Vision of NTIA Secretary – Round II

- “The strongest proposals are the ones that have taken a truly comprehensive view of the communities to be served and have engaged as many key members of the communities as possible in developing the projects.”

- Assistant Secretary for Communications and Information Lawrence E. Strickling (December 10, 2009)
Agenda

- BTOP Application Evaluation Process
- Key Changes to Applications
- Success Factors for Preparing Application
  - General Programmatic
  - Comprehensive Community Infrastructure
  - Public Computer Center
  - Sustainable Adoption
- Resources for BTOP Applicants
- Q/A
BTOP Application Evaluation Process

- Announcement of PFSA’s
- State & Tribal Consultation
- Application Deadline (3/15)
- Eligibility Review
- Merit Review
- Due Diligence Review
- Application Selection (10 Selection Factors)

- Closely review NOFA
- Do not wait until last minute to submit
- Ensure fully completed application
- Work early with your state’s Governor Office to promote project
- Review list of best practices to maximize score in Merit Review and perform well in Due Diligence Review
- Closely examine funded projects from Round 1
## Selection Factors in NOFA

### Ability to Influence
- Score from Merit Review
- Analytical Findings from NTIA Program Staff
- Satisfaction of Statutory Purposes and BTOP Priorities
- Extent Match Equals or Exceeds 30% of Budget
- Avoidance of Redundancy, Duplication, and Conflicts with the Initiatives of Other Federal Agencies (e.g., Department of Agriculture, FCC, etc.)
- Comments from States & Consideration of Broadband Mapping Program
- Comments of Tribal Entities (if applicable)

### Macro-Factors
- Geographic Distribution
- Range of Technologies and Uses
- Availability of Funds
Key Changes to Round II Application (CCI)

- Split BTOP and BIP into separate applications
- Added a checklist to track Comprehensive Community Infrastructure criteria
- Eliminated use of the mapping tool
- Requested a business case analysis to justify financial need (based on valuation of cash flows)
- Requested eight years of Pro Forma financial information
- Expanded the demographic data requests to include median income and unemployment rates
- Added questions regarding existing infrastructure, competitive landscape, job creation and vulnerable populations
- Eliminated certain uploads and combined other uploads into a smaller number of files
- Improved tracking of whether applicants or partners are small businesses or SDBs
Key Changes to Round II Application (PCC & Sustainable Adoption)

- Split SBA and PCC Project Applications Into Separate Workstreams
- Expanded Data Collection to Include Information on Key Project Partners
- Clarified Budget Information Requests with New Template
- Revised Collection of Computer Center Data
- Revised Collection of Data Concerning Vulnerable Populations and Community Anchor Institutions
- Cut Number of Uploads in Half
Consideration Factors

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Change from Prior NOFA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Purpose</td>
<td>20</td>
<td>↓</td>
</tr>
<tr>
<td>Project Benefits</td>
<td>20</td>
<td>↓</td>
</tr>
<tr>
<td>Project Viability</td>
<td>30</td>
<td>↑</td>
</tr>
<tr>
<td>Project Budget &amp; Sustainability</td>
<td>30</td>
<td>↑</td>
</tr>
</tbody>
</table>

- Made Scoring Changes to Reflect Higher Weight on Expert Reviewer’s Scrutiny on Viability and Budget/Sustainability
- Scoring Data (from Round 1) Indicates Applicants Received Lower Percentage of Available Points in Project Purpose & Budget/Sustainability (relative to Project Benefits & Viability)
## Key Success Factors: Project Purpose

### Compelling Problem
- Existence of Significant Problem
  - High Percentage of Targeted Market Lacking Access
  - Long Wait Time at Public Computing Center
  - Low Awareness of Broadband Benefits
- Clear Demonstration of Financial Need (e.g., Business Case Challenges)

### Credibility
- Fact- and Numerical-Based Claims to Justify Problem
- Wide Range of Letters of Support & Commitment That Express a Story
- Pre-BTOP History of Problem and Attempts to Solve

### Clarity
- Clear, Persuasive Story of Problem in Executive Summary
- 5-Minute Test to Digest and Appreciate Overall Problem and Solution
- Consistency of Story Throughout Application
- Strongly Consider 3rd Party Review of Proposal Before Submission
Key Success Factors: **Project Benefits**

<table>
<thead>
<tr>
<th>Metrics!!!</th>
<th>Link Between Problem and Solution’s Benefits</th>
<th>Strategy to Deliver Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Clear Data (facts, figures) on Purported Benefits</td>
<td>• Convincing Link Between Problem &amp; Solution (e.g., how does infrastructure solve low-adoption problem)</td>
<td>• Clear Strategy and Tactics to Reach Targeted Population or Market</td>
</tr>
<tr>
<td>• Clear Explanation of Methodology Used to Calculate Benefits</td>
<td>• Link Ability to Yield Benefits to Project Viability and Budget/Sustainability</td>
<td>• Proof Targeted Market Will Consume Services</td>
</tr>
<tr>
<td>• Fact-Based Comparison Between Project Outcomes and Status Quo</td>
<td></td>
<td>• Focus on Targeting Vulnerable Populations</td>
</tr>
<tr>
<td>• Realistic, Credible Forecasts</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Key Success Factors: Project Viability

## Solution Feasibility
- Clear-Description of Solution & Link to Benefits
- Details, Details, Details - Solution Components
- Comprehensive & Realistic Project Plan
- Gain Credibility – Avoid Overselling, Identify Risks & Mitigation Approach

## High Confidence in Organizational Capability
- Extensive Track Record for Similarly Scoped (Size and Budget) Projects
- Experienced Management Team (or Partnerships to Fill Gaps)
- Favorable Financial Standing and Audit History

## Meaningful Community Involvement
- Community Involvement Across Value Chain
- Letters of Support or Commitment from Each Partner
- Specific Arrangements Regarding Role
- Use BroadbandMatch To Seek Community Partners
Key Success Factors: **Budget & Sustainability**

<table>
<thead>
<tr>
<th>Budget Reasonableness</th>
<th>Long-Term Sustainability</th>
<th>Matching Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>- As NOFA States → Comprehensive, Detailed and Clarity</td>
<td>- Credible Assumptions &amp; Forecasts (Subscribers, Revenues, Costs, Adoption Rates, etc.)</td>
<td>- Exceed Minimum Match (20% for PCC/SA and 30% for CCI) → Indicates Greater “Skin in the Game” and Sustainability</td>
</tr>
<tr>
<td>- Reasonableness to Scope of Project</td>
<td>- Multiple Community Stakeholders Across (financial &amp; operational)</td>
<td>- Cash Match Removes Valuation Concerns</td>
</tr>
<tr>
<td>- Favorable Cost Ratios</td>
<td>- Clear Evidence of Self-Funding or 3rd Party Commitments</td>
<td>- Diversified Match from Various Stakeholders</td>
</tr>
<tr>
<td>- Eligibility of All Costs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sequencing Framework for Comprehensive Community Infrastructure Projects

1. Middle Mile (MM) Infrastructure w/ Commitment to Community Anchor Institutions
2. MM Project Backed by Public-Private Partnership
3. MM Project w/ Intent to Bolster Growth in Economically Distressed Communities
4. MM Project w/ Commitment to Community Colleges
5. MM Project w/ Commitment to Public Safety Entities
6. LM Infrastructure Component or Commitment Letters
7. ≥30% Match

Order of Priority
1 to 7
1 to 6
1 to 5
1 to 4
1 to 3
1 to 2
1
Other Applications
## Consideration Factors

<table>
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<tr>
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<th>Components</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Purpose</strong></td>
<td>20</td>
<td>✓ Fit with Statutory Purposes&lt;br&gt;✓ Fit with BTOP Priorities&lt;br&gt;✓ Potential for Job Creation&lt;br&gt;✓ Recovery Act and &amp; Other Governmental Collaboration&lt;br&gt;✓ Indian Tribes and Socially and Economically Disadvantaged Small Businesses</td>
</tr>
<tr>
<td><strong>Project Benefits</strong></td>
<td>20</td>
<td>✓ Level of Need in Proposed Funded Area&lt;br&gt;✓ Impact on the Proposed Funded Service Area(s)&lt;br&gt;✓ Network Capacity &amp; Performance&lt;br&gt;✓ Affordability of Services Offered&lt;br&gt;✓ Nondiscrimination, Interconnection and Choice of Service Provider</td>
</tr>
<tr>
<td><strong>Project Viability</strong></td>
<td>30</td>
<td>✓ Technical Feasibility&lt;br&gt;✓ Organizational Capability&lt;br&gt;✓ Level of Community Involvement</td>
</tr>
<tr>
<td><strong>Project Budget &amp; Sustainability</strong></td>
<td>30</td>
<td>✓ Reasonableness of Budget&lt;br&gt;✓ Sustainability of the Project&lt;br&gt;✓ Leverage of Outside Resources</td>
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Best Practices for Infrastructure Projects

- Convincing Methodology for Determination of Unserved-Underserved Problem
- Provision of Wholesale and Retail Service Offerings
- Directly Connecting Anchor Institutions with BTOP Funds
- Service to Small/Medium Businesses
- Strong Track Record in Deploying and Managing Networks
- 30% or Greater Match Funds
- Reasonable Cost per Mile (Middle Mile) or Household (Last Mile)
- Credible Subscriber Forecast Based on Clear, Detailed Methodology
- Leverage Existing Network Assets via Leasing (if possible)
- Composite Set of Revenues for All Project Members
- Financial Need Based on Business Case
### Consideration Factors

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</table>
| **Project Purpose**       | 20  | ✓ Fit with Statutory Purposes  
 ✓ Potential for Job Creation  
 ✓ Recovery Act & Other Governmental Collaboration  
 ✓ Indian Tribes and Socially and Economically Disadvantaged Small Businesses |
| **Project Benefits**      | 20  | ✓ Availability to the Public  
 ✓ Training and Educational Programs Offered  
 ✓ Availability and Qualifications of Consulting and Teaching Staff  
 ✓ Projects in Community Colleges |
| **Project Viability**     | 30  | ✓ Technical Feasibility of Proposed Project  
 ✓ Applicant’s Organizational Capability  
 ✓ Level of Community Involvement on Project |
| **Project Budget & Sustainability** | 30  | ✓ Reasonableness of the Budget  
 ✓ Sustainability of the Project  
 ✓ Leverage of Outside Resources |
Public Computer Centers Applications: Five Keys to Success

• Specific Training and Education Programs
• Compelling Outreach Plan
• Evidence of Appeal to Target Populations
• Technical Support Resources
• Explanation of Proposal’s Impact on Center’s Overall Mission
## Consideration Factors

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<tr>
<td><strong>Project Benefits</strong></td>
<td>20</td>
<td>✓ Number of New Subscribers&lt;br&gt;✓ Cost Per New User&lt;br&gt;✓ Innovation&lt;br&gt;✓ Support for Vulnerable Populations</td>
</tr>
<tr>
<td><strong>Project Viability</strong></td>
<td>30</td>
<td>✓ Operational Feasibility of the Proposed Project&lt;br&gt;✓ Applicant’s Organizational Capability&lt;br&gt;✓ Level of Community Involvement in the Project</td>
</tr>
<tr>
<td><strong>Project Budget &amp; Sustainability</strong></td>
<td>30</td>
<td>✓ Reasonableness of the Budget&lt;br&gt;✓ Sustainability of the Project Impact&lt;br&gt;✓ Leverage of Outside Resources</td>
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Sustainable Broadband Adoption Applications: Five Keys to Success

• Efforts to Educate, Train, Equip and/or Support New Broadband Subscribers
• Plan for Measuring the New Broadband Subscribership
• Evidence that Your Specific Approach Will Be Effective
• Confirm that Broadband Service is Available
• Illustrate On-Going Benefits of Building Capacity Within Existing Community Support Organizations
• Online service to help find potential partners with whom to work and/or apply with
• Register your organization type, skills and geographic base
• Search for other organizations
• http://match.broadbandusa.gov
BTOP Resources for Applicants

Main Website

- [http://www.broadbandusa.gov](http://www.broadbandusa.gov)

Match Website

- [http://match.broadbandusa.gov](http://match.broadbandusa.gov)

Recovery Act Website

- [http://www.recovery.gov](http://www.recovery.gov)

Support Line & Email

- 1-877-508-8364
- BroadbandUSA@usda.gov