

# Status of Broadband Initiatives Program

(BIP)



# Broadband Initiatives Program Webinar

*January 2013*

2:00 - 2:05	Welcome and Introduction of Acting Administrator Padalino	David Villano
2:05 - 2:10	Introduction of Honorable Deputy Secretary Kathleen Merrigan	John Padalino
2:10 - 2:20	Comments from Deputy Secretary	Kathleen Merrigan
2:20 - 2:35	Further comments from Acting Administrator Introduction of Deputy Under Secretary Doug O'Brien	John Padalino
2:35 – 2:45	Comments from Deputy Under Secretary	Doug O'Brien
2:45 – 3:00	Overview of BIP	Ken Kuchno
3:00 – 3:10	Comments from Deputy Assistant Administrator	Jon Claffey
3:10 – 3:45	Q & A Period	
3:45 – 3:50	Final Comments from Administrator	John Padalino

**BIP Draw Status**  
**As of 01/22/2013**

	Number of Awards	Percent of Awards
<b>Infrastructure Awards</b>	<b>297</b>	<b>100.0%</b>
Projects Rescinded	38	12.8%
Projects without Draws	5	1.6%
Projects with Draws - Funds Not Drawn	<b>244</b>	<b>82.2%</b>
<b>Projects with Draws - Funds Drawn</b>		
<b>Projects with Draws - Funds Fully Drawn</b>	<b>10</b>	<b>3.4%</b>
<b>TOTAL DRAWN</b>	<b>254</b>	<b>85.6%</b>

Grant (Million)	Loan (Million)	Total Dollars (Million)	Percent of Dollars
<b>\$2,233.9</b>	<b>\$1,191.8</b>	<b>\$3,425.7</b>	<b>100.0%</b>
\$190.5	\$83.6	\$274.1	8.0%
\$48.2	\$11.0	\$59.2	1.8%
\$1,103.0	\$527.0	\$1,630.0	47.6%
<b>\$869.0</b>	<b>\$544.2</b>	<b>\$1,413.2</b>	<b>41.3%</b>
<b>\$23.2</b>	<b>\$25.9</b>	<b>\$49.1</b>	<b>1.4%</b>
<b>\$892.2</b>	<b>\$570.1</b>	<b>\$1,462.3</b>	<b>42.7%</b>

	Number of Awards	Percent of Awards
<b>Satellite Awards</b>	<b>4</b>	<b>100.0%</b>
Projects without Draws	0	0.0%
Projects with Draws - Funds Not Drawn	<b>4</b>	<b>100.0%</b>
<b>Projects with Draws - Funds Drawn</b>		
<b>Projects with Draws - Funds Fully Drawn</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL DRAWN</b>	<b>4</b>	<b>100.0%</b>

Grant (Million)	Loan (Million)	Total Dollars (Million)	Percent of Dollars
<b>\$100.0</b>	<b>\$0.0</b>	<b>\$100.0</b>	<b>100.0%</b>
\$0.0	\$0.0	\$0.0	0.0%
\$15.2	\$0.0	\$15.2	15.2%
<b>\$84.8</b>	<b>\$0.0</b>	<b>\$84.8</b>	<b>84.8%</b>
<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>0.0%</b>
<b>\$84.8</b>	<b>\$0.0</b>	<b>\$84.8</b>	<b>84.8%</b>

	Number of Awards	Percent of Awards
<b>Technical Assistance Awards</b>	<b>19</b>	<b>100.0%</b>
Projects without Draws	0	0.0%
Projects with Draws - Funds Not Drawn	<b>0</b>	<b>0.0%</b>
<b>Projects with Draws - Funds Drawn</b>		
<b>Projects with Draws - Funds Fully Drawn</b>	<b>19</b>	<b>100.0%</b>
<b>TOTAL DRAWN</b>	<b>19</b>	<b>100.0%</b>

Grant (Million)	Loan (Million)	Total Dollars (Million)	Percent of Dollars
<b>\$3.4</b>	<b>\$0.0</b>	<b>\$3.4</b>	<b>100.0%</b>
\$0.0	\$0.0	\$0.0	0.0%
\$0.0	\$0.0	\$0.0	0.0%
<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>0.0%</b>
<b>\$3.4</b>	<b>\$0.0</b>	<b>\$3.4</b>	<b>100.0%</b>
<b>\$3.4</b>	<b>\$0.0</b>	<b>\$3.4</b>	<b>100.0%</b>

	Number of Awards	Percent of Awards
<b>Total Initial Awards</b>	<b>320</b>	<b>100.0%</b>
Projects Rescinded	38	11.9%
Projects without Draws	5	1.5%
Projects with Draws - Funds Not Drawn	<b>248</b>	<b>77.5%</b>
<b>Projects with Draws - Funds Drawn</b>		
<b>Projects with Draws - Funds Fully Drawn</b>	<b>29</b>	<b>9.1%</b>
<b>TOTAL DRAWN</b>	<b>277</b>	<b>86.6%</b>

Grant (Million)	Loan (Million)	Total Dollars (Million)	Percent of Dollars
<b>\$2,337.3</b>	<b>\$1,191.8</b>	<b>\$3,529.1</b>	<b>100.0%</b>
\$190.5	\$83.6	\$274.1	7.8%
\$48.2	\$11.0	\$59.2	1.7%
\$1,118.2	\$527.0	\$1,645.2	46.6%
<b>\$953.8</b>	<b>\$544.2</b>	<b>\$1,498.0</b>	<b>42.5%</b>
<b>\$26.6</b>	<b>\$25.9</b>	<b>\$52.5</b>	<b>1.5%</b>
<b>\$980.4</b>	<b>\$570.1</b>	<b>\$1,550.5</b>	<b>44.0%</b>

## Summary of Expenditures for 301 BIP Awarded Projects

as of 12/31/2012

		Reimbursable	Non-Reimbursable	Total
<b>Planning Stage</b>	0.95% \$	33,534,085 \$	36,134 \$	33,570,219
<b>Contracting Stage</b>	4.22% \$	148,958,124 \$	5,270,767 \$	154,228,891
<b>Construction Stage</b>	45.30% \$	1,596,988,625 \$	164,956,203 \$	1,761,944,827
<b>Partially Operational</b>	37.22% \$	1,312,428,284 \$	182,121,888 \$	1,494,550,172
<b>Project Complete</b>	4.71% \$	166,174,746 \$	30,884,726 \$	197,059,472
<b>Award Rescinded</b>	7.59% \$	267,622,823 \$	41,896 \$	267,664,719
<b>Total</b>		\$ 3,525,706,687 \$	383,311,613 \$	3,909,018,300

**Planning Stage** – Awardee is finalizing loan/grant documents and is selecting an engineer.

**Contracting Stage** – Awardee has an engineering contract in place and is either preparing construction contracts, or awaiting approval of construction contracts.

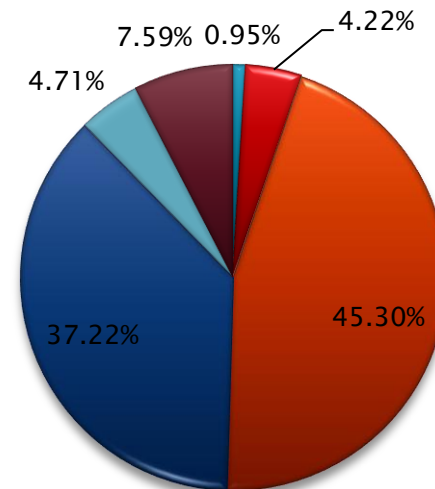
**Construction Stage** – Physical construction of the BIP funded facilities has begun.

**Partially Operational** – The BIP funded facilities are providing service to some subscribers.

**Project Complete** – Physical construction of the BIP funded facilities are complete and the Awardee has indicated they are ready for closeout.

**Award Rescinded** – Awardee has notified RUS that they will not accept the award, or the Awardee has been formally notified by RUS that the award funds will be rescinded.

## Reimbursable Expenses



**Summary of Expenditures for 301 BIP Awarded Projects by Spending Category**  
*as of 12/31/2012*

	<b>Spending Category</b>	<b>No. Awarded Projects</b>	<b>Spending</b>
<b>Reimbursable Agency Costs</b>	<b>Total of All Engineering Activities by Project</b>	<b>255</b>	<b>\$341,976,741</b>
	<b>Total of All Construction and Equipment Activities by Project</b>	<b>254</b>	<b>\$1,990,010,727</b>
	<b>Total of All Estimated Construction and Equipment Costs Not Signed by Project</b>	<b>115</b>	<b>\$422,445,536</b>
	<b>Contracts in Excess to Total Project Budget</b>	<b>52</b>	<b>-\$137,853,493</b>
<b>Reimbursable Total</b>			<b>\$2,616,579,511</b>
<b>Non-Reimbursable Costs</b>	<b>Owners Capital for Contracts in Excess to Total Project Budget</b>	<b>52</b>	<b>\$137,853,493</b>
	<b>Total of All Engineering Activities by Project</b>	<b>190</b>	<b>\$37,615,822</b>
	<b>Total of All Construction and Equipment Activities by Project</b>	<b>161</b>	<b>\$207,842,298</b>
<b>Non-Reimbursable Total</b>			<b>\$383,311,613</b>
<b>Combined Total</b>			<b>\$2,999,891,124</b>

# BIP – Contracts and Advance Requests Received in National Office

As of 12/3/2012

	FY 2010		FY 2011		FY 2012		FY 2013		Total	
	<u>Contract Docs</u>	<u>FRS</u>	<u>Contract Docs</u>	<u>FRS</u>	<u>Contract Docs</u>	<u>FRS</u>	<u>Contract Docs</u>	<u>FRS</u>	<u>Contract Docs</u>	<u>FRS</u>
Received	134	13	985	521	1,064	1,077	220	202	2,403	1,813
Approved	134	12	938	515	972	1,050	75	135	2,119	1,712
Pending	0	0	3	0	59	6	138	66	200	72
Returned	0	1	44	6	33	21	7	1	84	29

	FY 2010	FY 2011	FY 2012	FY 2013	Total
Professional Srvs	57	291	74	22	444
Equipment	46	242	262	58	608
Construction	29	271	252	39	591
Amendments & Closeouts	2	181	476	101	760

# Contract and FRS Processing Time Stats FY 2012 to present

## Contracts:

- ▶ Average Processing Time from FY 2012 on is 35 calendar days for all contracts that have been approved to date. This is the average without removing outliers.
  - 55% of contracts are approved in 30 days or less, 85% in 60 days or less.

## FRS:

- ▶ Average processing time 25 days without removing outliers
  - 75% are approved within 30 days, 95% within 60. 1 / 3 of FRS's are approved within 14 days.

# Common Issues

## Contracts:

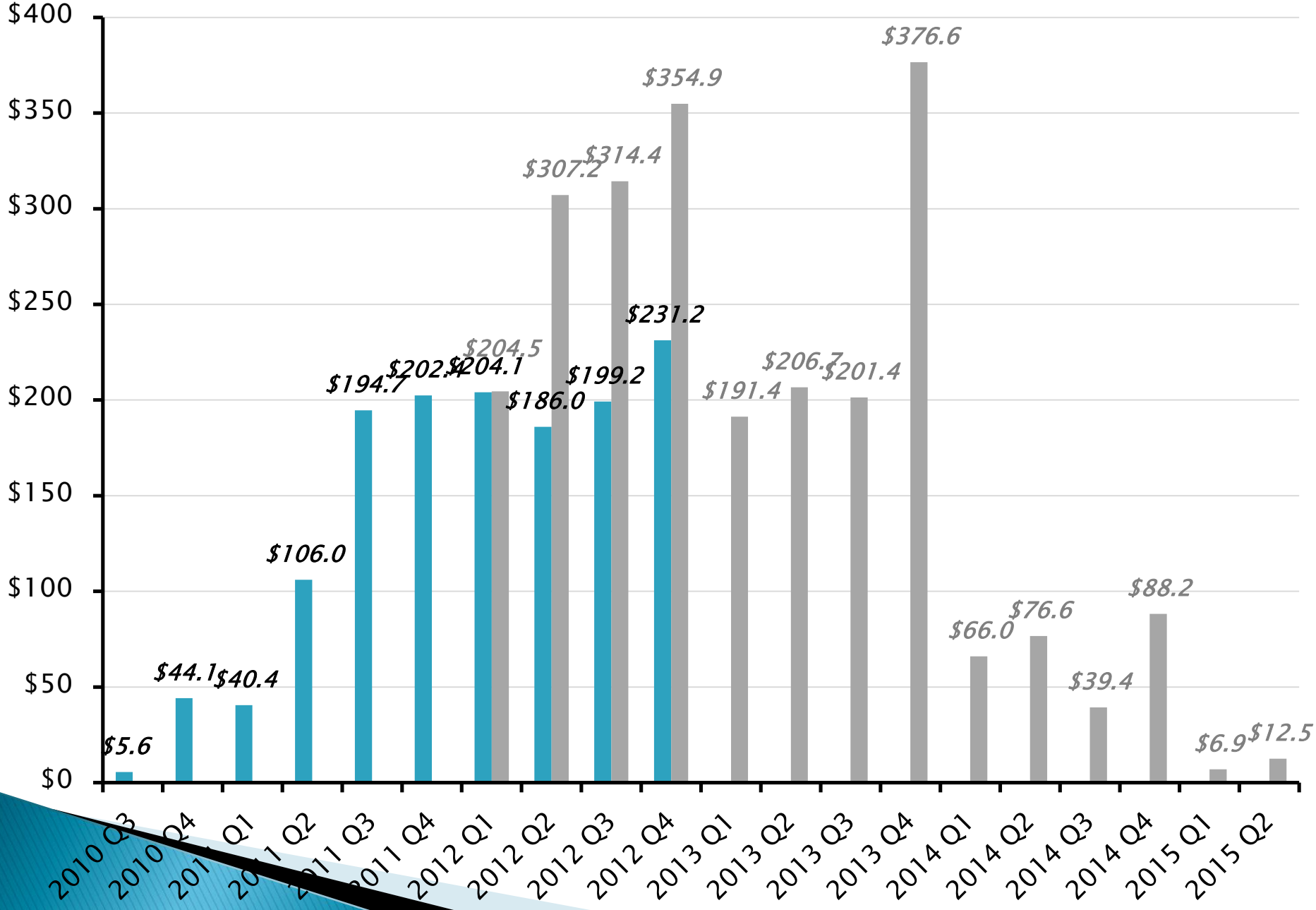
- ▶ Davis Bacon
- ▶ Contract inconsistencies (wrong or mismatched dates, dollar value mismatches, etc.)
- ▶ Budget issues not addressed with contract submittal
- ▶ Advance conditions

## FRS:

- ▶ Work Orders
- ▶ Column 6, Ledger Balance, and Adjustments



# January 2012 Projections: Quarterly Draw Progress (\$MM) ■ Actual..



## BIP Draw Report

*As of 1/22/2013*

RUS Project ID	Organization - Legal Name	Project Type	Percent Drawn
		LM	6.29%
		LM	5.92%
		LM	5.85%
		LM	5.77%
		LM	5.74%
		LM	5.73%
		LM	5.58%
	<b>5 PROJECTS WITH NO ADVANCE OF FUNDS</b>	LM	5.48%
		LM	5.19%
	<b>44 PROJECT WITH LESS THE 10% ADVANCED</b>	LM	4.68%
		LM	4.46%
	<b>70 PROJECTS WITH ADVANCES BETWEEN 10% AND 30%</b>	LM	4.34%
		LM	4.07%
	<b>38 PROJECTS WITH ADVANCES BETWEEN 30% AND 50%</b>	LM	3.91%
		LM	3.57%
	<b>124 PROJECTS WITH ADVANCES BETWEEN 50% AND 100%</b>	LM	3.49%
		LM	3.18%
		LM	2.89%
		LM	2.78%
		LM	0.92%
		LM	0.47%
		MM	0.08%
		LM	0.00%
		LM	0.00%
		LM	0.00%
		LM	0.00%
		LM	0.00%