during calendar year 2017 in addition to the payments reported on the "rate and demand" worksheet.

Column Instructions: (Note that the jurisdiction column will complete automatically once a service type and provider have been entered.)

1. **Provider:** Enter the name of the service provider.
2. **Service Type:** Select the service type using the drop down list or type either "TRS", "STS" or "CTS".
3. **Rate Start Date:** Enter a valid date including month, day and year when the rate being reported began (such as "3/1/2017").

4. **Rate End Date:** Enter a valid date including month, day and year when the rate being reported terminates (such as "9/30/2017").
5. **Amount:** Enter the amount of additional payments to the provider. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
6. **Description:** Describe the type of cost or incentive paid to the provider.

Questions:

Q: My state is somewhat unique among states as we pay a monthly TRS rate based on center operating costs, not a per minute compensation rate as requested. How do I best capture that information on the form for you to use?

A: Do not complete the rate portion of the "rate and demand" form because it obviously does not apply to this situation. We are also interested in the amount of TRS demand in the prior year, so please enter the number of minutes, if possible.

In the form, "Add. Cost Paid to Provider", please complete this form. In the "amount" column, enter the annual amount paid to the provider. However, if the rate was established for a portion of the year, enter the amount paid for that portion. Indicate in the rate start and end date columns, the portion of the year that the rate was in effect. Use a separate row each time the rate changed.

Q: Our rate for STS is included in the monthly TRS rate. Do I list STS on the form separately, or note that the monthly TRS rate includes STS in the "provider" column?

A: In the "description" column, explain how the compensation is determined. If STS and TRS are combined, indicate that. Do not try to make an artificial separation of the payments if there is no basis for the separation. However, if you know the costs for TRS separately from the costs of STS, you can provide that information in the description column.

Persons willfully making false statements on this form can be punished by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §1001.

PRIVACY ACT AND PAPERWORK REDUCTION ACT STATEMENTS

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. If we believe there may be a violation or a potential violation of a FCC statute, regulation, rule or order, your certification may be referred to the Federal, state or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation, or order. In certain cases, the information in your certification may be disclosed to the Department of Justice or a court or adjudicative body when a) the FCC; or b) any employee of the FCC; or c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding.

We have estimated that this collection of information will take 1.0 hour annually. Our estimate includes the time to read the instructions, look through existing records, gather and maintain required data, and actually complete and review the form or response. If you have any comments on this estimate, or on how we can improve the collection and reduce the burden it causes you, please write the Federal Communications Commission, Office of Managing Director, AMD-PERF, Washington, DC 20554, Paperwork Reduction Act Project (3060-1249). We will also accept your PRA comments if you send an e-mail to PRA@fcc.gov.

Please DO NOT SEND COMPLETED FORMS TO THIS ADDRESS. You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number and/or we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-1249.

THIS NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. SECTION 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden
estimate

[illegible]

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden
estimate

[illegible]

January--2018

Approved by OMB

OMB Control number 3060-1249

See instructions for public burden estimate

If you have questions about the content of these forms, please contact:

Bob Loube

bobloube@earthlink.net 301-681-0338

Please send this completed workbook by February 20, 2018 to:

TRSDataRequest@rolkaloube.com 717-585-6605

Interstate TRS Fund

2017 Annual TRS Provider Data Request Filing Instructions

Filing Requirements / Schedule / File Preparation

Forms required of all providers:

- Basics
- Intrastate Rate and Minute Data for MARS Methodology

Forms to be completed as appropriate:

- Additional Provider-Paid Costs,
- Additional Costs Paid to Provider
- Video Relay Services Expense and Capital Investments Data
- IP Services Expense and Capital Investments Data
- Annual IP and VRS Demand Data

Filing deadline:

All forms must be uploaded to the Rolka Loubé secure FTP portal **on or before February 20, 2018.**

Naming your file:

Each Excel workbook must be saved and submitted as a whole collection of completed data forms using this filing naming template: **xxxxxx_2017_Annual_v.xlsx** or **xxxxxx_2017_Annual_v_cccc.xlsx**

xxxxxx Represents the 6 digits of the provider's filer ID

v Represents a single digit for the version of the filing. The first filing submitted for the carrier should be 0. **If the file is being replaced for some reason, increment by 1 each time a replacement file is created for submission.**

cccc OPTIONAL: Represents a variable length text string to identify the name of a subcontractor for which the workbook reports data. Spaces are acceptable but some special characters are not. Normal file naming character selections/restrictions apply. Subcontractor data should be compiled and supplied separately from data directly related to the

certified provider responsible for responding to this data request. If subcontractor data is supplied, a separate text file should be prepared and submitted which shall contain an index to identify subcontractor's full name if an abbreviation is used within the workbook's file name. That index file should be named using the format **xxxxxx_2017_Annual-Index_v.txt**.

General Information

On November 19, 2007, the Commission released a Report and Order (FCC 07-186) adopting new cost recovery methodologies for the various forms of TRS. The Order also clarified the nature and extent that certain categories of costs are compensable from the Fund.

The Order also provided that:

- Indirect overhead costs are not reasonable costs of providing TRS. Appropriate overhead costs are those costs directly related to, and directly support, the provision of relay service. Indirect overhead costs may not be allocated to TRS by an entity that provides services other than TRS based on the percentage of the entity's revenues that are derived from the provision of TRS. (FCC 07-186, ¶¶74-75).
- Start-up expenses are compensable, but must be amortized in accordance with generally accepted accounting rules (FCC 07-186, ¶¶76-77).
- All costs submitted must directly support the provision of relay service (FCC 07-186, ¶¶75).
- Reasonable executive compensation for persons who directly support the provision of TRS is compensable from the Fund (FCC 07-186, ¶¶79). For example, if executives of a company that provides a variety of services in addition to TRS do not personally work on TRS issues, no part of their salaries can be included in the company's TRS cost submission (FCC 07-186, ¶¶75).
- Financial transaction costs or fees unrelated to the provision of relay service are not compensable as reasonable costs of providing service. Such costs include costs and fees relating to a change in ownership of the entity providing relay service, the sale of the entity, the spinoff of part of the entity, or any other transaction directed at the ownership, control, or structure of the relay provider (FCC 07-186, ¶¶80).
- Costs attributable to relay hardware and software used by the consumer, including installation, maintenance costs, and testing are not compensable from

the Fund. Compensable expenses do not include expenses for customer premises equipment – whether for the equipment itself, equipment distribution, or installation of the equipment or necessary software (FCC 07-186, ¶182). Any information requested is for informational purposes only.

- Do not include profit or tax allowances in expenses. (FCC 04-137, ¶179-182)
- Only expenses to meet the non-waived mandatory minimum standards should be included. (FCC 04-137, ¶188-190)
- Capital investment data, if applicable, must be submitted by service. (FCC 04-137, ¶177-182)
- If depreciated expenses are reported, the year end net book value of the capital investment from which depreciation was computed must be reported in Section F.
- STS providers must include a report detailing specific outreach efforts directly attributable to the additional support for STS outreach
- The following costs are not compensable from the fund:
 - Costs associated with an Internet-based TRS consumers' acquisition of a ten-digit geographic telephone number
 - Costs associated with an Internet-based consumers' acquisition and usage of a toll free telephone number
 - E911 charges imposed on TRS providers under a state or local E911 funding mechanism. (FCC 08-275, ¶47-56)

All reasonable expenses of providing eligible relay services, whether as part of a state-contracted service or a stand-alone service, are reportable.

Completing the 'Basics' Worksheet

1. **ID & Provider Name:** In the first white box, select your company name from the drop down list.
2. **Contact Name:** Enter the name of the person who prepared the reported information. This person will be contacted by RLSA if there are any questions or problems with the submission.
3. **Contact Email Address:** Enter the email address of the person identified in step 2.

4. **Contact Telephone:** Enter the telephone number of the person identified in step 2, including area code and any appropriate extension number.
5. **Explanation of Changes:** In the next box, enter, as per the on-form instructions, details about changes since your last filing and/or plans for change for the upcoming tariff year 2018-2019 (July – June).

Completing the ‘Rate and Minute Data’ Worksheet

Per the Commission Report and Order FCC 07-186, each provider of interstate TRS and STS is to provide the following data for the previous calendar year: per-minute compensation rates for intrastate traditional TRS and STS; whether the rate applies to session minutes or conversation minutes; the number of intrastate session minutes for traditional TRS and STS; and the number of intrastate conversation minutes for traditional TRS and STS.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider’s 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either “TRS”, “STS” or “CTS”.
3. **Jurisdiction:** Enter the appropriate state or territory (such as “Puerto Rico”, “PR”, “VI”, “Guam”, etc.)
4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as “3/1/2017”).
5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as “9/30/2017”).
6. **Conversation Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate conversation minutes (such as “4.52”). The currency format is already configured within the form and therefore, a dollar sign should not be typed. If the compensation is not per minute, record the compensation information in the form “Additional Costs Paid to Provider”.
7. **Session Rate:** Enter the per-minute compensation rate when the compensation rate is based upon actual intrastate session minutes (such as “4.52”). The currency format is already configured within the form and therefore, a dollar sign should not be typed. If the compensation is not per

minute, record the compensation information in the form “Additional Costs Paid to Provider”.

8. **Conversation Minutes:** Enter the total intrastate conversation minutes for the period in which the rate was effective during the calendar year 2017.
9. **Session Minutes:** Enter the total intrastate session minutes for the period in which the rate was effective during the calendar year 2017.

Completing the ‘Additional Provider-Paid Costs’ Worksheet

Please identify any incentives or services that the TRS provider paid for or provided, during calendar year 2017, that the state was not required to pay for.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider’s 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either “TRS”, “STS” or “CTS”.
3. **Jurisdiction:** Enter the appropriate state or territory (such as “Puerto Rico”, “PR”, “VI”, “Guam”, etc.)
4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as “3/1/2017”).
5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as “9/30/2017”).
6. **Amount:** Enter the amount of provider-paid costs. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Description:** Describe the type of cost or incentive paid for by the provider.

Completing the ‘Additional Costs Paid to Provider’ Worksheet

If the contractual per-minute compensation rate does not include all the costs paid by the state to the provider for the relay service, enter amounts paid to the provider during 2017.

Column Instructions:

1. **Provider:** This information will automatically be populated with the provider's 6-digit ID selected within the Basics sheet after the Service Type and the Jurisdiction columns are completed.
2. **Service Type:** Either select the service type using the drop down list or type either "TRS", "STS", "CTS", "IPCTS", "IP" or "VRS".
3. **Jurisdiction:** Enter the appropriate state or territory (such as "Puerto Rico", "PR", "VI", "Guam", etc.)
4. **Rate Start Date:** Enter a valid date including month, day and year when the contract being reported began (such as "3/1/2017").
5. **Rate End Date:** Enter a valid date including month, day and year when the contract being reported terminates (such as "9/30/2017").
6. **Amount:** Enter the amount of payments for 2017. The currency format is already configured within the form and therefore, a dollar sign should not be typed.
7. **Description:** Describe the type of payment by the provider for 2017.
8. **Source:** Identify the entity that provided the payment to the provider.

Completing the 'Video Relay Services Expense and Capital Investments Data' Worksheet

Include claimed expenses attributable to providing Video Relay Services as required under Part 64 of the FCC rules, such as gathering traffic, the center itself, and handing off calls to the interexchange carrier. When reporting expenses, report all amounts in whole dollars. For the four columns: 2016, 2017 2018, and 2019, enter Actual or Projected amounts as requested. All amounts should be traceable to the company's trial balance. For each category of cost the total submitted should tie to the category expenses in the Appendix H, Sections 1 and 2, income statements. E.g. A1 rent for the VRS RSDR submission should tie to the A1 rent expense VRS column in the income statements.

Provide all spreadsheets used to allocate cost among the TRS services. *
See Appendix 1, Section A for further instructions *****

1. **Annual Recurring Fixed/Semi-Variable Expenses see Appendix 1.** Submit all expenses associated with building rent, utilities, maintenance, property tax, and leased furniture and office equipment. **Rent:** Annual payments solely for land and/or buildings rented for the provision of Video Relay Services.
2. **Utilities:** Expenses associated with land and buildings used for the provision of VRS, such as water, sewerage, fuel, T1, trunk lines, internet connectivity, internet service, VoIP service, and power. Telephone service expenses, such as center toll free numbers, local and foreign exchange should also be included here. **Also see ITEM B. 4.**
3. **Building Maintenance:** Expenses for maintenance and repair used for the provision of VRS.
4. **Property Tax (if owned):** Taxes paid on property owned and used for the provision of VRS.
5. **Furniture (if leased):** Lease or rental expenses associated with center furnishings used for the provision of VRS.
6. **Office Equipment (if leased):** Lease or rental expenses associated with office equipment used for the provision of VRS.

B. Annual Recurring Variable Expenses (Direct VRS Operating Expenses)

1. **Salaries and Benefits:** Compensation to ***non-management employees (persons performing communications assistant and interpreter activities)***, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. **Included in this expense is the cost of "contract interpreters and/or communication assistants" who are not employees.** **ADDITIONAL DATA REQUIRED – see Appendix 1**
2. **Salaries and Benefits:** Compensation to ***management employees (relay center managers & supervisors)***, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. **ADDITIONAL DATA**

REQUIRED – see Appendix 1 See discussion of executive compensation at paragraphs 78-79 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

3. **Salaries and Benefits:** Compensation to *relay center staff*, such as wages, salaries, commissions, bonuses, incentive awards and termination payments; payroll related benefits paid on behalf of employees, such as pensions, savings plans, workers' compensation required by law, insurance plans (life, hospital, medical, dental, vision); and social security and other payroll taxes. **ADDITIONAL DATA REQUIRED – see Appendix 1**
4. **Telecommunications Expenses:** Expenses associated with inspecting, testing, analyzing and correcting trouble; repairing or reporting on telecommunications plant (switching, transmission, operator, cable and wire) to determine need for repairs, replacements, rearrangements, and changes; expenses for activities, such as controlling traffic flow, administering traffic measuring and monitoring devices, assigning equipment and load balancing, collecting and summarizing traffic data, administering trunking equipment and facilities, automatic call distributor and assigning interoffice facilities and circuit layout work. **Note: expenses reported here are in addition to the telephone service expenses reported in Section A 2.**
5. **Billing Expenses:** Rating of toll messages and billing functions not recovered from other sources.
6. **Relay Center Expenses:** Expenses not included in other accounts, such as providing food services, libraries, archives, mail service, procuring office equipment, office supplies, materials and repairs.

C. Annual Administrative Expenses

Indirect overhead costs are not reasonable costs of providing TRS. Appropriate overhead costs are those costs directly related to, and directly support, the provision of relay service. Indirect overhead costs may not be allocated to TRS by an entity that provides services other than TRS based on the percentage of the entity's revenues that are derived from the provision of TRS. (FCC 07-186, ¶74-75).

1. **Finance/Accounting:** Expenses incurred in providing accounting and financial services. Accounting services include payroll and disbursements, property accounting, capital recovery, regulatory accounting, tax accounting, auditing, capital and operating budget and control, and general accounting. Financial services include banking operations, cash management, and benefit investment fund management, etc. **ADDITIONAL DATA REQUIRED - see Appendix 1**

2. **Legal/Regulatory:** Expenses incurred for legal and regulatory services. Legal services include conducting and coordinating litigation, providing guidance on regulatory and labor matters, court expenses, filing fees, cost of counsel, etc. Regulatory services include preparing and presenting information for regulatory purposes, such as responding to this data request. **ADDITIONAL DATA REQUIRED - see Appendix 1**
3. **Engineering:** Expenses incurred in the general day to day engineering operation of the TRS telecommunications plant and /or IP network to meet applicable non-waived mandatory minimum standards. **ADDITIONAL DATA REQUIRED see Appendix 1**
4. **Research and Development:** Expenses incurred for R&D required to meet applicable non-waived mandatory minimum standards. **ADDITIONAL DATA REQUIRED – see Appendix 1**
5. **Operations Support:** Expenses that ensure the sustainability of service including troubleshooting, customer service and technical support. **ADDITIONAL DATA REQUIRED – see Appendix 1**
6. **Human Resources:** Expenses incurred in performing personnel administration activities, including recruiting, hiring, forecasting, planning, training, scheduling , counseling employees and reporting. **ADDITIONAL DATA REQUIRED – see Appendix 1**
7. **Billing:** Administrative expenses of rating and providing billing information to interexchange and exchange carriers, if not recovered by other means. **ADDITIONAL DATA REQUIRED - see Appendix 1**
8. **Contract Management:** Expenses of managing activities required by the provider contracts. **ADDITIONAL DATA REQUIRED – see Appendix 1**
9. **Risk Management:** Management expenses associated with workmen's compensation, payments in settlement of accident and damage claims, insurance premiums against losses and damages, sickness and disability payment, etc.
10. **Other Corporate Overhead:** Other administrative expenses of providing TRS not included in previous categories. All costs over \$10,000 should be itemized. **ADDITIONAL DATA REQUIRED – see Appendix 1** See discussion of overhead costs at paragraphs 74-75 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

D. Annual Depreciation / Amortization Associated with Capital Investment

Depreciation listed in this section MUST tie to the capital investment reported in Section F.

1. **Furniture & Fixtures:** Depreciation expense on furniture and/or fixtures. **ADDITIONAL DATA REQUIRED – see Appendix 1**
2. **Telecommunications Equipment:** Depreciation expense associated with capitalized expenses of telecommunications equipment including switching equipment, operator services equipment, cable and wire facilities, transmission equipment, and power equipment. **ADDITIONAL DATA REQUIRED – see Appendix 1**
3. **Leasehold:** Amortization of leasehold improvements – improvements which become a permanent part of a building, like walls or carpeting. **ADDITIONAL DATA REQUIRED – see Appendix 1**
4. **Software:** Amortization expenses associated with capitalized software.
5. **Other Capitalized:** depreciation expense not accounted for in other categories. **ADDITIONAL DATA REQUIRED – see Appendix 1**

E. Other Expenses

1. **Marketing/Advertising: Advertising:** is a form of communication intended to persuade an audience (viewers, readers or listeners) to purchase or take some action upon products, ideas, or services. It includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular brand. These messages are usually paid for by sponsors and viewed via various media. Marketing is the wide range of activities involved in making sure that you're continuing to meet the needs of your customers and getting value in return. Marketing activities include "inbound marketing," such as market research to find out, for example, what groups of potential customers exist, what their needs are, which of those needs you can meet, how you should meet them, etc. Inbound marketing also includes analyzing the competition, positioning your new product or service (finding your market niche), and pricing your products and services. "Outbound marketing" includes promoting a product through continued advertising, promotions, public relations and sales. Marketing/Advertising expenditures by the provider to persuade users to choose their particular relay service over that of other relay service providers. **All costs over \$10,000 should be itemized.** The cost of equipment given to, sold to, and/or used by relay callers, and call incentives are NOT to be reported as expenses. **ADDITIONAL DATA REQUIRED – see Appendix 1.** See discussion at paragraph 82, Report and

Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

2. **Outreach:** Outreach is an effort by individuals in an organization or group to connect its ideas or practices to the efforts of other organizations, groups, specific audiences or the general public. Unlike marketing, outreach does not inherently revolve around a product or strategies to increase market share. Typically non-profits, civic groups, and churches engage in outreach. **ADDITIONAL DATA REQUIRED – see Appendix 1.** See discussion at paragraph 82, Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).
3. **Sub Contactor:** 3rd party costs associated with a contract to provide IP and VRS services. Do not include profit or tax allowances of sub-contractor. **ADDITIONAL DATA REQUIRED – see Appendix 1**
4. Software Expense
5. Customer Premise Equipment Expense **ADDITIONAL DATA REQUIRED – see Appendix 1**
6. Other: Expenses not previously reported. **ADDITIONAL DATA REQUIRED – see Appendix 1**

F. Capital Investments

Please provide the year end net book value of capital investments by categories listed in Section F from which the depreciation expenses in Section D was calculated. **ADDITIONAL DATA REQUIRED – see Appendix 1**

G. Costs Associated with E911 and Numbering for Internet-Based Telecommunications Relay Services

Costs may be submitted for:

“those additional costs incurred by a provider that directly relate to (1) ensuring that database information is properly and timely updated and maintained; (2) processing and transmitting calls made to ten-digit numbers assigned pursuant to this Order; (3) routing emergency calls to an appropriate PSAP; (4) other implementation related tasks directly related to facilitating ten-digit numbering and emergency call handling; and (5) consumer outreach and education related to the requirements and services adopted in this Order” (FCC 08-151¶100).

The following costs are not compensable from the fund: (A) Costs associated with an Internet-based TRS consumers’ acquisition of a ten-digit geographic telephone

number (B) costs associated with an Internet-based consumers' acquisition and usage of a toll free telephone number (C) E911 charges imposed on TRS providers under a state or local E911 funding mechanism. (FCC 08-275, ¶47-56). Do not include these costs. Do not include costs already included in the per minute IP and VRS compensation rate calculated pursuant to the Commission's rules.

Completing the 'IP-Relay Services Expense and Capital Investments Data' Worksheet

Include reasonable expenses attributable to providing IP Relay as required under Part 64 of the FCC rules, such as gathering traffic, the center itself, and handing off calls to the carrier. When reporting expenses, please report all amounts in whole dollars. **Follow the same instructions for Sections A through G as listed above in Video Relay Services Expense and Capital Investments Data except substitute IP-Relay expenses and capital investments for VRS.**

Completing the 'IP-CTS Services Expense and Capital Investments Data' Worksheet

Include reasonable expenses attributable to providing IP CTS as required under Part 64 of the FCC rules, such as gathering traffic, the center itself, and handing off calls to the carrier. When reporting expenses, please report all amounts in whole dollars. **Follow the same instructions for Sections A through G as listed above in Video Relay Services Expense and Capital Investments Data except substitute IP-CTS expenses and capital investments for VRS.**

Completing the 'Annual IP-Relay, IP-CTS and VRS Demand Data' Worksheet

All minute data should be reported in conversation minutes. Conversation minutes are measured in terms of conversation time, i.e., from calling party connection to called party to the disconnect of both parties. Do not include time for call set-up, call ringing, waiting for an answer, calls that reach busy numbers or receive no answers, and call wrap-up. 2016 and 2017 minutes should be actual conversation minutes. Minutes for 2018 and 2019 should be projected conversation minutes by month. The projected minutes should reflect reasonable growth rates and include other considerations that might increase or decrease the minutes handled by a center, such as adding a new state to a center. Include a description of the methodology used to determine the projected minutes for 2018 and 2019.

APPENDIX 1 For IP Relay, IP-CTS and VRS

This Appendix applies to each service separately.

SECTION A: Annual Recurring Fixed/Semi-Variable Expenses

For Section “A” expenses that are provisioned jointly with the expenses for other telecommunications relay services, provide the total company expenses, a description of how the total expenses are allocated among the TRS services and between TRS and Non-TRS services, and the percent allocation for each service. For example, a building lease could be allocated based on the relative square feet of the building used to provide the services. Include a spreadsheet that documents the allocation. All relationships and equations in the spreadsheet should be active. Do not copy and paste special any data.

SECTION B: Annual Recurring Variable Expenses

1. Salaries and Benefits

- a) Provide a detailed schedule of the number of full-time employees or part-time equivalent employees – **Non-management (persons performing communications assistant and interpreter activities)**, their job title and job description and the components of their compensation, including salaries and benefits. This includes the cost of contract interpreters and/or communication assistants. The schedule should tie to the actual and projected amounts for 2016-2019. Please provide data for each center and job title and job description for each employee classification. Number of employees should be the average for the year.

Please provide data for each center. This should be the average for the year, not year-end numbers.

- b) Provide a detailed schedule of the occupancy and utilization percentages used to develop the number of employees required to meet call volumes. The schedule should tie to the schedule requested in A above.

Occupancy Percentage = # of minutes a CA/Interpreter is occupied processing a call(including set-up, wrap-up) / # of available minutes (payroll time). Provide the numerator and the denominator data separately.

Utilization Percentage = # of conversation minutes (does not include set-up, wrap-up) / # of minutes a CA/Interpreter is occupied processing a call(including set-up, wrap-up). Provide the numerator and the denominator data separately.

Please also include information on the normal workday length and the amount of time CAs/interpreters are at their desks waiting to take calls (available/payroll time minus lunch, breaks, vacation).

- c) Provide the speed of answer you are staffing to meet for each center. This should be the average for the year, not year-end data.
 1. Number of communication assistant and interpreter seats at each call center
 2. Number of call centers
 3. Average hourly salary for communication assistants and interpreters
 4. Provide fully loaded CA costs including labor, facilities and CA direct G&A
2. Salaries and Benefits Provide a detailed schedule of the number of employees – Management employees (relay center managers & supervisors), their job titles, description, and the components of their compensation, including salaries and benefits. The schedule should tie to the actual and projected demand for 2016 - 2019. Please provide data for each center and job title and job description for each employee classification. See discussion of executive compensation at paragraph 75, 78-79 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186). Number of employees should be the average for the year.
3. Salaries and Benefits Provide a detailed schedule of the number of employees – Relay Center Staff (clerical staff and others who perform non communications assistant and interpreter activities), their job title and job description and the components of their compensation, including salaries and benefits. The schedule should tie to the actual and projected demand for 2016-2019. Please provide data for each center, job title and job description for each employee classification. Number of employees should be the average for the year.
4. Provide a schedule of telecommunications expenses for each call center. Include the vendor, a description of the good or service and the amount.
5. Provide a schedule of the billing expenses for each call center. If billing is performed in-house, provide the work hours required. If billing is provided by a vendor, include the vendor, a description of the good or services and the amount.
6. Provide a schedule of relay center expenses for each call service. Include the vendor, a description of the good or service and the amount.

SECTION C: Annual Administrative Expenses

1. Finance/Accounting

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide a schedule of other expenses incurred in providing accounting and financial services. Include the vendor, a description of the good or service and the amount.

2. Legal/ Regulatory

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be the average of the year.
- b) Provide a schedule of other expenses incurred in providing legal services and a description of those expenses. Include the vendor, a description of the good or service and the amount.

3. Engineering (day to day operations)

- a) Provide a detailed schedule of the number of employees, their job title, job description and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Describe Engineering activities and explain how it relates to meeting the non - waived mandatory minimum standards. (See FCC 04-137, ¶ 188-190)

4. Research and Development

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be average for the year. Provide a break down based on platform, software and customer premise equipment.
- b) Provide a schedule of other expenses incurred in providing research and development services and a description of those expenses. Include the vendor, a description of the good or service and the amount.
- c) Describe each TRS related Research and Development project and explain how it relates to meeting the non -waived mandatory minimum standards. (See FCC 04-137, ¶ 188-190)

5. Operations Support

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salary and benefits. Number of employees should be the average for the year.
- b) Provide a schedule of other expenses incurred in providing research and development services and a description of those expenses. Include the vendor, a description of the good or service and the amount.

6. Human Resources

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide a schedule of other expenses incurred in providing research and development services and a description of those expenses. Include the vendor, a description of the good or service and the amount. This includes forecasting, planning, recruiting and reporting.

7. Billing

- a) Provide a detailed schedule of the number of employees, job title, job description and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide other administrative expenses incurred in rating and providing billing information to exchange and interexchange carriers if not recovered by other means.

8. Contract Management

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide a schedule of managing activities required by provider contract and a description of those activities. Include vendor, a description of service or good and the amount

9. Risk Management (No additional information is needed)

10. Other Corporate Overheads

- a) Provide a detailed schedule of the number of employees, job title, job description and the components of their compensation, including salaries and benefits. Number of employees should be average for the year.

- b) Itemize any costs over \$10,000. See discussion of overhead costs at paragraphs 74-75 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

SECTION D: Annual Depreciation/Amortization Associated with Capital Investment

Depreciation method and period applied should be included. Departures from traditional depreciation methods should be explained in detail. We emphasize that the depreciable life, depreciation method, and depreciation expense must be categorized by items listed in Section D.

SECTION E: Other Expenses

1. Marketing/Advertising Expenses

- a) Provide a detailed schedule of the number of employees, job title, job description and the components of their compensation, including salaries and benefits. This includes product management expenses associated with managing product lifecycle. Number of employees should be the average of the year.
- b) Provide a schedule of expenses for marketing/advertising. Include the vendor, a description of the good or service and the amount.
- c) Do not report the cost of equipment given to, sold to, and/or used by relay callers in any expenses.
- d) Do not report expenses associated with installation and training on the equipment.

2. Outreach Expenses

- a) Provide a detailed schedule of the number of employees, job title, job description, and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide a schedule of expenses for outreach. Include the vendor, a description of the good or service and the amount.
- c) Do not report the cost of equipment given to, sold to, and/or used by relay callers in any expenses.
- e) Do not report expenses associated with installation and training on customer premises' equipment. See discussion of at paragraph 82 and Declaratory Ruling at paragraphs 89-94 of the Commission's Report and Order and Declaratory Ruling, released on November 19, 2007 (FCC 07-186).

3. Sub Contractor Expenses

- a) Provide a schedule of sub-contractor expenses. Include the vendor, RSDR category of expense, a description of the good or service and the amount.

4. Software (No additional information is needed)

5. Customer Premise Equipment

- a) Provide a detailed schedule of the number of employees, job title, job description and the components of their compensation, including salaries and benefits. Number of employees should be the average for the year.
- b) Provide the number of Customer Premise Equipment units sold, produced and installed.
- c) Provide the Cost of Goods Sold.

6. Other - Do not include "Profit or Tax Allowances". List and explain expenses not stated in other categories.

SECTION F: Capital Investments

- a) Support data for capital investment should include where appropriate, among other things: all capital equipment purchased in order to provide each form of TRS, itemized by equipment class, gross book values, accumulated depreciation, and net book values. Only report the year end net book value in Section F.
- b) Support data for VRS equipment should separately identify investments used by communications assistants and interpreters to interact with end-users, and equipment used to monitor and supervise call centers.
- c) For each type of equipment provide gross book values, accumulated depreciation and net book values.
- d) For equipment used to monitor and supervise call centers that provide multiple TRS services, provide the total company investments, describe how total investments are allocated among the services, and the percent allocation for each service.
- e) Only include capital investment items that are long term in nature and subject to depreciation. Items such as office supplies should be listed in Section B. 6. Relay Center Expenses.

SECTION G: Costs Associated with E911 and Numbering for Internet-Based Telecommunications Relay Services

Provide the total number of E911 calls handled for the years 2016 – 2017.

SECTION H: Financial Data (This information should be supplied at the provider level rather than for each individual service)

1. Provide the corporate income statement and balance sheet for the entity for 2016 and 2017.
2. Provide a supporting schedule that ties to the income/balance sheet and contains the following information:
 - a. A column for each TRS service and a column for other that contains the non-TRS service amount.
 - b. Rows for each of the categories of expense that were submitted with the data submission under sections A through G.
 - c. An explanation of the services provided related to the amounts in the other column.
3. Please provide the state corporate income tax rates for each state applicable where you provide VRS, IP-Relay or IP-CTS service. If any state does not have a corporate income tax, please indicate that the rate does not exist.
4. Please provide a list of all debt instruments, where debt instruments include: notes, bonds, loans, commercial paper and similar financial obligations.
5. For each listed debt instrument, please provide:
 - a. The balance as of December 31, 2017.
 - b. The expected balance as of April 30, 2018
 - c. The interest rate
 - d. Interest paid in 2016
 - e. Interest paid in 2017
 - f. Estimated interest payments in 2018
 - g. Estimated interest payments in 2019
 - h. Principal payments in 2016.
 - i. Principal payments in 2017.
 - j. Estimated principal payments in 2018
 - k. Estimated principal payments in 2019
 - l. Maturity date
 - m. An explanation of any covenants associated with the debt instrument
 - n. The metric associated with the covenant, for example, an interest coverage ratio of 3.
 - o. 2017 performance regarding the metric, for example, in 2017 the actual interest coverage ratio was 4.3.
6. Provide any lead-lag study or any other study that would support a working capital requirement performed by or for the provider.

Persons willfully making false statements on this form can be punished by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §1001.

PRIVACY ACT AND PAPERWORK REDUCTION ACT STATEMENTS

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. If we believe there may be a violation or a potential violation of a FCC statute, regulation, rule or order, your certification may be referred to the Federal, state or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation, or order. In certain cases, the information in your certification may be disclosed to the Department of Justice or a court or adjudicative body when a) the FCC; or b) any employee of the FCC; or c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding.

We have estimated that this collection of information will take 5.0 hours annually. Our estimate includes the time to read the instructions, look through existing records, gather and maintain required data, and actually complete and review the form or response. If you have any comments on this estimate, or on how we can improve the collection and reduce the burden it causes you, please write the Federal Communications Commission, Office of Managing Director, AMD-PERF, Washington, DC 20554, Paperwork Reduction Act Project (3060-1249). We will also accept your PRA comments if you send an e-mail to PRA@fcc.gov.

Please DO NOT SEND COMPLETED FORMS TO THIS ADDRESS. You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number and/or we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-1249.

THIS NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. SECTION 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

Interstate TRS Fund

Annual Provider Information

Provider Name	
Contact Name	
Contact Email Address	
Contact Telephone	
For signature at the bottom of this form:	
Senior Officer Name	
Senior Officer Title	

To assist RolkaLoubé in understanding your data, in the box below, please summarize any service changes/activities/improvements since the 2016-2017 filing, or planned for tariff year 2018-2019 (July thru June), that caused/may cause substantial changes in cost and/or demand data. Include the methodology used to determine the projected minutes for calendar years 2018 and 2019. Examples: addition of a state; loss of a state contract; increase in volumes due to specific outreach program; call volume decrease due to use of internet or other non-TRS technology; decrease in minutes due to new, time saving technology; changes in volumes due to abnormal weather conditions; etc. Include any characteristics unique to a particular service or changes in the relay services marketplace as a whole.

Should you have questions about completing or submitting these forms, please see the filing instructions.

I swear under penalty of perjury that I am _____, _____, an officer of the above-named reporting entity and that I have examined the foregoing reports and that all requested information has been provided and all statements of fact, are true and accurate.

Signature

Date

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden estimate

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden estimate

[illegible]

d January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden estimate

Additional Provider-Paid Costs for Calendar Year 2017

[illegible]

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden estimate

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden estimate

[illegible]

Interstate TRS Fund

January 2018
Not Approved by OMB
OMB Control number 3060-1249
See instructions for public burden
estimate

IP Relay Services Expense and Capital Investments Data

Provider:

	Actuals		Projection	
	2016	2017	2018	2019
A. Annual Recurring Fixed / Semi-Variable Expenses				
1. Rent				
2. Utilities				
3. Building Maintenance				
4. Property Tax (if owned)				
5. Furniture (if leased)				
6. Office Equipment (if leased)				
Total	\$ -	\$ -	\$ -	\$ -
B. Annual Recurring Variable Expenses (Direct TRS Operating Expenses)				
1. Salaries & Benefits (Relay Center: Non - Management)				
2. Salaries & Benefits (Relay Center: Management)				
3. Salaries & Benefits (Relay Center Staff)				
4. Telecommunications Expenses				
5. Billing Expenses				
6. Relay Center Expenses				
Total	\$ -	\$ -	\$ -	\$ -
C. Annual Administrative Expenses				
1. Finance/Accounting				
2. Legal/Regulatory				
3. Engineering				
4. Research and Development				
5. Operations Support				
6. Human Resources				
7. Billing				
8. Contract Management				
9. Risk Management				
10. Other Corporate Overheads				
Total	\$ -	\$ -	\$ -	\$ -
D. Annual Depreciation Associated with Capital Investment				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
E. Other TRS Expenses				
1. Marketing/Advertising Expenses				
2. Outreach Expenses				
3. Sub Contractor Expenses				
4. Software				
5. Customer Distributed Equipment				
6. Other				
Total	\$ -	\$ -	\$ -	\$ -
F. Capital Investments				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
G. Costs Associated with E911 and Numbering with Internet-Based Telecommunications Relay Services				

Interstate TRS Fund

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden
estimate

Video Relay Services Expense and Capital Investments Data

Provider:

	Actuals		Projection	
	2016	2017	2018	2019
A. Annual Recurring Fixed / Semi-Variable Expenses				
1. Rent				
2. Utilities				
3. Building Maintenance				
4. Property Tax (if owned)				
5. Furniture (if leased)				
6. Office Equipment (if leased)				
Total	\$ -	\$ -	\$ -	\$ -
B. Annual Recurring Variable Expenses (Direct TRS Operating Expenses)				
1. Salaries & Benefits (Relay Center: Non - Management)				
2. Salaries & Benefits (Relay Center: Management)				
3. Salaries & Benefits (Relay Center Staff)				
4. Telecommunications Expenses				
5. Billing Expenses				
6. Relay Center Expenses				
Total	\$ -	\$ -	\$ -	\$ -
C. Annual Administrative Expenses				
1. Finance/Accounting				
2. Legal/Regulatory				
3. Engineering				
4. Research and Development				
5. Operations Support				
6. Human Resources				
7. Billing				
8. Contract Management				
9. Risk Management				
10. Other Corporate Overheads				
Total	\$ -	\$ -	\$ -	\$ -
D. Annual Depreciation Associated with Capital Investment				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
E. Other TRS Expenses				
1. Marketing/Advertising Expenses				
2. Outreach Expenses				
3. Sub Contractor Expenses				
4. Software				
5. Customer Premise Equipment				
6. Other				
Total	\$ -	\$ -	\$ -	\$ -
F. Capital Investments				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
G. Costs Associated with E911 and Numbering with Internet-Based Telecommunications Relay Services				

Interstate TRS Fund

January 2018
Approved by OMB
OMB Control number 3060-1249
See instructions for public burden
estimate

IP CTS Services Expense and Capital Investments Data

Provider:

	Actuals		Projection	
	2016	2017	2018	2019
A. Annual Recurring Fixed / Semi-Variable Expenses				
1. Rent				
2. Utilities				
3. Building Maintenance				
4. Property Tax (if owned)				
5. Furniture (if leased)				
6. Office Equipment (if leased)				
Total	\$ -	\$ -	\$ -	\$ -
B. Annual Recurring Variable Expenses (Direct TRS Operating Expenses)				
1. Salaries & Benefits (Relay Center: Non - Management)				
2. Salaries & Benefits (Relay Center: Management)				
3. Salaries & Benefits (Relay Center Staff)				
4. Telecommunications Expenses				
5. Billing Expenses				
6. Relay Center Expenses				
Total	\$ -	\$ -	\$ -	\$ -
C. Annual Administrative Expenses				
1. Finance/Accounting				
2. Legal/Regulatory				
3. Engineering				
4. Research and Development				
5. Operations Support				
6. Human Resources				
7. Billing				
8. Contract Management				
9. Risk Management				
10. Other Corporate Overheads				
Total	\$ -	\$ -	\$ -	\$ -
D. Annual Depreciation Associated with Capital Investment				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
E. Other TRS Expenses				
1. Marketing/Advertising Expenses				
2. Outreach Expenses				
3. Sub Contractor Expenses				
4. Software				
5. Customer Distributed Equipment				
6. Other				
Total	\$ -	\$ -	\$ -	\$ -
F. Capital Investments				
1. Furniture & Fixtures				
2. Telecommunications Equipment				
3. Leasehold				
4. Software				
5. Other Capitalized				
Total	\$ -	\$ -	\$ -	\$ -
G. Costs Associated with E911 and Numbering with Internet-Based Telecommunications Relay Services				

Interstate TRS Fund

Annual VRS Demand Data

Provider:

Interstate Video Relay Service (VRS) Conversation Minutes

	Actuals		Projected	
	2016	2017	2018	2019
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Interstate TRS Fund

Annual IP Relay Demand Data

Provider:

Interstate Internet Protocol Relay (IP-Relay) Conversation Minutes

	Actuals		Projected	
	2016	2017	2018	2019
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Interstate TRS Fund

Annual IP CTS Demand Data

Provider:

**Interstate Internet Protocol Captioned Telephone Service (IP
CTS) Conversation Minutes**

	Actuals		Projected	
	2016	2017	2018	2019
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Appendix 1 for IP Relay, IP_CTS, and VRS

See Instructions for Appendix 1

January--2018

Approved by OMB

OMB Control number 3060-1249

See Instructions for public burden estimate

Appendix C

Office			Officer						
#	Representing	SEAT	NAME	TERM	TITLE	EMPLOYER	ADDRESS	PHONE	EMAIL_ADDRESS
1	Deaf and Hard of Hearing Community	Community #1	Al Sonnenstrahl	3/1/2013	Deaf Seniors of America	Retired	10910 Brewer House Road Rockville, MD 20852-3463	(240) 292-6786	alsonny@icloud.com
2		Community #2	Shannon Smith	5/1/2015	Director of Accessibility & Human Resources	Teltex	1081 West Innovation Drive Kearney, MO 64060	(505) 796-6069 (VP) (816) 628-1949 (TTY) (505) 228-4992 (M)	shannon@teltex.com
3	Hearing/Speech Disability Community	Consumer #1	Beverly Jo (B.J.) Gallagher	9/1/2013	Director	Speech Communications assistance by Telephone	150 Glen Acres Road Swanton, MD 21561	(301) 387-5906 (H) (410) 459-6803	BJG@DRBJG.COM
4	TRS Users	TRS Users #1	Ron Bibler (Vice Chair)	10/1/2007	Council Secretary	Bibler Financial Group	518 Deer Drive Great Falls, MT 59404	(406) 727-7851	ron@biblerfinancial.com
5		TRS Users #2	Zainab Alkebsi, Esq	5/1/2016	Policy Counsel	Law and Advocacy Center National Association of the Deaf	8630 Fenton Street, Suite 820, Silver Spring, MD 20910-3819	301-563-9111	zainab.alkebsi@nad.org
6	State Representatives	State Reg #1	Sarah Hofmann	5/1/2016	Commissioner	Vermont Public Utility Commission.	112 State Street - 4th Floor Montpelier, VT 05620-2701	802-522-4068	Sarah.hofmann@vermont.gov
7		State Reg #2	Tim Schram/STEVE STOVALL	8/1/2011	Commissioner	Nebraska Public Service Commission	300 The Atrium 1200 N Street Lincoln, NE 68508-2020	(402) 471-0218	tim.schram@nebraska.gov
8	State Regulatory Relay Administration	State Reg Relay Admin #1	Steve Peck	7/1/2015	TRS Program Manager	Department of Social Human Services/Office of the Deaf and Hard of Hearing	44540 10th Ave. SE, Lacey, WA 98503	(360) 339-7762	Pecksc@dshs.wa.gov
9		State Reg Relay Admin #2	Brenda Kelly-Frey	4/1/2008	Director MD Relay	State of Maryland, Dept. of Information Technology	301 W. Preston Street Suite 1008A Baltimore, MD 21201	(410) 767-5891 Alt (800) 552-7724 FAX (410)767-4276	brenda@mdrelay.org
10	Interstate Service Providers	TRS Contributors #1	Phillip Hupf	9/1/2012	Senior Analyst	Hamilton Telephone	1001 Twelfth Street Aurora, Nebraska 68818	(402) 694-5101	phillip.hupf@hamiltonrelay.com
11		TRS Contributors #2	Linda Vandeloop	4/1/2016	Ass't VP, Fed Regulatory	AT&T	1120 20th Street, N.W. 10th Floor Washington, D.C. 20036	(202) 457-3033	LV8571@att.com linda.vandeloop@att.com
12	TRS Providers	TRS Providers #1	Jeff Rosen	4/1/2014	General Counsel	Convo Communications, LLC	2028 E Ben White Blvd #240 Austin, TX 78741/3815 S. Capital of TX Hwy Suite 350 Austin, TX 78704	(240) 406-7238	jeff@convorelay.com
13		TRS Providers #2	Mark A. Tauscher (Chair)	4/1/2010	Mgr Business Development	Sprint	Phoenix, AZ	(623) 207-9356 FAX (913) 523-1136	mark.a.tauscher@sprint.com
	Rolkaloube TRS Fund Administration		David Rolka		President		4423 N. Front Street Harrisburg, PA 17110	717-303-3602	drolka@rolkaloube.com
			Robert Loube		Vice President			301-681-0338	bobloube@earthlink.net
			Mary Beth Osborne		Chief Operations Officer			717-303-3693	amorrow@rolkaloube.com
			Kelly Kearn		Chief Information Officer			717-303-3619	Kkearn@rolkaloube.com
			Allan Jacks		Chief Technology Officer			717-303-3610	
			John McGrath		Chief Projects Officer			717-303-3618	jmcgrath@rolkaloube.com
			Danielle Hulock		Chief Financial Officer			717-303-3581	dhulock@rolkaloube.com
			Joy McGrath		Logistics Coordinator			717-303-3593	jmmcgrath@rolkaloube.com

Interstate TRS Advisory Council

Meeting Minutes for April 6th, 2018

Boiling Springs, Pennsylvania

ATTENDEES

Mark Tauscher, Chair, TRS Providers
Ron Bibler, Vice Chair, TRS users
Linda Vandeloop, Secretary, Interstate Telecommunications
Providers/Contributors
Tim Schram, State Representative
Al Sonnenstrahl, Deaf and Hard of Hearing Community
Mike Strecker for Jeff Rosen, TRS Providers
Shannon Smith, Deaf and Hard of Hearing Community
Brenda Kelly-Frey, State Relay Administration
Phillip Hupf, Interstate Telecommunications Providers/Contributors
Zainab Alkebsi, Deaf and Hard of Hearing Community
Steve Peck, NASRA
B. J. Gallagher, Individuals with Speech Disabilities

RLSA

Dave Rolka
Joy McGrath
Kelly Kearn
Bob Loubé

FCC

Eliot Greenwald
Michael Scott

CONVENE

Chairperson Tauscher greeted audience and called to order the Spring meeting of the iTRS Advisory Council at 9:01 a.m.

MEETING MINUTES

The chair noted that the Fall 2017 minutes needed review, revision and/or approval. Eliot Greenwald had one correction on page 2. In the fifth bullet point down, the second word says 'but' but it should be 'for.'" Correction was accepted. Vice-Chairperson Bibler motioned to approve. Minutes passed as corrected unanimously.

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SUBCOMMITTEE REPORTS

Zainab Alkebsi combined the two subcommittee reports into one presentation. Ms. Alkebsi stated one subcommittee continues to look at Video Relay Service (VRS) data trends. As for the other subcommittee that was examining the contribution base erosion, Zainab elaborated that the erosion issue is not a topic the iTRS Advisory Council has any impact on.

Ron Bibler presented on the IPCTS subcommittee. The subcommittee was hoping to get an update from the FCC on the pending NPRM, and a potential release date. The subcommittee has not taken any action pending the release of the NPRM.

FCC PRESENTATION

Eliot Greenwald provided several updates:

- State TRS Program Certification Renewal
 - By July 25, 2018, CGB must reauthorize the certifications for states and territories wishing to continue operating their own TRS programs.
- Interstate TRS Advisory Council Petition for Reconsideration
 - On September 1, 2017, the TRS Advisory Council filed a petition for reconsideration.
- VRS Improvements Order
 - On October 17, 2017, the FCC published in the Federal Register the effective date of October 17, 2017, for rules adopted in the VRS Improvements Order.
- VRS At-Home Call Handling Pilot Program
 - On October 31, 2017, the FCC released a public notice authorizing ZVRS and Purple to participate in the VRS at-home call handling pilot program.
- TRS User Registration Database
 - On December 29, 2017, CGB and OMD released a Public Notice announcing that the TRS User Registration Database was ready to accept registration information for VRS users
 - On February 28, 2018, CGB and OMD issues an Order extending the deadline for VRS providers to submit registration data through March 31, 2018
 - On March 30, 2018, CGB and OMD extended this deadline to April 30th, 2018

Michael Scott provided several updates:

- Enforcement Bureau Action.
 - On June 6, 2016, Sorenson's website domain was temporarily deactivated, and as a result VRS calls made through the domain failed to connect, thereby resulting in a service outage between June 6, 2016 and June 8, 2016
- Hearing Aid Compatibility
 - On September 27, 2017, the FCC released a Further Notice of Proposed Rulemaking seeking comment on its proposal.
 - On October 24, 2017 the FCC released a Report and Order and Order on Reconsideration adopting rules on hearing aid compatibility and volume control on wireline and wireless telephones.

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- Emergency Communications
 - On September 26, 2017 the Commission released a Notice of Inquiry seeking comment on improving 911 access by enterprise communications systems serving businesses, hotels, educational institutions and government entities.
 - On November 3, 2017, CGB and PSHSB granted the petition of T-Mobile USA, Inc. for clarification of the FCC's December 2016 RTT Report and Order
 - On January 31, 2018, the Commission released a Second Report and Order and Second Order on Reconsideration.
- Accessibility Innovations Expo
 - The FCC held an Accessibility Innovations Expo on October 23, 2017
- ASL Video Library
 - On February 9, 2018 DRO launched a new ASL Video Library webpage
- RTT/Refreshable Braille Roundtable
 - On Monday, April 9, 2018, the Technology Transitions Subcommittee of the Disability Advisory Committee will be holding an invitation only roundtable at the FCC

The FCC fielded questions from the iTRS Advisory Council. Discussion included improving accuracy as PSAPs across the country migrate from legacy networks to IP networks; the WEA test completed in the DC metro area; requests for reimbursement for skills-based routing; and the lack of participation in the FCC's VRS pilots being related to the rate; and the status of the FCC's order on IP CTS.

In addition, there was discussion related to providers (new and existing) applying to the FCC to provide IP CTS using automatic speech recognition (ASR) technology. This discussion included whether or not the FCC intended to establish quality standards for ASR to make sure the service and accuracy was equivalent to IP CTS with live communication assistants.

Lastly, the discussion focused on the communication and technology needs of the DeafBlind community, such as communication facilitators.

The FCC fielded questions from the audience.

Greg Hlibok of ZVRS commented that the ZVRS and Purple At-Home Call Handling Pilot was progressing well. There is great parity in the services provided from home compared to services from a call center. A question was raised from Zainab Alkebsi regarding security and privacy of call handling. Mr. Hlibok responded that the work stations are the same that you would see used in a call center. The home workstation appears to the consumer the same as the call center work station. In addition, the room itself is subject to on-site inspections and is certified as an at-home work station. The room itself has to be locked down where only the interpreter has access to the key code to enter that area of the home. Lastly, the broadband internet is encrypted, and is a separate business line run into the home, provided by ZVRS and Purple.

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The Council had a break at 10:05am and reconvened at 10:20am.

TRS ADMINISTRATOR UPDATE

Bob Loube provided the TRS Administrator update. It needed to be noted that because there is currently only one IP Relay Provider, IP Relay would not be covered in depth, and would not have its own slide on the presentation.

Bob's presentation continued to outline how MARS rates are calculated. RolkaLoube requests data from all 50 states and a couple of territories, and approximately 49 states respond and 1 territory. States provide their rate, payment basis (conversation minutes versus session minutes), and number of interstate minutes. One item of note is the migration of states to a flat rate. In the past there was no states doing a flat rate, and now there are 8 states.

In the presentation, it was highlighted that IP CTS continues to have an explosion in minutes. Last year's forecast was 400 million minutes; this year's forecast is 521 million minutes. This is the major item in the budget at a billion dollars. The remainder of the services (\$8 million) are the traditional services that the states provide, and the federal and state both provide those services, but the IP CTS is the one that's the huge money.

Discussion continued regarding the growing cost of IP CTS, and its impact on U.S. residents' phone bills. RL has estimated the contribution factor to be 2%. Additional comments focused on the TRS surcharge versus the Universal Service Fund charges and what, if any, consumers complaints were regarding paying these line items on phone bills.

In reference to IP CTS, variation in Cost and Operating Margin for the calendar years 2016 to 2019, providers' cost estimated ranged from \$2.0285 to \$0.8859. For the Tariff Year 2018-2019 based on a MARS rate of \$2.0007 per-minute providers' operating margins ranged from 12% to 53%. These estimates are based on the providers' reported actual and projected costs and minutes.

In reference to Video Relay Service, Operating Margins for the Tariff Year 2018-2019 include the industry average operating margin is projected to be 22.0%, and the highest operating margin is projected to be 37.48%. The operating margins are based on the authorized rates and the providers' projected costs and minutes.

The Council broke for lunch at 12:00pm and reconvened at 1:00pm.

NEW BUSINESS

Fall 2018 Meeting

The Fall 2018 meeting was initially scheduled for Saturday, September 8th and Sunday, September 9th, 2018 in Minnesota – to coincide with the Telecommunications Equipment Distribution Program Association (TEDPA) conference and the National

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Association of State Relay Administrators (NASRA) conference. Due to a scheduling conflict that would prohibit multiple RolkaLoube staff members, iTRS Council members and FCC staff members from attending the meeting is rescheduled to Wednesday, September 12th, 2018 and Thursday, September 13th, 2018.

The schedule change was motioned by Tim Schram, seconded by Brenda Kelly-Frey and was passed unanimously.

Ron Bibler was tasked with coordinating the Stakeholder Presentations. BJ Gallagher requested a stakeholder presentation regarding Speech to Speech (STS) Relay. Ron Bibler also stated he would like a demonstration on Real Time Text (RTT) by Linda Vandeloop.

Fall 2019 Meeting

The iTRS Council tasked Joy McGrath of RolkaLoube to coordinate with NASRA and TEDPA on a date and location for the Fall 2019 meeting in Phoenix, Arizona, to coincide with the NASRA and TEDPA conferences.

Officer Elections

A discussion was had regarding adding a second Vice-Chair position to the officers to assist in coordinating subcommittee work. After the discussion, a motion was made to add a second Vice-Chair by Shannon Smith, seconded by Linda Vandeloop, and passed unanimously.

A discussion was had regarding changing the number of terms individuals serve on the Council from 2 to 3 four-year terms. A motion was made by Zainab Alkebsi, seconded by Al Sonnenstrahl, and passed unanimously.

Elections were conducted with the following results:

Chair – Ron Bibler by acclamation

1st Vice-Chair – Zainab Alkebsi by acclamation

2nd Vice-Chair – Brenda Kelly-Frey by acclamation

Secretary – Shannon Smith by acclamation

PUBLIC COMMENT

ADJOURN

Friday, April 6th, 2018 at 1:55pm

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Interstate TRS Advisory Council

Meeting Minutes for September 10, 2017

Golden, CO

ATTENDEES

Mark Tauscher, Chair, TRS Providers

Ron Bibler, Vice Chair, TRS users

Linda Vandeloop, Secretary, Interstate Telecommunications Providers/Contributors

Steve Stovall, State Representative

Al Sonnenstrahl, Deaf and Hard of Hearing Community

Jeff Rosen, TRS Providers

Shannon Smith, Deaf and Hard of Hearing Community

Brenda Kelly-Frey, State Relay Administration (by Telephone)

Phillip Hupf, Interstate Telecommunications Providers/Contributors

Zainab Alkebsi, Deaf and Hard of Hearing Community

Honorable Sarah Hofmann, State Representative

Steve Peck, NASRA

B. J. Gallagher, Individuals with Speech Disabilities

RLSA

Dave Rolka

Joy McGrath

Kelly Kearn

John McGrath

FCC

Karen Peltz Strauss

CONVENE

Chairperson Tauscher greeted audience and called to order the Spring meeting of the TRS Advisory Council at 9:03 a.m. The chair noted that minutes had already been reviewed and approved.

COMMITTEE REPORTS

Zainab Alkebsi reported on both working groups. The VRS Rate Methodology Working Group, after submitting a recommendation for the VRS rates, continues to review several models as well

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as data provided under non-disclosure agreement for a new rate methodology. A formal recommendation will be made to the Council after the review is complete. The Contributor Base Working Group will meet separately because of the VRS non-disclosure agreement would not permit others to participate. The group is continuing to gather information and will bring in subject matter experts to provide additional background information.

FCC PRESENTATION

Karen Peltz Strauss:

TRS Rate Order

- In June, as required, the commission issued the TRS Rate Order which included the funded requirement, the carrier contribution, the per minute compensation rates for TRS providers but not for VRS.
- The compensation rates for TRS, STS, and CTS were developed by the TRS Fund administrator based on the MARS rate methodology adopted by the Commission in 2007.
- The speech-to-speech rate includes the increase for outreach, but the FCC is concerned that the numbers are not going up. The FCC would like the council to consider whether the FCC should continue to provide the added supplement to the speech-to-speech rate for outreach. While the dollar amount is small, it does not make sense to continue the supplement if it is having no impact.
- Until the Commission issues a ruling on the appropriateness of the current rate methodology for IPCTS, the rate is set equal to the CTS rate.
- IP Relay rate is set for a three-year period based on a price cap methodology adjusted annually for exogenous costs, if necessary. This is the second year. The Commission extended a waiver which allows inclusion of outreach cost to increase the ability to address the needs of DeafBlind consumers. It was noted that Sprint, the only remaining provider, has done a stellar job in providing outreach to the DeafBlind community and hiring people from that community.
- The interstate TRS fund revenue requirement is \$1.3 billion.
- The revenue requirement has been growing. It will become increasingly important to make sure that only those who really need the service are using it.

VRS Compensation Rate Order

- Adopts a 4-year compensation plan effective 7/1/17-6/30/21
- Amends TRS numbering rules to allow the user of call routing information that contains provider domain names to facilitate interoperability.
- Permits the fund administrator to use up to \$6.1million for research and Development.
- Eliminates the requirement of a neutral video communication service platform
- Adopts a technical correction to the speed-of-answer rules

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- Reinstates deadline of the VRS Interoperability Profile: VRS Providers must comply by 12/20/17.
- New tiers
 - Tier 1 – monthly minutes up to 1,000,000
 - Tier II – monthly minutes between 1,000,001 and 2,500,000
 - Tier III monthly minutes over 2,500,000
 - Tier structure will apply separately to ZVRS and Purple until 2/14/20 or until the companies consolidate operations in accordance with the FCC’s Consent Decree authorizing the merger
 - VRS Emergent Tier – no more than 500,000 monthly minutes as of July 1st
 - Recognizes the unbalanced structure of the VRS industry and the need to complete VRS reforms intended to enhance competition
 - Recognizes that smaller providers may offer features that meet the needs of niche VRS market segments
 - Providers initially subject to emergent rate who then generate monthly minutes exceeding 500,000 shall continue to be compensated at that rate for the first 500,000 monthly minutes until the end of the four-year rate plan.
 - Minutes exceeding 500,000 – 1,000,000 will be compensated at the Tier I rate.
- Allows reset of rates in response to substantial cost changes or other significant developments.
- Allowable cost categories for VRS were not reconsidered.
- Replaced the current rate-of-return with operating margin: zone of reasonableness between 7.6% and 12.35% for VRS providers.
- The FCC used the weighted average of each provider’s actual costs and demand for 2016 and projected costs and demand for 2017
- Will allow exogenous cost recovery for certain well-documented costs.

The FCC has been working hard to promote direct video calling and encourages the council to encourage customer service agents to hire a deaf person who can take calls from directly deaf customers and bypass the relay service providers.

In January 2017 Order CGB adopted the Interoperability Profile for Relay User Equipment.

- VRS providers only need to comply with the RUE profile for purposes of ensuring interoperability with the ACE app. Compliance required by 4/27/18.
- FNPRM seeks comment on adoption of a rule applying the RUE Profile to provider-distributed VRS user equipment and software.
- On 5/30/17 Sorenson filed a petition for partial reconsideration or, in the alternative, suspension of the deadline.

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The order adopted an interoperability user profile for user equipment.

- The FCC's amended rules that allow for routing information provided to the TRS numbering directory to include URIs that contain provider domain names rather than user IP addresses. Compliance required by 12/20/17.
- Standard data interexchange format for exporting and importing user personal contact and speed dial lists applies to all VRS providers. Compliance required by 10/24/17.

TRS Program Recertification

- States wishing to operate their own TRS programs must certify every 5 years. Current certifications expire on 7/25/18.
- Each state seeking renewal must submit documentation that:
 - It meets all the applicable operational, technical, and functional mandatory minimum standards and makes available adequate procedures and remedies for enforcement.
 - It makes informational materials on state and Commission complaint procedures available to TRS users.
 - The FCC asks that renewal applications be filed no later than 10/1/17.
 - The FCC will issue public notices on a rolling basis to recertify states.

The DeafBlind distribution program became permanent in July 2017

- It allocates \$10M per year
- The program now allows for the cost of training people how to use the equipment
- Outreach costs were cut from \$500K to \$250K per year because prior nationwide outreach was so successful. States are still allowed to do outreach.

March 2017 Order

- Approved 10-digit numbers for hearing people once the URD is set up to make sure the fund does not reimburse those calls
- The FCC will publish speed of answer by VRS provider.
- The FCC initiated a NOI addressing performance goals for VRS

Other FCC Activity

- The FCC approved rules for real-time text and is asking for input on the impact on relay.
- The FCC is gathering input on the needs of people with cognitive disabilities
- The FCC approved a consensus proposal between consumers and industry to gradually increase the percentage of wireless phones that are hearing aid compatible

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Dave Rolka

TRS Fund Finances

- 2017-2018 Projected Fund Requirements = \$1.5Billion
- Net funds requirement = \$1.3 Billion (made up of provider contributions, reserve, admin and miscellaneous fees, less interest on investments plus cash on hand at year end)
- Contribution base = \$58 Billion (note that the contribution base is decreasing 5-6% per year)
- Contribution Rate is approximately 2%
- Distributions
 - Traditional services – prices set to MARS = \$14M
 - IP Relay = \$7.75M
 - IP CTS = \$748M
 - VRS = \$494M
 - NDBEDP = \$10M
 - 2 Average Month Reserve = \$211M
 - Sub Total + 1,485M
 - Research, Outreach, Administration, URD, Audits, iTRS Number Administration and Misc. Fees and Expenses =\$14.1M

Demand Trends

- Demand for IP Relay service is relatively flat and is consistent with projections with approximately 500,000 minutes per month
- Demand for Video Relay is relatively flat with approximately 10-12 million minutes per month. Video Relay minutes are 20 times the IP Relay
- IP CTS demand is growing with approximately 30 million minutes per month and 3 times the Video Relay minutes.
 - Every month IP CTS is a larger portion of the total. The rate is significantly lower than other rates, so it is not a larger percentage of the budget.

Recent Changes to NDBEDP

- Joyce McGrath is the principal point of contact.
- Up to 2.5% of the state allocation is available for train the trainer expenses
- Outreach expenditures are capped at 10% of each state's allocation during the first 2 years
- Reimbursement of travel is allowed but requires advanced approval and will be tracked by Rolka/Loube.
- Administrative expenditures are 15% of the budget.
- \$250,000 has been set aside for national outreach

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VRS User Registration Database

- Rolka/Loube is the URD data base administrator and was contracted by the FCC to design and implement the URD
 - Service providers have been providing information for over a year
 - Testing has been extensive
 - Rolka/Loube has been working with a number administrator
 - Rolka/Loube is awaiting confirmation on proposed additional fields for enterprise phones and a clarification on hearing user registration requirements. Once confirmed, code modifications and testing will require an additional 60 days.

Coordinating with the iTRS Number Administrator

- Rolka/Loube anticipates processing files twice daily during 60-day window when providers are to submit all existing user and device TDNs for registration
- After existing users and device submission process has closed and the FCC instructs Neustar to initiate the All Call Query, Rolka/Loube is prepared to process every hour.

Billing and Collections Upgrades

- The FCC has issued 2 RFIs regarding billing and collections for the iTRS Fund and NANP over the past year.
- Rolka/Loube responded to both identifying plans to expand electronic invoice processing platform, improve geographic outreach in connection with the data warehouse and identify the market areas of the certified service providers as well as areas of penetration/coverage deficiency.
- Rolka/Loube identified 14 economies and efficiencies that could be gained by combining billing and collections among the Administrators.
- It is expected that the new RFP will be issued and completed by the end of the Rolka/Loube contract that will expire in July 2018.

Improving D/R & Security

- As Rolka/Loube gets more personally identifiable information, it is even more important to improve the security.
- 2017 Audit Program
 - FCC Financial Audit by Kearney
 - Independent Financial Audit of the TRS Fund by Maher Duesel
 - IPERIA
 - Internal controls audit addressing risk and fraud by McKonly and Asbury

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A Data Warehouse

- Is intended to house a series of data bases.
- Call detail records data has been consolidated into a data warehouse where it can be used relating to the URD to provide greater insight into the program
- A CPA with fraud detection experience has been hired.

Planning for the next budget cycle

- Rolka/Loube analyzed 8 pricing options for IP CTS. The subcommittee is analyzing data and evaluating the options and will make a recommendation to Rolka/Loube
- January 2018 – distribute MARS data collection forms to each State program and Cost Collection forms to each IP provider
- February 2018 – collect the complete data and begin analysis
- April 2018 – Advisory Council Meeting
- May 1, 2018 – Recommendation to the FCC

New Business

Ron Bibler moved that the Council form an IPCTS working group to address IPCTS issues. There was a second from Zainab. A concern was expressed about subcommittee member access to confidential information given the ability to change roles in the industry. One person may not be a competitor today but is hired sometime in the future. The council recognized the concern but concluded that the non-disclosure agreements should provide the necessary protection. The motion carried.

Zainab moved that the Council encourage the Commission to revisit the issue of compensation or other incentives for the three trials proposed in the VRS order in light of the fact that no providers have volunteered for the trials and that the commission extend the trial period and offer compensation at the emergent tier rate to participating providers. There was a second from Brenda. The motion passed with one abstention.

Zainab moved that two members who have reached their term limits be extended for one more year. There was a second from Shannon. After discussion, Zainab amended the motion to read that two members who have reached their term limits be extended for one more year pending the outcome of the research of the FCC order. There was a second from Shannon to the amendment. The amendment passed. The motion passed as amended.

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Jeff moved that the Spring meeting be held in Lancaster, Pennsylvania on April 5th and 6th and that the Fall meeting be held in Minneapolis, MN on September 8th and 9th. There was a second from Brenda. The motion passed.

Dave Rolka mentioned that the council may want to look at the line item for the council budget. It has never been reviewed since Rolka/Loube took over as fund Administrator. It was suggested that this be reviewed at the April meeting.

Public Comment:

Lise Hamlin - As an IPCTS user Ms. Hamlin wanted to point out that there are a lot of IPCTS users who are highly dependent on IPCTS and noted that the increase in volumes is likely due to the aging baby boomer population. Lise Hamlin asked if the new IPCTS subcommittee would consult with non-committee members. After a short discussion, the committee concluded that input would be welcome but non-committee members could not have access to confidential data.

David Weiss – Mr. Weiss applauded the FCC's efforts in bringing Direct Video Service (DVS) to the FCC and other public agencies and encourages the private sector to also adopt DVS.

The meeting was adjourned at 2:58 pm.

Appendix E

TRF Fund	PROJECTION July 2017 - June 2018												Year End TOTAL
	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	
PRIOR BALANCE	\$179,986,745.86	\$191,722,452.90	\$203,057,214.40	\$209,612,602.70	\$213,081,443.58	\$217,673,198.36	\$218,899,071.90	\$222,281,408.44	\$222,152,185.76	\$217,791,050.99	\$219,595,659.12	\$214,246,359.58	\$214,246,359.58
CONTRIBUTIONS RECEIVABLES													
	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$109,964,425.67	\$1,319,573,107.99
PAYMENTS	\$ (98,266,218.63)	\$ (98,667,164.16)	\$ (103,446,537.37)	\$ (106,533,084.78)	\$ (105,410,170.89)	\$ (108,776,052.13)	\$ (106,619,589.12)	\$ (110,131,148.35)	\$ (114,363,060.43)	\$ (108,197,317.54)	\$ (115,351,225.21)	\$ (114,539,812.76)	(\$1,290,301,381.37)
REFUNDS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INTEREST INCOME	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$37,500.00	\$450,000.00
BALANCE	\$191,722,452.90	\$203,057,214.40	\$209,612,602.70	\$213,081,443.58	\$217,673,198.36	\$218,899,071.90	\$222,281,408.44	\$222,152,185.76	\$217,791,050.99	\$219,595,659.12	\$214,246,359.58	\$209,708,472.48	\$209,708,472.48
cumulative Accrual for VRS Withheld minutes													
Cumulative Accrual for IP withheld minutes													
Accrual for NDBEDP													
As Reported July 2017 - June 2018													
TRF Fund	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Year End TOTAL
	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Year End TOTAL
PRIOR BALANCE	\$179,986,745.86	\$177,855,851.56	\$190,900,848.87	\$211,972,834.50	\$197,491,891.02	\$206,052,830.25	\$220,184,082.76	\$203,794,417.05	\$199,687,104.35	\$180,270,388.49	\$180,270,388.49	\$180,270,388.49	
CONTRIBUTIONS RECEIVABLES	\$96,139,975.73	\$110,728,787.83	\$125,250,771.23	\$89,407,850.30	\$112,511,123.39	\$126,052,419.01	\$91,742,397.29	\$106,462,753.15	\$102,841,204.66				
PAYMENTS	(\$98,356,942.79)	(\$97,774,379.93)	(\$103,896,390.81)	(\$104,025,713.21)	(\$104,083,646.51)	(\$112,061,087.27)	(\$108,283,126.24)	(\$110,681,181.04)	(\$122,449,011.04)				
REFUNDS	\$0.00		(\$396,947.42)	\$0.00	(\$8,539.53)	\$0.00	\$0.00	(\$88,989.79)	(\$6,466.21)				
INTEREST INCOME	\$86,072.76	\$90,589.41	\$114,552.63	\$136,919.43	\$142,001.88	\$139,920.77	\$151,063.24	\$200,104.98	\$197,556.73				
BALANCE	\$177,855,851.56	\$190,900,848.87	\$211,972,834.50	\$197,491,891.02	\$206,052,830.25	\$220,184,082.76	\$203,794,417.05	\$199,687,104.35	\$180,270,388.49	\$180,270,388.49	\$180,270,388.49	\$180,270,388.49	\$179,986,745.86
cumulative Accrual for VRS Withheld minutes	(\$11,738.25)	(\$23,189.83)	(\$10,742.75)	(\$203,764.81)	\$168,781.82	(\$40,013.31)	(\$50,402.66)	(\$69,794.21)	(\$64,240.01)				(\$315,703.80)
Cumulative Accrual for IP withheld minutes	(\$0.26)	\$0.00	\$22,149.51	(\$62.48)	\$32,549.23	\$25,791.35	\$35,246.90	\$0.26	\$0.00				(\$0.92)
Accrual for NDBEDP PY 4	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				\$959,975.46
Accrual for NDBEDP PY 5	(\$89,598.32)	(\$458,064.77)	(\$1,434,468.02)	(\$463,837.52)	(\$397,111.40)	(\$5,881.69)	(\$4,571.08)	\$0.00	(\$10,621.83)				\$1,002,197.59
Accrual for NDBEDP Perm	\$0.00	\$0.00	\$0.00	\$0.00	(\$37,563.93)	(\$1,338,168.72)	(\$734,635.65)	(\$5,735.06)	(\$1,897,023.55)				\$5,986,873.09
Accruals for IP CTS	\$101,260.89	\$62,634.50	\$68,550.74	\$86,130.08	\$337,393.68	(\$6.61)	(\$321,981.65)	(\$161,006.30)	(\$195,895.64)				(\$678,918.21)
Revenue variance	-\$13,824,449.94	\$764,362.16	\$15,286,345.56	-\$20,556,575.37	\$2,546,697.72	\$16,087,993.34	-\$18,222,028.38	-\$3,501,672.52	-\$7,123,221.01	-\$109,964,425.67	-\$109,964,425.67	-\$109,964,425.67	
Expense variance	-\$90,724.16	\$892,784.23	-\$449,853.44	\$2,507,371.57	\$1,326,524.38	-\$3,285,035.14	-\$1,663,537.12	-\$550,032.69	-\$8,085,950.61	\$108,197,317.54	\$115,351,225.21	\$114,539,812.76	
Balance variance	-\$13,866,601.34	-\$12,156,365.53	\$2,360,231.80	-\$15,589,552.56	-\$11,620,368.11	\$1,285,010.86	-\$18,486,991.39	-\$22,465,081.41	-\$37,520,662.50	-\$39,325,270.63	-\$33,975,971.09	-\$29,438,083.99	



2018-2019 Rates & Demand Forecasts

4-6-2018

Road Map

- MARS-based Services
 - Rate Development Process
 - Current versus Proposed Rates / Demand Table
 - Demand Trend Charts
- IP CTS
 - Cost Trends
 - Demand Trend
- IP Relay
 - Demand Trend
 - Rate Proposal
- Video Relay Service
 - Cost Trends
 - Demand Trend
 - Rate Alternatives
- Fund Requirement

MARS Based Rate Calculation

State	Rate per minute	Payment Basis	Intrastate Conversation Minutes	Intrastate Session Minutes	Total
A	\$1.26	CM	860,269	1,529,497	\$1,083,939
B	\$0.85	SM	141,312	189,595	\$161,156
C		-	57,071	85,455	
D	\$1.30	CM	926,051	1,466,050	\$1,203,860
Other costs					\$200,000
Total/Rate	\$1.33		1,984,703		\$2,648,955

MARS Based Rate Calculation I

- Traditional TRS and Speech to Speech done together

• Total Intrastate Payments per minute compensation	\$15,303,343
• Other Costs Paid to Providers	\$627,585
• Total Intrastate Conversation Minutes	6,267,585
• Per Minute Rate for Traditional TRS	\$3.2592
• Per Minute Speech to Speech Outreach Additive	\$1.1310
• Per Minute Rate for Speech to Speech	\$4.3902

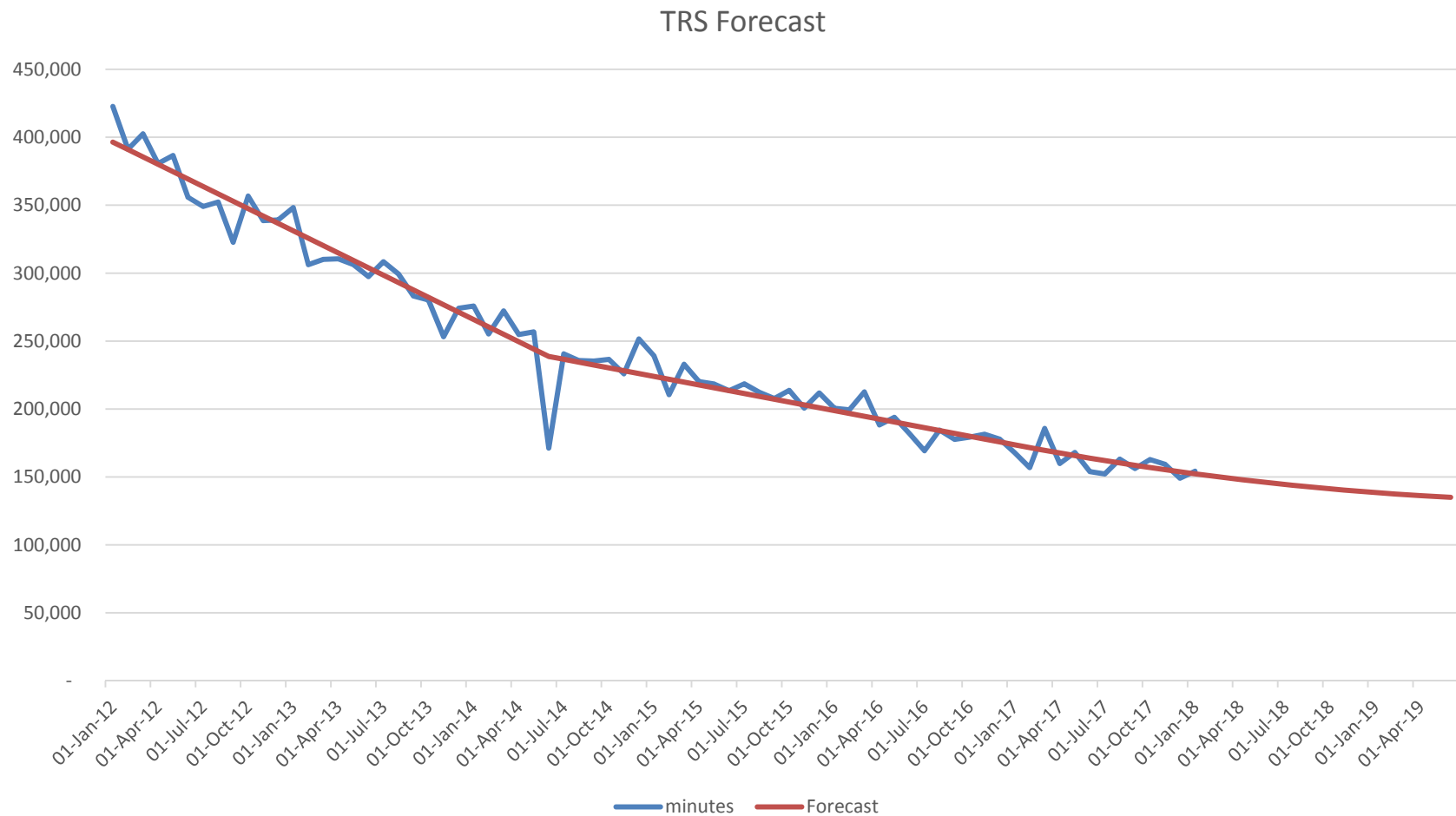
Mars Based Rate Calculation II

- Caption Telephone and IP Caption Telephone
- Total Intrastate Payments per minute compensation \$30,079,568
- Other Costs Paid to Providers \$197,914
- Total Intrastate Conversation Minutes 15,133,253
- Per minute rate for Caption Telephone Services \$2.0007

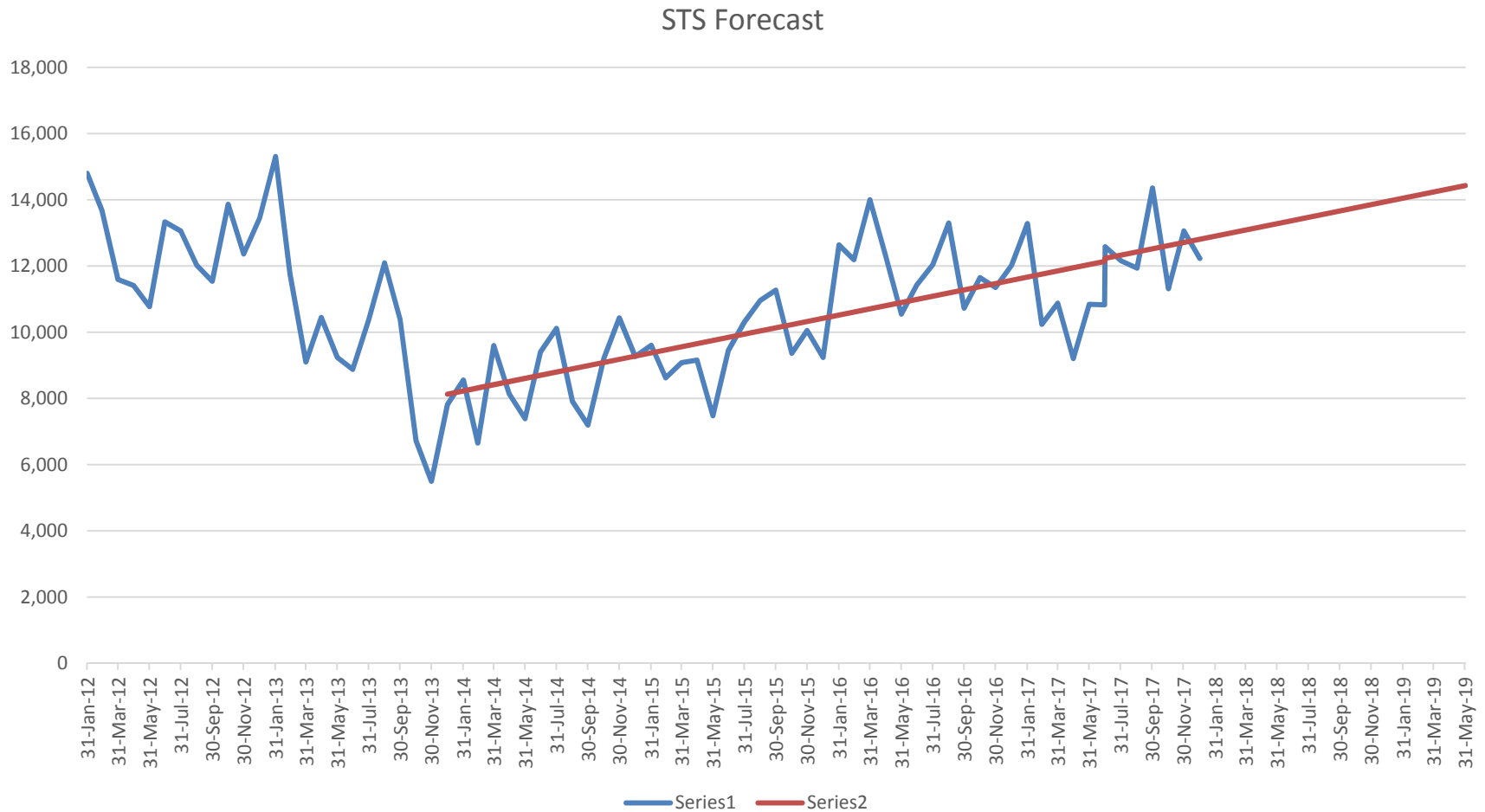
MARS Based Services Tariff Year Fund Requirement

	May 1, 2017 filing				May 1, 2018 Filing		
<u>Service</u>	<u>Demand</u>	<u>Rate</u>	<u>Fund Rqmt</u>		<u>Demand</u>	<u>Rate</u>	<u>Fund Rqmt</u>
Traditional TRS	1,890,140	\$2.9186	\$5.3 m.		1,671,046	\$3.2592	\$5.5 m.
Speech to Speech	160,112	\$4.0496	\$648,390		166,850	\$4.3902	\$732,503
Caption Telephone	4,290,592	\$1.9467	\$8.4 m.		3,822,058	\$2.007	\$7.6 m.
IP Caption Telephone	402,308,884	\$1.9467	\$783 m.		521,149,519	\$2.007	\$1,042 m.
Total	408,568,728		\$797.5 m.				\$1,055.8

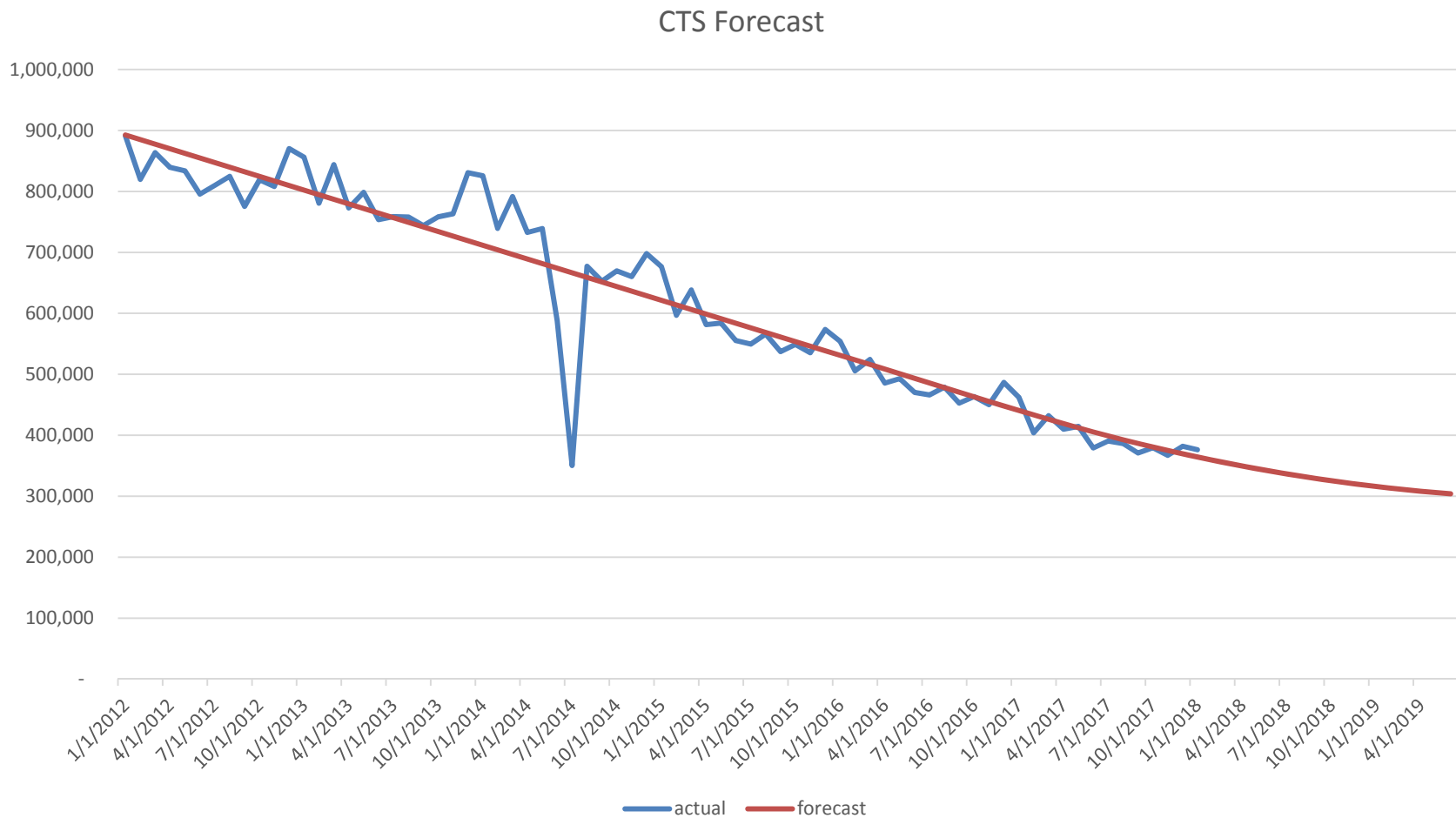
TRS Forecast



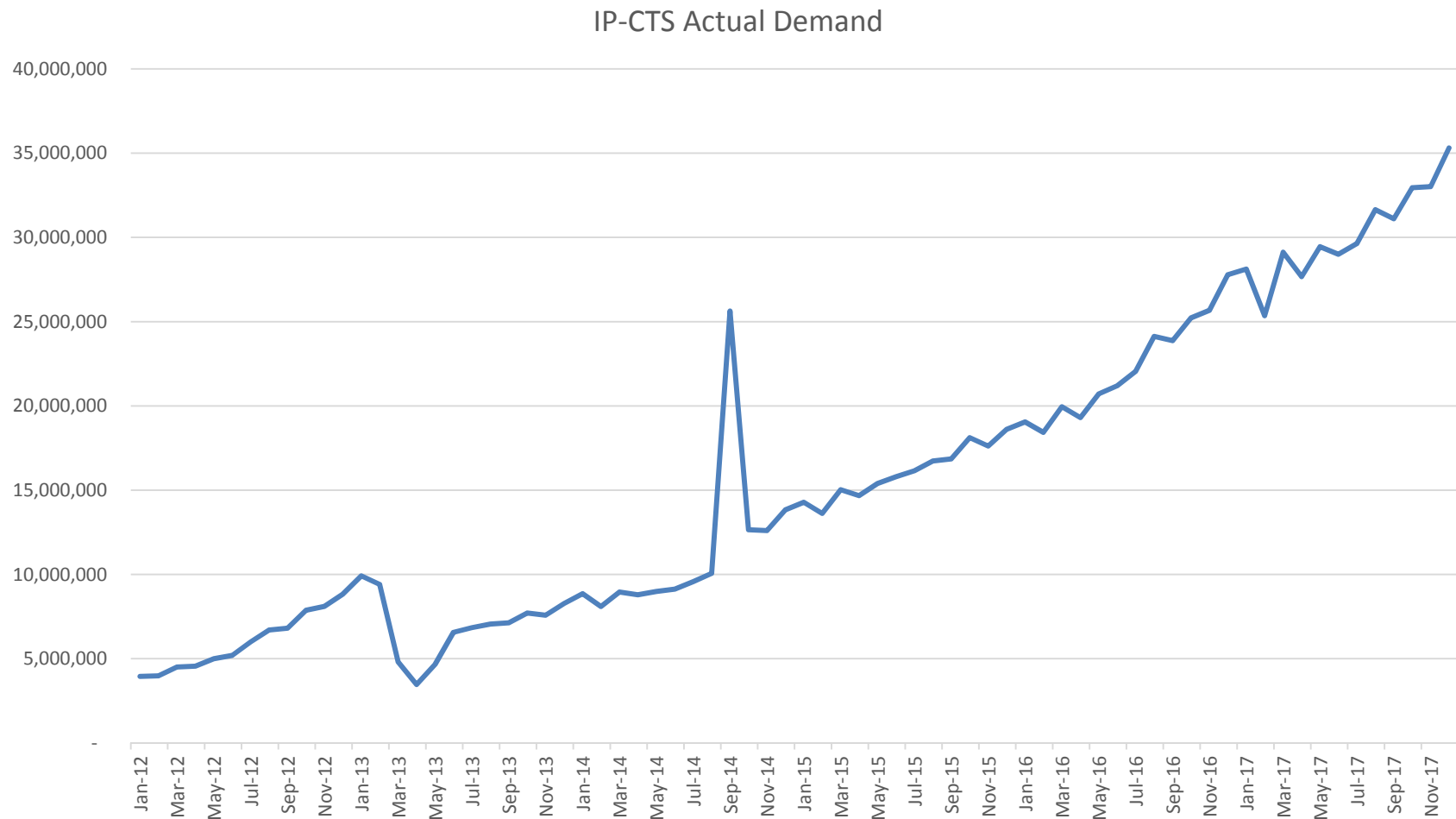
STS Forecast



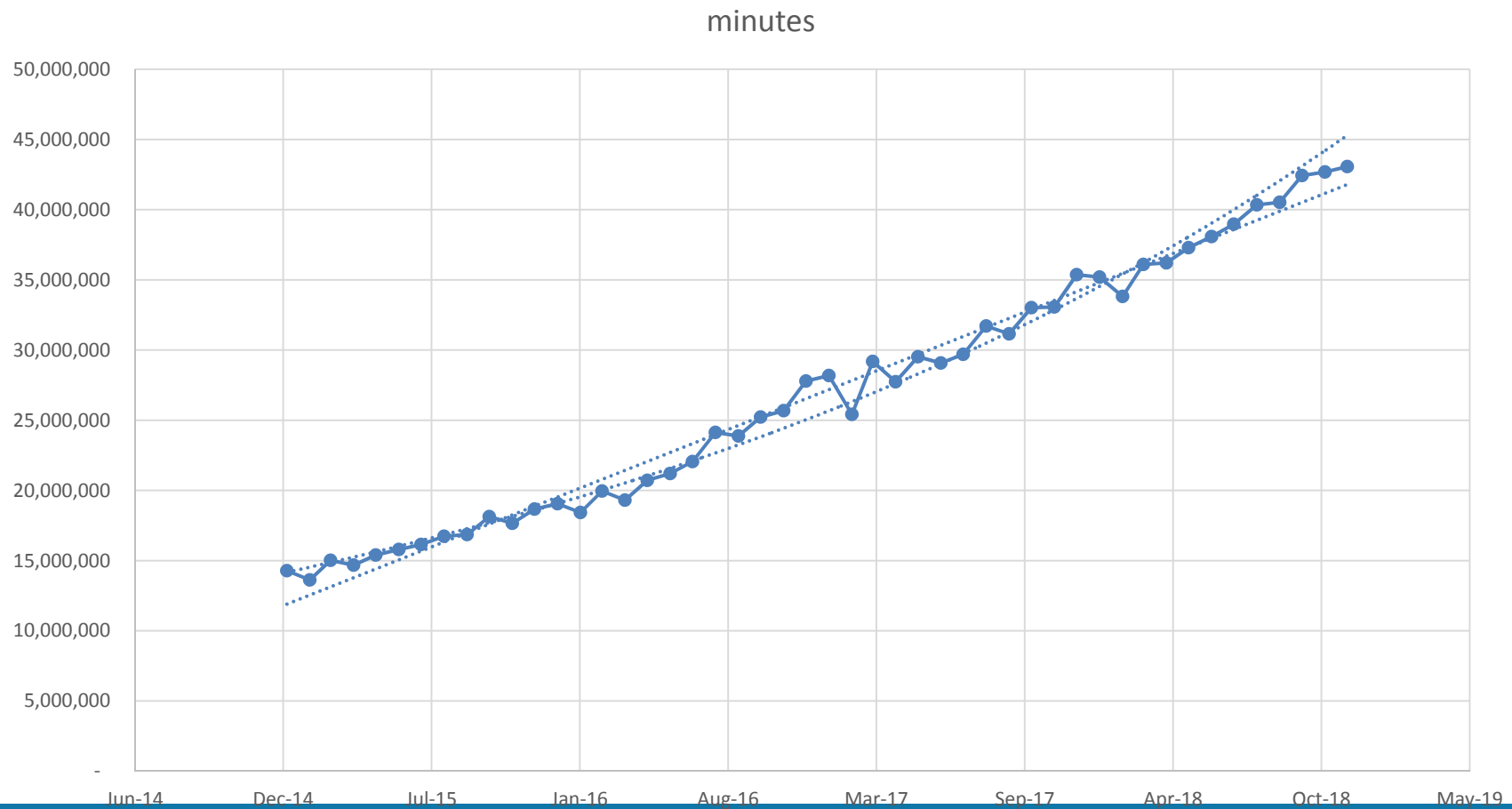
CTS Forecast



IP-CTS History of Demand

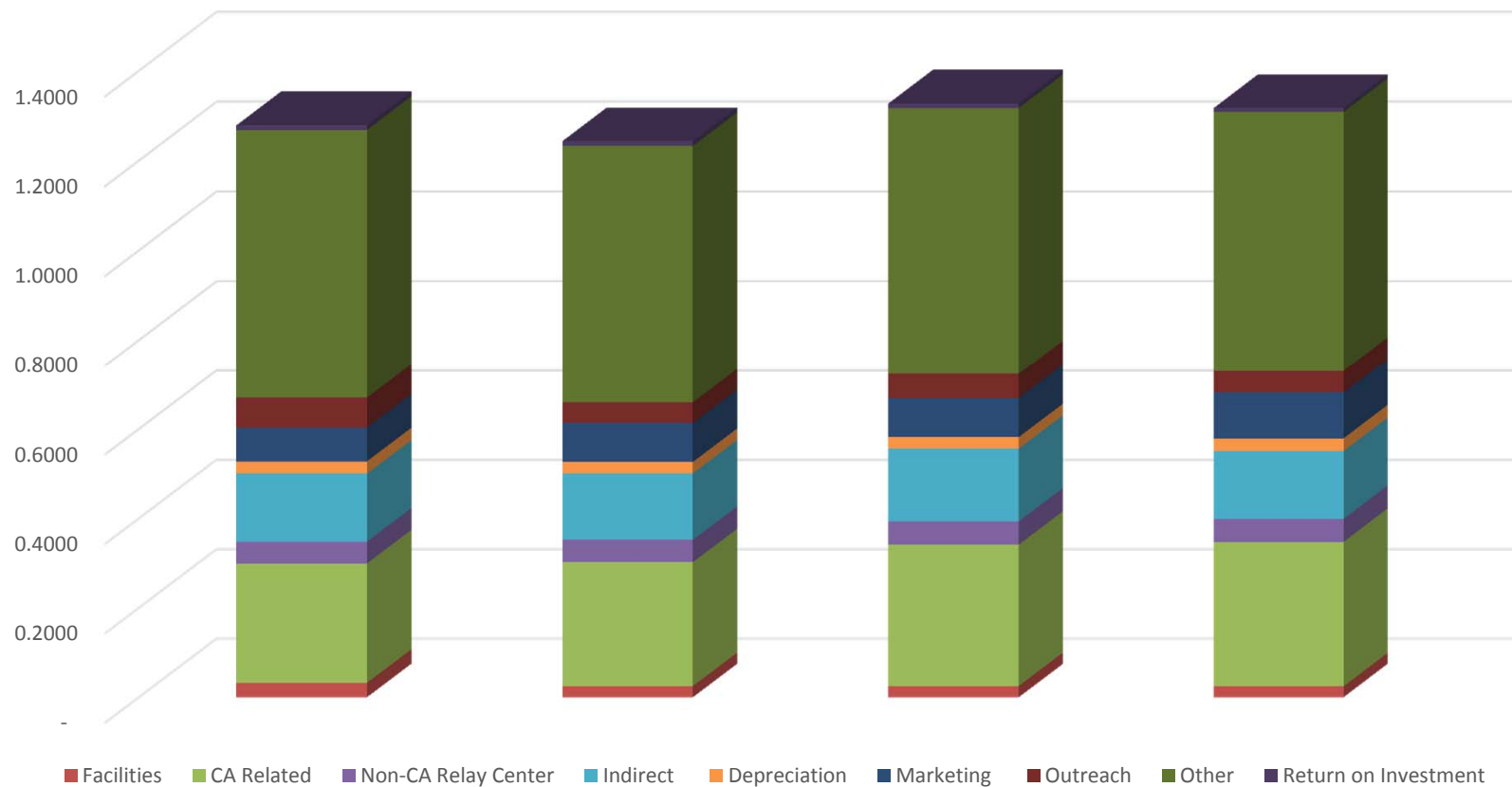


IP-CTS Providers' Forecast



IP-CTS Costs

IP-CTS Cost Trends:2016-2019



IP-CTS Data

Category	2016	2017	2018	2019
Facilities	0.0322	0.0249	0.0253	0.0243
CA related	0.2672	0.2771	0.3160	0.3221
Non-CA Relay Center	0.0487	0.0500	0.0521	0.0513
Indirect	0.1520	0.1487	0.1626	0.1518
Depreciation	0.0276	0.0254	0.0259	0.0285
Marketing	0.0759	0.0869	0.0879	0.1028
Outreach	0.0668	0.0466	0.0543	0.0494
Other	0.5981	0.5730	0.5932	0.5771
Return on Investment	0.0106	0.0109	0.0100	0.0091
Total Cost	1.2790	1.2435	1.3272	1.3175

IP-CTS: Variation in Cost and Operating Margin

- For the calendar years 2016 to 2019, providers' cost estimates ranged from \$2.0285 to \$0.8859
- For the Tariff Year 2018-2019 based on a MARS rate of \$2.0007 per-minute providers' operating margins ranged from 12% to 53%
- These estimates are based on the providers' reported actual and projected costs and minutes

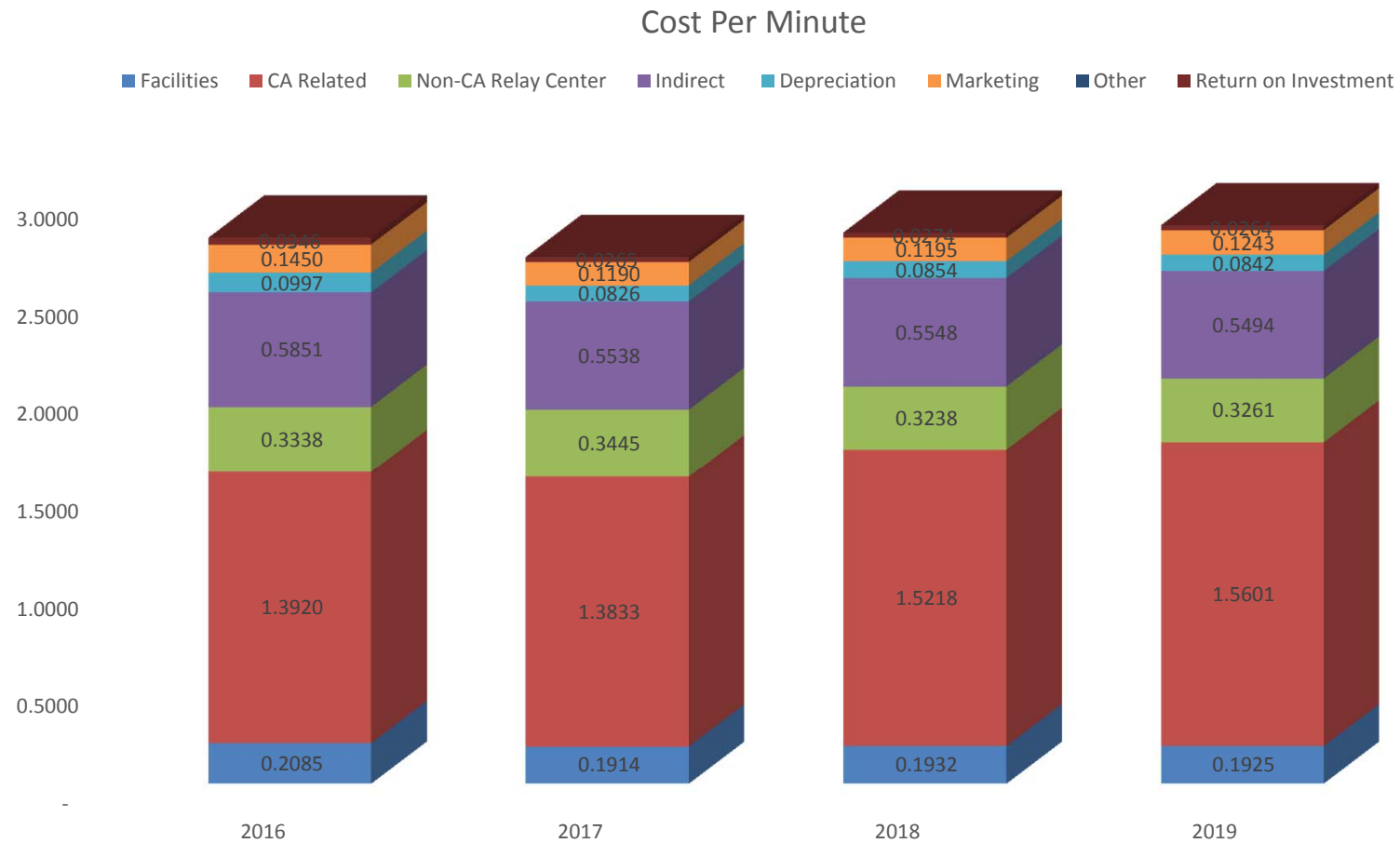
Video Relay Service: Current Tiers and Rates

Tier	2018-2019 rate year (per minute rate)
Emergent: less than 500,000 per month	\$5.29
I: 0-1 million minutes per month	\$4.82
II: 1-2.5 million minutes per month	\$3.97
III: more than 2.5 million minutes per month	\$2.83

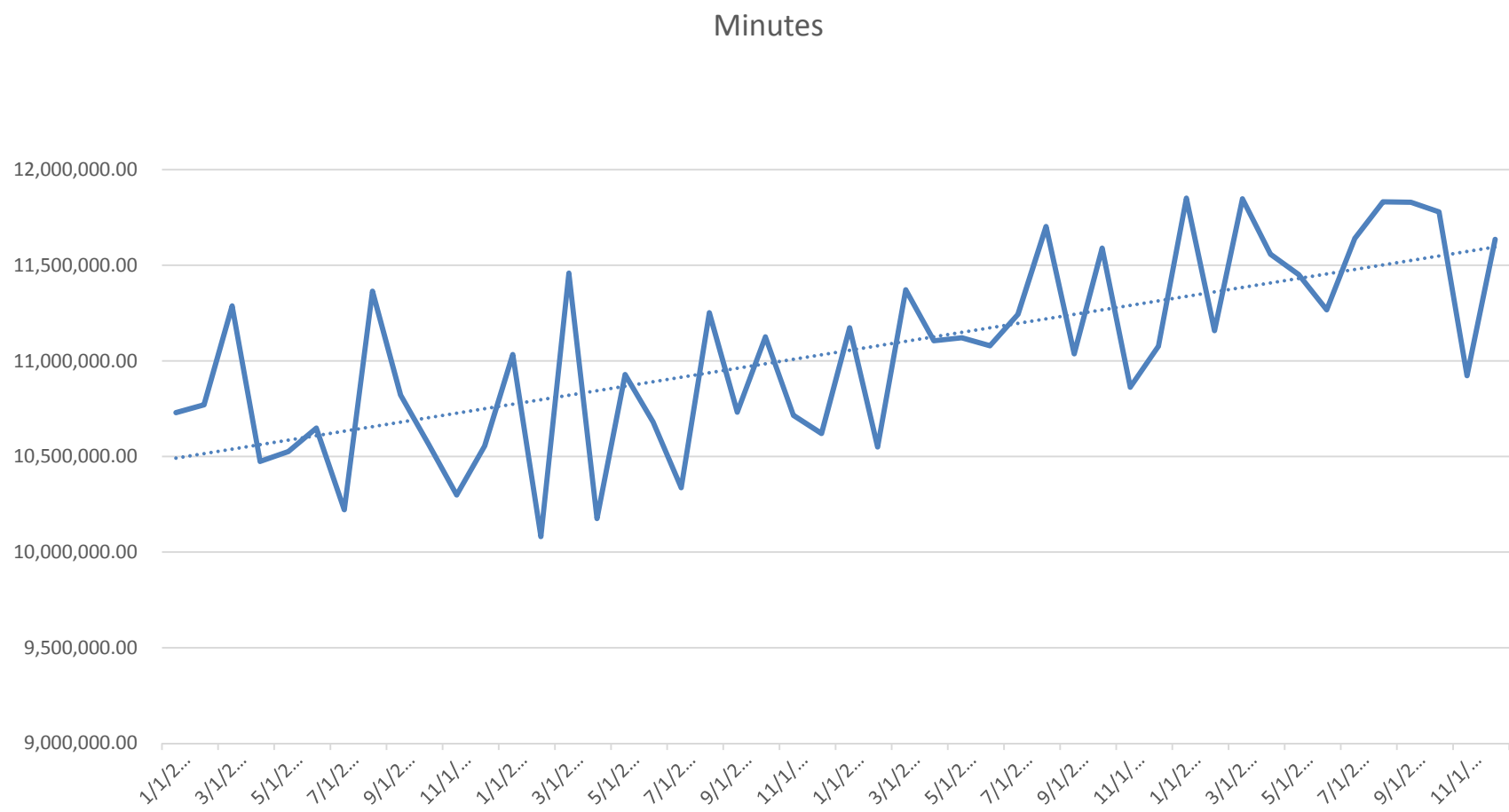
VRS Cost Per-Minute Data

Category	2016	2017	2018	2019
Facilities	0.2085	0.1914	0.1932	0.1925
CA Related	1.3920	1.3833	1.5218	1.5601
No-CA Relay Center	0.3338	0.3445	0.3238	0.3261
Indirect	0.5851	0.5538	0.5548	0.5494
Depreciation	0.0997	0.0826	0.0854	0.0842
Marketing	0.1450	0.1190	0.1195	0.1243
Other	0.0	0.0	0.0	0.0
Return on Investment	0.0346	0.0265	0.0274	0.0264
Total	2.7986	2.7011	2.8259	2.8630

VRS Cost Per-Minute



VRS Forecast



VRS Operating Margins for the Tariff Year 2018-2019

- The industry average operating margin is projected to be 22.0%. The highest operating margin is projected to be 37.48%.
- The operating margins are based on the authorized rates and the providers' projected costs and minutes.

VRS Budget Year Revenue

Tier	May 2018 - June 2018			July 2018 – April 2019		
	Demand	Rate	Revenue	Demand	Rate	Revenue
Emergent	766,498	\$5.29	\$4,054,773	4,081,205	\$5.29	\$21,589,567
Tier I	5,790,073	\$4.82	\$27,908,150	29,672,732	\$4.82	\$143,022,569
Tier II	3,417,136	\$3.97	\$13,566,029	16,448,126	\$3.97	\$65,299,061
Tier III	12,226,035	\$3.21	\$39,245,572	63,723,339	\$2.83	\$180,337,049
Total	22,199,741		\$84,774,524	113,925,402		\$410,248,254
		Total \$495,022,778				

TRS Budget Year Fund Requirement

• MARS Based Services w/o IP CTS	(\$14.624M)	\$13,892,433
• IP CTS at MARS Rate	(\$748,315,582)	\$998,704,729
• IP-Relay	(\$7,750,396)	\$8,021,918
• VRS	(\$493,694,580)	\$495,022,778
• Other Admin.	(\$24,098,800)	\$24,798,800
• Other 2 Month reserve	(\$210,731,000)	\$252,607,000
• 2018-2019 Total Fund Estimate		\$1,793,047,657
• 2017-2018 Fund Size		\$1,499,214,302

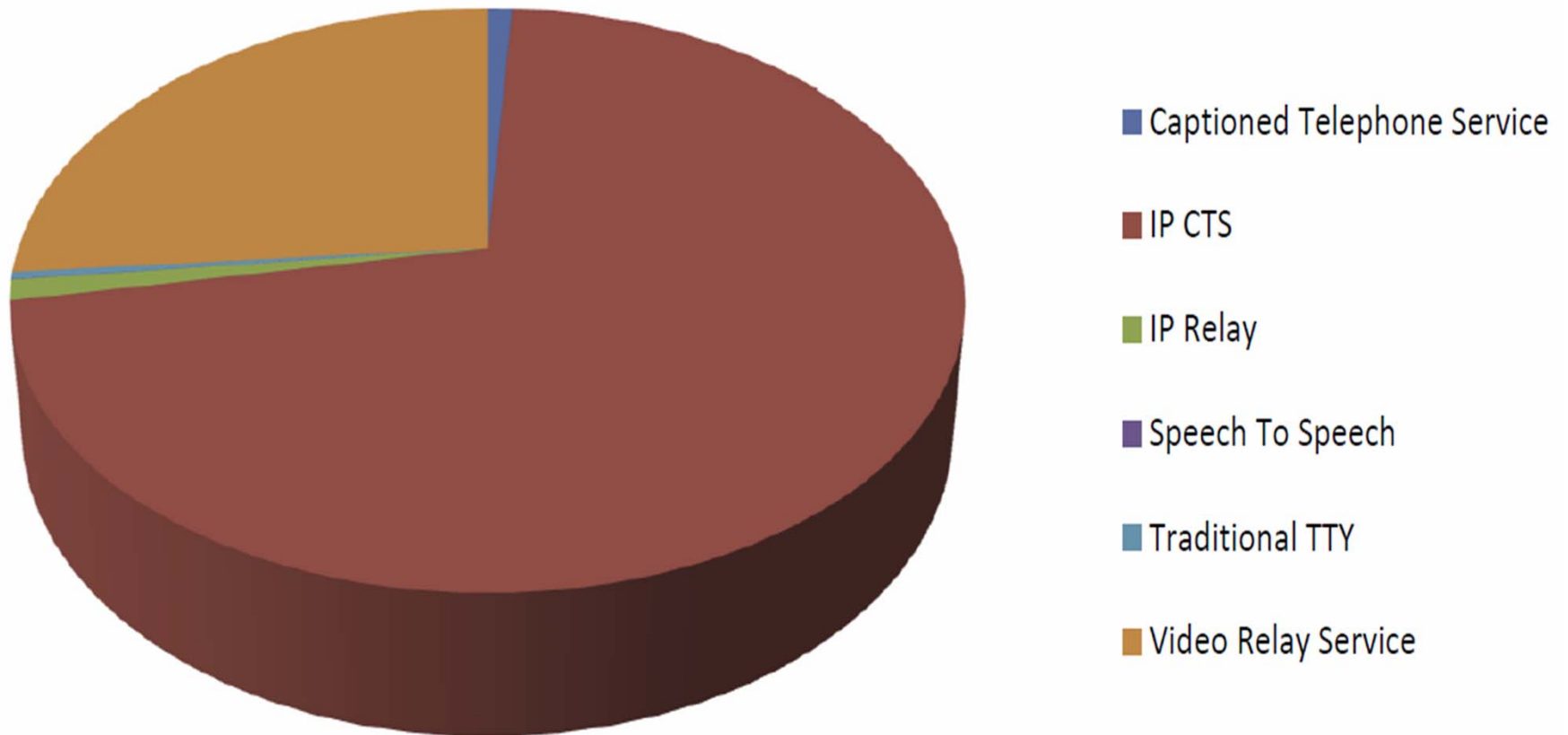


IP CTS Panel Discussion

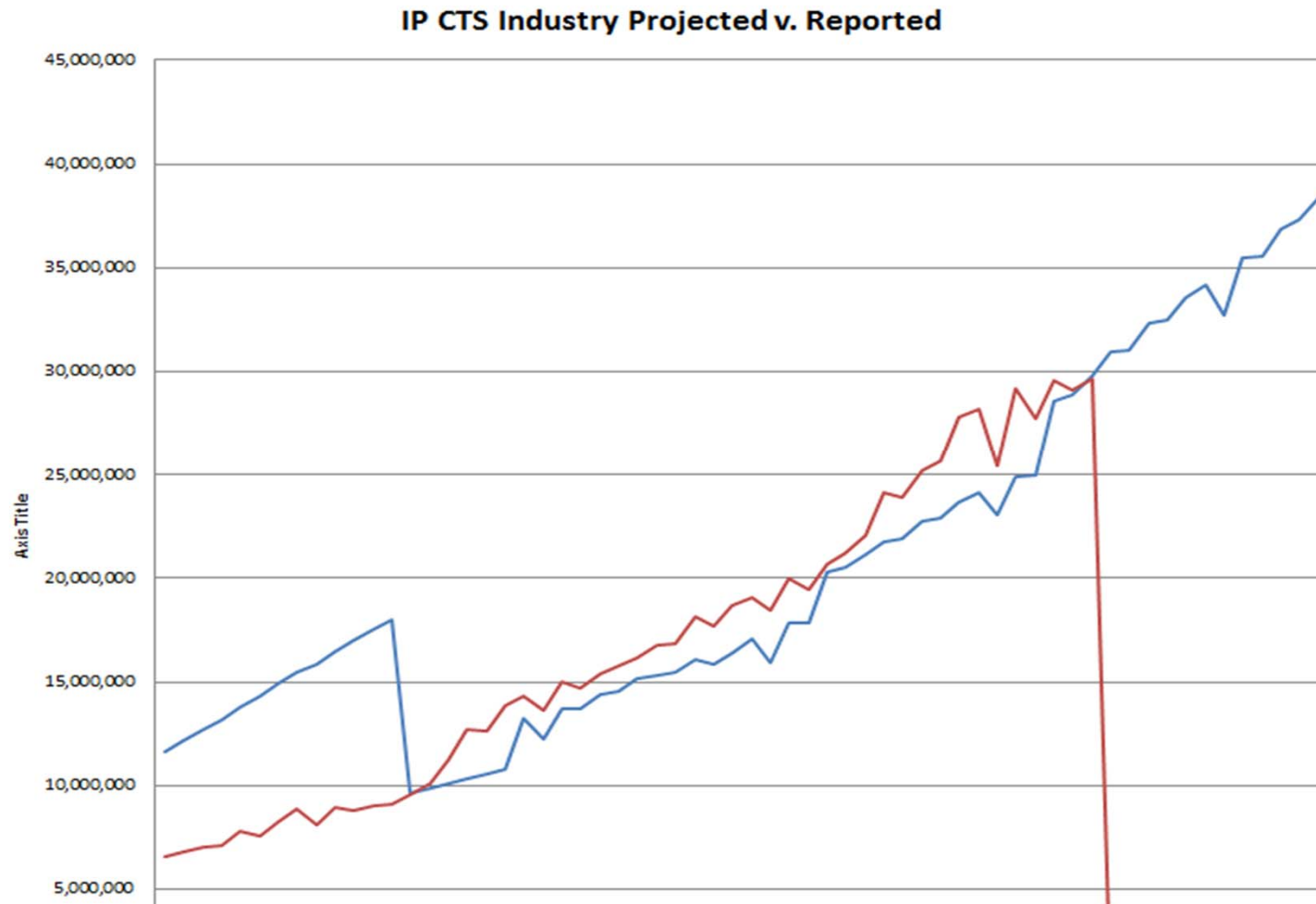
Golden Colorado Sept. 8, 2017

Overall Demand Shares

Total Minutes Paid in July 2017



IP CTS Demand Trend



Why Present Options?

Category	Reported and Projected											
	As reported in 2013		As reported in 2014		As reported in 2015		As reported in 2016		As reported in 2017		As projected for 2017-18	
	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2017	2018
Facilities	\$ 0.0095	\$ 0.0307	\$ 0.0307	\$ 0.0620	\$ 0.0619	\$ 0.0448	\$ 0.0501	\$ 0.0387	\$ 0.0386	\$ 0.0326	\$ 0.0307	\$ 0.0304
CA Related	\$ 0.0616	\$ 0.2225	\$ 0.2225	\$ 0.3833	\$ 0.3828	\$ 0.2536	\$ 0.2796	\$ 0.2865	\$ 0.2819	\$ 0.2672	\$ 0.3062	\$ 0.3314
Non-CA Relay Center	\$ 0.0326	\$ 0.0691	\$ 0.0670	\$ 0.0642	\$ 0.0620	\$ 0.0562	\$ 0.0601	\$ 0.0767	\$ 0.0559	\$ 0.0488	\$ 0.0498	\$ 0.0519
Indirect	\$ 0.2983	\$ 0.2215	\$ 0.2200	\$ 0.3083	\$ 0.3080	\$ 0.3246	\$ 0.3547	\$ 0.2751	\$ 0.2830	\$ 0.1529	\$ 0.1533	\$ 0.1350
Depreciation	\$ 0.0553	\$ 0.0617	\$ 0.0617	\$ 0.0676	\$ 0.0675	\$ 0.0499	\$ 0.0549	\$ 0.0397	\$ 0.0402	\$ 0.0275	\$ 0.0243	\$ 0.0202
Marketing	\$ 0.2103	\$ 0.1425	\$ 0.1435	\$ 0.1379	\$ 0.1344	\$ 0.0806	\$ 0.0738	\$ 0.0579	\$ 0.0579	\$ 0.0759	\$ 0.0787	\$ 0.0770
Outreach	\$ 0.1087	\$ 0.1203	\$ 0.1206	\$ 0.1407	\$ 0.1405	\$ 0.0877	\$ 0.0935	\$ 0.0903	\$ 0.0903	\$ 0.0710	\$ 0.0656	\$ 0.0645
Other	\$ 1.2818	\$ 0.7753	\$ 0.8278	\$ 0.8206	\$ 0.8211	\$ 0.6909	\$ 0.7261	\$ 0.6259	\$ 0.6259	\$ 0.6101	\$ 0.5889	\$ 0.5691
Return on Investment	\$ 0.0259	\$ 0.0257	\$ 0.0257	\$ 0.0175	\$ 0.0175	\$ 0.0163	\$ 0.0242	\$ 0.0122	\$ 0.0124	\$ 0.0106	\$ 0.0097	\$ 0.0082
Total Report Cost	\$ 2.0840	\$ 1.6693	\$ 1.7195	\$ 2.0021	\$ 1.9957	\$ 1.6046	\$ 1.7171	\$ 1.5031	\$ 1.4863	\$ 1.2965	\$ 1.3071	\$ 1.2876
MARS Rate for the period	1.763	1.773	1.7877	1.8205	1.8895	1.9058	1.9467					
Average Cost Rate											1.2974	
Marginal Cost provider											1.72	
Average Variable Cost	\$ 1.3434	\$ 0.9978	\$ 1.0503	\$ 1.2039	\$ 1.2039	\$ 0.9445	\$ 1.0057	\$ 0.9124	\$ 0.9079	\$ 0.8773	\$ 0.8950	\$ 0.9005
Average Fixed Cost	\$ 0.7406	\$ 0.6715	\$ 0.6692	\$ 0.7982	\$ 0.7918	\$ 0.6601	\$ 0.7114	\$ 0.5907	\$ 0.5784	\$ 0.4192	\$ 0.4120	\$ 0.3872

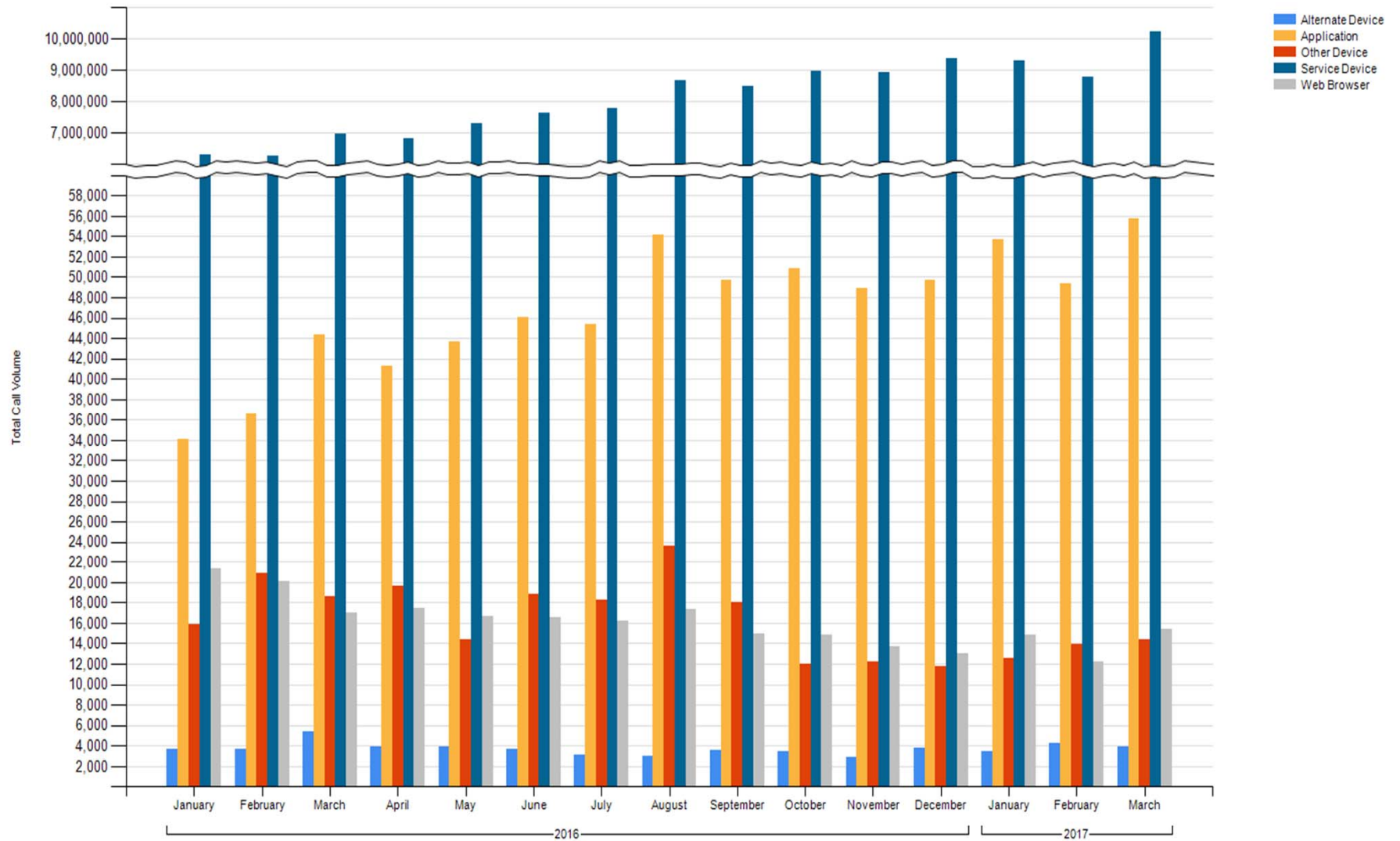
Planning for the Next Budget Cycle

- **RL analyzed eight pricing options for IP CTS:**
 1. Retaining the current MARS rate-making procedure;
 2. Setting the 2017-2018 tariff year rate at the industry average cost for 2016;
 3. Setting the 2017-2018 tariff year rate at the cost of a marginal provider;
 4. Establishing a four-year glide path where the rates decline from the current rate to the industry average cost for 2016.
 5. Establishing a four-year glide path with two tiers. Tier one rates decline from the current rate to the industry average cost for 2016 over four years. A Tier two rate would be based on the industry actual average variable cost for the previous year.
 6. Establishing a four-year glide path where the rates decline from the current rate to industry average cost for 2019.
 7. Set the rate for each provider individually based on the provider's cost of service.
 8. Make no change pending further comment and analysis by the Commission.

Revenue Required By Option

		2017-2018 Rate	Tariff Year Fund Requirements	Program Year Fund Requirements
Option No. 1	MARS	\$1.9328	\$ 778	\$ 744
Option No. 2	Historical 2016 cost	\$1.2965	\$ 522	\$ 535
Option No. 3	above high cost provider	\$1.7200	\$ 692	\$ 674
Option No. 4	4 year glide path	\$1.7535	\$705	\$ 685
Option No. 5	Tier I	\$1.7535	\$ 510	\$ 529
	Tier II	\$0.8773	\$ 98	\$ 78
		subtotal:	\$ 608	\$ 607
Option No. 6	4 year glide path	\$1.7535	\$ 705	\$ 685
Option No. 7	Provider specific cost			

Technology Call Volume Over Time



How Are the Calls Placed?

		Alternate Device		Other Device		Web Browser		Application		Service Device	
Total		55,750	0.0%	245,065	0.2%	241,719	0.2%	703,525	0.6%	121,778,337	99.0%
2017	March	3,892	0.0%	14,348	0.0%	15,370	0.0%	55,722	0.0%	10,241,452	8.3%
	February	4,269	0.0%	13,905	0.0%	12,215	0.0%	49,329	0.0%	8,795,253	7.1%
2016	January	3,431	0.0%	12,593	0.0%	14,884	0.0%	53,731	0.0%	9,319,086	7.6%
	December	3,841	0.0%	11,782	0.0%	13,046	0.0%	49,696	0.0%	9,381,866	7.6%
	November	2,917	0.0%	12,273	0.0%	13,661	0.0%	48,920	0.0%	8,942,915	7.3%
	October	3,421	0.0%	11,994	0.0%	14,860	0.0%	50,873	0.0%	8,956,620	7.3%
	September	3,530	0.0%	18,001	0.0%	15,013	0.0%	49,710	0.0%	8,480,902	6.9%
	August	3,012	0.0%	23,640	0.0%	17,305	0.0%	54,117	0.0%	8,663,117	7.0%
	July	3,148	0.0%	18,265	0.0%	16,207	0.0%	45,385	0.0%	7,787,767	6.3%
	June	3,676	0.0%	18,867	0.0%	16,540	0.0%	46,069	0.0%	7,619,383	6.2%
	May	3,889	0.0%	14,405	0.0%	16,717	0.0%	43,633	0.0%	7,273,693	5.9%
	April	3,960	0.0%	19,689	0.0%	17,490	0.0%	41,272	0.0%	6,810,453	5.5%
	March	5,409	0.0%	18,596	0.0%	16,961	0.0%	44,390	0.0%	6,954,925	5.7%
	February	3,696	0.0%	20,883	0.0%	20,077	0.0%	36,593	0.0%	6,258,197	5.1%
	January	3,659	0.0%	15,824	0.0%	21,373	0.0%	34,085	0.0%	6,292,708	5.1%

One Month of Call Data

Technology	Caller	TRS TDN	Hearing TN	Call Counts	Reported Provider Minutes	Call Counts	% of call Count	Reported Provider Minutes	% of Reported Minutes
Web	DHH Party	TDN	TDN	38	578.7	3,816	0%	2,945	0%
Web	Hearing Party	TDN	TDN	5,622	40,067.5	9,255	0%	66,826	0%
Cap Phone	DHH Party	TDN	NO TDN	262,419	918,542.4	2,588,454	30%	7,093,223	24%
Cap Phone	DHH Party	TDN	TDN	1,460,469	5,735,206.1	1,778,286	21%	6,715,314	23%
Cap Phone	Hearing Party	TDN	NO TDN	166,182	500,298.7	1,717,191	20%	5,981,732	20%
Cap Phone	Hearing Party	TDN	TDN	2,155,865	8,227,318.0	2,454,072	28%	9,074,131	31%
Application	DHH Party	TDN	NO TDN	10	107.0	10	0%	107	0%
Application	DHH Party	TDN	TDN	1,667	10,911.3	13,781	0%	36,007	0%
Application	Hearing Party	TDN	NO TDN	21	5.7	21	0%	6	0%
Application	Hearing Party	TDN	TDN	21,790	99,264.8	45,942	1%	202,925	1%
Alternate Device	DHH Party	TDN	TDN	406	1,795.4	413	0%	1,811	0%
Alternate Device	Hearing Party	TDN	TDN	309	1,050.9	2,580	0%	12,980	0%
Total				8,613,821	29,188,008.2	8,613,821	100%	29,188,008.2	100%
						4,305,676	50%	13,075,068	45%

Thank You

- I will be glad to address questions.



The 2017-2018 RolkaLoubé Report

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Introduction

RolkaLoubé provides an Annual Report to the Federal Communications Commission documenting information about the programs it administers on behalf of the FCC's Telecommunications Relay Service (TRS) programs. This is the first year, however, that we included the RolkaLoubé Report. We hope you enjoy learning about our company and how seriously we take our stewardship of the programs we administer and the work we do.

I. About RolkaLoubé

RolkaLoubé serves as a neutral third-party administrator of trust funds established at the direction of utility regulators such as the Federal Communications Commission (FCC). Specifically, in its capacity as the Interstate Telecommunications Relay Service Fund Administrator (TRS), RolkaLoubé has developed customized database applications, which are capable of in-depth data analysis. These advanced technologies ensure that millions of monthly individual call detail records are vetted to determine whether the information submitted meets the legal criteria for compensation. Despite the complexity of the systems and procedures we employ, we strive to ensure our clients and program participants are well informed with a “no surprises” approach to communication.

RolkaLoubé's consulting group also offers a wide variety of public utility regulation services primarily focused on matters related to telecommunications accounting, pricing, and neutral administration of subsidy programs, as well as monitoring and advising the FCC regarding the administration of federal Universal Service Funds (USF). RolkaLoubé provides expertise in regulatory accounting and record keeping requirements to execute collections and distributions for federal and state telecommunications universal service programs, as well as, providing robust, tailored billing and collections services and financial management solutions.

The consulting group additionally provides expert testimony and services in the areas of utility ratemaking but generally limits those services to public advocates or regulatory agencies. The Consulting group regularly supports the work of the Federal-State Joint Board on Universal Service. While the consulting group may provide advice to telecommunications companies, it does not represent service companies in proceedings before regulatory agencies. To avoid any conflict of interest, RolkaLoubé also does not provide advice to companies seeking eligibility in a program for which RolkaLoubé has been selected as administrator.

RolkaLoubé's data analytics capabilities allow for the mining of large reservoirs of data to analyze potential patterns, anomalies, or activities to uncover fraudulent activities or, in the case of business intelligence, to enhance opportunities for efficiency.

Because these services often involve the use of personally identifiable information (PII), along with sensitive financial information, RolkaLoubé tightly secures its infrastructure and physical environment. Protection of data and information is vital in meeting our clients' business needs securely and completely.

We at RolkaLoubé are very proud of our successful zero-error rate under the requirements of the Improper Payments Elimination and Recovery Improvement Act of (IPERIA). RolkaLoubé has maintained this rating since becoming the Administrator of the interstate TRS Fund in 2011. Our work is also audited by internal and independent external auditors annually. Maintaining the integrity of our work is paramount to us and essential to properly serve our clients and to provide them with the highest quality work at a reasonable cost.

RolkaLoubé's staff is composed of highly skilled and specialized professionals experienced in public utility and administrative matters. We collectively incorporate over 150 years of senior regulatory and administrative government experience into our work. In addition, RolkaLoubé's two principals, David Rolka and Bob Loube, also have decades of high profile regulatory and administrative experience in the field of public utility regulation. This experience and ability accounts for the wide diversity of current and former clients we serve.

II. Interstate TRS Fund

The TRS Fund is considered to be a component part of the FCC for audit purposes; therefore as the FCC undergoes an audit, RL is also audited. The primary focus of audits of the FCC which involve RL activities are the annual financial audit of the FCC which includes testing its information security and its IPERIA audit. These audits are in addition to the ones described below. Annually RL submits an audit plan for approval to the FCC addressing both internal and external auditing.

A. URD Background

In response to the FCC's June 10, 2013 Video Relay Service (VRS) Reform Order FCC-13-82, Rolka Loube was engaged to create the internet TRS User Registration Database (URD), on April 7, 2015, to ensure the registration and identity verification, of persons residing within the United States and its territories, with hearing or speech disabilities qualifying them to receive federally funded Video Relay Service (VRS). The purpose of this Order was to eliminate waste, fraud and abuse and to improve the FCC's ability to efficiently manage the TRS program through the URD.

According to the Order, Providers (companies that provide these services) are required to register the users and devices and RL verifies the identity and residency of those users. To date, the URD applies only to users but a current Proposed Rulemaking by the Commission will soon include an effort to also register enterprise and publicly accessible devices.

Providers submit user registration data to RolkaLoubé which then sends each user registration to Lexis Nexis, a third party verifier, for confirmation of the registrants' identity. Another third party, Neustar then verifies that the associated ten digit video relay number (TDN) is listed in the URD. Each TDN, submitted with the user registration request, must be associated with a validated identity prior to acceptance into the URD. Once identity validation checks confirm the user's identity, a unique URD ID is assigned to each user. Registration is required to insure eligibility for provider reimbursement for TRS Services..

B. URD Facts

- RolkaLoubé has been registering VRS users in the URD since January 2, 2018.
- As of 4/29/2018, RL successfully processed and registered:
287,631 unique TDNs associated with 100,282 unique "head of household" identities and a 95.72% acceptance ratio
- Out of 310,938 TDNs submitted:
 - 0.98 % failed due to Filing Instruction Failures
 - 3.30% failed due to Identity Failures
 - 214 denied registrations were appealed
 - 129 Of the appeals were granted resulting in registration
 - 85 Of the appeals have been denied by RL
 - 76 of those can be appealed to the FCC, 26 have been.
 - 18 of those can be re-appealed to RL for reconsideration
- Initially the 60 day registration window was set to close on Feb 28th, 2018
- Two subsequent extensions have been granted by the FCC to bring users into compliance:
 - DA 18-196 - March 31, 2018
 - DA 18-324 - April 30, 2018
- As of 4/29/2018, RL estimates that approximately 23 thousand TDNs are associated with users that had not yet provided their consent to be identified, but those TDNs made (i.e. 102,729 minutes) less than 0.15% of the minutes generated in the recent 6 months of Call Detail Record (CDR) submissions. The number of non-consents continues to decline as the registration deadline approaches. TDNs that are not registered or in the process of being registered as of April 30, will not be eligible for reimbursable calls until they are registered.

III. IPERIA Compliance (2016-2017 Audit)

Testing conducted by McKonly & Asbury identified of no improper payments. It should also be noted that the error rate was the absolute value of all erroneous payments during the program year July 1, 2016 – June 30, 2017, regardless of whether the payments were corrected. The calculated error rate for the testing period was 0.0000%. No unexplained

exceptions were noted and subsequently no improper payments were identified during the testing. The TRS Fund does not yet have a baseline error rate. The testing identified zero (0) improper payments resulting in no need for root cause analysis.

IV. Internal Risk Assessment (2016-2017 Audit)

Internal Risk Assessment (2016-2017) – performed by McKonly & Asbury, an independent external auditor conducts an annual independent evaluation to determine the effectiveness of the risk, fraud and information security program and practices used by RolkaLoubé. The FY 2017 Inspector General FISMA Reporting Metrics were used and completed by McKonly and Asbury. Their audit showed that, as of September 30, 2017, there were no significant deficiencies noted in the RolkaLoubé system of internal controls in place over the administration of the TRS Fund. There were no deficiencies in the system of internal controls that would not allow management or employees, in the normal course of performing their assigned duties, to prevent or detect misstatements in a timely manner. In addition, there were no reportable conditions or material weaknesses in the system of internal controls over financial reporting and improper payments.

As of September 30, 2017, the maturity level of the FISMA security requirements, based upon a design effectiveness review, were rated at the levels noted in the chart below with an overall maturity level of “Consistently Implemented” as reported to the FCC IT group in October 2017. RolkaLoubé continues to develop plans and implement improvements to meet the recommended maturity levels for each of the function areas. Subsequent annual audits will be performed by the independent auditor to confirm adequate implementation.

Table 1

Function	Maturity Level
1. Identify (Risk Assessment & Contractor Systems)	Consistently Implemented
2. Protect (Configuration Management)	Consistently Implemented
2. Protect (Identification & Authentication)	Consistently Implemented
2. Protect (Security Training)	Consistently Implemented
3. Detect (Information Security Continuous Monitoring)	Defined
4. Respond (Incident Response)	Adhoc
5. Recover (Contingency Planning)	Defined
Overall	Consistently Implemented

V. Financial Statements (2016-2017 Audit)

Annual independent financial statement audits are performed by a third party, Maher Duessel, in review of RolkaLoubé’s financial management of the TRS Fund. Only one finding was made, regarding the segregation of duties control within the Accounts Receivable (AR) system and processing. This is being addressed and remediated with the implementation of a new AR system to replace a legacy system.

VI. TRS Provider Audits (2016-2018)

Annually RL submits an audit plan regarding audits of service providers for FCC approval. Those audits are conducted either in partnership with a third party or entirely by a third party selected by RL.

Relay Services Data Request (RSDR) - Cost Submission Audit

A performance audit of the cost and cost allocation methodologies used for submission of the annual RSDR reports was performed for each internet-based service provider. Annually, RolkaLoubé provides written instructions to the TRS Providers regarding the data and format for submission of the annual RSDR reports. All items contained in the RSDR instructions are included within the scope of this audit. RSDR reports are submitted to RL in late February for costs incurred during the previous calendar year. For example, the 2014 RSDR submission for Sprint IP Relay was audited in 2015. The following year the 2016 audit incorporated follow-up on open items from the 2015 audit:

TRS Provider Certification Audits

Commission Rules provide that internet-based TRS Providers submit documentation to the Commission showing how they will meet the requirements for the service. 47 C.F.R § 64.606(c)(2) provides for a five year provider certification period. The scope of the performance audits conducted by RL includes all TRS Providers of internet-based service. The audits include a risk assessment of the certification requirements of each TRS Provider. The highest risk certification requirements, identified in consultation with the Commission staff, are included in scope for the audit.

The following table identifies all TRS Providers subject to this audit. The certification audits were conducted using the documentation provided to the FCC for the upcoming certification period. In addition, a baseline audit was conducted for those TRS Providers which have a continuous certification. TRS Providers and services audited, and the timelines the audits were conducted are outlined in Table 2.

Table 2

TRS Provider	Year Audit Performed	Video Relay Service (VRS)	Internet Protocol Captioned Telephone Service (IP CTS)	Internet Protocol Relay Service (IP Relay)
ASL Services Holdings LLC ("ASL") (GraciasVRS)	2016-2017	X		
Convo Communications LLC ("Convo")	2016-2017	X		
CSDVRS	2017-2018	X		
Hamilton	2016-2017		X	
Purple Communications	2017-2018	X	X	
Sorenson	2017-2018	X	X	
Sprint	2016-2017		X	X

VII. Do Not Pay

The Interstate TRS Fund began implementing the Do Not Pay check for all distributions effective 2/1/2018. The Do Not Pay portal is an additional secondary background check, which is run against all companies or individuals seeking to receive funds from the TRS Program, to ensure compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012. If money is owed to the federal government by a company or an individual, under certain circumstances, they are not eligible to receive compensation for TRS services and are flagged as Do Not Pay accounts.

VIII. TRS Fund Financial Facts

During the first 9 months of the current Interstate TRS Fund Program Year, ended June 30, 2018 the Fund:

- Collected roughly \$961 million from Contributors
- Distributed roughly \$948 million to Providers in payment for services.
 - Of that amount, the breakdown per service was:
 - \$4 million for TRS Services and STS Services
 - \$7 million for Captioned Telephone System (CTS) Services
 - \$562 million for Internet Protocol Captioned Telephone System (IP CTS) Services
 - \$6 million for Internet Protocol (IP) Services
 - \$369 million for Video Relay Services (VRS)

The 2017-2018 RolkaLoube Report

- Distributed roughly \$6.9 million to the National Deaf-Blind Equipment Program (NDBEP)

The Interstate TRS Fund timely reported all monthly and quarterly financial reports to the individuals responsible, and earned roughly \$1.3 million in interest on invested Treasury Bills

Table 3 Collections and Delinquencies Data

Program Year	# of Contributors	Total Revenue Billed	Total Sent to Treasury for collection	Percentage of Billings sent to Treasury for collection	
2016 - 2017	4,558	1,049,976,061	5,509,868	0.52%	For full year
2017 - 2018	4,722	1,193,824,675	4,510,140	0.38%	As of 3/31/18 (only 9 months of data)

Table 4 Comparison of Cumulative Program Year-to-Date Reimbursements to Providers

Category	Captioned Telephone Service	IP CTS	IP Relay	Speech to Speech	Traditional TTY	Video Relay Service	Total
PY 2017-2018 July - March	\$6,675,340	\$561,775,999	\$5,823,655	\$436,288	\$4,047,084	\$366,726,982	\$945,485,349
PY 2016-2017 July - March	\$8,033,610	\$415,491,709	\$5,418,242	\$392,012	\$4,109,325	\$378,121,999	\$811,566,895

Figure 1 Minutes of Service Current Program Year

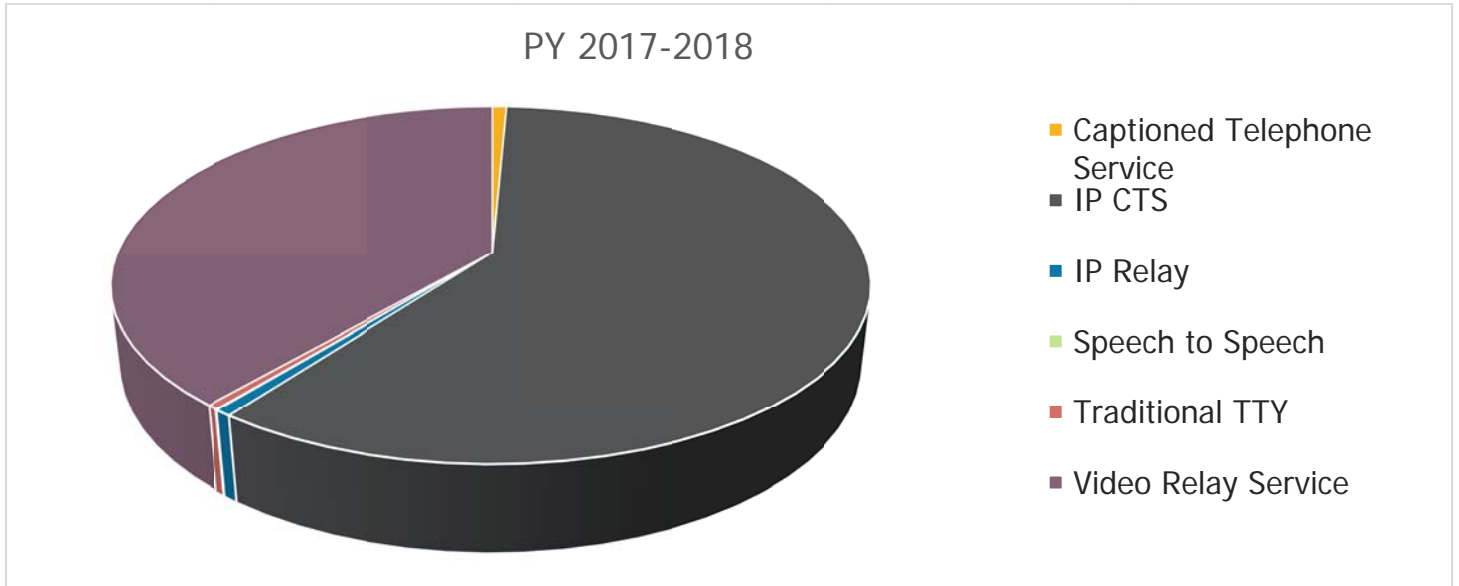
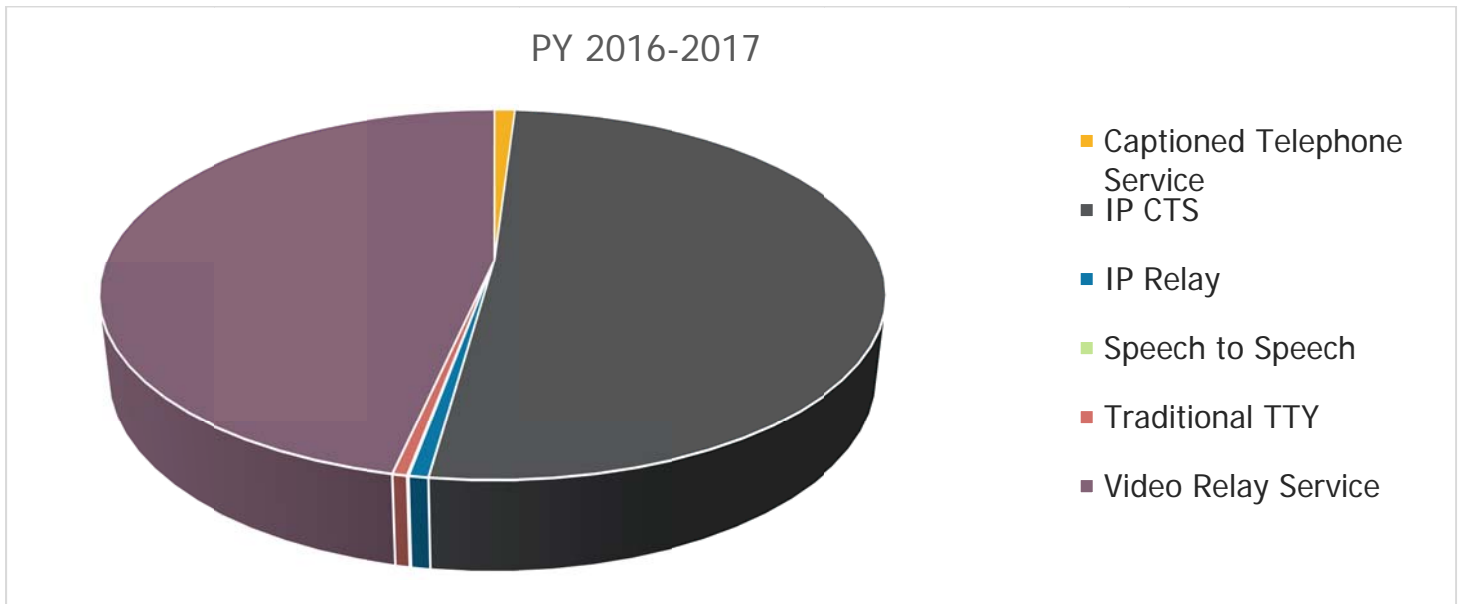


Figure 2 Minutes of Service Prior Program Year



IX. National Deaf Blind Equipment Distribution Program

The FCC's Consumer and Governmental Affairs Bureau (CGB) implemented the National Deaf Blind Equipment Distribution Program (NDBEDP) as a Pilot program in July 2012. At that time RL was authorized to provide support for the administration of the program. On August 5, 2016, the Commission released a further Report and Order, FCC 16-101,

making changes to the program structure changing the designation from a pilot program to a permanent program.

The following changes were implemented once the NDBEDP became a permanent program by the FCC. The changes, listed below, were implemented by RolkaLoube to ensure the accurate reporting and distribution of equipment.

- Establish a tracking mechanism for training limited to 2.5% of the budgeted allocation per state, to include potential annotations regarding waivers of the cap. (Paragraph 118 of FCC 16-101)
- Establish a tracking mechanism for outreach limited to 10% of the budgeted allocation per state, to include potential annotations regarding waivers of the cap. (Paragraph 145 of FCC 16-101)
- Establish a tracking mechanism for preapproval of travel expenditures. (Paragraph 116 of FCC 16-101)
- Establish a mechanism for tracking and recording the history of allocation adjustments among states. (Paragraph 153 of FCC 16-101)
- Establish a mechanism to cap administrative reimbursements at 15% of the state allocation, and report excess claims to the Administrator. (Paragraph 165 of FCC 16-101)
- Update/modify the request for reimbursement filing instructions consistent with permanent program rule changes. (Paragraph 161 of FCC 16-101)

RL also upgraded its Legacy System to allow use of automated functions in SQL for improved processing of NDBEDP applications. This allowed automated upload for easier FCC access utilizing BOX.

X. TRS Fund Advisory Council

As the Administrator of the TRS Fund, RolkaLoubé conducts two meetings of the TRS Fund Advisory Council (Council) each year. The Council requirements are set forth in 47 C.F.R. § 64.605. Pursuant to the regulation, the Administrator is to establish a non-paid advisory committee composed of persons from the hearing and speech disability community, TRS users (voice and text telephone), interstate service providers, state representatives, and TRS providers, which will meet at reasonable intervals (at least semi-annually) to monitor TRS cost recovery matters. The Council is currently composed of 13 representatives from the designated groups above. In addition to its role of monitoring provider cost recovery, the Council provides RL with valuable insight into the concerns and requirements of the communities of the represented membership and provides the member representatives with regular access to the Fund Administrator. In addition to the in-person semi-annual meetings of the Council, RL has initiated participation in scheduled monthly conference calls with the Council members regarding the status of the Fund and related developments and scheduled monthly conference calls with the service providers to address current topics.

At its most recent meeting, on April 6-7, 2018, Ron Bibler, representing TRS users was elected Chairman; Zainab Alkebsi, Esq. also representing TRS users was elected Vice-Chair; Brenda Kelly-Frey representing state relay administrators was elected 2nd Vice Chair and Shannon Smith representing the Deaf and Hard of Hearing Community was elected Secretary of the Council.

RL extends its appreciation for service to the Administrator and the Council to the outgoing Council leadership for an excellent job well done particularly with respect to cultivating engagement among the membership and with the Administrator regarding matters of importance to the beneficiaries of the service. The outgoing Chair, Mark Tauscher represents TRS Service providers; the outgoing Vice Chair, Ron Bibler, as noted above, represents Users; and the outgoing Secretary, Linda Vandeloop represents Fund contributors. The outgoing officers continue as invaluable members of the Council.