BROADBANDUSA
CONNECTING AMERICA'S COMMUNITIES

Broadband Technology Opportunities Program

BTOP Recipient Handbook FY 2010

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Preface Purpose of the BTOP Recipient Handbook

The Broadband Technology Opportunities Program (BTOP) is a $4.7 billion competitive grant program funded through the American Recovery and Reinvestment Act of 2009 (Pub. L No. 111-5, 123 STAT.115; Recovery Act or ARRA). BTOP is administered by the National Telecommunications and Information Administration (NTIA) within the U.S. Department of Commerce (DOC) and is intended to accelerate broadband deployment in unserved and underserved areas, supporting strategic institutions that are likely to create jobs or provide significant public benefits. To achieve these objectives, NTIA funds projects across the nation in three categories: Broadband Infrastructure, which includes Comprehensive Community Infrastructure (CCI) projects; Public Computer Centers (PCC); and Sustainable Broadband Adoption (SBA). Between December 17, 2009, and April 26, 2010, NTIA awarded Round 1 BTOP grant awards totaling $1.2 billion in Federal funding to help expand broadband access and adoption across the country. Round 2 BTOP awards were announced on a rolling basis through September 30, 2010 and totaled nearly $3 billion.

The BTOP Recipient Handbook FY 2010 (handbook) is designed to be used by BTOP award recipients. This handbook serves as BTOP grant award recipient guidance on management and administration (M&A) and to:

- Increase BTOP award recipients' understanding of their responsibilities defined by the award terms and conditions (T&Cs) and other requirements and regulations to which BTOP award recipients must adhere.
- Communicate forms of assistance available to recipients, including the responsibilities of the BTOP Office and Grants Office to support and build strong partnerships with recipients.
- Provide guidance on how to complete start-up activities, draw down award funds, and complete other administrative and programmatic activities from the award date through to completion of the project and award closeout. The handbook includes checklist tools and identifies due dates for completing key requirements.
- Promote good BTOP award stewardship by sharing recommended best practices in project management and grant administration that recipients can use to ensure the successful implementation and timely completion of BTOP-funded projects.

The handbook contains nine major sections:

- Sections 1, 2, and 3 define recipient and Federal responsibilities, describe how to accept the award agreement, and identify priority start-up activities for initiating projects in a timely manner.
- Sections 4 through 7 provide guidance on how to complete project and grant M&A activities throughout the life of the award, including drawing down award funds, submitting required progress reports, requesting programmatic or budget changes to the award, and successfully completing close out activities.
- Section 8 summarizes key grant administration standards that BTOP recipients must understand and to which they must adhere. Additional resources, including fact sheets, NTIA contact information, and a glossary, are presented in the appendices.
- Section 9 provides guidance on stakeholder engagement through effective community outreach and media relations.

BEST PRACTICE

Watch for "Best Practice" boxes throughout the handbook, which provide BTOP tips, key reminders, and best practices.

Recipients are encouraged to review and refer to this handbook frequently. This handbook will be updated and made available to recipients on the BTOP website at http://www2.ntia.doc.gov/files/BTOP_Recipient_Handbook.pdf as guidance and new information become available. Recipients should contact the assigned BTOP Federal Program Officer (FPO) or Grants Officer with any questions regarding award requirements. The Internal Revenue Service (IRS) has issued revenue procedure, effective September 23, 2010, which provides guidance for for-profit BTOP award recipients with respect to the tax consequences of broadband infrastructure and comprehensive community infrastructure awards at www2.ntia.doc.gov/files/IRS_guidance030910.pdf and www2.ntia.doc.gov/files/Rev_Proc_2010-34.pdf. For-profit BTOP award

recipients may wish to consult their respective tax advisors to evaluate the effects of this procedure when considering their Federal tax obligations.

1 Award Recipient Responsibilities

In early 2009, Congress directed the Federal Communications Commission (FCC) to develop a National Broadband Plan to ensure every American has access to broadband capability, saying:

> "Broadband is the great infrastructure challenge of the early 21st century. Like electricity a century ago, broadband is a foundation for economic growth, job creation, global competitiveness and a better way of life. It is enabling entire new industries and unlocking vast new possibilities for existing ones. It is changing how we educate children, deliver health care, manage energy, ensure public safety, engage government, and access, organize and disseminate knowledge…The number of Americans who have broadband at home has grown from eight million in 2000 to nearly 200 million last year. But broadband in America is not all it needs to be. Approximately 100 million Americans do not have broadband at home…and the United States is behind many advanced countries in the adoption of such technology."[1]

Financial support from Federal, state, and local governments is being directed towards closing the broadband availability gap. In 2010, the Recovery Act provided $4.7 billion in one-time funding to create BTOP at DOC, administered by the BTOP Office, the National Oceanic and Atmospheric Administration (NOAA) Grants Office, and the National Institute of Standards and Technology (NIST) Grants Office.

The grant awards will fund projects proposed by recipients in three categories: CCI/Infrastructure, PCC, and SBA. Additionally under the limited reopening of the second round of funding, the CCI/Infrastructure category is also comprised of projects that expand broadband capacity for a 700 MHz public safety broadband network. PCC projects will expand public access to broadband service and enhance broadband capacity at institutions that provide public computing centers, such as libraries and community colleges. SBA projects will promote broadband demand and adoption. These projects include education and training on, access to, or support for broadband technology typically to uninformed groups in broadband underutilized areas.

The accountable and transparent use of BTOP award funds will help the nation realize the vision of the National Broadband Plan and meet the goal of providing universal broadband access to citizens. Each BTOP award recipient is responsible for understanding and complying with the T&Cs and special award conditions (SACs) set forth in the recipient's CD-450 award package.

1.1 BTOP Award Recipient Responsibilities

The NTIA views its relationship with BTOP award recipients as a partnership, with the recipient providing the effort and expertise necessary to carry out approved activities, and NTIA providing financial and technical assistance, programmatic guidance, and involvement, as appropriate. The BTOP recipient is responsible for ensuring that projects are successfully implemented as approved and administered in compliance with BTOP requirements. The award is subject to U.S. laws and regulations, including the Recovery Act, which requires an increased level of transparency and accountability in use of award funds. Inconsistency or conflict in T&Cs specified in the award will be resolved according to the following order of precedence:

- Public laws.
- Regulations.
- Applicable notices published in the Federal Register.
- Executive Orders (EOs).
- Office of Management and Budget (OMB) Circulars/Code of Federal Regulations (CFRs).

[1] Connecting America: The National Broadband Plan (2010). Federal Communications Commission.

- DOC Standard T&Cs.
- BTOP-wide and project specific SACs, except to the extent that SACs may take precedence over the DOC Standard T&Cs, as discussed above.
- See Section 8 of this handbook, *Grant Administration Standards: Complying with Award Terms*, for more details on the above T&Cs, and the Federal regulations that govern Federal grants.

Presented below is a list of key BTOP recipient responsibilities that should be reviewed and incorporated into grant administration processes. In addition to these overarching recipient responsibilities, recipients of Federal funding are responsible for maintaining organizational tools, systems, and protocols to support the M&A of funded projects. Recipients must establish and maintain accounting systems and financial records to accurately account for awards. Recipients must also account for receipts and expenditures, cash management, program income, maintenance of financial records, and refunding expenses disallowed by audits or monitoring.

Key BTOP Recipient Responsibilities
■ **Manage BTOP grant funds, draw downs, and expenditures**. Recipients are responsible for the management and administration of grant funds and are accountable for all deadlines, requirements, and limitations. ■ Recipients should be aware of payment policies related to draw downs, obligation and expenditure restrictions, and internal audit requirements. Funds are not disbursed all at once, but rather over time in accordance with the approved project budget. ■ It is the recipient's responsibility to distribute funds to subrecipients in accordance with the approved budget. ■ Recipients are responsible for managing funds according to restrictions on obligations and expenditures. Obligations are a legal liability to pay determinable sums for services or goods during the grant period, a sub-award, and/or contract. Key restrictions include: (1) Federal funds are available for obligation during the grant period of performance; (2) grant funds must be expended by the end of the grant period; and (3) any funds not expended must be returned to NTIA, which is required to return the funds to the U.S. Treasury. ■ See Section 2 for initial and priority start-up activities that recipients should complete first, Section 3 for guidance on how to draw down award funds, and Section 6 for guidance on requesting changes to the project.
■ **Track matching funds.** Unless waived by the Assistant Secretary for Communications and Information, BTOP requires at least a 20 percent non-Federal match toward the total eligible project costs. The recipient is required to track and report on the 20 percent match requirement. ■ See award T&Cs for further explanation of matching requirements.
■ **Monitor project activities to ensure compliance.** Recipients are responsible for monitoring award activities to provide reasonable assurance that awards are administered in compliance with financial and programmatic requirements, including the award's standard terms and conditions, Recovery Act award terms, and SACs. Recipients are responsible for tracking stated goals and milestones of funded projects; accounting for receipts and expenditures, cash management, and budgetary control; maintaining adequate financial records; and refunding disallowed expenditures. ■ See Sections 5 and 8 for details on the reporting, basic compliance, and audit requirements of BTOP awards. See Section 4 for guidance on complying with environmental special award conditions, if applicable.
■ **Achieve program results.** Recipients are responsible for collecting and reporting on performance information.

Key BTOP Recipient Responsibilities

Recipients will be provided an opportunity to baseline the project milestones and will need to report quarterly and annually on progress made towards those milestones. Each recipient will be required to file three reports for each of the four quarters, and once annually, covering financial matters, progress toward project completion, and compliance with American Recovery and Reinvestment Act of 2009 (ARRA) requirements, respectively.

- See Section 5 for guidance on reporting requirements and instructions for how to submit each quarter (four times per year) the three types of quarterly reports, and an annual performance report.

- **Ensure adequate financial management systems are in place.** Each recipient certified in its application (Standard Form 424, or SF-424) that its organization has the legal, financial, and managerial capacity to manage Federal grant funds. To ensure adequate financial systems are in place, recipients can refer to the codes and standards below:
  - 15 CFR Part 14 – Establishes uniform administrative requirements for Federal grants, cooperative agreements, and sub-awards to institutions of higher education, hospitals, other non-profit and commercial organizations. See: http://oam.eas.commerce.gov/docs/GRANTS/15cfr14.pdf.
  - 15 CFR Part 24 – Establishes uniform administrative requirements for Federal grants, cooperative agreements, and sub-awards to state, local, and tribal governments. See: http://oam.eas.commerce.gov/docs/GRANTS/15cfr24.pdf .
  - SF-424B for non-construction projects at www.irs.gov/pub/irs-utl/litcform_424b_assurance_of_non_construction_projects.pdf.
  - SF-424D for construction projects at www.acf.hhs.gov/programs/ofs/grants/sf424d.pdf.

- **Ensure financial management systems for subrecipients are in place.** Recipients are responsible for subrecipients' accounting and should be familiar with subrecipients' financial operations to ensure that funds are managed and expended in compliance with BTOP requirements. Recipients and subrecipients are also responsible for ensuring that grant funds are managed in compliance with BTOP statutory and programmatic requirements.

- **Monitor subrecipient obligations and expenditures by:**
  - *Reviewing financial operations.* Recipients should be familiar with, and periodically monitor, subrecipients' financial operations, records, systems, and procedures, specifically the maintenance of current financial data.
  - *Recording financial activities.* Subrecipients' award or contract obligations, as well as cash advances and other financial activities, should be recorded in recipients' records in summary form. Subrecipient expenditures should also be recorded in the recipients' records or evidenced by report forms duly filed by the subrecipient. Non-Federal contributions applied to programs or projects by subrecipients should likewise be recorded, as should any program income resulting from program operations. Financial records must validate expenditures related to the grant.
  - *Budgeting and budget review.* Recipients should ensure that subrecipients prepare an adequate budget on which award commitments will be based. The details of each project should be maintained on file by recipients.
  - *Accounting for non-Federal contributions*. Recipients will ensure that the requirements, limitations, and regulations pertinent to non-Federal contributions (cash and in-kind) are applied. Cash and in-

Key BTOP Recipient Responsibilities
kind contributions applied to BTOP projects are treated the same as Federal funds. Matching funds must be documented and recorded in the general ledger of a formal financial system by recipients and subrecipients. Recipients must maintain adequate documentation to ensure compliance and provide evidence. • *Audit requirements*. Recipients must ensure that subrecipients have met the necessary audit requirements contained in this handbook.
■ **Communicate with the community** to remain aware of stakeholder concerns and interests, and to promote stakeholder involvement through community outreach and media relations.
■ **Keep files on grant funds and project activities.** Recipients and subrecipients will be monitored by NTIA program staff and Grants Officers, both financially and programmatically, to ensure that project goals, performance, timelines, milestones, budgets, and other requirements are met. Recipients are required to maintain comprehensive documentation on all aspects of grants to enable sufficient oversight by Federal representatives. ■ See Section 2.5 for guidance and best practices on creating and maintaining comprehensive grant documentation.

1.2 Federal Responsibilities and Available Assistance

Federal responsibilities include monitoring and managing projects implemented by recipients to ensure compliance with Federal financial assistance legislative authorities, governing regulations, and policies summarized in this handbook. The BTOP Office coordinates with the NOAA and NIST Grants Offices to carry out these responsibilities. The Program Office responsibilities focus on assisting recipients with programmatic, scientific, or technical aspects of each project; reviewing recipient requests for project changes; and monitoring recipient compliance with award T&Cs. The Grants Offices support the BTOP Office in managing the awards' financial and business aspects.

Since the DOC and NTIA view their relationship with BTOP award recipients as a partnership, Federal representatives are assigned to support and provide guidance to recipients throughout the life of the awards. Federal representatives and recipients share a common goal: to ensure BTOP projects are completed successfully and in a timely manner. Each recipient is encouraged to contact the BTOP FPO or Grants Officer assigned to its award with any questions regarding award requirements.

Federal Contacts		
Federal Representative	**Contact Information**	**Topic**
BTOP FPO	■ See award package for contact information.	■ Questions regarding BTOP special award conditions. ■ Day-to-day management of the grant award. ■ Programmatic or technical advice on project implementation. ■ BTOP quarterly and annual performance report requirements and submission. ■ Assistance with project changes and guidance on how to submit award action requests. ■ Questions on compliance issues and grant administration standards, such as Recovery Act requirements, cost principles, and audit requirements. ■ Requests for technical assistance.
BTOP Environmental Specialist	■ Frank Monteferrante Phone: (202) 482-4208 Email: fmonteferrante@ntia.doc.gov	■ Questions regarding environmental assessments, consultations, and other environmental requirements.
NOAA Grants Officer (Recipients of CCI/ Infrastructure awards only)	■ See award package for contact information. ■ NOAA Grants Management Division General Information Phone: (301) 713-0926	■ Questions regarding standard and Recovery Act award T&Cs and submission of accepted award package. ■ Questions about Recovery Act award terms and registration on FederalReporting.gov. ■ Problems with registration or award fund draw downs in the Department of Treasury's Automated Standard Application for Payment (ASAP) System. ■ Quarterly ARRA and SF-425 financial report requirements and submission. ■ Review and approval of award amendment requests. ■ Other non-programmatic or project-related administrative aspects of the award.
NIST Grants Officer (Recipients of PCC and SBA awards only)	■ See award package for contact information. ■ NIST Help Desk Phone: (301) 975-6478	

1.3 Grants Management Best Practices

Grants management best practices are provided below to help recipients successfully complete BTOP-funded projects. Contact the FPO for assistance in understanding these best practices.

Grants Management Best Practices
■ **Understand essential terms and conditions of the grant, including project specific SACs, and review the CD-450 award package.** Recipients should fully understand and comply with the standard and special T&Cs of the grant. Failure to comply may result in the withholding of funds, termination of the award, or other sanctions.
■ **Understand BTOP statutory and programmatic requirements.** Recipients are responsible for reviewing the applicable BTOP Notice of Funds Availability (NOFA) to fully understand and comply with the requirements.
■ **Read and understand Federal guidance on financial management of grant funds.** Recipients are reminded to review relevant OMB Circulars and the CFRs to ensure compliance with Federal grant management financial requirements.
■ **Establish financial and administrative systems to monitor grant activities and document use of funds,** including matching funds, with a financial officer and/or auditor. The Financial Management Capacity Checklist in Appendix A of this handbook presents information on the proper administration of grant funds. Recipient financial officers or auditors can use the checklist to examine and augment, as necessary, financial management processes, including those of subrecipients, as applicable.
■ **Establish a grant file to collect documentation for auditing purposes.** A list of items to include in the grant file is presented in Appendix A of this handbook. A grant file will ensure BTOP documentation is kept in one location, which will simplify the audit process.
■ **Understand reporting requirements.** Recipients are required to file quarterly and annual ARRA reports, performance reports, and SF-425 financial reports.
■ **Understand performance measures and BTOP goals.** Understanding performance measures and program goals at the outset provides a means to track progress and to focus on scope.
■ **Understand audit requirements.** Recipients should work with a financial officer or an auditor to understand and comply with the BTOP audit requirements. Recipients should document financial and program activities throughout the grant lifecycle that will provide evidence of compliance.

1.4 Timeline of Major Recipient Activities

The following BTOP Grants Timeline details key events and recipient responsibilities in the first three to six months of the grant project life cycle. As the project moves into its middle and latter execution phases, the handbook content will provide guidance in understanding ongoing reporting requirements and the responsibilities associated with being a BTOP recipient.

First 10 Days after Award	First 30 Days after Award	First 60 Days after Award	Quarterly and Annually
■ **Review** award documentation and agreement carefully. ■ **Review** NTIA Welcome Packet and provide information as needed. ■ **Register** with FederalReporting.gov within 10 business days of the award date. ■ If already enrolled in ASAP, **provide** Grants Specialist (identified in CD-450) and FPO with seven-digit account number for the Department of Treasury's ASAP system. ■ If not already enrolled in ASAP, **provide** Grants Specialist and FPO with organization name and type, point-of-contact name, email address, mailing address, telephone and fax numbers, Employer Identification Number (EIN), and Dun & Bradstreet Data Universal Numbering System (DUNS) numbers. ■ **Receive** ASAP password within seven days of initiating enrollment.	■ **Accept** award agreement by signing and **returning** it to Grants Officer online (as required by NOAA) or in hard copy (as required by NIST). ■ **Attend** orientation conference call hosted by FPO. ■ **Review** SACs carefully and commence fulfillment actions as needed. ■ **Complete** ASAP enrollment by designating Head of Organization and Authorized and Financial Officials in ASAP. ■ If the agreement requires an Environmental Assessment (EA), **attend** the EA Webinar, ensure project descriptions and maps are complete, and start the EA.	■ **Attend** the Reporting Webinars ■ **Attend** the Compliance Webinar ■ **Attend** FPO drop-in calls ■ **Begin** draw down of award funds in ASAP, as needed. ■ If the agreement requires an EA, **ensure** that development is on schedule to complete the environmental SACs and submit the draft EA to the BTOP Office as soon as possible, or no later than six months after award date.	■ **Prepare and submit** Baseline Project Plan with first quarterly reports. ■ **Prepare and submit** the ARRA quarterly reports to FederalReporting.gov. ■ **Prepare and submit** quarterly financial reports (SF-425). ■ **Prepare and submit** BTOP-specific quarterly performance progress report (SF-PPR). ■ If required, **complete** Environmental Mitigation and Monitoring Plan and mitigated requirements.

2 Project Start-Up Activities

Upon award of a BTOP grant, the recipient is encouraged to complete or initiate several important priority actions. Each of these actions is explained in this section. The steps the recipient takes in the first weeks after being awarded a BTOP grant will:

- Allow the recipient to access the awarded funds.
- Guide the recipient in developing or ensuring a robust organizational infrastructure, capable of meeting the grant management, administration, and reporting requirements.

See Appendix A for a master checklist of BTOP recipient activities, including project start-up activities. See the following table for recommended Federal contact guidance for each issue within this section.

Project Start-Up Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other Representative
Accept Award Package.		✓	
Understand BTOP Special Award Conditions (SACs).	✓		
Register in FederalReporting.gov.		✓	
Register in ASAP System.		✓	
Register in Post-Award Monitoring (PAM) System.	✓		
Resolve technical issues with Grants Online registration (CCI/Infrastructure recipients only).		✓	
Establish grant file and address Technical questions	✓		

2.1 Understand the Award Package

After an award is announced, the BTOP recipients' first step is to review and accept the BTOP award package. Recipients will receive two information packages consisting of:

- An award package from the Grants Officer awarding funds to the project. The award package contains a CD-450 Financial Assistance Award document, which is the official BTOP funds offer to the recipient.
- A welcome package from the FPO assigned to monitor the project's progress and help the recipient throughout the life of the grant. The welcome package (1) introduces the recipient to the FPO, who will serve as its partner throughout the project; (2) provides guidance on how to respond to the award offer; and (3) supplies instructions on how to manage other key actions that will be required during the project.

The contents of the award package include:

Item	Purpose
DOC Form CD-450	■ Official grant award offer detailing the award conditions. To accept the award the recipient follows the steps listed in Section 2.2.
BTOP and Project Specific SACs	■ Specific BTOP project's conditions, in addition to general ARRA requirements, Federal rules that apply to Federal grant awards, and, if applicable, environmental SACs, as explained in Section 8.4. BTOP and project specific SACs may override the award's standard T&Cs and amend the original application.
Standard Form 424A (SF-424A)	■ BTOP project's budget and financial status.
ARRA Reporting Cover Sheet	■ Required identification data needed to register at FederalReporting.gov, as explained in Section 2.4.
ARRA Reporting Timeline	■ List of required actions to complete each reporting period, as explained in Section 5.1.
Special Award Conditions	■ List of ARRA conditions and regulations that usually apply to Federal grant awards, as explained in Section 8.4.
Federal Reporting Template	■ Template used to submit ARRA-mandated reports to FederalReporting.gov, as explained in Section 5.1.
Federal Reporting Data Model	■ Description of the types of data required to submit in quarterly ARRA reports.
Original Application Submitted by Recipient and All Amendments to Original	■ Project description for the awarded BTOP grant.

The welcome package supplements the award package by providing guidance to the recipient on how to interpret and respond to the award package. The contents of the welcome package include:

Item	Purpose
Recipient Welcome Letter	■ Welcomes recipients to BTOP and provides the FPO's contact information.
Fact Sheets and Frequently Asked Questions (FAQs)	■ Provides instructions on how to complete many of the start-up activities described in this handbook, including registration on FederalReporting.gov.
Recipient Handbook	■ Provides recipients with step-by-step instructions on how to complete key grant management and administration steps. Also provides important BTOP reference information.

The award package contains information that the recipient organization needs to fully comply with the T&Cs of the award. Each recipient should read all of these materials and keep them on hand for reference during the project's life cycle. Even if recipients have had previous experience with other Federal grants and grant programs, each Federal agency and grant program is different, each has its own distinct requirements, and recipients should become familiar with the specific requirements of its BTOP grant program. Recipients should pay particular attention to the SACs included with the award, as some may be time sensitive (for example, environmental compliance SACs, if applicable). In addition, each recipient should review the welcome package because it contains essential information (such as FAQs), guidance on initial steps, and best practices.

BEST PRACTICE

Understand the essential terms and conditions of the grant. Failure to comply may result in the withholding of funds, award termination, or other sanctions. Review the:

- Applicable BTOP NOFA.
- Standard Forms and Assurances that were signed and submitted with the application.
- CD-450 award package, which contains the DOC standard terms and conditions, ARRA award terms, and all applicable SACs.

2.2 Accept the Award Package

Recipients are free to accept or reject the BTOP award package. If the recipient chooses to accept the grant:

- The recipient should review, sign, and return form CD-450 to the specified Grants Officer. Recipients must accept the award as is and may not amend the CD-450. Each Grants Office employs different procedures for distributing and receiving signed CD-450 forms. Therefore, the recipient should know which Grants Office offered the award and follow that office's procedures, as noted in Sections 2.2.1 and 2.2.2.
- To officially execute the grant award, the forms should be returned within 30 calendar days.
- If the signed copies are not returned within the 30-day period, the grants office may declare the grant award to be null and void.

By accepting the BTOP award funds, the recipient agrees to complete the proposed project, and do so within the proposed timeframe and budget. The recipient also agrees to fulfill the reporting and other requirements mandated by Federal regulations, the ARRA, and SACs attached to the recipient's grant award. Therefore, the recipient should carefully read and understand the SACs, ARRA requirements, and Federal regulations referenced in the CD-450 before agreeing to accept BTOP funds. See Section 5 of this handbook for more detailed information on reporting requirements. See Section 8 for more detailed information about SACs and the regulations with which BTOP recipients must comply.

2.2.1 Accept the Award Package: PCC and SBA Projects

Recipients of PCC and SBA project awards should submit award acceptances to the NIST Grants Office. The NIST Grants Office sends the award package to PCC and SBA recipients via surface mail. The award package includes three copies of form CD-450. To accept the award offer, the recipient's Authorized Organization Representative (AOR) should take the following steps **within 30 calendar days from the award date** provided in the award package. The AOR is the only individual authorized to submit grant-related documents on the recipient's behalf. If the award is not accepted on time, the Grants Office may choose to terminate the award. Thus, it is important to accept the award in a timely manner.

To accept the award, the recipient should follow these steps:

- **Step 1:** Understand the award conditions included with or referenced in the award offer.
- **Step 2:** Check that all information listed on the CD-450 is correct.
- **Step 3:** Notify the assigned FPO if any information is incorrect.
- **Step 4:** Complete the following boxes on all three copies of the CD-450:
  - "TYPED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL"
  - "TITLE"
  - "DATE"
- **Step 5:** Retain one signed copy of the CD-450 for recipient's records.
- **Step 6:** Return two signed copies of the CD-450 to the NIST Grants Officer listed on the CD-450.

2.2.2 Accept the Award Package: CCI/Infrastructure Projects

CCI/Infrastructure project award recipients should submit award acceptances to the NOAA Grants Office. The NOAA Grants Office sends the award package to recipients electronically via the Grants Online (GOL) System. To accept the award offer, a recipient's AOR should take the following steps **within 30 calendar days from the award date** provided in the award package. If the award is not accepted on time, the Grants Office may choose to terminate the award. Thus, it is important to accept the award in a timely manner.

To accept the award, the recipient should follow these steps:

- **Step 1:** Understand the award conditions included with or referenced in the award offer.
- **Step 2:** Check that all information listed on the CD-450 is correct.
- **Step 3:** Notify assigned FPO if any information is incorrect.
- **Step 4:** Either submit award acceptance electronically via GOL or submit award acceptance via hard copy.
  - If the recipient submits its award acceptance via GOL, then the recipient logs into GOL to submit the award acceptance.
  - If the recipient submits its acceptance via hard copy to the NOAA Grants Officer, then the recipient follows steps 1-6 of Section 2.2.1 of this handbook.

2.3 Complete Online Registrations

BTOP recipients should register (or renew existing registrations) with several entities shortly after accepting an award. Completing these registrations allows the recipient to file necessary reports, draw down funds, and submit and receive award-related documents. The entities that the recipient should register with are listed in the table below:

Online Registration	Website	Purpose	Date
Central Contractor Registration (CCR)	https://www.bpn.gov/ccr/default.aspx	■ Prerequisite for registering with FederalReporting.gov.	■ 10 days after accepting award, if not already registered.
FederalReporting.gov	www.FederalReporting.gov	■ To submit ARRA quarterly reports.	■ 10 days after accepting award.
ASAP	www.asap.gov	■ To draw down BTOP award funds.	■ 10 days after award date.
PAM System	http://btoppam.ntia.doc.gov	■ To submit and manage required reports and award action requests.	■ As soon as possible. Note that FPOs will register recipients.
Grants Online (For CCI/ Infrastructure recipients only)	https://grantsonline.rdc.noaa.gov	■ To submit CCI financial quarterly reports and award actions.	■ As soon as possible.

2.3.1 Register or Renew Registration with CCR

CCR is the primary registrant database for the Federal government. CCR collects, validates, stores, and disseminates data to support agency acquisition missions. Registration with CCR is required to register with FederalReporting.gov.

- **A recipient that has not registered with CCR previously** must register with CCR to register with FederalReporting.gov and comply with Federal grant regulations. A recipient that is not registered with CCR should do so immediately after accepting an award because it can take several days for the FederalReporting.gov system to sync with the recipient's CCR registration, and recipients must register with FederalReporting.gov within 10 days of accepting an award.
- **A recipient that has registered with CCR previously** should confirm that its registration has not expired and is not set to expire shortly. It can take several weeks to reactivate a CCR registration that has expired, which would prevent the recipient from registering with FederalReporting.gov within the deadline of 10 days after accepting an award.
- The recipient registers with CCR at the following link: www.bpn.gov/ccr/default.aspx.
- Help registering with CCR can be obtained from the CCR Help Desk at the following phone number: (866) 606-8220.

The following information is required to register with CCR:

Done?	Information Needed for CCR Registration
☐	Recipient's official name, as used on tax returns.
☐	Recipient's Employer Identification Number (EIN).
☐	Recipient's Data Universal Numbering System (DUNS) number.
☐	Recipient's Electronic Funds Transfer (EFT) information.
☐	Statistical information about the recipient entity (For breakdown of data required, visit:

Done?	Information Needed for CCR Registration
	https://www.bpn.gov/ccr/StartRegistration.aspx)

2.3.2 Register with FederalReporting.gov

The Recovery Act requires recipients of BTOP awards to submit reports via the FederalReporting.gov website. This section details the FederalReproting.gov registration process. For information about ARRA reporting requirements and the FederalReporting.gov report submission process, see Section 5.1.

The following information is required to register with FederalReporting.gov:

Done?	Information Needed for FederalReporting.gov Registration
☐	Recipient's email address.
☐	BTOP grant award amount.
☐	Recipient's CCR number.
☐	Recipient's DUNS number.

To register with FederalReporting.gov, the recipient should:

- **Step 1:** Go to www.FederalReporting.gov.
- **Step 2:** Click on "Register Now." If an error message appears, FederalReporting.gov may not have synchronized to the recipient's CCR number yet. The recipient should check back periodically to repeat this step until successful.
- **Step 3:** Complete the information as requested.
- **Step 4:** Click on "Submit."
- **Step 5:** Receive an email from FederalReporting.gov to confirm that registration is complete.
- **Step 6:** Email a copy of the confirmation email to both the FPO **and** Grants Officer assigned to the recipient's project.
- **Step 7:** Call (877) 508-7386 to request a FederalReporting.gov personal identification number (FRPIN). The recipient will need an FRPIN to submit reports to FederalReporting.gov.

Help registering with FederalReporting.gov can be obtained from the following sources:

- FederalReporting.gov help desk (8:00a.m. – 6p.m. EST, Monday – Friday).
- Phone: (877) 508-7386
- Online: Go to www.FederalReporting.gov and click on "Live Help" or see frequently asked questions at: https://www.FederalReporting.gov/FederalReporting.faq.do
- Grants Officer. See award package for contact information.

2.3.3 Register With ASAP

BTOP payments to award recipients will be made through electronic funds transfers using the U.S. Department of Treasury's ASAP system. Recipients are required to enroll in the ASAP system to draw down these funds within 10 business days of the award date. Failure to enroll will mean that grant funds are not accessible. The process of using ASAP to draw down award funds is detailed in Chapter 3.

To enroll in ASAP, the recipient should have several pieces of information ready, including:

Done?	Recipient Information Needed for ASAP Registration
☐	Organization name and organization type.
☐	Point-of-contact and title of contact.
☐	Mailing address.
☐	Point-of-contact email address.
☐	Fax number.
☐	Telephone number.
☐	DUNS number.
☐	EIN.
☐	Authorizing Official (AO) name and contact information. The Head of Organization (HOO) designates the AO. The AO defines the Recipient Organization (RO) profile and identifies the RO users (i.e., payment requestor).
☐	Financial Official (FO) name and contact information. The FO defines the banking information and links to the NTIA Agency Location Code (ALC) (13060001) and Region Code (02). The FO certifies and signs banking information form.

To register with ASAP, the recipient should:

- **Step 1.** If a recipient already has an ASAP account, only one step is necessary. Previously enrolled recipients should provide their Grant Specialist and FPO with their seven-digit ASAP account number.

  If the recipient does not yet have an ASAP account, the recipient should complete steps two through four below and email the following grant information to either ASAP.Inquiries_Enrollment@noaa.gov (CCI/Infrastructure recipients) or ASAP.Enrollment@nist.gov (PCC and SBA recipients):

  - Recipient's organization name and organization type.
  - Recipient's point of contact and title of contact.
  - Recipient's mailing address.
  - Recipient's point of contact email address.
  - Recipient's fax number.
  - Recipient's telephone number.
  - Recipient's DUNS number.
  - Recipient's EIN.
- **Step 2.** Within five days of sending the Grants Officer the information listed above, the recipient should receive an email confirmation from ASAP along with user identification (ID). Within seven days, the recipient will receive a password via U.S. mail.

BEST PRACTICE

Begin ASAP registration process early since it can take several weeks and funds cannot be drawn down until ASAP registration is complete. The recipient's Head of Organization must provide required data to the designated Grants Office *within 10 days of award date*.

- **Step 3.** Upon receiving an ASAP ID and password, log into ASAP at www.asap.gov using the user ID and password and enter the required information on the organization's officials:
  - Designated HOO. The HOO will designate the AO and FO designees.
  - Designated AO. The AO defines the RO profile and the RO users (i.e., primary requestor).
  - Designate FO. The FO defines the banking information and links to the NTIA (ALC) (13060001) and Region Code (RC) (02). The FO certifies and signs the banking information form.
- **Step 4.** Receive ASAP enrollment confirmation email. The recipient enrollment steps in ASAP are complete when the AO and FO designees are approved and banking information is certified and submitted. The Grants Offices will send an email to the recipient to notify them that enrollment is complete and funds are available to draw down. For instructions on drawing down award funds in ASAP, see Chapter 3.

Recipients should use the following resources for assistance:

- ASAP Enrollment Fact Sheet found in Appendix F.
- NIST or NOAA Grants Officer. See award package for contact information.
- General guidance on the Department of Treasury's website: www.fms.treas.gov/asap.
- NIST ASAP enrollment (for PCC and SBA recipients) email: ASAP.enrollment@nist.gov.
- NOAA ASAP enrollment (for CCI/Infrastructure recipients) email: ASAP.Inquiries_Enrollment@noaa.gov.
- ASAP Regional Offices:

Location	Time Zone	Phone	Business Hours
Philadelphia ASAP Regional Office	Eastern	(215) 516-8021	7:30a.m. – 4:00p.m.
Kansas City ASAP Regional Office	Central	(816) 414-2100	7:30a.m. – 4:00p.m.
San Francisco ASAP Regional Office	Pacific	(510) 594-7182	7:30a.m. – 4:00p.m.

2.3.4 Register with Post-Award Monitoring System

The PAM System serves as the primary location for the recipient to submit post-award documentation. PAM enables recipients to submit post-award report packages and documentation to FPOs for review and submission to the appropriate Grants Office. Within the PAM System, the recipient has access to templates for the Performance Progress Report (PPR) package, Federal Financial Report (FFR/SF-425) package, and the Award Action Request (AAR) package. The recipient can also attach and upload an Additional Post-Award Documentation Report package, for supplementary documentation, such as project plans, documentation that satisfies special award conditions, and Findings of No Significant Impact (FONSI) documentation. Once a report package template is complete, the recipient submits it on PAM. Note that for CCI recipients, the Baseline Report, FFRs and AARs are to be submitted vial GOL, rather than PAM.

BEST PRACTICE

Know the official project award date and track completion of time-sensitive SACs against it. The award date is listed in the CD-450 award package in the "award period" field.

The recipient is registered with PAM by the BTOP Program Office. Upon acceptance of a BTOP award, the Program Office supplies the recipient with a username and password to login to PAM. As soon as possible, the recipient should test that they are able to login by going to http://btoppam.ntia.doc.gov and following the on-screen login instructions.

Once the recipient has logged into PAM, it has access to the PAM User Guide, which can be accessed via the "Library" tab. The User Guide provides step-by-step instructions for performing actions in PAM.

2.3.5 Register with Grants Online (Applicable to CCI/Infrastructure Projects Only)

CCI/Infrastructure recipients should register with the GOL System. GOL is the web-based application the recipient uses to accept the award package. Recipients must also submit quarterly FFRs and AARs via GOL.

The recipient is invited via email to register with GOL. The recipient should then contact the GOL Help Desk, which will give the recipient a password with which to access GOL. The telephone number and email address for the GOL Help Desk are:

- **Phone:** (301) 444-2112 or (877) 662-2478
- **Email:** GrantsOnline.Helpdesk@noaa.gov.

2.4 Complete Priority SACs

Certain SACs require prompt action by the recipient. SACs are requirements attached to an award in addition to the general rules and laws that cover Federal grant programs. Certain SACs require prompt action because award funds may be withheld or limited until they are satisfied. Specific SACs applicable to proposed projects are listed in the award package. Four SACs commonly attached to BTOP award packages that may limit the draw down of funds before they are satisfied are:

- **Accounting System Verification (ASV).** The ASV SAC requires the recipient to submit a signed statement from an authorized official, verifying the ability of the recipient's financial management system to appropriately track and account for Federal grant funds and expenditures associated with the funded project. This statement must be received within 30 days of the award start date and the recipient is not allowed to draw down any funds until the Grants Officer receives and accepts the statement.
- **EA and other environmental SACs (if applicable).** The environmental SAC usually applies to CCI/Infrastructure projects and other projects involving proposed construction activities. It may require recipients to conduct various environmental impact assessments or other environmentally related studies, conduct specific consultation(s) with various regulatory agencies, or obtain certain permits. The exact nature of the SAC requirements depends on the proposed project activities and the specific location of such activities. The EA and other environmental compliance activities should be completed within six months of award start date. Limited BTOP funds can be drawn down for M&A activities to complete the environmental studies and for limited, preliminary procurement activities while the environmental SAC is being satisfied. Full project implementation funds cannot be drawn down to initiate project implementation until the environmental SAC is satisfied (for example, for an SAC requiring an EA, funds cannot be drawn down for full project implementation until the EA process is complete and a FONSI is submitted and approved by NTIA). More detailed information about environmental compliance and EAs is presented in Chapter 4.

> **BEST PRACTICE**
>
> **Establish a grant file to collect documentation that will be needed for an audit.** A grant file will store all BTOP documentation in one location, simplifying the audit process. See the Grant File Checklist for guidance on what to include in the file.

- **ASAP registration.** The ASAP SAC is a program-wide SAC that requires recipients to provide enrollment data to respective NOAA and NIST Grants Officers within 10 days of receipt of award. Recipients receive BTOP payments using the Department of the Treasury's ASAP system. Under the ASAP system, payments are made through preauthorized

Electronic Funds Transfers, in accordance with the requirements of the Debt Collection Improvement Act of 1996. To receive payments under ASAP, recipients are required to enroll with the Department of Treasury, Financial Management Service, Regional Financial Centers, which allows them to use the online and Voice Response System (VRS) method of withdrawing funds from ASAP accounts. For more information about ASAP, see Chapter 3 of this handbook.

- **Advances should only meet 30-day expenditure needs.** Advances shall be limited to the minimum amounts necessary to meet immediate disbursement needs, but in no case should advances exceed the amount of cash required for a 30-day period. Advanced funds not disbursed in a timely manner and any applicable interest must be promptly returned to DOC. If a recipient demonstrates an unwillingness or inability to establish procedures which will minimize the time lapsing between the transfer of funds and disbursement or if the recipient otherwise fails to continue to qualify for the advance method of payment, the Grants Officer may change the method of payment to reimbursement only.

2.5 Establish Grants File and Prepare for First Reporting Cycle

The recipient should establish a grant file to facilitate and document compliance with programmatic, financial, and audit requirements. In general, the grant file should include:

- Any approval documentation.
- Cost-sharing documentation.
- Procurement documentation.
- Reporting documents.
- BTOP-related correspondence.
- Audit documentation.
- Closeout documentation.

The checklist in Appendix A provides a more specific list of documents that the recipient should, if applicable, include in the grant file (some of these documents will not yet have been completed, but they should be included as they become available).

BEST PRACTICE

Work with a financial officer or an auditor to understand BTOP audit requirements and ensure appropriate financial and administrative systems are in place. Use Financial Capacity Checklist to examine a recipient's own financial management processes, such as use of matching funds, and those of each subrecipient.

2.5.1 Prepare for the First Quarterly Reporting Cycle

The recipient is required to submit ARRA and financial reports for the quarter in which the award start date falls, even if the start date is towards the end of the quarter. Additionally, the recipient must submit a Narrative Performance Progress Report and a Baseline Report for the first quarter, rather than submitting the regular quarterly Performance Progress Report. This report is submitted only once. In either the first of second quarterly reporting cycle, a Baseline Report is required. Please refer to the Baseline Special Award Condition for the exact period in which this report is due. This report is also submitted only once. For further information about reporting requirements, including the first quarter's special reporting requirements, see Section 5 of this handbook.

2.5.2 Assess and Strengthen Financial Capabilities

The recipient certified in its BTOP application that it has the legal, financial, and managerial capacity to manage Federal grant funds. Some recipients have existing systems that are sufficient for managing Federal grants. However, to ensure that adequate financial systems are in place, the recipient should assess its financial management infrastructure. Federal regulations and standard forms that mandate specific standards of financial management systems for Federal grant recipients are listed below (the recipient should be familiar with the relevant regulations):

- 15 Code of Federal Regulations (CFR) Part 14
  - Relevant to institutions of higher education, hospitals, non-profits, commercial organizations.
  - See: http://oam.eas.commerce.gov/docs/GRANTS/15cfr14.pdf.
- 15 CFR Part 24
  - Relevant to state, local, and tribal governments.
  - See: http://oam.eas.commerce.gov/docs/GRANTS/15cfr24.pdf.
  - See: http://oam.eas.commerce.gov/docs/GRANTS/DOC%20STCsMAR08Rev.pdf.
    - OMB circular A-110 prescribes components of the financial management systems that should be in place for implementation of the grant award.

The financial capabilities checklist in Appendix A is a tool that the recipient may use to audit its financial management systems and procedures.

3 Draw Down Funds

The recipient organization is responsible for managing BTOP award funds throughout each project. The recipient should be aware of policies related to draw downs, payments, obligations, and expenditures. This section provides guidance on payment policies, specifically the Federal obligation and expenditure restrictions placed on award fund use, and instructions for drawing down award funds. See Appendix A for a master checklist of BTOP recipient activities, including project start-up activities. See the following table for guidance on the recommended Federal contact for each issue in this section:

Draw Down Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other Representative
Draw down process or problems.		✓	
Guidance on limitations or restrictions placed on draw downs by BTOP SACs.	✓		

3.1 How to Request and Draw Down Award Funds

BTOP payments to award recipients will be made through electronic funds transfers (EFTs) using the U.S. Department of Treasury's ASAP System. Funds are not disbursed all at once, but rather disbursed over time as project costs are incurred. To draw down funds, recipients are required to enroll in the ASAP system. Failure to enroll will mean that award funds are not accessible.

To draw down award funds, the recipient should:

- **Step 1:** Review the award T&Cs and payment polices in section 3.2 of this handbook.
- **Step 2:** Enroll in ASAP. Instructions for enrolling in ASAP are provided in section 2.3.3 of this handbook and in the BTOP ASAP Registration Process Fact Sheet (Appendix F). It may take up to 14 days after enrollment steps are complete before funds are certified and available for draw down in ASAP.
- **Step 3:** Request and withdraw funds. Recipients may request payment of obligated funds before incurring costs, provided that the payment policies and the award terms and conditions are met. Payments are made through preauthorized electronic fund transfers, in accordance with the requirements of the Debt Collection Improvement Act of 1996. The following information will be required to make withdrawals in ASAP:

Done?	Information Needed to Draw Down Funds in ASAP
☐	**ASAP personal identification number (PIN)**, which ASAP sends to the recipient after enrollment in ASAP.
☐	**Project award number,** located in the recipient's award package cover sheet.
☐	**ASAP account number,** located in the recipient's award package cover sheet.
☐	DOC **Agency Location Code (ALC)**, which is 13060001.
☐	**DOC Region Code** (RC), which is 02.

The recipient can initiate a request for funds via the internet. No forms are required to request funding.

- To withdraw funds via the internet, go to www.ASAP.gov and log into the website using the above information.
  - **Credit unused funds back to ASAP.** If unused funds remain at the end of the 30-day period, the recipient reconciles the account by crediting back unused funds to the ASAP system via the Automated Clearing House (ACH) or via FEDWIRE. The ACH or FEDWIRE transaction may only be performed by the recipient's financial institution. Full or partial payment may be returned to ASAP. Recipients should provide their financial institution with ASAP account information (e.g., ALC, recipient identification [ID], account ID) to which returned funds are to be credited. Returned funds are credited back to the recipient's ASAP account and can be drawn down again. Additionally, advances or reimbursements made in error must be refunded if the erroneous payment creates excess cash on hand or a negative "balance authorized."

If the recipient encounters a technical problem when attempting to draw down funds from ASAP, technical assistance is available from the following sources:

- ASAP Support Hotline: (804) 697-8384.
- ASAP Regional Offices:

Location	Time Zone	Phone	Business Hours
Philadelphia ASAP Regional Office	Eastern	(215) 516-8021	7:30a.m. – 4:00p.m.
Kansas City ASAP Regional Office	Central	(816) 414-2100	7:30a.m. – 4:00p.m.
San Francisco ASAP Regional Office	Pacific	(510) 594-7182	7:30a.m. – 4:00p.m.

- The Grants Office that awarded a BTOP grant to the recipient:
  - SBA and PCC recipients should contact the NIST Grants Officer listed on form CD-450 in the award package.
  - CCI/Infrastructure recipients should contact the NOAA Grants Officer listed on form CD-450 in the award package.
- For additional information and guidance on ASAP, please refer to the following sites:
  - www.fms.treas.gov/asap/.
  - www.fms.treas.gov/asap/background.html.

3.2 Payment Policies

The recipient should be aware of policies related to draw downs, payments, obligations, and expenditures. Recipients are responsible for:

- Ensuring that all costs incurred are allowable. Additional information on financial requirements and allowable costs are included in Chapter 8 of this handbook, Grant Administration Standards.
- Advances are limited to the minimum amount necessary to meet immediate disbursement needs, and should not exceed the amount of cash required for a 30-day period. The recipient may otherwise draw down BTOP funds from ASAP as often as required to meet current and allowable obligations. If the recipient overestimated project costs in its budget, the recipient may expend the extra funds on additional project-related items. Prior approval from a designated DOC Grants Officer is required only if a budget line item change is greater than 10 percent.

- Assuring that the recipient's financial management system meets the standards for fund control and accountability, as prescribed in OMB Circular A-110, applicable Code of Federal Regulations (CFRs), and described in the recipient's award terms and conditions.
- Maintaining advances of BTOP funds in insured, interest bearing accounts. Interest on advanced funds, in excess of $100 or $250 per year, depending on the applicable Uniform Administrative Requirements, must be remitted promptly to ASAP through an electronic medium such as the FEDWIRE Deposit System. Contact the FPO for further guidance.
- If applicable, restricting funds draw down in accordance with terms detailed in environmental SACs until the requirements of the environmental SAC are satisfactorily fulfilled and the SAC is lifted through an award action request. M&A funds and limited, preliminary procurement funds are allowed to be drawn down while the environmental SAC is satisfied, in accordance with the provisions and processes detailed in the SAC.
- Returning to ASAP any funds that are not expended within 30 days of being drawn down, plus any interest accrued on BTOP funds in excess of the annual amount allowed by the Uniform Administrative Requirements.
- Monitoring subrecipients and confirming that the subrecipient has financial management systems capable of maintaining complete and accurate records, and that expenditures are also recorded by the recipient, as described in Chapter 2 of the handbook.

BEST PRACTICE

Work with a financial professional to maintain accounting records for the BTOP project to ensure compliance with program requirements.

A detailed explanation of the recipient's financial management responsibilities can be found in Section 8.3, which includes links to relevant Federal regulations. Funds may not be obligated or expended after the project's close-out date. Any BTOP funds not expended by the end of the project must be returned to the Treasury. Recipients should strive to meet the financial management responsibilities set forth in the BTOP award package.

4 How to Comply With Environmental SACs

This section provides guidance to recipients that must comply with environmental SACs related to compliance with the National Environmental Policy Act of 1969 (NEPA) or other applicable Federal laws. This section applies only to recipients that must satisfy an environmental SAC, as defined in the recipient's award package. An environmental SAC may require development of an EA or other regulatory consultations to identify and evaluate the potential impacts of BTOP projects to environmental, historical, and cultural resources. This section provides applicable recipients with information about the activities and types of analyses required to fulfill environmental SACs. Recipients are encouraged to contact the BTOP Environmental Specialist, or assigned FPO, with any questions on environmental requirements. Recipients are also encouraged to attend environmental training webinars offered by BTOP. The following environmental guidance documents, which contain more details on the information summarized in this section, are available on the BTOP website (www2.ntia.doc.gov/compliance#environmental):

- NEPA Environmental Webinar.
- EA Guidance for Recipients.
- Historic Preservation Section 106 Guidance for Recipients.
- Endangered Species Section 7 Guidance for Recipients.

The following subsections present an overview of potentially applicable environmental regulations, information on determining if the grant has applicable environmental SACs, information on the EA and consultations, if applicable, and guidance on the EA or consultation documentation review process. See Appendix A for a master checklist of BTOP recipient activities, including environmental SAC activities. See the following table for guidance on the recommended Federal contact for each issue in this section:

Environmental SAC Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	BTOP Environmental Specialist
Determine if there are environmental SACs.	✓		
Guidance on how to complete environmental SACs, including EAs and consultations.			✓
Guidance on draw down restriction related to environmental SACs	✓		
Guidance on lifting of completed environmental SACs.	✓		

4.1 Overview of Environmental Regulations

There are many Federally-mandated environmental regulations that may apply to BTOP grants. The most common is NEPA, which requires Federal agencies to use a common process to assess the impacts of agency actions (programs, projects, and policies) on the natural and manmade environment. In the case of Federal grant programs, such as BTOP, the use of Federal funds triggers the NEPA process and requires one of several possible levels of environmental review to assess the environmental impacts of proposed projects. All impacts are considered regardless of project location (for example, recipients are required to examine all potential impacts associated with the project, not just those proposed to be implemented on Federal land). The level of environmental review required under NEPA was determined during the pre-award phase of the BTOP grant lifecycle, and if an EA is required, details are provided in the award package.

NEPA is a procedural statute that provides a framework to assess environmental impacts, and to assess resources governed by other environmental laws, regulations, and Executive Branch policies. Some of the other environmental laws, regulations, and Executive Branch policies with which Federal agencies and recipients of Federal grant awards must comply include the following:

- Clean Water Act (CWA).
- Clean Air Act (CAA).
- Coastal Zone Management Act (CZMA).
- Endangered Species Act (ESA).
- National Historic Preservation Act (NHPA).
- Executive Order 11514, Protection and Enhancement of Environmental Quality, as amended by Executive Order 11991, Relating to Protection and Enhancement of Environmental Quality.
- Executive Order 11990, Protection of Wetlands.
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations.
- Executive Order 13089, Coral Reef Protection.
- Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance.

BEST PRACTICE

Hire a qualified contractor within the first month after award date to complete the environmental assessment and support you in completing environmental SACs successfully and within required timelines.

The environmental laws or regulations that are most frequently applied in BTOP recipients' SACs, in addition to NEPA, are NHPA and ESA.

- NHPA requires that BTOP grant recipients examine and consult with appropriate entities [e.g., State Historic Preservation Office (SHPO) or Tribal Historic Preservation Offices (THPO)/Federally-recognized Native American Tribes] on the potential impacts of BTOP projects on historical, cultural, and tribal resources. The legal process for assessing potential impacts on historical resources and consulting with appropriate parties is described further in Section 106 of NHPA.
- ESA makes it unlawful to "take" (i.e., harass, harm, pursue, hunt, shoot, wound, kill, trip, capture, or collect) an "endangered" or "threatened" wildlife species. ESA requires that consultations between BTOP recipients and potentially impacted stakeholders, such as the U.S. Fish and Wildlife Service (FWS) or the National Marine Fisheries Service (NMFS), take place to determine if endangered or threatened species may be affected by the recipient's project, and what measures may be required to mitigate such effects.
- In addition to NHPA and ESA, other laws and regulations can be applicable to BTOP projects. All applicable laws and regulations, as well as required recipient actions, are presented in detail in the grant award package.

4.2 Determine If There Are Environmental SACs

CCI/Infrastructure recipients—and some recipients with PCC projects that have a significant construction component—may have to fulfill environmentally related SACs no later than six months from the award date. To determine if the project must comply with environmental SACs, refer to the SACs listed in the award package and/or contact the FPO to confirm if the project is subject to any such requirements. Examples of common environmental SACs applied to BTOP projects that involve construction may include:

- Completion of a draft EA under NEPA no later than six months after the award date.
- Completion of an NHPA Section 106 consultation with the appropriate SHPO and/or appropriate Native American Tribes.
- Completion of ESA Section 7 consultation with the FWS, NMFS, Coastal Zone Management agencies, or other relevant regulatory authorities.
- Acquisition of required permits from the U.S. Army Corps of Engineers (USACE) to address potential impacts to wetlands, if applicable.
- Compliance with all other applicable Federal, state, and local environmental laws, regulations, or policies.

4.3 Environmental Assessments and Consultations

The most common activities BTOP recipients will undertake to fulfill environmental SACs are the completion of an EA, consultation(s) with relevant regulatory authorities, obtaining required permits and licenses, or any combination thereof. Each recipient should fully evaluate the required activities that apply to its project and ensure it has an understanding of what is required and by when. The recipient may, for their purposes, want to document this in a regulatory compliance plan, but no such plan is required by the BTOP Office. However, recipients will be required to submit an EA Milestone Commitment Schedule that identifies the recipients plan, including dates, for completing key activities that will ensure the timely completion of a comprehensive EA. The BTOP Environmental Specialist can provide assistance and guidance to recipients with these planning activities and also with regulatory agency communication, if needed.

- **EA Milestone Commitment Schedule.** Recipients are required to provide the FPO with an EA Milestone Commitment Schedule to ensure the timely completion of EA activities, including NHPA and FWS consultations, required to complete and submit a comprehensive EA within the six-month period. The milestone schedule should provide specific dates and include the following activities:
  - Complete Project Route Engineering
  - EA/NHPA Effort Scoped and EA Consultants Hired
  - Submit Project Description and Mapping to FPO
  - Apply for Required Permits
  - Follow-up with the SHPO and FWS to determine and comply with additional compliance requirements of each agency.
  - Obtain Compliance Decision Letter from FWS (required to finalize EA)
  - Obtain Effect Determination Letter from SHPO (required to finalize EA)
  - Submit a Draft EA
- **Environmental Assessment.** An EA is an environmental analysis that documents the potential impacts of a proposed Federal action (e.g., a BTOP award recipient's project) to determine if the project would significantly affect the environment (potential impacts to historic or cultural resources are included). An EA helps the BTOP Office determine the extent to which the project may impact environmental resources. An EA may also identify ways to minimize those impacts through mitigation or identification of a more environmentally preferable alternative. Recipients required to submit a draft EA must do so within six months of the award date.

- Projects documented in the EA as not having a significant impact receive a FONSI determination, which may include mitigation requirements.
- Completion of the EA and receipt of a FONSI will satisfy the SAC and the recipient should receive permission through the Grants Office to begin implementing the project and drawing down funds for full project implementation.
- In rare cases when projects may have a significant impact, the BTOP Environmental Specialist will work with the recipient to identify alternative solutions such as re-scoping the project.

- **Consultation.** A consultation is the process that provides stakeholders with "substantive interest" the opportunity to comment on the potential impact. Most BTOP projects may have consultation requirements related to Section 106 of NHPA or Section 7 of ESA. ESA Section 7 consultations are initiated by the recipient. NHPA Section 106 consultations are initiated by the BTOP Environmental Specialist, with copies of consultation initiation documents provided to recipients by NTIA. In both cases, the recipient is responsible for all consultation follow-up activities with the consultation agencies. (In rare cases, the SHPO may request to work only with NTIA directly on NHPA Section 106 consultations. If this occurs, the recipient should notify the NTIA Environmental Specialist immediately.) Tribal consultations are conducted by NTIA unless the Tribe specifically requests direct consultation with the recipient. Most recipients of BTOP infrastructure awards will be required to complete one or more of the following types of consultations:
  - NHPA Section 106 Consultation. An NHPA consultation may be used to assess effects of proposed actions on historical properties and attempt to resolve potentially adverse affects through mitigation, Memorandums of Agreement, or other actions. The BTOP Environmental Specialist will support recipients by initiating this consultation with the applicable SHPO and THPO, or representatives of Federally recognized Native American Tribes, if applicable.
  - ESA Section 7 Consultation. An ESA consultation may be used to determine if endangered or threatened species (or related habitats) would be affected by the BTOP recipient's project, and what mitigation may be required. Typically, recipients work directly with the FWS/NMFS to complete consultations. ESA consultations are initially "informal," but may be escalated to "formal" if the FWS determines that there are potential impacts resulting from the project on endangered or threatened species or critical habitat. If the FWS/NMFS requests a formal ESA Section 7 consultation, the recipient should notify the BTOP Environmental Specialist(s) and FPO, immediately. Possible outcomes of informal consultation are:

    No effect – no further consultation required.

    May affect but not likely to adversely affect – requires FWS/NMFS concurrence with possible mitigation measures.

    Likely to adversely affect – requires a Biological Assessment (BA) and formal consultation.
- **Permits and Licenses.** Many BTOP recipients may be required to obtain Federal, state, or local permits and licenses for projects in wetlands, floodplains, coastal zones, and other protected areas. The BTOP Environmental Specialist is available to provide guidance to recipients on obtaining permits.

There are several priority activities that recipients should complete to ensure on-time completion of environmental SACs and allow full draw down of BTOP award funds for project implementation. Within the first month of the award date, it is recommended that recipients:

- Review the guidance documents on how to write an EA that are posted on the BTOP website at www2.ntia.doc.gov/compliance#environmental.
- Submit an EA Milestone Commitment Schedule to the FPO.
- Submit to the BTOP Environmental Specialist the most recent project description and maps, unless already provided during BTOP application review activities.
- Hire an environmental consultant to develop the EA, unless the recipient organization has staff with experience writing EAs and consulting with environmental regulators.

- Contact the BTOP Environmental Specialist immediately if there are any questions about the required scope or approach to developing the EA.
- Recipients are allowed to use BTOP M&A award funds to cover the costs associated with completing an EA. Recipients are also allowed to use limited, preliminary procurement funds to purchase equipment or materials during development of the EA or completion of other environmentally related SAC activities, in preparation for full project implementation after the environmental SAC requirements are satisfied. See the specific environmental SAC for more information.

BEST PRACTICE

Best practices for developing an EA include:

- Start the EA planning and consultations as soon as possible to ensure compliance with the environmental SAC within six months of the award date.
- If NHPA consultations are required, use a professional who meets the Secretary of the Interior's Professional Qualification Standards for Historic Preservation.
- Develop a focused and concise EA to speed up the review process. All resource areas must be identified and analyzed in each of the pertinent areas of the document (e.g., existing environment, environmental consequences, and cumulative impacts). However, it is not necessary to spend much time analyzing resource areas that will be unaffected by the proposed project – for those resources, simply state that the project would not impact those resource areas and as such is not subject to further analysis.
- Respond to all written comments on the draft EA, and submit the completed comment-response matrix with the final EA.
- Maintain frequent contact with the BTOP Environmental Specialist and send regular updates on progress achieved towards completing environmental SACs. Report any timeline concerns to the BTOP Environmental Specialist as soon as possible.

4.3.1 Environmental Assessment Package Format

While each EA must be project-specific, there are standard areas of analysis and document content that enable compliance with applicable Federal environmental and historic preservation laws. The areas of analysis and document content are based on NEPA, as well as all applicable DOC and agency-level NEPA regulations. EAs written for BTOP projects should have the following format:

- Executive Summary.
- Chapter 1: Purpose and Need.
- Chapter 2: Proposed Action and Alternatives.
- Chapter 3: Existing Environment.
- Chapter 4: Environmental Consequences.
- Chapter 5: Applicable Environmental Permits and Regulatory Requirements.
- Chapter 6: List of Preparers.
- Chapter 7: References.

- Chapter 8: Submittal Requirements.

Additional information may be found in the appendix in the Environmental Assessment Package Checklist.

4.4 Environmental Assessment Review Process

Once the recipient submits a draft EA, the BTOP Environmental Specialist will have two weeks to review the draft document and provide a comment matrix to the recipient, noting any deficient sections of the document. Once the comment matrix is received, the recipient will have two weeks in order incorporate recommend changes and complete any other deficiencies. Once the EA is revised to address the comments provided, the resubmitted EA will be accepted as final. Once the EA is accepted as final, the BTOP Office, within one week, will determine if the proposed project is eligible to receive a FONSI. Typically, the technical and legal review of a recipient's final EA concludes with a FONSI, Mitigated FONSI, FONSI requiring a Programmatic Agreement as described below:

- **FONSI.** A Finding of No Significant Impact is a decision document that presents conclusions from the analysis of the submitted EA.
- **Mitigated FONSI.** A Mitigated FONSI is occasionally used to avoid the necessity of concluding that there are significant impacts and that the next level of environmental impact analysis under NEPA is required (the next level above an EA is referred to as an environmental impact statement, or EIS). In a mitigated FONSI, changes to the proposed action, or mitigation measures necessary to reduce otherwise significant impacts (or simply reduce adverse impacts), are documented as required for implementation. Once included in the Mitigated FONSI, recipients are required to implement the proposed actions or mitigation measures documented in the Mitigated FONSI. The BTOP Office is responsible for ensuring that the additional actions are indeed accomplished by recipients.
- **Programmatic Agreement.** A Programmatic Agreement is an agreement entered into by the recipient requiring them to take certain actions in order to maintain compliance with the NHPA, but allows the project to move forward subject to compliance with the conditions of the agreement.

Upon receipt of a FONSI or Mitigated FONSI, and completion of all applicable consultation activities, the recipient and the FPO will receive copies of a signed FONSI, via email, from the Environmental Specialist. Once the FONSI is received it should be uploaded, within 24 hours, to GOL for final approval by the Grants Office. The Grants Office will then send a notification to the recipient and the FPO that the environmental SAC has been lifted. In the case a Mitigated FONSI or Programmatic agreement are required to meet the EA requirements, , a new SAC will applied to reinforce the mitigation or other actions required in order for the recipient to remain compliant with environmental or historic preservation requirements. CCI recipients may request an AAR (award action) via GOL and PCC/SBA recipients may request an AAR via PAM. Please consult section 6.2 of this Handbook for additional direction on submitting an AAR.

5 Recipient Reporting

As discussed in Chapter 1, *Award Recipient Responsibilities*, the recipient is responsible for three types of quarterly reporting: ARRA, financial, and performance reporting. Reporting provides an effective way for both the recipient and the Federal government to track and monitor progress made towards financial and programmatic objectives. It is important that recipients ensure that reports are accurate, complete, and submitted on time. A checklist of action items is included in Appendix A to provide a reminder of the actions the recipient should initiate or complete during the first financial quarter of the grant period, and each quarter thereafter.

The PAM System is the hub for recipient reporting. All recipient reports, except for ARRA reports, are submitted via PAM, except for CCI/Infrastructure recipients submitting their Baseline Report, FFRs, and AARs. CCI recipients are to submit their Baseline Report, FFRs, and AARs through GOL.

- **ARRA Report.** BTOP recipients are required, according to the ARRA award conditions, to register on FederalReporting.gov and report on funds received no later than 10 days after the end of each calendar quarter (ending March 31, June 30, September 30, and December 31). Recipients report primarily on the type and number of jobs created or retained each quarter due to BTOP award fund expenditures. The data reported by BTOP recipients through FederalReporting.gov will be available to citizens via the Recovery.gov website, ensuring the transparency and accountability of ARRA fund utilization. ARRA reporting requirements are described in section 5.1 of this handbook. For questions regarding ARRA reports or registration on FederalReporting.gov, contact the assigned Grants Officer listed in the award package.
- **Financial Report (SF-425 FFR).** BTOP recipients must submit a quarterly report using the SF-425 Federal Financial Report (FFR) detailing financial information concerning their project. This report must be submitted no later than 30 days after the end of each calendar quarter. The report includes budget and cost information on each quarter's expenses. The recipient and Federal government can use financial reports to assess the overall financial management and health of each award, to ensure BTOP fund expenditures are consistent with the recipient's anticipated progress, and to monitor expenditures assuring that all costs are allowable. Financial reporting requirements are described in section 5.2 of this handbook. For questions regarding financial reports, contact the assigned Grants Officer listed in the award package.
- **BTOP Performance Progress Report (PPR).** To comply with statutory requirements and SACs, all BTOP recipients must submit quarterly reports, as well as an annual report, on the programmatic performance of their award. The quarterly report must be submitted no later than 30 days after the end of each calendar quarter and the annual report must be submitted no later than January 30. These reports include project progress data, budget information, and key milestone indicator information, such as the number of new network miles deployed, the number of new public computer centers established, or the number of broadband awareness campaigns conducted. The FPO uses performance reports to assess the project management's overall health, to monitor progress made against reporting milestones, and to identify and mitigate areas of concern or risk to project completion and success. Within 30 days of receipt, the BTOP Program Office will post all submitted performance reports to a public-facing website to meet statutory transparency requirements. For questions regarding the PPR, contact the assigned FPO.

NOTE: The first quarterly report filed by the recipient will be a Narrative Performance Progress Report rather than the more detailed BTOP-PPR form. Additionally, as set forth in the recipient award conditions, the recipient also required to submit a Baseline Report. This Baseline Report permits the recipient to update key information regarding timelines and indicators of project success from the information set forth in the recipient's original application. Both the Narrative PPR and the Baseline Report are to be completed and submitted only once. A PPR will be required for each quarter after the recipient's first quarter reporting period. Additionally, although the Baseline Report will not be made publicly available, the Narrative PPR will be publicly available via the Internet. The Narrative PPR is submitted via PAM. The Baseline Report, for PCC and SBA recipients, is submitted via PAM, and for CCI recipients, via GOL. For questions regarding these reports, contact the assigned FPO listed in the award package.

Report Type	Due Dates	Submission Method
ARRA Report	■ 10 days after quarter end.	■ Form: ARRA Section 1512 Reporting Model. ■ Submit at FederalReporting.gov.
Federal Financial Report (FFR)	■ 30 days after quarter close.	■ Form: SF-425 FFR. ■ SBA and PCC recipients: Submit via PAM. ■ CCI/Infrastructure recipients: Submit via GOL.
Performance Progress Report (PPR) (Quarterly and Annual)	■ 30 days after quarter close (Quarterly Report). ■ January 30th (Annual Report).	■ Form: PPR Quarterly Template or Annual Template. ■ SBA and PCC recipients: Submit via PAM. ■ CCI/Infrastructure: Submit via PAM.
Baseline Performance Report (One-Time Submission)	■ As specified in special award condition.	■ Form: BTOP Baseline Performance Report Template. ■ PCC/SBA recipients submit via PAM. ■ CCI recipients submit via GOL.
Narrative Performance Progress Report (One-Time Submission)	■ 30 days after close of first quarter of reporting period.	■ Form: BTOP Narrative Performance Report Template ■ All recipients submit via PAM.

See Appendix A for a master checklist of BTOP recipient activities, including reporting activities. See the following table for guidance on the recommended Federal contact for each issue in this section:

Recipient Reporting Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other
Complete Recovery Act reporting requirements.		✓	
Complete financial reporting requirements (SF-425 FFR).		✓	
Complete performance reporting requirements (BTOP-PPR).	✓		

5.1 Recovery Act Quarterly Reporting Requirements

ARRA, a $787 billion stimulus package designed to renew sustainable long-term economic growth across the United States, is the source of BTOP funds and places specific reporting requirements on all BTOP award recipients. ARRA requires recipients to submit reports on funds received no later than 10 days after the end of each calendar quarter. FederalReporting.gov is the central government-wide data collection system for Federal agencies and recipients of Federal awards under Section 1512 of ARRA. To fulfill their reporting obligations, all recipients will access FederalReporting.gov. The data submitted to FederalReporting.gov will be reviewed by both recipients and Federal agencies, and then made available for public view on Recovery.gov to ensure the transparency and accountability of BTOP fund utilization.

To submit quarterly ARRA reports, the recipient should:

- **Register on www.FederalReporting.gov within 10 business days after receipt of award package.** Only registered users will be able to submit and review data through FederalReporting.gov. See section 2.3.2 of this handbook for instructions on how to register on FederalReporting.gov.
- **One to 10 days after the end of the quarter – Initial Submission: All recipients compile project data at the end of each reporting quarter, enter data, and submit reports at www.FederalReporting.gov.** The recipient submits ARRA reporting data on a quarterly basis, based on a standard calendar year and beginning with the quarter in which funds were originally obligated. Reports shall be submitted no later than 10 days after the end of each reporting period, unless OMB establishes a different date. This allows time for any data revision, which must be completed within 30 days after the end of the quarterly reporting period. Every recipient must be able to implement a data quality review process and ensure that all reported data is correct. The same schedule and deadlines shall apply to submission of reports beyond the first year. Extensions will not be given. Any data changes after the 30-day deadline will need to be reported in the next quarter's ARRA report.

> **BEST PRACTICE**
>
> **When preparing quarterly Recovery Act reports, use the methodology for job creation calculations in the Recovery Act guidance available in recipient's award packages to report the exact number of jobs. Do not report rounded numbers for job counts.**

- Recipient award packages contain the Section 1512 reporting data model that details the reporting data required from recipients and subrecipients. The Section 1512 reporting model should not be altered, and special attention should be paid to the important reporting requirement of ARRA funds pertaining to job creation. OMB guidance requires each recipient to calculate the number of full-time equivalent (FTE) positions created or retained each quarter by dividing the cumulative ARRA funded hours worked by the cumulative hours in a full-time work schedule for the kind of job being estimated. Job totals should not be rounded to the nearest whole number; instead, recipients should report the exact result of this calculation. Other important facts about job creation include:
  - Job creation or retention is reported quarterly and is not a cumulative figure. Recipients must report the total number of hours worked by employees in the quarter being reported.
  - Report only those jobs paid with ARRA funds. Do not report jobs paid from matching funds or other sources.
  - A job created is a new position created and filled, or an existing unfilled position that is filled, that is funded with ARRA funds. A "job retained" is an existing position now paid for with ARRA funds.
  - A job must be counted as either a "job created" or a "job retained." A single job cannot be counted as both. In completing the report, however, recipients are required to report an estimate of jobs directly created or retained in a single numeric field; recipients no longer report "jobs created" separately from "jobs retained." This has eliminated the need for recipients to make subjective judgments as to whether a given job would have existed were it not for the Recovery Act.

  In addition, when completing the report, each recipient should provide the date the Grants Office signed its award (located near the bottom of its Form CD-450) in the "Award Date" field of the ARRA report.

Enter quarterly ARRA report information on www.FederalReporting.gov. Log into the website and enter or upload the necessary reporting information within 10 days of the end of each fiscal quarter.

- **11 to 21 days after the end of the quarter – Recipient Review: All recipients review and revise data.** The prime recipient is responsible for reviewing and ensuring the accuracy and completeness of subrecipient information.
- **22 to 29 days after the end of the quarter – Agency Review:** Agencies conduct data quality review and notify recipients of any necessary corrections; recipients make corrections on www.FederalReporting.gov.
- **30th day after the end of the quarter – Reports are published for the public on Recovery.gov.** This streamlined reporting and reviewing process allows all reported data to be publicly available on www.Recovery.govwithin 30 days of the end of the fiscal quarter. NOTE: The schedule may change based on OMB direction.

Contact the Grants Officer for assistance, or review www.FederalReporting.gov for additional guidance. The website has up-to-date reporting guidance released by OMB, training webinars, and instructions on the use of the online system to collect the data.

5.2 Financial Quarterly Reporting Requirements

BTOP awards are subject to financial reporting on a quarterly basis. The recipient must submit the SF-425 FFR within 30 days of quarter's end. Reported data will be reviewed by the Grants Officer to monitor the financial performance of the awards, including ensuring the expenditure of BTOP funds is consistent with the recipient's progress and that all costs are allowable. FPOs will use the financial information to analyze and review the current financial trends of each BTOP recipient to allow for more informed decisions on monitoring and technical assistance needs. In addition, draw-down receipts will be compared with the submitted reports to determine reasonableness. This will help prevent excess cash on hand and ensure that draw downs are based on need.

BTOP funds are to be expended in an allowable, reasonable, and timely manner. Each recipient must demonstrate that their internal accounting systems and controls comply with Federal grant management and accounting requirements that govern the receipt and expenditure of Federal award funds.

To submit quarterly financial FFR reports, **PCC/SBA** recipients should:

- Log into PAM and create an FFR report package for the relevant reporting period.
- Download and fill in the FFR template.
- Upload the completed FFR to PAM and submit it. (This must be done within 30 days of quarter's end.)
- If the FPO returns the FFR report package with a request to make amendments, make the changes and submit the revised FFR.

Note: More detailed instructions can be found in Section 3.2 of the PAM User Guide.

To submit quarterly FFR reports, CCI/Infrastructure recipients should:

- Step 1: Log into GOL and create an AAR
- Step 2: Follow instructions in GOL to complete and submit the FFR. (This must be done within 30 days of quarter's end.)
- Step3: After reviewing the FFR, the Grants Officer will return the FFR to the report package created for it in Step 1.

5.3 Quarterly and Annual Performance Progress Reporting Requirements

In addition to the required ARRA and financial reporting, recipients are obligated to submit quarterly and annual performance progress reports to the BTOP Office. The main objective of the performance progress report is to capture key accomplishments, and progress and planning data about each recipient's project, including budgeted and actual amounts. The submitted data will be analyzed by the FPO to monitor the completion and achievement of key milestones of each recipient's project. FPOs will follow up with recipients to correct any data discrepancies and to ensure all reports are submitted on time. Additionally, recipient performance reports will be posted and publicly available on NTIA's BTOP website 30 days after submission.

Recipients are to submit complete and timely performance progress reports. Based on project type, the recipient will respond to (a) a quarterly set of questions at the end of every quarter, and (b) an annual set of questions at the end of each calendar year. The PPR asks a series of questions that broadly address project performance and the monitoring needs by comparing the project's baseline (planned) and actual information. This includes information on:

- **CCI/Infrastructure** – Subscribers passed and served, improved vs. new access for subscribers, pricing plans and broadband speeds available to subscribers, and community anchor institutions served.
- **PCC** – Average number of users per week, training provided, equipment deployed, and new workstations installed and available to the public.
- **SBA** – Awareness campaigns, outreach activities, training provided, and broadband subscription rates.

Quarterly performance progress reports are required to be submitted 30 days after the end of each quarter. Annual performance progress reports are required to be submitted 30 days after the end of each calendar year on January 30th. This information will be utilized by the BTOP Office to properly assess recipient progress towards project goals. Data will be submitted on standard reporting forms with editable fields and submitted electronically to the FPO via PAM.

To submit quarterly performance (PPR) report, **all** recipients should:

- Log into PAM and create a PPR report package for the relevant reporting period.
- Download and fill in the PPR template.*
- Upload the completed PPR template to PAM and submit it. (This must be done within 30 days of quarter's end.)
- If the FPO returns the PPR report package with a request to make amendments, make the changes and submit the revised PPR.

Note: More detailed instructions can be found in Section 2 of the PAM User Guide.

*For the First Narrative Quarterly Performance Report, the template must be downloaded from the PAM Library and then completed and uploaded into PAM. If further data and/or clarification on any reports is needed, the assigned FPO will contact the recipient. Due to the importance of the information provided by the Recipient to the FPO, it is important for the data to be entered by a knowledgeable recipient staff person who is actively involved with the BTOP project(s). It is also important that the data is thoroughly reviewed for accuracy before the reporting form is submitted to NTIA. Incomplete forms containing errors could limit the recipient's access to award funds. Recipients will be called upon to correct promptly any data that is reported incorrectly.

As stated above, the first quarterly report filed by the recipient is the **Narrative PPR** rather than the more detailed BTOP-PPR form. This report will be made publicly available on NTIA's website. Either at the same time or soon after the Narrative PPR is filed, the recipient is also required to submit a one-time **Baseline Report**. This report includes a projection of key outputs and outcomes from the project on a quarter-by-quarter basis and indicates how previously submitted milestones and key indicators may have changed as a result of special award conditions, new information, or other events. This is a one-time report and will not be requested in future quarters. It will be kept confidential except as permitted by applicable law. The Narrative PPR is submitted via PAM. PCC and SBA recipients submit their Baseline Report via PAM and CCI recipients submit their Baseline Report via GOL.

5.4 BTOP Monitoring of Recipient Reporting Requirements

NTIA has established monitoring activities to engage each recipient and track programmatic and fiscal performance. These activities help to maintain compliance with statutory and programmatic requirements, mitigate challenges, and issues incurred by the recipient, and demonstrate the recipient's ability to be responsible and accountable for BTOP award administration and management. The FPO, in collaboration with the Grants Officer, leads monitoring activities, including desk reviews and site visits. While performance and financial reports are important components of monitoring, ad hoc telephone conversations and email exchanges can be equally important in addressing specific questions and providing timely guidance.

Summary - Reporting Process between NTIA and Recipient

The reporting process and sequence of activities for ARRA, Financial and Progress Reporting between the BTOP recipients and NTIA is captured in the chart below.

6 Project Modifications and Award Action Requests

BTOP award action requests (AARs) are one-time or irregular events that require modification to a recipient's project through an amendment to the award, such as changes to contact information, project scope, or budget. This section describes types of acceptable project modifications and instructions for submitting an AAR. See Appendix A for a master checklist of BTOP recipient activities, including project modification and AAR activities. See the following table for guidance on the recommended Federal contact for each issue in this section:

Project Modification Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other
Guidance on award action requests.	✓		
Approval of AARs.	✓		
Technical issues with submitting award action requests on GOL (CCI/Infrastructure recipients only).		✓	

6.1 Types of BTOP Award Action Requests

The list below describes common types of acceptable project modifications. BTOP award action requests must be submitted by recipients to the FPO, using the instructions in section 6.2. The FPO reviews and determines decisions on all requests. Changes should be reported to the BTOP Program Office in accordance with 15 CFR § 14.25 or 15 CFR § 24.30.

Types of BTOP Award Action Requests	
Action Requested	**Description**
Change in project scope	■ Modification to the project's scope from the original or modified application, even if there is no associated budget revision requiring prior written approval.
Change in a key person or institution name	■ Modification to the key person or institutional name specified in the original or modified application. ■ If the new "key person" also meets the definition of a "key individual" under Chapter 21 of the Updated Department of Commerce Interim Grants Manual, then the individual will need to submit Form CD-346 in conjunction with the change. The Grants Office is responsible for collecting and processing Form CD-346 from any such new key individuals named in an award action request.

Types of BTOP Award Action Requests	
Action Requested	**Description**
Change in project program or budget	■ Modification to the project program or budget from the original or modified application. Changes are considered on a case-by-case basis and may be requested at any time prior to the completion of the award closeout process. ■ When requesting approval for budget revisions, the recipient must use the budget Form SF-424A or SF-424C unless the Grants Officer and FPO indicate that a letter of request suffices. ■ Transfer of funds among direct cost categories (line items in SF-424A or SF-424C) must be approved in writing when the cumulative amount of such direct cost transfers exceeds 10 percent of the total project cost (i.e., all Federal and non-Federal funds combined). ■ The transfer authority does not authorize creation of new budget categories within the award without prior approval.
Absence of the approved project director	■ Absence of the approved project director for more than three months, or a 25 percent reduction in his or her time devoted to the project.
Transfer of funds allocated for training to other categories of expenses	■ Transfer of funds allotted for training allowances (direct payment to trainees) to other expense categories.
Inclusion of cost that requires prior approval based on cost principles	■ The inclusion, unless waived by DOC, of costs that require prior approval in accordance with OMB Circular A-21 "Cost Principles for Educational Institutions," OMB Circular A-122 "Cost Principles for Non-Profit Organizations," OMB Circular A-87 "Cost Principles for State, Local and tribal Governments," and/or Federal Acquisition Regulation (FAR) cost principles (48 CFR Part 31) for "Commercial Organizations."
Applicable equipment purchases	■ Purchase of equipment using funds not already accepted in the approved application.
Completion of "actionable" SACs	■ Completion of activities required to fulfill a recipient's SACs, such as completion of an environmental assessment.
Amount of Federal authorized funds is expected to exceed recipient needs	■ The amount of Federal authorized funds is expected to exceed the needs of the recipient for the project period by more than $5,000 or five percent of the Federal award, whichever is greater.
Sub-award or transfer of work	■ Transfer of work or award to a subrecipient that is not described in the approved application.
Other	■ Other types of award action requests not listed above may be requested and reviewed, as needed.

6.2 How to Submit BTOP Award Action Requests

All BTOP award action requests must be submitted to the BTOP Program Office for review and decision. Before submitting an AAR, the recipient should contact the FPO for assistance in determining the type of AAR that is needed.

When the recipient submits an AAR, the FPO reviews the request and makes a recommendation to the Grants Office. The Grants Office then issues a decision. The Grants Office notifies the recipient of its decision via PAM, within 30 calendar days of the request.

To submit an AAR, **PCC/SBA** recipients should do the following:

- **Step 1:** Log into PAM and create an AAR report package.
- **Step 2:** Download and fill in the AAR template.
- **Step 3:** Upload the completed AAR to PAM and submit it.
- **Step 4:** The Grants Officer returns the AAR report package, including its decision, to the PAM report package created for it in Step 1.

Note: More detailed instructions can be found in Section 3.2 of the PAM User Guide.

To submit an AAR, **CCI/Infrastructure** recipients should:

- **Step 1:** Log into GOL and create an AAR report package.
- **Step 2:** Follow instructions in GOL to complete and submit the AAR.
- **Step 3:** The Grants Officer returns the AAR report package, including its decision, to the report package created in Step 1.

6.3 BTOP Requirement for Post-Award Modifications

Consistent with the statutory purposes of BTOP, and pursuant to the controlling Department of Commerce regulations and authorities, NTIA makes certain requirements with which the recipient must comply for any post-award modification. These requirements are detailed in sections 6.3.1 and 6.3.2 of this handbook.

6.3.1 Post-Award Modification Requirements: Applicable to All Requests

- The recipient must request prior written approval from the Grants Office for any modifications. 15 CFR Pt. 14.25 and 15 CFR Pt. 24.30.
- The recipient must verify that the proposed deviations or changes will not increase the approved budget. 15 CFR Pt. 14.25 and 15 CFR Pt. 24.30.
- The recipient must provide a narrative with a full explanation of the proposed deviations or changes. The narrative must include information about how the deviations or changes serve BTOP's statutory purposes.
- The recipient must verify that the deviations or changes will not delay the timely completion of the project.
- The recipient must verify whether the modification being proposed before the EA is completed. If the deviations or changes are proposed prior to completion, no additional steps will be needed because the modification will be presented in the EA as the funded project.
- If the modification occurs after the EA has been completed, an addendum to the EA will be necessary. Environmental regulatory clearances may need to be obtained, depending on the size and scope of the modification. This means contacting the SHPO, the FWS, the USACE, and others as appropriate. This requirement is dependent upon the size

and scope of the proposed modification and the change in distance from the original site. If the recipient is moving the proposed route alignment to a different road, an additional review and new EA will be required. If the recipient is moving the route over several feet to the right or left, no additional review and EA will be required. If the footprint of a building is changing significantly, another review and an addendum to the EA may be necessary. Moving a proposed building to an entirely new location will require a new EA.

6.3.2 Post-Award Modification Requirements: Project-Specific

In addition to complying with the general statutory and programmatic requirements of BTOP, each recipient and FPO may have added obligations depending on the requested modification.

6.3.2.1 Purchasing or Leasing New Fiber

- If the modification involves the purchase or lease of new fiber, the recipient must provide a description of the fiber being purchased and the capacity difference between the original and new fiber.
- The recipient must detail the kind of fiber being purchased and state how it will comply with the Buy American provision of the Recovery Act, if applicable, and implementing regulations.
- The recipient must provide a color-coded map of the project area designating: (1) the approved route; (2) the unserved and underserved areas within the project area; and (3) the areas along the map where the new fiber will be located.
- The FPO must make a determination about whether the route change would adversely impact or invalidate the recipient's unserved and underserved area designations.

6.3.2.2 Route Change

- If the modification involves an amended route, the recipient must provide a color-coded map of the project area designating: (1) the approved route; (2) the unserved and underserved areas within the project area; and (3) the originally approved route contrasted with the proposed changed route.
- The recipient must provide a narrative describing the unserved and underserved areas in the project area. The narrative must demonstrate that the project area(s) continues to meet the definition of unserved or underserved as originally designated.
- The FPO must make a determination about whether the route change would adversely impact or invalidate the recipient's unserved and underserved area designations.

6.3.2.3 Microwave System Location Change

- The recipient must provide a color-coded map of the project area designating: (1) the approved route; (2) the unserved and underserved areas within the project area; and (3) the originally approved microwave system locations with the proposed changed locations.
- The recipient must provide a narrative describing the unserved and underserved areas in the project area. The narrative must demonstrate that the project area(s) continues to meet the definition of unserved or underserved as originally designated.
- The FPO must make a determination about whether the route change would adversely impact or invalidate the recipient's unserved and underserved area designations.

6.3.2.4 Equipment Change

- If the modification involves the substitution of equipment the recipient had previously agreed to use for other equipment, the recipient must provide a description of the substituted equipment to be purchased and the reasons the substituted equipment is of equal or greater quality than the original equipment.
- The recipient must detail the kind of substituted equipment being purchased and state how it will comply with the Buy American provision of ARRA.

7 Project Closeout Activities

The recipient is required to submit project closeout documentation to the FPO and Grants Officer. The recipient should provide closeout documentation following project completion or expiration of the grant award period, whichever comes first. This section summarizes the documentation that should be submitted to closeout the project and award. See Appendix A for a master checklist of BTOP recipient activities, including project closeout activities. See the following table for guidance on the recommended Federal contact for each issue in this section:

Project Closeout Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other
Guidance on submitting closeout documentation.	✓		

7.1 Required Closeout Actions

When a recipient's award nears its expiration date, the recipient will receive an expiration notice from the Grants Officer. The recipient should prepare and submit the final financial reports, performance reports, and other required documentation. Once the Grants Officer receives all closeout documentation, the recipient will receive notification that the project has been closed out successfully. The following closeout documents are required for all projects:

- Final Federal Financial Report (FFR SF-425).
  - The final FFR should not have unliquidated obligations and must indicate the exact balance of unobligated funds.
  - All BTOP funds not expended by the end of the award period must be remitted by the recipient to National Telecommunications and Information Agency (NTIA). The funds will then be de-obligated and returned to the U.S. Department of the Treasury.
- Final Federal Cash Transaction Reports (SF-272).
- Final Program Progress Report (PPR) summarizing the project accomplishments, partnerships, community impact, lessons learned, project expansion, spin-off activities, and future plans.
  - This report should be based on the data submitted during the life of the award and should be sent to the recipient's assigned FPO.
- List of project expenditures, listed by approved line item budget categories.
- Copies of studies, publications, reports, and/or work products generated by the project.
- The project evaluation report, all preliminary reports, data collection instruments, and other relevant evaluation materials that were by-products of the project.
- The recipient and any subrecipients must retain records related to the grant for at least three years after the project's completion. During this period, the Secretary of Commerce, the Inspector General of Commerce, and the Comptroller General have the authority to access documents and records related to BTOP.

7.2 Other Closeout Actions that May Be Required

If applicable, the following may also be required to complete the closeout process:

- Final requests for reimbursement from the ASAP System.
- Statement listing inventions, patents, and royalties for recipients who have invented and/or patented intellectual property under the award and/or written for publication or profit.
- Verification that all mitigated environmental SACs have been me as set forth in the Mitigated FONSI letter.
- A grant audit.

8 Grant Administration Standards: Complying With Award Terms

This section, *Grant Administration Standards: Complying with Award Terms*, consists of five subsections. Each subsection details a different source of requirements and regulations that recipients should understand and abide. The five sources of requirements and regulations are the following:

- ARRA.
- UARs.
- Financial Requirements and Cost Principles.
- SACs.
- Audit Requirements.

The fifth subsection also discusses the audit process. The recipient's compliance with any of the requirements and regulations listed or referenced in this section may be examined in an audit.

See the following table for the guidance on the recommended Federal contact for each issue in this section:

Compliance Activity	Federal Representative Contact		
	FPO	Grants Officer/Specialist	Other
ARRA requirements.		✓	
Administrative requirements.	✓	✓	
Financial requirements.		✓	
BTOP SAC requirements.	✓	✓	
Audit requirements.	✓	✓	

8.1 ARRA Requirements

BTOP is authorized by Section 6001 of ARRA and, as such, grant awards under the program are subject to the general terms and conditions of ARRA. Several key ARRA award terms require all recipients to comply with reporting on the purchase of American goods, Davis-Bacon Act, ARRA signage, audit requirements, and state certification that infrastructure work is being completed appropriately. The following table presents details on the general ARRA award terms and conditions (T&Cs).

Note: Several of ARRA's general requirements are duplicated in SACs that are attached to many BTOP award packages. As such, the same requirement is sometimes listed in different subsections of this section of the handbook (e.g., Davis-Bacon Act requirements).

General ARRA Award Terms and Conditions

The following apply to all recipients:

Reporting and Registration Requirements.

- The recipient must register at, and submit quarterly reports to, www.FederalReporting.gov.
- PPRs must be submitted no later than 30 days after each calendar quarter during active fund award period.
- SF-425 FFRs must be submitted no later than 10 days after each calendar quarter during active fund award period.
- The recipient must register and maintain current registration with CCR at all times during the active award period. CCR registration is completed at https://www.bpn.gov/ccr/default.aspx.
- OMB guidance documents are located at:
  - www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf .
  - www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf.
  - www.whitehouse.gov/omb/assets/memoranda_2010/m10-14.pdf.
- Training through webinars can be found at: https://www.FederalReporting.gov/FederalReporting/downloads.do#webinars.

Use of American Iron, Steel, and Manufactured Goods (Buy American Act) as applicable to units of government recipients and sub-recipients.

- A limited waiver of Buy American requirements was issued for certain broadband equipment in BTOP projects:
  - Broadband Switching Equipment.
  - Broadband Routing Equipment.
  - Broadband Transport Equipment.
  - Broadband Access Equipment.
  - Broadband Customer Premises.
  - Equipment and End-User Devices.
  - Billing/Operations Systems.
- For equipment not covered by this waiver, recipients may seek waivers on a case-by-case basis. Waivers requesting exemption from this provision should be submitted to the FPO and the Grants Officer via PAM. Approval of any such waiver request, if granted, must be in writing.
- For more information, see this website: www2.ntia.doc.gov/files/BroadbandBuyAmericaNotice7-1-09.pdf.

General ARRA Award Terms and Conditions
The following apply to all recipients:

Single Audit Requirements.
■ Award T&Cs require recipients to maintain records that adequately identify the source and application of ARRA/BTOP funds.
  ● All expenditures related to the BTOP project should be identified on the Schedule of Expenditures of Federal Awards (SEFA) and on the Data Collection Form (SF-SAC).
  ● All subrecipients must be separately identified at the time of the sub-award, and at the time of disbursement of funds, the Federal award number, Catalog of Federal Domestic Assistance (CFDA) number, and the amount of BTOP funds expended must also be identified.
■ For-profit organizations must comply with the program specific audit requirements set forth in OMB Circular A-133, Subpart B, § 235 (see section 8.5 for more details).

SEC. 1511 Certification.
■ All infrastructure projects with the recipient as a state or local government must receive a certification from the state governor, city mayor, or other chief executive confirming that the project has been reviewed and vetted as required by law and that the project uses taxpayer dollars appropriately.
■ The certification must include:
  ● Description of the project.
  ● Estimated total cost.
  ● A breakout of the matching and BTOP funds.
■ The certification must be posted on Recovery.gov before any BTOP funds are made available.

Quick Start Activities. ■ Recipients should give preference to activities that can be started and completed expeditiously, with a goal of using at least 50 percent of funding for activities that start no later than 120 days after the award date.
SEC.1515 Access of Offices of Inspector General to Certain Records and Employees. ■ Under the terms and conditions of the award, any representative of the DOC Office of the Inspector General (OIG) has the right to examine any BTOP project records pertaining to subcontractors, subrecipients, or any state or local agency administering the award. The representative also holds the right to interview any officer or employee of the recipient's organization, subrecipients, or agency regarding the project.
First Tier Subrecipient Planning Activities. ■ All first tier subrecipients are required to obtain a DUNS number no later than the first time ARRA data requirements are due.

General ARRA Award Terms and Conditions
The following apply to all recipients:
Davis-Bacon Act. ■ All laborers and mechanics employed by recipients, the recipient's contractors, or subcontractors on this project shall be paid wages at rates no less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of Title 40, United States Code. ■ With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Number 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and Section 3145 of Title 40 (40 U.S.C. § 3145).
Whistleblower Act. ■ Recipients shall comply with the Whistleblower Protection requirements of ARRA, Section 553 of Division A, Title XV, Public Law 111-5, which provides protection for non-Federal employees making specified disclosures relating to possible fraud, waste, or abuse of Recovery Act funds. Recipients shall display a poster at their job sites. The poster can be downloaded from the following website: www.oig.doc.gov/recovery/whistleblower.html. ■ The OIG will verify the appropriate placement of this poster as part of any field work conducted. Failure to display the poster may result in an audit finding.

General ARRA Award Terms and Conditions
The following apply to all recipients:

Signage Requirements.

- BTOP recipients from all funding rounds are required to use the Recovery Act logo in display signage at construction sites. The July 2009 and January 2010 BTOP NOFAs state the following requirements:
  - All projects funded by the Recovery Act shall display signage that features the Primary Emblem throughout the construction phase. The signage should be displayed in a prominent location on site. Some exclusions may apply.
  - The Primary Emblem should not be displayed at a size less than six inches in diameter.
- The signage requirement applies when the major purpose of the award is construction. Alteration of facilities incidental to a non-construction purpose is not considered construction in this case. For example, minor renovations of a space to house a PCC would not be considered construction for purposes of this signage requirement.
- Recipients may satisfy the signage requirements above by using the Primary or BroadbandUSA Emblems shown here and following all guidelines for size, clear space, and color. Complete guidelines are provided in the Signage Guidance fact sheet posted at www2.ntia.doc.gov/ManagementResources#signage.

Primary Emblem

BroadbandUSA Emblem

8.2 Uniform Administrative Requirements

UARs outline basic recipient requirements to receive, administer, and comply with Federal awards. Specifically, UARs include definitions and descriptions of financial and program management, including cost share and program income; property and procurement standards; and reporting and record keeping requirements. Subrecipients are also required to comply with these regulations. The award T&Cs require recipients to follow Federal administrative regulations based on the recipient organization type, as shown in the following table:

Uniform Administrative Requirements	
Recipients Type:	**Regulation or requirement that applies:**
College or University	15 CFR Part 14
State, local, or tribal government	15 CFR Part 24
Non-profit organization	15 CFR Part 14
Commercial organization	15 CFR Part 14
All recipients (except states)	OMB Circular A-110
State recipients	OMB Circular A-102

8.2.1 Recipient Code of Conduct

Recipients and subrecipients must have a written code of conduct governing the performance of employees engaged in contract awards and administration.

8.2.2 Procurement Standards

All recipients must maintain written standards of conduct governing their procurement procedures. In addition, all procurement procedures must contain some form of cost or price analysis determining reasonableness, allocability, and allowability. Recipients must also maintain a contract administration system to ensure standards of conduct adherence. Guidance on writing standards of conduct, records, and contract administration can be found in 15 CFR Parts 14 or 24, as appropriate. The following table provides a list of procurement standards.

BEST PRACTICE

Comply with Federal procurement requirements and review 15 CFR Part 14 and 24. Ensure that procurement transactions are conducted in open and free competition. Avoid non-competitive practices (e.g., exclusion of contractors that developed the specifications for a project from bidding).

Procurement Standards
The following apply to all awards:
Recipients must have written procedures for procurement.
Competition is required unless justified.
Recipients must document: ■ Basis for contractor selection. ■ Sole source justification if not competed. ■ Cost and price analysis. ■ Subrecipient monitoring plan.
Subrecipient must also document: ■ Basis for contractor selection. ■ Justification if not competed. ■ Cost and price analysis.
Contractor requirements under prime recipient or subrecipient: ■ Perform under standard T&Cs (ARRA and DOC). ■ Perform with integrity. ■ Record of past performance. ■ Equipped with necessary financial resources. ■ Not debarred or on excluded party list.

Prime recipients must select subrecipients and contractors in a manner that provides open and free competition, to the maximum extent practicable. The recipient must be alert to organizational conflicts of interest, as well as other practices among subrecipients that may restrict or eliminate competition. To ensure objective subrecipient performance and eliminate unfair competitive advantage, subrecipients that develop or draft work requirements, statements of work, or requests for proposals shall be excluded from competing for such sub-awards. Recipients are also required to follow written procurement procedures and written conflict of interest procedures when selecting subrecipients.

8.2.3 Record Retention

Records must be kept for three years after final closeout, or until after an audit, litigation, or a claim is resolved, whichever occurs later. The OIG has unrestricted access to these records and may interview the recipient's personnel for as long as records are retained.

8.3 Financial Requirements for BTOP Awards

To ensure grant funds are properly used, all recipients should become familiar with Federal regulations specifying the financial requirements and cost principles applied to all Federal grants:

- Cost Principles governing the allowability of costs under Federal grant awards (OMB Circulars A-21, A-87, or A-122, or FAR).
- Part 31, Subpart 31.2, codified at 48 CFR Subpart 31.2, depending on the identity of the recipient).
- Audit requirements, such as those contained in OMB Circular A-133.

All Federal grants are subject to certain restrictions defined by law. As part of these restrictions, all recipients have agreed to and must commit to the following:

- Comply with the T&Cs of the BTOP Grant Program. The SF-424, which the recipient submitted with the BTOP application, requires the recipient to comply with the terms of the grant.
- Comply with the DOC T&Cs, ARRA, and BTOP SACs.
- Certify that financial management systems are in place. In the SF-424B or SF-424D submitted with the BTOP application, the recipient certified that it has the legal, financial, and managerial capacity to manage grant funds. Financial systems must be in place to comply with this Federal requirement and to manage this Federal grant.
- Use Federal grant funds for the purposes that were proposed. In the SF-424, the recipient certified that it will use grant funding and match funding for the proposed and approved purposes. The recipient also certified that it will complete its activities in a timely manner.
- Avoid commingling Federal funding sources. BTOP funds and matching funds must not be commingled with funds from any other Federal grant program. BTOP grant funds may not be included as a cost or used to meet matching requirements of any other Federal award in the current or prior period. The accounting systems of all recipients and subrecipients must ensure that agency funds are not commingled with funds from other awards or Federal agencies. Each award must be accounted for separately.
- Certify that the recipient will grant access to the awarding agency and the Comptroller General of the United States to all documents related to the grant. The recipient should establish a system to keep all records, books, papers, and documents related to the grant. This provision provides the awarding agency and the Comptroller General access to grant records and files for financial and program compliance monitoring and audit purposes.
- Certify that the recipient will not use Federal grant funds to supplant or replace other funds. BTOP grant funds cannot be used to supplant or replace any other funds that have been budgeted or funded for the same purpose. Potential supplanting will be monitored throughout the grant period of performance. The recipient may be required to supply documentation certifying that a reduction in non-Federal, non-matching resources occurred for reasons other than the receipt or expected receipt of Federal funds.
- Agree to comply with Federal procurement requirements. The recipient should follow the same policies and procedures it uses for procurement from its non-Federal funds and should include any clauses required by the Federal government. The following are key procurement tenets when using Federal funds (see also section 8.2.2 of this handbook):
  - All procurement transactions should be conducted to ensure open and free competition.
  - The recipient and subrecipient should avoid non-competitive practices (e.g., contractors that developed the specifications for a project should be excluded from bidding).
- Place funds in an interest bearing account. Funds must be placed in an interest bearing account and are subject to rules outlined in DOC regulations (15 CFR Part 14 or Part 24) as applicable. These guidelines state that all recipients and subrecipients are required to promptly, and at least quarterly, remit interest earned on advances. The guidelines also stipulate that recipients or subrecipients may keep interest amounts up to $100 or $250 per year, depending on the

UARs that apply to the recipient, for administrative expenses for all Federal grants combined. Interest earned on advances should be remitted to the DOC.

- Agree that funds are subject to the Cash Management Improvement Act (CMIA). The BTOP recipient may elect to draw down funds up to 30 days prior to expenditure or disbursement; however, the recipient should draw down funds as close to expenditure as possible to comply with the CMIA. CMIA requires that programs remain interest-neutral (i.e., no interest will be gained or lost by the Federal government as a result of a Federal grant program).

The DOC Standard T&Cs contained in the grant award package describe general financial, programmatic and other departmental award requirements with which the recipient must comply.

Among the items covered in the standard terms and conditions document are the following:	
Financial Requirements	■ A description of the financial reports that the organization will be required to submit to NIST or NOAA. ■ An explanation of how the organization should request a payment from the BTOP award. ■ A clarification of the Federal and non-Federal cost sharing rule. ■ A discussion of general guidelines governing budget changes and transfers of funds among budget categories on the award. ■ A warning about incurring costs and/or obligating Federal funds beyond the project expiration date. ■ A note about grant-related tax refunds.
Programmatic Requirements	■ A description of the reports and closeout documentation that the organization will be required to submit to BTOP. ■ A discussion of general guidelines regarding programmatic changes related to the award. ■ A note regarding actions that might be taken in the event of unsatisfactory performance on the grant award. ■ A statement regarding the recipient's obligation to notify BTOP in the event that its organization receives other Federal awards related to the scope of work of their BTOP project.
Other Requirements	■ An explanation of the applicability of provisions of the award to subrecipients, contractors, and subcontractors. ■ A description of organization-wide and project-related audit requirements. ■ A note regarding payment of debts owed to the Federal government. ■ An explanation of various regulations regarding non-discrimination, government-wide debarment and suspension, lobbying restrictions, name checks and other requirements related to the award.
SACs	■ Specific information related to the particular award, which reiterates some of the requirements contained in the standard terms and conditions, and describes a number of requirements that must be met before the majority of Federal funds from the grant award can be released to the organization.

8.3.1 Allowable Costs

The T&Cs of the award require the recipient to follow Federal cost principles to determine project costs. Additionally, the first and second NOFAs, including the 700 MHz Reopening NOFA, enumerate the eligible and ineligible costs associated with each BTOP project category. Recipients should become familiar with the specific cost restrictions imposed on projects through the NOFAs to ensure that expenditures are not allocated to cost items deemed ineligible under BTOP. There are differences in the eligibility of cost components between the first and second rounds of BTOP funding, so the recipient should be sure to consult only the NOFA that is applicable to its particular grant award for the appropriate eligible cost determinations.

All allowable costs must meet all of the following requirements:

Allowable Costs	
Costs must be:	**Definition**
Necessary	A cost is necessary if it is a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
Reasonable	A cost is reasonable if, in its nature or amount, it does not exceed what would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs.
Allocable	A cost should be incurred solely to support or advance the work of the project. It should also be assigned to one or more project objectives in reasonable and realistic proportion to the benefit that the cost provides to the project.
Consistent	A cost should be treated consistently with policies and procedures applying uniformly to both the award and other organizational activities.
Costs must also:	
■ Be authorized or not prohibited under applicable laws and regulations. ■ Conform to any limitations set forth in regulations or award documents. ■ Be determined in accordance with Generally Accepted Accounting Principles (GAAP). ■ Not be included as cost share/match of any other Federally-financed program, as outlined in the NOFA. ■ Be adequately documented in accounting records.	

Cost Principles	
Recipient Type	**Regulation that applies**
College or University	OMB Circular A-21 (2 CFR Part 220).

Cost Principles	
Recipient Type	**Regulation that applies**
State, local, or tribal government	OMB Circular A-87 (2 CFR Part 225).
Non-profit organization	OMB Circular A-122 (2 CFR Part 230).
Commercial organization	FAR cost principles (48 CFR Part 31).

8.3.1.1 Direct Costs

Direct costs are those that can be identified specifically with a particular final cost objective (i.e., a particular award, project, service, or other direct activity of an organization). However, a cost may not be assigned to an award as a direct cost if any other cost incurred for the same purpose, in like circumstances, has been allocated to an award as an indirect cost.

8.3.1.2 Indirect Costs

Indirect costs associated with all BTOP project categories are generally allowable if included in the approved budget (as a line item) or subsequently approved by the DOC Office of Acquisition Management (OAM). The first and second NOFAs prohibit grant monies from being used to fund operating expenses of a CCI/Infrastructure project, so indirect costs incurred in implementing these projects must generally be associated with the construction, deployment, or installation of facilities and equipment used to provide broadband service to be considered eligible for recovery under BTOP.

Indirect costs are the costs incurred by an organization that are not readily identifiable with a particular project or program, but are nevertheless necessary to the operation of the organization and the performance of its programs. The costs of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect costs. More specifically, indirect costs are usually expressed as a percentage (for example 10 percent) applied to a base (for example, some subset of total direct costs). For the broadband infrastructure projects, indirect costs are only allowable if included as a line item in the project budget and an indirect cost rate is established with DOC via a Negotiated Indirect Cost Rate Agreement (NICRA).

Indirect Cost Examples

Common examples of indirect costs include:

- Salaries/expenses of executive officers.
- Personnel administration.
- Accounting.
- Fringe benefits.
- Office rent (the cost of renting facilities).
- Maintenance (the cost of maintaining facilities).
- Library expenses.
- Office supplies (e.g., office equipment, computers printers, and copiers).

If a NICRA was not submitted and approved as a part of the application process, recipients must submit a cost allocation plan and an indirect cost rate proposal within 90 days of the award start date to the OAM, or within 30 days for any recipient proposing to forego recovery of any portion of its indirect costs to satisfy any portion of its cost sharing or matching requirement. This plan should be based on actual costs for the most recently completed and audited fiscal year (for example, Fiscal Year 2009 audited financial statements could produce a Fiscal Year 2010 rate proposal). The cost allocation plan and the indirect cost rate proposal should be submitted to:

BEST PRACTICE

Attend recipient webinars and maintain frequent contact with the assigned FPO. Recipient webinars provide guidance on how to comply important BTOP requirements. The FPO is available to provide assistance and guidance throughout the life of the award.

Office of Acquisition Management
U.S. Department Of Commerce
14th Street and Constitution Avenue, N.W.
Room 6412
Washington, DC 20230

Any questions, comments and program feedback should be forwarded to:

Commerce Grants Management Division
Phone: 202-482-1679
Email: GJohnso3@doc.gov

- The DOC OAM will review the indirect cost proposals submitted by the recipient and then negotiate and approve the NICRA, which will allow the recipients to include indirect costs as allowable project expenses. If additional information or an audit is deemed necessary, DOC or an auditor working for the DOC will notify the organization of the specific requirements necessary to complete the indirect cost rates proposal.
- Recipients can use the fixed rate proposed in the indirect cost plan until such time as DOC provides a response to the submitted plan. Actual indirect cost rates must be calculated and submitted annually. For guidance on how to develop an indirect cost plan, recipients should refer to the following websites:
  - http://www.dol.gov/oasam/programs/boc/costdeterminationguide/main.htm.
  - http://oamweb.osec.doc.gov/docs/Indirect%20Cost%20Rate%20Proposal%20Instructions%20-%20Sept%2009.pdf.

8.3.2 Award Payments

A recipient may use the advance payment method of disbursing grant funds, as defined in the guidelines for disbursement of award funds and as stated in the award documents. Advance method is authorized unless otherwise specified in a SAC.

- Advances are limited to the minimum amount necessary to meet immediate disbursement needs, but in no case should advances exceed the amount of cash required for a 30-day period. Advances should be reconciled against project costs monthly.
- SACs may limit the recipient's ability to draw down funds.
- Interest in excess of the applicable threshold ($100 or $250 per year, depending on the UARs that apply to the recipient) must be remitted to the Federal government.

Note: See Chapter 3 for details regarding drawing down funds.

8.3.3 Federal and Non-Federal Cost Sharing

All contributions, including cash and third party in-kind, shall be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the following criteria:

- Verifiable from the recipient's records.
- Not included as contributions for any other Federally-assisted project or program.
- Necessary and reasonable to properly and efficiently accomplish project/program objectives.
- Allowable under the applicable cost principles.
- Not paid by the Federal government under another award, except where authorized by Federal statute to be used for cost sharing or matching.
- Provided for in the approved project budget.

If actual allowable costs are less than the total approved budget, the Federal and non-Federal cost shares will be calculated by applying the approved Federal and non-Federal cost share ratios to actual allowable costs. The non-Federal share, whether in cash or in-kind, is expected to be committed at the same general rate as the Federal share. Exceptions to this may be stated in an SAC or granted by the Grants Officer based on sufficient documentation demonstrating previously determined plans for, or later commitment of, cash or in-kind contributions.

8.3.4 Incurring Costs or Obligating and Expending Federal Funds Beyond Award Expiration

Costs associated with the project may not be incurred beyond the expiration date stipulated in the award, except in the following two cases:

- For a period up to 90 days following the award expiration date, costs that are strictly associated with closeout activities may be incurred. Closeout activities are normally limited to compiling final performance and financial reports, unless otherwise approved in writing by the Grants Officer.
- The Grants Officer authorizes an award period extension, which must be received in writing.

If the recipient incurs cost savings, it may be able to redirect funds to an extension of the existing project activities. Refer to section 6.2 of this handbook for more information about submitting an AAR to request such approval.

8.3.5 Program Income

The use of program income is outlined in the NOFA particular to the award granted. All recipients should check the specific NOFA requirements published in the Federal Register pertaining to program income (NOFA, 74 F.R. 33014 [July 9, 2009 - Round 1] or 75 F.R. 3792 [Jan. 22, 2010 - Round 2]).

Program income means gross income earned by a grant recipient directly generated by a supported activity or earned as a result of the award during the award period. If the recipient organization is assessing fees to outside organizations or individuals for services, such as training, internet access, or webpage hosting, and the costs of providing those services are included in the project budget (in either the Federal or non-Federal share), the project is earning program income. Further, if costs were incurred to generate the program income, those costs may be

BEST PRACTICE

Display required signage and Recovery Act logos at project sites, including vendors and subrecipients. All BTOP recipients are required to display the Recovery Act logo on signage at construction sites. See award terms and conditions and the Signage Requirements fact sheet in the Appendix of this handbook for details.

deducted from the program income provided that they have not been previously charged to the award.

If the project is earning program income, then the recipient organization must consistently use the funds for the specific award purposes. Typically, this would involve using the funds to expand the scope of the project, or for other uses identified at the time of award negotiation. Round 1 recipients must retain program income and add it to the funds committed to the project to further eligible project objectives, including for example: (1) expansion of project facilities or programs; (2) funding BTOP compliance costs; and (3) paying operating expenses of a PCC or an SBA project. Similarly, Round 2 recipients may use program income as described above (i.e., added to the funds committed to the project to further eligible project objectives), or they may use it to meet the cost share/matching requirement (75 F.R. 3792 [Jan. 22, 2010]). The funds must be obligated during the award period. The use of program income is subject to audit. *See* 15 CFR §§ 14.24(b) (2) and 24.25(g).

All of the responsibilities relating to program income also apply to all subrecipients of an award. For example, if the grant has paid for equipment that the recipient transfers to a third party and the third party uses the equipment to provide a service that generates income, then the recipient must report the income. Program income must be properly identified and reported quarterly to the recipient's assigned FPO and Grants Officer using Form SF-425, under the Program Income line item.

8.3.6 Tax Refunds

All tax refunds resulting from the BTOP project must be returned or credited to the DOC. A recipient must notify its assigned Grants Officer and FPO when it receives a tax refund.

- Refunds of Federal Insurance Contributions Act (FICA) and Federal Unemployment Tax Act (FUTA) taxes received by the recipient during or after the award period must be refunded or credited to DOC when the benefits were financed with BTOP award funds.
- The recipient agrees to contact its assigned FPO immediately upon receipt of the funds.
- Federal tax expenses are not an allowable project cost.

8.3.7 Subrecipients and Vendors under Award

A subrecipient is an organization involved in the activities of the award. The subrecipient must be eligible to receive BTOP funds. Additionally, the subrecipient shares responsibility with the recipient for adherence to applicable compliance responsibilities, including completion of the project. With funding flowing through the recipient, a subrecipient performs substantive work on an award project to accomplish the goals of the award. Award terms and conditions applicable to the recipient of the award flow down to the subrecipient. Each subrecipient must follow the UARs and Federal cost principles applicable to its own type of entity, which may be different from that of the recipient.

A vendor (contractor) is an organization that is contracted by the recipient or subrecipient to provide goods and services. Characteristics of a vendor relationship include providing similar goods and services to many different purchasers and operating in a competitive environment. The vendor is not subject to all of the BTOP compliance requirements applicable to recipients and subrecipients, but must comply with contract terms and conditions imposed by ARRA or required under the UARs or other provisions of Federal law.

- A project partner's responsibilities depend upon whether it is a subrecipient performing substantive work to accomplish a public purpose authorized by law, or a vendor simply providing goods or services to directly benefit the recipient. A subrecipient must comply with programmatic requirements, administrative requirements in 15 CFR Part 14 or Part 24 (as applicable), cost principles, audit requirements, DOC Standard T&Cs, and ARRA Award Terms. In implementing sub-awards involving public-private partnerships, recipients should be aware that uniform administrative requirements and cost principles applicable to subrecipients are based on the subrecipient's type of organization (e.g., non-profit, university or commercial organization). The same UARs and cost principles may not apply to the prime recipient.
- Additional details regarding the relationships between recipients, subrecipients, vendors, and project partners are presented in the fact sheets in Appendix F.

- All sub-awards to subrecipients must be made in a manner to provide, to the maximum extent practicable, open and free competition. All recipients must be alert to organizational conflicts of interest as well as other practices among subrecipients that may restrict or eliminate competition.
- When selecting a vendor, the recipient must follow the procurement standards outlined in the Uniform Administrative Requirements for Grants and Agreements (15 CFR 24.36 for a state, local, or tribal government entity or 15 CFR 14.40-48 for any other entity). All procurement transactions must be conducted in a manner to provide, to the maximum extent practicable, open and free competition. The recipient must be alert to organizational conflicts of interest, as well as other practices among contractors that may restrict or eliminate competition or otherwise restrain trade. This is to ensure objective contractor performance and eliminate unfair competitive advantage.
- The recipient must identify and justify pre-selected contractors. The recipient should identify the vendor under "Contract Costs" in the budget, and should provide an explanation of the relationship with the contractor (i.e. services/goods provided) and document how it selected the contractor. In addition, the recipient must submit a copy of the pre-existing contract between applicant and contractor.
- The recipient should handle post-award procurements when selecting vendors by following the regulations outlined in 15 CFR § 14.40-48. All procurement by state and other government recipients must follow the regulations outlined in 15 CFR § 24.36.
- For additional information and guidance on subrecipients and vendors, please refer to the following resources:
  - 15 CFR § 14.40-48.
  - 15 CFR § 24.36.
  - ARRA Award Terms: http://oam.eas.commerce.gov/docs/ARRA%20DOC%20Award%20Terms%20Final%205-20-09PDF.doc.pdf.
  - DOC Standard Terms and Conditions: http://oam.eas.commerce.gov/docs/ARRA%20DOC%20Award%20Terms%20Final%205-20-09PDF.doc.pdf.
  - Round 2 NOFA: www.ntia.doc.gov/frnotices/2010/FR_BTOPNOFA_100115.pdf.
  - OMB Circular A-21 at §A.3: www.whitehouse.gov/sites/default/files/omb/circulars/a021/a21_2004.pdf.
  - OMB Circular A-87 at §A.3.b: www.whitehouse.gov/omb/circulars/a087/a87_2004.pdf.
  - OMB Circular A-122 at §3.b: www.whitehouse.gov/omb/circulars_a122_2004/.
  - OMB Circular A-133 sec.__.210: www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf.
  - "Sub-awards or Contracts – More than Just a Name." Jenna Granger, Federal Assistance Law Division, January 2000.

BTOP award recipients (also called prime recipients) may work with subrecipients, vendors, and contractors for assistance throughout the course of a project. It is important to understand the definitions of these commonly used terms to ensure ARRA and BTOP reports are accurate. More information on the terms is captured in the following table:

Topic	Prime Recipient	Subrecipient	Vendor
Function	■ Alternate commonly used terms: Award recipient, Recipient. ■ The organization selected to receive the BTOP award.	■ Alternate commonly used terms: Subawardee, Subgrantee, Partner. ■ Involved in the substantive activities of the project. ■ Uses their activities to *directly* execute the mission. ■ Performs substantive work on an award project. ■ Subject to the same terms and conditions of the grant award as the prime recipient.	■ Alternate commonly used terms: Contractor, Partner ■ Provides products or services that *indirectly* support the mission. ■ Does not perform substantive work on the project, but rather, provides goods or services to directly benefit the recipient.
Purpose	■ Seeks to accomplish a public benefit by meeting BTOP grant program purposes.	■ Seeks to accomplish a public benefit by meeting BTOP grant program purposes.	■ Does not seek to accomplish a public benefit.
ARRA Reporting	■ Determines whether or not it, the prime recipient, will be responsible for ARRA reporting or delegate the responsibility to subrecipient(s).	■ Prime recipient may delegate ARRA reporting to the subrecipient.	■ Vendor does not have ARRA reporting requirements and Prime recipient cannot delegate ARRA reporting to the vendor.
CCR	■ Must register on CCR before completing registration on FederalReporting.gov.	■ Does not need to register on CCR, regardless of whether the subrecipient is reporting directly or the prime recipient is reporting on the subrecipient's behalf.	■ Does not need to register on CCR.
DUNS	■ Each entity (except individuals) receiving ARRA funds directly or indirectly should have a DUNS number.	■ Each entity (except individuals) receiving ARRA funds directly or indirectly should have a DUNS number.	■ Each entity (except individuals) receiving ARRA funds directly or indirectly should have a DUNS number.

8.4 Special Award Conditions

An SAC is a specific requirement appended to an award package that may amend or take precedence over DOC standard T&Cs. A BTOP award package could contain two types of SACs, program-wide SACs that apply to every BTOP recipient and project-specific SACs that apply only to one particular award.

Many of the program-wide SACs mirror the general ARRA T&Cs listed in section 8.1 of this handbook. The recipient should examine the program-wide and project-specific SACs that apply to its own award. A project's SACs are listed in the award package.

For further guidance on SACs, the recipient should contact the FPO assigned to its BTOP project.

8.5 Audit Requirements

All BTOP awards are subject to the requirements of the Federal Single Audit Act of 1984, as amended in 1996. Under the Single Audit Act, Congress established uniform audit requirements and organization-wide audit procedures for State, local, and tribal governments, universities, and non-profit organizations that receive Federal funding. This audit is performed pursuant to OMB Circular A-133 and Compliance Supplement (www.whitehouse.gov/omb/rewrite/circulars/a133/a133.html. http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf). For-profit recipients agree to comply with OMB Circular A-133, Subpart B, §__.235 program specific audit requirements through the terms and conditions of the award. The recipient must adhere to audit requirements defined by the designated recipient organization:

Audit Requirements	
Recipient Type:	**Regulations, terms and conditions that apply:**
College or University.	OMB Circular A-133; Compliance Supplement; 15 CFR 14.26(a-b), 15 CFR 14.27.
State, local, or tribal government.	OMB Circular A-133; Compliance Supplement; 15 CFR 14.26(a-b), 15 CFR 14.27.
Other non-profit organization.	OMB Circular A-133; Compliance Supplement, 15 CFR 14.26(a-b), 15 CFR 14.27.
Commercial/For-profit organization.	OMB Circular A-133, Subpart B, § 235 per award special terms and conditions; BTOP Program-Specific Audit Guidelines; 15 CFR 14.26 (d), 15 CFR 14.27

Relevant OMB circulars and regulations are incorporated into BTOP award agreements. Therefore, upon accepting a BTOP award, the recipient agrees that these requirements become enforceable between the agency and the recipient on a contractual basis. If the recipient does not adhere to BTOP's audit requirements, or an audit produces adverse findings, project costs claimed by and expended to recipient may be disallowed and require repayment of funds.

8.5.1 State, Local, and Tribal Governments, Universities, and Non-Profit Recipients

State, local, and tribal governments, universities, and non-profit recipients are subject to the Single Audit Act of 1996 and, therefore, must adhere to audit requirement under OMB Circular A-133. If the entity expends $500,000 or more of Federal funds during its fiscal year, it must have a single audit conducted for that year. If the entity expends less than $500,000 of Federal

funds during its fiscal year, it is generally exempt from Federal audit requirements for that year, except in certain cases as directed in OMB Circular No. A-133.

If a single audit is required, the recipient should submit a copy of the audit report to the Federal Audit Clearinghouse at the following website: http://harvester.census.gov/sac.

The deadline for submitting an audit report is within 30 days after receipt of the auditor's report, or nine months after the end of the recipient's fiscal year audit period, whichever is earlier. The same deadline applies to the single audit that is required when the project's period of performance ends.

8.5.2 Commercial Entities

For-profit recipients that receive more than $100,000 in BTOP award funds shall have a program specific audit performed at least once every two years, using the following schedule for audit report submission:

- **For awards less than 24 months.** An audit is required within 90 days of the project expiration and closeout period. The audit shall include any costs incurred during the closeout period.
- **For two- or three-year awards.** An audit is required:
  - Within 90 days after the end of award year 1.
  - Within 90 days following the project expiration date and closeout period. This audit shall include any costs incurred during the close out period.
- **For awards extended beyond three years**. An audit is required:
  - Within 90 days after the end of award year 1.
  - Within 90 days after the end of award year 3.
  - Within 90 days following the project expiration date and closeout period. This audit shall include any costs incurred during the close out period.

The auditor should follow generally accepted government auditing standards (GAGAS) and accounting principles (GAAP), Statements on Auditing Standards, and the BTOP Program-Specific Audit Guidelines when completing an audit. The recipient then submits a copy of the program-specific audit to the auditing agency at the address provided by the FPO and the DOC OIG at the following address:

Office of Inspector General
U.S. Department of Commerce
Atlanta Regional Office of Audits
401 West Peachtree Street, N.W., Suite 2742
Atlanta, GA 30308

BEST PRACTICE

Establish an Audit Committee responsible for, among other things, reviewing annual audit plans, determining standards for auditors to follow, reviewing draft Requests for Proposal (RFPs) for audit services, determining the scope of audits, ensuring auditor qualifications, monitoring subrecipients, and monitoring the Auditor's conduct. Remember the AICPA's Audit Committee

8.5.3 Audit Resolution Process

If a recipient does not adhere to BTOP's audit requirements, or an audit produces findings, project costs claimed and expended to the recipient may be disallowed. A debt would thus be established and the recipient would owe the disallowed amount to the DOC. In accordance with the Federal Register notice dated January 27, 1989, the recipient may dispute a proposed disallowance of costs and the establishment of a debt (54 Fed. Reg. 4053 [January 27, 1989]). The appeal process is presented below:

Audit Dispute Process
The Recipient Submits Written Comments and Documentary Evidence ■ The recipient has 30 calendar days from the date of the transmittal of the Audit Resolution Determination, resulting after the final audit report, to appeal and submit written comments and documentary evidence. There will be no extension of this deadline
The Inspector General Reviews the Documentary Evidence Submitted by the Recipient ■ The Inspector General notifies the recipient of the results in an Audit Resolution Determination Letter, typically within 60 calendar days of receiving a recipient's appeal
If the Audit Resolution Determination is Overruled or Modified On Appeal, Corrective Action is Taken ■ An appeal of the Audit Resolution Determination does not prevent the establishment of audit-related debt, including responsibility for subrecipient debt, nor does it stop interest accruing on the debt ■ An appeal will stay the offset of funds owed by the recipient against funds due to the recipient

After the opportunity to appeal has expired or after the appeal determination has been rendered, the Inspector General will not accept any further documentary evidence from the recipient. No other administrative appeals are available.

9 Understanding Stakeholder and Media Relations

9.1 Community Outreach

BTOP is a significant opportunity to serve the recipient's community. Broadband access and adoption open the door to services that can improve people's lives – through education and training, health care, jobs, and public safety. Engaging with the community helps recipients remain aware of stakeholder concerns and interests.

Community outreach involves organizations, individuals, neighborhoods, decision-makers, businesses, and others with an interest in, or who are impacted by, individual projects. Effective outreach helps establish:

- **Involvement.** BTOP is ultimately about the people each project serves. Involve them early in the process, and they will better understand and recognize project progress.
- **Two-way communications.** Opening a dialogue with the community provides the recipient an opportunity to ask for and understand feedback, and respond as needed.
- **Transparency.** The community wants to know that the recipient is a responsible steward of grant monies and that it is accomplishing project goals.

The following sections can help the recipient launch community outreach activities. Refer to the Community Outreach Toolkit for helpful tools and tactics. The Toolkit is posted at www2.ntia.doc.gov/ManagementResources#resources.

9.1.1 Setting Community Outreach Goals

The recipient can set community outreach goals based on overall project goals and a clear understanding of the community's communications needs. The recipient should consider the following questions to begin setting goals:

- **What does the community need to know about the recipient's project?** The outreach goal could be as simple as keeping the community informed.
- **What should the recipient report about project progress and any challenges or delays?** Consistent and open reporting helps gain the community's trust.
- **Who will benefit from the improved services the project will deliver?** Help the community understand how to use these services and how these services can improve their lives.
- **Does the recipient need more project partners?** Community outreach can build the number of anchor institutions or other partners participating in each project.
- **Have groups or individuals expressed concerns about a BTOP project?** Outreach could engage them in a dialogue to address their issues and questions.

9.1.2 Identifying Stakeholders

Stakeholders are individuals and groups involved in, impacted by, and holding a vested interest in a BTOP project. Stakeholders could fall into one or more of the following categories:

- **Government.** State, local, and tribal officials can become valuable partners if they understand the project's plans and milestones.
- **Residents.** People who live and work in the areas where construction and other project activities will occur need to know about the project.
- **Service users.** The end users of planned services may need education on how broadband can improve their lives.

- **Business community.** Business owners and developers may be able to use broadband services to increase employment and training. Keep them informed and they can plan for the future.

9.1.3 Developing Messages

Outreach is about engaging the community and making them part of the project's success. First and foremost, the recipient is spending taxpayer dollars to provide services and focus should remain on the steps taken to remain responsible and responsive.

The following tips can help in developing messages:

- **Tailor the message to the audience.** A technical presentation may work for government officials, but may not be appropriate for the general public.
- **Match the communications tool to the stakeholder.** Local reporters may use a news release, but a newsletter will work better for residents.
- **Timing is everything.** Communicate early and often. Explain the services and technologies that the project will offer when completed.
- **Provide accurate information when responding to information request.** Reference the BTOP website, OMB Circulars, and BTOP compliance requirements when responding to requests. When needed, contact the FPO or forward requests to the BTOP Help Desk for program information:
  - BTOP Help Desk Email: btop@ntia.doc.gov
  - BTOP Help Desk Phone: (202) 482-2048
  - BTOP Website: http://www2.ntia.doc.gov/

9.2 Working with the Media

BTOP award recipients can expect close scrutiny from the public, media, public policy leaders, and others because the projects are funded with Federal dollars. Although NTIA does not require that recipients work with the media, strategic outreach to print, broadcast, and online reporters can open the lines of communication and help ensure that the recipient's point of view is included in media coverage. Building a good working relationship with local media will position the recipient as a reliable source of information.

The recipient should consider designating one staff member to serve as the media point of contact. This person's name and contact information should be included on news releases, for example, to simplify media follow-up. The recipient should also designate at least one media spokesperson, probably someone who represents the organization's management. This person should prepare in advance so that the recipient can respond immediately to media calls and information requests.

One way to prepare the recipient spokesperson is to develop answers to questions the media are most likely to ask. The following list contains possible FAQs the recipient should be prepared to answer:

- How does this broadband project benefit the community?
- How many jobs will the project create or save?
- When will the project hire these people?
- When will the project begin and be completed?
- Who are the recipient's community partners?
- What role will partners play in implementing the broadband project?
- How will the recipient communicate about this project to the community?

- How will the recipient encourage the community to participate in its BTOP project?
- How is the recipient fulfilling BTOP's required 20 percent financial match?

The NTIA Office of Public Affairs is available to work with recipients, if desired, for future special events and story ideas to share with the media. Recipients can provide NTIA's contact information to local media, especially in situations where reporters are asking questions about BTOP funding and Federal oversight of projects. For further information, contact NTIA's Office of Public Affairs at press@ntia.doc.gov.

9.3 Submitting Event and Project Progress Information to NTIA

BTOP recipients are encouraged to provide information and materials that demonstrate significant project achievements and benefits to communities, such as the opening of public computer centers, launching of new training offerings, groundbreakings, etc. Your information could become an article in the BTOP Update e-mail or a BTOP In Action posting on recipients' award pages maintained on the BTOP website.

Note that BTOP recipients are not required to submit information and materials. If you choose to, please follow these three steps.

9.3.1 Submission Narrative

Include an overview of the event/achievement, detail what happened, and explain the impact it has on the communities being served. The narrative should also provide captions for any still photos and a transcript for any audio or non-captioned video submission. You can also supply a news release that describes the event/achievement.

9.3.2 Photos, Video and Media Coverage

Provide related photos, videos or media coverage when available. NTIA prefers that you submit these materials through the Post-Award Monitoring (PAM) system as a PAM Other Request. Recipients are invited to submit the following materials:

- **Event photos** – .jpeg, .gif, or .png formats are acceptable; please check with your program officer before sending any other format.
- **Video** – .flv, .mpeg, or .mov formats are acceptable. Please check with your FPO before sending any other format. Videos should be captioned if possible, and should be edited with voiceover for best results. Video may include event coverage or a presentation used during the event, such as a report on the project.
- **Media coverage** – Hyperlinks to print or broadcast coverage are preferred.

9.3.3 Required Release Accompanying Photos, Videos and Other Submissions

In some situations, the recipient must provide permission for NTIA to use photos and videos on the NTIA website and also obtain a release letter from persons depicted in the materials (or by a person authorized to provide the approval). This letter will give NTIA permission to use the photos and confirms that the recipient obtained any necessary written approval from persons depicted in the materials.

NTIA is required to comply with the Children's Online Privacy Protection Act (COPPA) if information relating to children is submitted for use on the BTOP website. Materials submitted to NTIA that contain personal information about children under the age 18 will be posted only after the recipient confirms that they have obtained written consent to display that information from the parent(s) or legal guardian(s). Personal information includes first and last name; a home or other physical address including street name and name of city or town; and contact information such as e-mail addresses, phone numbers, or screen names; or social security numbers.

Please note: A release letter is **NOT** required if photos of children under 18 or accompanying text does not provide personal information as described above.

Require Release Letters	Do Not Require Release Letters
Release letters are required in the following situations: ■ Photos or video depicting children that contain personal identifiable information under the age of 18 require the permission of a parent or guardian. ■ Photos of attendees at any event that is invitation only and not open to the public require a letter of release.	**Release letters are NOT required in the following situations:** ■ Photos from any event that is open to the public (publicized through the media, newsletter, website, etc.). ■ Any images from a public space (for example, a construction site). ■ Photos of persons 18 or older taken at public events. ■ Photos of persons under the age of 18 taken at public events that do not contain personal identifiable information.

When a release letter is required, the letter must include a statement affirming that your organization has obtained written approval to use and/or disseminate photos and video images from the person(s) displayed in the media or from person(s) authorized to grant such approval. For materials involving persons under the age of 18, the letter must state that parent(s) or legal guardian(s) provided written consent for any items submitted to NTIA.

The recipient's authorized organizational representative must sign the letter. This letter can be submitted via the PAM as an "Additional Post-Award Documentation Report Package" (see Section 2.2 in the PAM User Guide). Or the letter can be addressed to Theresa Thomas and sent to:

Ms. Theresa Thomas
Herbert C. Hoover Building
U.S. Department of Commerce / NTIA
1401 Constitution Avenue, N.W., Room 4228
Washington, D.C. 20230

Appendix A BTOP Recipient Master Checklist of Activities

Done?	Project Start Up Checklist	Date
☐	■ Receive and review award package and welcome package.	■ Within 30 days of award date listed on CD-450.
☐	■ Accept or decline award package.	■ Within 30 days of award date listed on CD-450.
☐	■ Initiate registration in the ASAP system. ■ If already enrolled in ASAP, provide Grants Officer (identified in CD-450) and FPO with seven-digit account number for the Department of Treasury's ASAP system. If not already enrolled in ASAP, Provide Grants Officer and FPO with organization name and type, point-of-contact name, email address, mailing address, telephone and fax numbers, Employee Identification Number (EIN), Dun & Bradstreet (D&B) number, and Data Universal Numbering System (DUNS) number.	■ Within 10 days of award date.
☐	■ Receive ASAP password within seven days of initiating enrollment.	■ Within 10 days of award date.
☐	■ Register with Central Contract Registration (CCR) (or renew existing registration).	■ Within 10 days of accepting award package.
☐	■ Register with FederalReporting.gov.	■ Within 10 days of accepting award.
☐	■ Receive and test PAM System login information.	■ As soon as possible.
☐	■ Register with GOL [only CCI/Infrastructure projects].	■ As soon as possible.
☐	■ Submit accounting system verification.	■ Within 30 days of award date.

☐	■ Complete ASAP enrollment by designating Head of Organization (HOO) and Authorized Official (AO) and Financial Officials (FO) in ASAP.	■ Within 30 days of award date.
☐	■ Initiate required consultations and hire a contractor to start the environmental assessment (EA), if required and applicable.	■ As soon as possible.
☐	■ Submit draft environmental assessment to BTOP Environmental Specialist.	■ No later than six months of award date.
☐	■ Complete all other priority SACs.	■ Varies, see award package.
☐	■ Establish grant file.	■ As soon as possible.
☐	■ Prepare and submit first quarter (Q1) ARRA progress report to FederalReporting.gov.	■ 10 days after end of first quarter.
☐	■ Prepare and submit Q1 financial report to Grants Office, via PAM for PCC/SBA and via GOL for CCI/Infrastructure.	■ 30 days after end of first quarter.
☐	■ Prepare and submit baseline and Q1 performance reports to FPO, via PAM. Please note that CCI recipients must submit their baseline via GOL as an "AAR/Baseline."	■ 30 days after end of first quarter. Baselines due 45 days after end of first quarter for Round 2 recipients.
☐	■ Begin to draw down funds.	■ Within 60 days of award date.
☐	■ Assess organization's grant management infrastructure.	■ As soon as possible.
☐	■ Strengthen weak areas of grant management infrastructure.	■ As soon as possible.
☐	■ Ensure plans to display the proper Recovery Act signage and logos at project construction sites.	■ As soon as possible, upon start of project implementation or construction.

Done?	Grant File Checklist
☐	■ Copies of signed grant award and SACs.
☐	■ Contact list: ● AOR. ● Financial point of contact.
☐	■ Original application: ● Standard Form 424A (Budget Information) for PCC and SBA projects. ● Standard Form 424B (Assurances for Non-Construction Projects). ● Standard Form 424D (Assurances for Construction Projects). ● Standard Form LLL (Disclosure of Lobbying Activities), if applicable. ● CD-511 and CD-512, Certification Regarding Debarment, Suspension, and Other Responsibility Matters and Certification of Non-Supplanting.
☐	■ Copies of award action requests.
☐	■ Copies of EA and FONSI or Mitigated FONSI, if applicable.
☐	■ Copies of six month limited budget under EA SAC
☐	■ Cost-sharing/Match documentation.
☐	■ Procurement documentation: ● A description of the procurement policies and procedures used. ● Basis for contractor selection, including justification if not competed. ● Cost or price analysis. ● Data on all contracts awarded (including names of contractors, contact information, type of contractor, and amounts of awarded contracts). ● Documentation of contract work (including copies of award letters, inspection reports, contract amendments, payment logs, and evaluations of contractor performance).
☐	■ Reporting documents: ● Copies of submitted ARRA progress reports. ● Copies of submitted financial reports. ● Copies of submitted performance reports.
☐	■ Financial capability checklist.
☐	■ BTOP related correspondence.
☐	■ Audit findings and related documents.
☐	■ Records documenting relevant subrecipient and vendor contract activities and communications.
☐	■ Project close-out documentation.

Financial Capabilities Checklist

Section A: Purpose

The recipient's financial responsibility must be such that the recipient can properly discharge the public trust, which accompanies the authority to expend public funds. Adequate accounting systems should meet the following criteria as outlined in the BTOP Grant Guidance.

- Accounting records should provide information needed to adequately identify the receipt of funds under each grant awarded and the fund expenditures for each grant.
- Entries in accounting records should refer to subsidiary records and/or documentation that support the entry and can be readily located.
- The accounting system should provide accurate and current financial reporting information.
- The accounting system should be integrated with an adequate system of internal controls to safeguard the funds and assets covered, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies.

Section B: Accounting System

1. Has a government agency rendered an official written opinion concerning the adequacy of the accounting system for the collection, identification, and allocation of costs under Federal contracts/grants?	Yes ☐ No ☐
2. Which of the following best describes the accounting system:	Manual ☐ Automated ☐ Combination
3. Does the accounting system identify the receipt and expenditure of program funds separately for each contract/grant?	Yes ☐ No ☐ Not Sure ☐
4. Does the accounting system have provisions to record expenditures for each grant/contract by the component project and budget cost categories shown in the approved budget?	Yes ☐ No ☐ Not Sure ☐
5. Are time distribution records maintained for an employee when his/her effort can be specifically identified to a particular cost objective?	Yes ☐ No ☐ Not Sure ☐
6. Does the recipient have an approved indirect cost rate with the Federal government?	Yes ☐ No ☐ Not Sure ☐
a. If so, which agency approved the indirect cost rate?	
b. What is the approved indirect cost rate?	
c. How long after the fiscal year closeout are indirect cost rates normally settled?	
d. Does the accounting system provide for the segregation of direct and indirect expenses?	Yes ☐ No ☐ Not Sure ☐
7. Does the accounting/financial system include budgetary controls to preclude incurring obligations in excess of:	Yes ☐ No ☐ Not Sure ☐ Yes ☐ No ☐ Not Sure ☐
a. Total funds available for a grant?	
b. Total funds available for a budget cost category (e.g., Personnel, Travel)?	
8. Is the recipient generally familiar with the existing regulations and guidelines containing the cost principles and procedures for the determination and allowance of costs in connection with Federal contracts/grants?	Yes ☐ No ☐ Not Sure ☐

Section C: Funds Control	
1. Can Federal grant/contract funds and related costs and expenses be distinctly accounted for if grant/contract funds are commingled with recipient's funds?	Yes ☐ No ☐
Section D: Financial Capabilities	
1. Did an independent certified public accountant (CPA) ever examine the financial statements?	Yes ☐ No ☐
2. If an independent CPA review was performed, did the recipient retain copies of the CPA's latest report and any management letters issued?	Yes ☐ No ☐
3. Is the recipient generally familiar with the existing regulations and guidelines containing the cost principles and procedures for the determination and allowance of costs in connection with Federal contracts/grants?	Yes ☐ No ☐ Not Sure ☐
4. Did the recipient file audits with the Federal Audit Clearinghouse in a timely manner, if applicable?	Yes ☐ No ☐
Section E: Property Management	
1. Does the recipient's property management system(s) provide for maintaining: (a) a description of the property; (b) an identification number; (c) source of the property; (d) where the title vests; (e) the acquisition date; (f) the Federal share of property cost; (g) the location and condition; (h) the acquisition cost; and (i) the ultimate disposition information?	Yes ☐ No ☐
2. Does the recipient's property management system(s) provide for a physical inventory and reconciliation of property at least every two years?	Yes ☐ No ☐
Section F: Procurement Management	
1. Does the recipient maintain written procurement procedures to (a) promote competition; (b) avoid unnecessary purchases; (c) provide an analysis of lease vs. purchase alternatives; and (d) provide a process for soliciting goods and services?	Yes ☐ No ☐
a. Who establishes these procurement policies and procedures?	
2. Is there a written code of conduct for procurement staff?	Yes ☐ No ☐
a. How are they made aware of this code?	
b. Does it provide for disciplinary actions?	Yes ☐ No ☐
3. What conflict of interest rules apply to the recipient's procurement system	
a. Do employees sign a conflict of interest statement annually?	Yes ☐ No ☐
4. Does the recipient include the Federal clauses in contracts and sub-grants?	Yes ☐ No ☐
5. Does the recipient's procurement system provide for the conduct and documentation of cost or price analysis for each procurement action?	Yes ☐ No ☐
6. Does the recipient assess the financial capability of a contractor to perform the contract?	Yes ☐ No ☐
a. How is a determination of responsibility made?	
7. Does the recipient conduct internal reviews of the procurement files for adherence to statutes, regulations, and organization policies?	Yes ☐ No ☐

8. How are duties and functions segregated within a recipient's organization to ensure that adequate checks and balances exist?	
9. What are the policies regarding subrecipient suspension or debarment?	
a. Is there a process for verifying that they are not debarred or suspended?	Yes ☐ No ☐
Section G: Subrecipient/Subcontractor Management	
1. Is there a subrecipient monitoring system in place (i.e., written policies)?	Yes ☐ No ☐
2. Is there regular communication with the subrecipient?	Yes ☐ No ☐
a. If so, how frequently?	
3. How will the recipient review the costs contained in a sub-grant application?	
4. What information will the recipient require the subrecipient to submit to substantiate incurred expenditures?	
5. How often will a subrecipient be required to submit financial and progress reports to the recipient?	
6. Does the recipient conduct subrecipient site visits?	Yes ☐ No ☐
a. What is the criterion for visiting a site?	

Done?	Draw Down Funds Checklist	Completion Dates
☐	Understand payment policies, allowable costs, and restrictions on use of BTOP funds.	Before drawing down BTOP funds.
☐	Register with ASAP (if not registered already).	As soon as possible.
☐	Draw down funds from ASAP into an insured, interest-bearing account.	Monthly, or as needed.
☐	Return any unused funds or interest accrued to ASAP.	Monthly, or as needed.

Done?	Environmental SAC Checklist	Date
☐	Participate in environmental webinar and drop-in call with FPO and Environmental Specialist.	Within two weeks of award date, or as available.
☐	Complete engineering design sufficient for the National Environment Policy Act of 1969 (NEPA) analyses, including basic project design data, construction footprint, profile, and alignment. All of these items are needed to complete the EA.	Within one month of award acceptance.
☐	Hire EA contractors, if needed.	Within one month of award acceptance.
☐	Draft purpose, need, and alternative sections of the EA.	Within one month of award acceptance.
☐	Initiate required resource agency consultations, if required for National Historic Preservation Act (NHPA) Sec. 106, Endangered Species Act (ESA) Sec. 7, and required permits and licenses.	Within one month of award acceptance.
☐	Receive consultation comment and/or decision letters from required resource agencies.	Within 30 days of consultation initiation, or no later than five months of award date.
☐	Receive other permits and regulatory approvals.	Within 30 days of consultation initiation, or no later than five months of award date.
☐	Submit draft EA to BTOP Environmental Specialist.	As soon as possible, but no later than six month from award date. BTOP recommends submitting EA drafts within four and a half months of award date.
☐	Incorporate comments from BTOP Environmental Specialist into EA and submit final EA to BTOP Environmental Specialist.	Within one week from received comments.
☐	Receive approved FONSI or Mitigated FONSI	Within two weeks from submission of final EA.

☐	Recipient works with the FPO and Grants Officer to lift SACs and amend the award, as appropriate.	Within two weeks from submission of final EA.

Done?	Environmental Assessment Package Checklist
☐	■ Complete Executive Summary. ■ Comprises the major points of the document including a brief presentation of the purpose and need, the alternatives considered, and the conclusions of the analysis.
☐	■ Complete Chapter 1: Purpose and Need. ■ Briefly describes the project background and history, the proposed action, and the general geographic setting of the project and major project features. Including maps illustrating the project location and vicinity are useful; photographs are also useful visual tools.
☐	■ Complete Chapter 2: Proposed Action and Alternatives. ■ Details description of the proposed project, including as much information as necessary so the reader fully understands the project.
☐	■ Complete Chapter 3: Existing Environment. ■ Provides information on the existing environment or the baseline conditions for those resource areas potentially affected or impacted by the proposed action or alternatives, including the no action alternative.
☐	■ Complete Chapter 4: Environmental Consequences. ■ Analyzes the impacts of the proposed project and each alternative presented in Chapter 2 on the resources presented in Chapter 3. Chapter 4 provides a comprehensive analysis of the potential direct and indirect effects and discusses the level of significance of each effect identified. Cumulative impacts are also addressed in Chapter 4 of the EA.
☐	■ Complete Chapter 5: Applicable Environmental Permits and Regulatory Requirements. ■ Provides a complete listing and description of the applicable permitting and regulatory requirements and identifies the cognizant Federal, state, and local regulatory agency, and clearly state the status of project compliance.
☐	■ Complete Chapter 6: List of Preparers. ■ Presents the individuals who contributed to the technical content of the EA.
☐	■ Complete Chapter 7: References. ■ Lists information sources cited within the EA.
☐	■ Complete Chapter 8: Submittal Requirements. ■ Recipients are required to submit two hard copies of the EA and appendices, and two electronic copies (including both Word and PDF versions) on separate CDs. Hard copy documents and CDs should be sent by express mail services (FedEx or similar carrier), not through the regular U.S. Postal Service mail, to the address contained in the Environmental Assessment Guidance document. A copy should also be emailed to fmonteferrante@ntia.doc.gov and gwalker@doc.gov.
☐	■ Review the Environmental Assessment Guidance for BTOP Award Recipients, which provides more details on how to complete an environmental assessment, available at: www2.ntia.doc.gov/compliance#environmental.

Done?	Recipient Reporting Checklist	Date
☐	FederalReporting.gov Registration.	■ PCC/SBA: 10 days after award document mailed. ■ CCI/Infrastructure: 10 days after award document emailed.
☐	Submit ARRA Report (Section1512 data) to FederalReporting.gov.	■ 10 days after each quarter close.
☐	Revise ARRA Report as needed based on feedback from Grants Office.	■ 11-22 days after each quarter close.
☐	SBA/PCC recipients submit SF-425 FFR to Grants Officer via PAM. CCI/Infrastructure recipients submit SF-425 FFR to Grants Officer via GOL.	■ 30 days after each quarter close.
☐	Submit Quarterly Performance Progress Report (PPR) via PAM.	■ 30 days after each quarter close.
☐	Revise Quarterly PPR as needed based on feedback from FPO. Re-submit via PAM	■ Within 30 days of report submission.
☐	Submit Annual PPR via PAM.	■ January 30 of each calendar year.
☐	Submit Baseline data to FPO via PAM (for SBA and PCC) and via GOL for CCI.	■ As specified by SAC
Done?	**Award Action Requests Checklist**	**Completion Dates**
☐	Contact the assigned FPO with the nature of the desired program changes.	■ As needed.
☐	Complete AAR Form including an outline of the requested changes and explain the impact to the recipient's project timeline and budget.	■ As needed.

☐	PCC/SBA recipients submit completed AAR to the assigned FPO, via PAM. CCI/Infrastructure recipients submit completed AAR to the assigned FPO, via GOL.	■ As needed.
Done?	**Closeout Activities Checklist**	**Completion Dates**
☐	Submit final SF-425 FFR.	■ To be determined (TBD).
☐	Submit SF-272.	■ TBD.
☐	Submit Final PPR.	■ TBD.
☐	Submit List of Project Expenditures.	■ TBD.
☐	Submit copies of studies, publications, reports, and/or work products generated by the project.	■ TBD.
☐	Submit Project Evaluation Report.	■ TBD.
☐	Submit all other required closeout documents.	■ TBD.
☐	Retain all BTOP-related documents in grants file.	■ For three years after project completed.

Appendix B Helpful Resources

Resource	Website Location	Description
Advisory Council on Historic Preservation	www.achp.gov/	■ This website provides information regarding compliance with Section 106 of NHPA.
ASAP Website	www.asap.gov	■ This website is maintained by the U.S. Department of Treasury and is used by the recipient to draw down award funds.
Broadband Match	http://match.broadbandusa.gov/BTOPpartners/BPMhome.aspx	■ This website is an online database-driven tool for facilitating collaboration and productive partnership between BTOP recipients and potential partners and vendors.
BTOP Compliance	www2.ntia.doc.gov/compliance	■ This website contains citations and URLs to some of the key Federal rules.
BTOP Environmental Requirements	www2.ntia.doc.gov/compliance#environmental	■ This website contains environmental assessment guidance and other useful information on environmental compliance.
BTOP Recipient Handbook	www2.ntia.doc.gov/files/BTOP_Recipient_Handbook.pdf	■ This website contains the most recent version of the BTOP Recipient Handbook.
BTOP Website	www.ntia.doc.gov/broadbandusa	■ This website is the homepage of BTOP and contains all publicly available guidance and recipient reports.
Council on Environmental Quality (CEQ)	www.whitehouse.gov/administration/eop/ceq/	■ This website is for guidance and information concerning NEPA requirements.
FederalReporting.gov	www.Federalreporting.gov	■ This website is the central government-wide data collection system for Federal Agencies and Recipients of Federal awards under Section 1512 of the Recovery Act.
NOAA Grants Online	https://grantsonline.rdc.noaa.gov/flows/home/Login/LoginController.jpf	■ This website is used by recipients of Broadband Infrastructure projects (MM, LM, or CCI) to manage award funds and transmit information.
Recovery.gov	www.recovery.gov	■ This is the U.S. government's official website providing easy access to data related to Recovery Act spending and allows for the reporting of potential fraud, waste, and abuse
U.S. Fish and Wildlife Service (U.S. Department of the Interior)	www.fws.gov/endangered/	■ This is the website for the threatened and endangered species program.

Appendix C Glossary

A

- **Accounts Payable:** Amounts the recipient owes.
- **Accounts Receivable:** Amounts owed to the recipient.
- **Advance Payment:** Advance on grant funds limited to the minimum amount necessary to meet immediate monetary needs (limited to a 30-day period).
- **Advisory Council on Historic Preservation (ACHP):** Independent agency of the U.S. government that promotes the preservation, enhancement, and productive use of the nation's historic resources.
- **Allocable Cost:** Cost directly related to benefits received by the project.
- **Allowable Cost:** Expenditures under a grant project that are specifically permitted (or not specifically prohibited) by law, regulation, or guidance from the Office of Management and Budget (OMB), Federal accounting standards, or other authoritative sources.
- **American Reinvestment and Recovery Act (ARRA or Recovery Act):** Economic stimulus package enacted by the 111th U.S. Congress in February 2009 that provides $4.7 billion to NTIA to establish BTOP.
- **Audit:** Evaluation conducted by the Department of Commerce Office of Inspector General according to the Inspector General Act of 1978. All projects funded through BTOP must comply with audit requirements depending on the type of entity.
- **Authorized Organization Representative:** Individual authorized by an award recipient to act for the recipient organization and to assume the obligations imposed by the Federal laws, regulations, requirements, and conditions that apply to a grant application or grant award.

B

- **Budget Adjustments:** Act of amending the budget by moving funds from one category or line item to another. Budget adjustments must be approved by the assigned Grants Officer.
- **Build-out:** Construction or improvement of facilities and equipment as specified in the application.
- **Buy American Provision:** Section 1605 of the Recovery Act that specifies no funds appropriated by the Act may be used for a public buildings/works unless "all iron, steel and manufactured goods used. are produced in the U.S." Exceptions are allowed for cases where the head of the Federal agency concerned determines adherence would be "inconsistent with the public interest", where iron/steel/manufactured goods are not produced in the U.S. in sufficient and available quantities, or inclusion of U.S. products would increase overall project cost by 25 percent.

C

- **CD-450 Form:** Document the Grants Officer uses to authorize and issue the BTOP award.
- **Central Contractor Registration (CCR):** Web-enabled government-wide application that collects, validates, stores, and disseminates business information about the Federal government's trading partners in support of contract and grant awards, as well as electronic payment processes.
- **Centralized Facility:** Last Mile component of a Comprehensive Community Infrastructure (CCI) project. In most cases, the Last Mile connection goes from the end-user device through an intermediate point of aggregation (*i.e.,* a remote terminal, fiber node, wireless tower, or other equivalent access point) to a primary internet provider (IP) routing entity in a centralized facility (i.e., in the central office, the cable head end, the wireless switching station, or other equivalent centralized facility).

- **Community Anchor Institution:** Schools, libraries, medical and healthcare providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by vulnerable populations, including low-income individuals, the unemployed, and the aged.
- **Compliance Officer:** Department of Commerce staff person who oversees compliance activities from a portfolio perspective. He/she is responsible for developing the compliance framework and evaluation criteria, and overseeing the process for preventing, identifying, and correcting/curtailing instances of waste, fraud or abuse of award funds.
- **Comprehensive Community Infrastructure (CCI):** A Broadband Infrastructure project category used in Round 2 of BTOP funding that emphasizes Middle Mile (MM) broadband capabilities and the connection of key community anchor institutions as a way of maximizing the benefits of BTOP dollars.
- **Cost Sharing:** Costs that a recipient organization contributes to a proposed project. An organization's share could be in the form of cash or supplies, or it might be valuable in-kind services, such as volunteer services.
- **Council on Environmental Quality (CEQ):** Division of the Executive Office of the President that coordinates Federal environmental efforts and works closely with agencies and other White House offices in the development of environmental and energy policies and initiatives.

D

- **Davis-Bacon Act:** Federal law that established the requirement for paying prevailing wages on public works projects. All Federal government construction contracts, and most contracts for Federally-assisted construction over $2,000, must include provisions for paying workers on site no less than the locally prevailing wages and benefits paid on similar projects. Any project using Recovery Act funds must meet the wage requirements of the Davis-Bacon Act.
- **Deobligation of Award:** Withdrawal of awards made to recipients that demonstrate an insufficient level of performance, or wasteful or fraudulent spending. NTIA reserves the right to deobligate BTOP awards and award these funds competitively to new or existing applicants.
- **Direct Costs:** Costs identified specifically with a particular project or activity, or that can be directly assigned to such projects or activities relatively easily with a high degree of accuracy. For budget purposes, line items listed as specific project expenses are direct costs. Direct costs of a project may be charged to the award if they are allowable costs and are included within approved budget categories.
- **Dun and Bradstreet (D&B) Number:** Unique nine-digit numbers used by businesses and the Federal government to keep track of more than 70 million businesses world-wide. Some entities, such as states and universities, will also have what is known as "DUNS + 4," which is used to identify specific units within a larger entity

E

- **Economic Life:** Estimated useful service life of an asset as determined by NTIA in connection with awards made under BTOP.
- **Eligible Costs:** Project costs that may be paid for using NTIA grant funds consistent with the cost principles identified in the applicable OMB circulars and in the grant program's authorizing legislation.
- **Environmental Assessment:** Report that provides evidence that the recipient's BTOP project meets or exceeds the National Environmental Policy Act (NEPA) environmental protection regulations. A recipient must submit an environmental assessment to National Telecommunication and Information Administration (NTIA) within six months of accepting a BTOP grant award.

F

- **Federal Program Officer (FPO):** Department of Commerce official responsible for the technical, scientific, or other programmatic aspects of an award/program. He/she oversees a specified subset of grant awards within each BTOP project area and serves as the primary NTIA point-of-contact for a sub-set of BTOP recipients. The FPOs are responsible

for the administration, performance and compliance monitoring of the work conducted under their respective projects, including evaluation of financial and progress reports, and identification of recipient needs and provision of technical assistance.

- **Financial Accounting Standards:** Statements of financial accounting standards, which are set by the Financial Accounting Standards Board (FASB) and are part of Generally Accepted Accounting Principles (GAAP).
- **Federal Financial Report (FFR):** Report that must be submitted on a quarterly basis using the OMB FFR Standard Form-425 for the periods ending December 31, March 31, June 30, and September 30. Reports must be submitted to BTOP Officers no later than 30 days following the end of each reporting period. A final Federal financial report must be submitted after the expiration date of the award.
- **Fiscal Year:** Twelve-month period for which financial results are prepared and reported. It may be identical to or different from the calendar year. The Federal government's fiscal year is from October 1 to September 30 of the next calendar year. The recipient's fiscal year may not correspond to the Federal government's fiscal year.
- **Fixed Assets:** Assets that are not generally converted to cash within one year, such as equipment and vehicles.
- **Forecast Period:** Time period used to determine if an application is financially feasible. The financial feasibility of an application is based on eight-year projections.
- **For-Profit:** Commercial organization whose primary function is to generate profit. Some large non-profits are treated as profit makers for Federal grant purposes and required to follow the cost principles in 48 CFR 31.2.
- **Fringe Benefits:** Personnel-related costs such as medical and life insurance, pension contributions, and vacation leave. These costs typically are reflected in the budget as a percentage of salary or wage costs.
- **Fund Accounting:** Method of accounting in which assets and liabilities are grouped according to the purpose for which they are to be used.

G

- **Generally Accepted Accounting Principles (GAAP):** Uniform minimum standards of, and guidelines for, financial accounting and reporting.
- **Generally Accepted Auditing Standards (GAAS):** Standards for auditors' professional qualities and judgment in the performance of audit work.
- **Governmental Accounting Standards (GAS):** Standards of financial reporting for all units of state and local government often referred to as the Yellow Book.
- **Grants Coordinator:** Contract staff that partner and work closely with Federal Program Officers to manage grant portfolios and ensure that all required information is available and various program reviews are completed.
- **Grants Officer:** Department of Commerce official responsible for all business management and administrative aspects of a grant. The Grants Officer has delegated authority to award, amend, administer, closeout, suspend, and/or terminate grants and cooperative agreements, and make related decisions and findings.

I

- **Indefeasible Right of Use (IRU) Agreement:** A legal vehicle that may be used in the BTOP for the contractual grant of usage rights in broadband facilities or equipment and may combine elements of a sale, lease, and service contract. An IRU interest is a form of acquired capital giving the grantee an exclusive and irrevocable right to use the facility for all, or almost all, of its useful life. IRUs typically involve the conveyance of interests in conduit, dark fiber, or bandwidth capacity.
- **Indirect Costs:** Costs incurred for common or joint objectives and cannot be identified readily and specifically with a particular project or activity. Indirect costs generally are operating expenses not listed as specific project line items in the budget.

- **Indirect Cost Rate:** Percentage of grant funds that can be used for indirect costs. The process used for establishing an indirect cost rate must follow the Department of Commerce's "General Indirect Cost Rate Program Guidelines for Recipient Organizations."
- **Ineligible Costs:** Project costs that may not be paid using NTIA grant funds. An applicant proposing to use any portion of the grant funds for any ineligible cost will be instructed to revise its proposed budget to remove such costs prior to the award of a grant.
- **In-Kind Contribution:** Non-cash donations to a project that may count toward satisfying the non-Federal matching requirement of a project's total budgeted costs. In-kind contributions, including third party in-kind contributions, must be allowable project expenses.

L

- **Last Mile:** Broadband Infrastructure project category in BTOP Round 1 that provides broadband service to end users or end-user devices. The Comprehensive Community Infrastructure (CCI) project category used in BTOP Round 2 may include Last Mile components that provide broadband service to end-user devices through an intermediate point of aggregation to a primary Internet Protocol (IP) routing entity in a centralized facility. *Use in all lowercase except capitalize "Last" when the term appears at the beginning of a sentence or "Last Mile" when referring to the BTOP Round 1 project category or to the Last Mile component of a CCI project in BTOP Round 2.*
- **Last Mile Service Area:** The service area of a Last Mile component of a CCI project in BTOP Round 2, composed of one or more contiguous Census block groups or tracts, where the applicant is requesting BTOP funds to provide broadband service to end-user devices through an intermediate point of aggregation.

M

- **Matching Requirement:** Requirement that recipients under BTOP must provide matching funds of at least 20 percent toward the total eligible costs of the project. In order for costs to be eligible to meet matching requirements, they first must be allowable under the grant program.
- **Middle Mile:** Broadband infrastructure project category in BTOP Round 1 that does not predominantly provide broadband service to end users or to end-user devices and that may include interoffice transport, backhaul, Internet connectivity, or special access. The CCI project category used in BTOP Round 2 may include Middle Mile components that provide broadband service from one or more centralized facilities (*i.e.,* the central office, the cable headend, the wireless switching station, or other equivalent centralized facility) to an Internet point of presence.
- **Middle Mile Service Area:** Project service area of a Middle Mile component of a CCI project in BTOP Round 2 or Infrastructure project in Round 1, composed of one or more contiguous Census block groups or tracts, where broadband service is provided from one or more centralized facilities, (*i.e.,* the central office, the cable head end, the wireless switching station, or other equivalent centralized facility) to an Internet point of presence, as well as direct connections to community anchor institutions from such centralized facilities.

N

- **National Environmental Policy Act (NEPA):** Act requiring Federal agencies to consider the environmental impacts of their proposed actions and reasonable alternatives to those actions.
- **Nondiscrimination and Interconnection Obligations:** Principles contained in the Federal Communications Commission (FCC) Internet Policy Statement adopted on August 5, 2005: (1) consumers are entitled to access the lawful Internet content of their choice; (2) consumers are entitled to run applications and services of their choice, subject to the needs of law enforcement; (3) consumers are entitled to connect their choice of legal devices that do not harm the network; (4) consumers are entitled to competition among network providers, application and service providers, and content providers.
- **Non-profit:** Corporation, trust, association, cooperative, or other organization which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for

profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" excludes (1) colleges and universities; (2) hospitals; (3) state, local, and Federally recognized Indian tribal governments; and (4) non-profit organizations excluded according to 2 CFR 230.25(a).

P

- **Peering:** Voluntary interconnection of administratively separate Internet networks for the purpose of exchanging traffic between the customers of each network.
- **Performance Progress Report (PPR):** Quarterly report that documents baseline project plans and details regarding key project outputs and outcomes. Performance reports must be submitted on a quarterly basis for periods ending December 31, March 31, June 30, and September 30 to the recipient's Program Officer, unless stated by the Program Officer.
- **Post-Award Monitoring (PAM) System:** Online tool that allows each recipient to view and access progress and financial reports, amendment requests, and award documentation for specific projects.
- **Pre-Award Costs:** Costs incurred prior to the award, but after the program authority has been enacted and the appropriation becomes available, unless a contrary indication exists in the language or legislative history of the program.
- **Pro Forma Financial Analysis:** Analytical projection of the potential financial position of a project based on a review of historical information, operating metrics, and potential cost savings due to anticipated changes. Pro forma analysis is typically performed in conjunction with a financial review.
- **Program Income:** Gross revenue earned by a grant recipient as a result of the award and three allowable uses: (1) fund non-Federal share of project costs; (2) add to approved funding to expand the award; (3) deduct from total allowable project costs before applying the Federal sharing ratio.
- **Program Office:** NTIA staff that oversees post-award management of BTOP grants, including administration, performance, compliance and monitoring. Supports award recipients in completing their projects while remaining compliant with grant-related laws and regulations.
- **Public Computer Center (PCC):** Place that provides broadband access to the general public or a specific vulnerable population, such as low-income, unemployed, aged, children, minorities, and people with disabilities.

R

- **Reasonable Costs:** Costs based on one of the following principles: ordinary and necessary, market prices, prudent person, or established practices. A reasonable cost does not exceed what a prudent person would incur under the circumstances prevailing at the time the decision was made to incur the cost.
- **Recipient:** Organization(s) awarded a grant to implement a BTOP Project. Recipient or Award Recipient is the preferred term in place of Awardee or Grantee.
- **Restriction on Assets:** Prohibition on sale or lease of any portion of the broadband facilities or equipment purchased with award funds.

S

- **Schedule of Expenditures of Federal Awards (SEFA):** Document that assists in the audit of an organization and is required for all Recovery Act awards.
- **Security Interest in Real Property:** The interest that the Federal government takes in property that is acquired or improved with BTOP grant funds requires that, for the useful life of the covered real property, broadband facilities, and equipment, the recipient will not sell, transfer, convey or mortgage any interest in the property, nor will the recipient use the property for purposes other than those for which the award was made.
- **Standard Form-424 (SF-424):** Core government-wide standard data sets and forms for grant application packages. Use of the SF-424 Form Families reduces the administrative burden to the Federal grants community, including applicants, recipients, and Federal staff involved in grants-related activities.

- **SF-SAC:** Data Collection Form that reports on audits of states, local governments, and non-profit organizations for fiscal periods ending in 2008, 2009, or 2010. Auditees are required to submit a completed Form SF-SAC and a customized SF-PPR with one complete reporting package to the Federal Audit Clearinghouse designated by OMB.
- **Special Award Conditions (SAC):** Specific conditions that may amend or take precedence over DOC standard terms and conditions on a case-by-case basis when allowed by the Department's standard terms and conditions.
- **State Historic Preservation Officer (SHPO):** Administers the national historic preservation program at the State level, including consultations with Federal agencies during Section 106 review.
- **Subrecipient:** Entity that receives funds when a recipient makes a sub-award to carry out a Federal program. Subrecipients do not include individuals who are beneficiaries of a project.

T

- **Tribal Historic Preservation Officer (THPO):** Administers the national historic preservation program with respect to tribal lands including consultations with Federal agencies during Section 106 review.

U

- **Unserved/Underserved Area:** Last Mile or Middle Mile service area, where at least one of the following factors is met: (1) no more than 50 percent of the households in the Last Mile or Middle Mile service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed; (2) no fixed or mobile terrestrial broadband service provider advertises to residential end users broadband transmission speeds of at least three megabits per second ("mbps") downstream in the Last Mile or Middle Mile service area; or (3) terrestrial broadband subscribership for the Last Mile or Middle Mile service area is 40 percent of households or less. An unserved/underserved area may include individual Census block groups or tracts that on their own would not be considered underserved. The availability of or subscribership rates for satellite broadband service is not considered for the purpose of determining whether an area is unserved/underserved.
- **Unliquidated Obligation:** Obligations incurred for which expenditure has not been recorded, such as supplies ordered but not yet received.
- **Unrestricted Funds:** Resources that have no restrictions as to use or purpose.

Appendix D Acronym List

Acronym	Definition
ACH	Automated Clearing House
ACHP	Advisory Council on Historic Preservation
ALC	Agency Location Code
APE	Area of Potential Effect
AO	Authorizing Official
AOR	Authorized Organization Representative
ARRA	The American Recovery and Reinvestment Act of 2009
ASAP	Automated Standard Application for Payments
ASV	Accounting System Verification
BA	Biological Assessment
BI	Broadband Infrastructure
BO	Biological Opinion
BTOP	Broadband Technology Opportunities Program
CA	Corrective Action
CA/CAP	Corrective Action/Corrective Action Plan
CAA	Clean Air Act
CCI	Comprehensive Community Infrastructure
CCR	Central Contractor Registration
CEQ	Council on Environmental Quality

Acronym	Definition
CFR	Code of Federal Regulations
CMIA	Cash Management Improvement Act
COTR	Contracting Officer's Technical Representative
CPA	Certified Professional Accountant
CWA	Clean Water Act
CZMA	Coastal Zone Management Act
D&B	Dun & Bradstreet
DOC	Department of Commerce
DUNS	Data Universal Numbering System
EA	Environmental Assessment
EFT	Electronic Fund Transfer
EIN	Employee Identification Number
EIS	Environmental Impact Statement
EO	Executive Orders
ESA	Endangered Species Act of 1973
FAQs	Frequently Asked Questions
FAR	Federal Acquisition Regulation
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
FFR	Federal Financial Report
FICA	Federal Insurance Contributions Act

Acronym	Definition
FO	Financial Official
FOIA	Freedom of Information Act
FONSI	Finding of No Significant Impact
Form CD-450	Financial Assistance Award Form
FPO	Federal Program Officer
FRG	FederalReporting.gov
FRPIN	FederalReporting.gov Personal Identification Number
FTE	Full-time Employee
FUTA	Federal Unemployment Tax Act taxes
FWS	U.S. Fish and Wildlife Service
GAAP	Generally Accepted Accounting Principles
GMIS	Grants Management Information System
GOL	Grants Online
HOO	Head of Organization
ID	Identification
IP	Internet Protocol
LLL	Disclosure of Lobbying Activities
LM	Last Mile
M&A	Management and Administration
MDT	Management Dashboard Tool
MM	Middle Mile

Acronym	Definition
NATHPO	Native American Tribal Historic Preservation Offices
NEPA	National Environmental Policy Act of 1969
NHPA	National Historic Preservation Act of 1996
NICRA	Negotiated Indirect Cost Rate Agreement
NIST	National Institute of Standards and Technology
NMFS	National Marine Fisheries Service
NOAA	National Oceanic and Atmospheric Administration
NOFA	Notice of Funds Availability
NTIA	National Telecommunications and Information Administration
OAM	Office of Acquisition Management
OCC	Office of Chief Counsel
OIG	Office of the Inspector General
OMB	The Office of Management and Budget
PAM	Post-Award Monitoring System
PCC	Public Computing Center
PIN	Personal Identification System
PPRPO	Performance Progress Report Program Officer
Q1	First Quarter
RATPPR	The Recovery Accountability and Transparency Board Performance Report
RC	Region Code
RFP	Request for Proposal

Acronym	Definition
RO	Recipient Organization
RUS	Rural Utilities Service
SACs	Special Award Conditions
SBA	Sustainable Broadband Adoption
SF-424A	Standard Form-424A-Budget Information-Non-Construction Programs
SF-424C	Standard Form-424C-Budget Information-Construction
SF-425	Standard Form-425 Financial Report
SF-PPR	Standard Form-Performance Progress Report
SHPO	State Historic Preservation Officer
SOP	Standard Operating Procedure
TA	Technical Assistance
T&Cs	Terms and Conditions
T&E	Threatened and endangered
THPO	Tribal Historic Preservation Offices
UCC	Uniform Commercial Code
USACE	U. S. Army Corps of Engineers
VRS	Voice Response System

Appendix E Grantee Environmental Commitment Schedule Checklist

Project:						
EGIN:						
Award Signed- begins 6-mo period to complete EA		**7/1/2010 (eg)**				
REQUIRED GRANTEE MILESTONES:		**SCHEDULE DATE:**		**DEPENDENCY:** (what must be done before possible)		**CRITICAL PATH:** (what cannot happen without completion)
1	**Route Confirmed**; EA/106 Effort Scoped and EA Contractor Hired			Procurement, **Engineering**		All Milestones, SAC Clearance
2	Submit current project description and mapping to FPO			Compile from Application		NTIA Consultation Initiations
3	Apply for Required Permits			Route Requirements, Engineering		EA
4	Contact SHPO to determine need for further studies (FOLLOW UP)			NTIA Section 106 Initiation		Milestones 6 & 8
5	Contact USFWS to determine Requirements (FOLLOW UP)			Section 7 Initiation		Milestone 7
6	Complete CRM (SHPO Section) Studies			Execution of Milestones 1, 4 & Field Effort		Milestone 8
7	ESA Section 7 Compliance Decision Letter			Execution of Milestone 5 & Follow Up		EA
8	Section 106 Effect Determination Letter to SHPO			Execution of Milestone 4 & Analysis		Milestone 9

9	Section 106 SHPO Concurrence on Effect			Execution of Milestone 8 & 30 days		EA & FONSI
10	Submit Draft EA			Milestones 1, 3, 7, and 8		Final EA & FONSI
11	Final EA Accepted			Milestone 10 & NTIA review & revisions		Final EA & FONSI
12	FONSI signed	**1 WEEK FOLLOWING EA ACCEPTANCE**				FINAL SAC CLEARANCE
Final SAC Clearance Lifted - 6 mo period ends:		**1/2/2011 (eg)**				

IDENTIFY ANY ISSUES OR ANTICIPATED CHANGES THAT COULD IMPACT THESE ACTIVITIES OR COMMITMENT DATES:

Appendix F Fact Sheets

Fact Sheet: American Recovery and Reinvestment Act Reporting Tips

Overview

The American Recovery and Reinvestment Act (ARRA) requires all BTOP award recipients to submit reports with metrics on a wide range of data elements to FederalReporting.gov by the 10th day of each calendar quarter. The following table summarizes ARRA reporting requirements, deadlines, the FederalReporting.gov submission process, as well as other helpful resources.

Topic	Details
Overview	■ By the 10th day of each calendar quarter, each BTOP recipient is required to submit a report on a wide range of data, including jobs created and/or retained, through the FederalReporting.gov website. ■ BTOP report data will be available to the public on the Recovery.gov website to ensure transparency and accountability for the use of ARRA funds. ■ Check FederalReporting.gov at the beginning of each quarter for the reporting timeline and updated guidelines. ■ Failure to submit a report according before the deadline is a serious compliance violation.
Registration	■ Prime recipients and subrecipients must register on FederalReporting.gov: ● Detailed instructions for FederalReporting.gov registration are included in BTOP welcome packets. ● The recipient and its first-tier subrecipients must enroll in the Central Contractor Registration (CCR) before completing FederalReporting.gov registration. Go to https://www.bpn.gov/ccr for more information. ● Prime recipients and subrecipients must have DUNS numbers and be registered in CCR in order to complete ARRA reporting.
ARRA Registration Codes	■ In addition to an email address, the DUNS number from the original application, a valid CCR number, and the grant award amount, all recipients will need to provide additional codes to successfully register on FederalReporting.gov. ■ Sustainable Broadband Adoption (SBA) and Public Computer Center (PCC) award recipients receive all necessary codes on the ARRA Reporting Cover Sheet included in the award package. Those codes are: ● Funding Agency Code: 1335 ● Awarding Agency Code: 1341 (BTOP SBA and PCC award recipients only) ● Catalogue of Federal Domestic Assistance (CFDA) Number: 11.557 ● Program Source (TAS) Code: 13-0554 ● NTEE-NPC Activity code: W01 (BTOP SBA and PCC award recipients only) ■ Infrastructure project award recipients do not receive codes in the award package.

Topic	Details
	■ Infrastructure award recipients should use the following codes: ● Funding Agency Code: 1335 ● Awarding Agency Code: 1330 (BTOP infrastructure projects only) ● CFDA Number: 11.557 ● Program Source (TAS) Code: 13-0554 ● NAICS code: 237130 (BTOP infrastructure projects only)
Timeline	■ Reporting calendar quarters – consistent from year to year: ● Quarter 1: January 1 – March 31. ● Quarter 2: April 1 – June 30. ● Quarter 3: July 1 – September 30. ● Quarter 4: October 31 – December 31. ■ Reporting Timeline: At the beginning of each calendar quarter: ● Day 1-10: Prime recipients and subrecipients file initial ARRA reports covering the prior quarter. ● Day 11-20: Prime recipients review data submitted by subrecipients. Prime and subrecipients may make changes. The awarding Federal agency may view the data. ● Day 21-30: The awarding Federal agency reviews the reported data. Prime and subrecipients may make changes in response to agency comments. ● Day 30: Reported data published on Recovery.gov. ● Day 33+: Continuous quality assurance period.
Jobs	■ Job creation or retention is reported quarterly and is not a cumulative figure. Recipients must report the number of full time equivalent (FTE) positions created or retained each quarter by dividing the cumulative ARRA funded hours worked by the cumulative hours in a full-time work schedule for the kind of job being estimated. ■ Job totals should not be rounded to the nearest whole number; instead, recipients should report the exact result of this calculation. ■ A "job retained" is an existing position now paid for by ARRA funds. ■ A "job created" is a new position created and filled, or an existing unfilled position that is filled, with ARRA funds. A "job retained" is an existing position now paid for with ARRA funds. ■ A job must be counted as either a "job created" or a "job retained." A single job cannot be counted as both. In completing the report, however, recipients are required to report an estimate of jobs directly created or retained in a single numeric field; recipients no longer report "jobs created" separately from "jobs retained." This has eliminated the need for recipients to make subjective judgments as to whether a given job would have existed without the Recovery Act. ■ Report only those jobs directly related to the project and paid with ARRA funds. Do not report jobs paid from matching funds or from other sources. The recipient should report the number of FTEs created or retained by itself and its subrecipients, in addition to those of contractors directly related to the project.

Topic	Details
	■ Subrecipients do not report on jobs created or retained; only the recipient reports these figures. ■ Jobs at contractors that provide off-the-shelf or other products that are the result of general manufacturing (i.e., products that can be used by other purchasers, not just the recipient's own project) are not allowable and should not be reported. In contrast, the recipient should report jobs created or retained by contractors performing work directly and uniquely applicable to the recipient's project. ■ The recipient is responsible for communicating and coordinating with its subrecipients and contractors to develop accurate job estimates for the report.
Important Reminders	■ Ensure all "draft" reports are submitted on FederalReporting.gov by close of business on the 10th day after the end of the reporting quarter. ■ Ensure that the recipient's CCR registration and DUNS number remain current and active. If CCR registration lapses, the time required for it to be reinstated could prevent the recipient from filing timely reports. ■ The recipient may choose to delegate reporting to subrecipients. The recipient must notify the Grants Office when reporting is delegated to a subrecipient. ■ The recipient is responsible for ensuring all subrecipients and contractors understand and comply with reporting responsibilities.
Helpful Resources	■ FederalReporting.gov User Guide: https://www.federalreporting.gov/federalreporting/downloads.do ■ FederalReporting.gov Service Desk: ● Phone: 877-508-7386 ● TTY: 877-881-5186 ■ ARRA Reporting: ● M-10-08, Updated Guidance on the American Recovery and Reinvestment Act – Data Quality, Non-Reporting Recipients, and Reporting of Job Estimates (December 18, 2009), www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf. ● M-09-21, Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act, www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf. ● M-09-15, Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009, www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-15.pdf. ● M-09-10, Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009, www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-10.pdf. ■ BTOP Resources: ● BTOP Recipient Handbook FY 2010. Available at www2.ntia.doc.gov/files/BTOP_Recipient_Handbook.pdf. ● Subrecipients and Contractors Fact Sheet. Available at: www2.ntia.doc.gov/files/fact_sheet_subrecipients_and_contractors_08182010v2.pdf.

Fact Sheet: ASAP Registration Process

Overview

All Broadband Technology Opportunities Program (BTOP) payments to award recipients will be made through electronic funds transfers using the U.S. Department of Treasury's Automated Standard Application for Payments (ASAP) system. Recipients are required to enroll in the ASAP system in order to draw down these funds. Failure to enroll will mean grant funds are not accessible.

If a recipient has an ASAP account, it is required to provide its seven-digit ASAP account number to its Grants Officer and Federal Program Officer (FPO). If a recipient does not yet have an ASAP account and needs to enroll, it should complete the two-step enrollment process outlined below as soon as possible.

ASAP Enrollment: Step One

BTOP grants are awarded by one of two Grants Offices. The recipient must know its correct grants office before beginning enrollment. The National Oceanic and Atmospheric Administration (NOAA) serves as Grants Office for Infrastructure recipients, and the National Institute of Standards and Technology (NIST) is the Grants Office assigned to Sustainable Broadband Adoption (SBA) and Public Computing Center (PCC) recipients.

Comprehensive Community Infrastructure (CCI) and infrastructure recipients must email the following grant information to ASAP.Inquiries_Enrollment@noaa.gov. SBA and PCC recipients must email the following information to ASAP.enrollment@nist.gov:

- Name of Organization
- Type of Organization
- Address
- Point of Contact
- Title of Contact
- Point of Contact's Email Address
- Phone Number
- Fax Number
- EIN # (Employee Identification Number)
- DUNS # (Data Universal Numbering System)

ASAP Enrollment: Step Two

Step Two of the ASAP enrollment process consists of five sub-parts. The table below outlines this process. The government is responsible for Parts A, D, and E. Recipients are responsible for Parts B and C.

Parts	Course of Action	Responsibility	Due Date
Part A	Enrollment official enters information collected in Step One into ASAP.	NIST and NOAA	■ Five days after Step One is

Parts	Course of Action	Responsibility	Due Date
			completed.
Part B	Recipient receives email confirmation from ASAP along with User ID/User Name immediately after entering the data. Within seven days, the recipient will receive a password via U.S. mail.	Recipient	■ N/A
Part C	Recipient logs in using User ID and password and identifies the organization officials: ■ Head of Organization (HOO): Designates Authorizing Official (AO) and Financial Official (FO). ■ AO: Defines the Recipient Organization (RO) profile and RO users (i.e., payment requestor). ■ FO: Defines the banking information and links to the NTIA Agency Location Code (ALC) (13060001) and Region Code (02), and certifies and signs banking information form. All officials will receive individual User IDs via email and passwords via U.S. mail within seven days. Recipient enrollment steps are complete when AO and FO designees are approved and banking information is certified and submitted. Failure to comply with these steps could subject the award to a change in the method of payment to reimbursement only.	Recipient	■ Initiate recipient enrollment within ten days of ASAP Notification Registration. ■ HOO designates AO and FO within ten days. ■ AO and FO complete their steps within five days of designation.
Part D	■ ASAP generates email within 24 hours notifying NIST or NOAA enrollment official that enrollment is complete. ■ The NIST or NOAA Enrollment Official notifies NIST Finance Office via email that enrollment is complete.	NIST and NOAA	■ One day after enrollment is complete.
Part E	■ After receiving confirmation that recipient has executed its CD-450 BTOP Award, the NIST Finance Office obligates, authorizes, and certifies funds, and confirms interface with ASAP.gov is complete. This may take up to 14 days to complete. ■ The NIST Grants Office will notify all three officials for PCC and SBA projects via email when funds are available for draw down. ■ The NOAA Grants Office will notify all three officials for CCI and Infrastructure projects when funds are available for draw down.	NIST	■ Within 14 days.

Additional Resources

For additional information and guidance on ASAP, please refer to the following sites:

- https://www.asap.gov
- www.fms.treas.gov/asap/
- www.fms.treas.gov/asap/background.html

The ASAP Support Hotline is (804) 697-8384. For regional office contact numbers, please refer to the table below. Recipients should call the center based in the same time zone as their place of business.

Regional Financial Center	Time Zone	Phone Number	Business Hours	Mailing Address
Philadelphia	Eastern	(215) 516-8021	7:30 a.m. - 4:00 p.m.	P.O. Box 8676 Philadelphia, PA 19115-6317
Kansas City	Central	(816) 414-2100	7:30 a.m. - 4:00 p.m.	P.O. Box 12599-0599 Kansas City, MO 64116-0599
San Francisco	Pacific or Mountain	(510) 594-7182	7:30 a.m. - 4:00 p.m.	P.O. Box 193858 San Francisco, CA 94119-3858

- CCI and Infrastructure recipients may also contact individuals supporting ASAP enrollment in the NOAA Grants Office: Darius Porter: (301) 585-1332 or Darius.Porter@noaa.gov; Heather Cooper: (301) 713-0922 x 106 or Heather.Cooper@noaa.gov.
- PCC and SBA recipients may also contact the individual supporting ASAP enrollment in the NIST Grants Office: Jannet Cancino: (301) 975-6544 or jannet.cancino@nist.gov

Fact Sheet: Endangered Species Act (ESA) Section 7

Overview

The Endangered Species Act of 1973 (ESA) administered by the U.S. Fish and Wildlife Service (FWS) and the National Marine Fisheries Service (NMFS) protects threatened and endangered (T&E) species and the critical habitats they need to survive.

The Department of Commerce (DOC) National Telecommunications and Information Administration (NTIA) will examine the project information to determine whether an environmental assessment (EA) is required. If an environmental assessment is necessary, recipients are required to complete ESA Section 7. NTIA will issue a Special Award Condition (SAC) to the recipient, including a requirement for an ESA Section 7 consultation. The consultation will determine:

- Potential effects on protected species and their critical habitats.
- Mitigation measures that may be required to reduce any potential adverse effects.

The recipient initiates the ESA Section 7 consultation with the FWS or NMFS and NTIA will assist and advise throughout the consultation process.

Section 7 Responsibilities of BTOP recipients: Consultation Process

There are two types of Section 7 consultation: informal and formal consultation process. The recipient will initiate the informal consultation and if formal consultation is necessary, NTIA will conduct the formal consultation with the FWS or NMFS. All the results of any required consultation will be documented in the EA.

Informal Consultation

Informal consultation with FWS or NMFS is necessary to determine any potential effect in or near the location of the project. Informal consultation includes all discussions, telephone conversations, meetings, and correspondence between the FWS or NMFS, the recipient, and NTIA. Informal consultation takes place prior to and may eliminate the need for a formal consultation.

Prior to initiating the FWS consultation, recipients should research potential T&E species or habitat by looking up the species list via the FWS website: www.fws.gov/endangered/species/index.html. The recipient should then contact FWS to determine whether there may be listed species and whether the proposed project has the potential to impact them. The recipient should communicate all findings to NTIA.

The FWS or NMFS will prepare a list of species known to exist in the study area. If no species or habitat is known to exist, then the consultation is complete. If a T&E species or habitat is known to exist, then the FWS/NMFS will determine if the proposed action will impact the species or habitat.

The possible outcomes of an informal consultation are:

- No effect. No further consultation necessary.
- Not likely to adversely affect. Requires FWS or NMFS concurrence of determination with possible mitigation measures or requirements.
- Likely to adversely affect. Requires a Biological Assessment (BA), to be prepared by the recipient, initiating formal consultation.

Formal Consultation

To begin formal consultation, the Federal Environmental Specialist will provide support to the recipient to send a written request, accompanied by a BA, to FWS or NMFS initiating formal consultation.

A BA is a document prepared for the Section 7 consultation process to determine whether a proposed activity under the authority of a Federal agency is likely to adversely affect listed species, species proposed for listing, or designated critical habitat. Recipients are responsible for the preparation of BAs and the associated costs, which may include hiring a qualified consultant.

Formal consultation should last no longer than 90 days and the appropriate regulatory agency (FWS or NMFS) will issue a Biological Opinion (BO) within 45 days.

The BA should include the following information:

- A description of the action being considered.
- The geographic area that may be affected by the action.
- Any listed species or critical habitat that the action may affect and how the action may affect them.
- Cumulative impacts on any listed species or critical habitat.
- A discussion of any EAs, Environmental Impact Statements (EISs), or other BAs, which have been prepared for the action.
- Any other relevant information on the action, affected species, or critical habitat.

The formal consultation process concludes with the FWS and/or NMFS issuing a BO. The BO has three possible findings:

- Not jeopardized. The action will not jeopardize protected species, and the action may proceed.
- Likely to jeopardize. The action is likely to jeopardize protected species. The potential to jeopardize may be mitigated to below significant levels. DOC/NTIA has several options:
  - Adopt "reasonable and prudent measures" for eliminating jeopardy/adverse modification and comply with incidental take statement.
  - Cancel the project.
  - Reinitiate consultation by proposing modifications or alternatives not yet considered.
- Jeopardize continued existence. The action will jeopardize the continued existence of protected species. The project cannot proceed as is. After major redesign or relocation, the consultation process may be re-initiated and the project reevaluated.

Additional Resources

- Endangered Species Act of 1973 (http://www.fws.gov/laws/lawsdigest/ESACT.html or http://www.fws.gov/Endangered/esa-library/pdf/ESAall.pdf
- U.S. Fish and Wildlife Service offices (http://www.fws.gov/endangered/regions/index.html).
- U.S. Fish and Wildlife Service species (http://www.fws.gov/endangered/species/index.html).
- National Marine Fisheries Service (http://www.nmfs.noaa.gov/).

Fact Sheet: National Historic Preservation Act Section 106 Consultation Process

Overview

Section 106 of the National Historic Preservation Act (NHPA) (implemented by 36 CFR 800) requires Federal agencies to consult with appropriate parties to take into account the effects of their undertakings on historic properties. Historic properties are buildings, structures, objects, districts, or archaeological sites that are listed or eligible for listing in the National Register of Historic Places.

The Section 106 process consists of:

- Identifying and evaluating historic properties.
- Applying the criteria of "adverse effect" on historic properties.
- Consultation to determine methods to avoid, minimize, or mitigate adverse effects.

Broadband Technology Opportunities Program (BTOP) grant awards, particularly for infrastructure development projects, will usually include several Special Award Conditions (SACs) that must be fulfilled before the proposed project is implemented. These SACs will often include a requirement to complete Section 106 consultations with the appropriate State Historic Preservation Office (SHPO), and consultations with Federally-recognized Native American tribes represented by Tribal Historic Preservation Offices (THPO).

The U.S. Department of Commerce National Telecommunications and Information Administration (NTIA), as the lead Federal agency for BTOP, is responsible for initiating all Section 106 consultations. The recipient's role is to assist NTIA in conducting and concluding these consultations.

NHPA Section 106 Consultation Process
The Section 106 consultation process typically consists of providing project information and responding to questions and requests for additional information with two separate consulting parties: ■ The SHPO(s) for the state or states in which project activities will take place. ■ The THPO(s) that have recorded an interest in reviewing projects within the geographic area of the recipient's project (recorded geographic areas may be identified by county or the entire state).

SHPO Consultations

- Within a few weeks after the grant is awarded, the NTIA Historic Preservation Specialist (HPS) will ask the recipient to provide a current and comprehensive project description and detailed maps (preferably by email). This information should be readily available to the recipient and provided expeditiously to NTIA (i.e., within one month from acceptance of the award).
- The HPS will send the detailed project description and maps to the SHPO for the state in which project activities will take place. This letter will initiate NHPA Section 106 consultations for the project. The recipient will be copied on the letter. If more than one state is involved, the HPS will send letters to each.
- Shortly thereafter, the recipient is required to contact the SHPO, preferably by phone, followed by a letter or email, and offer to provide any additional information the SHPO may require to complete the consultation process.
- SHPO consultation requirements may differ from state to state. Hiring a cultural resource consultant with state-specific Section 106 experience is almost always beneficial and in some cases may be required, depending on the potential for the project to impact historic or cultural resources.

- Construction or expansion of communication facilities (cell towers) are regulated by the Federal Communications Commission (FCC). These activities must go through a streamlined Section 106 review under the National Programmatic Agreement (NPA) specific to the FCC. Other aspects of the project, such as cabling, may require separate Section 106 consultation with the NTIA as lead agency. The HPS will assist recipients in determining if this applies.
- The SHPO will respond to the NTIA letter initiating Section 106 consultation, or to the recipient's follow-up contact, based on state-specific procedures and their level of concern over the proposed BTOP project. The implementing regulations of Section 106 of the NHPA give the SHPO 30 days to respond to submissions.
- When projects have the potential to affect historic or cultural resources, SHPOs will typically require the completion of a survey of the project's Area of Potential Effect (APE). The recipient will typically need to secure the services of cultural resource professionals that meet the requirements and standards specified by the *Secretary of the Interior* (36 CFR 61) for archaeology and/or architectural history.
- Recipients with multi-state projects should not assume that information requests and decisions by one state's SHPO apply to other states as well. Recipients must conduct separate consultations with each SHPO.
- In some cases, the current engineering design may not be sufficient to define the project limits and APE within the EA schedule. Under this scenario, the SHPO, NTIA, and recipient can develop and sign a Programmatic Agreement (PA) that establishes the framework for complying with Section 106 as the project develops. The NTIA HPS will assist recipients and SHPOs with establishing PAs on a case-by-case basis.
- Some SHPOs prefer to consult only with the lead Federal agency of a proposed project. The recipient should inform the NTIA HPS if an SHPO is unresponsive or expresses any concerns regarding the consultation.
- Section 106 consultation is considered completed when:
    - SHPO provides a letter concluding that the project will have No Effect or No Adverse Effect on historic or cultural resources.
    - A PA is signed between the SHPO, NTIA, and the recipient, and any other necessary parties.
    - A Memorandum of Agreement (MOA) is signed between all involved parties setting forth requirements necessary to avoid, minimize, or mitigate any adverse effects identified by the SHPO during the review.
- Under Section 106 of the NHPA, a SHPO has 30 calendar days to respond to a determination of project effect upon receiving the required information.
- The recipient should include in its Environmental Assessment (EA): the results of SHPO consultations, determination of effect, mitigation requirements, project procedures, and any other information resulting from consultations.
- NTIA must evidence completion of its Section 106 responsibilities before a FONSI will be signed. If Section 106 consultations for proposed telecommunications towers are coordinated via the FCC under the NPA, the FONSI will require the applicant's commitment to comply.
- Changes to the project limits or scope of work may require additional SHPO consultation and could impact a project's effect determination. Changes will always require SHPO consultation if they have the potential to affect historic properties of a type not addressed or within the area deviating from the original consultation.

THPO Consultations

- Section 106 requires that consultations with Federally-recognized Indian tribes occur in parallel with the SHPO consultations.
- THPO consultations differ from those with the SHPO in a number of important ways:
    - Consultations are conducted on a government-to-government basis (i.e., NTIA to THPO), so the recipient's formal role is focused on supporting NTIA. If the recipient needs to interact with the THPO, NTIA will submit a request.
    - THPOs that are notified of a project have no obligation to respond, nor any requirement to respond within a specified time.
    - THPO notification of a project typically concludes with no communication after a reasonable period of time, a communication of no interest, a request to be notified if remains or artifacts are discovered, or expressions of interest that could include such things as requests for certain procedures to be followed in implementing the project and participation in field surveys. NTIA will require the recipient to accommodate all reasonable requests from THPOs.
- NTIA has arranged to participate in the FCC's Tower Construction Notification System (TCNS) in order to facilitate and expedite outreach to the 565 Federally recognized tribes and other Native American groups.
- TCNS is an automated system developed to facilitate licensees, applicants, and private tower constructors' identification of and early communication with all Federally recognized Indian tribes, including Alaska Native Villages, Native Hawaiian Organizations, and SHPOs. Tribes participate in TCNS by identifying their geographic area of interest and then receive only those notices of projects with activities that are planned within that specified area. For NTIA BTOP projects, the notification process begins when project descriptions are entered by NTIA into the automated TCNS system. Notified tribes interested in receiving more information on a specific project will respond via email through the TCNS to NTIA (the TCNS process requests responses within 14 days). NTIA will then, through the established government-to-government protocol, arrange for the recipient to establish communications with the tribe in order to provide any additional information and complete the consultation process. This is typically done through email initiated by the NTIA HPS, with the THPO, and recipient.
- For THPO consultations through the TCNS process, recipients should understand that:
    - THPO consultations, required by Section 106, are initiated by NTIA.
    - NTIA will forward THPO requests for information to the recipient for a timely and adequate response.
    - If the THPO identifies potential impacts to tribal historic or cultural resources, the recipient should coordinate its responses closely with NTIA HPS.
    - The recipient's EA should discuss any substantive interactions with THPOs regarding the project.

Additional Resources

For additional information on National Historic Preservation Act, Section 106, Consultation Process, please refer to the following resources:

- National Conference of State Historic Preservation Offices: www.ncshpo.org/index.htm.
- National Association of Tribal Historic Preservation Officers: http://www.nathpo.org/map.html.
- Section 106 Summary, National Historic Preservation Act: http://www.achp.gov/106summary.html.

Fact Sheet: Indirect Costs

Overview

Indirect costs are those recipient costs that are not directly associated with the recipient's execution of its BTOP project, but that are necessary to the operation of the organization and the performance of its programs. Indirect costs associated with all BTOP project categories generally are allowable if included as a line item in the approved budget and if the award recipient has (or obtains) an approved indirect cost rate. Note, however, that the recovery of indirect costs associated with Broadband Infrastructure projects (Middle Mile and Last Mile projects in BTOP Round 1 and Comprehensive Community Infrastructure (CCI) projects in Round 2) is limited. Because operating expenses are not an eligible cost for Broadband Infrastructure projects, indirect costs incurred in implementing these projects must generally be associated with the construction, deployment, or installation of facilities and equipment used to provide broadband service to be considered eligible for recovery with BTOP grant funds. As a result, an indirect cost rate that incorporates items that are typically considered to be operating expenses (e.g., office supplies, executive salaries, office rentals) will not be fully allowable for Broadband Infrastructure projects.

Indirect costs are usually expressed as percentage applied to a base. For example, indirect costs may be 10 percent of total direct costs.

Indirect Costs of BTOP Project
Common examples of indirect costs Include: ■ Salaries/expenses of executive officers. ■ Personnel administration. ■ Accounting. ■ Fringe benefits. ■ Office rent (the cost of renting facilities). ■ Maintenance (the cost of maintaining facilities). ■ Library expenses. ■ Office supplies (e.g., office equipment, computers printers, and copiers).
Indirect costs for Comprehensive Community Infrastructure (CCI) projects are limited to: ■ Costs associated with the construction, deployment or installation of facilities and equipment used to provide broadband services as described in Section V.D.2 of the Round 1 Notice of Funds Availability (NOFA) and Section V.E.2 of the Round 2 NOFA.
Indirect costs for Public Computer Centers (PCC) and Sustainable Broadband Adoption (SBA) projects: ■ Costs associated with eligible project activities as detailed in Section D.3 of the Round 1 NOFA and Sections V.E.3 and V.E.4 of the Round 2 NOFA.

Indirect Cost Rate

An indirect cost rate is a ratio expressed as a percentage of an organization's total indirect costs (numerator) to its direct costs (denominator). If an award recipient has an existing approved negotiated indirect cost rate (NICRA), it may use that rate in its BTOP project. Note, however, that a Broadband Infrastructure award recipient may not apply its full NICRA if it reflects the organization's operating expenses. Instead, it must use only that portion that it can demonstrate it incurs in connection with the construction, deployment, or installation of facilities and equipment used to provision broadband services. If an award recipient does not have a current approved NICRA, and seeks to include indirect costs in its project budget, it will be required to submit to the Department of Commerce (DOC) an indirect cost rate proposal, no later than 90 days after its BTOP award date to the DOC Office of Acquisition Management (OAM). This proposal should be based on actual costs for the most recently completed and audited fiscal year. For example, Fiscal Year 2009 audited financial statements could produce a Fiscal Year 2010 rate proposal.

The indirect cost rate proposal should be submitted to:

Office of Acquisition Management
U.S. Department Of Commerce
14th Street and Constitution Avenue, N.W., Room 6412
Washington, DC 20230

DOC will negotiate and approve the NICRA, allowing the recipient to include indirect costs as allowable project expenses. Recipients can use the fixed rate proposed in the indirect cost plan until DOC provides a response to the submitted plan. Actual indirect cost rates must be calculated and submitted annually.

Frequently Asked Questions

What is the difference between direct and indirect costs?

Direct costs are those that can be identified specifically with a particular final cost objective, i.e., a particular award, project, service, or other direct activity of an organization. In the case of BTOP, direct costs are those specifically identified with the recipient's execution of its BTOP project.

Indirect costs are the costs incurred by an organization that are not readily identifiable with a particular project or program but are necessary to the operation of the organization and the performance of its programs.

How is the indirect cost rate negotiated?

DOC will review the indirect cost proposals submitted by the recipient organization and, based on those reviews, will negotiate appropriate indirect cost rates with the organization.

If additional information or an audit is deemed necessary, DOC or an auditor working for the DOC will notify the organization of the specific requirements necessary to complete the indirect cost rates proposal.

For additional information on indirect costs, please refer to the following resources:

- Round 2 NOFA: www.ntia.doc.gov/frnotices/2010/FR_BTOPNOFA_100115.pdf.
- General Indirect Cost Rate Program Guidelines for Grantee Organizations, Department of Commerce: http://oam.eas.commerce.gov/docs/Indirect%20Cost%20Rate%20Proposal%20Instructions%20-%20Sept%2009.pdf.

Fact Sheet: Post-Award Modifications

Overview

The Broadband Technology Opportunities Program (BTOP) award recipient may request post-award modifications to its originally approved project plan. Modifications are allowed if the request meets the following criteria:

- The recipient proposing the post-award modifications demonstrates that the statutory purposes of BTOP are still served after the modification.
- The recipient and Federal Program Officer (FPO) follow the required procedural steps when seeking approval for the modification.

The recipient must comply with the general statutory and programmatic requirements of BTOP. The recipient may have to fulfill additional obligations depending on the modification requested.

Post-Award Modifications

The recipient can request post-award modifications for its award. The table below provides detail on permissible technical changes and associated recipient responsibilities.

Categories	Recipient Responsibilities
Purchasing or Leasing New Fiber	■ Provide a description of the fiber to be purchased and the capacity difference between the original fiber and new fiber. ■ Detail the type of fiber being purchased and state how it will comply with the Buy American provision of the Recovery Act and implementing regulations. ■ Provide a color-coded map of the project area that designates: ● The approved route. ● The unserved and undeserved areas within the project area. ● The areas along the map where the new fiber will be located.
Route Change	■ Provide a color-coded map of the project area that designates: ● The approved route. ● The unserved and undeserved areas within the project area. ● The originally approved route contrasted with the proposed route change. ● Provide a narrative describing the unserved and underserved areas in the project area. The narrative must demonstrate that the project area(s) continue to meet the definition of unserved or underserved.
Microwave System Location Change	■ Provide a color-coded map of the project area that designates: ● The approved route. ● The unserved and underserved areas within the project area. ● The originally approved microwave system locations within the proposed changed locations. ● Provide a narrative describing the unserved and underserved areas in the project area. The narrative must demonstrate that the project area(s) continue to meet the

Categories	Recipient Responsibilities
	definition of unserved or underserved.
Equipment Change	■ Provide a description of the substitution equipment to be purchased. ■ Demonstrate the reasons that the substituted equipment is of equal or greater quality than the original equipment. ■ Describe the type of substitution equipment to be purchased and state how it will comply with the Buy American provision of the Recovery Act and implementing regulations.

Submitting a Post-Award Modification

To start the post-award modification process, recipients must complete the actions outlined in the table below.

Post-Award Modification Request Process: Recipient Actions
■ Contact the assigned FPO with the nature of the post-award modification requests. ■ Request prior written approval of the deviation(s) or change(s) from the FPO. ■ Provide a narrative with a full explanation of the proposed deviation(s) or change(s). The narrative must discuss how the deviation(s) or change(s) serve the BTOP statutory purposes established through the Recovery Act.
■ Verify that the proposed deviation(s) or change(s) will: ● Not increase the approved budget. ● Not delay or interfere with the timely completion of the project.
■ Additional Actions: If the deviation(s) or change(s) is/are proposed after the completion of the EA, an addendum to the EA will be necessary. The recipient may need to obtain environmental regulatory clearances depending on the size and scope of the deviation or change.

Additional Resources

For additional information and guidance post-award modifications, please refer to the following resources:

- BTOP Recipient Handbook FY 2010: http://www2.ntia.doc.gov/files/BTOP_Recipient_Handbook.pdf
- 15 CFR § 14.25 and 15 CFR § 24.30.

Fact Sheet: Signage Requirements and Recipient Guidance

Overview

The purpose of this document is to provide guidance for satisfying the signage requirements placed on Broadband Technology Opportunities Program (BTOP) award recipients with construction projects. **In particular, recipients should focus on the bolded sections below that contain updated guidance.**

Signage Requirements

BTOP award recipients that have projects requiring "construction" are subject to a Special Award Condition that states: "The recipient is responsible for constructing, erecting, and maintaining in good condition throughout the construction period a sign(s) satisfactory to the NTIA that identifies the project and indicates that the project is Federally funded. The NTIA also may require that the recipient maintain a permanent plaque or sign at the project site with the same or similar information."

Producing and displaying signage – and specifically displaying the Recovery Act logo on signage – is one of several ways to provide openness and transparency to the public about how Federal funds are being spent. However, in order to be "satisfactory to the NTIA," it is important that the costs associated with signage are reasonable and limited. This means that signs should not be produced or displayed if doing so results in unreasonable cost or expense. (See Frequently Asked Questions below).

For purposes of this signage requirement, "construction" projects are those in which the major purpose of the award is construction, as defined in Chapter 17 of the Updated Department of Commerce Interim Grants Manual. Alteration of facilities incidental to a non-construction purpose is not considered construction. In general, projects classified as Infrastructure or Comprehensive Community Infrastructure (CCI) are subject to this signage requirement through the special award condition cited above. Some Public Computer Center (PCC) projects may be subject to this requirement through a special award condition to the extent they involve construction. Projects classified as Sustainable Broadband Adoption are not subject to this signage requirement.

To the extent that an award recipient must display signage, adherence to the following signage specifications is required by NTIA. At construction sites, recipients may satisfy the signage requirements by using the Primary or BroadbandUSA Emblems shown here and following all guidelines for size, clear space, and color. Complete guidelines are provided in the Information and Tools sections of this document.

Primary Emblem

BROADBANDUSA
CONNECTING AMERICA'S COMMUNITIES

BroadbandUSA Emblem

Summary: Recovery Act Logo Requirements

Recipients must meet the following minimum requirements when developing Recovery Act display signage for BTOP construction sites:

- Recipients must use the Primary Emblem or the BroadbandUSA Emblem in construction signage.
- The emblem must be at least six inches or larger in diameter.
- Recipients must not change proportions of the emblem.
- If using a color emblem, use the colors specified in the Information and Tools section.
- Always leave clear space surrounding the logo equal to half of the logo's radius.

Information and Tools

Recipients can use either of the two approved Recovery Act "marks" shown on the previous page. The BroadbandUSA Emblem incorporates the basic Recovery Act logo and is acceptable to meet signage requirements. Remember the following when using the emblems:

- Provide this fact sheet to your graphic designer or signage vendor. The details and tools provided here should provide everything needed to use the emblems correctly.
- Altering, distorting, or recreating the "marks" in any way is not permitted. Layout and design of signs and communication materials will vary, so care must be taken when applying the emblem.

Logo Artwork

- Emblem artwork is available on the BroadbandUSA.gov website. Copy www2.ntia.doc.gov/ManagementResources#signage into a browser to access camera-ready, high-resolution emblem artwork suitable for use in materials.
- The Primary Emblem and BroadbandUSA Emblem are available in TIF, JPEG and EPS formats.
- Do not alter, distort, or recreate the emblems in any way.

Color Specifications

- Use the exact colors listed below when reproducing the emblem in full color. CMYK values are used for print publications and RGB and HEX# values are used for on-screen applications.
- Do not change the colors of either emblem or use screens or tints of any color in any part of the logo.
- Recipients can also reproduce either emblem in black-and-white or in a one-color version. Use the "Navy" color indicated below when reproducing emblems in one color.

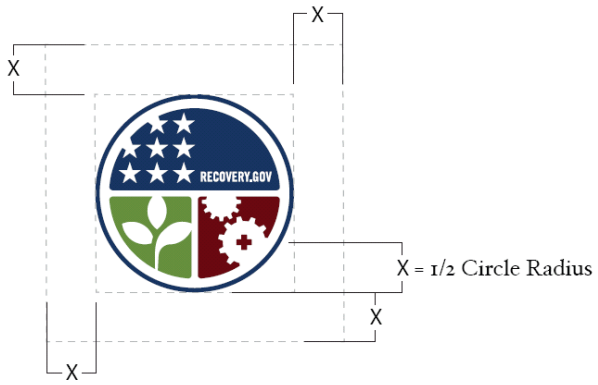
COLOR		CMYK	RGB	HEX#
	Navy	00 / 00 / 00 / 00	0 / 51 / 102	003366
	Red	30 / 100 / 100 / 50	102 / 0 / 0	660000

COLOR		CMYK	RGB	HEX#
	Green	65 / 25 / 100 / 7	103 / 144 / 62	67903E
	Light Blue	67 / 37 / 6 / 00	89 / 141 / 192	598DC0

Clear Space

Primary Emblem

- Always leave blank space surrounding the logo equal to half of the logo's radius.
- In the illustration below, the clear space is shown as the value "X," where "X" is equal to half of the radius. The minimum clear space must always be at least "X" on all sides of the emblem.



BroadbandUSA Emblem

- Please provide an amount of space surrounding the emblem equal to or larger than the height of the 'BroadbandUSA' emblem lettering, as shown below:

Frequently Asked Questions

Does NTIA have requirements regarding signage size?

NTIA does not specify sign size but does require that the Recovery or BroadbandUSA Emblem must be at least six inches in diameter.

Does NTIA have requirements regarding placement of the Recovery logo on signage OR the overall design of signage?

Recipients may adapt placement of the logos and may design signs to be suitable to the specific project on which they are displayed, but may not alter the design and colors of the logos themselves.

Can I use additional text on my signage?

Signs should be designed to maximize visibility of the logos and minimize any accompanying text. In addition, minimal text may be included on the sign, for example, "This project funded by" preceding the Recovery Act logo.

Am I required to use the Department of Commerce seal on signage?

No, the Commerce seal is not required. A grantee should not use the Department of Commerce's seal or NTIA's logo without written express permission from NTIA to do so.

Does NTIA require placement of signs at all construction sites?

Yes, provided that the costs associated with signage are reasonable and limited. Signs should not be produced or displayed if doing so results in unreasonable cost or expense. NTIA has determined that where construction is taking place in a remote area with few, if any, passersby, then the costs of producing a sign outweigh the benefits of displaying signage. For example, signs need not be posted at wireless towers unless they are within or adjacent to areas frequently accessed by passersby. Signs at construction projects should be placed where they are visible to passersby and to customers approaching the site. The recipient may also wish to consider placing signage on work vehicles when construction involves installation or deployment of buried or aerial fiber optic facilities, and where the construction may take place over long transmission rights of way.

Can I pay for signage costs with grant funds?

The cost of producing signage and displaying Recovery logos is an eligible project administration cost in BTOP grants. At the same time, costs associated with signage should be reasonable and limited. Signs should not be produced or displayed if doing so results in unreasonable cost or expense.

Do I need to document compliance with the signage requirements?

Yes. Recipients should maintain documentation of their compliance with the signage requirements set forth in their special award conditions, so that this documentation is available for audit purposes. This documentation should include a list of all construction sites, a description of where the signs are displayed, and cost information.

Fact Sheet: Additional Uses of Recovery Logo

Purpose

Award recipients can elect to use the American Recovery and Reinvestment Act (Recovery Act) logo in various materials they produce to promote their projects and for informational purposes. This document provides general guidelines and specifications for using the Recovery Act logo and the BroadbandUSA emblem in these materials.

Possible Uses

Recipients are required to use the Recovery Act logo in display signage on construction sites. This is the only required use of the logo. Refer to www2.ntia.doc.gov/ManagementResources#signage for further information on signage requirements.

Recipients are not required to use the Recovery Act logo in promotional and other project materials but may choose to do so. For example, recipients may decide to use the logo in:

- Banners to display in Public Computer Centers.
- Signage to display at Sustained Broadband Adoption (SBA) training classes.
- Decals to post on computers distributed through SBA programs.
- News releases used to announce project activities.
- Computer training materials.
- Materials to promote usage of broadband, e.g. fliers, brochures, videos, public service announcements.

General Guidance

Recipients that choose to use the Recovery Act logo in project materials should review the following points:

- The cost of producing materials that display Recovery logos may be an eligible project administration cost in BTOP grants.
- Both recipients and subrecipients may use the Recovery logo in informational and promotional materials used to support projects.
- Minimal text may be included with the logo, such as "This project funded by [logo]."

Information and Tools

Recipients can use two approved Recovery Act "marks" – the Primary Emblem and the BroadbandUSA Emblem shown below.

Primary Emblem

BROADBANDUSA
CONNECTING AMERICA'S COMMUNITIES

BroadbandUSA Emblem

Remember the following when using the emblems:

- Provide this fact sheet to your graphic designer. The details and tools provided here should provide everything needed to use the Primary or Secondary Emblems correctly.
- Altering, distorting, or recreating the "marks" in any way weaken the power of the image and what it represents.
- Layout and design of communication materials will vary, so care must be taken when applying the emblem.

Logo Artwork

- Emblem artwork is available on the BroadbandUSA.gov website. Copy the following URL into a browser to access camera-ready, high-resolution emblem artwork suitable for use in materials - www2.ntia.doc.gov/ManagementResources#signage. The Primary Emblem and BroadbandUSA Emblem are available in TIF, JPEG and EPS formats.
- Do not alter, distort or recreate either emblem in any way.

Color Specifications

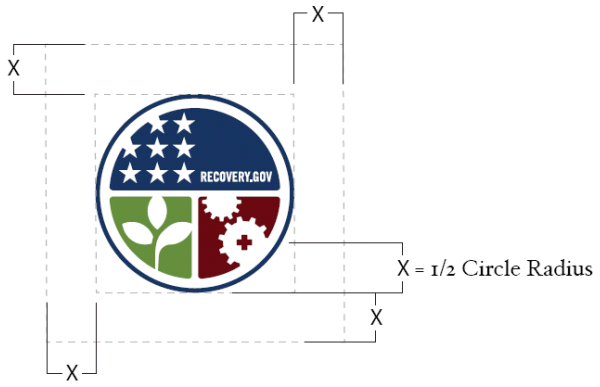
- Use the exact colors listed below when reproducing the emblem in full color. CMYK values are used for print publications and RGB and HEX# values are used for on-screen applications. Do not change the colors of either emblem or use screens or tints of any color in any part of the logo.

COLOR		CMYK	RGB	HEX#
	Navy	00 / 00 / 00 / 00	0 / 51 / 102	003366
	Red	30 / 100 / 100 / 50	102 / 0 / 0	660000
	Green	65 / 25 / 100 / 7	103 / 144 / 62	67903E
	Light Blue	67 / 37 / 6 / 00	89 / 141 / 192	598DC0

Clear Space

Primary Emblem

- Always leave blank space surrounding the logo equal to half of the logo's radius.
- In the illustration below, the clear space is shown as the value "X," where "X" is equal to half of the radius. The minimum clear space must always be at least "X" on all sides of the emblem.



Secondary Emblem

- Please provide an amount of space surrounding the emblem equal to or larger than the height of the 'BroadbandUSA' emblem lettering, as shown below.

Fact Sheet: Subrecipients and Contractors

Overview

BTOP award recipients may work with subrecipients and contractors (also commonly referred to as vendors) for assistance throughout the course of the awarded projects. The roles of each entity in a Federal assistance award are characterized below:

- A subrecipient is involved in the substantive activities of the awarded project to accomplish BTOP purposes. Terms and conditions from the grant award flow down to the subrecipient.
- A contractor provides goods and services to benefit the grant recipient. A contractor does not seek to accomplish a public benefit; rather, it pursues its own commercial objectives.

Subrecipient and Contractor Determinations

The Office of Management and Budget (OMB) issued guidance in Section 210 of OMB Circular A-133 on determining whether a participant in a Federal assistance award may be characterized as a subrecipient or as a vendor.

Use the checklist below in determining whether grant payments expected to be made to a project participant constitute a Federal award or a payment for goods and services.

Subrecipient	Contract
Characteristics that indicate a Federal award received by a subrecipient are when the organization: ■ Determines who is eligible to receive Federal financial assistance. ■ Has its performance measured against whether the objectives of the Federal program are met. ■ Has responsibility for programmatic decision making. ■ Has responsibility for adherence to applicable Federal program compliance requirements. ■ Uses the Federal funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity.	Characteristics that indicate a payment for goods and services received by a vendor are when the organization being paid: ■ Provides the goods and services within normal business operations. ■ Provides similar goods or services to many different purchasers. ■ Operates in a competitive environment. ■ Provides goods or services that are ancillary to the operation of the Federal program. ■ Is not subject to compliance requirements of the Federal program.

Importance of Definitions

Confusion about the terms and using them interchangeably may lead to erroneous recipient oversight, procurement and reporting requirements, American Recovery and Reinvestment Act (ARRA) reports, and financial audits. ***The OMB guidance advises that the substance of the relationship is more important than the form of the agreement*** and it is not expected that all of the characteristics of each entity will be present in a given situation.

Each situation must be evaluated on a case-by-case basis. A recipient should exercise its judgment when making the determination of whether a particular entity is appropriately characterized as a subrecipient or a contractor and should evaluate the activities the entity will be expected to perform on the project against the criteria enumerated above.

Roles of Subrecipients vs. Contractors

More information on the roles and activities of each entity is captured in the following table.

Topic	Subrecipient	Contractor
ARRA Reporting	■ Prime recipient may delegate ARRA reporting to the subrecipient.	■ Prime recipient cannot delegate ARRA reporting to the vendor.
Central Contractor Registration (CCR)	■ A first tier subrecipient (i.e., a recipient of a subaward directly from the prime award recipient) must maintain current registration in CCR at all times during which it has active Federal awards funded with ARRA funds.	■ Does not need to register on CCR.
DUNS	■ Each entity (except individuals) that receives ARRA funds directly or indirectly should have a DUNS number.	■ Each entity (except individuals) that receives ARRA funds directly or indirectly should have a DUNS number.

Frequently Asked Questions

Are partners, including subrecipients and contractors, liable to fulfill the terms of the award to the same extent as the lead applicant?

A project partner's responsibilities depend upon whether it is a subrecipient working to accomplish the public purpose authorized by the grant award, or a contractor simply providing goods or services in its own commercial interest to benefit the grant recipient. A subrecipient must comply with programmatic requirements, administrative requirements in 15 CFR Part 14 or Part 24 (as applicable), cost principles, audit requirements, Department of Commerce (DOC) Standard Terms and Conditions, and American Recovery and ARRA Award Terms, among other award conditions.

In implementing subawards involving public-private partnerships, recipients should be aware that the uniform administrative requirements and cost principles applicable to subrecipients are based on the subrecipient's own type of organization, i.e., non-profit, university, or commercial organization. As a result, the same uniform administrative requirements and cost principles may not apply to the prime recipient and the subrecipient.

What requirements do BTOP award recipients need to follow when selecting subrecipients and contractors for its project?

The recipient must follow the procurement standards outlined in the Uniform Administrative Requirements, 15 CFR § 14.40-48 or 15 CFR § 24.35-37 when selecting a subrecipient or contractor.

Among other requirements, recipients must maintain written procurement procedures and written codes of conduct governing the performance of employees engaged in the award and administration of contracts. DOC applies this requirement both to the selection of contractors and subrecipients. These standards are intended to prohibit employees, officers, and agents from participating in the selection, award, or administration of contracts supported by Federal funds if a conflict of interest would be involved. Violation of these procurement requirements could be a basis for suspension or termination of an award, or other appropriate action. Because unresolved conflicts of interest have the potential to undermine the integrity of the financial assistance process, it is important that such conflicts be brought immediately to the attention of the Federal Program Officer (FPO) for resolution.

Prime recipients must select contractors and subrecipients in a manner to provide, to the maximum extent practicable, open and free competition. The recipient must be alert to organizational conflicts of interest as well as other practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor or subrecipient performance and eliminate unfair competitive advantage, contractors and subrecipients that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals are excluded from competing for such contracts and subawards. The recipient must perform a cost or price analysis in connection with its award of each contract.

A recipient may use sole source selection based on a noncompetitive proposal only when justified, for example, when the award of a contract is infeasible under any other method and: (A) the item is available only from a single source; (B) there is a public exigency or emergency that will not permit a delay resulting from competitive solicitation; (C) the awarding agency authorizes noncompetitive proposals; or (D) after solicitation of a number of sources, competition is determined inadequate. In the case of sole source selection, cost analysis of the proposal is required and the recipient may be required to submit the proposed procurement to the awarding agency for an advance review.

Additional Resources

For additional information and guidance on identifying, selecting, and working with subrecipients and contractors, please refer to the following resources:

- Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit and Commercial Organizations, 15 CFR Part 14, http://oam.eas.commerce.gov/docs/GRANTS/15cfr14.pdf.
- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 15 CFR Part 24, http://oam.eas.commerce.gov/docs/GRANTS/15cfr24.pdf.
- American Recovery and Reinvestment Act Award Terms: http://oam.eas.commerce.gov/docs/ARRA%20DOC%20Award%20Terms%20Final%205-20-09PDF.doc.pdf.
- Department of Commerce Standard Terms and Conditions: http://oam.eas.commerce.gov/docs/GRANTS/DOC%20STCsMAR08Rev.pdf.
- Round 2 Notice of Funds Availability (NOFA): www.ntia.doc.gov/frnotices/2010/FR_BTOPNOFA_100115.pdf.
- OMB Circular A-133 sec.__.210: www.whitehouse.gov/omb/rewrite/circulars/a133/a133.html.

Fact Sheet: Davis Bacon Act Requirements

Overview

Section 1606 of the American Recovery and Reinvestment Act (ARRA) of 2009, Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009) (the "Recovery Act"), requires BTOP grant award recipients, subrecipients, contractors, and subcontractors to comply with the wage requirements of the Davis-Bacon Act (40 U.S.C. 3141 et seq.) and related acts, stating:

Notwithstanding any other provision of law and in a manner consistent with other provisions in this Act, all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

Scope of the Davis-Bacon Act

The Davis-Bacon Act prevailing wage requirements apply to laborers and mechanics employed under contracts or subcontracts in excess of $2,000 for construction, alteration, or repair activities (including but not limited to painting and decorating) that are funded, in whole or in part, under BTOP grant awards. In general:

- Laborers and mechanics – Are workers whose duties are manual or physical in nature, including apprentices, trainees and helpers, but do not include workers whose duties are primarily managerial, administrative, executive, or clerical. See 29 C.F.R. § 5.2(m).
- The $2,000 threshold – Pertains to the amount of the prime construction contract, not to the amount of individual subcontracts. Accordingly, if the prime construction contract exceeds $2,000, all construction work on the project (including subcontracts) is covered by the Davis-Bacon Act. See 29 C.F.R. § 5.5(a)(6).
- Construction, alteration, or repair activities – Are those occurring at the "site of the work" that involve the alteration, remodeling, or installation of items fabricated off-site; painting and decorating; manufacturing or furnishing of materials, articles, supplies, or equipment on the site of the building or work; and, in certain cases, transportation between the site of the work and other points. See 29 C.F.R. § 5.2(j).
- Site of the work – Is the physical place or places where the building or work called for in the contract will remain, and any other site where a significant portion of the building or work is constructed, provided that such site is established specifically for the performance of the contract or project, and includes job headquarters, tool yards, batch plants, borrow pits, etc., if they are dedicated exclusively, or nearly so, to performance of the contract or project, and are adjacent or virtually adjacent to the site of the work. The site of the work does not include permanent home offices, branch plant establishments, fabrication plants, tool yards, etc., of a contractor or subcontractor whose location and continued operation are determined wholly without regard to a particular Federal or Federally-assisted contract or project. See 29 C.F.R. § 5.2(l).
- Application to Governmental Agencies – Governmental agencies, such as states or their political subdivisions, are not subject to the Davis-Bacon Act requirements when construction work is being performed by their own employees on a "force account" basis. See 29 C.F.R. § 5.2(h).

Davis-Bacon Act prevailing wage requirements are likely to apply to construction and related activities undertaken in connection with Infrastructure Round 1 and Comprehensive Community Infrastructure (CCI) Round 2 projects. In many cases, Davis-Bacon Act prevailing wage requirements will also apply to activities under BTOP grants for Sustainable Broadband Adoption (SBA) and Public Computer Centers (PCC), when construction and related activities (including minor renovation of facilities) can be segregated from the other work contemplated by the grant. See 29 C.F.R. § 4.116; F.A.R. § 22.402(b).

Davis-Bacon Act Requirements

Required contract provisions (appearing at 29 C.F.R. § 5.5) and the applicable wage determination(s) for the activities contemplated by a construction project must be included in any contract or subcontract to which the Davis-Bacon Act applies providing, among other items, that:

- Laborers and mechanics must be paid the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) at least once a week;
- No paycheck deductions or rebates are permitted, except as permitted under Department of Labor (DOL) regulations (29 C.F.R. §§ 3.5-3.6); and
- Wage and fringe benefit rates must be no less than those contained in DOL wage determination for the labor classification for the work actually performed.

The recipient is responsible for ensuring that the required contract provisions appear in all contracts and subcontracts entered into by recipients, subrecipients, contractors, and subcontractors for construction, alteration and repair activities covered by the Davis-Bacon Act and related acts. Applicable wage determinations included in the contract must be verified by the recipient within 10 days of the contract date.

In cases where state wage rates (determined under state statutes often called "Mini-Davis-Bacon Acts") are higher than the Federal wage rates, the state wage rates take precedence and should be included in contracts in lieu of the lower, Federal wage rates.

In cases of construction projects on tribal lands, the recipient should contact its assigned Federal Program Officer (FPO) for guidance on the interplay among the Davis-Bacon Act, state Mini-Davis-Bacon acts and the Tribal Employment Rights Ordinance (TERO).

Contracts for amounts over $100,000 that are covered by the Davis-Bacon Act must include additional standard clauses (also appearing in 29 C.F.R. § 5.5) providing, among other things, that overtime for laborers and mechanics must be paid at a rate 1.5 times the basic rate of pay for time worked in excess of 40 hours per week.

In addition, the DOL Davis-Bacon poster (WH–1321) must be prominently posted at the site of the work. Refer to: www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf.

Davis-Bacon Wage Rate Determinations

DOL conducts statewide surveys seeking payment data on wage and fringe benefit rates from construction contractors and other interested parties, such as labor unions. Wage determinations are issued by locality, typically on a county-by-county basis. Davis-Bacon Act wage determinations are published on DOL's Wage Determinations OnLine (WDOL) website accessible at: www.wdol.gov. The Davis-Bacon Act prevailing wages are determined by DOL based on wages paid to various classes of laborers and mechanics employed on specific types of construction projects in an area.

If DOL has not published a wage determination for work that is needed to complete a BTOP construction project, the recipient may seek a Conformance. The recipient must submit a Conformance request using Standard Form (SF) 1444. Please go to www.wdol.gov/library.aspx to obtain a copy of the form and instructions.

To complete the form, the recipient must describe the work to be done (identified with a classification that is used in the subject area in the construction industry) and propose a wage rate that bears a reasonable relationship to existing wage determinations. Typically, the rate must not be less than the wage determination for an unskilled laborer and, for a skilled craft, must be at least equal to the lowest wage determination for any other skilled craft.

Infrastructure and CCI recipients should submit the completed SF-1444 through Grants Online as an "Other Action Request." The SF-1444 will be routed to the National Oceanic and Atmospheric Administration (NOAA) Grants Officer and transmitted to the DOL Wage and Hour Division for review and approval. The Wage and Hour Division has committed to act on Conformance requests within 30 days.

SBA and PCC recipients should submit completed SF-1444 Conformance requests through the Post-Award Monitoring (PAM) System. To do so, the recipient should create a report package of the type "POR: PAM Other Request." After filling out and attaching the Request Template, the recipient should attach the completed SF-1444 form using the "Add File" button. The SF-1444 will be routed to the National Institute of Standards and Technology (NIST) Grants Officer and transmitted to the DOL Wage and Hour Division for review and approval. The Wage and Hour Division has committed to act on Conformance requests within 30 days.

Recordkeeping and Monitoring Obligations

Recipients, subrecipients, contractors, and subcontractors must prepare weekly certified payroll documentation using Form WH-347 (available at: www.dol.gov/whd/forms/wh347.pdf), properly completed for laborers and mechanics performing activities covered by the Davis-Bacon Act requirements of the Recovery Act. Subrecipients, contractors, and subcontractors must submit this information to the BTOP grant award recipient on a weekly basis within seven days of the regular payment date of the subrecipient's, contractor's or subcontractor's payroll period.

A recipient must review the weekly certified payroll documentation it receives from its subrecipients, contractors and subcontractors on an ongoing basis. See 29 C.F.R. §§ 3.3-3.4. If a subrecipient receives the original payroll documents, the subrecipient should review these documents and forward the original documents to the recipient on a weekly basis within the time period described above.

The recipient must maintain in its files the original Davis-Bacon Act payroll records it prepares for itself, as well as those prepared by subrecipients, contractors, and subcontractors. The recipient is not required to submit any of the payroll documents to the BTOP Grants Office unless the assigned Grants Officer makes a request for such records. The payroll records must be maintained so as to be easily accessed by BTOP Grants Officers and by other duly authorized officials. The recipient must retain these records as provided in the Department of Commerce (DOC) Uniform Administrative Requirements for Grants and Cooperative Agreements, 15 C.F.R. § 14.53 or 24.42, as applicable, generally for the later of three years after closeout of the award, or until any litigation, claim, or audit is resolved.

Enforcement and Penalties

Violation of the requirements of Section 1606 of the Recovery Act and the Davis-Bacon Act and related acts is a serious offense. Compliance is subject to audit during OMB Circular A-133 audits (including program-specific audits) of BTOP grant recipients and subrecipients, as well as audits and investigations by the DOC Office of Inspector General, the Government Accountability Office (GAO), the DOL Wage and Hour Division, and other duly authorized officials.

A violation of the Davis-Bacon Act wage requirements may lead NTIA to impose appropriate enforcement action in connection with a BTOP grant award, up to and including suspension or termination of the award. In addition, contracting parties are subject to payment of back wages, and suspension or debarment from future contracts for a period of up to three years. Monetary damages may also apply.

Falsification of certified payroll records or the required kickback of wages may subject a violator to civil or criminal prosecution, the penalty for which may include fines and/or imprisonment.

Frequently Asked Questions

I prepared my project budget using labor rates below those specified in DOL wage determinations. How do I request an increase in the size of my BTOP award?

NTIA will not increase the amount of Federal funding of a BTOP award for this reason. The recipient will need to fund the increased labor costs from other non-Federal sources.

What if I have already received bids for a contract that is covered by the Davis-Bacon Act requirements?

A BTOP recipient should ensure that the bidders for contracts and subcontracts covered under the Davis-Bacon Act used labor rates that are consistent with the DOL prevailing wage determinations. It is the recipient's responsibility to ensure that all contracts and subcontracts covered by the Davis-Bacon Act satisfy the prevailing wage requirements. If the wage rates paid

under the contract or subcontract do not meet the prevailing wage requirements, laborers and mechanics employed under the contract will be entitled to back wages, and additional penalties may apply.

I cannot find wage determinations for the type of work my BTOP project requires. How can I incorporate the necessary wage determinations in my contracts?

You should contact your assigned Grants Officer, or the DOL Wage and Hour Division District Office nearest your location. The DOL has staff members in each of its District Offices that are available to assist Recovery Act award recipients, including BTOP recipients, with Davis-Bacon Act questions. It is possible that one of the existing wage determinations may apply or, if not, you will be required to request a Conformance.

Are my own employees subject to Davis-Bacon wage requirements? What if my employee performs more than one type of work?

State and local governments are not considered "contractors" or "subcontractors" subject to Davis-Bacon Act requirements with respect to their own employees when the work is being performed on a "force account" basis. Therefore, BTOP-funded work that a state or local government performs using its own employees is not subject to Davis-Bacon Act requirements. See 29 C.F.R. § 5.2(h).

Other BTOP recipients and subrecipients are subject to the requirements of the Davis-Bacon Act and related acts with respect to their own employees, and should ensure that any employee's salary is at least equal to the level established by the proper Davis-Bacon Act prevailing wage determination when the employee is working as a laborer or mechanic performing construction, alteration or repair work under a BTOP grant award.

In cases where an employee is performing more than one type of work, the employer may track the employee's time and pay the employee at the proper prevailing wage rate for each hour he or she spends working within a particular labor classification. In the alternative, the employer may choose to pay the employee at a rate at least as high as the highest Davis-Bacon Act prevailing wage rate that applies to any work the employee performs.

When preparing my project budget, I planned to have volunteers complete a portion of the construction needed to complete my BTOP-funded Infrastructure project. Are volunteers exempt from the wage requirements of the Davis-Bacon Act?

There are no exceptions to Davis-Bacon Act coverage for volunteer labor unless an exception is specifically provided for in the particular Davis-Bacon Related Act under which the project funds are derived. The Davis-Bacon Related Act in this case is the Recovery Act, which does not provide such an exception for volunteer labor. Therefore, on BTOP-funded projects, the recipient and its subrecipients, contractors, and subcontractors must pay all workers performing work within the scope of the Davis-Bacon Act, including volunteers, in accordance with the applicable DOL's Davis-Bacon Act prevailing wage determination. See 29 C.F.R. 5.2(o).

Additional Resources

For additional information on Davis-Bacon Act requirements, please refer to the following resources:

- Department of Labor Wage and Hour Division Information related to the American Recovery and Reinvestment Act of 2009: www.dol.gov/WHD/recovery/index.htm
- All Agency Memorandum No. 207 – Applicability of Davis-Bacon to Federal and Federally-assisted construction work funded by the American Recovery and Reinvestment Act of 2009: www.dol.gov/whd/recovery/AAM207.pdf.
- Davis-Bacon Poster (WH-1321): www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf.
- Department of Labor Wage and Hour Division Davis Bacon Fact Sheet: www.dol.gov/whd/regs/compliance/whdfs66.pdf.
- Wage Determinations: www.wdol.gov.
- Prevailing Wage Resource Book: www.dol.gov/whd/recovery/pwrb/toc.htm.

Fact Sheet: Federal Interest Requirements

Overview

Each recipient and subrecipient of a BTOP financial assistance award holds all real or personal property, whether tangible or intangible, that it acquires or improves, in whole or in part, with Federal funds ("BTOP Property") in trust for the public purposes for which the financial assistance award was made. See 15 C.F.R. §§ 14.37, 24.31. This trust relationship exists throughout the estimated useful life of the BTOP Property, as determined by NTIA, during which time NTIA retains an undivided equitable reversionary interest in the BTOP Property (the "Federal Interest"). The amount of the Federal Interest is computed as the percentage of the current fair market value of the BTOP Property attributable to NTIA's participation in the BTOP project. See 15 C.F.R. §§ 14.32, 14.34 - 14.37, 24.31 - 24.34, as applicable.

During the pendency of the Federal Interest, the recipient or subrecipient shall not:

- Sell, lease, transfer, assign, convey, hypothecate, mortgage, or otherwise convey any interest in the BTOP property without the prior written approval of the Grants Officer.
- Use the BTOP Property for purposes other than the purposes for which the award was made without the prior written approval of the Grants Officer.
- Fail to comply with Federal laws and regulations, Department of Commerce policies, Executive Orders, and Office of Management and Budget (OMB) Circulars that are incorporated into the terms and conditions of the award.

Under the terms and conditions that govern BTOP grant awards, recipients and subrecipients of awards for construction, including Round 1 Infrastructure and Round 2 Comprehensive Community Infrastructure (CCI) awards, as well as Public Computer Center (PCC) awards involving construction, must execute and record appropriate documentation of the Federal Interest (as discussed below). Recipients of Sustainable Broadband Adoption (SBA) and PCC awards without construction are not required to do so, although the Federal Interest nevertheless applies to the BTOP Property under these programs.

Scope of the Federal Interest Documentation Requirement

In the case of BTOP financial assistance awards involving construction, recipients must execute and file in the appropriate office(s) documentation of the Federal Interest with respect to the acquisition or improvement, in whole or in part, of BTOP Property (hereinafter referred to as "Covered BTOP Property"). See 15 C.F.R. §§ 14.37, 24.31. The documentation of the Federal Interest must be acceptable in form and substance to NTIA. Failure to properly and timely file and maintain such documentation of the Federal Interest may risk the disallowance of the cost of acquisition or improvement by NTIA. These requirements apply to subrecipients of BTOP financial assistance awards to same extent that they do to recipients.

Requirements and Approaches to Documenting the Federal Interest

NTIA prefers that all recipients and subrecipients involved in a single BTOP project use the same approach to document the Federal Interest. For purposes of the below discussion, the requirements and approaches for satisfying this documentation requirement for recipients of BTOP financial assistance awards are applicable to subrecipients of such awards. The general decision of which approach to use to meet this documentation requirement rests with NTIA, but the recipient and/or subrecipient bear responsibility to properly implement this requirement.

The first approach (and preferred of NTIA) is for the recipient to prepare and properly record a "Covenant of Purpose, Use and Ownership" ("Covenant") with respect to Covered BTOP Property. The Covenant approach may be particularly attractive to recipients that are state or local governments or other entities that face legal constraints on their ability to grant traditional mortgage lien interests. Under the Covenant, the recipient must covenant that it holds title to the Covered BTOP Property in trust for the public purpose of the BTOP financial assistance award and that it will repay the Federal Interest if it alienates an interest in or uses the property inconsistent with that public purpose. The Covenant must be properly recorded in the real property records in the jurisdiction in which the real property or fixture is located in order to provide public record notice to interested parties that there are certain restrictions on the use and disposition of the Covered BTOP Property during its estimated useful life and that NTIA retains an undivided equitable reversionary interest in the Covered BTOP Property to the extent of its participation

in the BTOP project (i.e., the Federal Interest). It may also be necessary to file a UCC-1 with the appropriate state office(s) noting a similar interest in plant, property or equipment that are Covered BTOP Property.

The alternate approach for documenting the Federal Interest in Covered BTOP Property is through the use of an "Agreement and Mortgage" ("Mortgage"), whereby the recipient grants NTIA a first priority lien in the Covered BTOP Property in the amount of the Federal Interest (which may be agreed to be the same as the amount of the Federal funding under the BTOP financial assistance award). The Mortgage must be properly recorded in accordance with state law in the real property records where the Covered BTOP Property is situated in order to provide public record notice to interested parties that there are certain restrictions on the use and disposition of the Covered BTOP Property during its estimated useful life. If the Covered BTOP Property will be integrated into the recipient's existing plant such that it would be impracticable to separate the Covered BTOP Property from the recipient's existing plant, it may be necessary for the existing lenders and NTIA to discuss how such interests may be shared on a system-wide basis.

To the extent that the Covered BTOP Property consists of personal property, such as equipment, licenses, permits, or fixtures, the recipient must record UCC-1 forms with either the appropriate state office in accordance with that state's codification of the Uniform Commercial Code (UCC), Article 9 (for personal property not affixed to land) and/or recorded in the real property records of the jurisdiction where the real property is located if for assets affixed to the land. The recipient will likely need to execute a Security Agreement, acceptable in form and substance to NTIA, which provides NTIA with a first, unsubordinated position in the BTOP Property. If the recipient has existing secured lending relationships where a drag-net type clause in existing lending instruments purport to encumber after-acquired property, then the recipient may need to assure that the effect of the lien granted NTIA is a purchase money security interest under the UCC. For an indefeasible right of use (IRU), the agreement entered into by the recipient must provide for the Federal Interest, as well as the assignment of the IRU to or at the direction of NTIA if the recipient fails to act in accordance with the terms and conditions of the BTOP financial assistance award.

The obligations of the recipient with respect to Covered BTOP Property remain in effect for the entire estimated useful life of the Covered BTOP Property, regardless of which approach is used. The recipient shall execute and record all documentation necessary to maintain the Federal Interest for the estimated useful life of the Covered BTOP Property (e.g., continuation statements under the UCC).

In addition, the recipient must provide NTIA with a written statement from a licensed attorney in the jurisdiction where the Covered BTOP Property is located in the case of real property, or in the jurisdiction where the UCC-1 form is filed in the case of personal property, certifying that the Federal Interest has been protected, as required under the BTOP financial assistance award and in accordance with state and local law and, if the second alternative is used, that the NTIA security interest is in a first, unsubordinated position. The attorney's statement must be provided to the Grants Officer, together with the originally recorded Covenant or Mortgage, and filed UCC-1 form, as applicable.

The following matrix summarizes the approaches for satisfying the Federal Interest documentation requirement for Covered BTOP Property:

Type of Covered BTOP Property	Covenant Approach	Lien Approach
Real Property	■ Properly executed and recorded Covenant of Purpose, Use and Ownership; in the case of leases, easements, rights.	■ Properly executed and recorded Agreement and Mortgage; in the case of leases or other non-fee interests, the recipient's interest in the Covered BTOP Property must be as least as long as the Federal Interest and the underlying agreement must allow for recording of the Federal Interest.
Fixtures (personal	■ UCC-1 filed in the jurisdiction where the	■ UCC-1 filed in the jurisdiction where the real

Type of Covered BTOP Property	Covenant Approach	Lien Approach
property so affixed to the land that it is legally considered part of the realty)	real property is located, renewed as necessary as long as the Federal Interest in the fixture; in the case of leases, easements, rights-of-way, or other non-fee interests, the recipient's interest in the property must be as long as the Federal Interest and the underlying agreement must allow for the documentation of the Federal Interest.	property is located, renewed as necessary for as long as the Federal Interest in the fixture; in the case of leases, easements, rights-of-way, or other non-fee interests, the recipient's interest in the property must be as long as the Federal Interest and the underlying agreement must allow for the documentation of the Federal Interest. The recipient will also likely need to execute a Security Agreement, acceptable in form and substance to NTIA.
Personal Property, both tangible and intangible	■ UCC-1 filed in the central filing office as directed under the State's Uniform Commercial Code, Art. 9 noting the Federal Interest under the Covenant, renewed as necessary for as long as the Federal Interest; or if another legal filing scheme pre-empts the UCC, then in accordance with such requirements.	■ UCC-1 filed in the central filing office as directed under the State's UCC, Art. 9, renewed as necessary for as long as the Federal Interest; or if another legal filing scheme pre-empts the UCC, then in accordance with such requirements; if a pre-existing lending relationship exists covering such assets, then the requirements for a purchase money security interest under the UCC must be complied with. The recipient will also likely need to execute a Security Agreement acceptable to NTIA in form and substance.

Timing Requirements

Documentation of the Federal Interest is to be perfected and recorded/filed in accordance with state and/or local law concurrent with or as soon as possible following any purchase, lease or other acquisition of Covered BTOP Property and, unless otherwise approved in writing by the Grants Officer, not later than the date on which the BTOP financial assistance award is officially closed-out. See 15 C.F.R. §§ 14.70-73; 24.50-52, as applicable. Preferably, the recipient will work with NTIA to ensure that the requisite documentation of the Federal Interest is perfected and recorded/filed as follows:

- For in-kind contributions of Covered BTOP Property, the date on which the contribution is made.
- For other acquisitions of Covered BTOP Property, the time at which the recipient first obtains an interest in the Covered BTOP Property.

Frequently Asked Questions

When does a BTOP grant award involve "construction," making the recipient subject to the requirement to execute and record appropriate documentation of the Federal Interest?

The requirement to execute and record appropriate documentation of the Federal interest applies to BTOP awards for which the major purpose of the project is construction. Chapter 17 of the Department of Commerce Updated Grants and Cooperative Agreements Interim Manual ("DOC Grants Manual") states that such construction may include the "construction of new buildings, completion of shell space in existing buildings, renovation or rehabilitation of existing buildings, . . . construction or development

of real property, [and] infrastructure improvements (e.g. site preparation; utilities; streets; curbs; sidewalks; parking lots; and other streetscaping improvements, etc.)." In contrast, alteration of facilities incidental to a non-construction purpose is not considered construction for purposes of this analysis, and such activities do not trigger the requirement for the recipient to execute and record appropriate documentation of the Federal interest.

NTIA considers the major purpose of BTOP projects to be "construction" under Chapter 17 of the DOC Grants Manual in the case of grants awarded for (1) Infrastructure; (2) CCI; and (3) PCC projects with a construction component. Recipients and subrecipients of such awards must execute and record appropriate documentation of the Federal interest in real property, broadband facilities, and equipment acquired or improved with BTOP grant funds, in accord with the terms and conditions of their respective awards.

In contrast, SBA and PCC projects that do not include a construction component are not "construction" awards under Chapter 17 of the DOC Grants Manual. Even if a recipient of such an award engages in minor construction activities, NTIA considers such activities to be incidental to the non-construction purposes of the award. In general, at a minimum, minor construction would include such activities as the installation of cabinetry, doors, windows, window frames, window coverings, system furniture, interior finishes or flooring, interior partitions, HVAC equipment, and sinks, faucets, or other fixtures; the replacement or repair of wallboard or ceilings; rough-ins for plumbing or electrical work; and painting; wallpapering; and carpeting. While the Federal interest nevertheless attaches to any real property, broadband facilities, and equipment acquired or improved with funds from such awards, recipients and subrecipients are not required to execute and record appropriate documentation of that interest.

May a recipient or subrecipient designate certain facilities as constructed with Federal funds and certain facilities as constructed with matching non-federal funds?

No. The Federal government has an undivided equitable reversionary interest in all BTOP Property (as defined above) during its estimated useful life (i.e., the Federal Interest). The amount of the Federal Interest is computed as the percentage of the current fair market value of the property attributable to NTIA's participation in the BTOP project. With respect to Covered BTOP Property (as defined above), the recipient or subrecipient must perfect and record/file appropriate documentation of the Federal Interest. However, for convenience it may be agreed that the amount of Federal funding under the BTOP financial assistance award shall be the value of the Federal Interest for Covered BTOP Property.

May a recipient or subrecipient use its existing regulatory or financial depreciation schedule to measure the estimated useful life of BTOP Property?

No. NTIA determines the estimated useful life of BTOP Property. NTIA is developing an estimated useful life schedule that will provide uniform estimated useful life rules for BTOP Property.

Does the Federal Interest apply to BTOP Property contributed to the project by a recipient, subrecipient, or third-party to satisfy an in-kind matching requirement?

Yes. As stated above, the Federal Interest is an undivided interest. Thus, NTIA generally acquires a Federal Interest with respect to in-kind contributions of BTOP Property. In addition, to the extent that an in-kind contribution consists of Covered BTOP Property, the recipient or subrecipient must perfect and record/file appropriate documentation of such Federal Interest no later than the date the contribution is made.

Additional Resources

For additional information pertaining to the Federal Interest or to the security interest requirement, please refer to the following resources:

- Department of Commerce Updated Grants and Cooperative Agreements Interim Manual, Chapter 17, "Construction Awards," available at: http://oam.eas.commerce.gov/docs/Ch17%20Construction%20Awards%20%5BDecember%202007%5D.pdf
- Department of Commerce Financial Assistance Standard Terms and Conditions, Section K, available at: http://oam.eas.commerce.gov/docs/ARRA%20DOC%20Award%20Terms%20Final%205-20-09PDF.doc.pdf
- Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations, 15 C.F.R. at §§ 14.30-14.37

- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 15 C.F.R. at §§ 24.31-24.34
- In re Joliet-Will County Community Action Agency, 847 F.2d 430 (7th Cir.1988)

Fact Sheet: Useful Life Schedule

Category	Type	Estimated Useful life
Buildings	■ Construction of new buildings, prefabricated buildings, or concrete pads	■ 20 years
	■ Modification, rehabilitation, or outfitting of existing buildings	■ 15 years
Outside Plant	■ Aerial coaxial plant, aerial copper plant, aerial fiber plant, buried copper plant, buried coaxial plant, buried fiber plant, underground plant, taps, amplifiers, drops, NIDs, etc.	■ 20 years
Towers and Poles	■ Construction of new towers or poles or modifications of existing towers or poles	■ 20 years
	■ Emergency power generation equipment at tower site	■ 10 years
Network and Access Equipment	■ Broadband switching equipment, broadband routing equipment, broadband transport equipment, network broadband access equipment (e.g., CMTSs, DSLAMs, Radio Network Controllers, etc.), wireless base stations, antennas, emergency power supply equipment	■ 10 years
Operating Equipment	■ Billing/Operations systems	■ 10 years
	■ Office furniture and fixtures	■ 10 years
	■ Work equipment and vehicles	■ Five years for non-construction related motor vehicles; 10 years for work-related motor vehicles
Customer Premise Equipment	■ Customer broadband access equipment (e.g., cable modems, DSL modems, wireless modems, etc.), general purpose computers and peripheral equipment, office machinery	■ Five years

Fact Sheet: Audit Requirements

Background

Audits support federal stewardship responsibilities. The Federal government uses audits as a tool to monitor recipients and ensure that they expend Federal funds properly. Audits focus on a recipient's compliance with laws, regulations, provisions of the grant agreement, internal controls over Federal programs, and financial management of Federal funds. While this fact sheet focuses on BTOP's external audit requirement, recipients also may be audited by the Department of Commerce (DOC) Office of Inspector General (OIG) or the General Accountability Office at any time.

BTOP Audit Requirements

All BTOP grant awards contain provisions in the DOC Standard Terms and Conditions or Special Award Conditions requiring recipients to obtain audits. All BTOP recipients fall into one of BTOP's two separate audit requirements: Single Audits under OMB Circular A-133 (Single Audit) or Program-Specific Audits. Single Audits apply to all state, local, and tribal governments, universities, and non-profit organizations receiving Federal funding. Recipients subject to the Single Audit must have an audit for every fiscal year in which the recipient expends $500,000 or more in federal funds. For this purpose, the $500,000 federal fund threshold is not limited to BTOP expenditures but include all federal award funds expended during a recipient's fiscal year. The Single Audit is performed pursuant to OMB Circular A-133 and A-133 Compliance Supplement, which contains compliance requirements for BTOP. In a Single Audit, an auditor reviews "major programs" more closely than other federal awards. An auditor should consider BTOP to be a major program in a Single Audit. After the audit, recipients submit their final Single Audit Report to the Federal Audit Clearinghouse via http://harvester.census.gov/sac/ within 30 days of receiving it from the auditor, and no later than nine months after the end of the recipient's fiscal year. Audit costs are typically allowable direct administrative costs for State, local, and tribal governments, universities, and other non-profit organizations and should be included in the project budget.

NTIA requires all for-profit recipients to obtain a Program-Specific Audit. This audit is referred to as a Program-Specific Audit because it is not an audit of the recipient's entire organization, but instead, focuses on compliance with the BTOP grant award. When auditing an organization that received a BTOP grant, auditors should follow OMB Circular A-133 §___.235 and NTIA's Program-Specific BTOP Audit Guidelines, which NTIA expects to publish in Fall 2010. Recipients must submit the final program-specific audit report within 90 days of the end of the audit period (*i.e.,* end of the program year) to the OIG, U.S. Department of Commerce, Atlanta Regional Office of Audits, 401 West Peachtree Street, N.W., Suite 2742, Atlanta, GA 30308 and provide a second copy to the Post-Award Monitoring (PAM) system for Grants Office review.

Audit Type	Type of Entity	Audit Trigger	Year(s) Audited	Frequency	Due Date
A-133	State, Local, Tribal, Non-Profit	■ Expend≥$500,000 of Federal funds one fiscal year	■ Fiscal	■ Annually	■ 30 days after auditor completes or within 9 months, end of fiscal year.
Program-Specific	For-profits	■ Receive >$100,000 of Federal funds	■ Program	■ Bi-Annually (after the 1st and 3rd year)	■ 90 days after the end of audit period (end of applicable program year).

Audit Responsibilities of BTOP Recipient

Preparation for an audit begins at the beginning of the grant and continues through the grant period of performance. The BTOP recipient is responsible for the management and administration of BTOP funds, for monitoring activities and progress, and for meeting reporting requirements. At the beginning of grant implementation, the recipient should:

- Review regulations, special award terms and conditions, and OMB Circulars relevant to the recipient's organization type.
- Establish a financial management system based on common standards set in 15 CFR 14.21 (university or other non-profit, and for-profit), 15 CFR 24.20 (state, local, or tribal government).
- Establish a system for documenting all actions and activities related to the grant.
- Establish an Audit Committee responsible for creating procurement standards for auditors, reviewing draft Requests for Proposal for audit services, reviewing annual audit plans, determining standards for auditors to follow, determining the scope of audits, ensuring auditor qualifications, and monitoring the auditor's conduct.
- Identify the individual responsible for approving payments for project costs and preparing financial status reports
- Establish written procedures for procurement processes and employee standards of conduct.
- Establish data collection mechanisms (e.g., program results).

Throughout the grant program, the recipient should:

- Maintain internal controls over the program and comply with all laws, regulations, and provisions of the grant agreement.
- Maintain records that adequately identify the source and application of all grant funds.
- Monitor the activities of subrecipients and vendors, as necessary, to ensure that subrecipients and vendors use Federal awards for authorized purposes and are in compliance with laws, regulations, and the grant terms.
- Ensure that subrecipients and vendors achieve performance goals, provide timely financial reports, and designate staff to manage documentation and reporting process.
- Document the source, receipt, and use of all matching funds.
- Document all in-kind valuations.
- Document, in detail, each procurement process, including: the need for goods and services, the request for proposals or other solicitation, the proposals received, the cost or price analysis performed, the basis for selection, and the contract awarded.

At the time of the audit, some audit responsibilities of recipients are listed below:

- Ensure an audit is performed by contracting with an independent, third-party auditor that demonstrates a high degree of expertise, including being qualified as a CPA, having knowledge of generally accepted government auditing standards (GAGAS), and meeting continuing education and peer review requirements.
- Ensure that auditors use OMB Circular A-133, OMB Compliance Supplement, the Program-Specific Audit Guide (if applicable), to complete the audit.
- Ensure the letter of engagement between the recipient and the auditor shall specifically include a provision that the auditor is required to provide the Secretary of Commerce, the OIG, and the GAO or their respective representatives, access to working papers or related documents.
- Prepare audit file, including program documentation and financials.
- Ensure the final Single Audit or Program-Specific Audit Report is submitted when due.

- Follow up and take any corrective actions required on audit findings.

Frequently Asked Questions

My organization already performs an annual Single Audit, are you saying that BTOP requires an additional audit?

No, BTOP does not require a separate audit, if your organization already performs an Single Audit. That Single Audit satisfies the BTOP audit requirement. In addition, please inform your auditor that the Department of Commerce considers BTOP awards a major program that should be reviewed under your annual Single Audit.

What if I don't expend $500,000 in BTOP funds during my fiscal year, am I still subject to a Single Audit?

A BTOP recipient may still be subject to a Single Audit even if it does not expend $500,000 in BTOP funds. The $500,000 threshold refers to total Federal funds. Therefore, if an applicant receives Federal assistance from additional Federal agencies, it may still reach the annual $500,000 threshold.

Does BTOP require subrecipients to comply with the audit requirements?

All Federal grants rules flow through to subrecipients and are based on that subrecipient's entity type. Therefore, audit requirements, like other grant requirements, apply to both recipients and subrecipients. Every recipient should inform its subrecipient s of the requirements imposed on then as a recipient of BTOP funds. Contractors are not subject to BTOP audit requirements.

What is BTOP's Catalog of Domestic Federal Assistance Number (CDFA) so I can find the Compliance Supplement?

BTOP's CDFA number is 11.557.

Will I be able to get an extension of time for filing my Single Audit or Program-Specific Audit?

No. Due to the importance of BTOP audits and NTIA's reliance on these audit results to monitor activity, the OMB has advised Federal agencies that they should not grant any extension requests to recipients for fiscal years 2009 through 2011.

Can I use my current CPA to perform the audit?

It depends. GAGAS sets forth a number of qualifications for auditors performing Single Audits or Program-Specific audits, including knowledge of GAGAS, state CPA license, peer review and continuing education requirements and independence. See http://www.dodig.mil/inspections/apo/PDFs/GAOIndependFacsht.pdf to learn more about GAO's requirements for auditor independence. In addition, OMB Circular A-133 §__.305 and the uniform administrative requirements require recipients to follow the competitive procurement rules when selecting an auditor to provide audit services. Recipients must also follow their written procurement processes when obtaining audit services for a Single Audit or Program-Specific audit.

Additional Resources

For additional information on audit requirements, please refer to the following resources:

- Office of Management and Budget www.whitehouse.gov/omb/circulars_default/
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf
- OMB 2010 Circular A-133 Compliance Supplement http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010
- OMB Circular A-50 Audit Follow-Up http://www.whitehouse.gov/omb/circulars_a050/
- DOC Grants Manual, Chapter 13, Audits http://oam.eas.commerce.gov/docs/Ch13%20Audits.pdf
- DAO 213-5 Audit Resolution and Follow-up http://www.osec.doc.gov/omo/dmp/daos/dao213_5.html
- Catalog of Federal Domestic Assistance www.cfda.gov
- Federal Audit Clearinghouse http://harvester.census.gov/sac

- Generally Accepted Government Auditing Standards (Yellow Book) http://www.gao.gov/new.items/d10853g.pdf
- American Institute of Certified Public Accountants, Governmental Audit Quality Center www.aicpa.org/gaqc
- Recovery Act specific sites: www.recovery.gov; www.whitehouse.gov/omb/recovery_default/; http://gaqc.aicpa.org/Resources/Recovery+Act+Resource+Center.htm
- Governmental Accountability Office (GAO) gao.gov/recovery