

## **Rolka Loube FCC Case Study**



### **Federal Communications Commission (FCC) Interstate Telecommunications Relay Service (iTRS) Fund Administrator**

Rolka Loube turned around a program susceptible to fraud, waste, and abuse (FWA) through verifications and audits, causing the U.S. Office of Management and Budget to remove the “at risk” designation while under Rolka Loube administration.

#### **Point of Contact**

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#### **Case Study:**

Rolka Loube’s skill as a program administrator is illustrated by its history as the Interstate Telecommunication Relay Service (TRS) Fund Administrator for the Federal Communications Commission (FCC).

#### **Actions:**

- A. In 2011, when Rolka Loube took over as the administration of the TRS Fund--replacing the previous administrator of 20 years, it was classified as an “at-risk” program, susceptible to waste, fraud, and abuse by the federal Office of Management and Budget (OMB). Twenty-six people had been convicted of defrauding the program of millions of dollars. As a result of FCC changes made at the suggestion of Rolka Loube and tightened controls we have implemented, OMB removed the TRS Fund from the at-risk category. Now:
  1. Each request by service providers for payment from the Fund is required to be supported by documentation that Rolka Loube carefully reviews and analyzes using Rolka Loube developed computer applications as well as manual inspection when warranted. This includes data on every call.
  2. Service providers are required to meet measurable performance standards such as speed to answer.

3. Rolka Loube conducts audits on a wide range of activities such as cost of service and the regulatory compliance of providers that receive payments from the Fund.
  4. Rolka Loube verifies the identity and residency of potentially service-eligible individuals.
- B. Pricing recommendations based on Rolka Loube's analysis of actual and projected cost of and demand for service provided by Rolka Loube to the FCC resulted in a per unit reduction in the compensation rate.
  - C. Rolka Loube established multiple secure databases and custom applications that use those data bases for ratemaking, budgeting, reimbursement determinations, and invoicing. Our analytics, combined with staff's comprehensive understanding of the Telecommunication Relay Service business, also allow us to identify potentially fraudulent claims.
  - D. Rolka Loube prevented the Fund from going into a deficit situation in 2013 by adjusting the distribution process.
  - E. Rolka Loube has greatly increased communication, including having monthly calls, with the group of all TRS service providers seeking their input on administrative matters.
  - F. Rolka Loube reconstituted and reinvigorated the TRS Fund Advisory Council appointing representative from different telecommunication relay service stakeholders --including individuals with hearing, speech, and sight impairments. Monthly calls are also held with the Advisory Council.
  - G. Rolka Loube has simplified, standardized, and modernized the computer systems used by both fund contributors and service providers.
  - H. Rolka Loube's administration of the TRS is annually subject to several independent audits but has never had an adverse audit finding. In fact, audits of the accuracy, timeliness, and rule and policy compliance required by the Fund's previous at-risk classification (Improper Payment and Recovery Improvement Act audits), consistently found a truly remarkable error rate of near zero,
  - I. The compensation Rolka Loube receives for administration of the Fund has consistently been less than one-half of one percent (0.5%)—a low administrative cost rate virtually unheard of in fund management.

### Impact:

Collectively, the improvements made over the years Rolka Loube has administered the TRS Fund have greatly benefited each of the Telecommunication Relay Service stakeholders.

- **Individuals with hearing, vision, and speech impairments.**
  - Because of the more rigorous administration by Rolka Loube, several poor-performing service providers ceased providing services—stopping them from preying on individuals in need of services.
  - Because Rolka Loube's efforts have resulted in keeping rates to service providers reasonably appropriate, people using the services and those with whom they communicate can use more compensated minutes of service without the need to increase the amount in the Fund.
  - By Rolka Loube's holding providers to certain performance standards (e.g., speed of answering calls), the services users receive have been improved.

- Through the Rolka Loube-appointed Advisory Council members, people using TRS service now have a voice and method to have input on policies that impact them.
- **Telecommunication companies and their customers.**
  - By making recommendations that keep the contribution rates to the Fund made by statutorily required telecommunication companies at reasonable levels, Rolka Loube has helped those companies' costs to be controlled and their customers', who ultimately pay for the contributions, bills to be kept lower.
  - Similar cost-savings inure to the companies and their customers as a result of the extremely low administrative costs Rolka Loube receives for its fund administration.
  - Rolka Loube's process improvements, including providing more payment options, allow the contributing entities to comply with program requirements more easily and to smooth out their payment obligations over a longer period of time.
- **TRS service providers.**
  - Rolka Loube's greatly enhance communication with service providers has provided improved transparency and a voice in both process improvements and policy recommendations.
  - Better defined rules, processes, and clearer explanations have given providers greater certainty regarding their compensation and a better understanding of why some claims are denied—allowing them to adjust and improve their performance.
  - Rolka Loube's information technology advancements have enabled service providers to comply with program requirements more easily.
- **The client (FCC).**
  - Rolka Loube's analytical ability facilitates forecasting, allowing Rolka Loube to provide valuable program insights to the FCC on which it can formulate policy improvements.
  - Rolka Loube's comprehensive administration has relieved the FCC from the daily burden of program administration.
  - Rolka Loube's flexibility and responsiveness has allowed the FCC to pivot easily among its priorities.
  - Rolka Loube's innovative and effective administrative improvements have given the FCC confidence in the strength, integrity, and viability of the program.
- **The FCC's appreciation of and reliance on Rolka Loube is illustrated by its extensions and/or renewals of its annual contract for over the last 10 years as well as by the expansion of the services the FCC has contracted out to Rolka Loube.**

### GSA Approved:

Rolka Loube is a limited liability company established in 2007 under the laws of Pennsylvania. It is a U.S. General Service Agency approved government contractor (Multiple Award Schedule (MAS) contract 47QRAA18D00FA) through September 9, 2023, with three additional five-year option periods.

## Values:

Rolka Loube is a small business of about 50 people that highly values both its clients and its employees. As former government employees, our leadership understands that the programs Rolka Loube administers are the agencies' – NOT Rolka Loube's. So, while Rolka Loube provides information, recommendations, and guidance, we respect and rigorously implement the decisions of our clients – the agencies. We encourage agencies to be as involved or hands-off as they wish to be. We strive to remain behind the scenes and to allow the agency's reputation to be enhanced by our strong performance.

**We are dedicated to advancing the common good by providing excellent, client-focused services with the highest degree of integrity.**

Rolka Loube strongly believes in work-life balance. While our dedicated employees will put in long-hours to get the job done when necessary, needing to do so should not be routine and would mean our staffing needs to be increased. We cultivate an atmosphere where employees believe in each other, support each other both professionally and personally, and do what is best for the team as a whole rather than for themselves individually. We aspire to be a work environment that our employees enjoy coming to, that gives them an opportunity to make a difference in the world, to grow professionally, and to build long-lasting personal friendships--a place where employees know they are valued and appreciated.

## Markets & Customers:

Rolka Loube's primary market is telecommunication fund administration. Rolka Loube's customers are federal and state agencies responsible for public utility matters especially in providing telecommunication services, which are primarily the Federal Communications Commission and state public utility commissions.

Rolka Loube administers/ed funds for the following services:

1. Telecommunication Relay Services (phone service equivalents for individuals with hearing and speech impairments),
2. Lifeline (phone service for low-income individuals),
3. Deaf-Blind Equipment Distribution (funding for phone equipment to be used by individuals with sight and hearing impairments),
4. Education-support programs (broadband services for schools),
5. Extending telephone line services to previously unserved areas.
6. A secondary market is public utility regulatory matters.