

RURAL UTILITIES SERVICE
Telecommunications Programs

Community Connect Grant Program
Application Guide
Fiscal Year 2012



Committed to the future of rural communities

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**Rural Utilities Service Telecommunications Programs
Community-Oriented Connectivity Broadband Grant Program**

The Community-Oriented Connectivity Broadband Grant Program (Community Connect Grant Program) is designed to provide financial assistance to furnish broadband service in rural, economically-challenged communities where such service does not currently exist. Grant funds may be utilized to: (1) deploy broadband transmission service to critical community facilities, rural residents, and rural businesses, (2) construct, acquire, or expand a community center, and (3) equip and operate a community center that provides free access to broadband services to community residents for at least two years. Grants will be awarded on a competitive basis to entities serving communities of up to 20,000 inhabitants to ensure rural consumers enjoy the same quality and range of telecommunications service as are available in urban and suburban communities.

!! BEFORE YOU GET STARTED !!

You must read:

- ◆ *7 CFR 1739, Subpart A, published in the Federal Register on August 3, 2007.*

And

- ◆ *Notice of Funds Availability (NOFA) published in the Federal Register on May 3, 2012.*

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

For additional information concerning this grant program, please contact:

**Kenneth Kuchno, Director, Broadband Division, Telecommunications Program
(202) 690-4673 or Email: community.connect@wdc.usda.gov.**

Additional information and forms are available on our website at:

http://www.rurdev.usda.gov/utp_commconnect.html

When and Where to Submit your Application:

GRANT applications must be postmarked by:

June 18, 2012

An **original, with original signatures, and two copies** of a **completed application** must be postmarked, shipped, or hand-delivered by the deadline date noted above. **Applications must be submitted to:**

**Director, Broadband Division
Rural Utilities Service
STOP 1599, Room 2868
1400 Independence Ave., SW
Washington, D.C. 20250-1599**

Due to the possible disruptions in mail delivery service, applicants are strongly encouraged to submit applications via express mail or hand delivery to our office.

Applicants that submit their applications after the deadline noted above will be notified that their applications will not be considered for funding and their applications will be returned.

Applications Delivered by Mail:

Paper applications must show proof of mailing or shipping consisting of one of the following:

1. A legibly dated U.S. Postal Service (USPS) postmark;
2. A legible mail receipt with the date of mailing stamped by the USPS; or
3. A dated shipping label, invoice, or receipt from a commercial carrier.

If an application is sent through the USPS, neither of the following will be accepted as proof of mailing:

1. A private metered postmark; or
2. A mail receipt that is not dated by the USPS.

Applicants should note that the USPS does not uniformly provide a dated postmark. Before relying on this method, an applicant should check with its local post office.

Applications Delivered by Hand:

Applications delivered by hand will be accepted daily between 8:00 a.m. and 4:30 p.m. (Eastern Standard Time), except Saturdays, Sundays, and Federal holidays. Individuals delivering applications must provide proper identification to enter the building.

Applications Submitted Electronically:

Electronic applications will only be accepted when submitted through the Grants.gov website. Applications will not be accepted via facsimile machine transmission or electronic mail.

www.grants.gov

If you want to submit an application on-line, the Rural Utilities Service (RUS) strongly encourages you to obtain all necessary sign-ups, credentials and authorizations well in advance of the deadline.

You will need to register with the Central Contractor Registration (CCR) before you can submit an application electronically. Be sure to complete the Marketing Partner ID (MPIN) and Electronic Business Primary Point of Contact fields during the CCR registration process. These fields are mandatory when submitting grant applications through www.grants.gov.

In addition, Grants.gov requires some one-time credentialing and online authentication procedures. These procedures may take several business days to complete. Because several of Grants.gov's requirements call for an annual update, applicants should also ensure that their credentials and authorizations are up-to-date.

The Grants.gov website, like all web facilities, has finite capacity. If several federal grant programs have the same application deadline date, periods of site overloading can be experienced. Please plan accordingly.

Please follow the instructions at Grants.gov. If you experience a technical problem retrieving or submitting an electronic application, contact the Grants.gov customer support resources (click the "Customer Support" tab on any page of Grants.gov to get started). RUS staffers do not control the technical aspects of Grants.gov and won't be able to help you if you experience a problem. However, we are available to answer questions about the Program and the contents of an application.

Applying for a Grant

Grant Processing

Completed applications must be postmarked, hand delivered, or submitted through www.grants.gov by June 18, 2012 in order to be considered for funding. Grant applications will be reviewed and scored in accordance with the provisions of 7 CFR 1739.

Applicant Eligibility

Only entities legally organized as one of the following are eligible for funding:

- a) An incorporated organization,
- b) An Indian Tribe or tribal organization, as defined in 25 U.S.C. 450b(b) and (c),
- c) A state or local unit of government, or
- d) A cooperative, private corporation or limited liability company organized on a for-profit or not-for-profit basis.

Note: The applicant may not be an individual or partnership.

Applicants must also have the legal capacity and authority to own and operate the broadband facilities as proposed in its application, to enter into contracts and to otherwise comply with applicable federal statutes and regulations.

Project Eligibility

To be eligible for a grant, the Project must:

- ◆ Serve a Rural Area where Broadband Transmission Service does not currently exist, to be verified by RUS prior to the award of the grant. When determining if a community has no existing broadband service, we encourage applicants to refer to the Federal Communication Commission's National Broadband Map;
- ◆ Serve one and only one Community recognized in the latest decennial census (2010) as published by the Bureau of the Census or in the most recent edition of the Rand McNally Atlas containing population data. *The most recent edition of a Rand McNally Atlas must contain, at a minimum, communities recognized by a Rand McNally Commercial Atlas and Marketing Guide.* **If your application includes more than one community then it will be considered ineligible;**
- ◆ Deploy Basic Broadband Transmission Service, free of all charges for at least 2 years, to all Critical Community Facilities located within the proposed Service Area;
- ◆ Offer Basic Broadband Transmission Service to residential and business customers within the proposed Service Area; and

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- ◆ Provide a Community Center with at least ten (10) Computer Access Points within the proposed Service Area, and make Broadband Transmission Service available therein, free of all charges, to users for at least 2 years.

Rurality Requirement

The proposed project must provide broadband transmission service to a rural area that does not currently have such service anywhere in the proposed service area. A “Rurality Calculation Table” is provided for this computation (See Attachment 3), and should be based upon 2010 decennial Census Data contained in the US Census Bureau of the census at <http://factfinder2.census.gov> or the most recent edition of a Rand McNally Atlas.

Data obtained from the Rand McNally Atlas is only acceptable if the community cannot be identified on the U.S. Bureau of the Census Website. If utilizing the most recent edition of a Rand McNally Atlas to validate a community, only communities that include population data are permissible.

Eligible Grant Purposes

Grant funds may be used to finance:

1. The construction, acquisition, or leasing of facilities, including spectrum, to deploy Broadband Transmission Service to all critical community facilities and to offer such service to all residential and business customers located within the proposed service area.
2. The improvement, expansion, construction, acquisition, or leasing of a community center that furnishes free access to broadband Internet service, provided that the community center is open and accessible to area residents before, during, and after normal working hours and on Saturday or Sunday. **Grant funds provided for the community center are limited to the greater of \$100,000 or 5% of the grant amount requested.**
 - The costs of the computer access points, their installation, or connection to the broadband transmission system are not included in this limitation.
 - The acquisition or leasing of land for the community center is not included in this limitation.

Note: The total cost of the community center may exceed the maximum limit set forth in CFR 1739.12 (b), but it will be the responsibility of the applicant to finance those expenditures which exceed \$100,000. Furthermore, any amount in excess of \$100,000 cannot be used to satisfy the matching contribution requirement. If the total amount of the grant plus matching contribution exceeds \$100,000, the matching contribution will be reduced. If after this adjustment, the total matching contribution is less than 15% of the grant request, then the application will be considered ineligible.

3. End-user equipment needed to carry out the project.

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Note: Only that end-user equipment which is needed for the provision and use of Broadband Transmission Service is considered eligible. Costs for items such as camcorders and video conferencing equipment are not considered necessary to carry out the purposes of the project and provision Broadband Transmission Service, and therefore are ineligible for grant funding or to satisfy the matching requirement.

4. All operating expenses incurred in providing broadband transmission service to critical community facilities and to provide training and instruction for the first two years of operation. The costs for such items cannot exceed a combined total of \$250,000 in grant and/or matching funds. Further details on limitations of operating expenses can be found under the “Scope of Work” section in this guide. Salary and administrative expenses will be subject to review and may be limited by RUS for reasonableness in relation to the scope of the project.
5. The purchase of land, buildings, or building construction needed to carry out the project.

All equipment purchased with grant and/or matching funds must be new or non-depreciated.

Ineligible Grant Purposes

1. Grant Funds may not be used to finance the duplication of any existing broadband service provided by other entities; and
2. Facilities financed with grant funds cannot be used, in any way, to provide local exchange telecommunications service to any person or entity already receiving such service.

Matching Funds Requirement

Grant applicants must provide a matching contribution of at least 15% of the total amount of financial assistance being requested. The applicant’s minimum matching contribution must be for **eligible grant purposes only**. Matching funds are subject to dollar amount limitations set for the Community Center and Operating Expenses. The aggregate total amount of grant funds and matching contributions cannot exceed limitations set forth in regulation. For example, the total amount available to be used for grant and matching funds for the community center is \$100,000 and the total amount available to be used for grant and matching funds for operating expenses is \$250,000

Matching funds shall be in the form of:

1. Cash for eligible grant purposes, and may include:
 - Bandwidth expenses used to provide Basic Broadband Transmission Services to the Community Center for the first 2 years of operation.
 - Salary expenses incurred in operating the Community Center for the first 2 years of operation.
2. In-kind contributions of eligible grant purposes:

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- Must be new or non-depreciated assets with established monetary values.
3. The rental value of space provided within an existing building to be used as the Community Center, provided that the space is free of all charges to the applicant, for the first 2 years of operation.
- The value of rental income for donated space in a community center must be calculated for the first two years of operation. Rental values must be supported by rental agreements, documenting the cost of space of a similar size in a similar location.

Costs incurred by the applicant, or others on behalf of the applicant, for facilities, installed equipment, or other services rendered prior to submission of a completed application, shall not be considered as an eligible matching contribution.

Manufacturers' or service providers' discounts are not matching contributions.

Income generated from the proposed project *may not* be used to satisfy the matching contribution requirement.

The source and amount of matching funds must be identified in the application and evidence must be submitted demonstrating that all funding arrangements have been obtained. For instance, bank statements should be provided for any entity proposing to provide cash for the project. The applicant or third party's commitment must be included in the application.

Any financial assistance from Federal sources will not be considered as matching contributions unless there is a Federal statutory exception authorizing the Federal financial assistance to be considered as a matching contribution.

Those entities submitting multiple applications for financial assistance must demonstrate that they have the financial wherewithal to support all submitted applicants. For example, if three applications are submitted by one entity and each application proposes to fulfill the matching requirement though \$10,000 in cash, then the applicant must demonstrate that they have at least \$30,000 in cash on hand when they apply.

CCR Registration

All Community Connect grant applicants must register with the Central Contractor Registration (CCR), the primary vendor database for the US Federal government, before applying for federal funding. This includes applicants submitting both electronic and paper applications. Applicants may register with CCR at <https://www.uscontractorregistration.com/> or by calling 1-877-252-2700. Applicants should keep in mind that it can take up to five business days to register with CCR so applicants should plan accordingly and begin the process well in advance of the application deadline. In order to register with CCR, your organization will need a Data Universal Numbering System (DUNS) number.

The CCR registration must remain active, with current information, at all times during the time when an entity has an application under consideration by an agency or when the entity has an active Federal award. To remain registered in the CCR database after the initial registration, applicants are required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete.

Completing the Grant Application

This section addresses all of the information that must be submitted for an application to be complete and considered for financing. Please include all information requested under each section, even if it is repeated in another section.

- | | |
|--|--|
| A. <i>A Completed Application for Federal Assistance (Standard Form 424)</i> | H. <i>Financial Information and Sustainability</i> |
| B. <i>CCR Registration CAGE Code</i> | I. <i>A Statement of Experience</i> |
| C. <i>An Executive Summary of the Project</i> | J. <i>Evidence of Legal Authority and Existence</i> |
| D. <i>Scoring Criteria Documentation</i> | K. <i>Funding Commitments from Other Sources</i> |
| E. <i>System Design</i> | L. <i>Compliance with Other Federal Statutes and Regulations</i> |
| F. <i>Scope of Work</i> | |
| G. <i>Community-Oriented Connectivity Plan</i> | |

Tips:

- Please double check your application to ensure it includes all requested items
- Place all of the information supporting a scoring criterion together in the section of the application that responds to that criterion
- Reviewers are unlikely to have first-hand knowledge regarding your specific locale or circumstances so always provide source documentation to substantiate your assertions

A. A Completed Standard Form 424, “Application for Federal Assistance”

All applicants requesting funding under the Community Connect Grant Program must complete the Standard Form 424, Application for Federal Assistance (SF 424). You can find a copy of the form on our website at http://www.rurdev.usda.gov/utp_commconnect.html. It is important that you complete every relevant entry on the form. Please use the following notes in conjunction with the SF-424 instructions.

Block 1: Select “Application”

Block 2: Select “New”

Block 3: For RUS use - leave blank

Block 4: For RUS use - leave blank

Block 5: (a) and (b): For RUS use - leave blank

Block 6: Not Applicable

Block 7: Not Applicable

Block 8: There are multiple entries in this block. We will use the contact information provided in this box for all contact and correspondence. Please complete this in full and attach a sheet if you want to provide additional contacts. It is crucial that we have accurate information, including a reliable fax number for rapid correspondence. If you do not have a fax number, we will need a reliable e-mail address. Otherwise, correspondence will be sent by mail. You must provide full, accurate contact information for someone with the authority to answer any questions RUS staff may have about your application.

If you wish to supply a contact from outside your organization, attach a letter immediately behind the SF-424 listing these items: person's name, organization, contact information (phone, fax, e-mail, mailing address), relationship to your organization. Make sure the letter contains language granting authority to the person to answer our questions or provide additional information on your behalf, and any time limit you wish to apply to that person's authority. This letter must be signed by the signatory on the SF-424.

As required by the Office of Management and Budget, **all applicants for grants must supply a Dun and Bradstreet Data Universal Numbering System (DUNS) number.** Call Dun and Bradstreet (1-866-705-5711) to obtain a DUNS number. Please see this website for more information:

http://www.whitehouse.gov/omb/grants/duns_num_guide.pdf

Block 9: Refer to Instructions for the SF-424; Select Appropriate Letter (A-X)

Block 10: The Name of the Federal Agency is Rural Utilities Service

Block 11: The Catalog of Federal Assistance Number is **10.863**

Block 12: Funding Opportunity Number is **RDRUS-CC-2012**
The Title is “**Community Connect Grant Program**”

Block 13: Not Applicable

Block 14: Please provide the name of the community, county, and state where the grant funds will be used.

Block 15: Brief descriptive title of project

Block 16: Please provide the Congressional District of the community you are in, and if different provide the Congressional District for the community you are proposing to service in your project.

Block 17: Self Explanatory

Block 18: (Estimated Funding)

a. Federal Show the amount requested from RUS as grant

The minimum grant request amount is: \$100,000

The maximum grant request amount is: \$1,500,000

b. Applicant Show the total matching contribution amount.

c, d, e, & f. Leave Blank

g. TOTAL Show *Total Eligible Community Connect Grant + Matching Purposes* (this should be the sum of a. and b. above - and it should also equal the Total Eligible Grant and Matching Purposes shown in your budget under the Scope of Work Section F.)

Block 19: Please select “C” “Program is not covered by E.O. 12372”. Per regulation 7 CFR 1739-Supplementary Information, this program is not subject to the requirements of Executive Order 12372.

Block 20: You must supply an explanation of the delinquency if you check "yes".

Block 21: Please be sure to check “I agree”. The application must be signed by an authorized representative of the organization that will own and operate the project if a grant is awarded. If the signer is not a corporate officer, you must include evidence that the signer is authorized to obligate the organization.

B. Central Contractor Registration (CCR)

All Community Connect grant applicants must register with the Central Contractor Registration (CCR), the primary vendor database for the US Federal government, before applying for federal funding. This includes applicants submitting both electronic and paper applications. Applicants may register with CCR at <https://www.uscontractorregistration.com/> or by calling 1-877-252-2700. Applicants should keep in mind that it can take up to five business days to register with CCR so applicants should plan accordingly and begin the process well in advance of the application deadline. In order to register with CCR, your organization will need a Data Universal Numbering System (DUNS) number.

The CCR registration must remain active, with current information, at all times during the time when an entity has an application under consideration by an agency or when the entity has an active Federal award. To remain registered in the CCR database after the initial registration, applicants are required to review and update on an annual basis (from the date of initial registration or subsequent updates) its information in the CCR database to ensure it is current, accurate and complete.

To complete this section of the application, provide the Commercial and Government Entity (CAGE) code assigned when you registered.

C. An Executive Summary of the Project

The Executive Summary of the project is one of the most important parts of the application. It gives reviewers their first overall view of the area to be served, what problems the residents face, and how the proposed project will help alleviate those problems, increase quality of life, and provide enhanced opportunities for rural residents. This is your opportunity to discuss the core aspects of the project. Be clear and provide convincing links between the project and the benefits to the community.

The Executive Summary must provide a general project overview covering the following six categories:

Number and label each section as shown below:

1. A description of the community and why the project is needed;
2. A description of the applicant;
3. The goals of the project;
4. A general overview of the telecommunications system to be developed, including the types of equipment, technologies, and facilities used;
5. Documentation describing the procedures used to determine the unavailability of existing broadband service. Applicants are encouraged to refer to the Federal Communication Commission's National Broadband Map and to contact the local phone and video providers serving the community in order to determine if broadband service is available. For example, applicants can complete a table like the one below; and

Resource	Contact Person	Results
FCC Broadband Map	N/A	Consulted National Map and it does not appear that broadband service is available in the community.
Local Phone Company	VP of Operations	The VP of Operations confirmed that the company does not offer, nor do they intend to offer, broadband service anywhere in the community.
Local Video Company	President	The President confirmed that the company does not offer, nor do they intend to offer, broadband service anywhere in the community.
Local WISP Serving Within the County	Owner	The owner confirmed that the company does not offer, nor do they intend to offer, broadband service anywhere in the community.

6. A description of the participating community organizations and partners (such as schools, health care providers, police and fire departments, etc.).

D. Scoring Criteria Documentation

There are three scoring categories that must be addressed by the applicant in order to be considered for funding. They are:

1. The rurality of the community served by the project as determined by the population of the community, according to the latest decennial census (2010) as published by the U.S. Bureau of the Census, at <http://factfinder2.census.gov>, or the most recent edition of a Rand McNally Atlas. Separate instructions for **Native American Indian Reservations** are included on page 16 of the Application Guide (up to 40 points);
2. The economic need of the project's service area as determined by the median household income (MHI) of the community, according to the U.S. Bureau of the Census data from the 2000 census, available at <http://factfinder2.census.gov>. Separate instructions for **Native American Indian Reservations** are included on page 20 of the Application Guide (up to 30 points); and
3. The benefits derived from the proposed service (up to 30 points).

The first two categories are objective criteria. The objective criteria are straightforward indicators that measure the rurality and economic need of the service area.

Note: It is not permitted to utilize the U.S. Bureau of the Census and the latest edition of the Rand McNally Atlas as multiple sources of information for the same community. The U.S. Bureau of the Census must be used if it recognizes the proposed community. Data obtained from the Rand McNally Atlas is only acceptable if the community cannot be identified on the U.S. Bureau of the Census Website. If utilizing the most recent edition of a Rand McNally Atlas to validate a community, only communities that include population data are permissible. Zip Code tabulations are not acceptable substitutes.

If an applicant submits scores based off the Rand McNally Atlas and the Agency locates that community on the U.S. Census Bureau webpage, the score will then be recalculated using the data retrieved from <http://factfinder2.census.gov>.

It is important that applicants include their method of acquiring population data on the rurality calculation table (Attachment 3).

1. Rurality of the Project Service Area (up to 40 points):

A rurality table is provided in this Application Guide to assist you with this process (Attachment 3). An applicant must base this calculation on 2010 U.S. Census data contained in the US Census Bureau of the census at <http://factfinder2.census.gov> or the most recent version of the Rand McNally Atlas. Instructions for determining the correct census data:

U.S. Bureau of the Census:

Two methods are shown below which can be used for finding the appropriate census population data for your community. We also encourage applicants to view the tutorial provided by the U.S. Census Bureau at the following link:

http://factfinder2.census.gov/faces/nav/jsf/pages/using_factfinder2.xhtml

Method 1 Search Using Quick Start

1. Go to <http://factfinder2.census.gov> .
2. Locate the box “Quick Start” in the top center section of the main page.
3. In the box titled "topic or table name" type the table number P1. In the box titled “state, county or place”, enter the name of your community. Please be sure that the correct geographic type is specified for your community: city, town, village, borough, or CDP. Click on “go”.
4. You will now be able to see the Search Results for the data tables defined by your search. Find table P1 “Total Population” using the dataset “2010 SF1 100% Data”. Click the checkbox to the left of the correct table then click “View” at the bottom of the page. A report will be generated that shows the total population for your community.

Method 2 Search Using Selections - The Quick Start search may not always accurately identify your community. As an alternative, you can try searching using the suggested Method 2 provided below.

1. Go to <http://factfinder2.census.gov>
2. Locate the heading “Search using the options below” on the left side of the main page.
3. Find the search box titled "Topics". Click on the “Topics” button and a box “Select Topics” will appear. From the drop down menu, click to expand “People”, then click to expand “Basic Count/Estimate”. A list of search criteria will appear. Click to select “Population Total”. The selected topic “Population Total” should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.
4. Scroll down the list in the “Select Topics” box to find “Year”. Click to expand “Year.” A list of date selection criteria will appear. Click to select “2010”. The selected topic “2010” should now appear in the box labeled “Your Selections”.
5. Scroll further down the Select Topics box list to find “Program”. Click to expand “Program,” then click to select “Decennial Census.” The selected topic “Decennial Census” should now appear in the box labeled “Your Selections.”
6. Close the Topics box. Find the search box titled “Geographies”. Click on the Geographies button and a box “Select Geographies” will appear. Enter a geography name for your community in the search box at the top of the page. Please be sure that the correct geographic type is specified for your community: city, town, village, borough, or CDP. Click on “go”. Your community name should now appear in the “Your Geography Filters” box and a list of results will appear to the right. Find your community in the “Geography Results” box, select the correct name and designation for your community, and then click on “add”. The name of your community should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.
7. Close the “Select Geographies” box.
8. You will now be able to see the Search Results for the data tables defined by your search.

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- Several tables will return population totals for 2010. You will need to find table P1 “Total Population” using the dataset “2010 SF1 100% Data. Click the checkbox to the left of the correct table then click “View” and a report will be generated that shows the total population for your community.

Rand McNally Atlas:

- Choose the most recent edition of a Rand McNally Atlas.
- Find the section of the atlas that includes Index of Places, with Statistics. This section will be categorized alphabetically by state.
- Go to the applicable page for your state. Only communities that display a population number will be considered eligible for this program. The total population should be listed for that community.

Evaluation and Scoring:

The following table outlines the definitions used in evaluating rurality:

Level	Community Having a Population:		Points
	Over	Not in Excess of	
1		499	40
2	499	1,000	35
3	1,000	2,000	30
4	2,000	3,000	25
5	3,000	4,000	20
6	4,000	5,000	15
7	5,000	10,000	10
8	10,000	20,000	5

Points are awarded based on the population of the community located within the service area:

For example, a project proposes to serve the town of Belle Haven, Virginia. In accordance with U.S. Bureau of the Census statistics, Belle Haven Town, Virginia has a population of 532. A population of 532 is a Level 2 community eligible to receive 35 points, as follows:

U.S. Bureau of the Census

<u>Service Area Community</u>	<u>Population</u>	<u>Level</u>	<u>Points</u>
Belle Haven Town, Virginia	532	2	35

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In the next example, the community of Ransomville, North Carolina could not be located on the U.S. Census Bureau webpage, but was recognized using the Rand McNally Atlas. The town of Ransomville, North Carolina has a population of 70. A population of 70 is a level 1 community eligible to receive 40 points, as follows:

Rand McNally Atlas

<u>Service Area Community</u>	<u>Population</u>	<u>Level</u>	<u>Points</u>
Ransomville, North Carolina	70	1	40

Instructions for Native American Indian Reservations:

If your eligible community is an Indian Reservation, follow the instructions below for determining the correct population. We also encourage applicants to view the tutorial provided by the U.S. Census Bureau at the following link:

http://factfinder2.census.gov/faces/nav/jsf/pages/using_factfinder2.xhtml.

1. Go to <http://factfinder2.census.gov>
2. Locate the heading “Search using the options below” on the left side of the main page.
3. Find the search box titled “Topics”. Click on the “Topics” button and a box “Select Topics” will appear. From the drop down menu, click to expand “People”, then click to expand “Basic Count/Estimate”. A list of search criteria will appear. Click to select “Population Total”. The selected topic “Population Total” should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.
4. Scroll down the list in the “Select Topics” box to find “Year”. Click to expand “Year.” A list of date selection criteria will appear. Click to select “2010”. The selected topic “2010” should now appear in the box labeled “Your Selections”.
5. Scroll further down the Select Topics box list to find “Program”. Click to expand “Program,” then click to select “Decennial Census.” The selected topic “Decennial Census” should now appear in the box labeled “Your Selections.”
6. Close the Topics box. Find the search box titled “Geographies”. Click on the Geographies button and a box “Select Geographies” will appear. Find the text box “Geography Filter Options” and from the drop down menu click to expand “Summary Level”. Scroll down to find all of the summary level options for Native American communities beginning at 250-AIA/ANA/HHL. [Hint: To return the most options, be sure the button “all summary levels” is selected in the grey “Select from” box.] From the many options that follow, locate the one that best describes your community then and click to select. Your selection should now appear in the box “Your Geography Filters”.
7. Go back to the “Geography Filter Options” box and click to expand the “Within a State”. A list of states should appear. Click to select the state in which your reservation or tribal area is located. The selection “Within a State” and the name of your state should now appear in the box “Your Geography Filters”. A list should appear in the box labeled “Geography Results” on the right side of the page.
8. Find your reservation name in the “Geography Results” list, select the correct name and designation for your community and then click on “add”. Please be sure that the correct geography type is specified for your community: reservation, off-reservation trust land, tribal subdivision, or combinations thereof.

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9. Close the “Select Geographies” box.
10. You will now be able to see the Search Results for the data tables defined by your search.
11. Several tables will return population totals for 2010. You will need to find table P1 “Total Population” using the dataset “2010 SF1 100% Data. Click the checkbox to the left of the correct table, then click “View” and a report will be generated that shows the total population for your reservation.
12. Use the rurality evaluation table above to determine the correct points for your community's population.

2. *Economic Need of the Project Service Area (up to 30 points):*

An “Economic Need Calculation Worksheet” is provided in this application guide to assist you in this calculation (Attachment 4). This criterion measures the economic need of the service area based upon the median household income (MHI) for the Community as a percentage of the state MHI, as determined by the U.S. Bureau of the Census at <http://factfinder2.census.gov>. ***Note that U.S. Census Bureau data from the 2000 Census will be used in determining the criteria of economic need*** of the project service area. You will be using the data table entitled Median Household Income (MHI) in 1999. If the community is qualified using the Rand McNally Atlas, the applicant must use the MHI contained in the 2000 census of the county in which the Community resides as the Community MHI.

This is a two step process. You will first be searching to find data for your community. Then you will search to find data for your state. The worksheet in Attachment 4 will use both data sets to compare your community’s MHI to that of your state.

U.S. Bureau of the Census

Two methods are shown below which can be used for finding the appropriate census data for your community. We also encourage applicants to view the tutorial provided by the U.S. Census Bureau at the following link:

http://factfinder2.census.gov/faces/nav/jsf/pages/using_factfinder2.xhtml

Method 1 Search Using Quick Start

1. ***Step One*** - Go to <http://factfinder2.census.gov>
2. Locate the box “Quick Start” in the top center section of the main page.
3. In the box titled "topic or table name" type the table number P053. In the box titled “state, county or place”, enter the name of your community. Please be sure that the correct geographic type is specified for your community: city, town, village, borough, or CDP. Click on “go”.
4. You will now be able to see the Search Results for the data tables defined by your search. Find table P053 “Median Household Income in 1999 (Dollars)”. Click the checkbox to the left of the correct table then click “View” at the bottom of the page. A report will be generated that shows the Median Household Income in 1999 (Dollars)” for your community.

1. **Step Two** - Next, retrieve the economic data for your state. [Be sure to clear your search selections before starting a new search.] Using the “Quick Start” method as in step 3 above, type the table number P053 in the box title “topic or table name”. Then in the box titled “state, county or place” enter the name of your state. Click on “go”.
2. You will now be able to see the Search Results for the “Median Household Income in 1999 (Dollars)” for your state.
3. Now, use the community's MHI as a percentage of the state MHI using Attachment 4 of this guide.

Method 2 Search Using Selections - The Quick Start search may not accurately identify your community. As an alternative, you can try searching using the suggested Method 2 provided below.

1. **Step One** - Go to <http://factfinder2.census.gov>
 2. Locate the heading “Search using the options below” on the left side of the main page.
 3. Find the search box titled "Topics". Click on the “Topics” button and a box “Select Topics” will appear. From the drop down menu, click to expand “People”, then click to expand “Income & Earnings”. Click to select “Income/Earnings (Households)”. The selected topic “Income/Earnings (Households)” should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.
 4. Scroll down the list in the “Select Topics” box to find “Year”. Click to expand “Year.” A list of date selection criteria will appear. Click to select “2000”. The selected topic “2000” should now appear in the box labeled “Your Selections”.
 5. Close the Topics box. Find the search box titled “Geographies”. Click on the Geographies button and a box “Select Geographies” will appear. Enter a geography name for your community in the search box at the top of the page. Please be sure that the correct geographic type is specified for your community: city, town, village, borough, or CDP. Click on “go”. Your community name should now appear in the “Your Geography Filters” box and a list of results will appear to the right. Find your community in the “Geography Results” box, select the correct name and designation for your community, and then click on “add”. The name of your community should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.
 6. Close the “Select Geographies” box.
 7. You will now be able to see the Search Results for the data tables defined by your search.
 8. Several tables will return household income data for 2000. You will need to find table P053 “Median Household Income in 1999 (Dollars)”. Click the checkbox to the left of the correct table then click “View” and a report will be generated that shows the MHI in 1999 for your community.
-
1. **Step Two** - Next, retrieve the economic data for your state using the “Quick Start” method. [Be sure to clear your search selections before starting a new search.] In the top center section of the main page, locate the box “Quick Start” and type the table number P053 in the box title “topic or table name”. Then in the box titled “state, county or place” enter the name of your state. Click on “go”.
 2. You will now be able to see the Search Results for the “Median Household Income in 1999 (Dollars)” for your state.
 3. Now, use the community's MHI as a percentage of the state MHI using Attachment 4 of this guide.

Rand McNally Atlas:

1. **Step One** - After the community has been chosen from the most recent edition of a Rand McNally Atlas, it is necessary to determine the county in which the community is located.
 2. Go to <http://factfinder2.census.gov>. Instead of retrieving the median household income for the community, retrieve the median household income for the county in which the community resides.
 3. Locate the box “Quick Start” in the top center section of the main page. Select the box titled “topic or table name” and type the table number P053. In the box titled “state, county or place”, enter the name of the county and state location for your community. Click on “go”.
 4. You will now be able to see the Search Results for the data tables defined by your search. Find table P053 “Median Household Income in 1999 (Dollars)”. Click the checkbox to the left of the correct table then click “View” at the bottom of the page. A report will be generated that shows the Median Household Income in 1999 (Dollars)” for your county.
-
1. **Step Two** - Next, retrieve the economic data for your state using the “Quick Start” method. [Be sure to clear your search selections before starting a new search.] In the top center section of the main page, locate the box “Quick Start” and type the table number P053 in the box title “topic or table name”. Then in the box titled “state, county or place” enter the name of your state. Click on “go”.
 2. You will now be able to see the Search Results for the “Median Household Income in 1999 (Dollars)” for your state.
 3. Use the county's MHI as a percentage of the state MHI using Attachment 4 of this guide

Evaluation and Scoring:

Points are awarded for service provided in a Community where the MHI is less than 75 percent of the state median household income (SMHI). **Please remember to use MHI based on 2000 census data in your calculations and grant application.** The following table outlines the definitions used in evaluating economic need:

Median Household Income (MHI) is:		Points Awarded
Percent (%) of MHI Less Than:	Percent (%) of MHI Greater Than or Equal To:	
	75	0
75	70	5
70	65	10
65	60	15
60	55	20
55	50	25
50		30

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For example, a project proposes to serve the town of Belle Haven, Virginia. In accordance with U.S. Bureau of the Census statistics, the town of Belle Haven, Virginia has a MHI of \$33,500. The state of Virginia has a SMHI of \$46,677. Belle Haven as a percentage of the state of Virginia’s MHI is 72%, eligible to receive 5 points ($33,500 \div 46,677 = .717$ or 72%) as follows:

U.S. Bureau of the Census(2000)

Service Area Community or County	(a) Belle Haven town MHI in Dollars	(b) (VA)MHI in Dollars	(a) ÷ (b) MHI as % of (VA)MHI
Belle Haven town, Virginia	\$33,500	\$46,677	72%

Now, here is an example of a community that cannot be located in the U.S. Bureau of the Census. The community of Ransomville has been located by the most recent edition of a Rand McNally Atlas. Ransomville is located in the County of Beaufort, North Carolina. In accordance with U.S. Bureau of the Census, the County of Beaufort, North Carolina has a MHI of \$31,066. The state of North Carolina has a SMHI of \$39,184. Beaufort County as a percentage of the state of North Carolina’s MHI is eligible to receive 0 points ($31,066 \div 39,184 = .792$ or 79%) as follows:

Rand McNally Atlas

Service Area Community or County	(a) Beaufort County MHI in Dollars	(b) (NC)MHI in Dollars	(a) ÷ (b) MHI as % of (NC)MHI
Ransomville County of Beaufort, North Carolina	\$31,066	\$39,184	79%

Instructions for Native American Indian Reservations:

If your eligible community is an Indian Reservation, follow the instructions below for determining the correct median household income. We also encourage applicants to view the tutorial provided by the U.S. Census Bureau at the following link: http://factfinder2.census.gov/faces/nav/jsf/pages/using_factfinder2.xhtml.

Go to <http://factfinder2.census.gov>

- Step One** - Locate the heading “Search using the options below” on the left side of the main page.
- Find the search box titled "Topics". Click on the “Topics” button and a box “Select Topics” will appear. From the drop down menu, click to expand “People”, then click to expand “Income & Earnings”. Click to select “Income/Earnings (Households)”. The selected topic “Income/Earnings (Households)” should now appear in the box labeled “Your Selections” located in the upper left hand corner of the page.

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3. Scroll down the list in the “Select Topics” box to find “Year”. Click to expand “Year.” A list of date selection criteria will appear. Click to select “2000”. The selected topic “2000” should now appear in the box labeled “Your Selections”.
 4. Close the Topics box. Find the search box titled “Geographies”. Click on the Geographies button and a box “Select Geographies” will appear. Find the text box “Geography Filter Options” and from the drop down menu click to expand “Summary Level”. Scroll down to find the summary level options for Native American communities beginning at 250-AIA/ANA/HHL. [Hint: To return the most options, be sure the button “all summary levels” is selected in the grey “Select from” box.] From the many options that follow, locate the one that best describes your community then and click to select. Your selection should now appear in the box “Your Geography Filters”.
 5. Go back to the “Geography Filter Options” box and click to expand the “Within a State”. A list of states should appear. Click to select the state in which your reservation or tribal area is located. The selection “Within a State” and the name of your state should now appear in the box “Your Geography Filters”. A list should appear in the box labeled “Geography Results” on the right side of the page.
 6. Find your reservation name in the “Geography Results” list, select the correct name and designation for your community and then click on “add”. Please be sure that the correct geography type is specified for your community: reservation, off-reservation trust land, tribal subdivision, or combination thereof.
 7. Close the “Select Geographies” box.
 8. You will now be able to see the Search Results for the data tables defined by your search. Several tables may return household income data for 2000. You will need to find table P053 “Median Household Income in 1999 (Dollars)”. Click the checkbox to the left of the correct table then click “View” and a report will be generated that shows the MHI in 1999 for your community.
1. **Step Two** - Next retrieve the economic data for your state using the “Quick Start” method. [Be sure to clear your search selections before starting a new search.] In the top center section of the main page, locate the box “Quick Start” and type the table number P053 in the box title “topic or table name”. Then in the box titled “state, county or place” enter the name of your state. Click on “go”.
 2. You will now be able to see the Search Results for the “Median Household Income in 1999 (Dollars)” for your state.
 3. Use the county's MHI as a percentage of the state MHI using Attachment 4 of this guide.

3. *Benefits derived from the proposed service (up to 30 points):*

The “benefits derived from the proposed service” is a subjective scoring category for which applicants may receive up to 30 points. This criterion will be scored based on the documentation in support of the minimum bandwidth which the system will deliver, need for services, benefits derived from the services proposed by the project, and local community involvement in planning and implementing the project.

RUS will consider:

1. The minimum bandwidth which the proposed system will deliver. All applicants are encouraged to construct systems that are capable of delivering the broadband speeds that are identified in the Federal Communications Commission’s National

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Broadband Plan. Systems proposing to deliver more than the minimum bandwidth requirements for the Community Connect Grant Program have a greater potential of receiving the maximum number of points for this category.

2. The extent of the applicant's documentation explaining the economic, educational, health care, and public safety issues and challenges facing the community and the applicant's proposed plan to address these challenges on a community-oriented basis;
3. The extent of the project's planning, development, and support by local residents, institutions, and community facilities. This includes evidence of community-oriented involvement, as exemplified in community meetings, public forums, and surveys. In addition, applicants should provide evidence of local residents' participation in the project planning and development;
4. The extent to which the community center will be used for educational or instructional purposes; and
5. Web-based community resources enabled or provided by the applicant, such as community bulletin boards, directories, public web-hosting, notices, etc.

In addressing this scoring criterion, applicants must describe the unique circumstances involving their proposed project and how they propose to utilize Federal financing provided from this program in conjunction with any other resources to meet their community's needs. When addressing this criterion, applicants should specifically discuss all aspects of the application that contribute to the scoring criterion.

Applicants should attempt to quantify benefits in terms of outcomes from the project; that is, ways in which peoples' lives, or the community, will be improved. Try to provide estimates of the number of people affected by the benefits arising from the project.

Use as many pages as is necessary to address the subjective criterion.

E. System Design

The system design must contain the following information:

1. A narrative discussing the proposed community center and all costs of the project, all existing and proposed facilities that are a part of the project, the services to be provided by the project, and the proposed service area;
2. Engineering design studies providing an economical and practical engineering design of the project, including a detailed description of the facilities to be funded, technical specifications, data rates, and costs; and
3. A map of the proposed service area reflecting the proposed location of the community center and critical community facilities.

F. Scope of Work

The scope of work must include at a minimum:

1. The specific activities and services to be performed under the project;
2. Who will carry out the activities and services;
3. The time-frames for accomplishing the project objectives and activities; and
4. A **budget** for all capital and operating expenditures reflecting the line item costs for eligible purposes for the grant funds, the matching contributions, and other sources of funds necessary to complete the project.

RUS clarifies that in order to qualify as eligible costs for grant coverage or matching fund contributions, operating expenses incurred in providing Broadband Transmission Service to Critical Facilities for the first two (2) years of operation and in providing training and instruction must be for the following purposes subject to the specified maximum amounts:

- a. Salary for operations manager, not to exceed \$30,000 per year;
- b. Salary for technical support staff, not to exceed \$30,000 per year;
- c. Salary for community center staff, not to exceed \$25,000 per year;
- d. Bandwidth expenses, not to exceed \$25,000 per year; and
- e. Training courses on the use of the Internet, not to exceed \$15,000 per year.

The operating costs to be financed by grant funds and/or used as matching contributions **cannot exceed in the aggregate of \$250,000 for the first two years of operation**. No other operating expenses are eligible for grant funding or to be considered as matching funds. The period for expenses to be considered eligible for grant funding or to be used as in-kind match is three years from the date the Administrator signs the award documents.

Note: If any ineligible items are included under the Operating Expenses Category, they will not be considered for grant funding or as an eligible matching contribution. Grant application budgets will be reviewed to determine cost allowability. Review factors affecting allowability of costs will be determined by OMB Circulars A21, A87, A110, A122, A133 and FAR 31.2. These circulars are available at:

http://www.ut.nrcs.usda.gov/technical/grants_agreements.html#Regulations.

Other pertinent budgetary information:

For individual budget categories, matching contributions plus grant funds requested cannot exceed the monetary limits of the specific category set forth in the regulation.

1. For the community center, the aggregate total of requested grant and matching funds are required to comply with the \$100,000 limit set forth in CFR 1739.12 (b)
2. For operating expenses, the aggregate total of requested grant plus matching funds cannot exceed \$250,000 and the aggregate total for the eligible operating expenses categories cannot exceed the amounts set forth in CFR 1739.12 (d)(1) and (2).

A sample budget has been provided on the following page and a fill in the blank budget sheet has been provided as Attachment 5. Applicants are strongly encouraged to provide their budget in the same format. A brief description of each budget category is supplied on the sample budget in order to assist you in determining which items should fall under each category. **The total grant and matching funds shown on the budget must be the same as those listed on the SF 424.**

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BUDGET	MATCH	GRANT	TOTAL	Description
<u>BROADBAND SYSTEM</u>				<p>Access points-Includes labor & material costs for installing 900MHz and 2.4 GHz radios, and antenna system.</p> <p>Backhaul equipment-Includes labor & material costs for installing 5 GHz radios on towers.</p> <p>Outdoor NID-Approx. 6 outdoor access units to be installed at 5 critical community facilities and the community center. Each contains a modem, radio and external antenna for extended coverage (includes labor).</p>
Wireless access points		\$30,000	\$30,000	
Wireless backhaul equipment		\$20,000	\$20,000	
Outdoor Network Interface Devices (NID)		\$10,000	\$10,000	
Standby generators for Tower A (w/ labor)		\$5,000	\$5,000	
Land purchase for Tower A (2 years)	\$10,000		\$10,000	
Prefab. hub for Tower A (w/ labor)		\$20,000	\$20,000	
Construction of Tower A-350' (in kind labor and materials)	\$10,000	\$50,000	\$60,000	
Standby generators for Tower A (w/ install)		\$2,000	\$2,000	
Tower B-lease (2 years)	\$9,600	\$9,600	\$19,200	
10 computers for the community center (w/ in kind install)	\$1,000	\$10,000	\$11,000	
Total Broadband System	\$30,600	\$156,600	\$187,200	
<u>COMMUNITY CENTER</u>				
*Construction of a new community center bldg., or the renovation of an existing bldg.	\$15,000	\$50,000	\$65,000	
Purchase of land for a new community center bldg., or the leasing of an existing building		\$10,000	\$10,000	
Total Community Center	\$15,000	\$60,000	\$75,000	
<u>OPERATING EXPENSES</u>				<p>Note: For operating expenses, the aggregate total of grant and match cannot exceed \$250,000.</p> <p>Please also follow the limit set for each eligible operating expense.</p>
Operations Manager (2 years)		\$50,000	\$50,000	
Technical Support Staff (2 years)		\$50,000	\$50,000	
Community Center Staff (2 years, in-kind)	\$10,000	\$30,000	\$40,000	
Bandwidth (2 years)	\$10,000	\$40,000	\$50,000	
Training (2 years, in-kind)	\$10,000		\$10,000	
Total Operating Expenses	\$30,000	\$170,000	\$200,000	
<u>SUMMARY OF EXPENDITURES</u>				
Broadband System	\$30,600	\$156,600	\$187,200	
Community Center	\$15,000	\$60,000	\$75,000	
Operating Expenses	\$30,000	\$170,000	\$200,000	
TOTAL	\$75,600	\$386,600	\$462,200	

G. Community-Oriented Connectivity Plan

The provision of broadband service is vital to the economic development, education, health, and safety of rural Americans. To further this objective, RUS will provide financial assistance to eligible entities that propose, on a “community-oriented connectivity” basis, to provide broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety services. The “community-oriented connectivity” concept integrates the deployment of broadband infrastructure with the practical, everyday uses and applications of the facilities.

Specifically, RUS will provide financial assistance to eligible entities that are proposing to deploy broadband transmission service in a rural community where such service does not currently exist; who will connect the critical community facilities including the local schools, libraries, hospitals, police, fire and rescue services; and who will operate a community center that provides free and open access to residents. A state-of-the-art community center will not only provide improved access but will aid rural residents in developing on-line businesses and will allow them to reap the benefits of Internet-based advanced placement courses, and continuing adult education. Priority will be given to rural areas that have the greatest need for broadband services. The applicant must provide a community-oriented connectivity plan consisting of the following:

1. A listing of all critical community facilities located in the service area, including public schools, public libraries, public medical clinics, public hospitals, community colleges, public universities, law enforcement, and fire and ambulance stations. The applicant must provide documentation of consultation with these groups, including commitments to participate in the proposed project. For example, applicants can complete a table like the one below and provide supporting documentation to show the type of consultations that have taken place and any commitments that have been made;

Critical Community Facility	Contact Person	Type of Commitment
Local Library	Contact Name	Will provide a room in the library to use as the Community Center.
Local Elementary School	Contact Name	Will provide a staff member to conduct training on basic computer use once the Community Center is operational.

2. A description of the services available to local residents through the use of the community center and the hours that the community center will be open to the public;
3. A listing of the proposed telecommunications terminal equipment, telecommunications transmission facilities, data terminal equipment, interactive video equipment, computer hardware and software systems, and components that

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process data for transmission via telecommunications, computer network components, communication satellite ground station equipment, or any other elements of the telecommunications system designed to further the deployment and use of broadband services, that the applicant intends to build or fund using RUS grant funds and matching contributions; and

4. A description of the consultations with the appropriate telecommunications carriers (including inter-exchange carriers, cable television operators, enhanced service providers, providers of satellite services, and telecommunication equipment manufacturers and distributors) and the anticipated role of such providers in the proposed telecommunications system.

H. Financial Information and Sustainability

The applicant must provide a narrative description demonstrating sustainability of the project, including having sufficient resources and expertise necessary to undertake and complete the project and how the project will be sustained following completion. The following financial information is required:

1. Certified financial statements from the applicant, if available; otherwise, the most current income statement and balance sheet for existing operations; and
2. 5 years of Pro Forma financial information for the applicant and project, including an income statement. This Pro Forma must include projections for the applicant's existing operations and the proposed project. Applicants must also include a list of assumptions in support of the Pro Forma.

Those entities submitting multiple applications for funding under this program must demonstrate that they have the financial wherewithal to support all submitted applications. Applicants must demonstrate that each project is feasible and sustainable on its own, and that all projects for which funding is being requested are financially feasible as a whole. Those entities submitting multiple applications should submit with each application: (1) a Pro Forma Income Statement of the applicant's existing operations only, if any, (2) a Pro Forma Income Statement of the applicant's existing operations, if any, and proposed project, and (3) a Pro Forma Income Statement of the applicant's existing operations, if any, and all proposed projects, showing what would happen if all applications submitted were funded. These applicants must also include a list of assumptions to support their submitted Pro Forma Income Statements. It is up to the individual applicants to ensure they have sufficiently demonstrated the feasibility of their individual projects and any combination of projects which could be funded by RUS.

An Income Statement template and list of sample assumptions have been provided below and a blank Income Statement and list of assumptions are included as Attachment 6. We strongly recommend that applicants use this standard format.

Accounting for Grant Funds - When reporting RUS grant amounts on pro forma financials or other documents submitted with your application, the grant amounts must be treated as revenue on a separate line item. Because this revenue is used to purchase capital assets, it must be amortized over the average useful life of the assets. Failure to use this accounting method can produce unfavorable outcomes in the financial review

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process. However, **those applicants that are rate regulated Telecom or Electric companies must continue to utilize the accounting required by the respective uniform system of accounts** for those industries, which require that the plant accounts be reduced by the grant funds received in the year of receipt.

Example: The example below demonstrates how to perform proper Grant Accounting for a project with a \$1,000,000 Community Connect grant.

Step 1 - Determine the average/composite useful life of all the assets purchased for the project. This can be a weighted average useful life of all the asset categories from the Capital Project Budget. An example of how you might calculate this is below. These numbers are just an example, so your useful life might be different:

SUMMARY OF PROJECT COSTS	TOTAL CATEGORY SPEND	ENTER USEFUL LIFE BY CATEGORY	ESTIMATED ANNUAL DEPRECIATION
Network and Access Equipment	\$ 100,000	10	\$ 10,000
Outside Plant	\$ 100,000	20	\$ 5,000
Buildings and Land	\$ 100,000	30	\$ 3,333
Customer Premise Equipment	\$ 200,000	5	\$ 40,000
Billing and Operational Support Systems	\$ 100,000	5	\$ 20,000
Operating Equipment	\$ 100,000	10	\$ 10,000
Professional Services	\$ 100,000	5	\$ 20,000
Testing	\$ 100,000	5	\$ 20,000
Other Upfront Costs	\$ 100,000	5	\$ 20,000
Total Project Costs and Avg Useful Life	\$ 1,000,000		\$ 149,333

Weighted Average Useful Life - calculated from useful life above	10.00
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Step 2 - Account for the grant the year it is received.

Dr. Cash \$1,000,000
 Cr. Deferred Grant Revenue \$900,000
 Cr. Current Portion Deferred Grant Revenue \$100,000

Add the grant amount to your cash flow statement the year the funds are received under: Proceeds from Grant \$1,000,000

Step 3 - Determine the annual Amortized Grant Revenue amount that will be added to revenue on the income statement:

Grant Amount divided by Composite Useful Life (\$1,000,000/10)
 \$100,000 is the annual Amortized Grant Revenue

Step 4 - Account for Grant Revenue every year of the forecast period and throughout the depreciable life of the assets:

Dr. Deferred Grant Revenue \$100,000
 Cr. Amortized Grant Revenue \$100,000

On the Statement of Cash Flows, it is important to subtract this Amortized Grant Revenue amount every year in the Operating Activities section. Similar to the way Depreciation is added back in to the cash flow, Amortized Grant Revenue is subtracted.

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Income Statement	Grantee's Name:				
	Forecast Period				
	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUES					
Network Services Revenues:					
Local Voice Service	\$ -	\$ -	\$ -	\$ -	\$ -
Broadband Data Service	-	-	-	-	-
Video Service	-	-	-	-	-
Network Access Service Revenues	-	-	-	-	-
Universal Service Fund	-	-	-	-	-
Toll Service/Long Distance Voice	-	-	-	-	-
Installation Revenues	-	-	-	-	-
Amortized Grant Revenue	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-
Uncollectible Revenues	-	-	-	-	-
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES					
Backhaul	-	-	-	-	-
IP/Interconnection	-	-	-	-	-
Video Content If Applicable	-	-	-	-	-
Spectrum If Applicable	-	-	-	-	-
Network Maintenance/Monitoring	-	-	-	-	-
Utilities	-	-	-	-	-
Sales/Marketing	-	-	-	-	-
Customer Care	-	-	-	-	-
Corporate G&A	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Operating Expense	-	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
EBITDA	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Non Community Connect Assets	-	-	-	-	-
Depreciation Community Connect Assets	-	-	-	-	-
Amortization	-	-	-	-	-
Interest Expense	-	-	-	-	-
Interest Income	-	-	-	-	-
Income Taxes	-	-	-	-	-
Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -

List of Sample Assumptions:

1. Example Revenues

Broadband Data Service Revenues - \$30.00 per month per subscriber. 83 subscribers are projected for year one and 116 subscribers at the end of the financial Pro Forma

Installation Revenues – One-time fee of \$46.00

Other Operating Revenues – Charges (penalties) imposed by the Applicant for customer checks returned for nonpayment and late payment charges

Uncollectible Revenues – This account shall be charged with amounts concurrently credited to Accounts Receivable allowances

2. Example Expenses

Backhaul Expenses – the cost of transporting and terminating data traffic from the proposed network to the Internet backbone.

Corporate G&A Expenses – includes the salary costs for all employees.

Utility Expense – the cost of utilities related to the network operations.

I. A Statement of Experience

Applicants must provide a written narrative describing their demonstrated capability and experience, if any, in operating a telecommunications system, or any project similar to the proposed project. The applicant must include the owner and principal employees' relevant work experience that would ensure the success of the project.

J. Evidence of Legal Authority and Existence

The applicant must provide evidence of its legal existence and authority to enter into a grant agreement with the RUS and perform the activities proposed under the grant application.

Satisfactory documentation of legal authority includes, but is not limited to: articles of incorporation, bylaws, board resolutions, excerpts from state statutes, or an attorney's opinion of counsel. Satisfactory documentation of legal existence includes, but is not limited to, certificates from the Secretary of State, state statutes, or laws establishing your organization. Letters from the IRS awarding tax-exempt status are not considered adequate evidence.

K. Funding Commitments from Other Sources

Applicants must contribute a Matching Contribution which is at least fifteen percent (15%) of the grant amount requested, and may propose to provide additional funding in order to complete the project. Grant applicants must submit evidence that all funding agreements, outside the RUS grant, needed to complete the project have been obtained. This evidence must:

- a. Clearly state the name of the entity that is making the commitment;
- b. Include the amount of the commitment; and
- c. State the purpose of the commitment.

These agreements shall be in the form of a letter from the organization providing the matching funds or in-kind contributions and sufficient to ensure:

1. Payment of all proposed expenditures for the project;
2. All required matching contributions;
3. Any additional matching funding; and
4. Any other funds necessary to complete the project.

In the case of in-kind contributions of equipment, the letter should include a description of the items, value, and date purchased. For donations of space for the community center, the letter should include the dimensions of the space and a calculation of the value of the foregone rental income, and a commitment to provide the space for a minimum of two (2) years. For donations of space, evidence of the value of the donation is required. For operating and administrative expenses of the community center, the letter should include detailed calculations of the individual expense line items used to determine the value.

Those entities submitting multiple applications for financial assistance must demonstrate that they have the financial wherewithal to support all submitted applicants, including the Matching Contribution requirement, when the applications are submitted. For example, if three

Community Connect Broadband Grant Program, FY 2012

applications are submitted by one entity, each proposing to provide \$10,000 in cash to fulfill the Matching Contribution requirement, then the applicant must demonstrate that they have at least \$30,000 in cash on hand when they submit their applications.

If the appropriate funding commitments are not included in the application, the application will be deemed ineligible for consideration.

L. Compliance with Other Federal Statutes and Regulations

The applicant is required to submit evidence that it is in compliance with other Federal statutes and regulations as follows:

- ◆ E.O. 11246, Equal Employment Opportunity, as amended by E.O. 11375 and as supplemented by regulations contained in 41 CFR part 60, Attachment 7;
- ◆ Certificate regarding Architectural Barriers, Attachment 8;
- ◆ Certificate regarding Flood Hazard Area Precautions, Attachment 9;
- ◆ Assistance and Real Property Acquisition Policies Act of 1970, Attachment 10;
- ◆ Drug-Free Workplace Act of 1998 (41 U.S.C. 701), Attachment 11;
- ◆ E.O.s 12549 and 12689, Debarment and Suspension; (**See 7 CFR 3017.510**), Attachment 12;
- ◆ Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), Attachment 13;
 - If the applicant is engaged in lobbying activities, the applicant must submit a completed disclosure form, “Disclosure of Lobbying Activities” (**See 7 CFR Part 3018**);
- ◆ Non Duplication of Services Certificate, Attachment 14;
- ◆ Federal Obligations Certification on Delinquent Debt, Attachment 15; and
- ◆ Environmental Questionnaire, in accordance with RUS Environmental Policies and Procedures (7 CFR Part 1794), Attachment 16.

Putting It All Together

The grant application should be **assembled** and **tabbed** in the order listed below. Material not located under the proper section will not be considered by reviewers. If material is relevant under more than one section, it should be repeated under each relevant section along with any supplemental information that the applicant wants to submit. Numbered sample attachments are provided at the end of this guide for your use. **Use the table below to check and ensure that you have provided all required information to submit a complete application.**

Section	Description	Sample Attachments	Complete
A	An Application for Federal Assistance - Completed Standard Form 424 - Survey Ensuring Equal Opportunity for Applicants	Attachment 1 Attachment 2	<input type="checkbox"/> <input type="checkbox"/>
B	Central Contractor Registration CAGE code		<input type="checkbox"/>
C	An Executive Summary of the Project		<input type="checkbox"/>
D	Scoring Criteria Documentation 1. Rurality Calculation Table 2. Economic Need Calculation Worksheet 3. The Benefits Derived from Services	Attachment 3 Attachment 4	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
E	System Design		<input type="checkbox"/>
F	Scope of Work - Budget Worksheet	Attachment 5	<input type="checkbox"/> <input type="checkbox"/>
G	Community-Oriented Connectivity Plan		<input type="checkbox"/>
H	Financial Information and Sustainability - Certified Financial Statements, if available - Pro Forma Financial Statement and Assumptions	Attachment 6	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
I	Statement of Experience		<input type="checkbox"/>
J	Evidence of Legal Existence & Legal Authority to Contract with the Government		<input type="checkbox"/>
K	Evidence of Funding Commitments from Other Sources		<input type="checkbox"/>
L	Compliance with Other Federal Statutes and Regulations		
	1. Equal Opportunity and Nondiscrimination Certification	Attachment 7	<input type="checkbox"/>
	2. Certificate Regarding Architectural Barriers	Attachment 8	<input type="checkbox"/>
	3. Certificate Regarding Flood Hazard Area Precautions	Attachment 9	<input type="checkbox"/>
	4. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Certification	Attachment 10	<input type="checkbox"/>
	5. Cert Regarding Drug-Free Workplace Requirements	Attachment 11	<input type="checkbox"/>
	6. Certification Regarding Debarment, Suspension, and Other Responsibility Matters	Attachment 12	<input type="checkbox"/>
	7. Certification Regarding Lobbying for Contracts, Grants, Loan, and Cooperative Agreements ➤ If the applicant is engaged in lobbying activities, a completed disclosure form must be submitted, "Disclosure of Lobbying Activities" (See 7 CFR Part 3018)	Attachment 13	<input type="checkbox"/>
	8. Non Duplication of Services Certificate	Attachment 14	<input type="checkbox"/>
	9. Federal Obligations Certification on Delinquent Debt	Attachment 15	<input type="checkbox"/>
	10. Environmental Questionnaire	Attachment 16	<input type="checkbox"/>

Rural Utilities Service

Community Connect Broadband Grant Program Federal Forms and Sample Attachments Fiscal Year 2012

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**Application for Federal Assistance
SF424**

The official version of the SF424 and its instructions are available at:

http://www.rurdev.usda.gov/utp_commconnect.html

Applicants should complete the entire form and include it as Attachment 1 to their application.

Survey on Ensuring Equal Opportunity for Applicants

OMB No. 1890-0014 Exp. 02/28/09

Purpose: The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information provided on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey: If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name:

Applicant's DUNS Number:

Federal Program: _____

CFDA Number: _____

1. Has the applicant ever received a grant or contract from the Federal government?

Yes No

2. Is the applicant a faith-based organization?

Yes No

3. Is the applicant a secular organization?

Yes No

4. Does the applicant have 501(c)(3) status?

Yes No

5. Is the applicant a local affiliate of a national organization?

Yes No

6. How many full-time equivalent employees does the applicant have? (*Check only one box.*)

3 or Fewer 15-50
 4-5 51-100
 6-14 over 100

7. What is the size of the applicant's annual budget?
(*Check only one box.*)

Less Than \$150,000
 \$150,000 - \$299,999
 \$300,000 - \$499,999
 \$500,000 - \$999,999
 \$1,000,000 - \$4,999,999
 \$5,000,000 or more

Attachment 2

**Community Connect Broadband Grant Program
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SURVEY INSTRUCTIONS ON ENSURING EQUAL OPPORTUNITY FOR APPLICANTS

PROVIDE THE APPLICANT'S (ORGANIZATION) NAME AND DUNS NUMBER AND THE GRANT NAME AND CFDA NUMBER.

1. Self-explanatory.
2. Self-identify.
3. Self-identify.
4. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.
5. Self-explanatory.
6. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.
7. Annual budget means the amount of money your organization spends each year on all of its activities.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0014. The time required to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** The Agency Contact listed in this grant application package.

OMB No. 1890-0014 Exp. 02/28/09

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**U.S. Department of Agriculture
Rural Utilities Service**

Rurality Calculation Table

Please list the proposed Community to be served with the proceeds of the Community Connect Broadband Grant, its population based upon **2010** Census data, and its rurality level.

<u>Service Area Community</u>	<u>Population</u>	<u>Level*</u>	<u>Points*</u>

* Denote Level and Points based on the following table:

Level	Community Having a Population:		Points
	Over	Not in Excess of	
1		499	40
2	499	1,000	35
3	1,000	2,000	30
4	2,000	3,000	25
5	3,000	4,000	20
6	4,000	5,000	15
7	5,000	10,000	10
8	10,000	20,000	5

Source of Information: _____

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Rural Utilities Service**

Economic Need Calculation Worksheet

Applicants are awarded points for providing service in a Community where the Median Household Income (MHI) is less than 75% of the State Median Household Income (SMHI). Enter the Community name (County name if applicable) and its MHI in dollars and calculate the percentage of the SMHI in the table below. Please use MHI based upon **2000** Census data.

Service Area Community or County	(a) Community or County MHI in Dollars	(b) SMHI in Dollars	(a) ÷ (b) MHI as % of SMHI
	\$ _____	\$ _____	_____ %

Using the scale below, award the appropriate number of points in the box below for the community on MHI as a percent of SMHI:

- 0 pts.** if $\geq 75\%$
- 5 pts.** If $\geq 70\%$ but $< 75\%$
- 10 pts.** if $\geq 65\%$ but $< 70\%$;
- 15 pts.** if $\geq 60\%$ but $< 65\%$;
- 20 pts.** if $\geq 55\%$ but $< 60\%$;
- 25 pts.** if $\geq 50\%$ but $< 55\%$;
- 30 pts.** if $< 50\%$.

<p>POINTS:</p> <p>_____</p>

Source of Information: _____

**Community Connect Broadband Grant Program
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BUDGET	MATCH	Grant	Total	Description
<u>BROADBAND SYSTEM</u>				
Electronic Equipment (FTTH, wireless, etc.)				
Outside plant (fiber, coaxial, copper, etc.)				
Customer premises equipment				
Towers – new construction (monopole, lattice, etc.)				
Towers – lease				
Buildings – new construction				
Buildings – renovations/expansion				
Land for leasing towers/buildings				
Collocation costs				
Site preparation				
Engineering				
Total Broadband System				
	-		-	
<u>COMMUNITY CENTER</u>				
Construction of building				
Renovations/expansion of existing building				
Leasing of existing building				
Leasing of land				
Computers/software/printers				
Furniture				
Total Community Center				
<u>OPERATING EXPENSES</u>				
Operations Manager				***Note grant and match funds must not exceed the limitations set***
Technical Support Staff				
Community Center Staff				
Bandwidth				
Training				
Total Operating Expenses				
SUMMARY OF EXPENDITURES	MATCH	GRANT	TOTAL	
Broadband System				
Community Center				
Operating Expenses				
TOTAL				

**Community Connect Broadband Grant Program
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Income Statement	Grantee's Name:				
	Forecast Period				
	Year 1	Year 2	Year 3	Year 4	Year 5
REVENUES					
Network Services Revenues:					
Local Voice Service	\$ -	\$ -	\$ -	\$ -	\$ -
Broadband Data Service	-	-	-	-	-
Video Service	-	-	-	-	-
Network Access Service Revenues	-	-	-	-	-
Universal Service Fund	-	-	-	-	-
Toll Service/Long Distance Voice	-	-	-	-	-
Installation Revenues	-	-	-	-	-
Amortized Grant Revenue	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-
Uncollectible Revenues					
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES					
Backhaul	-	-	-	-	-
IP/Interconnection	-	-	-	-	-
Video Content If Applicable	-	-	-	-	-
Spectrum If Applicable	-	-	-	-	-
Network Maintenance/Monitoring	-	-	-	-	-
Utilities	-	-	-	-	-
Sales/Marketing	-	-	-	-	-
Customer Care	-	-	-	-	-
Corporate G&A	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Operating Expense	-	-	-	-	-
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
EBITDA	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Non Community Connect Assets	-	-	-	-	-
Depreciation Community Connect Assets	-	-	-	-	-
Amortization	-	-	-	-	-
Interest Expense	-	-	-	-	-
Interest Income	-	-	-	-	-
Income Taxes	-	-	-	-	-
Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -

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List of Assumptions:

1. Revenues

Local Voice Service Revenues
Broadband Data Service Revenues
Video Service Revenues
Network Access Service Revenues
Universal Service Fund Revenues
Toll Service/ Long Distance Voice Revenues
Installation Revenues
Amortized Grant Revenues
Other Operating Revenues
Uncollectible Revenues

2. Expenses

Backhaul Expenses
IP/Interconnection Expenses
Video Content Expenses
Spectrum Expenses
Network Maintenance/ Monitoring Expenses
Utility Expenses
Sales/ Marketing Expenses
Customer Care Expenses
Corporate G&A Expenses
Property Tax Expenses
Other Operating Expenses

3. Depreciation

4. Amortization

5. Interest Expense

6. Interest Income

7. Income Taxes

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Federal Forms and Attachments, FY 2012**

**U.S. Department of Agriculture
Rural Utilities Service**

Equal Opportunity and Nondiscrimination Certification

All grants made under the Community-Oriented Connectivity Broadband Grant Program are subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, as amended, (7 CFR Part 15); Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 901 *et seq.*; 7 CFR Part 15b); and Age Discrimination of 1975, as amended (42 U.S.C. 6101 *et seq.*; 45 CFR Part 90); and as amended by Executive Order 11375 Amending Executive Order 11246, Relating to Equal Employment Opportunity (3 CFR, 1966, 1970 Comp., p. 684).

All recipients of financial assistance from the Rural Utilities Service, the prospective primary participant commits to carry out the Rural Utilities Service 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 Community-Oriented Connectivity Broadband Grant Program.

The _____ (Grantee)
hereby certifies that, as a prospective recipient under the said Community-Oriented Connectivity Broadband Grant Program, it will comply with the above reference laws and executive orders.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

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**U.S. Department of Agriculture
Rural Utilities Service**

Certificate Regarding Architectural Barriers

All facilities financed with Rural Utilities Service grants 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 CFR subpart 101-19.6).

As a prospective primary participant recipient of financial assistance from the Rural Utilities Service, this organization commits to carry out Rural Utilities Service 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.

The _____ (Grantee) hereby certifies, that, as a prospective recipient under the Community-Oriented Connectivity Broadband Grant Program, it is in compliance, or will be in compliance upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

**Community Connect Broadband Grant Program
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**U.S. Department of Agriculture
Rural Utilities Service**

Certificate Regarding Flood Hazard Area Precautions

If the project is located in an area subject to flooding, flood insurance must be provided to the extent available and required under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 through 4128). If applicable, the insurance must cover, in addition to the buildings, any machinery, equipment, fixtures, and furnishings contained in the buildings. Rural Utilities Service will comply with Executive Order 11988, Floodplain Management (3 CFR, 1977 Comp., p. 117), and 7 CFR 1794.41, of this chapter in considering the application for the project.

Please check the appropriate line below:

- a) The project is not located in a 100 year flood plain; therefore, no Flood Insurance is required.
- b) The project is located in a 100 year flood plain and the required insurance is or will be provided by:

The _____ (Grantee) hereby certifies, that, as a prospective recipient under the Community-Oriented Connectivity Broadband Grant Program, it is in compliance, or will be in compliance during construction and/or installation of equipment and upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

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**U.S. Department of Agriculture
Rural Utilities Service**

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

The _____ (Grantee) assures that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), 42 U.S.C. 4601-4655, and with implementing Federal regulations in 49 CFR Part 24 and 7 CFR Part 21.

Specifically, the _____ (Grantee) 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)

Attachment 10

**Community Connect Broadband Grant Program
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**U.S. Department of Agriculture
Rural Utilities Service**

***Certification Regarding Drug-Free Workplace Requirements
Alternative I – For Grantees Other than Individuals***

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (P.L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 *et seq.*), 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose. The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990, Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

ALTERNATIVE I

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than 5 calendar days after such conviction;
- (e) Notifying the Agency in writing, within 10 calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

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- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance:

Street Address

City

County

State

Zip Code

Check if there are workplaces on file that are not identified here.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

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Rural Utilities Service**

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

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' Responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed transaction.

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not 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 not 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 not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

Attachment 12

**Community Connect Broadband Grant Program
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Rural Utilities Service**

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

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, 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, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. (Copies of this form may be obtained from the Rural Utilities Service.)
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients 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 section 1352, title 31, U.S. Code. 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.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

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Non Duplication of Services Certificate

As a prospective primary participant recipient of assistance from Rural Utilities Service, this organization certifies that facilities financed under the Community-Oriented Connectivity Broadband Grant Program will provide broadband service only in areas where it does not currently exist.

The _____ (Grantee/Borrower) hereby certifies that as a prospective recipient under the said Community-Oriented Connectivity Broadband Grant Program, that it will not use Rural Utilities Service grant funds to duplicate any established broadband services or facilities as referenced above.

(Date)

(Signature)

(Name Typed or Printed)

(Title)

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Federal Obligations Certification on Delinquent Debt

IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? _____ YES _____ NO

Note: Example of debts include, but are not limited to, delinquent taxes, guaranteed or direct government loans (more than 31 days past due) and other administrative debts.

If Yes, provide explanatory information.

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR COMMERCIAL DEBT

The Federal Government is authorized by law to take any or all of the following actions in the event that a borrower's loan payments become delinquent or the borrower defaults on its loan: (1) Report the borrower's delinquent account to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service the borrower's account; (4) Offset amounts owed to the borrower under other Federal programs; (5) Refer the borrower's debt to the Internal Revenue Service for offset against any amount owed to the borrower as an income tax refund; (6) Refer the borrower's account to a private collection agency to collect the amount due; and (7) Refer the borrower's account to the Department of Justice for litigation in the courts.

All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

Certification

I have read and understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in accordance with the terms and conditions of my agreements.

Signed: _____

Title: _____

Company: _____

Date: _____

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U.S. Department of Agriculture
Rural Utilities Service

***Community Connect Grant Program
Environmental Questionnaire***

Legal Name of Applicant: _____

Overview

The USDA Rural Utilities Service (RUS) is required to assess the impacts of proposed federal actions, such as the provision of financial assistance through the Community Connect Grant Program, to the human environment in accordance with the National Environmental Policy Act (NEPA), Section 106 of the National Historic Preservation Act (NHPA), the Endangered Species Act (ESA), and other federal, state, and local environmental laws. Community Connect Grant Program applicants must complete an Environmental Questionnaire (EQ) and submit with their applications. The EQ provides information to RUS so that it can either complete the environmental review process or determine the appropriate level of additional impact analyses needed, in accordance with RUS Environmental Policies and Procedures, 7 CFR Part 1794 (<http://www.usda.gov/rus/water/ees/pdf/1794.pdf>). RUS will notify applicants if additional information or analyses are necessary beyond what was submitted in the EQ.

No construction activities may begin until final environmental approval from RUS is granted. In accordance with 7 CFR § 1794.15, awardees are prohibited from taking actions that may have an adverse environmental impact or limit the choice of practicable alternatives that may be considered until RUS has concluded the environmental review process. If the proposed project involves construction activities or property acquisition, the applicant is generally prohibited from acquiring, rehabilitating, converting, leasing, repairing or constructing property or facilities, or committing or expending Agency or non-Agency funds until after RUS has concluded its environmental review requirements.

An applicant may submit to RUS 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 agencies. Such material, to the extent determined to be relevant, may be used to fulfill RUS environmental review requirements.

Applicants shall not reference items provided in other parts of the application package in the EQ; all materials relevant to the EQ must be integrated herein to facilitate timely review.

Attachment 16

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Requested Information

- A. Project Description and Location:** Describe all project-related construction activities, including, but not limited to, the construction or renovation of a community center, the construction and installation of cable (buried and/or aerial), and/or the installation of telecommunications transmission facilities including construction of new towers and/or collocations. Complete descriptions, locations and mapping must be provided for each site affected by project-related construction activities (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>. All project elements, if known at the time of the application, must be clearly depicted on any map provided. If appropriate, photographs or aerial photographs of site-specific proposals may be provided.
- B. Land Use:** Describe the amount of property to be cleared, excavated, fenced, or otherwise disturbed by the proposed project, and the current land use and zoning for each project site affected by construction. Document whether the proposed project is located on public land owned or managed by the federal government. For information related to federal lands see the following website (<http://www.geocommunicator.gov>). This website provides cadastral survey and land management information and data from the National Integrated Land System specifically the distribution of the Public Land Survey System (PLSS), other survey-based data, and federal land boundaries.
- C. Wetlands:** Describe and indicate whether wetlands are present on or near the project site(s) affected by proposed 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>). If wetlands are identified within the project area, please document where the project components will be located in relation to the identified wetland areas.
- D. Threatened and Endangered Species:** Describe and indicate whether any proposed project site(s) will directly or indirectly affect any threatened, endangered or candidate species, or is/are within or near critical habitats. Applicants must provide species lists and appropriate species accounts (i.e. requisite habitat) for each county affected by construction obtained from the U.S. Fish and Wildlife Service's website (http://ecos.fws.gov/tess_public/). Information about potential critical habitat areas can be also be found on the U.S. Fish and Wildlife Service's website (<http://criticalhabitat.fws.gov/crithab/>).
- E. Floodplains:** Describe and indicate whether or not any facility(ies) or site(s) are located within an 100-year floodplain. If any project-related construction activities are within floodplains, a copy of a Flood Insurance Rate Map (FIRM) that depicts construction activities must be included. Information related to floodplains and National Flood Insurance Maps may be obtained from the Federal Emergency Management Agency's

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(FEMA) website

(<http://msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=10001&langId=-1>).

F. 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>).

G. 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 EPA's Cleanups in My Community website (<http://iaspub.epa.gov/Cleanups/>).

H. Section 106 Review

Applications with Telecommunications Towers and Collocations

Applicants proposing telecommunications towers and collocations should note that the Federal Communications Commission (FCC) has regulatory requirements for licensing radio spectrum to be carried by these facilities, and an established review process for ensuring compliance with Section 106 of NHPA. If the proposed tower or collocation will use FCC licensed spectrum, regardless of the height of the telecommunications tower, applicants must complete FCC's Section 106 review process – see: http://wireless.fcc.gov/siting/historic_preservation.html. If an application proposes a tower or collocation that will carry FCC spectrum, RUS has agreed that FCC will conduct Section 106 review for those facilities. For additional information and guidance, applicants are encouraged to contact Stephen Delsordo, the FCC Federal Preservation Officer at 202-418-1986 or via email at stephen.delsordo@fcc.gov.

A summary of the FCC Section 106 review requirements include the following: applicants may need to contact the appropriate State Historic Preservation Office, complete Form 620 for new towers or Form 621 for collocations, and notify Indian tribes, Alaska Native Villages and Native Hawaiian organizations using the Tower Construction Notification System (TCNS), which can be found at http://wireless.fcc.gov/outreach/index.htm?job=tower_notification. In completing Form 620 applicants are advised to include for review any fiber optic cable that will be constructed to connect a proposed new tower to mainline cables.

The FCC's Section 106 review process does not apply to any portion of a proposal that is located within the exterior boundary of federal property, such as U.S. Forest Service, National Forest System land, or an Indian reservation.

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Applications Not Subject to FCC Section 106 Reviews

RUS will conduct Section 106 review for any new tower or collocation which will not carry FCC regulated spectrum and any other construction component of an application not subject to FCC review. The required information to be gathered by the applicant as described below must be included in the EQ. Databases and maps to assist in identifying known archeological sites and NRHP listed or eligible resources can be obtain from the State Historic Preservation Office (SHPO) in your respective State. The National Conference of State Historic Preservation Officers website (<http://www.ncshpo.org/find/index.htm>) provides a directory of SHPOs.

For all components of a proposed application that are not subject to FCC's Section 106 review as described above, the following requirements apply:

1. Fiber optic cable – For buried fiber optic cable and aerial fiber optic cable requiring pole construction/replacement, applicants must identify and describe, including type and status for listing on the National Register of Historic Places (NRHP) known archeological sites located within 500 feet of either side of the cable route and prior archeological surveys that have been conducted in this study area. Include this information in the EQ along with mapping that shows the relationship between these known sites and the study area as well areas of planned disturbance, whether for trenching or entry for buried line, or pole placement for aerial.
2. Construction of a Community Center or Facility – If any existing building, structure or portion thereof is proposed for demolition, the applicant will determine the date of construction of this existing structure. If the building or structure is more than 45 years old, the applicant will determine if the resource is listed on or eligible for listing on the NRHP, or located within or adjacent to a historic district that is listed on or eligible for listing on the NRHP. The results of this study must be presented in the EQ.
3. Renovation/Rehabilitation of an Existing Building - If the building to be renovated is more than 45 years old, the applicant will determine if the structure is listed on or eligible for listing on the NRHP, or located within or adjacent to a historic district that is listed on or eligible for listing on the NRHP. The results of this study must be presented in the EQ.
4. New Tower Construction - Applicants must identify and describe, including type and status for listing on the NRHP known archeological sites located within 500 feet of the proposed tower site, any new access roads and new buried fiber optic cable needed to connect the tower with the mainline cable, and previous archeological surveys that have been conducted in this study area. Include this information in the EQ along with mapping that shows the relationship between these known sites and the study area as well areas of planned construction disturbance. In addition, the applicant must identify any building listed on or known to be eligible for listing on the NRHP, including historic districts, within a radius of the tower site specified as follows: within ½ mile radius if the tower will be 200 ft tall or less; ¾ mile if the tower will be 200 ft to 400 feet in height; and 1.5 miles if the tower will be over 400 feet tall. All of this information must be presented in the EQ and supported by maps showing the geographic relationship between project components and identified resources, and photographs, particularly from the outer limit of the radius looking toward the tower site.

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5. Collocations – If the collocation will not substantially increase the height of an existing tower, no evaluations are needed. For collocations to be placed on non-tower structures, the applicant must determine if the non-tower structure is more than 45 years old. If so, then the applicant will determine if the non-tower structure is listed on or known to be eligible for listing on the NRHP, or located within or adjacent to a historic district that is listed on or known to be eligible for listing on the NRHP.

Additional Assistance/Contact Information

In addition to the resource specific references provided above, general NEPA related information and guidance can be found on the CEQ website (<http://ceq.hss.doe.gov/index.html>) or on the environmental section of the RUS website at <http://www.rurdev.usda.gov/UWP-environmental.htm>.

For information related to Section 106 of NHPA, see the Advisory Council on Historic Preservation website - <http://www.achp.gov/docs/CitizenGuide.pdf>.

The U.S. Department of Agriculture prohibits discrimination in its programs on the basis of race, color, National origin, sex, religion, age disability, political beliefs, and marital or family status. (Not all bases apply to all programs.) Persons with disabilities who require alternative means for communications of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center on (202) 720-1127 (TDD). USDA is an equal opportunity employer.