



**Broadband USA**



# **BROADBAND INITIATIVES PROGRAM**

## **Frequently Asked Questions Round 2 Applications**



Note:

Questions added since last posting are marked with (\*\*).

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## **APPLICATION WINDOW EXTENDED**

### **\*\*Why is RUS extending the deadline for the submission of applications for NOFA 2? \*\***

In the interest of ensuring that Recovery Act funding is made available for the Broadband Initiatives Program in the most equitable manner, the Rural Utilities Service extended its deadline for application submissions to March 29, 2010. As originally planned, the agency expected to afford applicants approximately 4 weeks to submit an application during which they would be aware of the eligible territories under NOFA 2. To achieve this goal under current circumstances, RUS is extending the deadline for the following reasons:

- The agency's mapping tool for identifying NOFA 1 awardee service territories that are not eligible for NOFA 2 was not fully operational until February 25, 2010. As a result, interested applicants could not determine with certainty which service territories were ineligible by virtue of being funded in NOFA 1 prior to that date. RUS' focus on last mile projects makes this information essential for some applicants. The need for these maps is particularly critical for last mile projects, as contrasted with middle mile projects, because they often face overlap issues.
- The agency has received information from a variety of sources about timing challenges in completing applications. Stakeholder groups, members of Congress, and representatives of tribal groups are among those who have provided information to RUS about reasons for an extension. The agency viewed these concerns in light of the fact that NOFA 2 represents the final funding window. Therefore, the agency wanted to give applicants the maximum opportunity to apply and to strengthen the quality of their applications.
- RUS will begin to process submitted applications as soon as they are received and encourages applicants to submit their applications as soon as they are completed.

## ***IMPORTANT APPLICATION CHANGES FROM THE FIRST ROUND***

### **What are the application categories?**

For Round 2, applicants will have the opportunity to apply for last mile, middle mile, satellite, technical assistance and rural library broadband. Additional details on these opportunities are available in the Notice of Funds Availability (NOFA) and in the FAQs.

### **What is considered an eligible service area?**

The proposed funded service area must be at least 75 percent rural. In addition, within the rural portion of the proposed funded service area, at least 50 percent of the premises in the rural area must have no access to broadband service at the rate of 5 megabits per second (Mbps) upstream and downstream combined.

### **What are the loan and grant award allocations?**

The standard award will be a 75/25 grant/loan combination. Applicants may request more than 75-percent grant by submitting a waiver request to the Administrator. Additional information on the waiver process can be obtained in the NOFA and in the waiver requests section of the FAQs. Applicants requesting a larger loan component, which lowers the requested grant percentage, will receive additional points in the scoring process.

### **Can applicants request consideration by both BIP and BTOP?**

No. RUS and NTIA have issued separate NOFAs for Round 2. Applicants must determine the appropriate program for their application; however, if NTIA determines that an application cannot be funded and that it may be consistent with the RUS BIP requirements, NTIA may transfer the application to RUS for consideration under the RUS second review process.

### **Will the BIP application process still have two steps?**

No. BIP is requesting that all pertinent information on the project be submitted with the application. This will simplify the application process, add valuable time to the application window and review process, as well as promote the submission of more solid applications. RUS may ask applicants for additional information before making a final decision.

**What is the second review process addressed in the Round 2 NOFA and how does this differ from the Step 2 due diligence process from Round 1?**

The second review process gives RUS the ability to revisit applications that may not be approved initially in Round 2 to obligate all BIP funds by the September 30, 2010, deadline if excess funds are available. The process will also be used to consider (1) applications where waivers were requested but denied by the Administrator, and (2) applications that may be transferred by NTIA after their initial reviews are completed. For Round 2, all information must be submitted upfront with the initial application submission.

The Step 2 due diligence phase in the Round 1 NOFA was used to validate the information submitted in the application.

**Will BIP put a limit on the amount of funds that can be spent per premises passed?**

Yes. To more effectively leverage Recovery Act broadband funds for Last mile projects, RUS will limit Federal assistance to no more than \$10,000 per premises passed, unless a waiver is requested and approved.

**Will applicants be required to provide census block information?**

No. RUS has eliminated the census block reporting requirement for Round 2.

**Will RUS reconsider applications if excess funding capacity is available?**

Yes. The Administrator may permit applicants to adjust applications for reconsideration that would otherwise not be funded. The NOFA provides more details on the requirements for reconsideration under the second review process.

**Will the Administrator of RUS be involved in the evaluation process?**

Yes. The Administrator will have the opportunity to exercise discretion in the application evaluation process. The Administrator will have the ability to separately award priority points and larger grant components to applications that provide significant assistance to critical community facilities, promote rural economic development, support persistent poverty counties, serve chronically underserved areas, demonstrate cost effectiveness, offer low-cost service options, or provide for geographic diversity.

## ***Choosing Between BIP and BTOP***

### **How do I choose between BIP or BTOP?**

In some cases, it is relatively clear where you should apply. In some cases, an application may be eligible under both BIP and BTOP. In those cases, the applicant must choose to apply to only one program. The following guidelines are intended to assist applicants as they decide where to file:

- If your infrastructure application includes service areas that are at least 75-percent rural, is predominantly for Last mile infrastructure, or provides Last mile service in the form of satellite service, you must apply to BIP.
- If you are a current RUS borrower or grantee seeking infrastructure funding (last mile or middle mile), you should apply to BIP.
- If your application is for rural library broadband service, you should apply to BIP.
- If your application is for technical assistance to create regional broadband development strategies in rural areas, you should apply to BIP.
- If your application is predominantly for middle mile infrastructure and you are not a current RUS borrower or grantee, you should apply to BTOP.
- If your application is for public computer centers or sustainable broadband adoption, you should apply to BTOP.

If your application is a middle mile project that has “comprehensive communities” components, you should apply to BTOP. These components, in order of priority, include: (1) a commitment to offer new or substantially upgraded service to community anchor institutions; (2) public-private partnerships; (3) intent to bolster growth in economically distressed area; (4) a commitment to serve community colleges that have expressed a demand or indicated a need for access or improved access to broadband service; (5) a commitment to serve public safety entities that have expressed a demand or indicated a need for access or improved access to broadband service; (6) a last mile infrastructure component (in rural areas; however, the cost of last mile infrastructure to residences and non-community anchor institution businesses may not exceed more than 20 percent of the total eligible project costs).

### **Why must I choose between BIP and BTOP?**

RUS and NTIA have determined that the best use of limited funding is to have RUS and NTIA focus on funding different aspects of broadband infrastructure. This is necessary to improve the efficiency of both BIP and BTOP and to leverage the core expertise of the agencies. This is also consistent with many comments received by the public recommending that we eliminate joint applications. This provides more flexibility to applicants to choose where to apply based on their unique considerations.

### **Can I apply to both BIP and BTOP?**

You may not file the same (or substantially the same) application at both BIP and BTOP.

## ***How to Apply for Round 2 Last Mile and Middle Mile Funding***

### **What is the application deadline for last mile and middle mile applications?**

Last mile and middle mile applications must be submitted no later than 5:00 p.m. ET, March 15, 2010.

### **How must applicants submit last mile and middle mile applications?**

Last mile and middle mile applications **must be submitted electronically** using the online application tool at [www.broadbandusa.gov](http://www.broadbandusa.gov).

### **When will the online application system be available?**

The online application system will be made active no later than 8:00 am ET on February 16, 2010.

## ***General Guidance on Round 2***

### **Is RUS staff available to discuss the application before submission?**

No. Staff cannot pre-screen or offer consultations during a competitive application process. Any general inquiries should be directed to the BroadbandUSA Helpdesk.

### **Where can applicants request general guidance on applying for BIP funding?**

Applicants should direct all questions to the Broadband USA helpdesk at 877-508-8364 or send an e-mail to [BroadbandUSA@usda.gov](mailto:BroadbandUSA@usda.gov). **Note: This contact number and e-mail address have changed from Round 1.**

### **Will applying before the deadline provide any advantage?**

No. All applications submitted within the application window will be given equal consideration.

### **What is the Funding Opportunity Number for BIP?**

The Funding Opportunity Number for BIP is 0572-ZA01.

### **What is the Catalog of Federal Domestic Assistance (CFDA) Number and Title for BIP?**

The CFDA number for BIP grants, loans, and loan/grant combinations is 10.787. The CFDA title is "Broadband Initiatives Program."

### **What is the deadline for BIP to award all the funding available in Round 2?**

While all funding for the BIP initiative will be finalized by September 30, 2010, RUS intends to finalize all award decisions by September 10, 2010, to ensure that all funds can be obligated by September 30.

### **Will the contents of my application be made public?**

Applicants are encouraged to identify and label any confidential and proprietary information contained in their applications. The Agency will protect this information from public disclosure to the fullest extent authorized by applicable law. Applicants should be aware, however, that the Recovery Act requires substantial transparency.

### **Who is a "current RUS borrower or grantee?"**

A "current RUS borrower" is an applicant with an active RUS loan. A "current RUS grantee" is an applicant who is currently receiving grant funds from RUS or has not fully expended its most recent award.

### **Where can we review the terms and conditions that will apply after funding is approved?**

An information library is available at [www.broadbandusa.gov](http://www.broadbandusa.gov) and it includes a draft *Loan and Security Agreement* and draft *Construction and Advance Procedures*. These documents will provide details on what to expect when funding is received.

### **Does the BIP program have a matching requirement?**

No. The BIP program does not have a matching requirement. However, BIP will award points for leveraging. The leveraging must be new equity and/or assets in the company that are specifically for the proposed project to be eligible for points.

### **Where can applicants find more information about being a socially and economically disadvantaged business concern as defined under Section 8(a) of the SBA?**

Applicants may view the following link [www.sba.gov/aboutsba/sbaprograms/8abd](http://www.sba.gov/aboutsba/sbaprograms/8abd). This link goes to the Small Business Administration website.

## ***Eligible Entities***

### **What types of organizations are not eligible to apply?**

Sole proprietorships and partnerships, including limited liability partnerships, are ineligible to apply for BIP funding. All other types of organizations are eligible to apply and must conform to the eligibility criteria published in the NOFA. If the application is being submitted by multiple organizations, each organization must be an eligible entity and conform to the criteria published in the NOFA.

Each applicant must clearly identify and disclose what type of entity it is.

### **What type of documentation is required to prove that an organization is eligible to apply to BIP?**

Applicants should provide their certificate of good standing from the state where they are incorporated and propose to do business, according to the application.

### **Must a for-profit corporation be a socially and economically disadvantaged small business concern (SDB) to be eligible to apply for funding?**

No. Applicants are not required to be an SDB to apply. However, SDBs will receive priority scoring points.

### **Can an applicant's currently offered services make a potential project ineligible?**

Yes. An example is if the applicant already offers 5 Mbps (combined) service to greater than 50% of the premises in the rural areas the project would propose to serve.

## ***Multiple Applications and Multiple Applicants***

### **Is there a limit to the number of applications one entity can submit?**

No. Applicants can submit multiple applications.

### **Can multiple organizations apply jointly for a single award?**

Yes. Organizations may file jointly with one entity serving as the lead applicant and others serving as co-applicant. All information required of the lead applicant is also required of any co-applicant (e.g., organizational capacity). Both the lead applicant and the co-applicants must meet the eligibility requirements, and all application information must be provided for the project as a whole (e.g., consolidated budget).

### **Can lead applicants partner with other entities for organizational support?**

Applicants can receive points only for organizational support for employees or management that has a formal contract with the applicant. Applicants will not receive credit for partnerships or vendor relationships unless the third parties are under a contract agreement with documentation stating their roles and responsibilities for the project.

### **When organizations apply jointly, are there criteria for which organization should serve as the lead applicant?**

The lead applicant must be able to enter into a loan or grant agreement with RUS and be willing to assume financial and operational responsibility for the project. Lead applicants should have experience implementing projects of similar size and scope.

### **If an application is submitted by multiple entities, should it be filed with a single DUNS number or a new shared DUNS number?**

The application must include the DUNS number associated with the lead applicant. Additional DUNS numbers are not required for the application process.

### **When an application is filed jointly, is the co-applicant responsible for repaying the loan?**

When an application is filed jointly, the lead applicant and the co-applicant are required to enter into and sign the legal arrangements for funding. Both applicants will be equally responsible for meeting all legal requirements, reporting and repayment of all loan funds.

## ***Round 1 Applicants Interested in Round 2***

### **If my application was denied in Round 1, can we submit a new application for consideration in Round 2?**

Yes. RUS encourages previous applicants to apply in Round 2. Applicants should review the Round 2 NOFA carefully because it differs from the Round 1 NOFA. Applicants will need to start a new application in the online application tool. Applicants cannot transfer data from a Round 1 application. Applicants will also be required to draw a new map and submit the new reference number provided.

### **If my organization received an award or multiple awards in Round 1, can we apply to subsequent rounds?**

Yes. Round 1 award recipients may apply under a subsequent NOFA as long as the project is not overlapping the project already funded by RUS or NTIA.

### **My organization is interested in applying to Round 2; however, notice regarding the application to Round 1 has not been received. Will the Round 1 notice be received before the Round 2 application period is over?**

Round 1 award announcements began in mid-December and will continue on a rolling basis through February 2010. Your organization will receive notice of the outcome of your application in Round 1 before the Round 2 application deadline.

## ***Important Definitions***

### **What is broadband?**

Broadband means 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.

### **What is meant by high speed access?**

High speed access means high speed broadband service to facilitate rural economic development or service at the rate of at least 5 Mbps (upstream and downstream combined).

### **What is meant by an interconnection point?**

An interconnection point for a middle mile application is any location where last mile providers, critical community facilities, or other networks can physically interconnect with the project, either to exchange traffic or to deliver traffic across the project's network to the Internet backbone.

### **What is meant by an RUS participant?**

An RUS participant is a current RUS borrower or a current RUS grantee. A current RUS borrower is an entity that has outstanding loan obligations to RUS and a current grantee is an entity that has grant funds available for advance. This definition to should be used when completing your online application at [www.broadbandusa.gov](http://www.broadbandusa.gov).

### **What is the definition of a rural area?**

Rural area means any area, that 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.

### **What is the definition of an unserved area?**

Unserved area means a service area with no access to facilities-based, terrestrial broadband service, either fixed or mobile, at the minimum broadband transmission speed. A premises has access to broadband service if it can readily subscribe to that service on request.

### **How is premises defined?**

Premises can be any location that can receive broadband service. These can include households, businesses, critical community facilities, schools, etc.

## ***Proposed Service Areas and Overlapping Areas***

### **If an applicant is proposing to overbuild an existing incumbent's operation, how will RUS evaluate this application?**

Assuming that the incumbent's operation does not make the proposed service area ineligible for funding, RUS will take the existing incumbent's operation into account during the financial feasibility review of the application. An incumbent's existing service offerings could have an effect on what penetration rates RUS will consider acceptable by the applicant.

**When will the list of areas that are being provided broadband service from a current RUS borrower be made available?**

The list will be made available on [www.broadbandusa.gov](http://www.broadbandusa.gov) prior to the opening of the Round two application window which is 8:00am on February 16, 2010.

**If the proposed service areas are not contiguous, do applicants need to submit separate applications?**

No. One application may contain multiple proposed funded areas. Each proposed funded service area should be a contiguous geographic area and must independently satisfy the eligibility requirements.

**If my organization's application overlaps with other applicants' proposed funded service areas, will that result in a quick elimination of one of the applications?**

No. Each application will undergo a full review independent of other applications. The overlap analysis will be conducted after all viable applications have been identified.

**If my organization's application proposes a service area that overlaps with another application's proposed funded service area, how will RUS determine which application to fund?**

The Broadband Initiatives Program will not fund multiple applications to provide the same service to the same geographic area, except in cases where the overlap of any proposed funded service area is minimal. Overlap comparison analysis will be conducted on each service area addressed by multiple applications. Where the proposed funded service areas of multiple applicants overlap, only the highest-scoring application can receive funding.

**Will RUS consider funding a BIP application that proposes to serve within an existing RUS borrower's territory?**

Only if broadband is NOT being provided in that particular part of the service area. These areas can be found at [www.broadbandUSA.gov](http://www.broadbandUSA.gov). In addition, the service areas of awardees under the first round BIP/BTOP NOFA will be ineligible for funding. In determining this area RUS will limit its application only to the places where access to broadband is provided.

**Can an existing RUS borrower apply to upgrade their service area?**

An existing RUS borrower can apply to upgrade their service area if it meets the following eligibility requirements. The proposed funded service area must be at least 75 percent rural. In addition, within the rural portion of the proposed funded service area, at least 50 percent of the premises in the rural area must have no access to broadband service at the rate of 5 megabits per second (Mbps) upstream and downstream combined.

**\*\*If a current RUS borrower was awarded a loan to provide broadband service in an area but has not started to provide that service, can an applicant submit an application under Round 2 for that area?\***

Areas where a current RUS Borrower was awarded a loan to provide broadband service but has not started construction can be included in a Round 2 application. Applicants should note that these companies will be considered an additional competitor and will have an impact on what penetration rates will be acceptable for those areas and could have an adverse effect on an applicant's pro forma financial projections. Applicants should thoroughly address this additional competition in the application and address the subscriber and financial projections accordingly.

**What steps will RUS take to confirm the level of service that is available in the proposed funded service area?**

RUS will post a Public Notice of the proposed funded service areas of each last mile application and the communities where the interconnection points terminate for middle mile applications for a 30-day comment period. The Public Notice will provide existing providers with an opportunity to submit to the agency information on their service offerings.

**What is an eligible service area?**

The proposed funded service area must be at least 75-percent rural. In addition, within the rural portion of the proposed funded service area, at least 50 percent of the premises in the rural area must have no access to broadband service at the rate of 5 Mbps (upstream and downstream combined). For middle mile applicants, at least 75 percent of the interconnection points must be in rural areas with no more than 50 percent of the premises having high speed access.

**Are any areas of the country, tribal lands, or territories *de facto* unserved?**

No. Such *de facto* areas have not been identified in the NOFA.

**Does advertising of broadband service count as availability for the geographic area where the advertisement is run?**

Applicants should attempt to determine whether the provider actually offers service in the applicant's proposed service area. The boundaries of the advertising market do not align precisely with the boundaries of the provider's service area and, therefore, advertising over a large area does not necessarily mean that service is available throughout that entire area.

**Will BIP fund a last mile project in an area that received funding from BIP and/or BTOP during Round One for a Middle Mile Project?**

Yes. The funding categories for Last Mile and Middle Mile do not cross over.

**If there are multiple proposed funded service areas in one application and one of those service areas is found to be ineligible, does this cause the entire application to be deemed ineligible?**

Yes, the application would not be considered under the first review process. It is possible, if excess funding is available, that RUS may consider this application under the second review process.

## ***Last Mile Infrastructure and Middle Mile***

**What does BIP consider a last mile project?**

A last mile project is a terrestrial infrastructure project that predominantly proposes to provide broadband service to end users or end-user devices, and it may also include interoffice transport, backhaul, and Internet connectivity in connection with providing such service.

**What does BIP consider a middle mile project?**

A middle mile project is a broadband infrastructure project that does not predominantly provide broadband service to end users or end-user devices and is used for interoffice transport, backhaul, Internet connectivity, or special access and furthers rural economic development.

**How do you determine if the proposed funded service area for a last mile project is 75-percent rural?**

This percentage should be determined based on the total square mileage of the service area. The response provided in the application should be confirmed by the information provided in the mapping tool at [www.broadbandusa.gov](http://www.broadbandusa.gov).

**How do you determine if 50 percent or more of the premises passed in a last mile project do not have high speed broadband access?**

The exact methodology is up to the applicant, but the result should be able to demonstrate that the proposed funded service area is eligible. Examples of methodologies are customer or market surveys, as well as statistical sampling. Applicants should be able to clearly explain how their determination was derived and will be subject to verification by RUS.

**Do you calculate the 50-percent high speed broadband access on the total application or per service area?**

The calculation should be based on the premises passed in each proposed funded service area.

**How do you determine the proposed funded service area for a middle mile project?**

The communities where the interconnection points terminate will be the service area for a middle mile project.

**How do you determine if 50 percent or more of the premises in a middle mile project do not have high speed broadband access?**

This calculation should be based on the premises in the communities where the interconnection points terminate. For those interconnection points that do not terminate in any recognizable community, the nearest census designated place should be used.

**Should an applicant submit separately for last mile infrastructure and middle mile or include both in one application?**

Both may be included in the same application. In some instances, last mile projects may need to build middle mile infrastructure as part of a last mile deployment. In such instances, applicants are asked to choose which of the service types, last mile or middle mile, their project will predominantly provide. Applications that combine infrastructure will be held to the eligibility and documentation requirements of both last mile and middle mile infrastructure, and must answer the specific questions related to each.

**Can applicants apply for a broadband project that will provide high capacity bandwidth to critical community facilities?**

Yes, critical community facility projects are eligible. Projects of this nature should be characterized as middle mile projects because they create a point-to-point network connecting a relatively small number of facilities. To be eligible for BIP, all middle mile critical community facility projects must have at least one point of interconnection located in an area that is at least 75-percent rural. In addition, in the rural portion of the proposed funded service area, at least 50 percent of the premises in the rural area must have no access to broadband service at the rate of 5 Mbps upstream and downstream.

**How do you calculate the cost per premises?**

To calculate the cost per premises passed, the applicant should divide the total award requested in the application by the total number of premises passed with facilities funded by an award. Please note that this does not apply to middle mile applicants.

### **Can satellite companies apply for last mile funding?**

No, last mile funding is for terrestrial infrastructure projects only.

## ***Licenses and Agreements***

### **Must applicants have all required licenses and agreements in place at the time of application?**

Applicants should have all required licenses and agreements in place at the time of application. Applicants will be required to have them in hand by the time the award is made or it will be included in the award covenants as a precedent to closing.

### **Must all licenses be held by the borrower/grantee?**

Yes. RUS prefers that all licenses be in the name of the borrower/grantee, and not in the name of an affiliate, parent, or other entity. If the required licenses are not in the name of the borrower/grantee, there must be an agreement in place demonstrating that the applicant/grantee has the right to the use of the license. In this situation, the applicant must clearly explain how RUS can bring these licenses/agreements under the security arrangements.

## ***Engineering Certification Requirement***

### **What are the engineering certification requirements for BIP infrastructure applications?**

Applicants requesting \$1 million and above must submit a system design, network diagram, and project timeline certified by a professional engineer (PE) who is certified in at least one of the states where there is project construction. The PE can be external or inhouse. The certification form must state that the proposed broadband system:

- Will work as described.
- Can deliver the proposed services outlined in the application.
- Can meet proposed build-out timeframe based on the resources designated in the application.
- Will be substantially complete in two years and fully complete within three years.

**Does the certification require the engineer to guarantee that the proposed project actually “will be substantially complete in two years and complete within three years?”**

No. This means that it is feasible under reasonably anticipated circumstances for the project to be substantially complete in two years and complete within three years after the date of the award.

**Can the Engineering Certification be completed by an in-house engineer?**

Yes. The certification can be completed by an in-house engineer if the engineer is a licensed PE in a state where construction is proposed.

## *Network Diagram*

**What constitutes an acceptable Network Diagram?**

The Network Diagram should be a block diagram showing the location of major network elements; type, distance and capacity of the connections between elements. The diagram can also include design assumptions for the network which aid in understanding the proposed system. The Network Diagram must be particular to the proposed network. Applicants should not include product literature or other general information in lieu of a Network Diagram.

## *Davis-Bacon Labor Requirement*

**What resource should be used to determine the proper prevailing wage figures for a given area to comply with the Davis-Bacon Act wage requirements for contractors and subcontractors?**

All applications and resulting contracts must contain Davis-Bacon labor standards and wage determinations. This requirement extends to contractors and subcontractors. More information can be found at <http://www.wdol.gov/Index.aspx>

## ***Funding Terms***

### **What is the repayment period for the loan portion?**

The repayment period of the loan is calculated based on the expected composite economic life of the facilities being financed.

### **How is interest calculated on the loan portion?**

The loan portion shall bear interest at a rate equal to the cost of borrowing to the Department of Treasury for obligations of comparable maturity. The interest rate will be determined at the time of each advance. The following website can be used to determine current interest rates:

<http://www.federalreserve.gov/Releases/H15/Current/>

### **Are awardees required to pay loan funds back immediately?**

Interest will begin accruing on the date of each loan advance and interest payments will due monthly following the first advance. Principal payments will start one year from the date of the first advance. Principal payments will be due monthly and will be established in an amount that amortizes the outstanding balance over the remaining term of the loan.

### **Can the loan portion of funding be paid off early?**

Yes, the loan portion can be paid off early without penalties.

## ***Financial Statements, Eligible Expenses, and Service Requirements***

**My organization is a non-profit or government entity and does not use cash flow statements, balance sheets, and income statements. In this case, do these documents need to be submitted?**

The applicant must submit pro forma financials to allow RUS to evaluate the financial feasibility and sustainability of the proposed project, regardless of whether the organization uses them in the course of regular business.

**What type of supporting documentation should be submitted as evidence of our organization's current financial position?**

Applicants should submit the last two years of audited financial statements or the last two years of tax returns. The application's pro forma financial statements reflect two baseline years of historical financial information, which should tie to the historical financial statements. Applicants should provide a reconciliation schedule if the historical financial statements are on a different fiscal year basis than the pro forma financial statements provided in the application. If an applicant is newly formed or is the consolidated entity of other companies, then the applicant should provide supporting documentation explaining this situation and supporting the current income statement, balance sheet, and cash flows.

**How do applicants reflect 2009 numbers if the audits have not been completed prior to the application window for Round 2 closing?**

Applicants should include their 2008 audited financials and 2009 unaudited financials for their historical financial information.

**Should pro forma financials reflect the finances of the applicant entities and all of their financial activities, or only that of the resulting project?**

Pro forma financials should reflect the finances of the applicant, including all of their financial activities. The proposed BIP project should be an incremental overlay to these statements. The applicant's financial assumptions should provide pertinent details behind the preparation of the pro forma financial statements. The standard format of these statements has been provided in the application. The applicant should clearly document the financial assumptions for funding of individual and multiple projects if they submit more than one application.

## **How should applicants present their pro forma financial statements if they have submitted multiple projects?**

For existing companies: Provide consolidated pro forma financial statements that include a baseline financial statement for your existing operations, which start with the previous two years of the company's financial position, for a five year projected period, with an additional set of financial statements that layer each of the operations for the additional applications into the baseline statements. In addition, provide a reconciliation schedule supporting the consolidation of the individual pro forma financial statements for revenue, capital spending, operating expenses, BIP funding, and external funding for the company.

For start-up operations: Provide consolidated pro forma financial statements that include the financial statements of the operation included in the application as the baseline financial statements, with an additional set of financial statements that layer each of the operations for the additional applications into the baseline statements. In addition, provide a reconciliation schedule supporting the consolidation of the individual pro forma financial statements for revenue, capital spending, operating expenses, BIP funding, and external funding for the company.

## **How should proposed BIP funding be reflected in the applicant's BIP pro forma financial statements?**

BIP and external funding are critical elements in reviewing BIP applications for eligibility and feasibility. It is important to properly and separately itemize RUS loans or grants from other third-party debt, equity, or grants in the cash flow statement, balance sheet, and income statement. Common errors that will cause an application to fail review include: executive summary or financial assumptions for funding are not documented or reflected in pro forma financial statements, proposed funding for the capital budget (project budget) does not support line items on pro forma cash flows, adequate working capital is not provided for operating expenses and non-eligible BIP capital funding, balance sheet reflects negative cash balances, or pro forma financial statements do not properly reconcile with each other. An application must support adequate cash funding for both capital and operating expenses, and the applicant may not use restricted cash from the Broadband Initiatives Program for any ineligible purpose, including working capital or operating expenses.

### **How should RUS loans be reflected on pro forma financial statements?**

RUS loans should be reflected as a source of cash on the pro forma cash flow separately from other equity, debt, or liabilities. The RUS loan should reconcile to project budget and project plan on the pro forma cash flow indicating when the cash will be used, and it should match the capital expenditures proposed in the application. The balance sheet should reflect the long- and short-term liability provided in the pro forma cash flow and be separately itemized on the balance sheet. The loan should begin repayment of principal within one year of the first draw and reflect the repayments on a separate line item in the cash flow statement. The balance sheet should reflect the outstanding balance of the long-term debt as repayments are made. Short-term liabilities should be reflected as payments are due in the fiscal year. The repayment period of the RUS loan should be determined by the composite economic life of the assets to be financed. Interest should be calculated based on the outstanding long-term and short-term RUS loan balance in the balance sheet and recorded in the appropriate year as interest expense on the income statement. Interest for BIP funds should be reported separately from other interest expenses incurred by the applicant.

### **How should RUS grants be treated on pro forma financial statements?**

RUS grants should be reflected as a source of cash on the pro forma cash flow separately from other equity, debt, or grants. The RUS grant should reconcile to project budget and project plan on the pro forma cash flow indicating when the cash will be used, and it should match the capital expenditures proposed in the application. The balance sheet should reflect the long- and short-term liability provided in the pro forma cash flow and be separately itemized on the balance sheet. Grants for depreciable fixed assets should be taken to income over the useful lives of the assets. The grant funds should be accounted for as deferred revenue in the year of receipt and recognized on a straight-line basis during the estimated useful life of the asset. This traditional grant accounting approach will provide a better matching of amortized revenue from the grant and depreciation expense of the fixed assets funded by the grant. Grant accounting assumptions should be documented in the financial assumptions and reflected on separate line items in the pro forma financial statements.

### **How should BIP assets be treated on pro forma financial statements?**

Assets funded by BIP funds should be reflected as a use of cash on the pro forma cash flow separately from other expenditures and match project budget and project plan. Assets should be depreciated over their estimated useful life with depreciation expense flowing through the income statement and accumulated depreciated presented on the balance sheet as a contra asset. Grants should not be netted against gross assets and should be reported separately in the pro forma financial statements.

### **To what extent can award funds be used to pay for expenditures of application preparation and other pre-application costs?**

RUS will fund reasonable pre-application expenses in an amount not to exceed 5 percent of the award for expenses incurred after the publication date of this NOFA.

### **Are contingency fees reimbursable pre-application expenses?**

No. Costs based solely on a contingent fee basis are not authorized under the applicable Office of Management and Budget Cost Circulars.

### **Are BIP grants taxable? If so, can the grantee use grant funds to pay the taxes?**

Applicants who are not exempt from taxation should consult with their tax advisors on the potential tax consequences of BIP grants. Federal taxes are not an eligible cost under Federal grant programs such as BIP. For an example of the analysis that the IRS may apply to BIP grants see: <http://www.irs.gov/pub/irs-drop/n-03-18.pdf>.

BIP staff cannot provide guidance on tax implications to applicants.

### **Are tower leases and indefeasible right of use (IRU) agreements considered capital leases and, thus, an allowable expense under BIP or are they considered operating leases and, thus, not an allowable expense?**

The cost of leasing facilities required to provide broadband service is an allowable expense if such lease qualifies as a capital lease under Generally Accepted Accounting Principles (GAAP). The applicant is responsible for ensuring compliance with GAAP. If there is a doubt about the classification of a particular lease, RUS expects the applicant to provide an explanation justifying the classification of its leasing arrangement as a capital lease.

### **Is labor an eligible cost?**

Yes. Labor costs are eligible if they are associated with activities related to the construction, deployment, or installation of facilities required to provide broadband service. Labor costs are **not** eligible if they are operating expenses directed to the maintenance of the organization or the facilities.

### **Are indirect costs eligible expenses?**

For BIP, indirect costs are generally an ineligible cost.

### **Is the cost of installing a cable modem, antenna, or other terminating or interconnection device at a customer's home or business an eligible cost for a broadband infrastructure project?**

Yes. During the funding period, both the purchase and labor costs for equipment for customer premises are eligible expenses, but only if the equipment is owned by the applicant.

### **Are the costs of the audits required by BIP eligible costs?**

No, the cost of an audit is a general and administrative expense and is not considered an approved loan or grant expense.

### **Can an applicant use funds to commercialize emerging broadband technologies?**

Consistent with the goals of the Recovery Act, BIP intends to focus on providing immediate access to broadband service. BIP broadband infrastructure projects must intend to provide service to areas that meet the eligibility requirements of the program. BIP funds **cannot** be used for general research.

### **How long must a project commit to providing broadband service?**

Projects must provide broadband service as proposed in the application for the composite economic life of the facilities, as approved by RUS, or as provided in the award documents for 100-percent grants, starting from the date of project completion.

## ***Non-discrimination and Interconnection***

### **The non-discrimination and interconnection requirements in the second NOFA are not identical to the language in the first NOFA. What has changed?**

The non-discrimination and interconnection requirements have not changed, and the same non-discrimination and interconnection requirements apply to Round 1 and Round 2 awardees. Any differences in language merely clarify, and do not change, awardee obligations. These clarifications are intended to strengthen and solidify awardee obligations.

### **What are the clarifications to the non-discrimination and interconnection requirements?**

Clarifications to awardees non-discrimination and interconnection requirements in the NOFA include:

- We have clarified that caching includes content delivery networks.
- We have clarified that virtual private networks (VPNs) are included in the types of managed networks that may be offered by awardees without running afoul of the non-discrimination and interconnection requirements.
- We have clarified that the non-discrimination and interconnection provisions do not apply to existing network arrangements or to non-awardees using the network.
- We have clarified that the non-discrimination and interconnection provisions apply only to the awardee, but that the awardee may pass these requirements on to entities deploying or operating the funded infrastructure by contract. For example, an awardee constructing a wireless tower as part of a BTOP or BIP project will be subject to the NOFA non-discrimination and interconnection obligations. Even if the awardee contracts out project

work, the awardee is solely and fully responsible for ensuring that these obligations are observed for the federally funded project. (The awardee may, at its option, state in a contract with a third party that the third party must comply with the obligations.) In addition, a last mile partner who does not receive BTOP/BIP funds, but who uses that tower to offer wireless services to retail end users, would not be subject to the non-discrimination and interconnection provisions.

**Why are you clarifying the non-discrimination and interconnection provisions?**

The clarifications are being made to the non-discrimination and interconnection provisions based on questions and input received from applicants during the first funding round and as part of the Request for Information (RFI) process used to gather input on the second funding round. The intent of these language changes is to provide as much clarity as possible, which will encourage the broadest possible participation in the program.

**What happens if the FCC issues new rules based on its open net neutrality proceeding?**

The second NOFA is identical to the first NOFA because it requires awardees to comply with the FCC Internet Policy Statement. Acknowledging that the FCC now has a proceeding open to address network non-discrimination (Preserving the Open Internet - GN 09-191), the second NOFA requires awardees to comply with any subsequent ruling or statement made on the matter by the FCC, to the extent applicable. It is important to note that this provision does not affect the FCC jurisdiction over this matter.

***Leasing Surplus Capacity***

**May an awardee lease surplus capacity on its network for wireless backhaul?**

Yes. The awardee may lease this capacity to another service provider with the purpose of the lease being the provision of broadband services, and as long as the applicant retains management and maintenance of its network; however, leasing bare towers and dark fiber not connected to any service or network equipment is not allowed.

**If a project includes both activated and dark fiber (for later expansion purposes), will all of the fiber be eligible for funding or only that which provides service from the outset?**

RUS intends to encourage cost-effective deployment of broadband infrastructure to unserved and underserved areas. As a result, all of the fiber will be considered an eligible cost. Dark fiber for future expansion need only not be excessive in its capacity when compared to the facilities that will directly and immediately provide the broadband service.

## ***Environmental Questionnaire***

### **Are all applicants required to complete an Environmental Questionnaire (EQ)?**

Yes, all applicants must complete the EQ for their application to be considered complete.

### **What is the purpose of the EQ?**

The purpose of the EQ is for BIP to be able to evaluate the potential environmental impacts of the proposed project.

### **Does BIP require maps for wireless projects where applicants will only be placing equipment on existing towers and buildings?**

If the applicant is placing or hanging wireless equipment on existing towers, BIP does not require a map for those locations. If new towers are being constructed, BIP will need maps for these locations. If equipment will be located on existing buildings and the equipment is visible, BIP will need a description and location of the buildings. If the buildings are over 50 years old, photographs of the buildings would be desirable.

### **If an applicant is proposing a large fiber route, does BIP need U.S. Geological Survey (USGS) maps for the entire route?**

For proposals involving fiber, BIP will need maps that indicate where the lines are proposed to go. Applicants may use the appropriate scaled USGS map that will convey the information to BIP.

### **What does the EQ mean by “historic properties”?**

Historic property means any prehistoric or historic district, site, building, structure, or object included in, or eligible for inclusion in, the National Register of Historic Places maintained by the Secretary of the Interior. This term includes artifacts, records, and remains that are related to and located within such properties. The term includes properties of traditional religious and cultural importance to an Indian tribe or Native Hawaiian organization and that meet the National Register criteria.

### **Do applicants have to provide floodplain map information for the entire route (fiber optic line projects), or only for locations where the applicant proposes to place a building?**

Applicants only need to evaluate buildings and structure locations and their proximity to floodplains.

## ***Sale and Lease of Assets***

### **Why have requirements on the sale and lease of assets changed?**

The second NOFA eliminates the 10-year holding rule on award-funded facilities from the first NOFA. Under the first NOFA, the government could not consent to a lease or sale in the first 10 years of the award, unless a request was included with the application. Based on input from the Request for Information (RFI), the second NOFA removes this rule and allows awardees to petition for a waiver authorizing the sale or lease of assets at any time during the life of the award-funded facilities. Moreover, each agency will consider waiver requests according to its respective department's rules on sale and lease, according to Office of Management and Budget (OMB) regulations.

## ***Waiver Requests***

### **Who is eligible for a waiver to receive grant funds in excess of 75 percent of total project funds requested?**

Applicants must demonstrate their need for additional grant funding based on the following factors: distance from non-rural areas, rural area targeting, density, median household income, and unemployment levels. The NOFA provides more details on the requirements for consideration. The Administrator will make the final determination and may award grants up to 100 percent.

### **If a request for a waiver is denied, will the application be rejected?**

If an applicant's request for a waiver is denied, the application may be adjusted by the Agency if an award is offered, or the application may be placed in a second review process and the applicant will be given an opportunity to revise its funding request.

### **May an applicant request more than \$10,000 per premises passed?**

Yes, the applicant would need to request a waiver from the Administrator. The Administrator will consider such requests based on whether the application provides assistance to a significant number of critical community facilities, supports a recognized rural regional development plan, supports public safety projects, enhances broadband service to rural libraries, supports persistent poverty counties or substantially unserved areas, including Indian country.

## ***Procurement Process***

**To what extent is it necessary for an applicant to complete its procurement process before submitting an application?**

RUS recognizes that procurement requirements may prevent an applicant from establishing contracting relationships in the time available for preparation and submission of an application. Applicants facing such restrictions should describe how they will recruit and select contractors so that the project will be completed in an appropriate timeframe for the size and scope of the project.

## ***Grant Requests on Applications Qualifying for Loans and Grants***

**If a project qualifies for a loan/grant combination, may the applicant request only the grant portion if they are willing to commit equity for what would be the loan portion?**

Yes. An applicant may substitute equity for the loan portion of the project and still receive the grant funding. The applicant should keep in mind that the extent of grant funding will still be considered in the scoring process. Applicants should review the NOFA rules carefully to ensure that the application meets the eligibility criteria.

**If an applicant chooses to substitute equity for the loan portion of the project, how can those funds be used?**

The equity substituted in lieu of loan funds must be used for eligible BIP purposes as addressed in the NOFA.

**\*\*Can applicants that propose to substitute equity in lieu of a loan provide the equity after the grant funds have been fully advanced?\***

No. If an applicant is proposing to substitute equity in lieu of the loan, they will be required to provide evidence that the full equity amount is available at closing. In addition, the applicant will be required to use equity funds on a pro rata basis with grant funds for each advance. The equity funds will be considered as loan funds for meeting the requirements of the NOFA.

## **Compliance Information**

### **Where can potential applicants find information concerning compliance requirements that will apply to awardees?**

Please see the applicable OMB Circulars pertaining to Administrative Regulations, Cost Principles, and Audit Requirements and guidance pertaining to Recovery Act reporting requirements:

- [http://www.whitehouse.gov/omb/grants\\_circulars/](http://www.whitehouse.gov/omb/grants_circulars/)
- [http://www.whitehouse.gov/omb/recovery\\_default/](http://www.whitehouse.gov/omb/recovery_default/)

### **\*\*Will RUS post on the web and make available to the public CPA audit reports of for-profit BIP awardees?\***

CPA audit reports of for-profit BIP awardees submitted to RUS will not be made public by RUS.

During the Compliance segment of several of the recent Round 2 Broadband Workshops, some participants had asked whether CPA audit reports of for-profit companies would be made public. In response, they were informed that CPA audits prepared under CFR 1773 would be made public. However, this response was inaccurate. CPA audits under 7 CFR 1773 submitted to RUS will be treated as confidential, to the extent permitted by law. Those audits prepared under OMB Circular A-133, however, are submitted to the Federal Audit Clearinghouse and are subject to Office of Management and Budget (OMB) rules. It had been planned that audits submitted to the clearinghouse for audit dates after September 30, 2009 would be made publicly available, but that public disclosure requirement is currently under reconsideration by OMB.

## ***Mapping Requirement and Resources***

**Are applicants required to use the mapping tool provided at [www.broadbandusa.gov](http://www.broadbandusa.gov)?**

Yes, BIP applicants must use the mapping tool to complete their applications. This tool provides a reference number after the map has been submitted. The reference number must be included in the application for it to be deemed complete. Please note that applicants who applied for funding in Round 1 and submitted a map through the mapping tool, will still be required to submit a new map through the tool for this round of funding.

**Are applicants allowed to re-use the maps created using the mapping tool during Round 1?**

No. Any maps created before February 16, 2010, will not be accepted for Round 2.

**What is the reference number that is created by the mapping tool when a map is submitted?**

The reference number is a combination of 16 letters and numbers presented in the following format: XXXX-XXXX-XXXX-XXXX. This number must be included in the online application form in the format shown. Failure to include this number will result in the application being deemed incomplete.

**Is there a national broadband services map recommended to assist in application preparation?**

The Interactive National Broadband Map completion deadline is February 17, 2011. Until then, applicants should rely on existing maps to prepare their application. Applicants should also consult the FCC National Broadband Plan, which will be published February 17, 2010.

**Can the maps that were drawn by applicants in Round 1 be accessed and viewed?**

No. The service areas that were approved have been included in the approved layer on the map that is provided in the mapping tool.

## ***Review Process***

**What sort of review will each application undergo?**

Each application is submitted to a rigorous review process. Applications are reviewed for completeness and eligibility, as well as financial and technical feasibility.

## ***Self Scoring Worksheet***

### **How do you determine the distance from non-rural areas (Scoring Criteria 3)?**

This determination will be based on the proposed funded service area closest to the non-rural area. Applicants should calculate the distance from the closest edge of the proposed funded service area to the closest edge of the non-rural area.

### **Can wholly owned subsidiaries of RUS Title II Borrowers receive the scoring points?**

No, to receive the points, the applicant MUST BE the Title II borrower.

### **Can an applicant use the cost of Spectrum for leveraging?**

Yes, the cost of Spectrum can be used for leveraging if it meets the following criteria:

1. The spectrum was purchased by the applicant or given to the applicant as an equity investment after the date the NOFA was published;
2. The Spectrum is included in the applicant's books; and
3. It was purchased for the proposed project.

### **Can funds provided for leveraging be used to pay operating expenses?**

Yes, the funds contributed for leveraging can be used to pay for operating expenses.

### **Can outside resources have been expended prior to the release of the NOFA?**

No, the outside resources would need to of been used after the publishing of the NOFA to be eligible for consideration.

### **How far in the future can outside resources be raised?**

The funds for outside resources to be used for leveraging must be available when the funding is awarded.

**If an applications cost per premises exceeds the \$10,000 that the funding is limited to, can the excess be applied towards leveraging?**

Yes, since the funding is limited to \$10,000 per premises, if the applicant can provide outside resources for the amount that exceeds the \$10,000, that amount can be applied towards leveraging. The application would need to clearly explain where the additional funding will come from and this funding should be included in the proforma financial projections.

## ***Satellite Applications***

**What is the application deadline for satellite applications and when will the application be available?**

The Agency will publish a Request for Proposals (RFP) for satellite grants. This RFP will include the funding allocations, application requirements, and the dates for submission.

**How must applicants submit satellite applications?**

Satellite applications must be submitted electronically using the online application tool at [www.broadbandusa.gov](http://www.broadbandusa.gov).

**What is considered a satellite project?**

A satellite project means any project to provide broadband service to unserved, rural premises either by funding customer premises equipment, terrestrial equipment, or discounted broadband service for at least one year.

**Who is eligible to apply for satellite projects?**

To apply for satellite funding, the organization must be a satellite Internet service provider (ISP), a reseller of satellite ISP service, a distributor or dealer of satellite ISP service, or a consortium of all three of the above.

**What is an eligible service area for a satellite project?**

Applicants can propose to serve only unserved rural premises in any of the eight regions listed in Section IX.T of the NOFA. Note that unserved rural premises in proposed funded service areas of awardees under Round 1 and Round 2 will not be eligible for services from satellite projects.

**Can satellite applicants propose to serve more than one region?**

Yes. Applicants may propose to serve more than one region in an application. The application must be broken out for each region.

**Will more than one application be approved for a region?**

No. Only one application will be approved for a region.

**What must an applicant propose to provide to be eligible as a satellite project?**

At a minimum, an application must commit to providing broadband service, customer premises equipment (CPE) to subscribers at no cost, and providing such subscribers at least a 25-percent reduction in the applicant's service rates as of December 31, 2009, for a term of at least one year.

***Technical Assistance Applications***

**What is the application deadline for submitting technical assistance applications and when will the application be available?**

The Agency will publish a Request for Proposals (RFP) for technical assistance grants. This RFP will include the funding allocations, application requirements, and the dates for submission.

**How must applicants submit technical assistance applications?**

Technical assistance applications **must be submitted on paper**. Copies of these applications may be obtained at [www.broadbandusa.gov](http://www.broadbandusa.gov).

**Who is eligible to apply for a Technical Assistance grant?**

Awardees from the Round 1 NOFA and applicants that apply under the Round 2 NOFA are eligible to apply.

**Will there be a limit on the amount of grant funds that will be provided for technical assistance applications?**

Yes. Grants for technical assistance will be made in an amount not to exceed \$200,000 per applicant.

## ***Rural Library Broadband Applications***

### **What is the application deadline for submitting rural library broadband applications and when will the application be available?**

The Agency will publish a Request for Proposals (RFP) for rural library broadband grants. This RFP will include the funding allocations, application requirements, and the dates for submission

### **How must applicants submit rural library broadband applications?**

Rural library broadband applications **must be submitted on paper**. Copies of these applications may be obtained at [www.broadbandusa.gov](http://www.broadbandusa.gov).

### **Who is eligible to apply for a Rural Library Broadband grant?**

Awardees from the Round 1 NOFA and applicants that apply under the Round 2 NOFA are eligible to apply.

### **What can Rural Library Broadband grant funds be used for?**

The applicant may use award funds to pay for the costs of the last mile connection to the library.

## ***Contractors and Vendors***

### **Will RUS assist vendors with networking to promote their services to BIP applicants?**

No. As a Federal Agency, RUS can not promote one vendors services over another.

### **What is the procedure for being placed on an approved contractor's list for BIP funding?**

RUS does not maintain a list of approved contractors for any of its programs. If you are referring to the Approved List of Materials, this is not required for BIP.

## ***Native Americans***

### **\*\*Do the restrictions that an applicant cannot apply for an award for areas that are receiving broadband service from an RUS borrower apply to Native American lands?\***

The ineligibility of areas in which RUS borrowers provide broadband service (74 Fed. Reg. 3820, 3827 (January 22, 2010)) will not apply to Native American lands if the Indian Tribe applies for funding and certifies to RUS that any one of the following exist on such lands at the time of the application for Recovery Act funding:

- the penetration rate for telephone service is less than 95%;
- the penetration rate for broadband service is less than 50%; or
- less than 50% of the geographic area has access to broadband service.

This certification must be included in the supplemental attachment section of the Easygrants application. For the purposes of this NOFA, Indian Tribe means, as provided in section 4 of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. § 450b, any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C.A. § 1601 et seq., which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians. Entities of an Indian Tribal government will be treated as an Indian Tribe under the NOFA.

### **Please note that all other eligibility and evaluation requirements of the NOFA still apply.**

### **\*\*Do Indian Tribes need to be an awardee under the First Round NOFA or an applicant under the Second Round NOFA to be eligible for a Technical Assistance Grant?\***

Indian Tribes **do not** need to be an awardee under the First Round NOFA or an applicant under the Second Round NOFA to be eligible for a Technical Assistance Grant.

### **\*\*If an applicant is proposing to provide service on Tribal lands is the applicant required to consult with the Indian Tribe prior to submitting its application for consideration?\***

The applicant must consult with the Indian Tribe and provide evidence of this consultation in its application. This consultation will be important to determining tribal and community support for the project and the ability of the applicant to secure approvals necessary to deploy broadband on native lands. This may have a direct impact on the feasibility of the proposed project, including the accuracy of penetration rates.

## Persistent Poverty Counties

**\*\*Where do you find a list of persistent poverty counties?\***

The following is a list of persistent poverty counties.

<u>State</u>	<u>County</u>	<u>FIPS</u>
AK	Bethel Census Area	2050
AK	Dillingham Census Area	2070
AK	Wade Hampton Census Area	2270
AK	Yukon-Koyukuk Census Area	2290
AL	Barbour County	1005
AL	Bibb County	1007
AL	Bullock County	1011
AL	Butler County	1013
AL	Choctaw County	1023
AL	Clarke County	1025
AL	Conecuh County	1035
AL	Crenshaw County	1041
AL	Dallas County	1047
AL	Escambia County	1053
AL	Greene County	1063
AL	Hale County	1065
AL	Lee County	1081
AL	Lowndes County	1085
AL	Macon County	1087
AL	Marengo County	1091
AL	Monroe County	1099
AL	Perry County	1105
AL	Pickens County	1107
AL	Pike County	1109
AL	Sumter County	1119
AL	Wilcox County	1131
AR	Bradley County	5011
AR	Chicot County	5017
AR	Columbia County	5027
AR	Crittenden County	5035
AR	Desha County	5041

AR	Jefferson County	5069
AR	Lafayette County	5073
AR	Lee County	5077
AR	Mississippi County	5093
AR	Monroe County	5095
AR	Nevada County	5099
AR	Newton County	5101
AR	Phillips County	5107
AR	Poinsett County	5111
AR	Searcy County	5129
AR	St. Francis County	5123
AR	Woodruff County	5147
AZ	Apache County	4001
AZ	Navajo County	4017
CO	Alamosa County	8003
CO	Conejos County	8021
CO	Costilla County	8023
CO	Saguache County	8109
FL	Alachua County	12001
FL	Hamilton County	12047
FL	Hardee County	12049
FL	Madison County	12079
GA	Atkinson County	13003
GA	Bacon County	13005
GA	Baker County	13007
GA	Ben Hill County	13017
GA	Brooks County	13027
GA	Bulloch County	13031
GA	Burke County	13033
GA	Calhoun County	13037
GA	Candler County	13043
GA	Clarke County	13059
GA	Clay County	13061
GA	Clinch County	13065
GA	Crisp County	13081
GA	Decatur County	13087
GA	Dooly County	13093
GA	Dougherty County	13095
GA	Early County	13099
GA	Emanuel County	13107
GA	Evans County	13109
GA	Grady County	13131
GA	Greene County	13133

GA	Hancock County	13141
GA	Jefferson County	13163
GA	Jenkins County	13165
GA	Johnson County	13167
GA	Macon County	13193
GA	Marion County	13197
GA	Miller County	13201
GA	Mitchell County	13205
GA	Peach County	13225
GA	Quitman County	13239
GA	Randolph County	13243
GA	Screven County	13251
GA	Seminole County	13253
GA	Stewart County	13259
GA	Sumter County	13261
GA	Talbot County	13263
GA	Taliaferro County	13265
GA	Tattall County	13267
GA	Taylor County	13269
GA	Telfair County	13271
GA	Terrell County	13273
GA	Toombs County	13279
GA	Treutlen County	13283
GA	Turner County	13287
GA	Ware County	13299
GA	Warren County	13301
GA	Washington County	13303
GA	Wheeler County	13309
GA	Wilcox County	13315
HI	Kalawao County	15005
ID	Madison County	16065
IL	Alexander County	17003
IL	Jackson County	17077
IL	Pulaski County	17153
KY	Adair County	21001
KY	Bath County	21011
KY	Bell County	21013
KY	Breathitt County	21025
KY	Carter County	21043
KY	Casey County	21045
KY	Clay County	21051
KY	Clinton County	21053
KY	Cumberland County	21057

KY	Elliott County	21063
KY	Estill County	21065
KY	Floyd County	21071
KY	Fulton County	21075
KY	Harlan County	21095
KY	Hart County	21099
KY	Jackson County	21109
KY	Johnson County	21115
KY	Knott County	21119
KY	Knox County	21121
KY	Laurel County	21125
KY	Lawrence County	21127
KY	Lee County	21129
KY	Leslie County	21131
KY	Letcher County	21133
KY	Lewis County	21135
KY	Lincoln County	21137
KY	Magoffin County	21153
KY	Martin County	21159
KY	McCreary County	21147
KY	Menifee County	21165
KY	Metcalfe County	21169
KY	Monroe County	21171
KY	Morgan County	21175
KY	Owsley County	21189
KY	Perry County	21193
KY	Powell County	21197
KY	Robertson County	21201
KY	Rockcastle County	21203
KY	Rowan County	21205
KY	Russell County	21207
KY	Wayne County	21231
KY	Whitley County	21235
KY	Wolfe County	21237
LA	Acadia Parish	22001
LA	Assumption Parish	22007
LA	Avoyelles Parish	22009
LA	Bienville Parish	22013
LA	Caldwell Parish	22021
LA	Catahoula Parish	22025
LA	Claiborne Parish	22027
LA	Concordia Parish	22029
LA	De Soto Parish	22031

LA	East Carroll Parish	22035
LA	East Feliciana Parish	22037
LA	Evangeline Parish	22039
LA	Franklin Parish	22041
LA	Grant Parish	22043
LA	Iberville Parish	22047
LA	Lincoln Parish	22061
LA	Madison Parish	22065
LA	Morehouse Parish	22067
LA	Natchitoches Parish	22069
LA	Orleans Parish	22071
LA	Ouachita Parish	22073
LA	Pointe Coupee Parish	22077
LA	Red River Parish	22081
LA	Richland Parish	22083
LA	Sabine Parish	22085
LA	St. Helena Parish	22091
LA	St. Landry Parish	22097
LA	Tangipahoa Parish	22105
LA	Tensas Parish	22107
LA	Washington Parish	22117
LA	West Carroll Parish	22123
LA	Winn Parish	22127
MD	Baltimore city	24510
MO	Carter County	29035
MO	Dunklin County	29069
MO	McDonald County	29119
MO	Mississippi County	29133
MO	New Madrid County	29143
MO	Oregon County	29149
MO	Ozark County	29153
MO	Pemiscot County	29155
MO	Reynolds County	29179
MO	Ripley County	29181
MO	Shannon County	29203
MO	St. Louis city	29510
MO	Texas County	29215
MO	Washington County	29221
MO	Wayne County	29223
MO	Wright County	29229
MS	Adams County	28001
MS	Amite County	28005
MS	Attala County	28007

MS	Benton County	28009
MS	Bolivar County	28011
MS	Chickasaw County	28017
MS	Choctaw County	28019
MS	Claiborne County	28021
MS	Clarke County	28023
MS	Clay County	28025
MS	Coahoma County	28027
MS	Copiah County	28029
MS	Covington County	28031
MS	Forrest County	28035
MS	Franklin County	28037
MS	Grenada County	28043
MS	Holmes County	28051
MS	Humphreys County	28053
MS	Issaquena County	28055
MS	Jasper County	28061
MS	Jefferson County	28063
MS	Jefferson Davis County	28065
MS	Kemper County	28069
MS	Lafayette County	28071
MS	Lauderdale County	28075
MS	Leake County	28079
MS	Leflore County	28083
MS	Lowndes County	28087
MS	Marion County	28091
MS	Marshall County	28093
MS	Montgomery County	28097
MS	Neshoba County	28099
MS	Noxubee County	28103
MS	Oktibbeha County	28105
MS	Panola County	28107
MS	Perry County	28111
MS	Pike County	28113
MS	Quitman County	28119
MS	Scott County	28123
MS	Sharkey County	28125
MS	Simpson County	28127
MS	Sunflower County	28133
MS	Tallahatchie County	28135
MS	Tunica County	28143
MS	Walthall County	28147
MS	Washington County	28151

MS	Wayne County	28153
MS	Wilkinson County	28157
MS	Winston County	28159
MS	Yalobusha County	28161
MS	Yazoo County	28163
MT	Big Horn County	30003
MT	Blaine County	30005
MT	Glacier County	30035
MT	Golden Valley County	30037
MT	Petroleum County	30069
NC	Bertie County	37015
NC	Bladen County	37017
NC	Columbus County	37047
NC	Halifax County	37083
NC	Martin County	37117
NC	Northampton County	37131
NC	Pitt County	37147
NC	Robeson County	37155
NC	Tyrrell County	37177
NC	Washington County	37187
ND	Benson County	38005
ND	Emmons County	38029
ND	Grant County	38037
ND	Rolette County	38079
ND	Sheridan County	38083
ND	Sioux County	38085
NE	Thurston County	31173
NM	Catron County	35003
NM	Cibola County	35006
NM	Dona Ana County	35013
NM	Guadalupe County	35019
NM	Luna County	35029
NM	McKinley County	35031
NM	Mora County	35033
NM	Rio Arriba County	35039
NM	Roosevelt County	35041
NM	San Juan County	35045
NM	San Miguel County	35047
NM	Socorro County	35053
NM	Taos County	35055
NY	Bronx County	36005
NY	Kings County	36047
OH	Athens County	39009

OK	Adair County	40001
OK	Caddo County	40015
OK	Cherokee County	40021
OK	Choctaw County	40023
OK	Coal County	40029
OK	Harmon County	40057
OK	Haskell County	40061
OK	Hughes County	40063
OK	Johnston County	40069
OK	Latimer County	40077
OK	McCurtain County	40089
OK	Okfuskee County	40107
OK	Pushmataha County	40127
OK	Tillman County	40141
PA	Philadelphia County	42101
SC	Allendale County	45005
SC	Bamberg County	45009
SC	Clarendon County	45027
SC	Colleton County	45029
SC	Dillon County	45033
SC	Hampton County	45049
SC	Jasper County	45053
SC	Lee County	45061
SC	Marion County	45067
SC	Marlboro County	45069
SC	Orangeburg County	45075
SC	Williamsburg County	45089
SD	Bennett County	46007
SD	Buffalo County	46017
SD	Charles Mix County	46023
SD	Corson County	46031
SD	Dewey County	46041
SD	Gregory County	46053
SD	Jackson County	46071
SD	Lyman County	46085
SD	McPherson County	46089
SD	Mellette County	46095
SD	Roberts County	46109
SD	Shannon County	46113
SD	Todd County	46121
SD	Ziebach County	46137
TN	Campbell County	47013
TN	Claiborne County	47025

TN	Cocke County	47029
TN	Fentress County	47049
TN	Grundy County	47061
TN	Hancock County	47067
TN	Johnson County	47091
TN	Lake County	47095
TN	Scott County	47151
TX	Atascosa County	48013
TX	Bee County	48025
TX	Brazos County	48041
TX	Brooks County	48047
TX	Cameron County	48061
TX	Cochran County	48079
TX	Crosby County	48107
TX	Dimmit County	48127
TX	Duval County	48131
TX	Edwards County	48137
TX	El Paso County	48141
TX	Falls County	48145
TX	Floyd County	48153
TX	Frio County	48163
TX	Gaines County	48165
TX	Hall County	48191
TX	Haskell County	48207
TX	Hidalgo County	48215
TX	Houston County	48225
TX	Hudspeth County	48229
TX	Jim Hogg County	48247
TX	Jim Wells County	48249
TX	Karnes County	48255
TX	Kinney County	48271
TX	Kleberg County	48273
TX	Knox County	48275
TX	La Salle County	48283
TX	Lamb County	48279
TX	Lynn County	48305
TX	Marion County	48315
TX	Maverick County	48323
TX	McCulloch County	48307
TX	Menard County	48327
TX	Presidio County	48377
TX	Real County	48385
TX	Reeves County	48389

TX	Robertson County	48395
TX	San Augustine County	48405
TX	Starr County	48427
TX	Terry County	48445
TX	Uvalde County	48463
TX	Val Verde County	48465
TX	Webb County	48479
TX	Willacy County	48489
TX	Zapata County	48505
TX	Zavala County	48507
UT	San Juan County	49037
VA	Charlottesville city	51540
VA	Lee County	51105
VA	Northampton County	51131
WV	Braxton County	54007
WV	Calhoun County	54013
WV	Clay County	54015
WV	Gilmer County	54021
WV	Lincoln County	54043
WV	McDowell County	54047
WV	Mingo County	54059
WV	Summers County	54089
WV	Webster County	54101