

Rural Development
United States Department of Agriculture

Rural Utilities Service
Broadband Initiatives Program
Application Guide



For reference please see our website:

<http://www.broadbandusa.gov>

Issue Date: July 10, 2009

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0142. The time required to complete this information collection is estimated to average 360 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Rural Utilities Service (“RUS”) Broadband Initiatives Program

The Broadband Initiatives Program (“BIP”) was established in response to the American Recovery and Reinvestment Act of 2009 (“Recovery Act”). The primary goal of the Recovery Act is to provide a fiscal boost to the Nation during its greatest economic crisis. Providing access to broadband services will increase economic development and improve the quality of life for all Americans. BIP will furnish loans, grants and loan/grant combinations to assist with addressing the challenge of rapidly expanding the access and quality of broadband services across Rural America and to meet the objectives of the Recovery Act.

BEFORE GETTING STARTED

Applicants MUST read the latest available Notice of Funds Availability (“NOFA”) published in the Federal Register.

The NOFA **MUST** be utilized in conjunction with this Application Guide. Should any differences result in the interpretation of this Application Guide and the NOFA, the NOFA takes precedence over information contained in this Application Guide.

NOTICE: This Application Guide follows the format required for paper submissions of the BIP application. However, all of the information still applies to the electronic application but may appear in a different order. Use the information presented in this guide to complete both paper and electronic applications.

Please see Page 9 of this Application Guide for guidance on the use of various Attachments required to submit a complete BIP Application.

Application Guide Table of Contents

General Information	3
1. Background	3
2. Funding Options	3
3. Application Process	4
4. Definitions	4
5. Applicant Eligibility	5
6. Project Eligibility	6
7. Eligible Purposes	6
8. Ineligible Purposes	6
9. Eligible Funded Service Area	7
10. Evaluation Criteria	7
11. Application Submission	8
12. Contact Information	8
Instructions for Completing the Broadband Initiatives Program Application	9
A. General Application Information	10
B. Eligibility Factors	12
C. Executive Summary	13
D. Proposed Funded Service Area	13
E. Proposed Service Offerings	16
F. Technology Strategy	19
G. Project Milestones and Completion Factors	22
H. Project Budget	27
I. Self Scoring – BIP Applicants	38
J. Attachments for Specific Items	40
K. Certifications and Other Federal Form Requirements	61
L. Schedules	67
M. Step Two Description for BIP and BTOP Infrastructure Applications	68

General Information

1. Background

The Recovery Act tasked RUS, the National Telecommunications and Information Administration (“NTIA”) and the Federal Communications Commission (“FCC”) with leading the Federal Government’s efforts to begin expanding the reach and quality of broadband services across the United States. The Agencies have been working together to leverage the authorities and resources provided through the Recovery Act.

The Recovery Act expanded the existing lending authority of RUS to make loans and granted additional authority to makes grants and loan/grant combinations to facilitate broadband deployment in rural areas. NTIA was granted new authority to create the Broadband Technology Opportunities Program (“BTOP”). The BTOP will make grants available to deploy broadband infrastructure in unserved and underserved areas, enhance broadband capacity at public computer centers, and promote sustainable broadband projects. Together, both programs will advance the objectives of the Recovery Act by creating jobs and stimulating economic growth.

Infrastructure projects for areas that are at least 75 percent (%) rural must be submitted to RUS for consideration under BIP. If the applicant also wishes to be considered under the BTOP, the applicant must ensure that it has addressed all of the additional elements required of the BTOP. Should RUS not fund an applicant’s project, NTIA would then review such an application for funding. These elements are addressed in the NOFA. In addition, NTIA has prepared an Application Guide for the BTOP that also provides specific, additional guidance, on BTOP requirements.

2. Funding Options

RUS, through BIP, will accept applications for broadband infrastructure projects which propose to fund service areas that are at least 75 percent rural areas. RUS has been given the authority to offer three different funding options. Grants can be used to fund applications proposing to **ONLY** serve remote, unserved, rural areas. Loans and loan/grant combinations can be used to provide funding for projects that propose to serve non-remote and underserved rural areas.

Applicants determine the size of the grant request of any grant/loan combination, keeping in mind that the grant cannot exceed the loan portion of the request. Applicants can also request 100% loan funding.

IMPORTANT — RUS will favor:

- *Applications that propose a higher percentage of loan funds; and*
- *Projects that commence construction immediately and demonstrate technical and financial feasibility, organizational capacity and compliance with other Administrative priorities.*

3. Application Process

In order to balance the burden on applicants versus the need of the Agency to efficiently evaluate applications, RUS has implemented a two-step application process for BIP:

Step One: Applicants submit the information required in Section VI(D)(1)(a) of the NOFA. These requirements are addressed in detail throughout this application guide. Applications will be reviewed for completeness and eligibility. Incomplete and ineligible applications will be rejected. Eligible applications will be evaluated and ranked based on the applicable scoring criteria addressed in Section VII of the NOFA.

Step Two: The highest scoring applications from Step One will be invited to participate in Step Two. This step requires the submission of the additional information described in Section VI(D)(1)(b) of the NOFA.

4. Definitions

The Recovery Act and NOFA use several terms that have been redefined and/or not previously defined by RUS. **A complete list of definitions is included in the NOFA**; however, the following warrant notice and are listed below:

Broadband – Providing two-way data transmission with advertised speeds of at least 768 kilobits per second (kbps) downstream and at least 200 kbps upstream to end users, or providing sufficient capacity in a middle mile project to support the provision of broadband service to end users.

Last Mile Project – Any infrastructure project where the predominant purpose is to provide broadband service to end users or end-user devices.

Last Mile Non-Remote Project – Any broadband infrastructure project that is not exclusively a last mile remote area project and that provides broadband service to the end user or end user devices in a service area eligible for BIP funding.

Last Mile Remote Area Project – Any broadband infrastructure project that provides broadband service to the end user or to end user devices only in a remote area.

Middle Mile Project – A broadband infrastructure project that does not predominantly provide broadband service to end users or end user devices, and may include interoffice transport, backhaul, Internet connectivity or special access.

Pre-Application Expense – Any reasonable expense incurred after the release of the latest NOFA to prepare an application, including engineering costs and accountant/consultant fees.

Proposed Funded Service Area – means the area (either in all or part of an existing service area or a new service area) where the applicant is requesting BIP or BTOP funds to provide broadband service pursuant to this NOFA.

Remote Area – An unserved, rural area 50 miles from the limits of a non-rural area.

Rural Area – Any area, as confirmed by the latest decennial census of the Bureau of the Census, which is not located within: (1) a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or (2) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants.

Service Area – The entire area within which a service provider either offers or intends to offer broadband service and may include the proposed funded service area.

Underserved Area – A proposed funded service area, composed of one or more contiguous census blocks meeting certain criteria that measure the availability of broadband service and the level of advertised broadband speeds. These criteria conform to the two distinct components of the Broadband Infrastructure category of eligible projects—Last Mile and Middle Mile. Specifically, a proposed funded service area may qualify as underserved for last mile projects if at least one of the following factors is met, though the presumption will be that more than one factor is present: 1. no more than 50 percent of the households in the proposed funded service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed (set forth in the definition of broadband above); 2. no fixed or mobile broadband service provider advertises broadband transmission speeds of at least three megabits per second (“mbps”) downstream in the proposed funded service area; or 3. the rate of broadband subscribership for the proposed funded service area is 40 percent of households or less. A proposed funded service area may qualify as underserved for Middle Mile projects if one interconnection point terminates in a proposed funded service area that qualifies as unserved or underserved for Last Mile projects.

Unserved Area – A proposed funded service area, composed of one or more contiguous census blocks, where at least 90 percent of households in the proposed funded service area lack access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband transmission speed (set forth in the definition of broadband above). A household has access to broadband service if the household can readily subscribe to that service upon request.

5. Applicant Eligibility

The following entities are eligible to apply for BIP funding:

- States, local governments, or any agency, subdivision, instrumentality, or political subdivision thereof;
- The District of Columbia;
- A territory or possession of the United States;
- An Indian tribe;
- A native Hawaiian organization;
- A non-profit foundation, non-profit corporation, non-profit institution, or a non-profit association;
- Other non-profit entities;
- For-profit corporation;
- Limited liability companies, and;
- Cooperative or mutual organizations

6. Project Eligibility

All applicants **MUST** meet the following application eligibility criteria to be eligible for an award:

- Application must be complete;
- The Application must demonstrate timely completion;
- The project must offer service meeting the definition of Broadband as defined in the NOFA;
- The Project must be technically feasible;
- The Applicant must commit to all Nondiscrimination and Interconnection Obligations;
- “Last Mile” projects must meet Coverage Obligations;
- Must be an eligible service area as defined by the Recovery Act and NOFA and defined herein;
- The Proposed Service Areas can not overlap. Applications with the highest score will be funded first for a particular service area if RUS receives overlapping funding requests;
- All project costs must be fully funded after approval of BIP funding; and
- The Project must be financially feasible and demonstrate sustainability.

****Refer to the NOFA for additional guidance on the above eligibility criteria.****

7. Eligible Purposes

BIP funding **CAN** be used to:

- Finance the construction or improvement of all facilities required to provide broadband , including facilities required to provide other services over the same facilities;
- Finance the cost of leasing facilities that are required to provide broadband service if such lease qualifies as a capital lease under Generally Accepted Accounting Principles and the financing of such a lease will be limited to the first five (5) years after the date of the first advance of award funds; and,
- Fund reasonable pre-application expenses in an amount not to exceed five percent of the award. Pre-application expenses may be reimbursed if they are incurred after the publication date of the latest NOFA and prior to the date on which the application is submitted to RUS.

8. Ineligible Purposes

BIP funding **CAN NOT** be used to:

- Fund operating expenses of the project;
- Fund costs incurred prior to the date on which the application is submitted, with the exception of eligible pre-application expenses;
- Finance an acquisition, including the acquisition of the stock of an affiliate or the purchase or acquisition of any facilities or equipment of an affiliate;
- Fund the purchase or lease of any vehicle other than those used primarily in construction or system improvements;
- Fund broadband facilities leased under the terms of an operating lease;
- Fund the merger or consolidation of entities; and
- Fund costs for in acquiring spectrum as part of an FCC auction or secondary market acquisition.

9. Eligible Funded Service Area

The proposed funded service area is the area, either in all or part of an existing service area or a new service area, where the applicant is requesting BIP funds to provide service.

To be eligible, the applicant must demonstrate that at least 75 percent of the BIP proposed funded service area qualifies as a rural area without sufficient access to high speed broadband service to facilitate rural economic development. “Without sufficient broadband access” means without access to broadband as defined by the NOFA and referenced herein.

10. Evaluation Criteria

In accordance with the Recovery Act, the priority for BIP is to provide and improve broadband services to the highest proportion of rural residents who do not have access to broadband services for rural development. In addition, the Recovery Act mandates that priority will be given to projects that:

- Give end-users a choice of providers;
- Serve the highest proportion of rural residents that lack access to broadband service;
- Are projects of current or former RUS Title II Borrowers**; and
- Are fully funded and ready to start once funding is received.

To ensure that BIP awards funding to applications that promote the objectives of the Recovery Act, each application will be scored against the following objective criteria as addressed in Section VII(A)(1)(a-d) of the NOFA:

<p><u>Project Purpose (25 points)</u></p> <ul style="list-style-type: none"> • Proportion of Residents Served in Unserved Areas • Rural Area Targeting • Remote Area Targeting • RUS Title II Borrowers** • Recovery Act/Other Governmental Collaboration 	<p><u>Project Benefits (25 points)</u></p> <ul style="list-style-type: none"> • Performance of the Offered Service • Affordability of Services Offered • Choice of Provider • Critical Community Facilities
<p><u>Project Viability (25 points)</u></p> <ul style="list-style-type: none"> • Applicant’s Organizational Capability • Community Support • Ability to Promptly Start Project • Disadvantaged Small Business Status 	<p><u>Project Budget and Sustainability (25 points)</u></p> <ul style="list-style-type: none"> • Reasonableness of the Budget • Leverage of Outside Resources • Extent of Grant Funding
<p>Applicants are strongly encouraged to thoroughly review the Evaluation Criteria section of the NOFA and to ensure that the scoring criteria are addressed in the appropriate sections of their BIP application.</p>	

****Title II of the Rural Electrification Act of 1936 (“RE Act”), as amended, authorizes the Secretary of Agriculture to make loans for Rural Telephone Service. A RUS Title II borrower refers to an organization which has received a loan under the Traditional Telecommunications Infrastructure Program. Organizations receiving funding under the Rural Broadband Access Loan and Loan Guarantee Program, Pilot Broadband Loan Program, Distance Learning and Telemedicine Loan and Grant Program, Community-Oriented Connectivity Broadband Grant Program, and the Electric Program, which have not otherwise received funding under the Traditional Telecommunications Infrastructure Program, are NOT considered Title II borrowers.**

11. Application Submission

Applications will be accepted between 8:00 AM Eastern Daylight Time (“EDT”), Tuesday, July 14, 2009, through 5:00 PM EDT on Friday, August 14, 2009. Application packages are available at <http://www.broadbandusa.gov>.

Filing electronically allows for expeditious review of an applicant’s proposal which is consistent with the goals of the Recovery Act. Therefore, applicants requesting more than \$1 million in funding **MUST** submit their application electronically. The only exception to this requirement is for applicants whose authorized representatives are individuals with disabilities. Applicants in this situation may submit a paper application, irrespective of the funding size of their request.

Electronic applications should include an electronic signature and this can be done by registering at <http://www.ccr.gov>.

Applicants requesting less than \$1 million may submit their application electronically or submit a paper version. However, to the extent that applications are created using electronic word processing, applicants should include in their filing, an electronic copy of their paper application on an appropriate media such as a CD.

Paper applications must be completed in blue or black ink. The application must be typed, single-sided, single-spaced on 8 ½” by 11” paper, excluding diagrams and charts. Fonts should be no less than 12 points and margins should be no less than one inch. The application and certifications must have original signatures when submitted in paper format. Paper applications should be sent to:

Package Service Delivery Address	Hand-Delivery Location
Broadband Initiatives Program Rural Utilities Service U.S. Department of Agriculture 1400 Independence Avenue, SW Stop 1599 Washington, DC 20250-1599	Broadband Initiatives Program Rural Utilities Service U.S. Department of Agriculture 1400 Independence Avenue, SW Room 2868 Washington, DC 20250

If submitting a paper application, it must be postmarked or hand delivered no later than 5:00 PM EDT on Friday, August 14, 2009. Any applications postmarked after this date and time will be returned as ineligible.

Electronic submissions will be automatically date and time stamped by the electronic application system.

12. Contact Information

For additional information concerning the BIP Program, please contact David J. Villano, Assistant Administrator Telecommunications Program, Rural Utilities Service, U.S. Department of Agriculture, at (202) 690-0525 or email to bip@wdc.usda.gov.

Additional information can also be obtained via the internet at:

<http://www.usda.gov/rus/telecom/>

Instructions for Completing the Broadband Initiatives Program Application

Before assembling your Application, please note:

Several Application items/questions require the completion of Attachments which can be downloaded as separate PDF or Excel files from www.broadbandusa.gov. Some of these Attachments allow Applicants to fill-in information directly into the PDF or Excel files, while others do not.

If the description of your project in a particular Attachment requires more space, rows, columns, fields, or detail than the standard Attachment allows for, you may create and submit expanded or modified versions of these Attachments. However, if you choose to do so, you MUST adhere to the following guidelines to assist our reviewers in properly evaluating your information:

- **Clearly label EACH Attachment by original letter and title (e.g., Attachment G – Detailed Project Costs)**
- **Format your Attachment as closely as possible to the original**
- **At a minimum, include as much information as was originally requested in the Attachment**

Note: Items 6, 7 j.-m., 9-11, 23-26, 43, 52-55 are only required if your organization is submitting its request for funding under **both** the Broadband Initiatives Program administered by the Rural Utilities Service of the Department of Agriculture **and** the Broadband Technology Opportunities Program (“BTOP”) administered by the NTIA of the Department of Commerce. **All other items, as well as necessary certifications and attachments must be completed in order to submit an application under the BIP. Applicants must consult the BTOP Guide from the NTIA for instructions on completing BTOP-specific items.**

A. General Application Information

1. **Applicant Information:** Applicants must supply general information about their organization in this section. It is important that Applicants complete every relevant entry to help ensure that the application is sent to the proper reviewers.

- A. **Name, Address, and Federal ID for Applicant** – Enter the legal name of the applicant which will undertake the assistance activity, the complete address of the applicant, and the Employer Identification Number (EIN) as assigned by the Internal Revenue Service.

- B. **Name and Contact Information** – Enter the name and contact information for the person to be contacted on matters involving this application. RUS will use the contact information provided in this box for all contact and correspondence. It is crucial that this information be accurate, including a reliable fax number for rapid correspondence. If the Applicant does not have a fax number, a reliable e-mail address must be included. Otherwise, correspondence will be sent by mail. This contact information must refer to someone with the authority to answer any questions BIP or BTOP staff may have about an application.

- C. **Other Required Identification Numbers:**

- i. As required by the Office of Management and Budget, all applicants must supply a Dun and Bradstreet Data Universal Numbering System (DUNS) number. If you do not already have one, please call the dedicated toll-free D&B request line at 1-866-705-5711 or via the Internet at <http://www.dunandbradstreet.com>.

- ii. Once an Applicant has a DUNS number, the Applicant can begin the CCR registration process. If registering on-line, go to www.ccr.gov and select "Start New Registration." You will need your DUNS number to start this registration. The CCR Customer Assistance Center can be contacted toll free at 1-888-227-2423. The Federal Acquisition Regulation requires that contractors be registered in the CCR database prior to being awarded a contract.

- iii. Funding Opportunity Number – Not applicable for BIP

- iv. The Catalogue of Federal Domestic Assistance (CFDA) number for BIP grants, loans, and loan/grant combinations is **10.787**. The CFDA Title is the **Broadband Initiatives Program**. If also applying under the BTOP, the CFDA Title and CFDA number for that program is **Broadband Technology Opportunities Program**, and **11.557**, respectively.

- D. **Eligible Entities** – Please select the appropriate box that describes the legal structure of the applicant.

An applicant who is a socially and economically disadvantaged small business concern ("SDB") receives additional consideration in the review process. Accordingly, if the applicant is a SDB as defined by section 8(a) of the Small Business Act, you should check the corresponding box. To qualify as an SDB, the applicant must be a small business concern, as defined by the Small Business Administration's Size Standards at 13 CFR 121.201. Also, one or more socially and economically disadvantaged individuals, as defined in 13 CFR Sections 124.103-104, or an economically disadvantaged Indian tribe or Native Hawaiian organization, must control the small business concern's management and daily business operations and unconditionally own 51% of the business (or 51% of the stock if a publicly owned business).

E. **RUS Borrower Status** – Check the appropriate box for your organization.

Title II of the Rural Electrification Act of 1936 (“RE Act”), as amended, authorizes the Secretary of Agriculture to make loans for Rural Telephone Service. A RUS Title II borrower refers to an organization which has received a loan under the Traditional Telecommunications Infrastructure Program.

Note: Organizations which have received funding under the Rural Broadband Access Loan and Loan Guarantee Program, Pilot Broadband Loan Program, Electric Program, Distance Learning and Telemedicine Loan and Grant Program, and the Community Oriented Connectivity Broadband Grant Program, *which have not otherwise received funding under the Traditional Telecommunications Infrastructure Program*, are **NOT** considered as Title II borrowers.

F. **Applicant Federal Debt Delinquency Explanation** – This question applies to the Applicant itself, not the individual who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.

2. **Project Description** – Please provide a few sentences describing your project. This description will be published on publicly accessible websites, therefore, you should ensure that the description explains your project in the manner you want the public to view it. Do not include any proprietary information within this description.
3. **Application ID for Multiple Submissions for Identified Service Areas** – If the applicant has submitted, or plans to submit, any other applications for BIP or BTOP funds, please list a short descriptive project title for each separate application.
4. **Rural Area Determination** – As defined in the NOFA, “rural area” means any area, as confirmed by the latest decennial census of the Bureau of the Census, which is not located within: (i) a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or (ii) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants. For purposes of the definition of rural area, an urbanized area means a densely populated territory as defined in the latest decennial census of the U.S. Census Bureau.

Note: If at least 75% of your proposed service area meets the definition of rural, your project is considered to be a rural project. In that case, any application for BTOP Last Mile Broadband Infrastructure funding must be **in addition to** an application for BIP funding. RUS will review these applications, and if RUS does not fund the application, only then will NTIA consider such an application for funding.

5. **Applications for Rural Areas** – If the answer to Item 4 is “Yes”, the Applicant must choose one of the BIP infrastructure categories in item 5a. Refer to the definitions included in this guide and the NOFA to determine which category is applicable for an Applicant’s project.

In order to receive consideration for BTOP funding, **in addition to BIP funding**, select “Yes”, for item 5b. Otherwise, select “No”, and this Application will only be reviewed under the BIP.

If the applicant chooses to be considered under BTOP, the NTIA will review these applications using its own objective evaluation criteria and in accordance with BTOP procedures.

If the answer to item 5b is “Yes”, select the BTOP Infrastructure Category applicable to an Applicant’s project.

6. Applications for All Other Areas	Refer to BTOP Guide if also applying for BTOP
--	--

B. Eligibility Factors

7. **Application Submission** – Indicate your organization’s eligibility by completing the eligibility factors below:
 - a. **Fully Completed Application** – Applicant has submitted a completed application and provided all supporting documentation required for the application.
 - b. **Timely Completion** – The Applicant understands and agrees that the project will be substantially complete within two years of the award date, and the project will be fully complete within three years of the award date.
 - c. **Technical Feasibility** – For projects seeking more than \$1 million funding, the Applicant has submitted a certification from a Professional Engineer, which attests that: a) the system will deliver the stated performance; and b) the proposed project will be substantially complete within two years, and fully complete within three years.
 - d. **Broadband Speed** – The Applicant understands and agrees to provide two-way data transmission with advertised speeds of at least 768 Kbps downstream and 200 Kbps upstream.
 - e. **Nondiscrimination and Interconnection** – Applicant understands and agrees to comply with the nondiscrimination and interconnection obligations outlined in the NOFA.
 - f. **Last Mile Coverage Obligation** – If applying for a last mile Broadband Infrastructure project, the Applicant understands and agrees to comply with the last mile coverage obligations as outlined in the NOFA.
 - g. **Eligible Service Area for BIP** – The Applicant understands and agrees that at least 75% of the proposed funded service area qualifies as unserved and underserved rural areas in accordance with the NOFA.
 - h. **Fully Funded** – The Applicant understands and agrees that the project will be fully funded in accordance with the requirements of the NOFA.
 - i. **Financial Feasibility and Sustainability** – The Applicant understands and agrees that only projects which RUS determines to be financially feasible and/or economically sustainable will be eligible under this NOFA.

j. Conformity with Statutory Purposes	Refer to BTOP Guide if also applying for BTOP
k. Cost Sharing/Matching	
l. Demonstration of Necessity of Federal Grant Assistance	
m. Reasonableness of Project Budget	

C. Executive Summary

8. **Executive Summary of Project for BIP** – Please provide an Executive Summary of the proposed Project consisting of no more than three pages. The Executive summary should be a brief description of the proposed project. It should state the reason why the system is needed and the qualifications of the Applicant that demonstrate the ability to construct and operate a broadband system. The Executive Summary should also address the following topics:
- Opportunities the proposed system seeks to address
 - A general description of the proposed funded service areas (location, number of communities, etc.)
 - Number of households and businesses passed
 - Number of community anchor institutions, public safety entities, and critical community organizations passed and/or involved with project (e.g., health care, education, libraries, etc.)
 - Proposed services and applications for the proposed funded service areas and users
 - Approach to addressing the non-discrimination and interconnection obligations
 - Type of broadband system that will be deployed (network type and technology standard)
 - Qualifications of the applicant that demonstrate the ability to implement and operate a broadband infrastructure, and/or be a sustainable broadband services provider
 - Overall infrastructure cost of the broadband system
 - Overall expected subscriber projections for the project
 - Number of jobs estimated to be created or saved as a result of this project

9. BTOP Statutory Purpose	Refer to BTOP Guide if also applying for BTOP
10. Description of BTOP Project Purpose	
11. BTOP Enhanced Services for Health Care Delivery, Education, and Children	

D. Proposed Funded Service Area

12. **Proposed Funded Service Area Maps** – All Last Mile applicants must identify each proposed funded Service Area within the project and identify whether the Service Area is unserved, underserved or is at least 75%. For Middle Mile applicants the maps must indicate the service areas that will benefit from the project.

If a proposed funded service area is designated as unserved or underserved, designate on the map, the areas that are not receiving terrestrial based broadband service identifying the number of households. If a proposed funded service area is designated as at least 75% rural, identify on the map, the unserved and underserved areas at the census designated community level.

13. **Proposed Funded Service Area (Last Mile Projects)** – For each Proposed Funded Service Area in your project, which should be consistent with those for which you created maps in Item 12, please provide the following information:

- Service Area name
- List of contiguous census blocks within the Service Area
- Total population within the Service Area, using the latest decennial Census information
- Total number of Households in the Service Area
- Total number of Businesses in the Service Area
- Total number of Critical Community Facilities, Community Anchor Institutions, and Public Safety Entities in the Service Area

Identify all census designated communities or “other areas” within the Service Area. For areas that are not designated as part of a census designated community, identify these areas as an “other area” for the county and state in which they are located (i.e., identify these areas in the format of “Other Area in [Specific County] in [Specific State]”).

In each of these communities/“other areas”, please also identify the following:

- whether the area is rural or non rural, as defined in the NOFA
- specify the number of square miles in each census designated community or “other area”
- the status of each community/other area as one of the following (**A, B or C below**):
 - A. Unserved:** At least 90 % of households in the census designated community or "other area" lack access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband transmission speed.
 - B. Underserved: (Also indicate all that apply for underserved – one is required)**
 1. No more than 50% of the households in the census designated community or "other area" have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed;
 2. No fixed or mobile broadband service provider advertises broadband transmission speeds of at least 3 mbps downstream in the census designated community or "other area;" or
 3. The rate of broadband subscribership for the census designated community or "other area" is 40 % of households or less.
 - C. Served:** Please note that no more than 25% of the proposed funded service area may not meet the unserved or underserved definition at the census designated community level or does not meet the rural definition.

14. **Proposed Funded Service Area (Middle Mile Project)** – For the proposed middle mile project, please provide the following information:

- Middle mile span name
- List of contiguous census blocks for proposed middle mile project
- List of associated last mile service areas indicating the following
- Total population using the latest decennial Census
- Total number of Households
- Total number of Businesses
- Identify Critical Community Facilities, Community Anchor Institutions and/or Public Safety Entities expected to be direct customers
- Individual census designated communities or “other areas”

In each of these associated last mile communities/“other areas”, please identify the following:

- whether the area is rural or non rural, as defined in the NOFA
- specify the number of square miles in each census designated community or “other area”
- the status of each community/other area as one of the following (**A, B, or C below**):
 - A. Unserved:** At least 90 % of households in the census designated community or "other area" lack access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband transmission speed.
 - B. Underserved: (Also indicate all that apply for underserved – one is required)**
 1. No more than 50% of the households in the census designated community or "other area" have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed;
 2. No fixed or mobile broadband service provider advertises broadband transmission speeds of at least 3 mbps downstream in the census designated community or "other area;" or
 3. The rate of broadband subscribership for the census designated community or "other area" is 40 % of households or less.
 - C. Served:** Please note that no more than 25% of the proposed funded service area may not meet the unserved or underserved definition at the census designated community level or does not meet the rural definition.

15. **Non-Funded Service Area (BIP Only)** – If applicable, for all areas of an applicant's service area that will **NOT** be funded by BIP or BTOP, please provide the following information in the aggregate for such areas:

- Total population using the latest decennial Census
- Total number of Households
- Total number of Businesses
- Total subscribers

16. **Coverage Waiver** – Please indicate whether the applicant is seeking a waiver of the Census block coverage requirement.

There is a presumption that an Applicant will provide service to the entire territory of each Census block included in the Proposed Funded Service Areas, unless the Applicant provides a

reasoned explanation as to why providing coverage for the entire census block is infeasible. Applicants may be permitted to serve less than the entire Census block under certain conditions. For example, an applicant might request to be relieved of this requirement if the Census block exceeds 100 square miles or more or is larger than the applicant’s authorized operating territory, e.g., it splits a rural incumbent local exchange carrier’s (ILECs) study area or exceeds the boundaries of a wireless carrier’s licensed territory.

17. **Methodology for Area Status** – In one page or less, describe the methodology, source of data, and analytical approaches used to determine whether the Proposed Funded Service Areas are classified as “unserved,” “underserved,” and at least 75% rural.
18. **Middle Mile Benefits** – Include a list of the service providers which will connect with the proposed “middle mile” network. In addition, provide a list of the critical community facilities, community anchor institutions, and public safety institutions that the network will target as direct customers. This information should be consistent throughout the application. Describe the number of projected end-users that will be served by these proposed connections and the basis for these end-user projections. If applicable, describe the level of need or vulnerability and how such connections will enhance services to the community beyond providing broadband service.

E. Proposed Service Offerings

19. **Broadband Service Offerings for Last Mile Project** – Applicants must provide a description of the types of broadband services that they propose to offer in their service area, including details on the features to be offered such as download/upload speeds, latency, and pricing. Details should be provided on **all** levels of services to be offered, not just the basic plan. Pricing information should be the end-user’s monthly rate, excluding any special promotions or discounts. Applicants will need to ensure that this information is consistent throughout the application. **The table shown below is an example of how the information should be presented:**

Sample Attachment A Table

Name of Tier	Advertised Speeds		Average Speeds		Average Latency (BTOP only) @ End User CPE (ms)	Pricing Plan* per month
	Downstream Mbps	Upstream Mbps	Downstream Mbps	Upstream Mbps		
Residential						
Entry Level Speed	1.0	0.8	1.1	0.6	90	\$30
Maximum Speed	1.5	1.0	1.3	0.9	50	\$45
Other Residential Tiers						
Business/Institutional						
Entry Level Speed	3.0	1.5	1.2	0.8	50	\$55
Maximum Speed	5.0	3.0	4.0	2.5	35	\$100
Other Business/ Institutional Tiers						

The table above can be modified as necessary to accommodate the details of your proposal, including in variations of the service offerings across the proposed service area. Bundled services should also be addressed. Complete **Attachment A – Proposed Broadband Service**

Offerings with this information. **For all other service areas where funds are not being requested, complete a chart that aggregates the service offerings.**

These service offerings will be considered as part of the overall business plan when evaluating Reasonableness of the budget and Sustainability of the project. In addition, the data submitted in response to Question 19 will be used in evaluating Performance of the offered service and Affordability of services offered:

For Last Mile Projects: For wireline projects that are constructed to deliver a minimum of 20 megabit per second service to the household (upstream **plus** downstream), ten points will be awarded. For wireless projects that are constructed to deliver a minimum of two megabits per second service to the end user (upstream **plus** downstream), ten points will be awarded.

For projects that are a combination of wireline and wireless projects, both of the above standards must be met for the corresponding parts of the network in order to receive the ten points.

For Middle Mile Projects: For middle mile projects that are constructed to deliver 100 megabits per second service to all end points in their network, ten points will be awarded.

20. **Service Offerings for Middle Mile Project** – Provide details on the proposed service offerings including speed, price and other facts that demonstrate the value of your service. The table on the following page is an example of how this information should be presented. In addition, provide a description of your proposed “middle mile” services. Clearly explain how these services will be made available to the broadest group of users (i.e., libraries, hospitals, educational institutions, public safety, etc...). This description should indicate any restrictions that may be placed on use. The information presented in this section should be consistent throughout the application. Complete **Attachment B – Middle Mile Service Offerings** with this information, though this response is limited to two pages.

Sample Attachment B Table

Service Offering	Distance Band or Point to Point	Minimum Peak Load Network Bandwidth Capacity (Mbps)	Monthly/Yearly Pricing	Other
OC3	Community A- Chicago	155	\$5,000/mo	
	Community B- Chicago	155	\$8,000/mo	
	200-500 miles	155	\$12,000/mo	

21. **Existing Broadband Service Providers and Services Offered** – All applicants should conduct a competitive analysis in their proposed service area(s) to determine the level of competition that exists and to ensure that they offer competitive prices. Describe the services currently being advertised by competitors in the proposed funded service area for last mile projects or for the service areas that will receive benefits from a middle mile project. The tables on the following page are examples of how to present the information. Complete **Attachment C – Competitor Tables: Last Mile and Middle Mile** with your information, as appropriate for the submitted project. **For Last Mile projects, be sure to include both the downstream AND upstream speeds of competitors’ service offerings.**

Competitor Schedule for Each Service Area – “Last Mile”

Service Area A	<State Name>				
Census Communities	Last Mile Services Provider	Advertised Residential Offering		Advertised Business Offering	
		Downstream/Upstream Speed (Kbps)	Monthly Price	Downstream/Upstream Speed (Kbps)	Monthly Price
Census Community 1	Provider A	768/384	\$45	768/384	\$45
	Provider B	768/384	\$45	768/384	\$45
Census Community 2	Provider A	768/384	\$45	768/384	\$45
	Provider B	768/384	\$45	768/384	\$45
Other Area (If not Census Community)	Provider A	768/384	\$45	768/384	\$45
	Provider B	768/384	\$45	768/384	\$45

Competitor Schedule for Each Service Area – “Middle Mile”

Service Area A	<State Name>			
Census Communities	Middle Mile Services Provider	Service Offering		
		Distance Band	Minimum Peak Load Network Bandwidth Capacity	Pricing
Census Community 1	Provider A	200-500 miles	155 Mbps	\$5,000/mo
		200-500 miles	155 Mbps	\$8,000/mo
	Provider B	200-500 miles	155 Mbps	\$12,000/mo
		200-500 miles	155 Mbps	\$5,000/mo
Census Community 2	Provider A	200-500 miles	155 Mbps	\$5,000/mo
		200-500 miles	155 Mbps	\$8,000/mo
	Provider B	200-500 miles	155 Mbps	\$12,000/mo
		200-500 miles	155 Mbps	\$5,000/mo

22. **Description of Network Openness** – In one page or less, explain how the proposed project will be consistent with the following Nondiscrimination and Interconnection Obligations:

- Adhering to the principles contained in the FCC’s Internet Policy Statement;
- Not showing favoritism to any lawful Internet applications and content over others;
- Displaying any network management policies in a prominent location on the service providers web page and providing notice to customers on any changes to these policies;
- Connecting to the public Internet directly or indirectly, such that the project is not an entirely private closed network; and
- Offer interconnection, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms to be negotiated with requesting parties.

The above obligations are addressed in Section V(C)(2)(c) of the NOFA. **Applicants should review this section in its entirety to ensure they understand the requirements.**

In addition, also describe the interconnection, non-discrimination and network management practices that your organization will adopt should it receive BIP funding.

23. Non-Discrimination Obligations (applicable to Last Mile and Middle Mile Applicants)	Refer to BTOP Guide if also applying for BTOP
24. Interconnection Obligations (applicable to Last Mile Applicants)	
25. Interconnection Obligations (applicable to Middle Mile Applicants)	
26. Cost per Household	

27. **Affordability** – Explain why the pricing for your broadband service offerings are affordable in comparison to the pricing of existing broadband services in proposed funded service area. If there are no existing broadband services in the proposed funded service area, please explain why the proposed pricing is appropriate for the area, and provide supporting data for the proposal.
28. **Technology Type** – Please identify the network technology or technologies that will be used to deliver service linking the customer premises to the proposed broadband system. Check all that apply on the application form for the proposed project.

<input type="radio"/> Wireline <input type="radio"/> xDSL <input type="radio"/> Coaxial cable <input type="radio"/> Fiber-optic cable <input type="radio"/> Broadband over Power Line <input type="radio"/> Hybrid system – <i>Please specify</i> <input type="radio"/> Other Wireline – <i>Please specify</i>	<input type="radio"/> Wireless <input type="radio"/> Terrestrial Fixed Wireless <input type="radio"/> Terrestrial Mobile Wireless <input type="radio"/> Satellite <input type="radio"/> Other – <i>Please specify</i>
<input type="radio"/> Other – <i>Please specify</i>	

F. Technology Strategy

29. **System Design** – In three pages or less, the System Design of the application must include all the technical information on the applicant’s existing and proposed systems. The following information must be included:
- a. A detailed description of the existing network. Provide a **synopsis** of the current network infrastructure, including:
 - i. The current service area(s)
 - ii. The types of services offered
 - iii. The total number of establishments served
 - iv. Wireline establishments passed

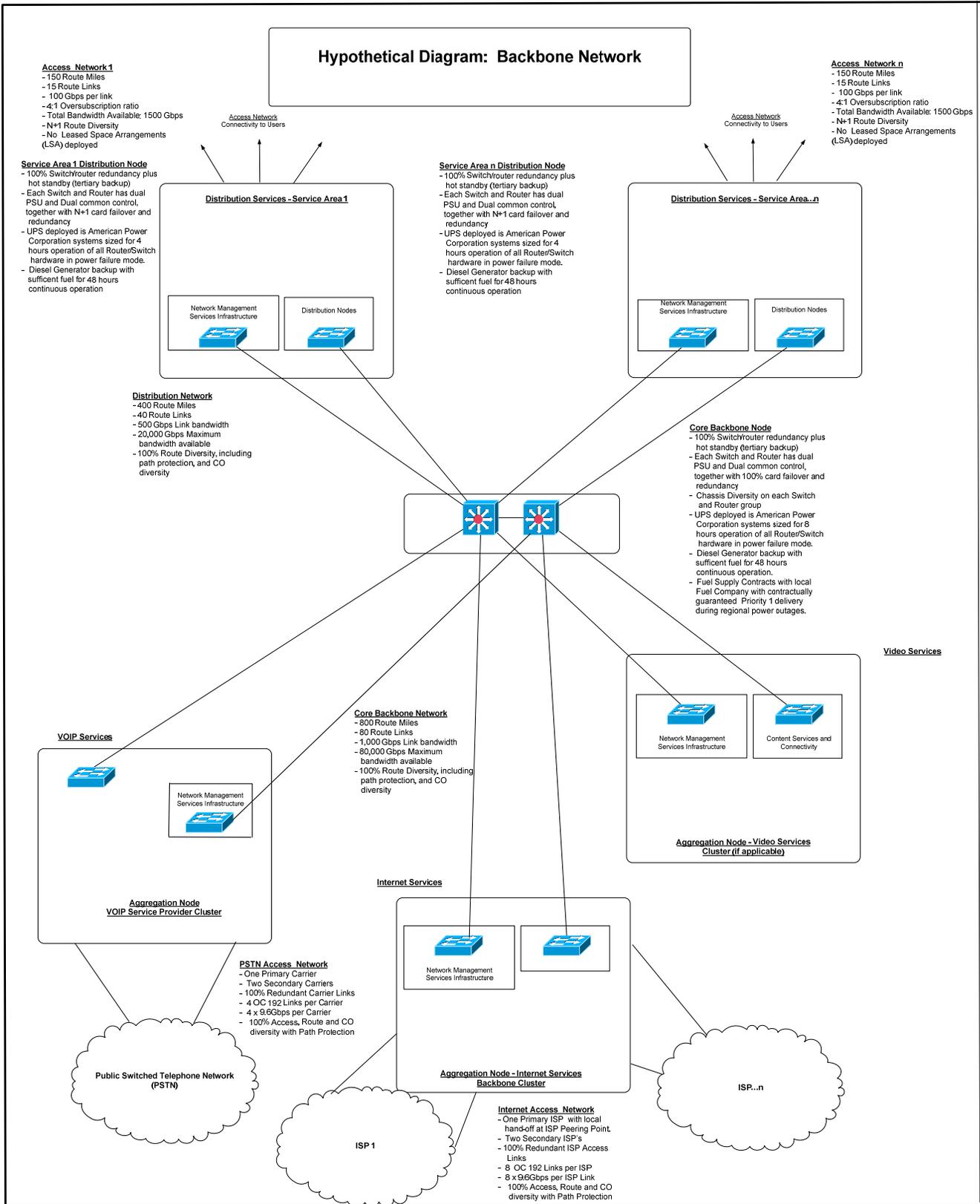
- v. Wireless establishments covered
 - vi. The number of subscribers for each service offered (e.g., voice, data, video, etc.)
 - vii. The types of technologies utilized in the infrastructure (e.g., standards-based vs. proprietary)
 - viii. A narrative describing current connectivity to the applicant's ISPs, video providers, telephony providers.
- b. A detailed description of the proposed network services. Provide a **synopsis** of the proposed network infrastructure, describing the types of technology to be deployed in the proposed funded service area and how the technology will facilitate the offering of broadband service as defined in the NOFA. The synopsis must include:
- i. All service areas of the applicant whether funded or not funded.
 - ii. The types of services to be offered
 - iii. The types of technologies to be employed in the infrastructure (e.g., standards-based vs. proprietary)
 - iv. How the proposed system will be able to offer every household and business passed broadband service at the minimum levels included in the NOFA.
 - v. A narrative describing proposed connectivity to Internet Service Providers (ISPs), video providers, telephony providers, and other content providers.
 - vi. For wireless facilities, a description of the frequency bands that will be used to provide the service.

30. **Network Diagram** – Provide Network diagrams for the applicant's existing and proposed network. The network diagrams shall be block diagrams that clearly show how the traffic flows through the network from the interconnection points with the backbone service providers to the end user. In developing diagrams for the proposed network, focus should be on the core network (common network facilities) components.

The diagrams must clearly show all the physical locations where the major network elements are or will be located, the route miles between each network element, the bandwidth capacity between the network elements, and 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. Describe any connection redundancy and resilience, as applicable. The network diagrams should also illustrate the proposed Aggregation Node facilities that will provide the egress point(s) from the broadband backbone network to the networks of the selected VOIP telephony provider(s) and the selected ISP(s) and any other value-added services that may be provided in the new infrastructure. If any of the facilities are leased, this should be indicated on the diagram along with the location of the leased facilities and the providers from which the facilities are being leased.

The sample network diagram provided on the next page is for illustrative purposes only, and is not to construe or imply any design characteristics or requirements for the proposed service at the broadband lending speed. *This "hypothetical diagram" does, however, depict the level of detail required in the applicant's submittal.*

Sample Network Diagram



31. **Certification by Professional Engineer** – The required certification is contained in **Attachment D – Network Design and Implementation Plan Certification**. For Projects requesting more than \$1 million in funding, the Network Diagram and System Design must be certified by a Professional Engineer registered in the state or states where the service will be provided. The engineer must certify:
- the proposed broadband system will work as described in the System Design and Network Diagram sections;
 - the proposed broadband system can deliver the proposed services outlined in the Service Offerings Section; and,
 - the Applicant can meet the proposed build-out timeframe and will substantially complete the project within two years, and fully complete it within three years.
32. **Buy American Requirement** – None of the funds appropriated or otherwise made available by the Recovery Act may be used for the construction, alteration, maintenance, or repair of a public building or public work (as such terms are defined in 2 CFR § 176.140) unless all of the iron, steel, and manufacturing goods used in the project are produced in the United States. The Department of Agriculture and the Department of Commerce published notices in the *Federal Register* stating that the Secretary of Agriculture and Secretary of Commerce have separately reached conclusions that applying the Buy American provision for the use of certain broadband equipment in public BIP and BTOP projects would be inconsistent with the public interest.
- If an applicant wishes to use broadband equipment or goods that are not covered by the Secretaries’ waivers, it may seek an additional waiver on a case-by-case basis as part of its application for Recovery Act funds.
33. **Choice of Service Provider** – Please indicate whether the project’s infrastructure and the company’s business plan allow more than one provider to serve end-users served by the proposed broadband system in the proposed funded service area.

G. Project Milestones and Completion Factors

34. **Infrastructure Build-Out Timeline** – Using the format provided in **Attachment E – Infrastructure Build-Out Timeline and Project Plan**, please complete the build-out timeline and project plan. The build-out timeline should be completed on a quarterly basis. The project plan should indicate the anticipated time (in number of weeks from receipt of funds) to achieve the milestones listed. Also include a narrative of up to two pages, accompanying the attachment, discussing the reasonableness of the milestones and the data points used, as well as the analysis leading to the conclusion that there is a high confidence in the milestones being met.
35. **Licenses, Regulatory Approvals and Agreements** – List all of the licenses and regulatory approvals required to implement and operate the proposed project, and indicate the status of obtaining each. The list should include any of the following as applicable:

• FCC Licenses	• Interconnection Agreements
• CLEC Licenses	• Tower, Equipment and Building Leases
• Franchise Agreements	• Management and Service Agreements
• Other Major Agreements incl. Land Leases and Agreements for the Leasing of Local Loops	

36. **Construction and Vendor Contracts** – Identify the extent to which you intend to rely on contractors and/or vendors to deploy the network facilities. Please provide any evidence that contractors and/or vendors are ready to enter into agreements with the applicant, should the application be approved. Such evidence may include signed contracts, pricing received for proposed broadband projects, or completed plans and specifications for proposed construction.
37. **Management Team Resumes** – All applicants must include information on the key personnel who manage or will manage the company and this project. Each resume must be limited to one page, though the Applicant can submit multiple resumes. In addition, the Applicant must submit a summary of management’s overall track record and qualifications by describing:
- Duties and responsibilities related to this project, and to any other project;
 - How each person’s previous work experience directly relates to his or her ability to perform the duties and responsibilities described above; and,
 - The extent to which this management team has worked together previously, and name particular initiatives or projects, if any, that the team has previously undertaken together.

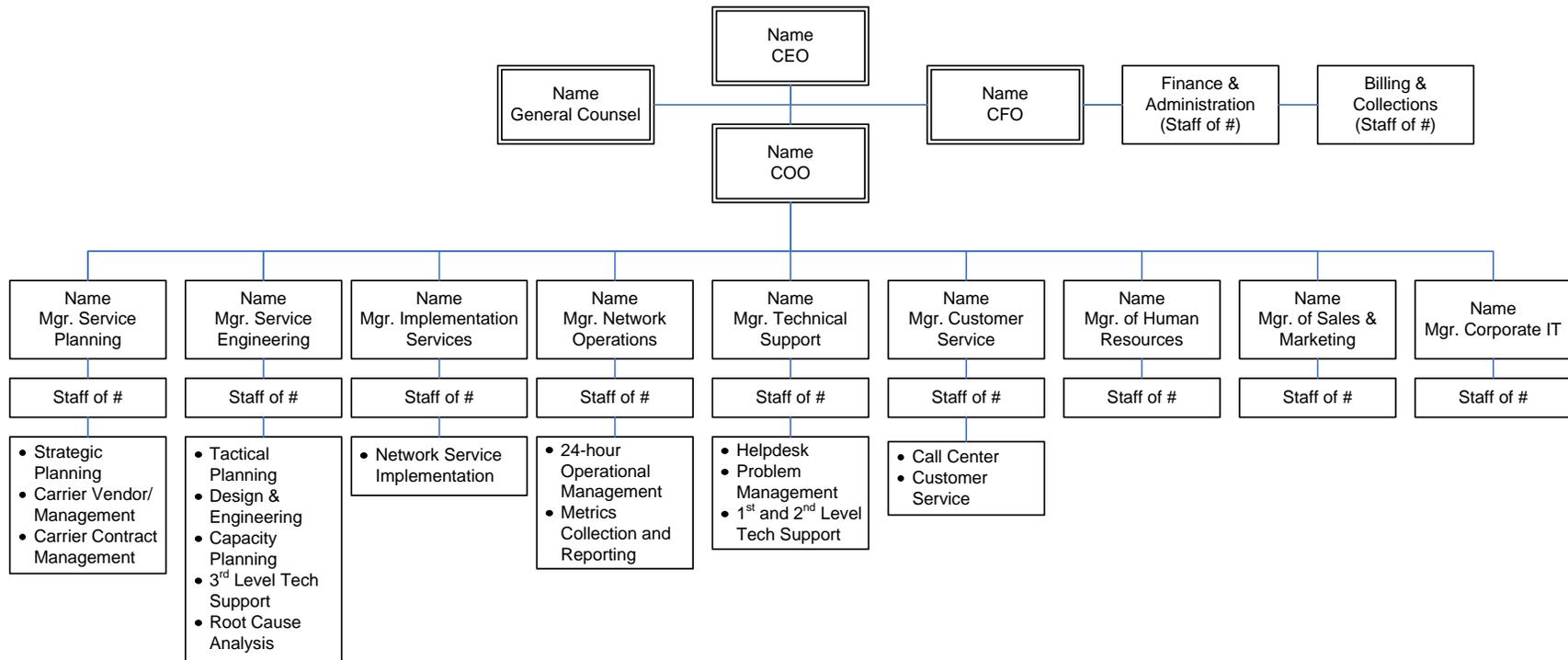
The overall track record summary must be limited to one page or less.

38. **Organizational Readiness** – Applicants must describe the organizational mechanisms which have been established to handle the implementation, management, and operation of the proposed broadband services network. Address how the Applicant will ensure that the necessary sales, operational, and billing support systems are in place to provide the proposed services (e.g., network management, provisioning, billing and customer care, etc...)
39. **Organizational Charts** – Please include an organizational chart showing the key personnel who manage or will manage the company and/or this project, and the number of employees in each division or department managed by those personnel. **A sample organizational chart is provided on the following page.** This is only a sample and must be tailored to reflect the applicant’s organization. An applicant’s organizational chart(s) should reflect both company structure and key staff, whether this is achieved using one or more charts.

Remainder of this page left intentionally blank
Please see Sample Org. Chart on the following page

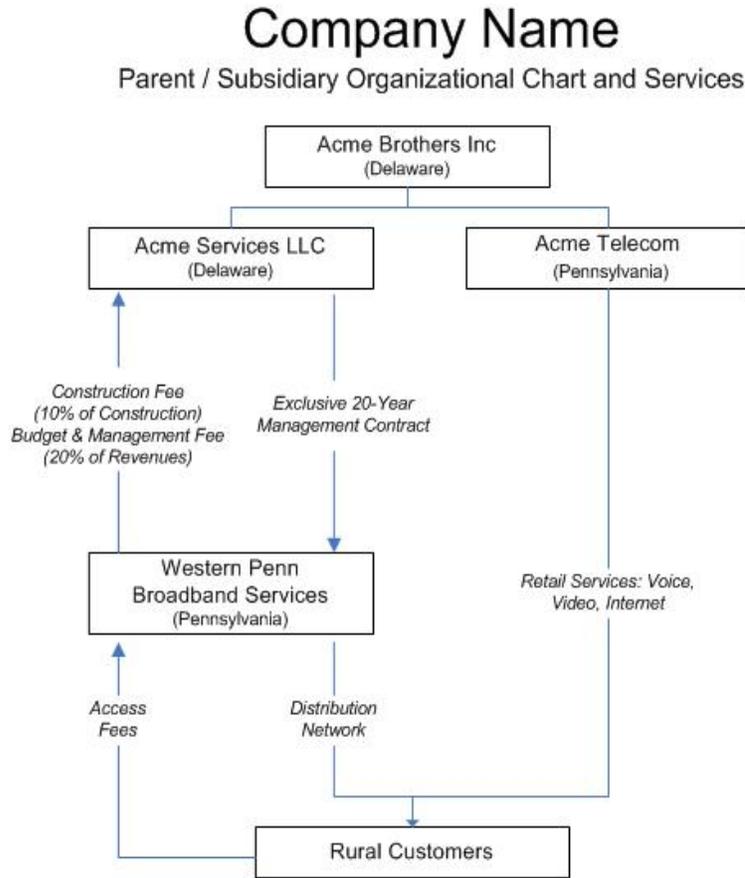
Sample Company Organizational Chart

Company Name Sample Company Organizational Chart



39. Organizational Chart (continued): Also, please include an organizational chart illustrating all the other entities (parent/subsidiaries) that are affiliated with the applicant, clearly indicating the relationships between these entities and the applicant. If applicable, applicants should also list any partners or affiliated organizations and a summary of their planned involvement in the proposed project. See the sample parent/subsidiary chart below. This is only a sample and must be tailored to reflect the actual structure of the applicant’s organization.

Sample Parent/Subsidiary Organizational Chart



Acme Services, LLC: A subsidiary of Acme Brothers, Inc. Provides management services, including backend customer service and billing. Operates the network operating center.

Western Penn Broadband Services: The local entity which would own and operate the local distribution infrastructure (not RD-funded) for its service territory. The distribution network will be open-access.

Acme Telecom: A subsidiary of Acme Brothers, Inc. Provides retail internet, voice, and video services over the distribution network. Acme Telecom will not be an RD borrower.

40. **Legal Opinion** – Applicants must you the form of **Attachment F – Legal Opinion** that addresses the applicant’s ability to enter into the legal documents if funding is awarded to your organization, and which describes all pending litigation matters. An Applicant’s legal counsel must submit an executed opinion on counsel’s letterhead. In addition, for loan and loan/grant combinations, this opinion must address the applicant’s ability to pledge security as required by the award documents.
41. **Government and other Key Partnerships** – If applicable, please identify your strategy for partnering with unaffiliated organizations in the project area (from the public, non-profit, and private sectors), particularly community anchor institutions and public safety entities, that will play an integral role in the Project’s planning and ongoing operations. Identify each organization, the type and degree of its role and/or contribution, and projected impact. Please provide documentation of support from each of the organizations identified. Please limit your summary to one-half page, though there is no limit for documentation of support.
42. **Recovery Act and Other Governmental Collaboration** – Describe how your project will leverage Recovery Act or other state or federal Recovery Act programs administered by the Departments of Energy, Transportation, and Housing and Urban Development. Please identify each program individually, including the funding requested and/or received through those programs. In addition, specify how collaboration can lead to greater project efficiencies. Please limit your response to one page.

43. Partnering with Disadvantaged Small Businesses	Refer to BTOP Guide if also applying for BTOP
---	--

**Remainder of this page left intentionally blank
See Item #44 – General Overall Budget on the following page**

H. Project Budget

44. **General Overall Budget** – Complete the following table detailing the capital budget and the proposed sources of funding for the proposed project. These totals must include ALL project costs and match the project costs included in **Item #45 – Detailed Budget**. This General Overall Budget will be embedded in the electronic version of the application guide.

Capital Budget Funding Source Breakdown							
Equipment Category	Loan Request	Grant Request	Equity	Debt	Bonds	Other Funding	Total
Network & Access Equipment (switching, routing, transport, access)							
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)							
Buildings and Land – (new construction, improvements, renovations, lease)							
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)							
Billing and Operational Support Systems (IT systems, software, etc.)							
Operating Equipment (vehicles, office equipment, other)							
Engineering/Professional Services (engineering design, project management, consulting, etc.)							
Testing (network elements, IT system elements, user devices, test generators, servers/ computers, etc.)							
Site Preparation							
Other							
Total Broadband System							

45. **Detailed Budget** – Please complete **Attachment G – Detail of Project Costs**, the detailed budget of the proposed project. The following information is provided as a guide to the various budget categories.

- Network & Access Equipment Costs Include, for example, next-generation switches, video headends, optical equipment, digital line concentrators, digital subscriber line access multiplexers, middleware, video-on-demand equipment, radio equipment, data routing equipment, etc.
- Outside Plant Costs Examples of the items to be included are cable (aerial, buried, underground, and submarine), conduit systems, poles, network interface devices (NIDs), miscellaneous construction units, make-ready costs for aerial plant, etc.

- Tower Costs Include the cost for the construction of new towers and any costs involved with structural changes to existing towers. Site engineering and project management costs should not be included in this schedule; they should be included under Engineering Costs.
 - Building and Land Costs Include the cost of constructing new buildings, renovating existing buildings, and any site preparation cost involved with installing pad-mounted equipment. Include only those sites that will be purchased by the applicant.
 - Customer Premises Equipment Include, for example, wireless subscriber units, modems, set-top boxes, etc.
 - Engineering Costs This includes site engineering, radio frequency engineering, network engineering, project management, and any other engineering costs involved in designing and constructing the proposed project.
46. **Reasonableness** – Please explain, in one page or less, why the unit price and total number of units required for this project are reasonable to deliver your proposed services in the designated proposed funded service areas. The explanation may be supported by providing supporting information such as industry benchmarks and cost data.
47. **Historical Financial Statements** – Historical financial statements (audited, if available) as well as the projections (subscriber estimates and pro forma financial statements) should be prepared by a financial consultant, accountant or individual qualified to prepare these types of financial statements and supporting schedules. The applicant must submit evidence of the preparer’s qualifications.
- **What to Include:** Financial statements of the applicant for the last three (3) years, or for as long as the applicant has been in business if less than three (3) years, must be provided. The financial statements must include the balance sheet, income statement and statement of cash flow, as well as any accountant’s letter and the notes to the financial statements. Audited financial statements are preferred.
 - **Alternatives to Audited Financial Statements:** If audited statements are not available for the last three (3) years, the applicant must submit un-audited financial statements and tax returns for those years. Applications from start-up entities must at a minimum provide an opening balance sheet dated within 30 days prior to the application submission date.
 - **Parent Companies, Subsidiaries, Affiliates and Others:** If the applicant has a parent company or subsidiary company(s), the historical financial statements for the preceding fiscal year of those entities are also required. If another affiliated or unaffiliated company is providing operations and management services to the applicant, that company’s historical financial statements should also be included. Audited financial statements are preferred, however see item above for acceptable alternatives if audited financial statements are not available.

48. **Broadband Subscriber Estimates** – Use the format of **Attachment H – Broadband Subscriber Estimates** to show subscriber projections on a quarterly basis for five (5) forecast years, as well as current subscriber totals, if any, under the Year 0 column. For service breakdowns, combine all service pricing tiers of broadband data services into a single service category. The subscriber projections must be developed separately by the type of services offered, and by type of entity (households, businesses, community anchors) to which services are offered. Also include a brief description of the methodology used to support these subscriber projections. For last mile subscribers, provide the estimated take rate (the percentage of total customers passed who will subscribe to your service), along with a brief description of the methodology used to forecast this. Middle mile applicants should indicate their subscriber forecasts in terms of the end users served via the last mile service providers that are connected to their middle mile network. Middle mile applicants should also provide a reasoned basis for these subscriber forecasts (e.g., agreements in principle with existing or planned last mile service providers, market studies, etc).
49. **Other Services** – Applicants should use **Attachment I – Subscriber Projection Table: Voice and/or Attachment J – Subscriber Projection Table: Video** as guides to submit additional information regarding additional services, such as Voice or Video service, in addition to Broadband Data service, which will be provided during the forecast period.
50. **Pro Forma 5-Year Financial Forecast and Assumptions** – Full pro forma financial statements should be prepared by a financial consultant, accountant or individual qualified to prepare these types of financial statements. It is the Applicant’s responsibility to submit sufficient financial information with supporting justifications. RUS will only approve funding if, in RUS’s sole judgment, the request is financially feasible, economically sustainable, adequately secured, and meets all of RUS’s requirements. Long-term forecast analysis should be based on knowledge of the external and internal factors that affect a company’s operations.

Proper financial statement construction is vital to correctly determining the financial feasibility and economic sustainability of both the Project and the Applicant’s continued operation. Failure to do so may cause a Project to be scored incorrectly or be incomplete/ineligible for funding.

The Applicant must ensure that the information contained in this section is consistent with the details of other major sections of this Application, including, but not limited to, the General and Detail Budgets, Projected System Design costs, Subscriber Forecasts, Other funding sources, and historical financial statements.

Please complete **Attachment K – Income Statement, Attachment L – Balance Sheet, and Attachment M – Statement of Cash Flows** for the complete pro forma five-year forecast period. The applicant is expected to provide the following information:

What to Include: This forecast must cover at least five years and be inclusive of **ALL** operations of the applicant, existing and projected. This is the forecast that RUS staff use to determine whether the loan can be repaid on its terms. RUS staff must understand and be comfortable with the assumptions that the applicant used to project all revenues and expenses. The clearer the applicant presents the information, the easier and quicker it is for RUS staff to complete their evaluation. Applicants that submit pro forma financial information that is not

fully supported may experience a higher decline rate and increased application processing time.

For applicants with existing operations, it is not sufficient to project only new operations; the projection must include all operations. The projections should be detailed, taking into account the applicant's best estimates for start-up costs (if any), revenues, expenses, ability to make a profit and all financial data related to any subsidiaries. The financial forecast must include a balance sheet, income statement, statement of cash flows, as well as detailed assumptions which were used to construct the financial statements.

Preferred Accounting Format: The account categories shown on the samples were based on the Uniform System of Accounts ("USOA") which is the format RUS requires for its borrowers. At the time of application it is not required for applicants to follow the USOA; however, it will facilitate the review process if the historical and projected financial information is presented in this fashion. If funding is approved, the applicant will be required to follow the USOA. RUS will assist applicants to transition their accounting systems to this format when they have become approved RUS funding awardees.

Please note that though USOA is preferred, GAAP accounting is acceptable.

Financial Feasibility Determination: In order to determine feasibility, the applicant must achieve a projected Times Interest Earned Ratio ("TIER") of least 1.00 by the end of the five-year Forecast Period. TIER is the ratio of an applicant's net income (after taxes) plus (adding back) interest expense, all divided by interest expense (existing and any new interest expense including the interest expense associated with the proposed loan).

Detailed Financial Narrative Assumptions: A detailed narrative must give RUS a clear picture of exactly how the projections were derived and how other decisions were evaluated. Specifically, the following items are to be addressed in the narrative:

- Revenues (describe each revenue line item)
- Expenses (describe each expense line item)
- Balance Sheet Accounts – Assets, Liabilities, and Equity/Net Position
- Investments (justify the proposed investments both the components and cost)
- Current Operations (describe and explain how it will be impacted by new loan; not applicable to startups)

**Please use the guidance on the next several pages
for developing the financial statements/assumptions for Item #50**

Guidance for Annual Revenue Projections (Item #50)

NOTE: Although certain categories are listed on the sample Income Statement shown in Attachment K, Applicants are not required to use these categories. The following guidance includes examples of other categories which can be used. No matter what revenue/expense categories are used, the applicant must provide descriptions which allow the RUS analyst to fully and completely understand how the projections are derived. RUS must be able to use the applicant's assumptions to recreate its projected revenues and expenses through the 5-year forecast period.

- **Voice – Local Revenues**
 - Residential – the average number of subscribers (total subscribers from end of previous year plus total subscribers at end of current year, divided by 2) multiplied by the applicable service rate times 12 months.
 - Single Line Business – the average number of subscribers multiplied by the applicable service rate times 12 months.
 - Multi-Line Business - the average number of subscribers multiplied by the applicable service rate, times the number of lines assumed per business, times 12 months.
 - Optional Features – take the percentage of voice subscribers projected to take the optional features and multiply by the applicable service rate times 12 months.

- **Network Access Service Revenue** – derived from the provision of exchange service to an interexchange carrier beyond the exchange carrier’s network. These revenues are generated based on the interexchange carrier’s Access Minutes of Use (AMOU) with the company’s access tariff rates applied to these minutes. Provide an explanation justifying this revenue calculation.

- **Universal Service Funds** – based on a per line basis. Provide an explanation justifying the company’s basis for receiving funds.

- **Toll Service/Long Distance** – based on charges per minute, projected minutes per subscriber, and percentage of voice customers using the service.

- **Internet Services**
 - Residential Broadband - the average number of subscribers multiplied by the applicable service rate for each service level times 12 months. Provide the calculation for each service level if more than one.
 - Business Broadband – the average number of subscribers multiplied by the applicable service rate for each service level times 12 months. Provide the calculation for each service level if more than one.
 - Customer Premise Equipment (CPE) Rental – the average number of customers projected to rent CPE multiplied by the applicable rental fee times 12 months. Alternatively, take the percentage of customers that are assumed will rent CPE and multiply by the rental fee. Provide the calculation for each rental service level if more than one.

- **Video Revenues**
 - Basic, Expanded Basic, and Digital – the average number of subscribers multiplied by the applicable service rate times 12 months. Provide the calculation for each service level if more than one.
 - Set-top Box Revenue – the average number of subscribers projected to require set-top boxes multiplied by the applicable fee times 12 months.
 - Premium Channel Packs and Video on Demand – the percentage of video customers projected to take the additional channels or on demand feature, multiplied by the applicable service rate, times 12 months. Provide the calculation for each service level if more than one.

- **Bundled Revenues**
 - Bundled Revenues – the average number of subscribers multiplied by the applicable service rate times 12 months.

- **Installation, Other, & Uncollectible Revenues**
 - Residential Installation Revenues – the number of new subscribers that will require installation multiplied by the installation fee.
 - Business Installation Revenues - the number of new subscribers that will require installation multiplied by the installation fee.
 - Other Operating Revenues – all other applicable operating revenues with detailed, complete justification to support the projected revenues.
 - Other Revenues – all other revenues with detailed, complete justification to support the projected revenues.
 - Uncollectible Revenues – the percentage of projected uncollectible revenues with justification for that projection.

Guidance for Annual Expense Projections (Item #50)

NOTE: Although certain categories are listed on the sample Income Statement shown in Attachment K, Applicants are not required to use these categories. The following guidance includes examples of other categories which can be used. No matter what revenue/expense categories are used, the applicant must provide descriptions which allow the RUS analyst to fully and completely understand how the projections are derived. RUS must be able to use the applicant’s assumptions to recreate its projected revenues and expenses through the 5-year forecast period.

- Plant Specific – used to record costs related to specific kinds of telecommunications plant, the costs of inspecting, testing and reporting on the condition of telecommunications plant, and the costs of personnel whose principal job is the operations of plant equipment. For example,
 - Residential Installations – the cost per installation multiplied by the number of new subscribers who will require installation.
 - Business Installations - the cost per installation multiplied by the number of new subscribers who will require installation.
 - Service Technicians – the number of service technicians multiplied by the annual salary and benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
 - Plant Supervisors - the number of plant supervisors multiplied by their annual salary and their benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
 - Tower Leases, Leased Local Loops, Pole Expense, and Vehicle Expense – Ensure that these expenses are accounted for on an annual basis.
 - Repair and Maintenance of plant and equipment – can be based on a percentage of the Total Plant balance or another reasonable method (please describe method used).
- Plant Non-Specific – used to record costs related to property held for future telecommunications use, provisioning expense, network operations expense, and the costs of supervision and office support for these activities. For example,
 - Backhaul/ Transport Expense – the number of megabytes per second (Mbps) required times the rate being charged times 12 months.

- Access Expense – the number of Mbps required times the rate being charged times 12 months.
 - Backhaul/ Transport Expense – the number of megabytes per second (Mbps) required times the rate being charged times 12 months.
 - Access Expense – the number of Mbps required times the rate being charged times 12 months.
 - Video Programming Expense – the number of video subscribers by the rate being charged times 12 months.
 - Voice over Internet Protocol (VOIP) Expense – the number of VOIP customers time the rate being charged times 12 months.
- Corporate Operations – used to record costs of performing executive and planning activities and general and administrative activities in addition to the costs for supervision, office support and training. For example,
 - Salaries and Benefits - the number of corporate office employees multiplied by their annual salary and benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
 - Office Lease – the monthly leasing fee times 12 months or the per footage cost times the number of square feet of office space times 12 months.
 - Insurance – the monthly insurance cost times 12 months.
 - Office Supplies – the monthly cost for office supplies times 12 months.
 - Professional Expense – the monthly cost for professional fees (e.g., accountants, lawyers, and consultants) times 12 months.
 - Utilities – the monthly utility costs times 12 months.
- Customer Operations – used to record costs of performing customer related marketing and services activities in addition to the costs for supervision, office support and training. (May be calculated in terms of staff salaries, a per-customer rate, etc.)
 - Billing – the number of employees multiplied by their annual salary and benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
 - Marketing – the monthly marketing expense times 12 months. Can also be based on the salaries of marketing employees. In which case the cost should be determined by taking the number of employees multiplied by their annual salary and benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
- Customer Operations – used to record costs of performing customer related marketing and services activities in addition to the costs for supervision, office support and training. (May be calculated in terms of staff salaries, a per-customer rate, etc.)
 - Customer Service Representatives - the number of employees multiplied by their annual salary and benefit costs. Employee salaries should be apportioned as necessary depending on what percentage of their time is spent on the related activities (include assumptions for allocating salaries among various activities).
- Other Operating Expense – detail each line item of other operating expenses, identify amount and describe how it was calculated.

Guidance for Annual Balance Sheets (Item #50)

- **Current Assets**
 - **Cash** – provide total cash balance with a description of cash management practices and disclosure of any cash amounts pledged or otherwise unavailable for operations.
 - **Marketable Securities** – provide narrative of the applicant’s cash management practices and a description of all marketable securities, including if held in certificates or by investment broker and discussion of liquidity (e.g., are the securities immediately convertible to cash), and both cost and market value.
 - **Accounts Receivable** – provide assumptions that support the A/R balance including number of days to collect accounts. Identify personal and business accounts separately.
 - **Inventory** – identify type of inventory, detail inventory balance and assumptions for how many days inventory will be maintained. If there is more than one type of inventory, provide the inventory balance and assumptions for each type.
 - **Prepayments** – identify each expense line item that is prepaid (generally for the year) and the rate at which the expense will be realized.
 - **Notes Receivable** – include the portion of note(s) that are due within twelve months. Provide description of obligor of the note(s), note terms (including required payments, interest rate, and maturity date), description of any security pledged for the note(s), any guarantor(s) for the note(s), whether the note(s) are in default or are performing, and the applicant’s assessment of collectability.
 - **Income Tax Receivable** – include any amounts due from income tax refunds from both the state and federal governments. Provide a copy of the tax return(s) that shows that the refund(s) are due.
 - **Other Current Assets** – provide line by line detail on all other current assets with a description of its source and how it will be consumed in the operations during the year.

- **Long Term Assets (or Fixed Assets or Non-Current Assets)**
 - **Property, Plant and Equipment** – detail this in as many line items as are consistent with the applicant’s chart of accounts (for example, there may be a line item for Real Estate and a separate line item for Equipment). These items are recorded at cost less accumulated depreciation for a net asset value and will reconcile with the Depreciation Schedule provided in the applicant’s package. If any of the assets are pledged or are used to secure existing debt, describe such arrangements in detail.
 - **Notes Receivable** – include the portion of note(s) that are due in months thirteen through maturity (see the description in Current Assets).
 - **Long Term Investments** – provide a description of each such investment, including any investment in subsidiaries, affiliates, or other operating companies. Include the amount of the original investment, the market value and the applicant’s support for that valuation, and the applicant’s assessment of liquidity (e.g., are the investments immediately convertible to cash).
 - **Other** – provide line by line detail on all other long term assets (not consumed within the year) with a description of its source and on what timeframe it will be consumed in the operations. If the item is being amortized, describe the amortization schedule, the amount amortized each year, and the total amortization to date.

- **Current Liabilities**
 - **Accounts Payable** – provide a schedule of projected accounts payable and payment terms. The projections should assume accounts will be maintained according to their terms.
 - **Current Portion of Long Term Debt** – identify the principal amount of long term loans that is due in the coming year. This will reconcile with the principal payments identified in the Cash Flow Statement.
 - **Other** - provide line by line detail on all other short term liabilities (those due within twelve months) with a description of the payee, purpose, and on what timeframe it will be paid.

- **Long Term Liabilities**
 - **Deferred Income Taxes** – provide a description of how deferred taxes were calculated and when it will be realized through the Income Statement as an expense.
 - **Long Term Debt** – identify each loan, security, guarantors, recourse/ non-recourse, and payment terms. This will reconcile with the Loan Funds Acquired on the Cash Flow Statement.
 - **Subordinated Debentures** – provide a description of the terms of any debentures, including original amount, current amount, rate of interest, payment terms, maturity, any guarantors, and any security pledged.
 - **Other** - provide line by line detail on all other long term liabilities (those not paid within the year) with a description of the payee, purpose, and on what timeframe it will be paid.

- **Equity (or Net Worth, Stockholder’s Equity, or Net Position)**
 - Common Stock, Preferred Stock, Paid In Capital, Member’s Equity – identify all sources of equity contributed to the company and resulting ownership of the company.
 - Dividends or Member’s Distributions – capital returned to owners; detail all agreements to pay certain dividends or make distributions to members.
 - Retained Earnings or Net Income after Tax – represents after tax profits in the company. The changes from year to year will reconcile with the Net Income after Tax shown on the Income Statement.

Guidance for Statement of Cash Flows (Item #50)
--

- **Cash, Beginning of Period** – the cash balance at the beginning of the period (in year two and later, the beginning cash balance is the same as the prior year’s ending cash balance).

- **Cash Flows from Operating Activities** – describe each line item projected to be sources or uses of funds during the reporting period and provide supporting schedules as necessary. These line items provide or use cash but do not appear as revenues or expenses on the Income Statement. For example,
 - **Net Income** – this would match the net income projected on the Income Statement.
 - **Depreciation** – this is a “non-cash” expense and should be accompanied by a description (equipment, real estate, etc.) and the depreciation method used.
 - **Amortization** – this is also a “non-cash” expense and should be accompanied by a description of the assets being amortized (licenses, goodwill from business purchase, etc.) and the methodology used
 - **Changes in Operating Assets and Liabilities** – the change from end of year to end of year in successive years in each account either acts as a source or use of funds. If the current asset

- **Cash Flows from Financing Activities** – these are sources and uses of funds that result from activities outside of the company operations (such as debt and equity). The applicant should provide supporting schedules or narrative to describe the changes in these accounts:
 - **Notes Receivable** – the sources of funds would be reflected as a reduction from one year to the next (for example, as the Notes Receivable were repaid). The uses of funds would appear as an increase and would result from a Note Receivable being created.
 - **Notes Payable** – the sources of funds would be obtaining new debt (other than the loan being requested which is reflected in the New Borrowing account) and this account would increase. The uses of funds would be a decrease in the account, for example reflecting the principal portion of loan repayments (the interest expense would be reflected on the Income Statement).
 - **Principal Payments** – this would only be a use of funds and should be used as the principal portion of the new loan request (New Borrowing) proposed for repayment each year.
 - **New Borrowing** – the applicant should include the amount of the new RUS loan request here; this is a source of funds.
 - **Additional Paid-In Capital** – record additional capital received from new or existing investors here; this is a source of funds.
 - **Payment of Dividends** – dividends paid to shareholders are recorded in this line item and it is a use of funds.

- **Cash Flows from Investing Activities** – these are increases (or decreases) to the long term asset accounts, such as the purchase of equipment and facilities. The applicant should include supporting schedules or narrative to describe changes to these accounts:
 - **Capital Expenditures (Net of Depreciation)** – all purchases of long-term assets would be uses of funds and sales of long-term assets would be sources of funds.
 - **Amortizable Asset (Net of Amortization)** – all purchases of assets for a price in excess of its book value create goodwill; and other intangible assets such as licenses/permits also create assets that are amortized. Additions to this account are uses of funds and decreases are a source of funds.
 - **Long-Term Investments** – These are long term assets that are not planned for conversion to cash within the coming year. Such items as long-term cash investments (such as certificates of deposits maturing in more than one year) and the book value of investments made in other companies are recorded on this line item. Additions to this account are uses of funds and decreases are a source of funds.

- **Cash, End of Period** – the cash balance at the end of the period (in year one and later, the ending cash balance is the same as the next year’s beginning cash balance).

Guidance for Detailed Financial Narrative Information (Item #50)

- **Overview:** Provide one or more paragraphs that provides an introduction to the company; its base of operations, service areas, and types of services provided.

- **Assumptions:** Identify any other assumptions, caveats, or information not provided to describe specific account line items that will assist the RUS analyst in reviewing, understanding, and accepting the basis for the financial projections.
- **Working Capital:** Detail the working capital requirements of the business throughout the five-year project period and the source of these funds. The discussion should clearly articulate the working capital needs of the business; the expectations for collection of revenues and uses of other funding sources and the required timeframes for payment of expenses.
- **Investments:** Describe the investments made for the proposed project and the business justification for these investments. The capital investment in the project must support the total capital required including the investments in the project, working capital, and the complete financial needs of the proposed project.
- **Current Operations:** Describe any current operations including services being provided, areas being served, rate structure, and penetration rates, and how those operations will be impacted by the services proposed through the funding of the broadband loan.

End of Guidance for Item #50

51. **Commitment of Capital Funding Support** – Please identify all sources of funding committed to the project (other than the funding sought through the BIP or BTOP award) including the funds from federal and non-federal sources. Please include the following:

- Name of Party providing funding
- Funding Amount [and % of project cost]
- Type of Funding (e.g., grant match, equity, debt, internal, other)
- Use of Funding (infrastructure, working capital, operating losses, other)
- Key Financing Terms and Conditions

52. Matching Funds	Refer to BTOP Guide if also applying for BTOP
53. Demonstration of Financial Need	
54. Unjust Enrichment	
55. Disclosure of Federal and/or State Funding Sources	

I. Self Scoring – BIP Applicants

56. **Self Scoring Sheet for BIP Applicants** – RUS has been tasked with ensuring that BIP-funded applications promote the objectives of the Recovery Act. Applications will be scored under four objective scoring categories.

Applicants are strongly encouraged to use the self-scoring sheet to review their applications so that the Applicant has sufficiently addressed major items, and ensure that an Application receives the highest possible score. Points will be awarded in whole numbers only (no decimals). Take note that several categories offer a discrete range of possible points, and others only offer points if a criterion is fully met. These criteria are addressed in further detail in Section VII(A)(1) of the NOFA.

Criteria	Scoring Method	Referenced App. Item	Possible Points	Self-Score Points
PROJECT PURPOSE (25 points possible)				
Proportion of Rural Residents Served in Unserved Areas	1 point for every 10,000 unserved households	#13/14	1 - 5	
Rural Area Targeting	1 point for every 5% increase in the rural service area over the minimum 75% rural area requirement	#13/14	1 - 5	
Remote Area Targeting	1 point for every 50 miles a service area is located from a non-rural area – Points can only be based on the distance of the SINGLE MOST remote proposed service area.	#12	1 - 5	
RUS Title II Borrower	If you are or were a RUS Title II borrower	#1.E.	5	
Recovery Act and other governmental collaboration	1 point for each governmental or Recovery Act program that the Applicant is partnering with for this project	#42	1 - 5	
PROJECT BENEFITS (25 points possible)				
Performance of the offered services	Last mile wireline project delivers ≥ 20 Mbps to households Last mile wireless project delivers ≥ 2 Mbps to end-users Middle mile project delivers ≥ 100 Mbps to end-points	#19/#20 & #29	10	
Affordability of services offered	Points awarded based on the proposed rate structure and the logistics of the proposed funded service area	#27	1 - 5	
Choice of service provider	If the proposed infrastructure is available to be used by multiple service providers	#33	5	
Critical Community Facilities	If discounted rate packages at least 25% lower than advertised rates are available to critical facilities	#19/#20	5	
Sub-Total A – Project Purpose & Project Benefits (carry over to bottom of next page)			50	

Self-Scoring Sheet for BIP Applicants (continued from preceding page)

Criteria	Scoring Method	Referenced App. Item	Possible Points	Self-Score Points
PROJECT VIABILITY (25 points possible)				
Applicant’s organizational capability	Points will be awarded on the strengths and accomplishments of key management	#37/#38	1 - 12	
Community Support	If a letter of support has been received from a designated representative of the community for every community in the proposed service territory	#41 & #42	2	
Ability to promptly start project	If the applicant can demonstrate that all licenses and regulatory approvals have been received, contractors and vendors are ready to enter into contracts, and equity has been deposited into applicant accounts	#35/#36	10	
Socially and economically disadvantaged small businesses	If the applicant is a Section 8(a) entity, as defined by Section 8(a) of the Small Business Act, 15 U.S.C. §637.	#1.D.	1	
PROJECT BUDGET AND SUSTAINABILITY (25 points possible)				
Reasonableness of the budget	Points will be awarded based the adequacy of the proposed budget	#44 & #45	1 - 5	
Leverage of outside resources (Outside funding divided by requested loan/grant financing)	(i) 10 points if this ratio is greater than 100% (ii) 7 points if this ratio is between 100% and 75% (iii) 5 points if this ratio is between 75% and 50% (iv) 3 points if this ratio is between 50% and 25% (v) 1 point if this ratio is lower than 25%	#44	1 - 10	
Extent of grant funding (Grant funds divided by Loan funds)	(i) 0 points if this ratio equals 100% (ii) 1 points if this ratio is between 100% and 75% (iii) 3 points if this ratio is between 75% and 50% (iv) 5 points if this ratio is lower than 50% (v) 10 points if no grant funds are requested	#44	0 - 10	
Sub-Total B – Project Viability & Project Budget and Sustainability (items from this page only)			50	
Sub-Total A (carry over from previous page)			50	
Total Points			100	

J. Attachments for Specific Items

Before assembling your Application, please note:

Several items reference Attachments which can be downloaded as separate PDF or Excel files at www.broadbandusa.gov. Some of these Attachments allow Applicants to fill-in information directly into the PDF or Excel files, while others do not.

If the description of your project in a particular Attachment requires more space, rows, columns, fields, or detail than the standard Attachment allows for, you may create and submit expanded or modified versions of these Attachments. However, if you choose to do so, you MUST adhere to the following guidelines to assist our reviewers in properly evaluating your information:

- **Clearly label EACH Attachment by original letter and title (e.g., Attachment G – Detailed Project Costs)**
- **Format your Attachment as closely as possible to the original**
- **At a minimum, include as much information as was originally requested in the Attachment**

The following is a list of Attachments and references to specific item/questions where Attachments are required – in the next twenty pages, copies of these Attachments are shown for reference purposes, but Applicants are advised to follow use the downloadable PDF/Excel files or follow the above instructions for form modifications.

Attachment	Description	Referenced App. Item
A	Proposed Last Mile Service Offerings	#19
B	Proposed Middle Mile Service Offerings	#20
C	Competitor Tables: Last Mile and Middle Mile	#21
D	Network Design and Implementation Plan Certification (Projects over \$1 million)	#31
E	Infrastructure Build-Out Timeline and Project Plan	#34
F	Format of Legal Opinion	#40
G	Detail of Project Costs	#45
H	Broadband Subscriber Estimates	#48
I	Subscriber Projection Table – Voice	#49
J	Subscriber Projection Table – Video	#49
K	Income Statement	#50
L	Balance Sheet	#50
M	Statement of Cash Flows	#50

Attachment A – Proposed Last Mile Service Offerings

Please complete the attached chart for each proposed funded service area modifying the chart as necessary to detail the service offerings. **For BIP applicants only:** for all other service areas where funds are not being requested, complete a chart that aggregates the service offerings.

Name of Tier	Advertised Speeds		Average Speeds		Average Latency (BTOP only) @ End User CPE (ms)	Pricing Plan \$ per month
	Downstream <i>Mbps</i>	Upstream <i>Mbps</i>	Downstream <i>Mbps</i>	Upstream <i>Mbps</i>		
Residential						
Entry Level Speed						
Maximum Speed						
Other Residential Tiers						
Business/Institutional						
Entry Level Speed						
Maximum Speed						
Other Business/ Institutional Tiers						

Attachment B – Proposed Middle Mile Service Offerings

Please complete the table below describing the service offerings that will be available indicating the bandwidth packages, the distance band (length of the network section) or point-to-point (geographical end points) of the specific package , the minimum peak load bandwidth that is available on the route, and the monthly or yearly pricing for the services, and the census community or place where there will be an interconnection point. The chart may be adapted to adequately describe the service offerings of the project as long as the information described is included. If different packages will be available based on the area that will be receiving the benefits, then separate charts should be developed indicating which the services for each area.

Service Offering	Distance Band or point-to-point	Minimum Peak Load Network Bandwidth Capacity (Mbps)	Monthly/Yearly Pricing (\$)	Other

Attachment C – Competitor Table (Last Mile)

Existing Last Mile Broadband Service Providers and Services Offered: Please complete a table describing the competing last mile providers’ broadband service offerings being advertised in each proposed funded service area (BIP applicants should complete this table for each census designated community within the proposed funded service area) . For each competitor, explain the following: a) technology; b) service tiers; c) advertised speeds for residential and business; d) pricing. Include any other comments to explain your findings, if necessary.

<Applicant Service Area Name>								
Service Area	Last Mile Services Provider	Technology Platform	Service Tier	Advertised Residential Offering		Advertised Business Offering		Other Comments
				Downstream Speed (Mbps)	Monthly Rate	Downstream Speed (Mbps)	Monthly Rate	
Service Area 1/ Census Community 1	Provider A		Entry Level Plan					
			Highest Speed Plan					
			Other Plans (e.g., Mid-Tier Plan)					
	Provider B		Entry Level Plan					
			Highest Speed Plan					
			Other Plans (e.g., Mid-Tier Plan)					
Service Area 2/ Census Community 2	Provider A		Entry Level Plan					
			Highest Speed Plan					
			Other Plans (e.g., Mid-Tier Plan)					
	Provider B		Entry Level Plan					
			Highest Speed Plan					
			Other Plans (e.g., Mid-Tier Plan)					

Attachment C – Competitor Table (Middle Mile)

Existing Middle Mile Broadband Service Providers and Services Offered: Please complete a table describing the competing middle mile providers’ broadband service offerings being advertised in the last mile service areas associated with the proposed middle mile project. **For BIP**, please provide this information for each census designated community within each last mile service area. For each competitor, explain the following: a) technology; b) service tiers; c) point-to-point of the competitor’s service offering; d) speed; and e) pricing. Include any other comments to explain your findings if necessary.

<Applicant Service Area Name>							
Service Area	Middle Mile Services Provider	Technology Platform	Service Tier	Point-to-Point	Minimum Peak Load Network Bandwidth Capacity	Pricing	Other Comments
Service Area 1/ Census Community 1	Provider A		Entry Level Plan				
			Highest Speed Plan				
			Other Plans (e.g., Mid-Tier Plan)				
	Provider B		Entry Level Plan				
			Highest Speed Plan				
			Other Plans (e.g., Mid-Tier Plan)				
Service Area 2/ Census Community 2	Provider A		Entry Level Plan				
			Highest Speed Plan				
			Other Plans (e.g., Mid-Tier Plan)				
	Provider B		Entry Level Plan				
			Highest Speed Plan				
			Other Plans (e.g., Mid-Tier Plan)				

Attachment D

Network Design and Implementation Plan Certification
(to be completed for projects requesting more than \$1 million in federal assistance)

U.S. Department of Agriculture and U.S. Department of Commerce
BIP and BTOP Program

We the undersigned, certify that the proposed broadband system will work as described in the System Design and Network Diagram sections, and can deliver the proposed services outlined in the Service Offerings Section. Moreover, the system, as designed, can meet the proposed build-out timeframe based on the resources designated in Project Viability Section, and will be substantially complete in two years, and complete within three years.

Date

(Authorized Representative's Signature)

Name:

Title:

Date

(Certifying Engineer's Signature)

Name:

Title:

Attachment E – PROJECT PLAN (KEY PHASES & MILESTONES TO DEMONSTRATE DEGREE OF COMPLETION)

- Use the following table to list the major network build-out phases and milestones that can demonstrate that your entire project will be substantially complete by the end of Year 2 and fully complete by the end of Year 3. This is to be done at the aggregate level (combining all proposed funded service areas.)
- Indicate how the milestones listed below will demonstrate these completion objectives. The applicant should consider such project areas as: a) network design; b) securing all relevant licenses and agreements; c) site preparation; d) equipment procurement; e) inside plant deployment; f) outside plant deployment; g) equipment deployment; h) network testing; i) network complete and operational. The applicant may provide any other milestones that it believes showcase progress.
- Project inception (Year 0) starts at the date when the applicant receives notice that the project has been approved for funding.
- In the table, provide any information (e.g., facts, analysis) to: a) demonstrate the reasonableness of these milestones; b) substantiate the ability to reach the milestones by the quarters indicated.
- On a separate sheet, describe the key challenges, if any, to a timely completion of the project, including any applicable mitigation plans.

Time Period	Quarter	Milestones (List all relevant milestones)	Support for Reasonableness/Data Points
Year 0	-		•
Year 1	Qtr. 1		•
	Qtr. 2		•
	Qtr. 3		•
	Qtr. 4		•

Year 2	Qtr. 1		•
	Qtr. 2		•
	Qtr. 3		•
	Qtr. 4		•
Year 3	Qtr. 1		•
	Qtr. 2		•
	Qtr. 3		•
	Qtr. 4		•

Attachment E (continued) -- BUILD-OUT TIMELINE

Complete the following schedule for each proposed funded service area (or, if a middle mile project, for each last mile service area) to indicate the planned build-out in terms of: 1) the requested infrastructure funds; and 2) the entities passed. Entities passed include households, businesses, and "strategic institutions" comprised of critical community facilities, community anchor institutions, and public safety entities. In addition, please complete a separate schedule that aggregates all projected broadband subscribers within the proposed funded service area (or if a middle mile project, for each last mile service area). **For BIP only**, please include this information for the non-funded service areas as well.

Service Area A	[Fill Name]																					
	YEAR 0	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5				
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	
Infrastructure Funds																						
Infrastructure Funds Advanced (estimate)																						
Percentage of Total Funds																						
Entities Passed & %																						
Households																						
Percentage of Total Households																						
Businesses																						
Percentage of Total Businesses																						
Strategic Institutions (Comm. Anchor, Public Safety, etc)																						
Percentage of Total Institutions																						

Attachment F - Legal Opinion

[Date]

Administrator
Rural Utilities Service
U. S. Department of Agriculture
Washington, D. C. 20250-1500

Assistant Secretary
National Telecommunications and Information Administration
U.S. Department of Commerce
Washington, D.C. 20230

Re: _____

Dear Sir:

We are [general or special] counsel for _____, (the "Applicant.") In such capacity, we acted as counsel to the Applicant in connection with its ability to apply to the [Broadband Initiatives Program and/or the Broadband Technology Opportunities Program] and in the review of the [grant agreement, loan agreement, or loan/grant combination agreement], as referenced in the Notice of Funds Availability.

We are of the opinion that:

(a) the Applicant is a duly organized and existing [legal entity] under the laws of the State of _____, [if applicable, is duly licensed and qualified and in good standing as a foreign corporation in the States of _____].

(b) the Applicant has corporate power: (1) to execute and deliver the [grant agreement, loan agreement, or loan/grant combination agreement]; and (2) to perform all acts required to be done by it under said agreement.

(c) no legal proceedings have been instituted or are pending against the Applicant, the outcome of which would adversely affect the Applicant's ability to perform the duties under the loan agreement, or adversely affect the security to be pledged under the loan agreement, and there are no judgments against the Applicant and no liens against any of the personal property of the Applicant, which would adversely affect the security to be pledged under the loan agreement.

[If applying for a loan or loan/grant combination under BIP, please substitute (c) above and add (d):

(c) no legal proceedings have been instituted or are pending against the Applicant, the outcome of which would adversely affect the Applicant's ability to perform the duties under the loan or loan/grant agreement, or adversely affect the security to be pledged under the loan agreement, and there are no judgments against the Applicant and no liens against any of the personal property of the Applicant, which would adversely affect the security to be pledged under the loan or loan/grant agreement; and

(d) The applicant has the power to own its property and carry out its business as now conducted.]

Very truly yours,

Attachment G – Detail of Project Costs

Please complete the table below for the different equipment categories that will be required to complete the project. Each category should be broken down to the appropriate level for identifying unit costs.

SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
NETWORK & ACCESS EQUIPMENT						
Switching						
Routing						
Transport						
Access						
Other						
OUTSIDE PLANT						
Cables						
Conduits						
Ducts						
Poles						

Towers						
Repeaters						
Other						
SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
BUILDINGS						
New Construction						
Pre-Fab Huts						
Improvements & Renovation						
Other						
CUSTOMER PREMISE EQUIPMENT						
Modems						
Set Top Boxes						
Inside Wiring						
Other						

BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS						
Billing Support Systems						
Customer Care Systems						
Other Support						
SERVICE AREA or COMMON NETWORK FACILITIES:		Eligibility (Yes/No)	Unit Cost	No. of Units	Total Cost	Support of Reasonableness
OPERATING EQUIPMENT						
Vehicles						
Office Equipment/ Furniture						
Other						
PROFESSIONAL SERVICES						
Engineering Design						
Project Management						
Consulting						
Other						

TESTING						
Network Elements						
IT System Elements						
User Devices						
Test Generators						
Lab Furnishings						
Servers/ Computers						
OTHER UPFRONT COSTS						
Site Preparation						
Other						

Attachment H – Broadband Subscriber Estimates

Instructions: Using the table below, please estimate the number of subscribers for each distinct type of service offering on a quarterly basis over the five year forecast period. Combine all service pricing tiers of broadband data services into a single service offering. The subscriber projections must be described separately by the type of services offered, and by type of entity (households, businesses, “strategic institutions” - i.e., critical community facilities, community anchor institutions, and public safety entities) to which services are offered. For last mile subscribers, please also provide, on a separate sheet, your estimated take rate (the percentage of total customers passed who will subscribe to your service), along with a brief description of the methodology used to forecast these subscribers/take rates. Middle mile applicants should indicate their subscriber forecasts in terms of the entities served via the last mile service providers, community anchor institutions, or public safety entities that are connected to their middle mile network. Middle mile applicants should also provide a reasoned basis for these subscriber forecasts (e.g., agreements in principle with existing or planned last mile service providers, market studies, etc).

Household Subs.	YEAR 0	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
<i>Service Type #1</i>																					
Net add-ons																					
Cumulative subscribers																					
<i>Service Type #2</i>																					
Net add-ons																					
Cumulative subscribers																					
<i>Service Type #3</i>																					
Net add-ons																					
Cumulative subscribers																					

Business Customers	YEAR 0	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4
<i>Service Type #1</i>																					
Net add-ons																					
Cumulative subscribers																					
<i>Service Type #2</i>																					
Net add-ons																					
Cumulative subscribers																					
<i>Service Type #3</i>																					
Net add-ons																					
Cumulative subscribers																					

Strategic Institution	YEAR 0	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5					
<i>Service Type #1</i>		Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4		
Net add-ons																							
Cumulative subscribers																							
<i>Service Type #2</i>																							
Net add-ons																							
Cumulative subscribers																							
<i>Service Type #3</i>																							
Net add-ons																							
Cumulative subscribers																							

Attachment I - Subscriber Projection Table and rate plans (Voice Services)

Complete the chart below for each proposed funded service area. For all other service areas, please prepare a chart that aggregates this information.

SERVICE AREA NAME: _____

	Census Community	Year 1		Year 2		Year 3		Year 4		Year 5	
		Res	Bus								
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
TOTAL											

Voice Service Rates

Residential Service:

Business Service:

Other (Specify):

Note: Complete a separate table for each service area.

Attachment J - Subscriber Projection Table and rate plans (Video Services)

Complete the chart below for each proposed funded service area. For all other service areas, please prepare a chart that aggregates this information.

SERVICE AREA NAME: _____

No.	Census Community	Year 1			Year 2			Year 3			Year 4			Year 5		
		Pkg 1	Pkg 2	Other	Pkg1	Pkg 2	Other	Pkg 1	Pkg 2	Other	Pkg 1	Pkg 2	Other	Pkg 1	Pkg 2	Other
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
TOTAL																

Video Service Rates

Package 1 Description:

Package 2 Description:

Other (Specify):

Note: Complete a separate table for each service area. Column headings should be changed to reflect the name of the service package to be offered. Additional columns may be added for each year if more than three packages are offered.

Attachment K – Income Statement

Income Statement

	Historical		Forecast Period					
			Year 1	Year 2	Year 3	Year 4	Year 5	
Revenues								
<u>Network Services Revenues:</u>								
Local Voice Service	\$	-	\$	-	\$	-	\$	-
Broadband Data	\$	-	\$	-	\$	-	\$	-
Video Services	\$	-	\$	-	\$	-	\$	-
Network Access Service Revenues	\$	-	\$	-	\$	-	\$	-
Universal Service Fund	\$	-	\$	-	\$	-	\$	-
Toll Service/Long Distance Voice	\$	-	\$	-	\$	-	\$	-
Installation Revenues	\$	-	\$	-	\$	-	\$	-
Other Operating Revenues	\$	-	\$	-	\$	-	\$	-
Other Revenues	\$	-	\$	-	\$	-	\$	-
Uncollectible Revenues	\$	-	\$	-	\$	-	\$	-
Total Revenues	\$	-	\$	-	\$	-	\$	-
Expenses								
Backhaul	\$	-	\$	-	\$	-	\$	-
Network Maintenance/Monitoring	\$	-	\$	-	\$	-	\$	-
Utilities	\$	-	\$	-	\$	-	\$	-
Leasing	\$	-	\$	-	\$	-	\$	-
Sales/Marketing	\$	-	\$	-	\$	-	\$	-
Customer Care	\$	-	\$	-	\$	-	\$	-
Billing	\$	-	\$	-	\$	-	\$	-
Corporate G&A	\$	-	\$	-	\$	-	\$	-
Other Operating Expense	\$	-	\$	-	\$	-	\$	-
Total	\$	-	\$	-	\$	-	\$	-
EBITDA	\$	-	\$	-	\$	-	\$	-
Depreciation	\$	-	\$	-	\$	-	\$	-
Amortization	\$	-	\$	-	\$	-	\$	-
Earnings Before Interest and Taxes	\$	-	\$	-	\$	-	\$	-
Interest Expense - New RUS Debt	\$	-	\$	-	\$	-	\$	-
Interest Expense - Existing RUS Debt	\$	-	\$	-	\$	-	\$	-
Interest Expense - Other	\$	-	\$	-	\$	-	\$	-
Income Before Taxes	\$	-	\$	-	\$	-	\$	-
Property Tax	\$	-	\$	-	\$	-	\$	-
Income Taxes	\$	-	\$	-	\$	-	\$	-
Net Income	\$	-	\$	-	\$	-	\$	-

Attachment L – Balance Sheet

Balance Sheet

Assets	Historical		Forecast Period				
			Year 1	Year 2	Year 3	Year 4	Year 5
<i>Current Assets</i>							
Cash	\$	-	\$	-	\$	-	\$
Marketable Securities	\$	-	\$	-	\$	-	\$
Accounts Receivable	\$	-	\$	-	\$	-	\$
Notes Receivable	\$	-	\$	-	\$	-	\$
Inventory	\$	-	\$	-	\$	-	\$
Prepayments	\$	-	\$	-	\$	-	\$
Other Current Assets	\$	-	\$	-	\$	-	\$
Total Current Assets	\$	-	\$	-	\$	-	\$
<i>Non-Current Assets</i>							
Long-Term Investments	\$	-	\$	-	\$	-	\$
Amortizable Asset (Net of Amortization)	\$	-	\$	-	\$	-	\$
Plant in Service	\$	-	\$	-	\$	-	\$
Less: Accumulated Depreciation	\$	-	\$	-	\$	-	\$
Net Plant	\$	-	\$	-	\$	-	\$
Other	\$	-	\$	-	\$	-	\$
Total Non-Current Assets	\$	-	\$	-	\$	-	\$
Total Assets	\$	-	\$	-	\$	-	\$
<i>Liabilities and Owners' Equity</i>							
Liabilities							
<i>Current Liabilities</i>							
Accounts Payable	\$	-	\$	-	\$	-	\$
Notes Payable	\$	-	\$	-	\$	-	\$
Current Portion - Total RUS Debt	\$	-	\$	-	\$	-	\$
Current Portion - Other Debt	\$	-	\$	-	\$	-	\$
Other Current Liabilities	\$	-	\$	-	\$	-	\$
Total Current Liabilities	\$	-	\$	-	\$	-	\$
<i>Long-Term Liabilities</i>							
Existing RUS Debt	\$	-	\$	-	\$	-	\$
Proposed RUS Debt	\$	-	\$	-	\$	-	\$
Existing non-RUS Debt	\$	-	\$	-	\$	-	\$
Total Long-Term Liabilities	\$	-	\$	-	\$	-	\$
Total Liabilities	\$	-	\$	-	\$	-	\$
<i>Owner's Equity</i>							
Capital Stock	\$	-	\$	-	\$	-	\$
Additional Paid-In Capital	\$	-	\$	-	\$	-	\$
Patronage Capital Credits	\$	-	\$	-	\$	-	\$
Retained Earnings	\$	-	\$	-	\$	-	\$
Total Equity	\$	-	\$	-	\$	-	\$
Total Liabilities and Owner's Equity	\$	-	\$	-	\$	-	\$

Attachment M – Statement of Cash Flows

Statement of Cash Flows

	Historical		Forecast Period				
			Year 1	Year 2	Year 3	Year 4	Year 5
Beginning Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net Income	-	-	-	-	-	-	-
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>							
Add: Depreciation	-	-	-	-	-	-	-
Add: Amortization	-	-	-	-	-	-	-
<i>Changes in Current Assets and Liabilities:</i>							
Marketable Securities	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-	-
Other Current Assets	-	-	-	-	-	-	-
Accounts Payable	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-	-	-
Net Cash Provided (Used) by Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH FLOWS FROM FINANCING ACTIVITIES:							
Notes Receivable	-	-	-	-	-	-	-
Notes Payable	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Additional Paid-in Capital	-	-	-	-	-	-	-
Additions to Patronage Capital Credits	-	-	-	-	-	-	-
Payment of Dividends	-	-	-	-	-	-	-
Net Cash Provided by Financing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CASH FLOWS FROM INVESTING ACTIVITIES:							
Capital Expenditures	-	-	-	-	-	-	-
Amortizable Asset (Net of Amortization)	-	-	-	-	-	-	-
Long-Term Investments	-	-	-	-	-	-	-
Net Cash Used by Investing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

K. Certifications and Other Federal Form Requirements

BIP Certifications – The certifications listed below and included in the following pages must be completed for a BIP application:

- Equal Opportunity and Nondiscrimination Certification
- Certification Regarding Architectural Barriers
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Certification
- Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions
- Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements

Note: If the Applicant is **only** applying under the BIP, only the above certifications are necessary. If the Applicant is **also** applying under the BTOP, consult the BTOP guide for BTOP-specific certifications and other federal forms.

Equal Opportunity and Nondiscrimination Certification

**U.S. Department of Agriculture
Broadband Initiatives Program**

All loans and grants made under the Broadband Initiatives Program are subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, as amended, (7 C.F.R. Part 15); Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 901 et seq; 7 C.F.R. Part 15b); and the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et seq.; 45 C.F.R. Part 90), and Executive Order 11375, Amending Executive Order 11246, Relating to Equal Employment Opportunity (3 C.F.R. 1966, 1970).

All recipients of financial assistance from Rural Development, the prospective primary participant commits to carry out Rural Development’s established policy to comply with the requirements of the above laws and executive orders to the effect that no person in the United States shall, “on the basis of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Broadband Initiatives Program.

We _____ (the Applicant) hereby certify that, as a prospective recipient under the said Broadband Initiatives Program, we will comply with the above referenced laws and executive orders.

Date

(Authorized Representative’s Signature)

Name:

Title:

Certification Regarding Architectural Barriers

**U.S. Department of Agriculture
Broadband Initiatives Program**

All facilities financed with Rural Development loans that are open to the public, or in which physically handicapped persons may be employed or reside, must be designed, constructed, and/or altered to be readily accessible to, and usable by, handicapped persons. Standards for these facilities must comply with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §4151 et seq.) and with the Uniform Federal Accessibility Standards (UFAS), (Appendix A to 41 C.F.R. subpart 101-19.6).

As a prospective primary participant recipient of financial assistance from Rural Development, this organization commits to carry out Rural Development’s established policy to comply with the requirements of the above referenced law to the effect that all facilities must be readily accessible to and usable by handicapped persons.

We, _____ (the Applicant) hereby certify that, as a prospective recipient under the Rural Broadband Access Loan and Loan Guarantee Program, we are in compliance, or will be in compliance upon completion of the Project, with the above referenced law.

Date

(Authorized Representative’s Signature)

Name:

Title:

**Uniform Relocation Assistance and
Real Property Acquisition Policies Act of 1970 Certification**

**U.S. Department of Agriculture
Broadband Initiatives Program**

We, _____ (the Applicant) assure the U.S. government that we will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. §4601 et seq., and with implementing federal regulations in 49 C.F.R. Part 24 and 7 C.F.R. Part 21.

Specifically, we assures that whenever Federal financial assistance is used to pay for any part of the cost of a program or Project which will result in the displacement of any person:

- (a) Fair and reasonable relocation payments and assistance shall be provided to or for displaced persons in accordance with sections 202, 203, and 204 of the Uniform Act;
- (b) Relocation assistance programs offering the services described in section 205 of the Uniform Act shall be provided to displaced persons; and
- (c) Within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with section 205(c) (3) of the Uniform Act.

Date

(Authorized Representative's Signature)

Name:

Title:

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters –
Primary Covered Transactions**

**U.S. Department of Agriculture
Broadband Initiatives Program**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 C.F.R. § 3017.510, Participants’ Responsibilities.

- (1) We, _____ (the Applicant) (hereinafter the “Company”) hereby certify to the best of our knowledge and belief that neither the Company, nor any of its principals:
- (a) are presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have within a 3-year period preceding this Application had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) If we are unable to certify to any of the statements in this certification, we shall attach an explanation hereto.

Date

(Authorized Representative’s Signature)

Name:

Title:

Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements

**U.S. Department of Agriculture
Broadband Initiatives Program**

We, _____ (the Applicant) the undersigned certify, to the best of our knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on our behalf, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, we shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions. See <http://www.whitehouse.gov/omb/grants/sflllin.pdf> for Disclosure Instructions.
- (3) We shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Date

(Authorized Representative's Signature)

Name:

Title:

L. Schedules

Fill out the requested information below:

Schedule: A-1 Congressional Districts

1. List the Congressional District of the Applicant's headquarters.
2. List the Congressional District for each area covered by the Project.

M. Step Two Description for BIP and BTOP Infrastructure Applications

For purposes of the Step Two process, applicants will be asked to submit additional information to further substantiate the representations made in their applications. Though much of this information should have already been compiled in the assembly of an Application, DO NOT submit the following items at this time. The highest scoring Applications from Step One will be notified and invited to participate in Step Two. However, for informational purposes, the following will be required in Step Two for BIP and BTOP Broadband Infrastructure Applications:

1. **Outstanding Obligations:** The applicant must provide a list of all outstanding and contingent obligations, including copies of existing notes, loan and security agreements, and guarantees;
2. **Working Capital:** The applicant must provide a detailed description of working capital requirements and the source of these funds;
3. **Detailed Network Design:** A detailed description of the proposed technology that will be used to provide service at the proposed broadband speed. This description must clearly demonstrate that all households in the proposed funded service area will be offered service at the proposed broadband speed;
4. **Detailed Build-Out Schedule:** The application must provide a detailed construction build-out schedule that includes a description of the necessary work force, a timeline demonstrating project completion within the required timeframe, a depreciation schedule for the proposed facilities, the appropriate environmental review documentation prepared in accordance with 7 CFR Part 1794 and other applicable environmental requirements, and other information listed as required within the online application;
5. **Environmental Questionnaire:** the applicant must complete download and upload the environmental questionnaire;
6. **Underlying Documentation:** applicants will need to be prepared to provide any of the underlying documentation that is referenced in the application, as appropriate; and
7. **Service Metric:** For BIP applicants only, the applicant must provide a description of measurable service metrics and target service level objectives (SLOs) (e.g., the speed with which new service will be established, service availability, and response time for reports of system failure at a residence) that will be provided to the customer, and a description of the approach and methodology for monitoring ongoing service delivery and service quality for the services being employed.

Environmental Questionnaire

Any project-related activity that may adversely affect the environment must not be undertaken prior to the completion of Rural Utilities Service/National Telecommunication and Information Administration environmental review process. Doing so may jeopardize consideration of your application. All of the following questions must be completed or the application will be considered incomplete. Note: The applicant may submit a copy of any environmental review document that has been prepared in connection with obtaining permits, approvals, or other financing for the proposed project from State, local or other federal bodies. Such material, to the extent relevant, may be used to meet the requirements herein.

- i. **Project Description:-** Describe all project-related construction activities, including, but not limited to building construction related to installing pre-fabricated buildings; internal modifications, or equipment additions to buildings or other structures (e.g., relocating interior walls or adding computer facilities); the construction and installation of buried cable; or installation of telecommunications transmission facilities including construction of new monopole towers, satellite dishes. Complete descriptions must be provided for each site affected by project-related construction activities.
- ii. **Map:** Include a map for each site affected by construction (recommend U.S. Geological Survey 7.5-minute quadrangle maps at a map scale of 1:24,000; larger scale maps may be provided for site-specific proposals). USGS maps may be obtained and purchased at the following website: <http://www.usgs.gov/pubprod/maps.html>. If appropriate, photographs or aerial photographs of site-specific proposals may be provided.
- iii. **Property Changes:** Describe and indicate the amount of property to be cleared, excavated, fenced, or otherwise disturbed by the project and describe the current land use and zoning for each project site affected by construction including whether the project is proposed to be located on public land owned or managed by the federal government.
- iv. **Buildings:** Describe buildings or other structures (i.e., transmission facilities), including dimensions, to be constructed or modified. For linear projects, state whether the project is to be located on or within previously disturbed public rights-of-way.
- v. **Wetlands:** Describe and indicate whether wetlands are present on or near the project site(s) affected by construction (maps of wetlands may be obtained from the U.S. Fish and Wildlife Service's National Wetland Inventory website: <http://www.fws.gov/wetlands/> or from soil maps obtained from the USDA, Natural Resource Conservation Service's website: <http://websoilsurvey.nrcs.usda.gov/app/HomePage.htm>).
- vi. **Critical Habitats:** Describe and indicate whether any project site(s) include or are near critical habitats or will affect any threatened, endangered or candidate species. Applicants must provide species lists and appropriate species accounts obtained from the U.S. Fish and Wildlife Service's website: http://ecos.fws.gov/tess_public/ for each county affected by construction of the project.
- vii. **Floodplains:** Describe whether or not any facility(ies) or site(s) are located within a 100 or 500-year floodplain. Information related to floodplains and National Flood Insurance

Maps may be obtained from the Federal Emergency Management Agency's (FEMA) website

<http://www.msc.fema.gov/webapp/wcs/stores/servlet/CategoryDisplay?catalogId=10001&storeId=10001&categoryId=12001&langId=-1&userType=G&type=1>. If any project-related construction activities are within floodplains, a copy of the FEMA, "FIRMette" with construction activities depicted on the map must be included. For obtaining FIRMettes review the tutorial provided by [FEMA](#).

- viii. **Protected Lands:** Describe any cultural resources, including *historic properties*, i.e., properties listed in or eligible for listing in the National Register of Historic Places, which are located in or within a one-mile radius of the project area and how they may be impacted by the project. Information related to historic properties can be obtained from the State Historic Preservation Office (SHPO) in your respective State – see the website of the National Conference of SHPO: <http://www.ncshpo.org/find/index.htm> or from the Tribal Historic Preservation Officer (THPO) when tribal lands are involved. Applicants must gather information about the nature and location of these properties from the SHPO. SHPOs should be asked the following questions:
1. Is the proposed project located on, within or adjacent to any properties listed in or eligible for listing in the National Register of Historic Places? Is the proposed project located on, within or adjacent to a National Historic Landmark? If the answer is yes, describe and indicate the geographic relationship between the project and property with maps.
 2. Will the proposed project impact, use or alter a building or structure that was constructed more than 50 years ago? If so, describe the building/structure with a statement of its condition, including photographs, and document its age.
 3. Is any portion of the project located on tribal lands, meaning lands within the exterior boundaries of any Indian reservation and all dependent Indian communities?
 4. Applicants must provide SHOP/THPO responses/information to these questions including any correspondence with the SHPO/THPO, as applicable.
- ix. **Coastal Areas:** Determine whether or not the project is within the boundaries of a coastal zone management area (CZMA). For boundary related and contact information related to CZMA, see National Oceanic and Atmospheric Administration, Office of Ocean and Coastal Resource Management's website: <http://coastalmanagement.noaa.gov/consistency/welcome.html>
- x. **Brownfields:** Determine whether the project is located within a brownfield site. Per 42 U.S.C. 9601, the term "brownfield site" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Maps and locations of sites, facilities and properties that have been contaminated by hazardous materials and are being, or have been, cleaned up under EPA's Superfund, RCRA and/or brownfields cleanup programs can be found at the following website: <http://iaspub.epa.gov/Cleanups/>

Note: The applicant may submit a copy of any environmental review document that has been prepared in connection with obtaining permits, approvals, or other financing for the proposed project from State, local or other federal bodies. Such material, to the extent relevant, may be used to meet the requirements herein.

Printed Legal Name of Applicant:

Signature:

Date:

The applicant's representative certifies to the best of his/her knowledge and belief that the information contained herein is accurate. Any false information may result in disqualification for consideration of financial assistance or the rescission of financial assistance.