Broadband Technology Opportunities Program (BTOP) Quarterly Program Status Report

Submitted to the

Committee on Appropriations
United States Senate

the

Committee on Appropriations
United States House of Representatives

the

Committee on Commerce, Science and Transportation
United States Senate

and the

Committee on Energy and Commerce
United States House of Representatives

December 2012

National Telecommunications and Information Administration
U.S. Department of Commerce

I. INTRODUCTION AND BACKGROUND

Pursuant to Section 6001(d)(4) of the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) (Public Law No. 111-5), the National Telecommunications and Information Administration (NTIA) provides this Quarterly Report on the status of the Broadband Technology Opportunities Program (BTOP or Program). This Report focuses on the Program's activities from July 1 to September 30, 2012.

The Recovery Act appropriated $4.7 billion for NTIA to establish BTOP to increase broadband access and adoption; provide broadband training and support to schools, libraries, healthcare providers, and other organizations; improve broadband access to public safety agencies; and stimulate demand for broadband.[1] The Recovery Act also provided funding for NTIA to develop and maintain a comprehensive nationwide map of broadband service capability and availability, and to implement the State Broadband Data and Development Act and the Broadband Data Improvement Act.

In 2009 and 2010, NTIA invested approximately $4 billion in 233 BTOP projects benefitting every state, as well as five territories and the District of Columbia.[2] The portfolio of projects initially included:
- 123 infrastructure projects totaling $3.5 billion in Federal grant funds to construct broadband networks;
- 66 Public Computer Center (PCC) projects totaling $201 million in Federal grant funds to provide access to broadband, computer equipment, computer training, job training, and educational resources to the public and vulnerable populations; and
- 44 Sustainable Broadband Adoption (SBA) projects totaling nearly $251 million in Federal grant funds to support innovative projects that promote broadband adoption, especially among vulnerable population groups where broadband technology traditionally has been underutilized.

Additionally, through the State Broadband Initiative (SBI), NTIA granted approximately $293 million to 56 recipients, which included one grant for each of the 50 states, five territories, and the District of Columbia. With this funding, states are collecting and validating data biannually on the availability, speed, type, and location of broadband services, as well as the broadband services used by community anchor institutions, such as schools, libraries, and hospitals. NTIA makes the data available in several formats and uses the data to update the publicly searchable, interactive National Broadband Map,[3] launched on February 17, 2011, in accordance with the Recovery Act's requirements.[4] These grants also support states' efforts to foster the efficient and creative use of broadband technology to better compete in the digital economy. These state-led efforts vary depending on local needs, but include programs to assist small businesses and community anchor institutions in using technology more effectively, investigate barriers to broadband adoption, develop innovative applications that increase access to government services and information, and establish state and local task forces to expand broadband access and adoption.

---

[1] On August 10, 2010, Congress rescinded $302 million from BTOP, reducing the Program's funding to approximately $4.4 billion. *See* Pub. Law No. 111-226.

[2] The total number of BTOP awards announced by September 30, 2010 was 233. As of November 30, 2012, this number was 224, excluding awards to Leech Lake Band of Ojibwe, which ultimately did not accept its award; Education Networks of America, Inc. (approximately $16 million), the State of Wisconsin Department of Administration (approximately $22.9 million), the City of Tallahassee (approximately $1.2 million), and DigitalBridge Communications (three separate awards totaling approximately $4.2 million), each of which voluntarily terminated its project; and the Louisiana Board of Regents (approximately $80.6 million) and Trillion Communications, Inc. (approximately $59 million), which NTIA terminated for material noncompliance with its grant terms and conditions. Funds from these projects will be returned to the U.S. Treasury.

[3] The National Broadband Map can be found at http://broadbandmap.gov.

[4] *See* American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009).

II. SUMMARY

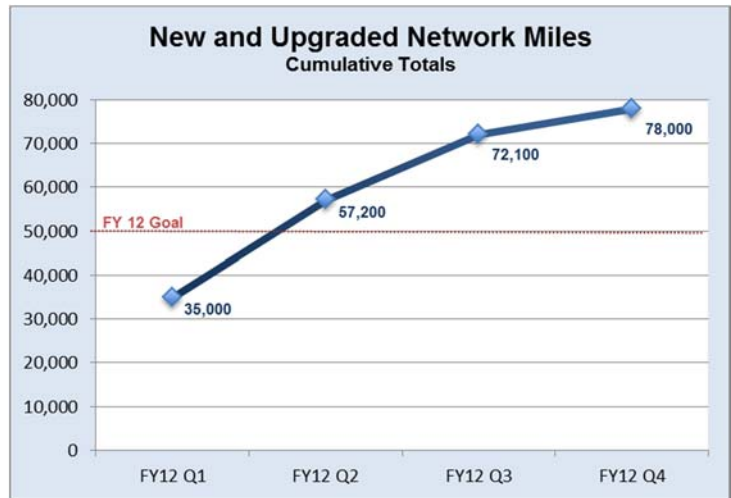This Quarterly Report focuses on four areas of BTOP implementation and project oversight:
- **Status and Progress** of broadband projects and Program expenditures.
- **Supporting Initiatives**, including the SBI mapping and capacity-building efforts.
- **Monitoring and Grants Administration** for broadband projects and the results of those efforts.
- **Program Communications** supporting outreach with and among BTOP stakeholders.

III. PROGRAM STATUS AND PROGRESS

From July to September 2012, NTIA's broadband grant recipients continued to demonstrate strong performance and helped to achieve the Program's FY12 goals. A few projects also completed their activities during this quarter on budget and on schedule, delivering the promised benefits to communities. These positive results have helped the Program deliver significant progress in areas such as new fiber-optic infrastructure construction, the opening of new PCCs, training to drive broadband adoption, and thousands of new broadband subscribers now experiencing the benefits of high-speed Internet service. Recipients' quarterly progress reports, which were made public at the beginning of December 2012, provide a more granular depiction of these results.[5]

A. New and Upgraded Network Miles

BTOP infrastructure projects deploy new or upgraded network miles, connect community anchor institutions, and facilitate enhanced access to broadband Internet services for households and businesses. Increased network miles are a direct indicator of the nation's growing broadband infrastructure, and a catalyst for regional economic advancements. In addition to direct economic benefits to construction firms and material providers, these efforts expanded and enhanced networks to serve as an important building block for more affordable broadband services to homes and businesses and contribute to America's global competitiveness.

The Program made considerable progress in deploying network miles, and leasing dark fiber and existing broadband facilities, during this quarter. Recipients deployed more than 6,500 network miles during the past quarter, bringing the total number of miles in FY12 to more than 78,000. This performance substantially exceeded NTIA's FY12 goal to deploy 50,000 new or upgraded network miles across the country. Through September 30, 2012, recipients were deploying facilities in 51 states and territories.

NTIA expects the pace of network construction to remain strong through the end of 2012 as recipients are engaged in the implementation phase of their projects. Below are examples of infrastructure projects that are helping to drive economic development across local communities:

---

[5] Quarterly reports for each BTOP and SBI recipient project can be found at http://www2.ntia.doc.gov/awards.

ION NewCo Corp. deployed 224 miles of fiber this quarter. As of September 30, 2012, ION has deployed a total of 625 miles of fiber infrastructure as part of the ION Upstate New York Rural Broadband Initiative. The initiative plans to deploy a more than 1,500-mile fiber network to bring affordable broadband service to more than 70 rural communities in upstate New York, and parts of Pennsylvania and Vermont. Once completed, the network will improve broadband service libraries, state and community colleges, government agencies, and health clinics. One of the initiative's goals is to increase economic development in the region by providing affordable and reliable access to high-speed Internet service, including to more than 38,000 businesses.

ION crew members clear a path to lay new fiber for its 1,300-mile project in upstate New York.

The North Central New Mexico Economic Development District deployed a total of 104 miles of fiber through September 2012. The Regional Economic Development Initiative (REDI Net) is deploying fiber-optic cable to improve broadband connectivity across Rio Arriba, Los Alamos, and northern Santa Fe counties, as well as four Native American tribal communities. The network will connect and provide increased access with speeds upwards of 100 Mbps to approximately 125 community anchor institutions through local service providers, including rural healthcare providers, schools, public safety institutions, and higher education institutions. REDI Net has already signed agreements with three service providers, and
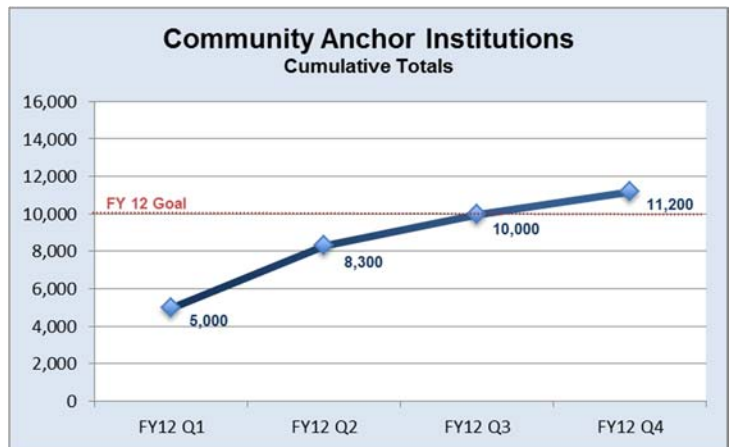

REDI Net crew members deploy new fiber as part of the more than 150-mile network project in north central New Mexico.

helped to drive economic development in this primarily rural area by providing opportunities for access to businesses and households. More than 30 community anchor institutions are benefitting from improved broadband speeds and services.

B. Community Anchor Institutions

BTOP infrastructure projects focus on connecting community anchor institutions, such as schools, libraries, hospitals, and public safety facilities, which require faster Internet speeds to provide essential community services.

Last quarter, BTOP recipients connected and/or improved service to more than 1,200 community anchor institutions, which is an increase of 12 percent from last quarter and brings the total number of institutions connected to more than 11,200 across 45 states and territories. With the

activity this quarter, NTIA exceeded its FY12 goal to connect 10,000 institutions by 1,200. As BTOP recipients deploy additional new network miles, they will continue to provide more institutions with faster and more reliable high-speed Internet access. Below are examples of how BTOP projects are working to connect community anchor institutions and improving education across two states:

Oconee County connected 56 community anchor institutions to its network through September 2012. The Oconee Fiber Optics Creating Unified Solutions (FOCUS) project, a public-private partnership between the county, the American Red Cross, several local small businesses, and the Eastern Band of Cherokee Indians, is building a 247-mile fiber-optic network to serve rural community anchor institutions. Oconee FOCUS aims to attract employers, promote public safety and health, and enhance educational opportunities through distance learning, virtual classes, and remote research. Improving the quality of educational organizations in Oconee is one of the primary goals of the project. For example, South Carolina requires all students to electronically complete certain exams. However, many schools in Oconee County are unable to comply due to a lack of bandwidth. The Oconee FOCUS high-speed fiber network is currently helping 17 schools to comply and provide students with the necessary level of support to successfully complete their education.

A construction worker in Walhalla, S.C., deploys fiber to connect a local school to the new Oconee County high-speed fiber network.
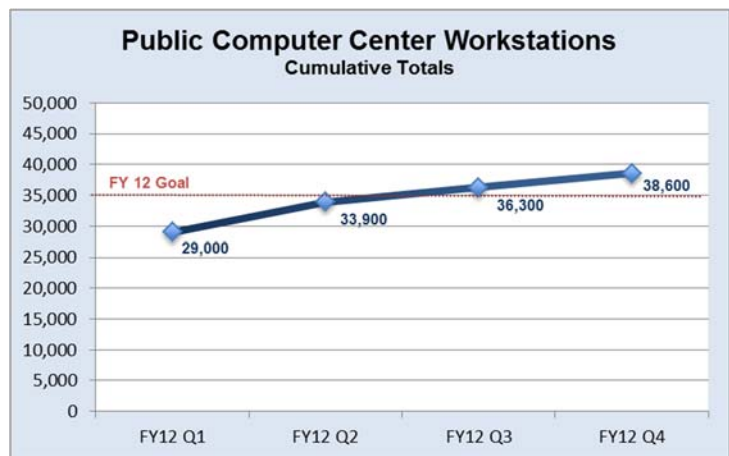
The **University of Hawaii System** provided access to more than 100 community anchor institutions through September 2012 as part of the Ke Ala 'Ike, "pathway to knowledge," project. Additionally, University of Hawaii System has deployed more than 100 new network miles and upgraded approximately 480 network miles. Once complete, the statewide network will provide high-speed Internet access to every public school, higher education facility, and public library statewide. Last quarter, the project added or upgraded service at 24 K-12 schools, including Blanche Pope Elementary. The school received upgraded services, at speeds of up to 1 GB, in time to begin the 2012-2013 school year. In November 2012, Blanche Pope Elementary was selected as one of Hawaii's nominees for the Blue Ribbon Schools program in recognition of academic achievement. In addition, the Ke Ala 'Ike project is working with the Hawaii Department of Education to help struggling schools in areas that have many economically-disadvantaged and native Hawaiian students. The project has already connected four high schools in these zones.

Members of a construction crew lay fiber to connect Mililani Uka Elementary School in Mililani Town, HI

C. Public Computer Center Workstations

Public Computer Centers (PCCs) provide broadband access to those who may not be able to subscribe to broadband service in their homes. BTOP's PCC grants fund the installation of new workstations, network access at public computer facilities, and training on topics such as online job searching, basic computer and Internet skills (or "digital literacy"), and resume preparation. PCCs offer access to technology, information, or educational courses and certificates that can help people advance in the

Public Computer Center Workstations
Cumulative Totals

FY 12 Goal

29,000 (FY12 Q1)
33,900 (FY12 Q2)
36,300 (FY12 Q3)
38,600 (FY12 Q4)

workforce. For example, BTOP recipients have used grant funds to offer workforce development training to experienced professionals looking to start new businesses or students who want to learn a specific computer program as they prepare to join the digital economy.

Through September 2012, 64 BTOP recipients installed more than 38,600 new workstations in PCCs across 38 states. PCC recipients continued to make considerable progress last quarter, exceeding the FY12 goal to install 35,000 new or upgraded public workstations. Recipients installing workstations also continue to develop and implement training programs and educational courses, including workforce development training. During the quarter, public computer centers provided 1.3 million hours of training to 371,000 users.

Below are examples of PCC recipients providing greater public access to high-speed Internet and training aimed at enhancing workforce and digital literacy skills:

 WorkForce West Virginia (WorkForce) is improving access to job information, career counseling, and skills training by upgrading and expanding career centers statewide. Through September 30, WorkForce has installed 373 workstations and served, on average, more than 4,300 people per week. Of these users, 75 percent are unemployed and a majority do not have affordable home broadband access, so these workstations provide them with the ability to search for jobs, fill out job applications and write resumes. For example, one patron who previously filed for unemployment used the Logan Workforce Center's career services and new workstations to find a position with a local medical practice. During the quarter, WorkForce offered a total of 1,600 training hours for courses

WorkForce West Virginia holds a class in basic computer skills at the public computer center in Clarksburg, W. Va.

that focused on interview skills, improving resumes, and training older workers to use computers. WorkForce also continues to work with its partners, the West Virginia National Guard and Army Reserve, to serve veterans and transitioning armed service members to civilian jobs. WorkForce has deployed a total of 51 workstations in armories, reserve centers, and veterans' centers.

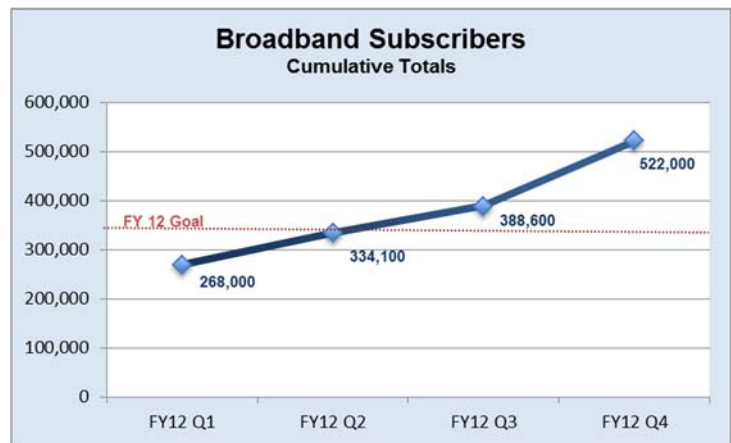 The **College of Menominee Nation** celebrated the grand opening of its Community Technology Center (CTC) this quarter. Prior to CTC, the only Internet access available on the reservation was slow dial-up. The reservation is located in one of Wisconsin's more rural and economically disadvantaged areas and uses the CTC to provide broadband access and workforce training and development for economically vulnerable populations, including people with disabilities, at-risk youth, tribal members, and the unemployed. Through September 2012, the College of Menominee Nation deployed 129 workstations and served an average of 289 users per week. The College of Menominee Nation has also partnered with the University of Wisconsin-Extension to offer tribal members classes to

Patrons get familiar with tablet computers in a new computer center located in Keshena, Wisc.

improve computer skills and digital literacy. A mobile lab travels around the community to teach people about broadband, its purposes and benefits, and basic computer literacy skills. Many members of the Menominee Indian Nation are active duty military and deployed around the world. Teaching computer skills, including how to use Skype software through these classes, enables family members to keep in touch with loved ones serving around the country and overseas.

D. Broadband Subscribers

SBA projects increase broadband Internet usage and adoption by consumers, businesses, and institutions. In addition to providing a range of digital literacy classes, many recipients are increasing awareness of how broadband can improve education, health, and human services. For example, some recipients are distributing video conferencing and other medical equipment that allows doctors to communicate with remote medical specialists, providing patients with more comprehensive care. Some SBA recipients are training and coaching health professionals to use broadband to enhance recordkeeping, network with colleagues, and pursue professional development opportunities.

Broadband Subscribers
Cumulative Totals

	FY12 Q1	FY12 Q2	FY12 Q3	FY12 Q4
Subscribers	268,000	334,100	388,600	522,000

FY 12 Goal (approximately 350,000)

Through September 2012, 37 BTOP recipients reported that more than 510,000 households and 12,000 businesses subscribed to broadband services after receiving digital literacy classes or job training. New subscribers for the past quarter totaled more than 134,000, meaning that more Americans are now using the Internet to search and apply for jobs, advance their educational goals, and find health-related information. More than 86 percent of SBA grant recipients reported new broadband subscribers. NTIA expects the number of new subscribers to continue to increase as more households complete training programs, receive subsidized computer equipment or broadband service, and take advantage of workstations and discounted subscriptions provided by BTOP funds. BTOP recipients significantly exceeded NTIA's FY12 goal of 350,000 planned new broadband subscribers.

The following projects further demonstrate how BTOP recipients are driving broadband adoption and increasing subscribers in the field of health care:

The **University of California, Davis (UC Davis)** is increasing institutional adoption of broadband services offered by the California Telehealth Network (CTN). As of September 30, 2012, UC Davis developed 60 online lessons to support transitions to technology-enabled health care, and more than 450 individuals have accessed the material through the eHealth Training website. Additionally, eHealth course content created for nursing, medical assistant, and computer information sciences students is available for community college faculty to reference in the development of their own curriculum. At the end of this

A patient uses videoconferencing to consult with a nurse, in Ridgecrest, Calif.

quarter, 22 instructors had accessed content such as Technical Project Management and the Importance of Broadband for Health Care Delivery. UC Davis also engages consumers by installing ExploreHealth kiosks in community anchor sites. The kiosks are web-based portals that help users access health information on the Internet.

The **Central Iowa Hospital Corporation, d/b/a Iowa Health-Des Moines (IH-DM),** established the Rural Iowa Telehealth Initiative to deliver affordable healthcare to Iowans living in rural and medically underserved areas. The initiative also offers training and educational opportunities for the rural healthcare workforce. This quarter, IH-DM provided an introduction to telemedicine presentation for shift leaders and staff members working in IH-DM Emergency Department facilities and women's services. IH-DM has also placed telemedicine equipment in physician offices, incuding specialities such as cardiology, neurology, and podiatry. Clarke County Hospital, a rural partner, had 10 speciality clinics this quarter that improved care access to the inpatient population. The

A nurse at one of Iowa Health's rural affiliate's offices examines a patient while a physician in Des Moines observes.

placement and adoption of telehealth equipment also has enabled family members of inpatients to participate in medical visits and meetings. Additionally, IH-DM deploys equipment, broadband connectivity, and support to community serving institutions, including the Southwestern Community College (SWCC). SWCC has made educational opportunities more accessible by offering distance learning classes, saving students a 60-mile commute. As of September 30, 2012, IH-DM has recorded more than 50 new business and community anchor institution subscribers, including medical centers, EMS units, and provider clinics.

E. Expenditures

During the fourth quarter of FY12, BTOP recipients spent more than $365 million in Federal grant funds. These funds were matched by recipient contributions of nearly $115 million. Cumulatively, Federal outlays for the Program totaled $2.3 billion, while total recipient matching contributions exceeded $900 million.

IV. SUPPORTING INITIATIVES

A. State Broadband Initiative

The State Broadband Initiative (SBI) consists of the State Broadband Data and Development Program and the National Broadband Map. SBI grants also play a critical role in helping states and territories identify and address obstacles to broadband deployment and adoption. SBI empowers states to tailor solutions to their unique broadband needs, supports state and local task forces and planning teams to expand broadband awareness and adoption, implements innovative applications that increase access to government services and information including job resources, and enables government to be more responsive to citizens. By helping to coordinate this new network of state broadband activity, SBI facilitates collaboration among the states and enables the exchange of best practices and lessons learned.

On July 25, 2012, NTIA updated the National Broadband Map using data supplied by states and their designees, which included more than 20 million new records from 1,865 broadband providers across all 50 states, five territories and the District of Columbia. Broadbandmap.gov displays broadband availability, the name of broadband providers, the technology used to provide service, and the maximum advertised speeds of service. Broadband availability data are available in a number of different formats, including Application Programming Interfaces (APIs) and as files for download. Website users can compare availability and speeds across different geographic regions and can view the service area, speeds, technology, and demographic information for any broadband provider. Since its launch last year, the National Broadband Map has attracted nearly 740,000 users. Each state also hosts its state-level data in a variety of ways, using this information to drive strategic planning and economic development in their communities.

Below are two examples of SBI projects increasing job opportunities and supporting economic growth:

The **South Dakota Bureau of Information & Telecommunications (BIT)** worked with an online language instruction firm that was considering expanding its presence in the state. Fast broadband speeds are critical to this company because it uses real-time video technology and language classes feature videos, games, quizzes, and other interactive learning material. Using broadband availability data, South Dakota's state broadband team highlighted several small towns where broadband service is actually ahead of some larger cities across the country. As a result, Eleutian Technology is now opening new offices in Rapid City, South Dakota, providing close to a hundred professional jobs in this rural town.

The **Massachusetts Broadband Institute** launched a website aimed at helping veterans and their families access services, information, and opportunities available to them. The site, www.MassVetsAdvisor.org, allows veterans to review more than 360 benefits programs based on their service branch and other criteria to list only the benefits and services that each veteran is qualified for, including an "action plan" to apply for the benefits. Veterans can also print, email, save, or forward the action plan to their Veterans Services Officer for additional one-on-one assistance. Since its launch in May 2012, the website has received more than 26,000 visits from 10 different countries and produced close to 100 action plans helping veterans apply for various benefits. Through this portal, veterans find information on employment, education, and health care without having to navigate multiple sites or sort through

The Massachusett Department of Veterans' Services uses MassVetsAdvisor.org to help a veteran search for benefits at Bunker Hill Community College in Charlestown, Mass.

what can be an overwhelming amount of literature. The website also helps to promote broadband adoption by increasing the relevance to the approximately 400,000 Massachusetts veterans, 70 percent of which are over the age of 50.

B. Evaluation Study

In September 2010, NTIA contracted with ASR Analytics, LLC (ASR) to conduct an evaluation of BTOP's economic and social impacts. This study will assess the degree to which NTIA's implementation of BTOP has met the Recovery Act goals by measuring the short- and long-term economic gains in grant-funded communities. This past quarter, ASR submitted the first Interim Report, "Progress towards BTOP Goals: Interim Report on PCC and SBA Case Studies." ASR will complete follow-up visits to PCC and SBA sites in 2013. Evaluation studies for 12 infrastructure grant recipients are in the planning stages and will begin in the fall of 2013.[6]

V. MONITORING AND GRANTS ADMINISTRATION EFFORTS

NTIA continues to execute against its BTOP Monitoring and Assessment Plan, which includes individual grant monitoring, day-to-day portfolio management, technical assistance, and corrective action support as part of a comprehensive oversight strategy for BTOP awards.[7] These activities are designed to protect

---

[6] More information about the ASR Evaluation Study and the Interim Report is available at http://www2.ntia.doc.gov/BTOP-Reports#evaluation.
[7] The BTOP Monitoring and Assessment Plan is available at http://www2.ntia.doc.gov/files/BTOPFY12MonitoringandAssessmentPlan_111611.pdf.

taxpayer investments, offer strong stewardship over the grant funds, and monitor recipients' progress and performance against project schedules and budgets. NTIA proactively engages grant recipients to monitor project and compliance efforts, regularly communicating with recipients to ensure successful oversight of grant funds, identifying potential risks affecting recipients and their projects, and providing corrective action guidance to resolve issues promptly.

In addition, NTIA continues to assess each grant to review potential risks affecting the recipient and assigns one of three levels for monitoring – standard, intermediate, or advanced – based on the total award amount, number of subrecipients, project complexity and duration, as well as the organizational type (*e.g.*, for-profit; nonprofit; and state, local, or tribal government). BTOP Federal Program Officers (FPOs) then carry out appropriate escalating oversight activities based on these three levels in cooperation with the National Institute of Standards and Technology (NIST) and National Oceanic and Atmospheric Administration (NOAA). NTIA also works closely with the Department of Commerce's Office of Inspector General (OIG) to improve Program monitoring of recipients' compliance with applicable statutes, regulations, and guidance.

A. Monitoring Activities

NTIA engages grant recipients regularly to monitor project performance and compliance with program requirements. NTIA collects regular reports; performs case reviews evaluating projects' successes and challenges in meeting milestones; and conducts site visits assessing the recipients' compliance with Federal grant rules and requirements. These activities help NTIA understand the progress made by recipients and inform appropriate corrective actions and enforcement measures, if needed. NTIA also conducts status meetings with recipients and key project members to review project milestones, gather additional information, and provide guidance on Federal grant requirements. These monitoring efforts help ensure that taxpayer dollars are used in an appropriate and responsible manner.

1. Financial, Project Performance, and ARRA Reporting

Quarterly, BTOP recipients must report their financial, project performance, and ARRA-related activities. NTIA reviews these reports – the Federal Financial Report (FFR), BTOP Performance Progress Report (PPR), and ARRA report – to monitor project progress against established baselines, expenditures of grant funds, and contribution of non-Federal cost share. FPOs provide feedback and additional guidance, as necessary, to ensure that each recipient is providing sufficient detail to allow NTIA to determine that the projects are meeting programmatic objectives and delivering promised project benefits. From these reviews, NTIA analyzes data to identify emerging trends and better measure individual project and overall programmatic progress.

2. Site Visits

NTIA uses site visits to closely monitor recipients and provide technical assistance through in-person meetings with project leadership and grant and financial management teams. During site visits, NTIA observes facilities and equipment procured with Federal funds, visits computer centers, observes training classes, reviews project activities and fiscal management practices, identifies and addresses any areas of concern, and pinpoints best practices that could benefit other projects.

This past quarter, NTIA visited five recipients responsible for $80 million in grant funds. To date, NTIA has conducted site visits for nearly 65 percent of BTOP grants and 33 percent of SBI awards (representing more than 94 percent of the total BTOP funds and more than 32 percent of total SBI funds

A NTIA Federal Program Officer visits Central Valley Independent Network (CVIN), walking the route of a BTOP-funded fiber-optic network.

provided by NTIA). NTIA has visited all BTOP projects initially assigned an "advanced" monitoring level, and revisited 16 of those projects to provide additional technical assistance.

Site visits also help NTIA identify and address performance issues and other potential areas of concern. Following each site visit, NTIA documents any findings in a summary report. Some issues are corrected immediately, while others are addressed through a Performance Improvement Plan (PIP) or by working with the Grants Office to create a Corrective Action Plan (CAP). These tools direct recipients to take specific actions in a defined timeframe to improve project management or compliance with award terms.

3. Environmental and Historic Preservation Assistance

BTOP infrastructure awards, as well as some PCC projects, are subject to applicable Federal, state, local, tribal, and other environmental and historic preservation (EHP) policies, most notably the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), and the Endangered Species Act (ESA). NTIA works with recipients to achieve and maintain compliance with applicable EHP policies. NTIA also works with recipients through an established EHP review process when project or route modifications become necessary due to field conditions, changing engineering requirements, or other factors. NTIA has successfully completed EHP clearance for all but one of its recipients.[8]

B. Grants Administration Activities

NTIA provides guidance and support to projects needing assistance in addressing potential risks or issues delaying their progress. This helps maintain the performance of BTOP recipients and minimize the risk of waste, fraud, and abuse. NTIA performs a variety of program support activities based on the project's identified issues and risks, including identifying a course of action to improve a project's performance; providing customized guidance; and working with the appropriate Grants Office to develop a CAP to mitigate unresolved project setbacks. These support efforts help ensure that recipients meet their commitments and comply with programmatic and Federal grants administration rules and requirements.

1. Cost Share Monitoring and Review

BTOP recipients must contribute a minimum 20 percent of the cost for the project in funds or in-kind assets, also known as "match," toward the total cost of a project. This translates into a total of $1.5 billion in match across all BTOP projects. As of September 2012, recipients contributed approximately $905 million in match. NTIA instituted a program review of the match requirement to ensure that grant recipients are compliant with this important condition of their grant awards and to address potential issues regarding the allowability, consideration, source, consistency, and valuation of each recipient's proposed cash and in-kind matches.

Through September 2012, NTIA and recipients worked together to finalize 92 percent of all match reviews for the Infrastructure portfolio. In some cases, reviews may be ongoing due to the complex process for certain types of valuation (*e.g.*, real estate and telecommunications infrastructure). FPOs also continue to work with recipients to assist in resolving any new cost share issues that arise over the life of the awards.

In June 2012, the OIG finalized a report assessing whether NTIA had processes in place to ensure that BTOP recipients' match contributions meet Federal administrative requirements and OMB cost principles. The OIG report recognized one of NTIA's monitoring tools as a best practice. In addition, the OIG

---

[8] One of the seven suspended Public Safety 700 MHz projects has outstanding EHP requirements. See the "Public Safety 700 MHz Projects" section of this Report for more information about the partial suspension of this public safety grant.

recommended expanding the use of the monitoring tool to a greater percentage of the portfolio, and in response, NTIA recently added an additional 24 recipients to the match review process. The OIG also suggested NTIA communicate other improvements to recipients regarding recordkeeping and internal controls for cash distribution. NTIA will finish implementing these recommendations in December 2012.[9]

2. Non-Duplication of Federal Funds

Since the Program's inception, NTIA has worked to prevent duplication between BTOP projects and broadband projects funded by other Federal agencies. NTIA has conducted in-depth reviews of infrastructure awards to validate that BTOP projects do not duplicate other Federally-funded projects, including broadband networks funded by BIP and the Federal Communications Commission's (FCC) Telehealth/Telemedicine and e-Rate programs. As of September 2012, NTIA has resolved 97 percent of the instances of potential overlap between a BTOP award and another BTOP, BIP, or FCC award. The remaining three percent will be resolved through ongoing negotiations with recipients seeking ways to leverage the respective investments, such as joint-build solutions.

3. Subrecipient Monitoring

In January 2012, the OIG initiated an audit to assess NTIA's efforts to verify that BTOP recipients have properly classified subrecipients and established effective controls to monitor subrecipients' compliance with all BTOP award terms and conditions. As part of the audit, the OIG selected 26 BTOP awards to review. NTIA and BTOP recipients continue to work cooperatively with the OIG on this matter.

4. Technical Assistance

NTIA provides a wide range of technical assistance to support recipients in successfully implementing their projects, including producing guidance documents on common topics of interest; assessing projects relative to schedule, budget, or sustainability; and providing customized assistance to specific BTOP recipients based on need. NTIA developed a set of diagnostic frameworks and tools to help BTOP management evaluate and address common challenges that may delay a project's success, including schedule, financial information, organizational constraints, and other project-specific issues.

Based on previous schedule and budget assessments on a select number of infrastructure grants, which helped to identify the most common causes of schedule delays, NTIA prioritized recipients' needs and focused on providing customized technical assistance this past quarter. NTIA assisted recipients with developing solutions to address EHP compliance documentation; local permitting; agreements for rights-of-way and other land easements; utility pole agreements and make-ready work; and other pre-deployment activities that have affected implementation schedules for a number of grant awards.

Through September 2012, NTIA provided technical assistance on specific project implementation challenges to 75 infrastructure recipients. NTIA helped several projects overcome implementation and schedule challenges by using diagnostic tools to review the project timeline and deployment of specific network route segments. Using these tools, NTIA also provided recommendations related to tasks and project management approaches so recipients could more rapidly implement their objectives.

In addition, NTIA provided technical assistance to PCC and SBA recipients, which included regular webinars on topics of broad interest and conference calls for thematic affinity groups. From July through September 2012, the program conducted five webinars on subjects such as advanced digital literacy training for young

---

[9] See *NTIA Needs Stronger Monitoring of BTOP Grant Recipients' Match* (OIG-12-029-A) available at http://www.oig.doc.gov/OIGPublications/OIG-12-029-A.pdf.

people; program sustainability; and collaboration among CCI, PCC, SBA, and SBI recipients. NTIA also organized two conference calls for an affinity group of recipients that are entities of local government and work with K-12 schools. More than 415 individuals participated in these events, taking advantage of opportunities to learn strategies for successful program implementation, and to network and share information with other recipients. One recipient reported that it received a contract from another recipient to provide training for youth in an after school program as a result of the webinar on training programs for youth.

For SBI recipients, NTIA provided technical assistance as needed to its 56 recipients on topics such as project management, reporting, data gathering, and mapping issues. In addition, three webinars were conducted during this quarter on data gathering and submission requirements. NTIA also maintains an online team collaboration tool utilized by NTIA, the FCC, recipients, and project partners to share information and documents on project management, mapping and data gathering, and best practices.

5. Public Safety 700 MHz Projects

In February 2012, the President signed H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012,[10] which authorized and provided funding for a nationwide public safety broadband network. Title VI of the Act established an independent authority within NTIA, the First Responder Network Authority or "FirstNet", that would take all actions necessary to ensure the building, deployment, and operation of the network. In response to H.R.3630, NTIA worked to implement the Act's directives,[11] and partially suspended the seven public safety projects in May 2012 to avoid activities that may lead to added costs in the future or stranded investments.

While partially suspended, the public safety recipients continue to engage in allowable broadband-related activities that would be complementary to the nationwide network or other unrelated broadband activities.[12] The goal in this effort is to keep these much-needed investments in their communities and avoid investments that might have to be replaced if they are incompatible with the ultimate nationwide architecture of the new public safety broadband network.

FirstNet held its inaugural board meeting on September 25, 2012, marking a significant milestone towards the deployment of the nationwide, interoperable public safety broadband network. The board adopted several resolutions, including a resolution that tasked a subset of board members to examine the seven public safety projects and to provide input to NTIA as to whether and how these projects can potentially support the development of the nationwide network.

6. Project Completion and Grant Closeout

Occurring over several months, the closeout process verifies that all technical obligations, financial accounting, and administrative requirements are finalized before concluding the grant agreement between NTIA and BTOP recipients. During closeout, recipients are required to submit final documentation regarding their projects and these documents receive final review by NTIA, and the NIST or NOAA Grants Offices. Once all parties are satisfied with the final project and have agreed to all eligible costs, formal closeout is

---

[10] See the Middle Class Tax Relief and Job Creation Act of 2012 (Public Law 112-96) available at http://www.gpo.gov/fdsys/pkg/BILLS-112hr3630enr/pdf/BILLS-112hr3630enr.pdf.
[11] NTIA appointed the FirstNet Board of Directors on August 20, 2012, and released the requirements for the State and Local Implementation Grant Program on August 21, 2012. See NTIA's website for more details: http://www.ntia.doc.gov/category/public-safety.
[12] See, e.g., Letter from NTIA Assistant Secretary Strickling to Adams County Communications Center, (May 11, 2011), available at http://www2.ntia.doc.gov/files/grantees/20120511095538760.pdf.

complete. This process includes confirming that recipients have met all terms and conditions, as well as special award conditions. NTIA continues to analyze recipient progress and performance against project schedules and identify projects that will be ending in the near future.

This past quarter, NTIA continued to refine the closeout process with the Grants Offices and closeout recipients that have completed all activities under their awards. As of September 30, 2012, NTIA and the Grants Offices are closing out five BTOP awards based on the completion of all award activities. These include: Michigan State University ($895,482); the New York Department of Labor ($536,737); the Santa Fe Civic Housing Authority ($176,400); the City of Williamstown ($535,308); and the Georgia Partnership for Telehealth, Inc. ($2.5 million). NTIA is providing guidance to recipients to facilitate the closeout of their grants. For example, NTIA has been distributing an award closeout notification package to recipients that are nearing the completion of all activities under their awards.[13] NTIA plans to conduct additional grant closeout guidance with recipients in the coming months.
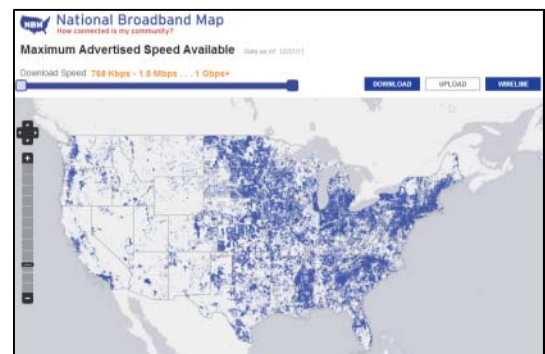
VI. PROGRAM COMMUNICATIONS

NTIA maintains ongoing communications and outreach efforts to share BTOP progress and accomplishments with interested stakeholders and to assist grant recipients in achieving project success.

To support stakeholder communications about BTOP project accomplishments and community benefits, NTIA also developed more than 100 BTOP in Action articles that are posted to the BTOP website. Visitors to the site can access these articles as well as photos that highlight project milestones and community members benefiting from the projects. NTIA, recipients, and others also provide first-person reports on BTOP's progress in postings on the Program's blog.

In response to discussions during the "Multiplying Economic and Social Impact through Technology: An Interagency and Funder Symposium" held on May 21, 2012, NTIA began to develop the Sustainable Adoption Toolkit. The toolkit is intended to provide community organizations and organizers across the country with replicable and promising practices to increase broadband adoption. Illustrative examples of activities implemented by BTOP recipients will demonstrate how recipients overcame common barriers to adoption and reached vulnerable populations such as seniors, unemployed professionals, and people with limited proficiency in English. The toolkit is scheduled for release in early 2013.

In August 2012, NTIA and the FCC were recognized at the 2012 Government Computer News (GCN) Awards for the development of the National Broadband Map.[14] The National Broadband Map was selected along with nine other government IT projects showing ingenuity in connecting citizens with government, as well as creative ways of meeting the growing demand for information-sharing tactics and tools. The winning projects and their teams were featured in the October issue of GCN and honored at GCN's annual awards gala on October 24, 2012, further pubilicizing the availability of the data provided by SBI grant recipients.

The National Broadband Map provides information about broadband availability in the United States.

---

[13] The Award Closeout Notification Package is available at http://www2.ntia.doc.gov/compliance.
[14] See the 2012 GCN Award site for additional information and a full list of awards at https://1105cms01.com/GIG/gcn/Events/GCN-Gala/Information/2012-Winners.aspx.

VII.   PROGRAM MILESTONES

The following list includes upcoming broadband grant milestones. Future dates and activities may change based upon developments or circumstances.

Milestone	Date
Recipient Quarterly ARRA Reports Due	January 10, 2013
Recipient Quarterly ARRA Reports Posted to Web	January 30, 2013
Recipient Quarterly PPRs and Financial Reports Due	January 30, 2013
Recipient Annual PPRs Due	January 30, 2013
Update of the National Broadband Availability Dataset and Map	January 30, 2013
Recipient Quarterly PPRs Posted to Web	March 1, 2013
Recipient Quarterly ARRA Reports Due	April 10, 2013
Recipient Quarterly Reports Posted to Web	April 30, 2013
Recipient Quarterly PPRs and Financial Reports Due	April 30, 2013
Recipient Quarterly PPRs Posted to Web	May 30, 2013
Recipient Quarterly ARRA Reports Due	July 10, 2013
Recipient Quarterly Reports Posted to Web	July 30, 2013
Recipient Quarterly PPRs and Financial Reports Due	July 30, 2013
Recipient Quarterly PPRs Posted to Web	August 30, 2013

VIII. NEXT REPORT

The next quarterly report to Congress will cover October 1 to December 31, 2012.

IX.   ADDITIONAL PROGRAM MATERIALS

Additional BTOP materials are available at http://www2.ntia.doc.gov/, including prior quarterly reports, press releases, Congressional testimony, information on grants awarded, and quarterly performance progress reports for each funded project.