FREQUENTLY ASKED QUESTIONS

SAPP
State Alternative Plan Program

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General Information

1) **What is the State Alternative Plan Program?**

   The State Alternative Plan Program (SAPP) is a grant program for States that "opt-out" of FirstNet, which means the State will construct, operate, maintain, and improve its Radio Access Network (RAN) and connect to the Nationwide Public Safety Broadband Network (NPSBN). This program has two parts. First, SAPP reviews a State's application for the right to enter into a Spectrum Manager Lease Agreement (SMLA) with FirstNet [Lease Authority]. Second, SAPP provides Radio Access Network (RAN) construction funds for those applicants interested in federal funds to assist in the construction of the RAN in that State [RAN construction funds]. To successfully opt out, a State must enter into an SMLA with FirstNet. A State may apply for the optional RAN construction funds.

2) **What law authorizes the National Telecommunications and Information Administration to establish this grant program?**

   The Middle Class Tax Relief and Job Creation Act of 2012 (Pub. L. No. 112-96, Title VI, 126 Stat. 156 (codified at 47 U.S.C. §§ 1401 - 1457)) (Act) mandated the creation of the NPSBN for prioritized use by public safety entities. Within the Act, Congress established the Network Construction Fund, which will be used by FirstNet to build the NPSBN and by the National Telecommunications and Information Administration (NTIA) to make grants to States, Territories, and the District of Columbia (States) seeking to opt out of the NPSBN.

3) **Who is eligible to apply for this grant?**

   States whose governors have notified FirstNet, the Federal Communications Commission (FCC), and NTIA by December 28, 2017[1] of their intent to construct, operate, maintain, and improve a RAN in their State ("opt-out States"), and that have received approval from the FCC of their alternative State plan in accordance with the Act, are eligible to apply for this grant.

4) **What is the award amount for the SAPP?**

   For Lease Authority, SAPP awards the authority to enter into a Spectrum Manager Lease Agreement with FirstNet, which gives States the ability to use Band 14 spectrum within their state. The optional RAN Construction Funds part of SAPP provides funding to assist States with the initial construction

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[1] The December 28, 2017 deadline applies to the 53 States and Territories that received the required statutory notice from FirstNet on September 29, 2017. The 90-day decision deadline for American Samoa, Guam, and the Northern Mariana Islands will be March 12, 2018.

of the Radio Access Network in the state. The funding amounts for each State are published in the SAPP Notice of Funding Opportunity (NOFO).

5) What is the SAPP match requirement?

There is no cost share requirement for this grant.

6) What is the period of performance?

Recipients of a Lease Authority grant must enter into an SMLA with FirstNet within 6 months of the award date, unless an extension is granted. The period of performance for RAN construction funds is not to exceed 3 years; NTIA may consider a no-cost extension based on demonstrated need for up to an additional 2 years for the RAN construction funds.

Application and Application Review Information

1) How does a State apply?

Applications must be submitted electronically through www.grants.gov and must be received by the www.grants.gov online system no later than 90 calendar days after a State receives formal approval of its alternative State plan from the FCC. NTIA will accept grant applications on an ongoing basis after the FCC's approval date, and continue to monitor submissions in Grants.gov to ensure adherence to this 90-calendar day application window. See the NOFO (2018-NTIA-SAPP-01) at grants.gov for detailed information concerning submission dates and instructions for submitting applications.

2) What if a State is only applying for a Spectrum Lease and doesn't want a Construction Grant?

Applications for the Construction Grant are optional.

3) What if a State only wants a Construction Grant?

To receive a Construction Grant, a State must have received Lease Authority from NTIA.   NTIA will not release the Construction Grant funds to the State until the State executes an SMLA with FirstNet and provides a copy of the executed SMLA to NTIA.

4) What are the stages of the Review Process?

The review process consists of the following reviews:
a) **Administrative and Completeness Review**
b) **Merit Review**
c) **Programmatic Review**
d) **Award Recommendation**

5) How long will an application review take?

There is no set timeframe for completion but each stage of the review process has time limits assigned for completion as follows:

a) **Administrative and Completeness Review**

An initial review of timely received applications will be conducted to determine eligibility, completeness, and responsiveness, as well as the scope of the stated program objectives. NTIA may request revisions and/or seek clarification from the applicant before continuing the review process. The applicant will be allowed 7 days to provide clarification. Applications ultimately determined to be ineligible, substantially incomplete, and/or non-responsive may be eliminated

from further review.

b) **Merit Review**

Expert reviewers will conduct the merit review on the SMLA portion of the SAPP application. If an applicant does not achieve a rounded average score of 3 for each demonstration during the initial Merit Review, NTIA program staff may contact the applicant regarding necessary revisions and clarification of demonstration information based on Merit Review feedback. Revision and clarification feedback is intended to resolve material weaknesses and/or deficiencies within the application as identified by the merit reviewers. Program staff may also request additional clarifying information and/or corroborating documentation from applicants. The applicant will have 14 calendar days to address, resubmit, or submit new, relevant information to address the feedback provided by NTIA. If after this second review, demonstrations have not received a rounded average score of a 3, applicants may be afforded another 14 calendar days to revise and clarify their responses.

c) **Programmatic Review**

Following the Merit Review process and for each eligible application that obtains a rounded average score of 3 for each demonstration, program staff will review the grant construction funds application for conformity with programmatic objectives as demonstrated through the grant construction funds application narrative, budget narrative, and budget detail spreadsheet. Program staff will contact the applicant regarding any need to revise the application based on Programmatic Review feedback. The applicant will have 14 calendar days per round of revisions to address, resubmit, or submit new relevant information to address the feedback provided by NTIA. Once program staff receives application revisions, the same programmatic reviewers will evaluate the construction funds documents.

6) **Will the expert reviewers decide which grant applications to approve?**

No. NTIA ultimately recommends approval or disapproval of applications to the National Institute of Standards and Technology (NIST) Grants Officer, who makes the final award decisions. As indicated in the NOFO, panels of independent experts will conduct the Merit Review of SAPP grant applications and make their recommendations to NTIA.

7) **Is it common practice for independent expert reviewers who are not government employees to participate in the review of grant applications?**

The Department of Commerce (DOC) grants manual states that application reviewers may be any mixture of Federal or non-Federal experts. Independent analysis can strengthen the review process by incorporating the experience of experts across the nation. This practice is especially valuable when grant applications of a scientific or technical nature are reviewed, due to the specialized expertise needed to carefully evaluate them.

8) **What are the confidentiality and conflict of interest policies for the independent experts who serve as reviewers?**

Reviewers are required to sign non-disclosure agreements and agree not to divulge any nonpublic information learned during the course of their review about SAPP or SAPP applications, during or after the review process; nor retain documents or notes used or created during the SAPP review process; nor use any information learned during the review process for personal or private gain, including advising or participating in the preparation of any SAPP grant application for any party, including any existing or future employer, or on a consultancy basis.

Reviewers must also certify that they (and certain associated parties) do not have a financial or other

conflicts of interest and that their circumstances are not likely to raise the appearance of a conflict of interest, impropriety, or the appearance of impairment of objectivity with respect to any SAPP application they are asked to review or comment.

9) **Will the names of expert reviewers be published? Will NTIA disclose the reviewer's scores or notes?**
   NTIA will not release the names of the peer/expert reviewers, their Evaluation Criteria scores, or notes or analyses undertaken in due diligence review.

10) **Will a State have the chance to ask questions/cure any deficiencies?**
    Due to the complexity of the grant program, applicants will be provided two opportunities to remedy Administrative and Completeness Review deficiencies and three opportunities each to remedy Merit Review and Programmatic Review deficiencies. Applicants will be provided specific feedback on deficiencies and NTIA will be available for questions and support.

11) **Who will make the final determination on an application?**
    Once the Merit Review or Programmatic Review is complete, based on the individual merits of each application, NTIA's SAPP program staff will provide award recommendations to the Selecting Official. The Selecting Official will review recommendations from program staff. The Selecting Official retains the discretion to select and recommend an application for the Lease Authority or RAN Construction Funds that was not recommended by program staff based on one of the Evaluation Criteria set forth in the NOFO Section B.5.a or Section B.6.e and/or not to select an application that was recommended for Lease Authority or RAN Construction Funds by program staff. The Selecting Official's recommendation to the Grants Officer shall set forth the basis for the selection decisions.

    NTIA's Assistant Secretary or their delegate will serve as the Selecting Official and will recommend approval of applications selected for both the Lease Authority and/or RAN Construction Funds. The final approval of selected applications and the issuance of awards will be made by the NIST Grants Officer, who serves as the Grants Officer for the SAPP. The award decisions of the NIST Grants Officer are final.

Program Information

1) **How will NTIA evaluate my State's application?**
   NTIA will apply the standards of the Act to determine whether a State is ready to interoperate seamlessly with the NPSBN on an on-going basis, and be financially and technically sustainable. The Act mandates that NTIA review applications against five statutory demonstrations. The demonstrations are:

   a) Demonstration 1: (a) Technical Capability to Operate and (b) Funding to Support;
   b) Demonstration 2: The Ability to Maintain Ongoing Interoperability with the NPSBN;
   c) Demonstration 3: The Ability to Complete the Project within Specified Comparable Timelines Specific to the State;
   d) Demonstration 4: The Cost Effectiveness of the State Plan;
   e) Demonstration 5: Comparable (a) Security, (b) Coverage, and (c) Quality of Service to that of the NPSBN.

2) What does technical capability mean? (Demonstration 1a)
   Technical capability means the applicant's RAN Project staff has sufficient experience to effectively execute the RAN project through:
   - Operating and managing a radio access portion of a commercial wireless broadband network based on LTE technology compatible with the requirements of FirstNet and capable of providing such service to public safety throughout the project period;
   - Designing, implementing, and maintaining RAN and transport backhaul to achieve network quality and services consistent with the requirements of the NPSBN network policies and SMLA terms and conditions;
   - Integrating and optimizing RAN capabilities;
   - Continuously testing and integrating new RAN software and feature releases to align with FirstNet's 3rd Generation Partnership Project (3GPP) LTE RAN release roadmap;
   - Maintaining physical and cybersecurity capabilities; and
   - Operating network, including Operational Support Systems (OSS) for the monitoring, controlling, analyzing, and for managing RAN network, including availability management, change management, incident management, problem management, capacity management, and business/service continuity.

3) **Besides personnel, what other capabilities must be shown for Demonstration 1a?**
   The other capabilities deal with maintaining the network, facilities and equipment, parts inventory, backhaul plan, and alternative coverage solutions. The full list can be found in the NOFO.

4) **Does the budget need to cover the full period of performance/project period? And what is the RAN project period? (Demonstration 1b)**
   The project budget must show all revenues and expenditures for the RAN project term. The RAN project term shall be coterminous with the term of the SMLA.

5) **If the FCC is going to review interoperability, why is NTIA also reviewing interoperability? (Demonstration 2)**
   The FCC's interoperability review assesses compliance with two separate interoperability standards when a State submits its alternative plan to the FCC.[2] In contrast, NTIA's review will assess whether a State RAN Project is capable of remaining interoperable with FirstNet as the NPSBN evolves and adopts new operability and interoperability standards, advanced technology, network policies, and network upgrades throughout the project term, consistent with the law.

6) **When does the clock start in terms of comparable timelines? (Demonstration 3)**
   States will have five years to complete initial RAN construction starting when a SAPP application is approved.

7) **What do applicants have to submit to show they will agree to the SMLA? (Demonstration 4)**
   Provide a copy of a letter of intent to FirstNet indicating the State's willingness to enter into an

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[2] *See* 47 U.S.C. § 1442(e)(3)(C)(i)-(ii).

SMLA and make the payments included as a part of the SMLA mutually agreed upon.

8) **How is the cost effectiveness demonstration different from the funding to support demonstration? How are both different from NTIA's assessment of the RAN Construction Funds? (Demonstrations 1b, 4)**
   a) For the **cost effectiveness** demonstration, NTIA is assessing the applicant's commitment and ability to make payments to FirstNet. In addition, the Act requires that revenue gained from covered leasing agreements must be reinvested back into the network, so NTIA will evaluate the State's plan for reinvestment.
   b) For the **funding to support** demonstration, NTIA is assessing whether the expected revenues from the operations of the RAN Project are sufficient to cover expected expenses, including payments to FirstNet over time. NTIA is also assessing the State's rationale for revenue and expenditure assumptions, budget forecasts, risk analysis, spectrum valuation sources, and reinvestment plans to support the project budget. For the **funding to support** demonstration, NTIA will be evaluating the **RAN Project budget**.
   c) The RAN Construction budget will itemize all planned expenditures of SAPP grant funds and will be the basis of the final grant award.

9) **What are the requirements for rural milestone coverage? (Demonstrations 3)**
   States are required to make progress towards rural coverage in each phase of the initial RAN construction period and achieve a comparable amount of coverage to the FirstNet State Plan. States may prioritize rural coverage differently than FirstNet State Plans and provide NTIA with a narrative to explain variances.

10) **What is required if an applicant uses a contractor in its project?**
   When selecting a contractor, the applicant must follow the procurement standards outlined in 2 CFR 200 and any applicable State law or regulation. All procurement transactions must be conducted in a manner to provide, to the maximum extent practicable, open and free competition.

   In its application, the applicant must identify and justify pre-selected contractors. The applicant should identify the vendor in its budget narrative, and the applicant should provide an explanation of the relationship with the contractor (*i.e.,* services/goods provided) and document how they selected this contractor. In addition, the applicant must attach a copy of the pre-existing contract between applicant and contractor. NTIA may request a copy of the written procurement procedures during the application review process or during a site visit.

11) **Who owns the equipment and facilities acquired with SAPP grant funds? Does the Federal government retain an interest?**
   The grantee owns the equipment and facilities acquired with Federal funds, subject to a Federal interest in the property. Title to equipment and real property acquired or improved with SAPP grant funds vests in the grantee at the time of acquisition subject to the condition that the grantee shall use the property for the authorized purpose of the project as long as it is needed for that purpose.

   A recipient of NTIA funds will be required to execute a security interest or other statement acknowledging the Federal interest in real property acquired or improved with Federal funds. The recipient may not dispose of, modify the use of, mortgage, encumber, or change the terms of the real property, or other interest in the project site and facilities without permission and instructions from

the DOC. Grantees are required to comply with all applicable regulations regarding the maintenance, inventory, and disposition of equipment acquired with Federal funds.

12) What activities must grant recipients complete during the period of performance?
Grant recipients must complete the following activities by the award end date:
   a) Enter into an SMLA with FirstNet within 6 months of award.
   b) For the RAN Construction Grant portion of the SAPP, complete proposed construction activities and provide quarterly updates on the performance progress reports and federal financial reports as well as major milestones in the baseline expenditure plan for the award period.

Construction Grant Information

1) What is the maximum amount that can be applied for?
Final grant amounts available will be published as a NOFO Amendment on or before January 31, 2018, once all States have made their opt-in or opt-out decision. Applicants may apply for up to their final grant amount, as published in the NOFO Amendment.

2) What are the eligible costs?
Eligible costs under SAPP for the RAN Construction Funds are for initial construction of State RAN only. Eligible activities and costs include:
   a) Design of RAN;
   b) Purchase and installation of RAN-related equipment;
   c) Backhaul construction;
   d) Site work, hardening, and construction of transmitters on sites; and
   e) Initial system testing and compliance.

More detailed information on eligible costs is available in the NOFO.

3) What are ineligible costs?
Funds awarded under the SAPP may not be used for the following activities, among others:
   a) Operating expenses of the applicant, including payments included as a part of the SMLA, leasing fees for towers, backhaul, easements, or other recurring vendor fees;
   b) Ongoing maintenance, operation, and improvement costs;
   c) Pre-award or application costs;
   d) The purchase of land, existing structures, or rights-of-way; except with prior justification and approval from NTIA
   e) Relocation expenses and payments;
   f) Contingencies for construction or project costs to include cost-overrun contingencies; and
   g) The purchase of vehicles not used to expand the network such as cell on wheels (COW), user devices, equipment not directly related to the construction of the State RAN and establishment of connectivity to the core and services to provide connectivity to the core such as satellite backhaul.

More detailed information on ineligible costs is available in the NOFO.