

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 22, 2009

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

Dear Mr. Clanon:

Re: Request for Approval of the California Teleconnect Fund (CTF) Budget for
Fiscal Year 2010-11

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 fiscal year 2010-11. The CTF program was established by Commission Decision 96-10-066 to provide a 50% discount on selected telephone services to qualifying K-12 schools, libraries, government-owned and operated hospitals and health clinics, and 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 5, 2009, to discuss and adopt the budget. All voting members adopted the budget that is attached.

The proposed budget reflects the projected reimbursements to carriers, as well as administrative expenses associated with the program. The Committee included augmented funding for administration of the program in the area of outreach to increase the level of CTF participation by non-profit community-based organizations, rural health care providers, and schools and libraries. Additionally, the committee also took into consideration the possible budget changes relative to proposed changes to CTF in Commission D.08-06-020. The increased eligible CTF services and addition of California Community Colleges and California Telehealth Network participants has increased the claims budget to the amount of \$63.405 million from the prior year's \$45 million. The overall budget recommended by the Committee has increased from approximately \$47 million last year to the current recommendation of \$67.124 million.

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

Sincerely,


Russ Selken, Chairperson
CTF Administrative Committee

cc: President M. Peevey
Commissioner T. Simon
Commissioner D. Grueneich
Commissioner J. Bohn
Commissioner R. Chong
J. M. Leutza, Director, Communications Division

Att: 2010-2011 Recommended Budget by the CTF Administrative Committee

California Teleconnect Fund (CTF)
PUBLIC PROGRAM BUDGET DEVELOPMENT (\$000s)*
FOR FISCAL YEAR 2010-2011
(July 1, 2010 through June 30, 2011)

Submitted by CTF-AC

PROGRAM EXPENSES		
a	Carrier Claims	\$63,405
b	Interest for Untimely Payment	\$50
c	Administrative Committee-Per Diem	\$8
d	Administrative Committee-Travel and Others	\$18
e	Administrative Committee-Special Needs Accommodation	\$8
f	Audits	\$1,400
g	Banking Fee	\$5
h	Inter-agency Cost	\$139
i	CPUC Staff Costs	\$686
j	Programming and Document Storage	\$5
k	Outreach	\$1,400
Total Program Expenses (sum of a thru k)		<u>\$67,124</u>

*Proposed by CTF Administrative Committee

Voting Committee Members:

Calvin Chang : Public Hospitals/Clinics
Michael Funk: Community Based Organizations
Richard Matthews : Deaf and Disabled
Alik Lee : Division of Ratepayer Advocates, CPUC
Ana Montes: Consumer/Community Based Organizations

Committee Members recused from voting:

Jeff Mondon: AT&T
Russ Selken: K-12 Schools