

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 21, 2014

Mr. Paul Clanon  
Executive Director  
California Public Utilities Commission  
505 Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94102

Dear Mr. Clanon:

Re: Request for Approval of the California Teleconnect Fund (CTF) Budget for  
Fiscal Year (FY) 2015-16

In compliance with Section 273 (a) of the Public Utilities Code, the CTF Administrative Committee (Committee) hereby submits the attached proposed CTF Program Budget for the FY 2015-16. The CTF program was established by Commission Decision 96-10-066 to provide a 50% discount on select telecommunications and Internet access services to qualifying K-12 schools, libraries, municipal, county government and district-owned and operated hospitals and health clinics, and non-profit community-based organizations within the state of California. In addition, Commission D.08-06-020 (Rulemaking 06-05-028) expanded the CTF program to include, among other things, California community colleges and California Telehealth Network participants. This program is funded by a surcharge on all end users of intrastate telecommunications services.

There was a quorum present at our recent meeting of June 13, 2014 to discuss and adopt the proposed CTF budget for FY 2015-16. A list of the members who voted for the budget is included.

The proposed budget reflects the projected reimbursements to carriers, as well as administrative expenses associated with the program. The overall budget recommended by the Committee has increased from approximately \$107,984 million last year to the current recommendation of \$118,970 million. The Committee attributes this increase to: 1. CBO growth in use of the fund and 2. Governor Brown's budget package for public education and libraries, which includes one-time funding to assist school districts in solving their network connectivity. Specifically, increases include school last mile grants (approximately \$26 million) and \$2.25 million in proposed new and ongoing funding to connect all public libraries to a statewide network.

Please do not hesitate to contact me with any questions by e-mail at [rselken@bcoe.org](mailto:rselken@bcoe.org) or by phone at (530) 532-5678.

Sincerely,

A handwritten signature in blue ink that reads "Russ Selken".

Russ Selken, Chairperson  
CTF Administrative Committee

cc: President M. Peevey  
Commissioner C. Peterman  
Commissioner M. Florio  
Commissioner C. Sandoval  
Commissioner M. Picker  
Ryan Dulin Director, Communications Division

Att: FY 2015-2016 Recommended Budget by the CTF Administrative Committee

**California Teleconnect Fund (CTF)**  
 PUBLIC PROGRAM BUDGET DEVELOPMENT (\$000s)\*  
 FOR FISCAL YEAR 2015-2016  
 (July 1, 2015 through June 30, 2016)

**Submitted by CTF-AC**

<b>PROGRAM EXPENSES (\$000)</b>		
a	Carrier Claims	\$115,565
b	Interest for Untimely Payment	\$0
c	Administrative Committee-Per Diem /Travel and Others	\$16
d	Administrative Committee-Special Needs Accommodation	\$8
e	Audits	\$266
f	Banking Fee	\$0
g	Inter-agency Cost	\$864
h	CPUC Staff Costs	\$1,198
i	Programming/Document Storage (Claims Automation)	\$104
j	Outreach	\$10
k	AB 876	\$500
l	Travel	\$6

<b>Total Program Expenses (sum of a thru l)</b>	<b><u>\$118,537</u></b>
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8660-0493 Public Utilities Commission (State Operations)	\$115,537
0840 State Controller (State Operations)	\$10
8880 Financial Information System for California (State Operations)	\$423

Grand Total	<b><u>\$118,970</u></b>
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\*Proposed by CTF Administrative Committee

Voting Committee Members:

Calvin Chang: Public Hospitals/Clinics  
 Sean McLaughlin: Community Based Organizations  
 Richard Matthews: Deaf and Disabled  
 Anna Montes: Consumer/Community Based Organizations

Committee Members recused from voting:

Jeff Mondon: AT&T  
 Russ Selken: K-12 Schools  
 Linda Crowe: Public Library sector (not physically present)