



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

September 19, 2014

The Honorable Thomas Carper  
Chairman  
Committee on Homeland Security & Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Carper:

On July 22, 2014, the Government Accountability Office (GAO) issued a Report entitled *Telecommunications: FCC Should Improve the Accountability and Transparency of High-Cost Program Funding* (GAO-14-587). The Report recommends that the Federal Communications Commission improve the accountability and transparency of the high-cost program in the wake of the *USF/ICC Transformation Order* by demonstrating how high-cost funds are being used to improve broadband availability, service quality and capacity, and by conducting analyses of carrier data and publicly reporting this information annually in a granular and accessible manner.

We have carefully reviewed the GAO's Report. We agree with the GAO's findings and its recommendation and are actively working on initiatives that will continue to improve our analyses and reporting of data that will inform the public on the progress of our universal service initiatives.

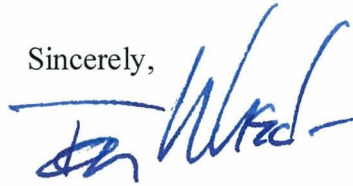
The Connect America Fund already is supporting the deployment of broadband to millions of unserved Americans living in rural areas, but we know that we have more work to do to ensure that rural America is not left behind. As we continue to move further down the path the Commission set out in the *USF/ICC Transformation Order*, we are mindful of our duty to uphold the integrity of the Universal Service Fund and the importance of evaluating the success of our reforms. It is our responsibility to ensure that the high-cost support that we disburse is used for its intended purpose – the deployment of robust voice and broadband-capable networks to consumers and businesses in rural America so that they can be active participants in the United States of the 21st century. That is why we are working on refining a data analysis plan for all of the data we collect from recipients of high-cost support, including the deployment plans and coverage data that were reported for the first time this year. Our objective is to take a hard look at the data to determine how those funds are being put to use to benefit the public. Specifically, based on the GAO's recommendation, we are working to quantify where recipients have used high-cost funds to increase broadband deployment, penetration, and available speeds.

We also understand the important role that the public plays in monitoring the success of our reforms and in holding recipients accountable for their use of high-cost support. Thus, as recommended by the GAO, we are building on our efforts to make the data we collect

transparent and accessible. Not only are we examining ways to integrate the data into our existing annual monitoring report, but we are also exploring how we can continue to improve our website and other resources to provide data in user-friendly, visual formats so the public can see where recipients are using high-cost support to deploy broadband.

The Commission and its staff appreciate the GAO's analysis and its recommendation. We look forward to continuing to work with the GAO and Congress in our efforts to reform and modernize the universal service high-cost fund. Please let me know if I can be of any further assistance.

Sincerely,

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Tom Wheeler





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THE CHAIRMAN

September 19, 2014

The Honorable Tom Coburn  
Ranking Member  
Committee on Homeland Security & Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Coburn:

On July 22, 2014, the Government Accountability Office (GAO) issued a Report entitled *Telecommunications: FCC Should Improve the Accountability and Transparency of High-Cost Program Funding* (GAO-14-587). The Report recommends that the Federal Communications Commission improve the accountability and transparency of the high-cost program in the wake of the *USF/ICC Transformation Order* by demonstrating how high-cost funds are being used to improve broadband availability, service quality and capacity, and by conducting analyses of carrier data and publicly reporting this information annually in a granular and accessible manner.

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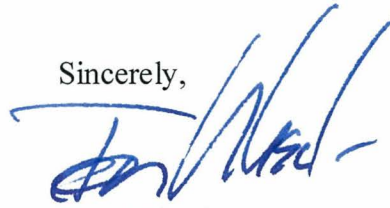
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September 19, 2014

The Honorable Darrell Issa  
Chairman  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
2157 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Issa:

On July 22, 2014, the Government Accountability Office (GAO) issued a Report entitled *Telecommunications: FCC Should Improve the Accountability and Transparency of High-Cost Program Funding* (GAO-14-587). The Report recommends that the Federal Communications Commission improve the accountability and transparency of the high-cost program in the wake of the *USF/ICC Transformation Order* by demonstrating how high-cost funds are being used to improve broadband availability, service quality and capacity, and by conducting analyses of carrier data and publicly reporting this information annually in a granular and accessible manner.

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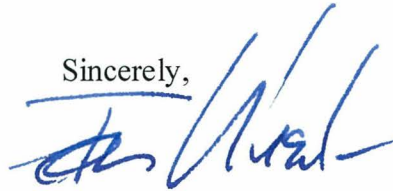
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September 19, 2014

The Honorable Elijah Cummings  
Ranking Member  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
2157 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Cummings:

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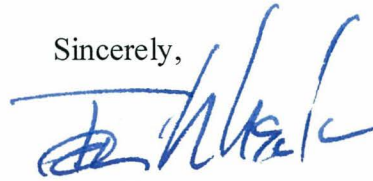
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