Utah Broadband Center

BIG BEAD

Formal Application Guide

Round 2

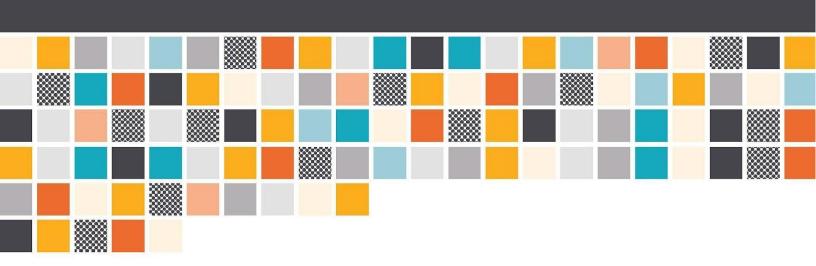*Published June 3rd, 2025*

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Introduction and General Information

The Utah Broadband Center (UBC), part of the Governor's Office of Economic Opportunity (GOEO), has opened Utah's application portal for round 2 of the state's Broadband Infrastructure Grant (BIG) program. Applications are by invitation only with a link provided to the application portal in the invitation. The BIG program aims to expand broadband infrastructure across unserved and underserved areas in Utah, promoting digital access throughout the state.

The BIG program is made possible through the federally funded Broadband Equity, Access, and Deployment (BEAD) program. The BEAD program, administered by the National Telecommunications and Information Administration (NTIA), is a nationwide initiative designed to expand high-speed internet access by supporting infrastructure deployment and broadband adoption programs. The State of Utah was awarded $317,399,742 in BEAD funding to connect all unserved and underserved locations within the state to reliable and affordable broadband.

Registration and pre-application were required for all interested BIG applicants. This process concluded in December 2024. A list of registered applicants can be found on the UBC website; only organizations on this list are approved to apply for BIG funds at this time.

The first round of applications have been scored and UPFAs where no eligible priority projects or eligible other reliable broadband proposals were received have been identified. In order for a project to be considered eligible in round one, the applicant must have provided all required information in their application, provided 25% or greater match and have provided a service technology for all the BSLs within the UPFA.

For round 2, UBC is initiating a fair and transparent process inviting eligible applicants to bid on these UPFAs in a second round of UPFA selection.

This guide provides detailed information on application support resources, application procedures, and requirements for submitting a successful Round 2 application. This guide will help applicants navigate the application process and ensure that submissions meet all necessary guidelines found in Volume 2 of Utah's Initial Proposal and approved by NTIA.

The UBC is committed to supporting applicants throughout the application process and offers various resources, including phone and email support, to assist in developing a strong submission. By following the guidance provided, applicants will be better equipped to contribute to Utah's goal of enhancing broadband access for all Utahns.

UBC encourages applicants to thoroughly review this guide and utilize the available support services. Together, we can work towards a more connected Utah.

When and Where to Submit Applications

BIG round 2 applications must be submitted by the date and time indicated in the invitation through the Utah application portal using the link provided in the invitation to apply notice from UBC.

Definitions

1. <u>Capital Expenses</u> are grant-eligible expenses and are capitalized. All grant eligible capital expenditures must be for new, non-depreciated items. They can include the construction of the outside plant, both last mile and middle mile, and electronic equipment necessary to deliver service, including equipment shelters, wireless radios and antenna, and other capital costs that are directly necessary to provide broadband service to the end user. The acquisition of facilities or companies **are not eligible expenses.** Laptops, handsets, tablets, and similar customer devices are also not eligible expenses for the program.

2. <u>End User</u> means the location "passed" by the broadband infrastructure network, be it a household, business, or other type of location. The end user may or may not be a subscriber to the service offered by the broadband network.

3. <u>Location or Broadband Serviceable Location</u> means a business or residential location in the United States at which fixed broadband Internet access service is, or can be installed.

4. <u>Contribution</u> is the matching contribution required by the applicant towards each project (UPFA). The matching fund contribution is a minimum of 25% of the total project cost except as outlined in the section "Matching Funds Requirements." The match can be a cash or in-kind contribution and cannot be used to fund the operational costs of the project. The match must be available or shown to be available upon execution of the Subgrant Agreement.

5. <u>Middle Mile</u> means any broadband infrastructure that does not connect directly to an end-user location, including a community anchor institution. It includes (i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links.

6. <u>Open Access</u> refers to an arrangement in which the subgrantee offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide broadband service to end-user locations, at just and reasonable wholesale rates for the useful life of the subsidized network assets. For this purpose, "just and reasonable wholesale rates" means rates that include a

discount from the provider's retail rates reflecting the costs that the subgrantee avoids by virtue of not providing retail service to the end user location (including, for example, marketing, billing, and collection-related costs).

7. <u>Operating Expenses</u> are expenses or any ongoing cost necessary for operating a business, system, or network. This includes leases of any kind, bandwidth, and spectrum expenses, as well as salaries not directly related to the construction of the network, including, but not limited to, salaries and overhead related to engineering, project management, accounting, administration, or marketing. Except as noted in the section "Matching Funds Requirements," operating expenses are not an eligible expense.

8. <u>Other Last Mile Project</u> means a proposed project that utilizes a reliable broadband technology other than end-to-end fiber optic facilities to all broadband serviceable locations in a project funding area. The project must deliver reliable speeds of at least 100 Mbps download and 20 Mbps upload, with latency less than or equal to 100 milliseconds. Priority is given to various technologies that demonstrate higher reliability and resiliency.

9. <u>Priority Broadband Project</u> means a project that will provision service via end-to-end fiber-optic facilities to each end-user premises.

10. <u>Qualifying Broadband Speed</u> means the minimum data rate of one hundred (100) megabits per second (Mbps) downstream and twenty (20) Mbps upstream (100/20) with a maximum 100 millisecond latency for internet service. Applicants must propose to deliver reliable service at these minimum speeds to every BIG eligible location in the UPFA in order for the UBC to approve a broadband subgrant.

11. <u>Reliable Broadband Service</u> means broadband service that the FCC Broadband Data Maps show is accessible to a location via: (i) fiber-optic technology; (ii) Cable Modem/ Hybrid fiber-coaxial technology; (iii) or terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum.

12. <u>Technology Type</u> means the technology being proposed to provide service to a BSL. The technology type(s) proposed for the UPFA will determine which type of Project is proposed, Priority Broadband Project or Other Last Mile Project.

    a. Priority Broadband Project: All BSLs served with Fiber to the Premises.

    b. Other Last Mile Project: BSLs served by any Other Reliable Broadband Technology or combination of Technologies including Hybrid Fiber-Coaxial, Hybrid Fiber-Fixed wireless (Licensed Spectrum), Fixed Wireless (licensed Spectrum), Fixed wireless using unlicensed spectrum (symmetrical service of at least 100/100 Mbps) or Alternative Technology including Fixed wireless using unlicensed spectrum (of speeds at least 100/20 bps) and Low Earth (LEO) satellite. Other Last Mile Projects may also include Fiber to the Premises in addition to Other Reliable Broadband Technology.

13. <u>Underserved Location</u> means a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband Data Maps show as lacking access to reliable broadband service offered with - (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.

14. <u>Unserved Location</u> means a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service or (b) lacking access to Reliable Broadband Service offered with – (i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds.

15. <u>Utah Project Funding Area (UPFA)</u> means areas based on census blocks that contain BEAD-eligible broadband serviceable locations (BSLs) for which applicants will submit design and cost proposals to serve. They were drawn to reflect feedback from applicants received during the pre-application period. They will only be used in the second round to identify eligible areas for eligible applicants to provide a cost proposal. Applicants will be allowed to bid on individual BSLs and contiguous locations. Boundaries may also reflect tribal, high cost, terrain, federal lands, and other factors. If, during construction, grant-eligible BSLs are found to be incorrect in some manner, such as being listed as a home when the location is actually a silo, the subgrantee will have the opportunity to correct the location by submitting evidence to UBC that the location should not be served by BIG funds. Grant awards will be made based on individual project funding areas.

Supplement Not Supplant

If other federal funds have been awarded for broadband construction within the UPFA contained in the application, those federal funds can only be supplemented, not supplanted. Any grant offered by this program cannot supplant the previously awarded federal funds. See Matching Funds Requirements for additional details.

Applying for the Grant

Eligibility

Applicants must have submitted a registration and pre-application during the submission window from October 22, 2024, through December 23, 2024, to participate in the BIG formal grant application and subsequent rounds except the Last Chance round. If you did not register and submit a pre-application, you could not apply in the initial grant round. Should an UPFA not receive any proposals during the application rounds, UBC may hold a last chance round, open to all eligible entities to register and submit proposals. Entities eligible to apply for funding under the Utah BIG program include:

1. **Telecommunications Providers or Internet Service Providers (ISPs) –** Entities that provide telecommunications services, including broadband internet services.
2. **Cooperatives –** Cooperatives involved in providing broadband or related services.
3. **Nonprofit Organizations –** Nonprofit organizations that are aligned with expanding broadband access.
4. **Public or Private Utilities –** Utility companies, whether public or private.
5. **Public Utility Districts –** Public utility districts focused on providing utility services.
6. **Public-Private Partnerships –** Partnerships between local government entities and private entities that were established to expand affordable broadband access.
7. **Local Government Entities –** Local government entities that are working in partnership with one or more private organizations as part of a public-private partnership.
8. **Tribal Government Entities –** Federally recognized Tribal governments.

How to Apply

Complete grant applications are due by the date and time indicated in the invitation. UBC will accept applications through the grant portal. Prior to and throughout this application period, UBC will issue clarifying guidance regarding the application process for applicants.

You must have the following in place to proceed with an application:

1. Be registered in the AmpliFund portal
2. Have an accepted BIG registration
3. Have an active and valid sam.gov registration. This is available at no cost from https://www.sam.gov/

Applicants may access the application portal via a link provided in the invitation email to the primary and secondary contacts by UBC. Once an applicant has accessed the portal, the applicant will create an application for the BIG Formal Application Round 2 funding opportunity.

1. Applicants will use the same account and login that was created during the registration and pre-application window.

2. If you are a company with multiple affiliates or subsidiaries and you registered them separately, you will submit separate applications using the appropriate AmpliFund subsidiary account for the UPFAs selected. For example, if ABC Telecom registered Salt Flats Broadband as a subsidiary with its own AmpliFund account and wanted to apply for an UPFA under Salt Flats Broadband, they would use Salt Flats Broadband's account for the application.

3. If you have an affiliate or subsidiary that is not registered and you want to apply using that subsidiary, you must apply using the parent AmpliFund account. For example, if ABC Telecom is the account you created in AmpliFund and ABC Telecom is the 'parent' and Mountain Broadband is the 'child' without its own registration,

the application is submitted using the primary ABC Telecom application. Any later award would be made to ABC Telecom.

4. Applicants using outside entities to assist with the development of the application may add those entities as users for their application. Since only applicants have accounts within AmpliFund, the outside users must have a unique email address for each applicant. It may be necessary to use the +1 method for their email address. For example, if john.doe@consultant.com is already associated with another applicant, you will need to invite them using the email john.doe+1@consultant.com or john.doe+broadbandprovider@consultant.com. This requirement is due to the restriction of only having one external account associated with an applicant.

Applicants Must:

1. If you have already applied to the program during round 1, you will only need to submit Part 2 applications for the UPFAs you are applying for in Round 2. If you have not previously applied, you will need to complete Part 1. Each part is described as follows:

   o Part 1 of the application includes all elements that are common to the applicant (such as fair labor practices, etc.). The applicant completes Part 1 only once.

   o Part 2 of the application includes the UPFA selection and all elements specific to the UPFA (such as proposed technology, budgets, etc.). One part 2 application containing multiple UPFAs and partial UPFAs may be applied for, but applications for priority broadband projects (100% fiber) and other last mile projects must be in separate applications to allow for proper scoring.

2. Submit a separate proposed construction budget and projected speeds for each application submitted.

3. If you are submitting a Part 1, per #1 above, submit a three-year pro forma projection with two years of historical data. This is required. The pro-forma should be submitted using the template provided in the application or on the UBC webpage. The pro forma should include income and expenses for all the UPFA projects being applied for. All aspects of the applicant's project must be included in the pro forma, including income and expenditures, and anticipated cash flow.

Application Support

UBC will provide multiple methods of application support, including phone and email support For the latest support options and to obtain other documents, please see the UBC website.

Email Questions: You may submit any questions regarding the BIG Program Application to connectingutah@utah.gov.

Privacy Notice pursuant to Utah Code §§ 63A-19-402 and 63D-2-103

The Governor's Office of Economic Opportunity (GOEO) and the Utah Broadband Center (UBC), both referred to collectively as the "State Agency," are committed to protecting your privacy. Below is a summary of the personally identifiable information, or personal data, that the State Agency collects as a part of its records to administer the grant program for the expansion of broadband internet in the state of Utah.

1. What personal data does the State Agency collect?

   Organizational, managerial, technical, operational, and financial information relating to eligible applicants.

2. Why is the State Agency asking you to provide this personal data?

   To validate the applicant organization's qualifications and capabilities to deploy publicly funded network facilities.

3. What are the intended purposes and uses of this personal data?

   To ensure all prospective subgrantees seeking to deploy network facilities can comply with the requirements outlined in the BIG BEAD NOFO.

4. How does the State Agency use this personal data?

   This data will be used to evaluate the applicant's ability to comply with the requirements outlined in the BIG BEAD NOFO.

5. What are the consequences of refusing to provide this personal data?

   Without this data, the State Agency may deny a grant application, withhold grant payments, or terminate a grant contract.

6. With whom does the State Agency share this personal data?

   To facilitate the administration of the grant program, the State Agency may share data with other state offices, such as the Utah State Department of Finance, Treasurer's Office, Office of the Auditor, etc., who are necessary to facilitate payments to grantees. The State Agency may share data with vendors who have contracted with the State Agency to administer the grant program. These other state offices or vendors operate subject to confidentiality agreements or subject to state privacy laws to protect the data from public disclosure or unauthorized disclosure.

7. Who may receive this personal data, and how is this personal data disclosed?

   Only state offices or vendors who work with the State Agency to administer the grant program may receive personal data. You, as the person or organization who submitted the data, may also review the data submitted.

8. What security measures are in place to protect this personal data?

All data will be stored on secure servers and only accessed by the State Agency, contracted vendors, and/or state offices that work with the State Agency to administer the grant program. Application data will be protected under GRAMA to the extent of Utah state law. Reviewing committee members will be required to hold this data confidential.

You may request access to your personal data or Personally Identifiable Information (PII), request a correction to your data or personally identifiable information collected by UBC, or have additional questions addressed by contacting the administrators listed below:

Rebecca Dilg rdilg@utah.gov

Project Funding Areas and Funding Rounds

UBC created Utah Project Funding Areas (UPFAs) taking applicant census block interest submissions from the pre-applications into account, as well as natural and man-made boundaries. The UPFAs were published on January 15, 2025, at least 14 days prior to the opening of the formal application period. The UPFAs map corresponding to round two may be viewed here.

In the first round of the formal application opportunity, applicants submitted one or more applications per UPFA. Each application specified a predominant technology, either fiber or other option (e.g., fixed wireless, hybrid, unlicensed fixed wireless, etc.). Multiple proposals using different technologies for the same UPFA were allowed, as long as each submission clearly identified its primary technology. Applications were reviewed, scored, and will be awarded separately. Applicants, when submitting a proposal, showed how they intend to serve all unserved and underserved locations within the UPFA or how underserved locations will be served through an alternative method. As much as possible, applicants should have provided separate project costs for all unserved and underserved locations in the UPFA.

Applications were submitted in one of two ways:

1. UPFA(s) selected will be served 100% by fiber as a priority application. BSLs selected for service must be appropriately identified in the UPFA selection file.

2. UPFA(s) selected to be served by one or more other reliable technologies will scored as an Other Last Mile application (licensed fixed wireless, hybrid fiber coax, hybrid fiber licensed fixed wireless, etc.). BSLs selected for service must be appropriately identified in the UPFA selection file. Technologies can be any combination of Other Reliable Technology options including fiber, licensed fixed wireless, etc.

   a. If Alternative Technologies (unlicensed fixed wireless, Low Earth Orbit (LEO) Satellite) are selected in addition to Other Reliable Technologies, the application will be scored following the Other Last Mile Alternative Technologies scoring rubric.

Second round UPFA applicants may apply only by invitation and may include those that:

1. submitted for an UPFA adjacent to the unselected UPFA;

2. indicated in their pre-application an intent to apply for any portion or all of the UPFA but did not select the UPFA in a formal application;

3. registered during the pre-application window and have a service area in adjacent census blocks or within reasonable proximity to the location(s) for which no proposal was received;

4. service areas in proximity to the unselected UPFA, as determined by UBC, that have:

    a. coverage reported in the area on the FCC's National Broadband Map;

    b. a state or federally-funded project to expand broadband access in the area; or

    c. applied to serve proximate locations under the BIG program.

2nd Round – Part A

The invited applicants listed as the Primary and Secondary contacts on the pre-application or formal application, as applicable, will be contacted via email and allowed to submit a cost proposal on the UPFA of their design through the grant portal within no less than 10 business days of the date of the email sent from UBC. The invited applicants will be requested to submit a cost estimate and proposal to extend broadband access to the location(s) in the UPFA, along with the associated information required of applicants to receive funding under the BIG program.

2nd Round – Part B

If no priority or other reliable broadband service proposals are received for eligible BSLs in the initial 2nd Round Selection, UBC may repeat the request to all the BIG program applicants and service providers and add an incentive, which may include reducing or eliminating match requirements either for the locations without a proposal and/or for the applicants' applied-for locations. The reduction in the potential match incentive will be based on the cost model or Extremely High Cost per Location Threshold (EHCPLT) estimates in the area and match proposals from applications in adjacent UPFAs. The NTIA must approve any submitted match waiver requests.

If a single priority response is received, and the response meets all the requirements established under the BIG program, the UPFA will be awarded to the single applicant. If multiple responses are received, they will be reviewed and scored under the requirements and scoring format of the BIG program subgrantee process. UBC will conduct this process until either a subgrantee is determined; it is determined that the costs are above the priority and secondary thresholds, and an alternative technology such as Low Earth Orbit

(LEO) satellites could be considered; or the location can roll into the "Last Chance" round before it is given up for an alternative technology.

Last Chance Round

In the event there are remaining unclaimed, unapplied UPFAs or individual BSLs, UBC may hold a "Last Chance" round for the remaining locations. Interested applicants who have not previously participated in the pre-application or application process will be permitted to register and apply for these locations. The scoring and incentivizing will remain the same as in the standard funding rounds.

Lastly, UBC will consider locations that no applicant is willing to serve due to the cost of technology or ongoing high-maintenance costs. To serve these locations, awards may be made for alternative technologies, such as LEO satellites.

Deconfliction

During the application period, ISPs can provide evidence of served BSLs or BSLs that are incorrectly identified as such and should be removed from BEAD eligibility. UBC will review this evidence, and BSLs with sufficient evidence may be removed from the final award documents. This could mean that the number of BSLs in an award may change from those in the original UPFA. A link to the BSL evidence submission portal and submission instructions is posted at https://business.utah.gov/broadband/grants/.

Financial Sustainability

The applicant will be required to provide a letter of credit or performance bond per the federal BEAD requirements at the time of contractual agreement and must indicate their understanding of this requirement in their application. For new applicants, in accordance with the BEAD Notice of Funding Opportunity, if a letter of credit is anticipated, a commitment letter from a bank committing it to issuing the letter of credit must be included. In accordance with the BEAD Letter of Credit Waiver, if a performance bond is anticipated, a commitment letter from a surety company meeting the waiver requirements is required. Applicants that have previously submitted a part 1 application are not required to resubmit their commitment letter.

For new applicants that have not completed a part 1 application, the Applicant will be required to provide two (2) years of historical data and a three (3)-year projected financial pro forma (post-construction) consisting of balance sheets, income statements, and cash flow statements as a part of the application. The template file for these pro forma statements can be found on the UBC website.

Cost Allowability

The UBC has developed a list of eligible and ineligible costs that align with other broadband programs and the Cost Principals found in 2 CFR Part 200, Subpart E and 48 C.F.R. Part 31. Costs must be able to be capitalized based on the requirements of the General Accepted Accounting Principles (GAAP).

Eligible costs for the BIG Program include:

1. Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks. All construction materials and equipment must be new and non-depreciated.

2. Purchase or lease of vehicles used primarily for construction or system improvements. A qualifying vehicle must be new and non-depreciated.

3. Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.

4. Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.

5. Engineering design, permitting, and work related to environmental and historical preservation reviews directly related to the project are permitted.

6. Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as project managers, program directors, and subject matter experts).
    o NTIA has published a one-pager with guidance for personnel time tracking.

7. Network software upgrades.

8. Facilities – funding the construction or improvement of facilities such as buildings, storage cabinets, conduit housing, or central offices required to provide broadband service. This includes any facilities required to provide other services over the same network, such as equipment needed for compliance with the Communications Assistance for Law Enforcement Act (CALEA). Facilities costs may include:
    a. Permitting
    b. Planning
    c. Network Design and Engineering (also known as Architectural and Engineering (A&E))
    d. Construction
    e. Project Management
    f. Equipment purchases
    g. Environmental mitigation

h. Make ready costs including pole attachment or replacement fees

9. Pre-Award Costs –Per guidance from NTIA and in accordance with the Uniform Guidance, 2 CFR Part 200.458, UBC will permit pre-award costs to be included in the project budget. These costs will be referred to as pre-subaward costs and must meet the following conditions:

    a. Incurred between the start of the pre-application window (October 22, 2024) and the project start date of the sub-award.

    b. Costs must be incurred pursuant to the award negotiation and in anticipation of the subgrant; these costs may include costs associated with equipment and materials, rights of way and pole attachments, and environmental review, as outlined in the NTIA Bead Acceleration Best Practices guidance.

    c. Costs may only include costs that would be allowable if incurred after the start date of the subgrant and are necessary for efficient and timely performance of the project.

    d. Costs must be approved by UBC in order to be reimbursed, and approved pre-subaward costs must be charged to the initial budget period of the subgrant.

    e. Any pre-subaward costs are incurred at the risk of the provisional subgrantee and are subject to NTIA approval in UBC's Final Proposal. Pre-sub-award costs that are necessary for the successful completion of an awarded project may be submitted for reimbursement. However, applicants incur these costs at their own risk; if no award is given, those costs cannot be reimbursed.

    f. UBC will apply scrutiny to pre-subaward and closeout costs in the proposed budget to ensure cost-reasonableness and reserves the right to remove them from the proposed budget if they do not meet the BEAD requirement that costs be "reasonable, necessary, allocable, and allowable for the proposed project and conforming to generally accepted accounting principles."

Ineligible expenses for the BIG Program include:

1. Operating expenses.

2. Acquisition of an affiliate or the purchase or acquisition of any facilities or equipment of an affiliate. Note that if affiliated transactions are contemplated in the project, approval of the application does not constitute approval of the affiliated transactions nor acceptance of affiliated arrangements that conflict with the obligations under the award documents. UBC must approve any affiliated transactions, which may only be for the actual cost or market rate of the work or item, whichever is less.

3. Purchase or lease of any vehicle other than those used primarily in construction or system improvements.

4. Broadband facilities leased under the terms of an operating lease.

5. Merger or consolidation of entities.

6. Costs incurred in acquiring spectrum as part of an FCC auction or in a secondary market acquisition. Spectrum that is part of a system acquisition may be considered.

Matching Funds Requirements

Applicants are required to provide a match equal to or greater than 25% of the total project cost and the match must be available at the time of the agreement. Matching funds may come from either cash on hand or in-kind contributions. In-kind contributions must be allowable and allocable to the project expenses. NTIA has published a BEAD Match Primer that should be reviewed for more information. Matching funds must be either fully available at the time the grant agreement is signed or provided as grant funds are requested.

In-kind match items must be capital costs required for the project. Project materials or costs that would be eligible for grant funding are allowable as an in-kind match.

Proof of an in-kind match fair market value must be provided with the grant application or prior to award document execution. UBC reserves the right to review all claims of value and determine their appropriateness. If an in-kind match item is denied or reduced in value based on the review, the applicant will be given the option of substituting cash for the in-kind match items.

The requirement that the match be available prior to or at the time of reimbursement applies to in-kind matches as well.

In-kind match items can include:

1. Dark fiber used for middle mile or interconnection between UPFAs. Fiber must be dark and unused and used exclusively for the UPFA, where it is included. Value will be determined by examining the initial construction cost of the overall asset and pro-rating that cost to the individual fibers offered as match.

2. Land or easements that are required for network construction, such as land for cabinets. Value will be determined based on appraised value and/or general vacant land valuation for the area.

3. Pole attachment costs or other fees required by third parties. Proof of costs from third-party entities is required.

4. Employee costs for work directly related to the project. Hourly rates and fringe benefits must be approved and hours worked documented.

5. Materials required for the project, including outside plant materials and equipment. The value of materials will be set at the time of purchase of the items based on actual invoice costs.

6. Subscriber installation labor costs. Because this work generally occurs at the end of a project term, including installation costs may impact the pace of reimbursements. Hourly rates and fringe benefits must be approved.

7. Other items or costs directly relatable and required for the project may be considered.

In-kind contributions must comply with 2 CFR Part 200 (Uniform Administrative Requirements). For compliance purposes, see 2 CFR Part 200.306, Cost sharing, which sets forth qualifying requirements for any contributions. Items offered as in-kind match must:

1. Be verifiable based on records provided to UBC;

2. Not be included as contributions for any other Federal award;

3. Be necessary and reasonable for the accomplishment of project or program objectives;

4. Be allowable under 2 CFR Part 200, Subpart E Cost Principles;

5. Not be paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;

6. Be provided for in the approved budget and

7. Conform to other provisions of 2 C.F.R. Part 200, as applicable.

See also 2 CFR Part 200.434, Contributions and donations, regarding the use of space, personal property, etc.

Matching Funds Waiver

UBC may consider a waiver for the required matching funds. Determined on a case-by-case basis, a full or partial waiver may be granted following NTIA review and approval. To be eligible for a waiver, an applicant must submit a proposal with more than 80% of BSLs in the project area located in regions defined as High-Cost Areas by NTIA.

UBC may request additional matching fund waivers from NTIA to incentivize areas that are not applied for during the first round of subgrantee selection. This is subject to the availability of BIG funds.

If an application's affordability offering could be improved (i.e., the cost of the match is offset by a higher cost to potential subscribers), a waiver may be granted following NTIA review and approval. To the extent NTIA may allow additional waivers, including but not limited to the Extremely High Cost per Location threshold, UBC reserves the right to

consider all waivers for subgrantees. All waiver requests will be submitted to NTIA for review and approval and will not be deemed approved until NTIA acts upon the request.

If an applicant requests a waiver of matching funds, the following requirements must be met:

Submission of a Waiver Justification File

- The applicant must provide a justification file explaining the need for a waiver outside of designated high-cost areas.

- Those requesting a waiver must demonstrate the effect of affordability on potential subscribers by submitting pro-forma financials with different capex assumptions based on different matching fund requirements, which shows the impact on subscriber rates to achieve average revenue per customer (ARPC).

Financial Evidence

- The file must include financial documentation demonstrating the impact of matching funds on service affordability for potential subscribers.

- To demonstrate the effect of affordability on potential subscribers, the applicant must include pro forma financials with varying capital expenditure (capex) assumptions to illustrate the effect of different matching fund levels on subscriber rates and revenue.

Scoring the Grant Application

Grants will be scored by a Review Committee based on the Scoring Rubric provided in Utah's approved Initial Proposal Volume 2 and summarized in Appendix A.

Review Committee

The review committee may consist of UBC staff members and contractors, subject matter experts, state agency staff members, Tribal designees, and other experienced stakeholders. Review committee members will be required to disclose any potential conflicts of interest and will be removed from the review of any conflicted applications. Each application will be reviewed by a minimum of three reviewers or review teams before a final round of scoring is completed and a recommendation for each application is made.

If a UPFA is within tribal nation boundaries, a reviewer from the tribal nation designated by its tribal leaders will be invited to participate in the evaluation of the associated application(s) and the awarding process. This ensures that Tribal entities are provided the opportunity to be involved in the process of selecting subgrantees that will construct projects and provide broadband service within their Tribal boundaries. In the case where

one of the applicants for a project within a Tribal Nation boundary is the Tribe itself or a Tribal-owned entity, the Tribe will be asked to recuse itself from the review process to avoid conflicts of interest.

Scoring Criteria

Applications that propose to construct end-to-end fiber-optic facilities for all BSLs in an UPFA will be defined as "Priority Broadband Projects." Applications that do not propose to construct end-to-end fiber optic facilities for all BSLs in an UPFA but propose to meet the qualifying broadband speed (100 Mbps/20 Mbps) will be defined as "Other Last-Mile Projects".

All applications, regardless of priority or other project status, will be scored on a 100-point scale. Scoring is broken into two categories: primary scoring criteria (75 points) and secondary scoring criteria (25 points). Within each category, multiple items will be scored.

UBC strongly encourages applicants to review section 2.4.2 of the UBC-approved Initial Proposal Volume 2 and Appendix A - Broadband Infrastructure Grant Scoring in this document for details on the scoring criteria.

BIG Formal Grant Application

The application process for the BIG program is divided into two distinct parts:

1. Part 1: Utah Broadband Center BIG Formal Application (Part 1) – submitted once and applies to all Utah Project Funding Areas (UPFAs).

2. Part 2: BIG Individual UPFA Application (Part 2) – submitted separately for each UPFA.

The application will be completed online using the AmpliFund platform.

Application Overview

How to Begin:

1. Log into the grant portal through the link provided in the invitation received from UBC.

2. Click "Apply" to start the process.

3. Navigate between sections using the "Save and Continue" button or the navigation menu. Remember to click "Save" before leaving a section to avoid losing changes.

There is a timeout security feature for the portal. After a set amount of time of inactivity, the portal will close, and any work not saved will be lost.

Part 1: Utah Broadband Center BIG Formal Application (Part 1) – ONLY REQUIRED FOR NEW APPLICANTS

The following elements apply to all UPFAs and must be submitted only once per applicant.

Project Information

Application Name: Enter a unique project name, preferably including your entity's name (e.g., "Salt Flat Broadband's Great Expansion"). This name will be used in public announcements.

Total Amount Requested: Enter the cumulative amount of BIG BEAD grant funds requested across all UPFA applications.

Contact information will pre-populate from the applicant's registration. Verify the following details:

1. Legal Organization Name

2. Primary point of contact

3. Address information

4. Email address and phone number

If changes are needed, notify the UBC immediately.

1. Protected/Private Record Confidentiality Request

Applicants must indicate whether to request confidentiality for specific items in their application. This is the same form used for the pre-application, but it needs to be completed again due to the additional data required for this formal application request. Review the confidentiality request form carefully and indicate any items or records that require protection. Refer to the Privacy Notice (above) for additional details.

2. SAM.gov Validation

Provide verification of your active Unique Entity Identifier (UEI) from the SAM.gov website. The UEI is collected a second time on this form as verification against the proof of validation document that must be uploaded. Follow these steps to get the PDF required for this form:

1. Log into SAM.gov
2. Once in Workspace, click the three-dot menu next to your entity name and choose "View Record"
3. Download the entity information as a PDF
4. Upload the PDF to this form

3. Technical Details

The questions on this form deal with the applicant's existing network.

3.1: Applicants must detail their organization's approach to network maintenance and management as integrated into daily operations. The response should outline established procedures, schedules, and protocols for maintaining network infrastructure and managing network performance. This explanation should demonstrate the organization's capability to sustain reliable network operations.

3.2: Applicants must describe their organization's comprehensive strategy for ensuring network resilience and growth capacity. The response should address four key areas: (1) route diversity approaches, (2) redundancy measures, (3) safeguards against natural disasters, and (4) future expansion planning. This explanation should demonstrate the organization's ability to maintain service continuity while accommodating increased demand over time.

3.3: Applicants must describe their organization's approach to managing complex permitting requirements. The response should detail methods for coordinating across local, state, and federal levels, addressing environmental protection measures, handling historic preservation requirements, and engaging with Tribal entities when required. This explanation should demonstrate the organization's capacity to navigate multiple regulatory frameworks.

3.6: Applicants must provide a comprehensive description of their current network operations. Applicants with existing networks in Utah must describe their Utah operations. Applicants without Utah networks must describe comparable networks operated in other states. The response should include:

A. Service Area Documentation

- Submit a detailed description of all current service areas
- Provide an electronic map file in either .shp or .kml/.kmz format
- The map must clearly delineate service area boundaries
- Include boundary data for each distinct service area

B. Service Types and Subscription Data

- List all services currently provided (voice, video, and/or data)
- Include current subscriber counts for each service type

C. Network Technology

- Detail all technologies currently deployed in the network
- Specify the technical infrastructure and systems in use

D. End User Statistics

For wireline networks:

- Provide the total number of end users currently passed by the network

For wireless networks:

- Provide the total number of end users currently covered by the network

E. Transport Network

- Describe the current transport network infrastructure
- Include details of the backbone and middle-mile systems used

Note: Applicants without existing networks in Utah must demonstrate relevant experience by providing the above information for other networks they operate in other states.

4. Fair Labor Practices

On this form, applicants must detail compliance with fair labor practices. For more details please review the [Broadband Infrastructure Grant Labor Standards](#) document.

4.1: The applicant must submit a narrative document containing evidence of their plans to comply with federal labor and employment laws and their strategy for maintaining a compliant, fair labor workforce. The document must address the following elements:

A. Compliance Certification

- Official statement certifying full compliance with all applicable labor laws
- Certification that workers are permitted to create worker-led health and safety committees that key management personnel will meet with upon reasonable request
- Signed by a company officer

B. Compliance Record
- Documentation of the organization's history of compliance with federal labor and employment laws
- For organizations without an established record of compliance, include specific forward-looking commitments regarding BEAD-funded projects

C. Applicant Violation History
- Disclosure of any violations of federal labor and employment laws within the past five years
- If none, explicitly state "No violations to report"

D. Contractor Violation History
- Disclosure of any violations by contractors or subcontractors within the past five years
- If none, explicitly state "No violations to report"

E. Wage Information
- Detailed wage schedules/scales for all positions involved in grant-funded projects

F. Safety Documentation
- Complete workplace safety policy

Document Preparation Instructions:

1. Create Document
    - Prepare narrative addressing all six required elements
    - Use clear section headings for each component
    - Include all supporting documentation

2. Obtain Certification
    - Insert certification statement at beginning of document
    - Obtain signature from authorized company officer
    - Include officer's name, title, and date

3. Format Requirements

- Convert final document to PDF format

- Ensure all pages are legible

- Verify the signature is visible

4. Upload Instructions

- Access the online application form

- Locate the Fair Labor Practices section

- Upload the completed PDF document

- Verify successful upload

Note: Organizations without an established compliance record of at least three years must submit binding legal commitments to strong labor employment standards and protections for BIG funded projects in their narrative.

The following items are not scored, but they are required as part of the application.

4.2: The applicant must upload a comprehensive workforce plan addressing the following elements:

1. Workforce Alignment Strategy

- Methods to ensure workforce skills meet project requirements

- Approaches to maintain alignment with industry standards

2. Training and Development

- Partnerships with registered apprenticeship programs

- Collaboration with certification institutions

- Joint labor-management training initiatives

- Training programs (internal or external)

- Workforce development partnerships

3. Credentials and Qualifications

- Process for verifying workforce credentials

- Systems for maintaining appropriate certification levels

- Methods for ensuring proper licensing compliance

4. Worker Support

- Programs to assist workers in obtaining required certifications

- Resources provided for licensing requirements

- Support systems for ongoing credential maintenance

This workforce plan must be uploaded on the Fair Labor Practices form in PDF format.

4.3: Applicants must disclose whether their project workforce will be unionized. While UBC does not require a unionized workforce, this information must be provided for project evaluation purposes.

If the workforce (including any subgrantee's, contractor's, or subcontractor's workforce) is not unionized, applicants must submit a detailed workforce documentation narrative containing:

1. Workforce Structure
   - Complete list of job titles for all positions
   - Total workforce size
   - Number of full-time contractors and subcontractors
   - Employment entity for each workforce segment

2. Training and Certification
   - Safety training requirements by position (e.g., OSHA 10, OSHA 30)
   - Required certifications by job title
   - Licensure requirements
   - Detailed in-house training program information
   - Position-specific certification requirements

3. Additional Training
   - Identification of supplemental training needs
   - Available training resources
   - Timeline showing training completion prior to construction
   - Description of training delivery methods

4. Quality Assurance
   - Professional certification programs
   - In-house training standards
   - Quality control measures for deployment
   - Ongoing certification maintenance procedures

4.4-4.6: Applicants must specify the employment structure of their project workforce. For projects utilizing both direct employees and subcontractors, applicants must detail which project elements will be performed by each workforce category. If subcontractors will be used, applicants must either provide complete information about these entities or submit a

competitive procurement policy explaining how these entities will be selected. Applicants who have previously submitted a procurement policy in their pre-application should indicate this in their response.

5. Letter of Credit or Performance Bond

5.1: Applicants must indicate their selection of either a Letter of Credit (LOC) or Performance Bond as their security instrument. This selection and a commitment letter must be provided at the time of application. Read the NTIA guidance on the Letter of Credit/Performance Bond for more information.

Option 1: Letter of Credit (LOC)

1. Initial value must be 10% of the subaward amount

2. Must be issued by either:

    a. A bank meeting federal eligibility requirements, or

    b. A U.S. credit union that is:

        ▪ NCUA-insured

        ▪ Has a Weiss safety rating of B- or better

3. A no bankruptcy opinion letter is required

Option 2: Performance Bond

1. Initial value must be 10% of the subaward amount

2. Must be issued by a surety company listed in Department of Treasury Circular 570

Required Documentation:

1. For LOC: Upload a commitment letter from your selected financial institution stating they will issue an irrevocable standby letter of credit, OR,

2. For Performance Bond: Upload a commitment letter from an approved surety company stating they will issue a performance bond with the maximum amount of the bond indicated.

    Note: The selected security instrument's value may be reduced as project milestone objectives are achieved, according to the state's milestone schedule as provided in the NTIA Letter of Credit Waiver.

The commitment letter must be in PDF format and signed within 30 days of the application submission date. For example, if an applicant submits the application on March 20, the letter must be dated after February 18.

6. Financial Pro-Forma Documentation

Provide a financial pro-forma demonstrating the overall project's sustainability. The pro-forma should include income and expenses for all applied for UPFAs.

Download the spreadsheet template provided in the application form or on the <u>UBC website</u>. An applicant should wait to submit the pro-forma until all UPFAs have been developed and submitted using the Part 2 individual UPFA application. Complete and upload the pro forma spreadsheet, including supporting documentation. Applicants must also upload a PDF copy of their completed pro forma spreadsheet in case of file formatting or corruption issues.

Applicants must upload a financial assumptions document that aggregates assumptions from all selected UPFAs. This financial assumptions document must cover at least three years of post award information and include revenue projections, take rates, etc.

7. Supplemental Information

This form provides applicants the opportunity to upload any documents that need to be updated or corrected from the pre-application, or to add supplemental documentation to support the information reported in the pre-application. This documentation may include items such as a new audit, updated resumes for management, etc. If the applicant does not wish to provide supplemental documents, the applicant may save the form and continue.

8. Certification and Compliance

Applicants must certify that all information provided is accurate and complies with federal, state, and program requirements. The applicant must also certify that they have not colluded with another applicant, that they do not have any conflicts of interest in the application being submitted, nor do they have an affiliation or involvement in any other application not identified in the application.

UBC strongly recommends that applicants sign this form and wait to submit Part 1 of the application until all UPFA submissions have been made.

Part 2: BIG Individual UPFA Application (Part 2)

Applicants must submit a separate Part 2 application for each UPFA they wish to apply for. Do not combine UPFAs in a single application. You must submit a separate Part 2 application for each UPFA. This application (Part 2) can be submitted multiple times for different technologies in a single UPFA and multiple times for multiple UPFAs.

1. UPFA Project Information

After the applicant clicks "Apply" on the Overview page for the Part 2 application, a Project Information page will be displayed. Using the total numbers from the completed budget form, enter the following:

- Application Name is to be in the form:

  Applicant name_technology_type - *BIG Broadband ISP_fiber*

- Technology type is to be fiber or other
- Total amount of Federal funds requested
- Total cash match
- Total in-kind match

Once this information has been entered and the contact information has been confirmed, choose "Save" to continue.

Applicants should check this page prior to the UPFA final submission to ensure the numbers on this page match the budget amounts on the budget form, as well as those on the Detail Budget page and the budget spreadsheet.

2. UPFA Selection

Using this link, download the UPFA Selection zip file, extract it and locate the UPFA ID spreadsheet that matches the UPFA ID(s) selected.

- In round 2, multiple UPFAs may be included in one part 2 application and not all the BSLs within the UPFA must be offered service. However, only those BSLs selected will be considered for an award.
  - o BSLs selected for the application within the UPFA file(s) must be either 100% fiber or other technologies.
  - o Separate applications are required for 100% fiber or other technologies.
- Using the appropriate UPFA spreadsheet, select the technology to be provided for each BSL from the dropdown in Column C, Technology Type.
- Enter any comments you might have in Column D.

If you have evidence that any of the locations on the list are already served or are not BEAD-eligible, indicate those locations using the comment column. For example, if a location already has service, is currently being built to, or is not a residential, commercial, or Community Anchor Institution, it may be considered not eligible for BEAD funding. If you indicate any locations in the file as "not BEAD Eligible," you must provide evidence showing that the location is already served or is otherwise not BEAD eligible (e.g., empty building). Your evidence showing a location as not BEAD eligible must adhere to NTIA's evidentiary requirements, as outlined in UBC's non-BEAD BSL Submission Instructions. Your list of non-BEAD BSLs and evidence must be submitted through UBC's non-BEAD Locations Submission tool in order to be considered for removal from BEAD eligibility.

As described in "Project Funding Areas and Funding Rounds" above, applications may be submitted in one of three ways.

1. Applicants do not have to apply for all BSLs within an UPFA. Applicants must elect to provide **either** priority or other technology within all UPFA(s) selected. This may be done as one UPFA application with one budget and one design narrative, etc. If the technology identified for the selected BSLs within the UPFA is fiber, the

application will be scored as a priority project. If the technology is other than fiber, it will be scored as an other last mile application. All BSLs to be provided service must be identified with a technology in the UPFA file.

2. Applicants may elect to provide differing technologies within an UPFA. This may be done as one UPFA application with one budget and one design narrative, etc. Applying for the UPFA in this manner will result in the application being scored as an other last mile application.

3. BIG BEAD UPFA Scorable Items

This section contains the scorable elements of the application specific to the previously selected UPFA. For details on scored elements, applicants should review Appendix A.

Applicants must first select the predominant speed of their deployed network, choosing either 1 Gigabit per second (Gbps)/1 Gbps or 100 Mbps/20 Mbps. This selection will determine the applicant's scoring category and will show or hide subsequent questions on the form.

1. Affordability

Based on the speed selection, applicants must enter the price they commit to charge for either fiber (1 Gbps symmetrical) or other technology service (100/20 Gbps minimum), inclusive of all taxes, fees, and monthly charges that will be billed to the customer.

2. Open Access

Applicants are encouraged to provide access to their deployed network assets at reasonable and non-discriminatory rates. Any applicant making this commitment must upload a copy of their open access policy, which should include detailed information about their wholesale services and associated rates. This documentation will serve as a formal record of the applicant's commitment to providing open access to their network infrastructure.

3. Local Coordination

Local coordination plays a vital role in the BIG program. UBC expects applicants to demonstrate meaningful engagement with communities in their selected UPFA to ensure the planned network addresses local community needs.

To earn points in this category, applicants must upload documentation from a public meeting where their broadband deployment project was discussed, including:

- Meeting minutes
- Meeting agenda
- Details of information shared with the community, such as:
  - Network plans
  - Rate plans

o   Terms of service

o   Other relevant project details

Additional scoring points may be awarded to applicants who submit a resolution or other formal documentation that demonstrates community consent was obtained during the open public meeting regarding the broadband deployment project. This documentation serves as evidence of both community engagement and local support for the proposed network deployment.

4. **Workforce Development**

This category applies exclusively to applicants submitting fiber project proposals. While this section header will be visible to all applicants, only those proposing fiber projects are required to provide responses. Applicants may submit documentation in any or all of the following categories.

1. A developed plan that describes their outreach and engagement strategies with any of the following:

    ● Workforce development agencies

    ● Women-owned business development agencies

    ● Minority-owned business development agencies

2. Supporting documentation such as letters of support or other materials that demonstrate current engagement with the aforementioned agencies

3. A comprehensive plan detailing how the local workforce will be utilized for:

    ● Network deployment

    ● Installation work

    ● Maintenance operations

Points will be awarded for each category addressed, and applicants may choose to submit documentation for any or all of these categories based on their project's scope and existing partnerships.

5. **Community Impact**

In further support of local coordination efforts, applicants are required to submit a plan addressing community impact, developed after consulting with local community organizations to identify specific needs. The submission requirements include:

    ● A detailed plan that addresses identified community needs

    ● Letters of support from community organizations endorsing the plan (optional but recommended)

    ● A sustainability plan demonstrating how the proposed community benefit(s) will be maintained over time

To receive maximum points for community impact, applicants must include all three components, with particular emphasis on the long-term sustainability plan. This documentation should clearly demonstrate how the proposed initiatives will continue to benefit the community beyond the construction phase.

4. System Design

Upload detailed technical documentation for the UPFA as outlined in Appendix B. This documentation should include:

- Network design diagrams
- System deployment plans
  - Description of the proposed technology and deployment

5. Technical Scorable Items

Applicants must first select the predominant speed of their deployed network, choosing either 1Gigabit per second (Gbps)/1 Gbps or 100 Mbps/20 Mbps. This selection will determine the applicant's scoring category and will show or hide subsequent questions on the form.

For projects where applicants plan to deploy network speeds of at least 100 Mbps/20 Mbps, they must specify the predominant type of technology they plan to deploy in their network infrastructure, such as hybrid, fixed wireless, etc.

Speed to Deployment and Technology Type

Applicants must select their intended project completion timeframe from the available options (e.g., 0–1 years, 1–2 years, etc.). To verify and support this timeline selection, applicants must upload relevant supporting documentation that demonstrates their ability to complete the project within the specified timeframe. This documentation may include, but is not limited to:

- Permitting processes underway
- Network/engineering design documentation
- Evidence of rights-of-way or pole attachment agreements
- Documentation for any other relevant processes that support the timeline

Project Budget

Download the Budget Form from the page or on the UBC website. Enter information for each tab on the budget worksheet specific to the UPFA selected. Include details for construction, equipment, labor, and other costs.

The budget file should be named:

Applicant name_technology_type_budget - *BIG Broadband ISP_fiber_budget*

- Technology type is to be fiber or other

Each spreadsheet tab will populate the Project Budget tab that is a summary sheet that aligns to federal budget categories. On the Project Budget tab of the spreadsheet, enter the cash match and/or in-kind contribution amounts in rows 16 and 17

- In the project budget section of the form, the applicant must provide:
  - the total amount of federal funds being requested for the selected UPFA;
  - the total combined match inclusive of cash and in-kind sources;
  - the number of broadband serviceable locations that are contained in the application based on the UPFA listing;
  - the Minimal BEAD Outlay based on the number of BSLs and federal funds being requested (Federal Amount Requested/Total BSL Count in Application); and
  - the average cost to serve the unserved and underserved BSLs separately in the fields provided.

6. Matching Funds

All applicants must demonstrate their ability to provide the required matching contribution and sustain the project through completion. The match may be cash or in-kind contributions and must be available when the agreement is executed.

Documentation Requirements

Option 1: Cash on Hand

Submit ALL of the following:

- Recent bank statement(s) in applicant's name showing sufficient funds
- Detailed accounting of any restricted funds
- Declaration of third-party loans or grants contributing to cash reserves
- Explanation of funds available specifically for the project

Option 2: External Funding Commitments

Submit documentation meeting ALL of these criteria:

- Format: Formal agreement or commitment letter
- Required Content:
  - Contributing entity's name and contact information
  - Specific dollar amount committed
  - Detailed purpose of funds
  - Terms and conditions of commitment

- Supporting Documentation:
  - Recent bank statement from contributing entity
  - Evidence of the signatory's authority to commit funds
  - If multiple sources, documentation for each source

Option 3 In-Kind Match

Submit documentation supporting all proposed in-kind match:

- Fair Market Value Documentation
  - Provide documentation proving the fair market value of the in-kind match item
- Timing of Availability
  - Must be available when grant agreement is signed or as funds are requested
  - Applies to all forms of in-kind match
    a) Compliance Requirements
      1) Must be verifiable through records
      2) Cannot be claimed for other Federal awards
      3) Must be necessary and reasonable
      4) Must meet Cost Principles requirements
      5) Cannot be federally funded unless specifically authorized
      6) Must appear in approved budget
      7) Must comply with all applicable provisions of 2 CFR Part 200, subpart E

Important Notes

- Bank statements must be dated within 30 days of application.
- All commitment letters must be signed by officers or persons authorized to bind the committing party.
- Funds must be explicitly available for BEAD project use.
- Applications without proper documentation must be revised and the documentation must be added in order to be considered eligible for award.
- Combined sources must total the required match amount.
- Documents must be uploaded in PDF format.

If you are submitting a MATCH WAIVER, refer to the Matching Funds Waiver section.

7. Certification Statement

Please read and electronically sign the certification statement with respect to the UPFA selection. Once all forms are green and complete, you may submit this UPFA Part 2 application. If you have not submitted Part 1, you may do that once all of your Part 2 UPFA applications have been submitted.

Post Award Grant Agreement and Funding

All applicants offered an award must enter into a subgrant award agreement with the State of Utah.

Funding Procedures

> BEAD subgrantees will submit documentation for reimbursement of eligible expenses on a quarterly basis, in conjunction with their regular report cadence. Reimbursement will be received after verification that project milestone objectives have been completed. Before reimbursement is released to subgrantees, their reports will be reviewed by UBC. If the reports are deemed insufficient or incomplete, funds will be withheld until the issues are resolved. The final grant payment will be withheld until after project completion and network activation are verified by UBC.

Post-Award Monitoring

> Funds may be used to support ongoing post-award monitoring and compliance reporting activities. These are considered tasks eligible for reimbursement and may be completed by staff or by retaining the services of a consultant. If using staff time, the time tracking standards and requirements must be followed. The NTIA has published a one-page guidance for personnel time tracking.

Governor's Office of Economic Opportunity
UTAH BROADBAND CENTER

BROADBAND INFRASTRUCTURE GRANT SCORING

Table of Contents

Introduction

The Broadband Infrastructure Grant (BIG), funded through the federal Broadband Equity, Access, and Deployment (BEAD) program, improves access to reliable broadband for all unserved areas of Utah. The Utah Broadband Center (UBC) administers these funds through a competitive grant process.

Eligible applicants must complete the registration and pre–application process to qualify for federally funded infrastructure projects. BIG applicants must submit robust grant applications to compete for funding and advance through the selection process.

This resource provides detailed scoring tables and information regarding application scoring, to ensure that the competitive grant application process is transparent, open, and fair. For additional information regarding the BIG grant process, please review Utah's approved Initial Proposal, which outlines the grant administration in detail.

Definitions

Broadband Serviceable Location (BSL)

A business or residential location in which fixed broadband Internet access service is (or can be) installed.

Priority Broadband Project

Application that proposes to construct end–to–end fiber optic facilities to all BSLs in a project funding area.

Other Last Mile Broadband Deployment Project

Applications that do not propose to construct end–to–end fiber optic facilities to all BSLs in a project funding area.

Priority Broadband Projects
Scoring Summary

Criteria	Maximum Points
Minimal BEAD Outlay	50
Affordability	15
Fair Labor Practices	10
Speed to Deployment	8
Local Coordination	6
Community Impact	7
Workforce Development and Job Quality Opportunities	3
Open Access Networks	1

Minimal BEAD Outlay

Applications receive scores for minimal BEAD outlay based on the average cost per project location and the project match percentage. The average cost per project location will be scored on a point scale of 0–5. The project match percentage will be scored on a point scale from 0 to 45. Match percentages for projects in areas that NTIA has defined as high cost will be scored on a different percentage scale but will still be scored on a point scale from 0 to 45.

Average Cost per Location Scoring Table

Average Cost per Location	Points
$0–3,000	5
$3,001–5,000	4
$5,001–7,000	3
$7,001–9,000	2
$9,001–Extremely high cost per location threshold	0

Minimal BEAD Outlay

Project Match Percentage Scoring Table

Project Match Percentage	Points
70%+	45
65%	40
60%	35
55%	30
50%	25
45%	20
40%	15
35%	10
30%	5
25%	0

Minimal BEAD Outlay

High Cost Area Match Percentage Scoring Table

Project Match Percentage	Points
45%+	45
40%	40
35%	35
30%	30
25%	25
20%	20
15%	15
10%	10
5%	5

Affordability

Applications receive scores for affordability based on the price subscribers pay for 1G/1G service. Points will be awarded on a sliding scale, with the highest points awarded to applications showing a monthly rate of less than $70, inclusive of all taxes, fees, and monthly charges billed to the customer.

Affordability Scoring Table

Monthly Service Cost 1G/1G	Points
<$70.00	15
$70.00–89.99	10
$90.00–109.99	5
$110.00–142.75	1
>$142.75	0

Fair Labor Practices

Applicants must provide a narrative and evidence of plans to comply with federal labor and employment laws and to solicit, recruit, and maintain a compliant, fair labor workforce. Applicants without a verifiable record of compliance with labor and employment law may mitigate this fact by making specific, forward–looking commitments to strong labor and employment standards and protections concerning BEAD–funded projects. Applications will receive scores for fair labor practices based on the information submitted for each element of the fair labor category. Applications that provide no information for a component of the category will receive 0 points for that element.

Fair Labor Practices Scoring Table

Fair Labor Practice	Points
Certification of full compliance with all applicable labor laws	5
Demonstration of record of compliance with federal labor and employment laws	2
Disclosure of applicant violations within the last five years	1
Disclosure of contractor and/or subcontractor violations within the last five years	1
Wage information	0.5
Workplace safety policy	0.5

Speed to Deployment

Applications will receive scores for speed to deployment based on proof of preliminary planning efforts provided in the application and commitments to deliver service within a shorter time frame than four years. Points will be awarded on a scale from 0–4 for commitments to provide service in less than four years. One point, up to 4 points maximum, will be awarded for each type of planning documentation submitted in the application. There are five different categories of documentation; applicants may submit documentation from any four of these categories to receive the full 4 points.

Speed to Deployment Scoring Table

Speed to Deployment	Points
0–1 years	4
1–2 years	3
2–3 years	2
3–4 years	1
4 years	0

Speed to Deployment

Documentation Scoring Table

Documentation	Points
Proof of Right of Way, easement, pole attachment access, towers	1
Documentation of permit process underway or franchise agreement	1
Documentation of engineering design	1
Documentation of inventory or bill of sale	1
Other applicable documentation related to speed to deployment	1

Local and Regional Coordination

Applications will receive scores for demonstrating extensive community coordination, local planning, and support for the proposed project from the local or tribal government and community leaders. Four points may be awarded for submitting minutes (3 points) and an agenda (1 point) from local or tribal noticed public meetings where broadband coordination is discussed. UBC expects applicants to share their rate plans, low-cost service plans, terms and conditions, service commitments, and billing formats with local officials of each project funding area applied for in the application. An additional 2 points may be received for submitting a resolution or other approved formal documentation of consent from local government officials during the open public and noticed meeting or as a result of an open public and noticed meeting. Zero points will be awarded for applications without this documentation.

Local and Regional Coordination Scoring Table

Community Coordination	Points
Application includes evidence of agenda and meeting minutes or notes of at least one local and/or regional meeting with governments and community organizations. Evidence must include meeting minutes for three points and agenda for one point.	4
Application includes at least one resolution or other formal demonstration of consent from local/regional government leaders.	2

Community Impact

Applications will receive scores for community impact based on information detailing an innovative means of providing a public benefit that addresses the community's needs. Three points may be awarded to applications, including a detailed plan demonstrating evidence of a long–term public benefit that addresses the community's needs. An additional 3 points may be awarded if the plan includes evidence of support from stakeholders. A final point may be awarded if the plan includes a detailed description of how the benefit will be sustained over time.

Community Impact Scoring Table

Community Impact	Maximum Points
The application includes a detailed plan demonstrating evidence of a long–term public benefit that addresses the community's needs. One point will be awarded for engaging with the local community through an open house or town hall–style meetings to determine community needs. One point will be awarded for a detailed description of the service to be provided to meet the need identified through community engagement meetings. One point will be awarded for including specific populations and locations that will be impacted and the timeline to service implementation.	3
The plan includes evidence of support for the benefit from stakeholders, such as signed letter(s) of support from community anchor institutions, nonprofits, chambers of commerce, school boards, etc. One point may be received for each letter, up to three points maximum.	3
Plan includes a detailed description of how the benefit will be sustained over time.	1

Workforce Development and Job Quality Opportunities

Applications will receive scores for workforce development by detailing a comprehensive outreach and engagement plan to share employment and/or subcontracting opportunities with workforce development and/or women or minority–owned business development agencies. To receive full points, applications must also detail a plan to utilize the local workforce for deployment, installation, and/or maintenance work, etc.

Workforce Development and Job Quality Opportunities Scoring Table

Documentation	Points
Developed plan of outreach and engagement to workforce development and/or women– or minority–owned business development agencies	1
Letter of support or other documentation showing current engagement with workforce development and/or women– or minority–owned business development agencies	1
Developed plan to utilize local workforce for deployment, installation and/or maintenance work, etc	1

Open Access Networks

Applications that commit to offering wholesale broadband services at reasonable and nondiscriminatory rates and terms for the useful life of the network assets will receive one point based on the open access details in the application.

Open Access Networks Scoring Table

Documentation	Points
Details regarding open access policy, including description of wholesale services and rates	1

Other Last–Mile Broadband Deployment Projects

Scoring Summary

Criteria	Maximum Points
Minimal BEAD Outlay	50
Affordability	15
Fair Labor Practices	10
Local Coordination	7
Community Impact	7
Speed of Network and Other Technical Capabilities	6
Speed to Deployment	4
Open Access Networks	1

Minimal BEAD Outlay

Applications will receive scores for minimal BEAD outlay based on the project match percentage and scalability and resiliency factors of the proposed broadband service. The project match percentage will be scored on a point scale from 0 to 30. Up to 20 additional points may be awarded for scalability and resiliency factors, with a maximum of five points possible for each of the four categories.

Project Match Percentage Scoring Table

Project Match Percentage	Points
55%+	30
50%	25
45%	20
40%	15
35%	10
30%	5
25%	0

Minimal BEAD Outlay

Scalability and Resiliency Factors Scoring Table

Scalability and Resiliency Factors	Maximum Points
Route Diversity: The availability of multiple paths without common points	5
Redundancy: The provision of duplicate assets to provide back–up	5
Protective Measures: The additional processes and systems used to reduce the likelihood that a system will be affected by a natural disaster	5
Scalability: Scalability in network design by planning for future growth and technology advancement according to industry standard	5

Affordability

Applications will receive scores for affordability based on the price subscribers pay for 100/20 Mbps service. Points will be awarded on a sliding scale, with the highest points awarded to applications showing a monthly rate of $60 or less, including all taxes, fees, and monthly charges billed to the customer.

Affordability Scoring Table

Monthly Service Cost 100/20 Mbps	Points
$60.00 or less	15
$60.01–70.00	10
$70.01–80.00	6
$80.01–105.03	2
>$105.03	0

Fair Labor Practices

Applicants must provide a narrative and evidence of plans to comply with federal labor and employment laws and of plans to solicit, recruit, and maintain a compliant fair labor workforce. Applicants without a verifiable record of compliance with labor and employment law may mitigate this fact by making specific, forward−looking commitments to strong labor and employment standards and protections with respect to BEAD−funded projects. Applications will receive scores for fair labor practices based on the information submitted for each element of the fair labor category. Applications that provide no information for an element of the category will receive 0 points for that element.

Fair Labor Practices Scoring Table

Fair Labor Practice	Points
Certification of full compliance with all applicable labor laws	5
Demonstration of record of compliance with federal labor and employment laws	2
Disclosure of applicant violations within the last five years	1
Disclosure of contractor and/or subcontractor violations within the last five years	1
Wage information	0.5
Workplace safety policy	0.5

Local and Regional Coordination

Applications will receive scores for demonstrating extensive community coordination, local planning, and support for the proposed project from the local or tribal government and community leaders. Four points may be awarded for submitting minutes (3 points) and an agenda (1 point) from local or tribal noticed public meetings where broadband coordination is discussed. UBC expects applicants to share their rate plans, low–cost service plans, terms and conditions, service commitments, and billing formats with local officials of each project funding area applied for in the application. An additional 3 points may be received for submitting a resolution or other approved formal documentation of consent from local government officials during the open public and noticed meeting or as a result of an open public and noticed meeting. Zero points will be awarded for applications without this documentation.

Local and Regional Coordination Scoring Table

Community Coordination	Points
Application includes evidence of agenda and meeting minutes or notes of at least one local and/or regional meeting with governments and community organizations. Evidence must include meeting minutes for three points and agenda for one point.	4
Application includes at least one resolution or other formal demonstration of consent from local/regional government leaders.	3

Community Impact

Applications will receive scores for community impact based on information detailing innovative approaches that deliver public benefits to address the community's needs. Three points may be awarded to applications with a detailed plan demonstrating a long-term public benefit that addresses community needs. An additional 3 points may be awarded for plans that demonstrate clear evidence of stakeholder support. A final point may be awarded if the plan details how the benefit will be sustained over time.

Community Impact Scoring Table

Community Impact	Maximum Points
Application includes detailed plan demonstrating evidence of a long-term public benefit that addresses the community's needs. One point will be awarded for engagement with the local community through open house or town hall style meetings to determine community need. One point will be awarded for a detailed description of the service to be provided to meet the need identified through community engagement meetings. One point will be awarded for including specific populations and locations that will be impacted and the timeline to service implementation.	3
Plan includes evidence of support for the benefit from stakeholders, such as signed letter(s) of support from community anchor institutions, nonprofits, chambers of commerce, school boards, etc. One point may be received for each letter, up to three points maximum.	3
Plan includes a detailed description of how the benefit will be sustained over time.	1

Speed of Network and Other Technical Capabilities

Applications showing plans to use capital assets with longer usable lives, scalability, and resilience will be considered first over unlicensed and satellite technologies, even if they have higher costs. If any proposal for a project funding area has been submitted using reliable broadband technologies, all other last–mile broadband deployment project applications will be scored using the table below. If no proposals for a project funding area are submitted that fall under the category of reliable broadband technology, all other last–mile broadband deployment project applications for that project funding area will then be scored against other alternative technology applications using the Alternative Technology Evaluation Table.

Reliable Technology Evaluation Scoring Table

Technology Type	Points
Hybrid fiber coaxial	6
Hybrid fiber–fixed wireless using licensed spectrum	5
Fixed wireless using licensed spectrum	4
Alternative technologies	0

Speed of Network and Other Technical Capabilities

Alternative Technology Evaluation Scoring Table

Technology Type	Points
Fixed wireless using unlicensed spectrum (symmetrical service of at least 100/100 Mbps)	2
Fixed wireless using unlicensed spectrum (of speeds at least 100/20 Mbps)	1
Low Earth Orbit (LEO) satellite	0

Speed to Deployment

Applications will receive scores for speed to deployment based on proof of preliminary planning efforts provided in the application and commitments to provide service within a shorter time frame than four years. Points will be awarded on a scale from 0–3 for commitments to provide service in less than four years. One point, up to 4 points maximum, will be awarded for each type of planning documentation submitted in the application. There are five different categories of documentation; applicants may submit documentation from any four of these categories to receive the full 4 points.

Speed to Deployment Scoring Table

Speed to Deployment	Points
0–1 years	3
1–3 years	2
3–4 years	1
4 years	0

Speed to Deployment

Documentation Scoring Table

Documentation	Points
Proof of right of way, easement, pole attachment access, towers	1
Documentation of permit process underway or franchise agreement	1
Documentation of engineering design	1
Documentation of inventory or bill of sale	1
Other applicable documentation related to speed to deployment	1

Open Access Networks

Applications that commit to offering wholesale broadband services at reasonable and nondiscriminatory rates and terms for the useful life of the network assets will receive one point based on the open access details in the application.

Open Access Networks Scoring Table

Documentation	Points
Details regarding open access policy, including description of wholesale services and rates	1

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Appendix B – System Design Narrative

The system design contains all the technical information on the applicant's existing (if applicable) and the proposed system. If you are a new entrant to the broadband or telecommunications sector, provide detailed information regarding your business acumen or related experience. The following information must be included in this section:

A. **Existing Network (to be included in Part 1 of the application)**

1. A detailed description of the applicant's existing Utah network, if applicable, which includes the following:

   a. The **current** service area(s);

   An electronic .shp or .kml/.kmz file map showing the applicant's existing service area(s) within Utah. Boundary data for each area must be included with the application.

   b. The types of technologies used in the network;

   c. The types of services (voice, video, and/or data) offered and the number of subscribers taking each type of service;

   d. The total number of end users served;

      1. For **wireline** networks, specify the number of end users passed with the network;

      2. For **wireless** networks, specify the total number of end users covered by the network;

   e. A description of the current transport network utilized by the applicant.

B. **Proposed Network (to be included in Part 2 of the application)**

> *Note: Following an award and prior to beginning the project, the network design and plan must be certified by a professional engineer, stating that the proposed network can deliver broadband service that meets the requisite performance requirements to all locations served by the Project.*

1. A detailed description of the **proposed** network, which includes the following:

   a. A line diagram of the proposed network infrastructure;

   <u>*Wireline Service:*</u> *A separate electronic .shp or .kml/.kmz file map that shows an accurate representation of the proposed wireline path within the UPFA. Middle mile/Interconnection and Last mile should be clearly differentiated. The length of the wireline path should approximately match the wire material length for UPFA outside plant and Middle Mile/Interconnection outside plant included in the budget.*

   <u>*Wireless Service:*</u> *A separate electronic .shp or .kml/.kmz file map that shows an accurate representation of the proposed tower locations within the UPFA.*

Backhaul facilities should be clearly differentiated. The number of towers should match the towers and backhaul facilities included in the budget.

    b. Any upgrades that will be made to the existing network, if applicable (grant and match funds are only eligible for work necessary to provide service to the UPFA);

    c. The types of technology to be deployed in the UPFA and how the technology will facilitate the offering of service at the proposed Broadband Grant Speed (including technology standards, whether the technologies are in current use and manufacturers of the technology);

    d. The number of BSLs to be offered service. Provide detailed engineering justification showing that all eligible BSLs within the UPFA will be offered broadband service at the Broadband Grant Speed when the system is complete.

        1. For **wireline** networks, specify the number of BSLs passed with the network.

        2. For **wireless** networks, specify the total number of BSLs covered by the funded network, any assumptions regarding foliage and obstructions, and the engineering justification for those assumptions;

        3. Describe any restrictions or costs associated with BSL service, including typical connection fees or extra costs for excessive drop lengths.

    e. The types of services (voice, video, and/or data) to be offered in the UPFA, the cost and the number of subscribers expected to take each type of service. If you are planning "over-the-top" services, include a description of the service provider or potential service provider and how you will deliver the service from a technical (peering, caching) and business (marketing, contracts) perspective. This data should match the data provided in your pro-forma calculations.

    f. A description of the network operation center.

2. A description of the proposed connection or connections to the upstream Service Provider and any changes needed to the existing system to accommodate additional capacity, connection to any data center, and whether and how resiliency and redundancy are built into the connection(s).

3. A description of the design parameters used in engineering the system. Examples include oversubscription ratio calculations, bandwidth consumption per user, link loss, data rates per link, redundancy requirements, and component technical specifications.

4. A description of any licenses and/or agreements required to construct and operate the network and the status of securing those licenses/agreements. These may include, but are not limited to, pole attachment agreements, rights-of-way agreements, spectrum licenses, fiber lease agreements, capacity lease agreements, antenna site agreements, and franchise agreements.

5. Upload a network diagram of the applicant's existing network (if applicable) and the

proposed network. This diagram shall be a block diagram that clearly shows how the traffic flows through the network from the interconnection points with the backbone service providers to the end users. The following information must be shown in the network diagram:

a. The location of all major network elements

b. The route miles between each network element

c. The bandwidth capacity between the network elements

d. The types of facilities (fiber, copper, microwave, etc.) that are or will be used for establishing the connection between the network elements and the points of connection with the backbone service providers

e. The location of any leased facilities and the owner of these facilities, including any cloud or managed service providers.

6. A description of the main areas of risk in the project and the applicant's mitigation plan for addressing each risk. At a minimum, the following should be discussed:

a. Future upgrade and scalability

b. Cybersecurity and supply chain risk management

- Cyber security plan and a supply chain risk management plan are each required prior to allocation of funds.

c. Disaster recovery and business continuity.

7. Due to the impact of geography and technological choices on the performance of wireless network projects, wireless projects should provide the following additional information:

a. Electronic .shp or .kmz/.kml file of the location of the unserved households and project coverage area, including tower locations with geotag information showing tower height, equipment height, construction type, and ownership

b. Document existing and new infrastructure locations

c. Provide an end-to-end conceptual design of the network, including core and radio elements. The conceptual design should include the following:

1. Radio Frequency (RF) heat maps showing signal strength with the tower radio equipment placement for each radio identified (assumed height above grade, antenna angle, and declination characteristics). This should be included as a .shp file or .kmz/.kml file

(a) For design purposes, in order to account for real-world conditions, the assumed Customer Premise Equipment (CPE) height above ground level is to be a maximum of 35 feet or lower, depending on CPE type and installation.

(b) If your design assumes CPE above 35 feet, describe how you will ensure that height is provided to customers during installation.

2.   Overall system network diagram

3.   Height of equipment on existing infrastructure (towers, rooftops, etc.)

4.   Backhaul methods and routes

5.   Method of subscriber connection

6.   Link budget, documenting all the gains and losses in the system from the transmitter to the receiver (in both the downlink and uplink direction)

7.   Assumptions such as design requirements, RF inputs (technology selection and migration path, use cases, frequency band selection, system bandwidth, base station antenna, end user device), target coverage areas, asset preferences, geographic information, prediction tools, etc.

8.   Core network conceptual design and deployment options (cloud, on premise, distributed with edge gateways, virtual, bare metal), and capacity and coverage

9.   Selected manufacturer and equipment list

10. Description of network management system

Appendix C - Pro-forma Instructions

Step-by-Step Guide for Completing the Pro Forma Financial Statements

In the provided Excel workbook pro forma template are tabs for the Balance Sheet, Income Statement, and Statement of Cash Flows. In each of those worksheets, enter prior year actuals for Fiscal Years 2023 and 2024. Then, in the columns to the right, enter the company's estimated figures for Fiscal Years 2025 through 2027. Estimates should be based on realistic and well-researched assumptions, such as historical performance, industry benchmarks, market trends, inflation, and other anticipated changes.

To fill out pro forma balance sheets, estimate future assets, liabilities, and equity based on anticipated growth and funding sources, ensuring the balance sheet equation remains accurate. For income statements, project future revenues, costs, and expenses, factoring in market trends and operational plans to calculate net income over a specific period. When completing the statement of cash flows, forecast cash inflows and outflows across operating, investing, and financing activities, ensuring alignment with the income statement and balance sheet projections.

Balance Sheet

1. Prepare to input current assets. Locate the current assets section in the template. Input the values for cash, accounts receivable, inventory, etc. For grant-related activities, estimate increases in cash or receivables from anticipated funding or project operations.

2. Complete the non-current assets section. Fill out the non-current assets section, including property, equipment, and infrastructure. Itemize any planned acquisitions tied to the grant project (e.g., network hardware, fiber optic cables). Use precise cost estimates based on vendor quotes or market research.

3. Enter current liabilities. Locate the current liabilities section of the template. Include short-term obligations like accounts payable, wages payable, and the current portion of long-term debt. Add any new short-term liabilities related to the grant project, such as upfront payments to contractors or suppliers.

4. Populate long-term liabilities. Fill out the long-term liabilities section for obligations like loans or leases that extend beyond one year. Include new liabilities directly associated with financing the grant project, such as loans for capital infrastructure.

5. Fill in equity information. In the equity section, input retained earnings, owner contributions, or shareholder equity. Incorporate the impact of the grant funding on equity, such as projected net income or additional contributions tied to the project.

6. Verify that total assets equal liabilities plus equity. Double-check that the balance sheet adheres to the accounting equation: Total assets = Total liabilities + Equity.

7. Validate inputs. Review the completed balance sheet for consistency, accuracy, and alignment with grant requirements.

Income Statement

1. Define operating revenue projections. Input estimated revenues from your current services (e.g., internet subscriptions, enterprise solutions). Use historical growth trends as a guide. Include projected revenues from new services or market expansions enabled by the grant project.

2. Input operating expenses. Include salaries, office expenses, and general overhead. Project costs for promoting new services or reaching new markets enabled by the grant. Account for the depreciation of new assets acquired for the project. Include any expenses covered by or resulting from the grant, such as consulting fees or compliance costs.

3. Include other income and expenses. Record anticipated interest income or costs from loans tied to the grant project. Add projections for any non-operating items, such as asset sales or donations.

4. Account for taxes. Estimate the tax impact based on your projected income and applicable tax rates. Adjust for any tax benefits related to the grant.

5. Validate inputs. Review the completed balance sheet for consistency, accuracy, and alignment with grant requirements.

Statement of Cash Flows

Operating Activities

1. Start with net income. Input projected Net Income from your pro forma income statement. Ensure it aligns with assumptions made in your other financial documents.

2. Adjust for non-cash items. Include non-cash expenses related to assets funded by the grant (e.g., network equipment depreciation). Record changes in deferred revenue, allowances, or write-offs if applicable.

3. Account for changes in assets and liabilities. Project changes in customer payments due, factoring in expanded services. Estimate timing and amounts of vendor payments. Account for inventory tied to customer equipment (e.g., modems, routers).

Investing Activities

4. Record cash flows from capital expenditures, equities, and securities. Include cash outflows for acquiring new infrastructure, technology, or equipment funded by the grant. Ensure expenditures align with grant guidelines and project milestones.

5. Account for asset sales or investments. Add any projected inflows from selling assets or withdrawing from long-term investments.

Financing Activities

6. Include grant disbursements. Record cash inflows from grant funding.

7. Record loan activity (if applicable). Include proceeds from new loans obtained for the project and repayments of existing loans.

8. Capture equity contributions or distributions. Add cash inflows from owner contributions or new equity investments tied to the grant project. Subtract any planned dividends or equity distributions.

9. Validate inputs. Review the completed balance sheet for consistency, accuracy, and alignment with grant requirements.

Instructions for preparing the Pro Forma Assumption Documentation

As part of your application for BEAD funding, it is essential to provide a clear and detailed narrative of the assumptions used in preparing your pro forma financial statements. This narrative will help reviewers understand the foundation of your financial projections, including key drivers behind revenue growth, cost estimates, funding allocations, and operational plans. Your assumptions should address the specific context of your broadband infrastructure project, including market conditions, project timelines, and the anticipated impact of grant funding. Be sure to highlight how these assumptions align with the goals of the BEAD program and support the long-term sustainability of your project. A well-documented narrative enhances transparency and demonstrates the credibility of your financial planning.

The following is a list of topics to consider including in your narrative:

- Revenue assumptions: Customer growth rate, pricing strategy, market penetration, grant impact on revenue, revenue diversification, etc.

- Cost assumptions: Capital expenditures, operating costs, labor costs, depreciation and amortization, inflation, etc.

- Funding assumptions: Grant disbursement schedule, debt financing, equity contributions, subsidies or tax credits, etc.

- Growth and market assumptions: Market demand, competitive landscape, technological advancements, project completion timeline, etc.

- Cash flow assumptions: Accounts receivable turnover, accounts payable turnover, working capital requirements, reserve funds, etc.

- Tax and regulatory assumptions: Tax rates, regulatory compliance codes, grant reporting requirements, etc.

- Risk and contingency assumptions: Risk adjustments, contingency planning, etc.