

2016-2017

TRS Administration Presentation

Annapolis MD

September 13, 2016

Agenda

1. TRS Fund Finances
2. Demand trends
3. Recent changes to NDBEDP
4. What are we working on?
5. Implementation of the VRS URD
6. Establishment of a Data warehouse
7. Some thoughts on next generation pricing

TRS Fund Finances

- 2016-2017 = \$1,280,648,798
- Less 6/30 bal. of \$142,588,264
- Less Interest of \$150,000

- Requirements \$1,137,910,534
- Where does it go?

Where does it go?

Traditional, STS & CTS	\$17.3 M
IP Relay	\$7.7 M
IP CTS	\$518.5 M
VRS	\$525.5 M
NDBEDP	\$10.0 M
2 avg. month reserve	\$178.2 M

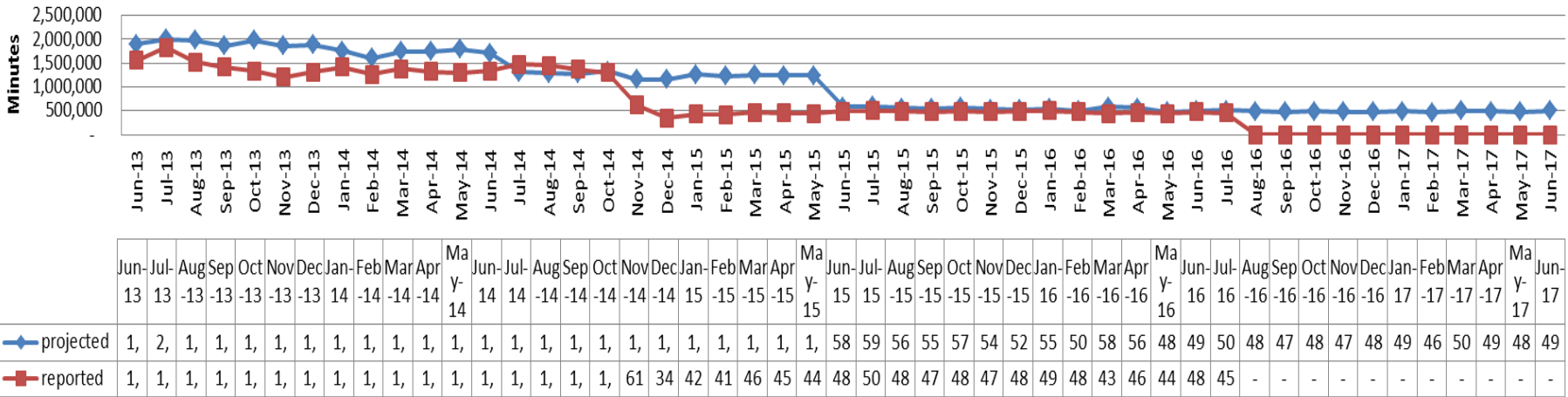
Subtotal: \$1,257.2 M

[98% of budgeted expense of \$1,280.6 M]

What are the other 2%?

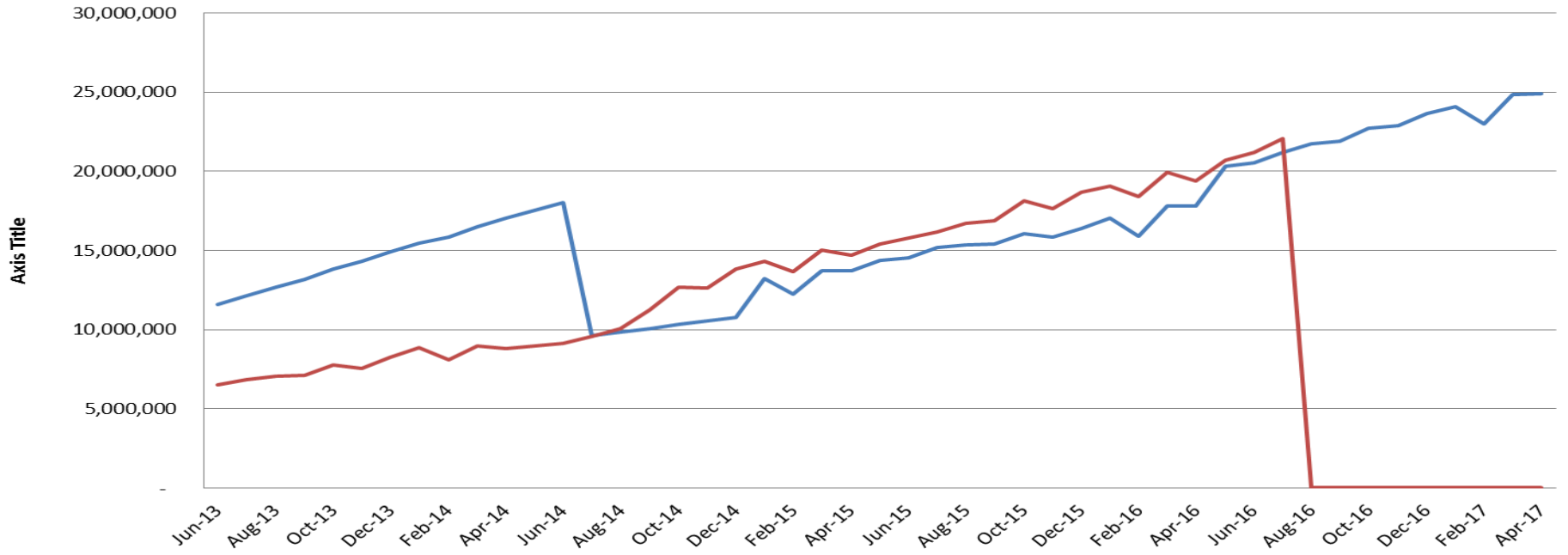
Demand Trends IP Relay

IP Relay Industry Reported v. Projected



Demand Trends IP CTS

IP CTS Industry Projected v. Reported



	Ju-13	Jul-13	Aug-13	Se-p-13	Oc-t-13	No-v-13	De-c-13	Ja-n-14	Fe-b-14	M-ar-14	Ap-r-14	Ma-y-14	Ju-n-14	Jul-14	Aug-14	Se-p-14	Oc-t-14	No-v-14	De-c-14	Ja-n-15	Fe-b-15	M-ar-15	Ap-r-15	Ma-y-15	Ju-n-15	Jul-15	Aug-15	Se-p-15	Oc-t-15	No-v-15	De-c-15	Ja-n-16	Fe-b-16	M-ar-16	Ap-r-16	Ma-y-16	Ju-n-16	Jul-16	Aug-16	Se-p-16	Oc-t-16	No-v-16	De-c-16	Ja-n-17	Fe-b-17	M-ar-17	Ap-r-17						
Projected Total	1	1	1	1	1	1	1	1	1	1	1	1	1	9	9	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Reported Total	6	6	7	7	7	7	8	8	8	8	8	8	9	9	10	11	12	12	13	14	13	15	14	15	15	16	16	16	18	17	18	19	18	19	19	20	21	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

NDBEDP aka FCC 16-101

- The Pilot becomes a permanent program with the next program year.
- Same program structure but adding American Samoa, Guam & North Mariana Islands
- Certified entities must reapply within 60 days of effective date of new rules.
- Final pilot payments held until all requirements have been satisfied

Highlights of NDBEDP changes

- Defined eligibility & verification requirements
- Defined equipment & related services that are eligible for reimbursement
- Up to 2.5% of state allocation avail. for train the trainer as program costs
- Capped outreach at 10% of allocation for 2 yrs.
- Travel can be by program personnel or equipment recipients.

Highlights of NDBEDP changes

- Reduce national outreach allocation.
- Provide for the reallocation of funding to ensure effective use of the funds.
- Require detailed documentation of claims
- Submit semi-annual reports to the FCC.
- Annual independent audits required.

Highlights of NDBEDP changes

- Administrative costs limited to 15% of allocation, not program expenditures.
- Establish performance goals and performance measures.
- Direct the establishment of a centralized database, required for reporting and permitted for reimbursement claims.

TRS Projects

- Implement the VRS URD*
- NDBEDP enhancements
- Updating the AR procedures
- Building a warehouse of CDR data
- Audit program:
 - Financial audits (providers 2015 costs)
 - Certification audits (coord w/ CGB)
 - URD related audits (of supporting Doc)

TRS Projects

- Updating the distribution procedures
- Improvements to D/R & data security
- Independent financial audits (Kearney & Maher Duessel)
- Internal Risk assessments
- IPERIA Audit
- Responding to anticipated RFP

User Registration Database(s)

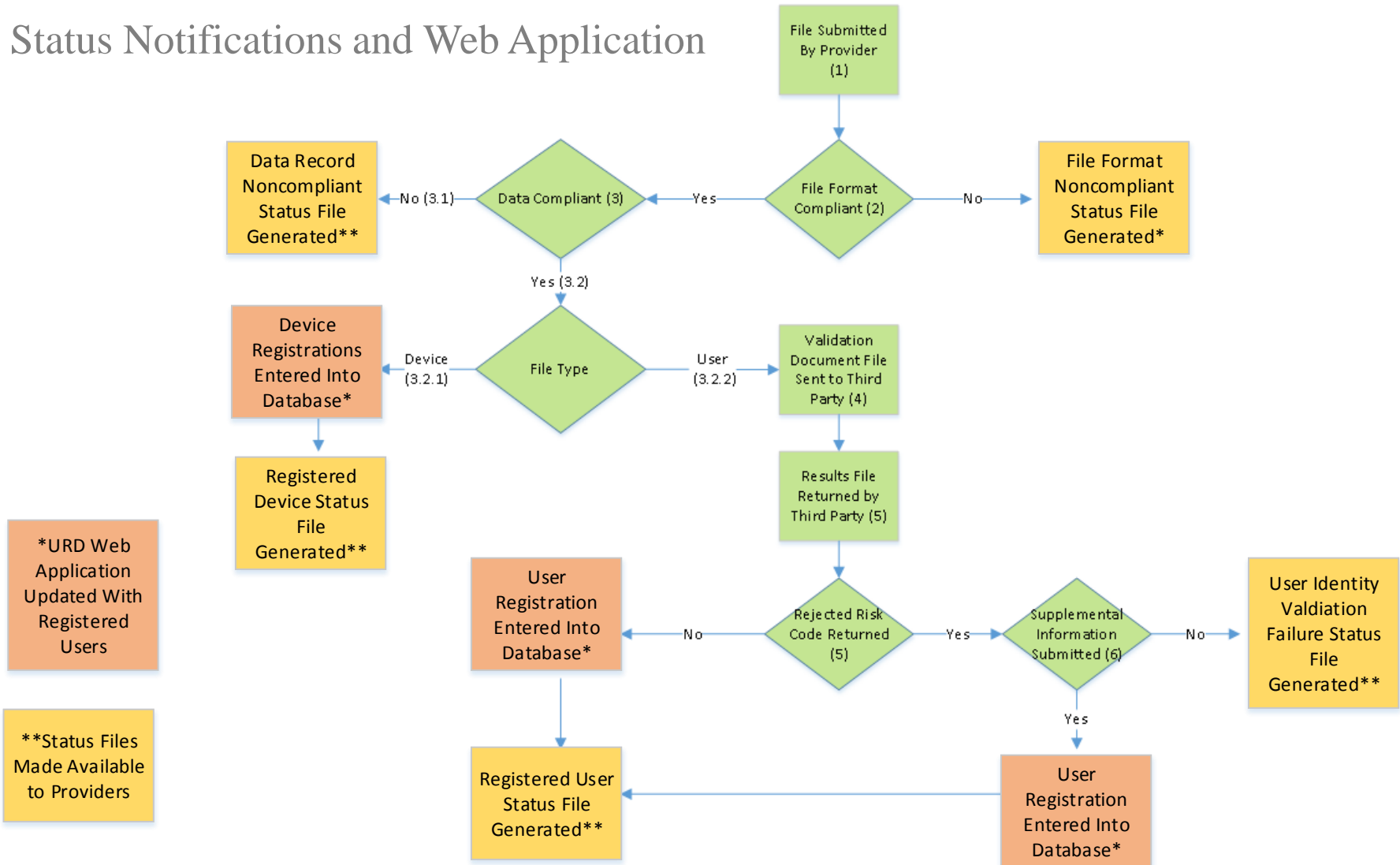
- 2013 the FCC committed to contract for a central TRS user registration database (TRS-URD).
- a centralized eligibility verification requirement to ensure accurate registration and verification of users,
- to achieve more effective fraud and abuse prevention, and
- allow the Commission to know, the number of individuals that actually use VRS

User Registration Database(s)

- VRS providers are required to populate the database with:
 - Full name
 - Full residential address
 - Ten digit telephone number
 - Last 4 digits of the SSN
 - Date of birth
 - Registered location for emergency calling
 - Date of service initiation
 - Date of Last Account Activity

URD Processing

Status Notifications and Web Application



User Registration Database(s)

- Providers to identify existing users & devices
- Maintain the information
- Verify registration for every call

User Registration Database(s)


- There are two outstanding production issues:
 1. The TRS number administrator is working on the mechanics of the per call validation
 2. The FCC is considering how to handle installations that are not user specific.

CDRs and a Data Warehouse

- On a monthly basis, the providers of IP based services support their request for reimbursement with call detail records (CDRs).
- RL processes the requests and analyzes the CDRs for eligibility.
- RL is in the process of compiling the accumulated CDRs into a data warehouse that will be used with the URD and provide more insight into the program.

The next budget cycle

- Where do we go from here?
- MARS, Price Cap & Cost based rates
- Market based rates
- Other possibilities
 - Operating ratio
 - Electric models
 - Equate IP services to operator services



Thank You for allowing me to meet with you.

- I would be glad to take questions