

February 25, 2014

Larry Jenkins, Grants Officer
Grants Management Division
National Oceanic and Atmospheric Administration (NOAA)
315 East-West Hwy
Silver Spring, MD 20910

RE:

University of Hawaii Systems, Broadband Technology Opportunities Program Grant Award No. NT10BIX5570140, MOU for Hawaii State Public Library System and State Department of Education

Dear Mr. Jenkins,

Pursuant to the request of the Broadband Technology Opportunities Program ("BTOP"), Program Officer, the University of Hawaii Systems ("Hawaii"), as the recipient of BTOP Grant Award No. NT10BIX5570140 (the "Grant Award"), hereby requests approval for a Memorandum of Understanding to Hawaii State Public Library System ("HSPLS") and to the State of Hawaii Department of Education ("HDOE") as subrecipients and strategic business partners to assume responsibility for operations and maintenance for the BTOP-funded Hawaii network equipment installed at their respective locations and assist the University of Hawai'i in compliance with Federal Security Interest reporting requirements of the Grant during the its useful life.

## Background

In addition to the responsibilities outlined above, the Memoranda of Understanding to be executed between the University of Hawai'i and HSPLS and between the University of Hawai'i and HDOE provide for a transfer of Hawaii assets funded under the Grant Award from Hawaii to HSPLS and HDOE following the satisfaction or waiver of certain conditions enumerated in each Memorandum of Understanding, and subject to the federal reversionary interest therein.

## Discussion

The University of Hawai'i confirms that HSPLS and HDOE, both State agencies, possess the organizational capacity to meet the responsibilities of acquiring the network equipment. Internal transfer to the HSPLS and HDOE after award-end gives the BTOP Grant Award its best opportunity to deliver the maximum benefit to the intended beneficiaries of the award—community anchor institutions and residents with direct accountability and maintenance for the useful life of the assets, as required by the Grant Award. Because the transfer of ownership of assets funded under the Grant Award during the period in which the federal government retains an undivided equitable reversionary interest therein, the University of Hawai'i will continue to have oversight responsibility in filing the required UCC1 reports.

Thank you for your prompt attention to this matter.

With Best Regards,

Yaa-Yin Fong, Director