



Broadband Technology Opportunities Program

FY12 BTOP Monitoring and Assessment Plan

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1.0 Introduction

The requirements of the American Recovery and Reinvestment Act of 2009 (ARRA) demand an unprecedented level of accountability and oversight for federal programs, including the Broadband Technology Opportunities Program (BTOP). As the awarding agency, it is important for the National Telecommunications and Information Administration (NTIA) to implement effective and rigorous programmatic monitoring and assessment activities that engage recipients, track programmatic and fiscal performance across all awards, ensure compliance with statutory and programmatic requirements, mitigate risks and issues pertaining to the recipients, and demonstrate the ability to be accountable in the administration and management of BTOP awards to protect taxpayer investments. It is also critical that programmatic monitoring and assessment activities are executed in close coordination with the appropriate Grants Offices—the National Oceanic and Atmospheric Administration (NOAA) and the National Institute of Standards and Technology (NIST) — because NTIA and the Grants Offices have specific complementary responsibilities with respect to grant administration and oversight.¹ The benefits and intended outcomes of effective grant monitoring include:

- The project complies with the terms and conditions of the award incorporated in the CD-450, including any special award conditions, amendments, and applicable laws and regulations;
- The project is implemented on time, on schedule and with intended benefits as outlined in the award;
- Adequate progress is being made toward achieving project metrics, milestones, goals, objectives, and planned outcomes;
- Reporting requirements are met on a timely basis and the information reported is accurate;
- ARRA funds are expended as authorized and as expeditiously as practicable; and
- The potential for waste, fraud and abuse is mitigated

1.1. Plan Purpose

The Fiscal Year 2012 (FY12) BTOP Monitoring and Assessment Plan has the following primary objectives:

1. Defines the programmatic and grant monitoring activities to be executed in FY12.² Describes the criteria used to assess the level of monitoring associated with each project and further defines the specific assessment activities associated with each monitoring level. NTIA has established three levels of monitoring: standard, intermediate, and advanced.
2. Focuses on activities required in FY12 based on NTIA's anticipated resource and budget availability. NTIA anticipates that the monitoring needs of the program will continue to evolve and change over time, based on programmatic needs and recipient progress—and the findings of previous project monitoring assessments. NTIA staff experience and stakeholder feedback on programmatic monitoring activities conducted in FY10 and FY11, as well as projected resource levels for FY12, have been used to modify and enhance the activities described in this FY12 plan.

¹ The Monitoring Plan, monitoring levels, and frequency of site visits and other monitoring activities may change based upon available budget resources.

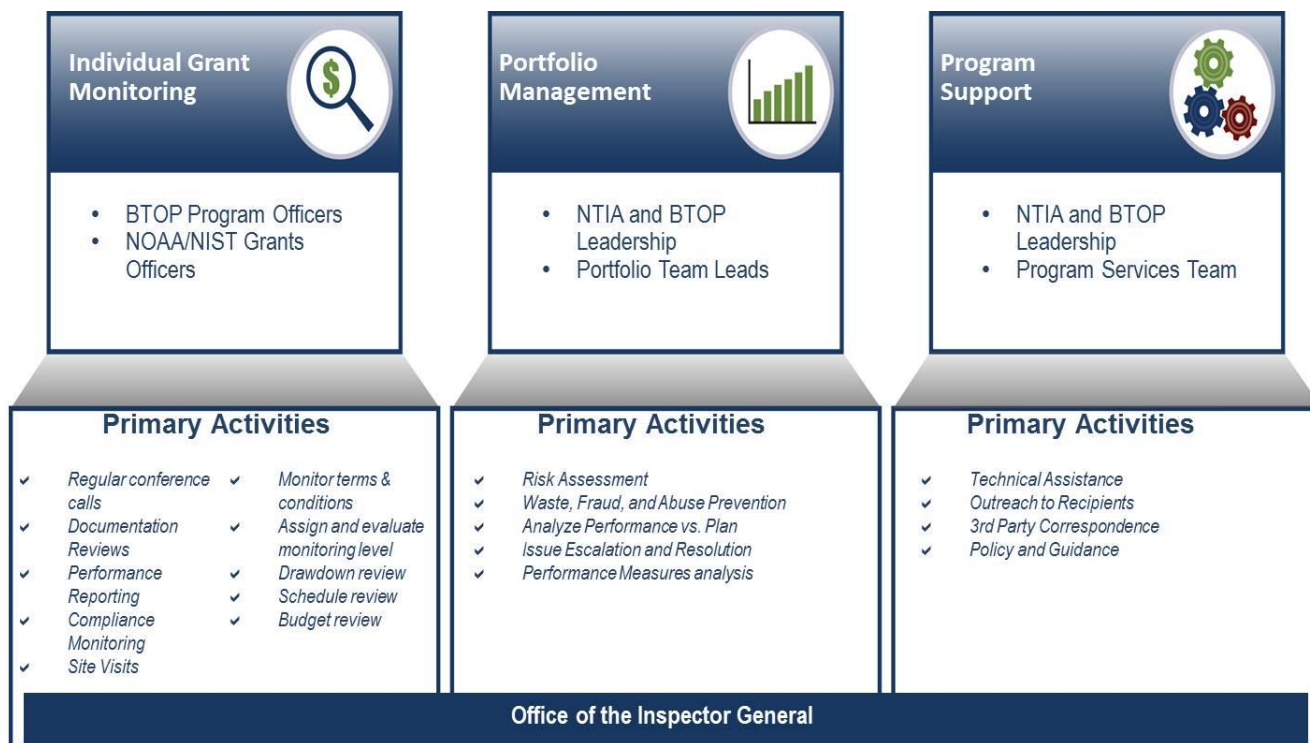
² NTIA completed certain one-time monitoring activities (e.g., Initial Desk Reviews, Baseline Data Reports) under its FY11

² NTIA completed certain one-time monitoring activities (e.g., Initial Desk Reviews, Baseline Data Reports) under its FY11 BTOP Monitoring and Assessment plan, so those activities are no longer required under the FY12 plan.

2.0 Overview of BTOP Monitoring Approach

Considering the depth and complexity of BTOP as a program, its fiscal and staffing constraints, and the diverse nature of BTOP recipients and awards, it is critical that NTIA continue its comprehensive monitoring approach. Now that grant recipients are expending significant federal funds and purchasing equipment and services, it is vital that NTIA protect these taxpayer investments and ensure they are used as intended. Just as importantly, NTIA must ensure that its monitoring operations are effective, realistic and manageable for both NTIA and the NIST/NOAA Grants Offices. The overriding goal of BTOP monitoring is determining that recipients are in compliance with the terms and conditions of their awards; they are progressing toward successful and timely completion of their projects; and the program mitigates the potential for waste, fraud, and abuse. Based on these guiding principles, BTOP continues to align its monitoring efforts and personnel strategically to emphasize the following key functions:

Monitoring Function	Description
Individual Grants Monitoring	BTOP Program Officers and contractor support staff are aligned with grants and recipients. They are responsible primarily for holding regular meetings with recipients, evaluating progress and financial reports, and analyzing and acting on information gained from desk reviews and site visits.
Portfolio Management	BTOP management performs higher-level analysis and review of program-wide data, including variance reports and in-depth analyses of schedule and other program issues impacting projects across the board. This function also supports the review and documentation of “cross-cutting” issues which may affect multiple projects as well as the resolution of performance issues.
Program Support	Program Support offers an array of support activities to assist both the program and recipients address policy, legal, organizational, financial, and technical hurdles. These technical assistance activities include the review and publication of fact sheets and other guidance; investigation of program issues and grants best practices; interagency support and communications; managing third-party inquiries; and onsite grant recipient support to assist those experiencing specific technical, financial or program-related issues.



The BTOP monitoring function, supported by both Federal and contractor personnel, includes various monitoring activities — such as desk reviews, site visits, and program report reviews — which produce data about recipient performance and progress to be used to inform and to direct the provision of technical assistance and appropriate corrective action and enforcement measures as warranted. The Technical Assistance function, supported by both federal and contractor personnel, will be targeted at general issues facing all or a subset of recipients as well as issues specific to a given recipient who is facing particular performance challenges or setbacks. The same data will be useful in constructing a robust view of the BTOP portfolio, inclusive of accomplishments, key outcomes, and other information to be used by senior management to assess the overall health of the grant portfolio. BTOP possesses an important program reporting function to gather critical data about recipient performance and progress for use by the program office, BTOP program leadership, and external stakeholders. These reports will also show the program’s compliance with deadlines and requirements, such as ARRA reporting, SF-425 financial reporting, and BTOP quarterly and annual performance reporting. The close monitoring of these key reports by the respective Grants Officer (GO) and Federal Program Officer (FPO) is critical to assess recipient compliance with award terms and conditions and OMB/DOC/OIG guidance on waste, fraud, and abuse prevention.

Grants monitoring depends on the submission of timely and accurate performance and financial data through quarterly progress and financial reports. These data are supplemented with additional information to enrich the view of recipient performance and progress throughout the grant performance period, such as site visits to support more robust grant recipient oversight. Through these comprehensive activities immediate project risks and challenges are identified and addressed to facilitate successful project completion. Such activities will also inform longer term courses of action for recipients to implement, in the case of recipient performance issues, based on the severity and nature of such issues. Additionally, the monitoring activities of the Grants Offices and the Office of Inspector General (OIG) can provide additional insight into recipient performance through their reviews of submitted financial status reports, ARRA Reports, approved award amendments, approved Award Action Requests (AARs), and A-133 Audits and Program Specific Audits for For-Profit grantees. Presented in the sections below is the set of monitoring activities that the BTOP program office will utilize throughout the program lifecycle. Implementation timeframes and phases are noted.

2.1 Program Report Reviews

Recipients are required to submit several reports on progress and financial performance as outlined in the table below:

Report Type	Due Dates	Submission Method (FY 2010)	Data Submitted	FPO and Grants Office Responsibility
ARRA Report	10 days after quarter close	Form: ARRA Section 1512 Reporting Model Submit at FederalReporting.gov	Financial, programmatic, and jobs-related information for previous quarter	Grants Officer: Primary owner of this function, responsible for timeliness and completeness review and corrective action, if applicable. FPO: Review of jobs information, subrecipients, vendors, and project activities, per agreements with NOAA and NIST Grants Offices, upon request.
Financial Report	30 days after quarter close Within 90 days after award closeout	Form: SF-425 FFR Submit via GrantsOnline for Infrastructure/CCI. Submit via PAM for PCC and SBA.	Performance on key financial indicators.	Grants Officer: Primary owner of this function, responsible for timeliness and completeness review and corrective action, if applicable. FPO: Assists Grants Officer, per agreements with NOAA and NIST Grants Offices
Performance Progress Report (Quarterly and Annual)	30 days after quarter close for quarterly By Jan 30 th of each calendar year for annual	Form: BTOP PPR Template All submit in PAM.	Performance on key programmatic indicators and budget (federal and matching shares)	FPO: Responsible for timeliness, completeness, and content review for accuracy of information. Follow up with recipients as needed to obtain report corrections review and corrective action, if applicable Grants Officer: Supports FPO upon request.
Mitigated FONSI ³	Issued by	Internal Memo: Mitigated		FPO and Environmental Team: Responsible for working

³ If a recipient received an environmental Special Award Condition (SAC) to develop an environmental assessment under the National Environmental Policy Act (NEPA) or to conduct any consultation or permitting activities with one or more regulatory agencies, NTIA's environmental staff will monitor recipient progress towards meeting that SAC during the standard 6-month timeframe provided and in parallel with the processes described in the following sections. NTIA's environmental staff will coordinate with the FPO and GO and will provide technical assistance to the recipients, as necessary, to assist in clearing any environmental SACs. Once the environmental SAC is cleared and NTIA issues a Finding of No Significant Impact (FONSI), NTIA will not conduct any project environmental monitoring. To the extent that monitoring is required by

Report Type	Due Dates	Submission Method (FY 2010)	Data Submitted	FPO and Grants Office Responsibility
	NTIA	FONSI		collaboratively to ensure that the requirements outlined in mitigated FONSI are included in desk reviews and monitored during award period.

The Grants Office and the BTOP FPOs have joint responsibility with respect to the monitoring activities associated with recipient reporting.

- The Grants Office is responsible for tracking recipient registration on FederalReporting.gov and for reviewing recipient ARRA reports for timely and complete submissions. Upon request, BTOP FPOs support the Grants Officer in ensuring that recipients register on FederalReporting.gov and submit ARRA reports. Per NTIA’s agreements with the NOAA and NIST Grants Offices, BTOP FPOs may also support Grants Officers in the agency’s data quality review each quarter as needed.
- The Grants Office has responsibility for collecting and reviewing recipient financial reports (SF-425) for timely and complete submission. Upon request, BTOP FPOs support the Grants Office in reminding recipients to submit reports. BTOP FPOs may review the content of recipient financial reports to assess overall recipient compliance and performance.
- The BTOP FPOs have responsibility for ensuring grant recipients’ quarterly and annual performance progress reports are timely and complete. They also may validate the information contained in the reports via site visits or comparing it to data collected elsewhere, such as their financial reports. FPOs will review the content of these performance progress reports to assess recipient compliance and performance. BTOP FPOs will advise Grants Offices of any deficiencies and, if necessary, recommend corrective action.

BTOP has developed checklists and review guidelines, offering FPOs portfolio-specific guidance when evaluating reports. These job aids undergo periodic reevaluation, to incorporate BTOP staff feedback and improve quality.

2.2. Desk Reviews

A desk review is a monitoring activity conducted by an FPO to develop an understanding of recipient progress and performance, through a review of information provided by the recipient to substantiate its progress; demonstrate compliance with key requirements, DOC Terms and Conditions, ARRA Award Terms, Special Award Conditions, or milestones; and show achievement of reported outcomes or other measures. The FPO and contractor support staff interact with the recipient via phone and/or email to obtain answers to specific questions identified through the desk reviews. BTOP has implemented two types of desk reviews:

another federal agency or state agency, then the applicable agency will be responsible for the monitoring of his or her specific issues. The only exception to this is when NTIA issues a mitigated FONSI or the project’s environmental approval is contingent upon a Programmatic Agreement between consulting agencies. 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. NTIA will review elements of the mitigated FONSI as a part of the monitoring activities outlined below. The need to monitor activities under the mitigated FONSI for those affected recipients will be noted and included in the various monitoring checklists and templates created to guide the execution of these activities.

- *Quarterly Desk Review.* These desk reviews are conducted quarterly, and utilize the quarterly performance and financial status reports submitted by recipients, plus any other data available to the program office, including the conference calls and draw downs made to date. Additional efforts are applied to this effort in January and February of each year, when annual performance report data is submitted to the program. Quarterly Desk Reviews coincide with the schedule of the various reports identified in Section 2.1 of this document. Depending on the specific conclusions, changes to the assigned monitoring level, Performance Improvement Plans (PIPs), Technical Assistance activities, or Corrective Action Plans (CAPs) may be recommended. Identified issues that cannot be resolved through a phone interview may cause a recommendation of the next type of desk review – an Advanced Desk Review.
- *Advanced Desk Review.* This type of desk review is designed for detailed review of a particular issue or topic. Advanced Desk Reviews may be conducted as a supplement to Quarterly Desk Reviews to specifically address and collect additional information about identified issues or deficiencies. They may also be used to examine a particular issue of concern, such as a third-party inquiry, match review, overlap analysis, AAR, or other subject. In addition to the data available during the Initial Desk Review or a Quarterly Desk Review, FPOs ask recipients to provide additional documentation or information to explain more fully identified issues or deficiencies. This information, typically provided via email by the recipient to the FPO, is fully reviewed by the FPO. When necessary, an Advanced Desk Review concludes with the FPO documenting the analysis completed, conclusions drawn, and any next steps or corrective actions that are recommended⁴. These corrective actions may take the form of a PIP or CAP, and may include Technical Assistance (TA) recommendations, depending on the specific findings.

It is important to note that the checklists and guidelines for desk reviews can be modified prior to a cycle of reviews being completed to address emerging and evolving issues facing recipients.

2.3. Site Visits

By visiting the actual project site, the FPO may evaluate the current status of a project as well as the recipient's ability to meet its goals and to adhere to grant requirements. A benefit of this review is that potential areas of concern can be corrected immediately on-site or through the development of a technical assistance plan. Two types of site visits are conducted by program office staff and contractor support, in coordination with representatives from the Grants Offices. Grants Office representatives may join the BTOP FPOs on the site visits or recommend specific review items to be included in the visit, at their discretion.

- **Site Visits.** These visits will typically last 1-2 days and are guided by a standardized agenda and a published checklist of review items, which is tailored by BTOP staff to fit the circumstances and issues relevant to each site visit. These visits provide FPOs and contractor support staff with the opportunity to capture first-hand observations of recipient performance along multiple dimensions, such as assessing their administrative capacity to inspecting physical infrastructure funded with grant funds. Customized agendas and performance data to be validated, confirmed, discussed, and/or observed will be identified in advance and communicated to the recipients so they can be fully prepared for the visit.

To make the most effective use of BTOP resources, BTOP site visits are selected and prioritized using several factors:

⁴ BTOP has performed several Advanced Desk Reviews, including reviews of recipient matching contributions for many projects (documented via a Match Matrix) and detailed reviews of potential overlap for applicable Infrastructure projects, documented in Grants Online. Other Advanced Desk Review topics include subrecipient/vendor reviews, questions regarding third-party inquiries, and reviews of project schedules and budgets.

- Assigned Monitoring Level
- Federal Award Amount
- Drawdown Amount
- Grants Office "High Risk" Designation
- Unresolved Issues
- Project Schedule

If a project is visited multiple times during the award period, site visit agendas and checklists may be further tailored by the FPO to focus on issues of interest and progress made since the previous site visit. This will allow BTOP staff and recipients to streamline the visit to focus on specific challenges and progress, rather than revisiting details covered in a previous site visit, while also permitting BTOP to align its site visit process to the activities the recipient is performing at the time.

At the conclusion of a site visit, BTOP staff develops a draft Site Visit Report that documents the findings and conclusions from the visit. Where site visits identify or confirm significant performance problems, the Program Office may specify corrective actions to be taken by the recipient based on observations and conclusions drawn from the site visit. These corrective actions may take the form of a PIP or CAP, and may include Technical Assistance (TA) recommendations, depending on the specific findings. The Program Office may also adjust monitoring levels based on a site visit.

- **Advanced Site Visits.** These visits will typically last 1-2 days and are conducted in direct response to serious issues or concerns noted by the program staff, including pending or outstanding Performance Improvement Plans or Corrective Action Plans⁵. An advanced site visit may also occur following the acceptance of a grant recipient's CAP to ensure that promised outcomes are being implemented appropriately. Such issues may be identified during Periodic Desk Reviews, Advanced Desk Reviews, in response to performance data, or as a result of a substantiated third-party inquiry. Customized agendas and performance data to be validated, confirmed, discussed, and/or observed are identified in advance and communicated to the recipients so they can be fully prepared for the visit. Because these visits are tailored to a specific challenge or issue of concern, Site Visit Reports are not required following Advanced Site Visits. Rather, BTOP staff will document next steps appropriately, such as issuing a Performance Improvement Plan, recommending a Corrective Action Plan to the Grants Office, or issuing a memo to the grants file.

Recipients are notified electronically and in writing in advance of either type of site visit being scheduled. A pre-review conference call alerts the recipient to the reasons for the site visit, what will be reviewed, required stakeholders, and the dates and times of the review. Sufficient notice will be given to allow recipients time to prepare and to make available for inspection the files or documents requested by the FPO.

- During the site visit, the program office staff meets with key leaders and stakeholders from the recipient organization and key subrecipients assigned to the project, as appropriate. Evidence of project performance and other supplemental documentation will be reviewed and inspected during the visit.

It is important to note that the checklists and guidelines for site visits can be modified prior to a cycle of reviews being completed to address emerging and evolving issues facing recipients.

⁵ BTOP staff has engaged in a number of Advanced Site Visits, in response to a diverse set of issues which include allegations of waste, fraud, and abuse, also opportunities to assist BTOP recipients with their ongoing efforts to complete environmental and historic preservation reviews, particularly when confronted with complex tribal and intergovernmental negotiations.

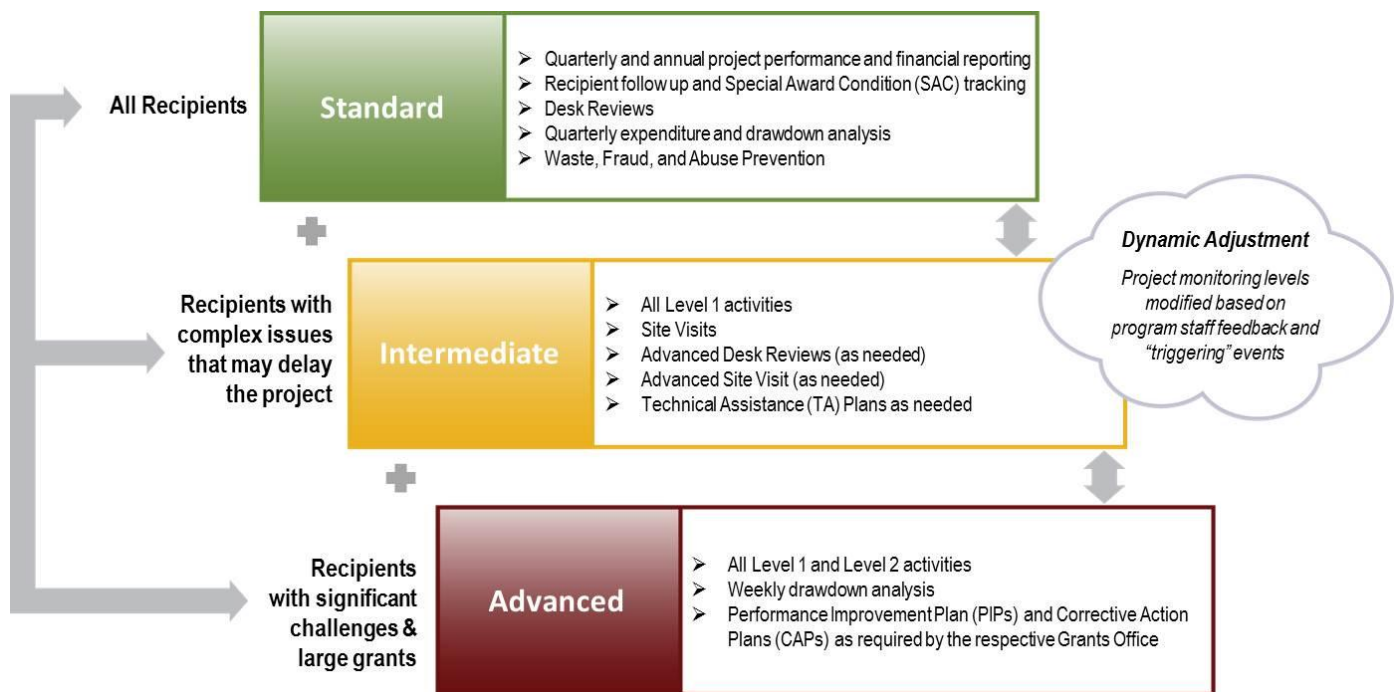
3.0 Monitoring and Assessment Activities

The BTOP team follows these guiding principles when implementing its Monitoring and Assessment Plan:

Guiding Principle	Description
Simplicity	The plan must be simple and easy to execute, explain, and report
Objectivity and Consistency	Monitoring activities should maximize objectivity and implement consistent monitoring across projects
Actionable	The approach and outputs should directly support decision making and monitoring actions
Realism	The plan must allocate program staff resources (specifically, FPO and contractor support) and activities based on available resources
Best Practices	BTOP will leverage the Department of Commerce's wealth of experience in monitoring grants and overseeing regulations

As depicted in the graphic below, the Monitoring and Assessment Plan applies a core set of monitoring activities to each grant. Based on identified issues and risks, additional monitoring activities are performed as appropriate.⁶ This plan makes the most efficient use of NTIA's available resources, while ensuring a standard and appropriate level of monitoring for each grant.

⁶ Please note that this figure offers general guidelines only. The assignment of a monitoring level does not preclude the use of an appropriate monitoring activity (e.g., Performance Improvement Plans for projects with Standard or Intermediate monitoring levels).



3.1. Establishing Initial Monitoring Levels

BTOP Staff have established monitoring levels for all BTOP grants projects based on the following criteria:

Criteria	Description
Grant Award and Drawdown Amount	The award amount and draw downs of each grant is a factor in the level of monitoring. CCI and 700MHz Public Safety grant awards exceeding \$80M, as well as grants exceeding \$10M in the PCC and SBA portfolios, will be subject to higher levels of monitoring.
Grants Office Reimbursement-Only Designation	During and after the award process, the Grants Office identified certain recipients as Reimbursement-only awardees. Grants awarded to such designees will initially be monitored at a higher level.
Initial Desk Review Findings/Unresolved Issues	Initial Desk Reviews evaluated a recipient's knowledge and capability to manage its grant and comply with various requirements, such as subrecipient oversight, grant reporting, and financial management.
FY11 Performance	BTOP FPOs have been conducting Periodic Desk Reviews of recipient reports throughout FY11. Where needed, monitoring levels and other activities have been modified in response to recipient performance.
FPO and Team Lead Judgment	The professional judgment of Federal Program Officers and Team Leads, based on grant stand-up activities and their regular interaction with recipients, will also be used to identify and adjust the required level of grant monitoring..

3.2. BTOP Enhanced Oversight

In FY12, BTOP will implement an enhanced oversight process to monitor projects for waste, fraud, and abuse. This enhanced oversight process includes the identification of projects that may not be successful or expose taxpayer investments to significant risk. To complete this objective, BTOP will evaluate all projects against specific diagnostic criteria biannually to gauge the need for enhanced oversight. Once projects have been evaluated, the process provides candidates for enhanced oversight. Staff will then review the candidate projects to ensure that existing corrective actions (for example, known issues and previously existing Performance Improvement Plans) are not duplicated. When the final list of candidate projects are identified for enhanced oversight through this process, BTOP senior staff will work with Program Officers to designate the monitoring activities or corrective actions (or combination of these) that BTOP will implement to address the concerns.

BTOP will implement enhanced oversight using a four-step cycle:

Step	Description
Analysis	Using the latest performance and financial reporting data, BTOP staff will assess the entire portfolio against the diagnostic criteria (outlined in the next table) to complete an objective review.
Candidate Evaluation	Following the identification of projects of concern in the Analysis phase, BTOP senior staff will evaluate candidate projects and consider external factors and existing actions (such as corrective actions, technical assistance, and other activities). The output of this step is a firm list of candidate projects requiring enhanced oversight.
Action	If additional action is warranted, based on the results of the Evaluation phase, team leads and FPOs will work together to define and enact the appropriate actions. Possible BTOP actions include Advanced Desk Reviews, Advanced Site Visits, Technical Assistance, Performance Improvement Plans, or Corrective Action Plans. BTOP staff will implement corrective actions using their best judgment based on the circumstances surrounding each candidate project. In some cases, actions will follow a progression (e.g., a PIP followed by an Advanced Site Visit).
Measurement	Throughout the process, BTOP staff will track the actions it has taken, monitor the resolution of issues, and evaluate any improvements that will support BTOP staff, its monitoring efforts, or recipients. Each week, a report on actions taken as a result of this enhanced oversight process will be delivered to BTOP leadership and senior staff members.

BTOP will use the following diagnostic criteria to evaluate projects and determine the need for enhanced oversight:

Criteria	Rationale	Data Source
Prior Corrective Action Plan (CAP)	CAPs indicate project management / implementation deficiencies, including compliance adherence.	Portfolio Trackers (<i>CCI Cheat Sheet, PCC/SBA Site Visit Tracker</i>)
Projects Significantly Behind Schedule	Comparison of expenditures to original or adjusted baselines. Adjusted baselines will provide a more current view of delay.	Quarterly Ahead/In-Line/Behind Analysis

Criteria	Rationale	Data Source
Match At-Risk	The inability to timely deliver match to project can suggest that match is not secured, properly valued, and/or planned for the project.	Match Review Incomplete Match Out of Proportionality w/o Waiver (<i>Match Review Tracker, Quarterly Match Proportionality Review</i>)
Large Budget Changes Identified	Significant changes (10% or more) in budget line items can suggest deficient budgeting capability or indicate irregular expenditures.	Approved SF-424A (PCC/SBA) Approved SF-424C (CCI) Quarterly PPR
Audit Findings	Material audit findings suggest a lack of adequate financial management controls/processes necessary to prevent WFA	Audit Tracker
Key Personnel Changes	Changes in two or more key personnel may suggest a changing management environment, which may enable WFA.	AAR Trackers
Performance Indicators	Comparison of reported key indicator performance to original or adjusted baselines. Adjusted baselines will provide a more current view of delay.	Quarterly KPI Results

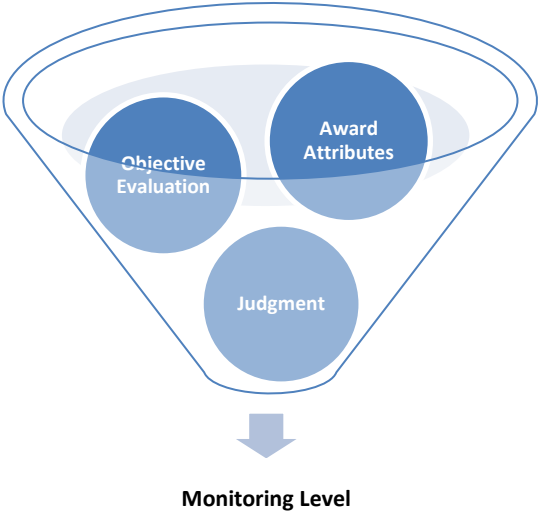
It is anticipated that most BTOP staff time available for site visits in FY12 will be concentrated on projects requiring enhanced oversight, as described in this section, as well as those deemed high risk according to the annual review described below.

3.3. Annual Risk Assessment

Each grant portfolio is evaluated on an annual basis to review potential risks affecting recipients and projects. Risk is defined as anything that prevents a recipient from achieving the project's intended objectives and goals.

During FY11, an initial annual risk assessment of each portfolio was conducted using the program's risk assessment tools. Results of these assessments were combined with the initial monitoring level assigned to each project during Initial Desk Reviews, to determine the appropriate monitoring level for each project. Since that time, monitoring levels have been revised based on BTOP staff input, recipient performance, and issues of concern.

As demonstrated in the graphic in this section, the Risk Assessment and Monitoring tool will combine three elements to calculate a projected monitoring level:



1. Award Attributes. These are evaluation criteria that should not change during performance of the award, without a modification to the grant requiring both Program Office and Grants Office approval.

Award Attribute	Description
Award Amount	The size of the grant award.
Subrecipients	The number of subrecipients participating in completing a project is a consideration, as it is anticipated generally that complexity and risk increase with the number of parties involved. Projects that are substantially managed by subrecipients may also be at-risk, depending on the capabilities of the subrecipient.
Technical Project Complexity	Identifies the technical complexity and potential technical challenges associated with a grant award. CCI projects with complex environmental requirements (such as state requirements, programmatic agreements, and mitigated FONSI) may also warrant additional consideration.
Three-Year Projects	Identifies projects with baselines that have significant construction or deployment in the 11th and 12th quarters, nearest to the period of performance deadline.
Type of Recipient	Identifies the recipients as a state government, local government, nonprofit, new consortium, or for-profit company.

2. Objective Evaluation – data associated with several project categories provide an indicator of project health. The risk assessment process utilize the variance between performance data submitted by recipients in Quarterly and Annual PPRs with their approved Baseline to evaluate performance in several important categories. The variance between a recipients plan and actual results provide an indicator of the health and likelihood of success for a given project; these are important indicators of a projects overall risk.

Objective Criteria	Description
Project Management and Execution	The recipient's ability to successfully execute the project based on measures such as experience, adherence to baseline milestones/indicators, previous audit findings, etc.
Financial Management	The recipient's ability to appropriately manage project finances based on measures such as experience, adherence to spend plan, financial SACs, previous audit findings, FFR submission/accuracy, etc.
Grants Management	The recipient's ability to manage a federal grant based on measures such as previous experience, PPR submission/accuracy, ARRA submission, previous audit findings, etc.
Match Acquisition	The recipient's ability to appropriately contribute its match based on measures such as in-kind and cash contributions, timing of contributions, and security interest issues, etc.
Technical Expertise	The recipient's technical knowledge and expertise based on measures such as network design/construction experience, network operation experience, technical issues during construction (for CCI and Public Safety awards) and curriculum development, training experience, and PCC operations (for SBA and PCC awards).

Objective Criteria	Description
Key Performance Indicators (KPIs)	<p>NTIA has established Key Performance indicators, which correlate recipient activity (as reported on PPRs) and the benefits that the program expects to realize:</p> <ul style="list-style-type: none"> • CCI – Network Miles and Community Anchor Institutions • PCC – PCC Workstations • SBA – New Broadband Subscribers

3. Professional Judgment – using the same categories as the Objective Criteria, BTOP staff will complete a evaluation of each category, using their professional judgment, interactions with the recipient, and knowledge of the project. BTOP staff will identify whether the risk in a particular category is High, Medium, or Low, and these professional assessments will be added to the project attributes. Based on these inputs, the risk assessment process will provide further insight to the appropriate monitoring level for each project. With Team Lead approval, the monitoring level can be overridden (higher or lower) to account for any deficiencies or exceptions to the risk assessment. This is designed to give program staff the flexibility to exercise their professional judgment when evaluating risk.

Objective Criteria	Description
High Risk	<p>If the recipient faces challenges in the area, are you concerned that it may have difficulty overcoming those challenges, even with assistance from NTIA?</p> <p>Does the recipient often provide inaccurate responses (or doesn't know answers) when asked about the area?</p>
Moderate Risk	<p>If the recipient faces challenges in the area, are you confident that it can overcome those challenges with assistance from NTIA?</p> <p>Does the recipient generally provide accurate answers (with a few minor exceptions) when asked about the particular area?</p>
Low Risk	<p>Does the recipient face few challenges in the area?</p> <p>If the recipient faces some challenges in the area, are you confident that it will be able to overcome them with little to no help from NTIA?</p> <p>Does the recipient provide confident, accurate answers when asked about the particular area?</p>

3.4. Audits and Audit Findings

Audit reports may provide additional information to be used in monitoring. The OIG reviews both the A-133 organizational-wide audits and the Program-Specific audits for for-profit entities and provides any findings to the recipient and the Grants Office.⁷ The Grants Office holds primary responsibility for drafting the audit resolution. The Grants Office also maintains the official audit file.

⁷ For Single Audits under A-133, recipients submit copies of the audit reports to the Federal Audit Clearing House at <http://harvester.census.gov/sac/> within 9 months of the end of the recipient's fiscal year. Program-Specific Audits of For-Profit entities are due every two years, beginning with the first grant year. Within 90 days of the end of the recipient's grant year, recipients submit copies of the audit reports to the OIG by mail and the Grants Office through GOL or PAM.

BTOP staff works with the Grants Office by providing feedback on program-related audit findings, including information with respect to corrective action taken by the recipient. After input from the recipient, the Grants Office provides the Audit Resolution Proposal (ARP) to the OIG for review and concurrence. Upon receipt of the OIG's concurrence, the Grants Office prepares an Audit Resolution Determination letter (ADL) to the recipient. The ADL informs the recipient of any disallowed costs, evidence to establish corrective action, and informs the recipient of its limited right to appeal a disallowance. BTOP staff may work with the Grants Office, as requested, to ensure that any remaining findings are monitored and corrected through the implementation of a corrective action plan. As a result, audit findings and associated plans for resolution may act as a trigger to reevaluate the monitoring level assigned to a particular award.

3.5. Standard Monitoring Activities

Following the assignment of a project to Standard monitoring, BTOP may conduct any of the following monitoring activities. Specific activities depend on the details of each grant award and may be adjusted periodically as circumstances require.

Activity	Description
Conference Calls	FPOs will conduct a conference call with each recipient, on at least a monthly basis (and more frequently as needed) to discuss issues and review project status.
Quarterly Desk Reviews	<p>FPOs will perform detailed reviews of the performance reports submitted by recipients during each quarter of performance. FPOs will also capture comments regarding their approval of each report, in the program file for:</p> <ul style="list-style-type: none"> • Project Baselines • Quarterly Performance Progress Reports • Annual Performance Progress Reports <p>In addition, FPOs will review other data and reports available to them (see below). Please note that no specific documentation will be captured for these reviews, unless FPOs identify an issue which requires further investigation or a corrective plan:</p> <ul style="list-style-type: none"> • Weekly Drawdown Report • Quarterly ARRA Report • Quarterly Federal Financial Report
Advanced Desk Reviews	As needed, FPOs may conduct Advanced Desk Reviews for grants receiving Standard Monitoring. Such reviews will be limited to specific topics, such as sample match reviews, CCI overlap analysis, CCI fiber delay analysis, or subrecipient/vendor reviews.
Site Visits	Grants set at Standard monitoring level will be visited at the discretion of the FPO and portfolio team lead. Site visits will be conducted by FPOs, contractor support staff, or Grants Office representatives.
Advanced Site Visits	Advanced Site Visits are not anticipated for grants receiving Standard Monitoring.

3.6. Intermediate Monitoring Activities

Following the assignment of a project to Intermediate monitoring, BTOP may conduct any of the following monitoring activities. Specific activities depend on the details of each grant award and may be adjusted periodically as circumstances require.

Criteria	Description
Conference Calls	FPOs will conduct a conference call with each recipient, on at least a monthly basis (and more frequently as needed) to discuss issues and review project status.
Quarterly Desk Reviews	<p>FPOs will perform detailed reviews of the performance reports submitted by recipients during each quarter of performance. FPOs will also capture comments regarding their approval of each report, in the program file for:</p> <ul style="list-style-type: none"> • Project Baselines • Quarterly Performance Progress Reports • Annual Performance Progress Reports <p>In addition, FPOs will review other data and reports available to them (see below). Please note that no specific documentation will be captured for these reviews, unless FPOs identify an issue which requires further investigation or a corrective plan:</p> <ul style="list-style-type: none"> • Weekly Drawdown Report • Quarterly ARRA Report • Quarterly Federal Financial Report
Advanced Desk Reviews	As needed, FPOs may conduct Advanced Desk Reviews for grants receiving Intermediate Monitoring. Such reviews will be limited to specific topics, such as sample match reviews, CCI overlap analysis, CCI fiber delay analysis, or subrecipient/vendor reviews. Additionally, FPOs may conduct Advanced Desk Reviews for high-risk project elements of Intermediate grants on an as-needed basis and schedule to be determined by the FPO and Team Lead for each Intermediate project. Advanced Desk Reviews may be triggered by the identification of non-compliance with award terms and conditions; documentation of substantial variance between project performance and plan; allegations of waste, fraud, or abuse; or other events warranting review through an Advanced Desk Review.
Site Visits	Grants set at Intermediate monitoring level will be visited at least once over the course of the grant award subject to the availability of resources following the biannual enhanced oversight review. Site visits will be conducted by FPOs, contractor support staff, or Grants Office representatives.
Advanced Site Visits	Advanced Site Visits are anticipated for Intermediate projects to evaluate specific project issues or provide technical assistance. Advanced Site Visits will be scheduled on an as-needed basis to be determined by the FPO and Team Lead for each Intermediate project. Advanced Site Visits may be triggered by the identification of significant issues or technical assistance needs; documentation of substantial variance between project performance and plan; allegations of waste, fraud, or abuse; or other events warranting review through an Advanced Site Visit, as determined by the professional judgment of program staff.

3.7. Advanced Monitoring Activities

Following the assignment of a project to Advanced monitoring, BTOP may conduct any of the following monitoring activities. Specific activities depend on the details of each grant award and may be adjusted periodically as circumstances require.

Criteria	Description
Conference Calls	FPOs will conduct weekly conference calls to review projects with grant amounts in excess of \$80M. FPOs will conduct a conference call with other projects requiring advanced monitoring on a bi-weekly basis (and more frequently as needed) to discuss issues and review project status.
Quarterly Desk Reviews	<p>FPOs will perform detailed reviews of the performance reports submitted by recipients during each quarter of performance. FPOs will also capture comments regarding their approval of each report, in the program file for:</p> <ul style="list-style-type: none"> • Project Baselines • Quarterly Performance Progress Reports • Annual Performance Progress Reports <p>In addition, FPOs will review other data and reports available to them (see below). Please note that no specific documentation will be captured for these reviews, unless FPOs identify an issue which requires further investigation or a corrective plan:</p> <ul style="list-style-type: none"> • Weekly Drawdown Report • Quarterly ARRA Report • Quarterly Federal Financial Report
Advanced Desk Reviews	As needed, FPOs may conduct Advanced Desk Reviews for grants receiving Advanced Monitoring. Such reviews will be limited to specific topics, such as sample match reviews, CCI overlap analysis, CCI fiber delay analysis, or subrecipient/vendor reviews. Additionally, FPOs may conduct Advanced Desk Reviews for high-risk project elements of Advanced grants on an as-needed basis and schedule to be determined by the FPO and Team Lead for each Advanced project. Advanced Desk Reviews may be triggered by the identification of non-compliance with award terms and conditions; documentation of substantial variance between project performance and plan; allegations of waste, fraud, or abuse; or other events warranting review through an Advanced Desk Review,
Site Visits	Grants set at Advanced monitoring level will be visited at least once over the course of the grant award. Site visits will be conducted by FPOs, contractor support staff, or Grants Office representatives.
Advanced Site Visits	Advanced Site Visits are anticipated for Advanced projects to diagnose specific project issues or provide technical assistance. Advanced Site Visits will be scheduled on an as-needed basis to be determined by the FPO and Team Lead for each Advanced project. Advanced Site Visits may be triggered by the identification of significant issues or technical assistance needs; documentation of substantial variance between project performance and plan; allegations of waste, fraud, or abuse; or other events warranting investigation through an Advanced Site Visit, as determined by the professional judgment of program staff.

3.8. Changes in Monitoring Level

The result of any monitoring activity described in this section could result in a change in the monitoring level assigned to any grant. The following is a list of possible events that could trigger a recommendation for an upward adjustment of a project's monitoring status:

- Reports of fraud, waste, or abuse
- Significant modifications in project activity
- Excessive or significantly minimal drawdown of federal funds
- Uncertainty over ability to meet matching requirements
- Consistent delinquency on submission of and completeness of reports (including Baselines, Quarterly and Annual Performance Progress Reports, ARRA Reports, Federal Financial Reports, and required audits)
- Potential violation of Federal, State, ARRA Laws (including the Davis Bacon Act)
- Violation of Financial Compliance Requirements
- Violation of Performance Compliance Requirements
- Violation of Award Terms or Special Award Conditions
- Audit Findings
- Management or key personnel changes that could impact performance
- Application of a Corrective Action, such as a Performance Improvement Plan or Corrective Action Plan
- Recipient difficulties when responding to, or complying with, a Performance Improvement Plan or Corrective Action Plan

Assigned monitoring levels for each project are tracked by the portfolio Team Leads using Microsoft Excel. These trackers include other relevant information pertaining to each grant, and are updated at least monthly. FPOs will work with Program Office leadership and the Grants Office to adjust monitoring levels as appropriate.

4.0 Corrective Courses of Action

When performance issues that require formal documentation and correction are noted as a result of any of the monitoring activities outlined in this document, program staff may, with appropriate Grants Office involvement, specify that certain corrective courses of action be undertaken by the recipients to address the noted issues.

Generally, BTOP utilizes the following process to identify, prepare, and resolve a corrective plan:



Depending on the characteristics of a particular issue and recipient, several options are available for achieving performance improvement. The particular plan to be utilized should be based on the nature and severity of the identified performance issues, as described below.

4.1 Performance Improvement Plans

A Performance Improvement Plan (PIP) is a method used by BTOP to address recipient performance and administrative issues. The PIP is a tool used to document a required recipient action, for which the recipient is required to acknowledge and affirm. PIPs are also used to address programmatic concerns with recipient project schedules, implementation issues, sustainability, and performance/benefits.

PIPs are typically recommended for performance issues of a non-technical nature. Examples of issues prompting a PIP include the need for timely report submission after missing two quarterly reporting deadlines, submitting corrections to erroneous performance data, corrections to an AAR, or updates to the plan to achieve various project milestones or to address schedule delays. Each PIP will specify exactly how the recipient can cure the identified performance issue and the required resolution date.

4.2 Technical Assistance

Technical Assistance (TA) is a collaborative engagement between the Program Office and recipient designed to correct areas of programmatic and/or administrative noncompliance or concern.

BTOP staff may recommend specific TA activities for a recipient, if the recipient has performance issues and requires project-specific support or subject matter expertise. BTOP staff will coordinate with the recipient and appropriate technical assistance providers (e.g. contract support staff or internal compliance resources) to ensure that assistance is provided in a timely and useful fashion. TA can be used in conjunction with a PIP and can be most effective when performance of a recipient begins to trend in a negative direction. The duration of TA activities will vary depending on the specific requirements of each TA engagement.

4.3 Corrective Action Plans

A CAP is Grants Office method to address and officially document significant non-compliance or chronic, unresolved performance issues.

If BTOP identifies significant compliance or chronic unresolved performance issues, program staff may recommend a CAP be developed, in coordination with the Grants Officer and BTOP Program Office. CAPs will specify how non-resolution of identified performance issues will be escalated to the Grants Office for further remedy. CAPs may be used in conjunction with a PIP or TA activities.

4.4 Recipient Communications

PIPs and CAPs will be communicated in writing to recipients. A standard template modified for each type of plan will be utilized for consistency and uniformity across the portfolio. All plans will be reviewed by BTOP portfolio team leaders, and may be reviewed by the relevant Grants Office prior to release to the recipients. Program staff will track the completion of all remedial courses of action and will proactively communicate to recipients that status and any changes to the remedial courses of action. All associated documentation for remedial courses of action will be stored in the recipient's grant file.