

Community Connect Grant Program

FY 2021



Background

Community Connect Grant Program

- Created in 2002
- Competitive Grant Program

Program Regulation and FOA:

- Community Connect Grant Program Regulation, 7 CFR 1739 Subpart A.
- Funding Opportunity Announcement (FOA), published September 24, 2020 on the Community Connect website and Grants.gov. The FOA sets the minimum and maximum grant amounts for the 2021 program as well as the broadband service speed and broadband grant speed.

Key Definitions and Limits

Community Connect Grant Program

- **Broadband Service** means any terrestrial technology having the capacity to provide transmission facilities that enable subscribers of the service to originate and receive high-quality voice, data, graphics, and video at the minimum rate of 10 megabits per second download and 1 megabits per second upload for fixed service. Satellite and **mobile services** are not considered broadband service.
- **Broadband Grant Speed** means the minimum bandwidth of 25 megabits per second download and 3 megabits per second upload that an applicant must propose to deliver to every customer in the PFSA.
- Minimum and Maximum Grant Amounts:
 - \$100,000 minimum
 - \$3,000,000 maximum

Program Rules and Eligibility

Eligible Applicants

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

Individuals and Partnerships are not Eligible.

Applicants must have the legal capacity and authority to apply for funding and enter into a contract with RUS.

Applicants must have the legal capacity to own and operate a broadband system.

Eligible Project

To be eligible for a Community Connect grant, the Project must:

- Serve a Proposed Funded Service Area (PFSA) in which Broadband Service does not exist;
- Offer service at the Broadband Grant Speed to all residents and business customers within the PFSA;
- Offer free service at the Broadband Grant Speed to all Essential Community Facilities (ECFs) located within the PFSA for at least 2 years starting from the time service becomes available to each ECF; and
- Provide a Community Center with at least two Computer Access Points and wireless access at the Broadband Grant Speed, free of all charges to users for at least 2 years and is open and accessible to area residents before, during and after normal working hours and on Saturday and/or Sunday.

Eligible PFSA

Proposed Funded Service Area (PFSA) means the contiguous geographic area within an eligible Rural Area in which the applicant proposes to provide service at the Broadband Grant Speed

Rural Area means any area, as confirmed by the latest decennial census of the Bureau of the Census, which is not located within:

- a city, town, or incorporated area that has a population greater than 20,000 inhabitants; or
- An urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants. For purposes of the definition of rural area, an urbanized area means a densely populated territory as defined by the US Census Bureau.

Eligible PFSA (Continued)

Broadband Service cannot exist in any portion of an eligible PFSA.

Applicants should use all available resources to determine if Broadband Service exists, including: FCC data (<https://broadbandmap.fcc.gov> or <https://www.fcc.gov/reports-research/maps>),

Information on areas served by existing RUS borrowers and grantees

<https://rd.usda.gov/programs-services/all-programs/telecommunications-programs/telecom-maps>:

View service provider websites and contact local service providers

*** A Public Notice Filing will be published on all applications for service provider comment. All Information Will Be Independently Verified By RUS***

Eligible Grant Purposes

1) The construction, acquisition, or leasing of facilities used to deploy service at the Broadband Grant Speed to all residents and businesses in the PFSA

- Buildings constructed with grant funds must reside on property owned by the awardee.
- Leasing costs will only be covered through the advance of funds period included in the award documents.

Eligible Grant Purposes (Continued)

2) The improvement, expansion, construction, or acquisition of a Community Center and provision of Computer Access Points.

- Grant funds for the Community Center are limited to the lesser of ten percent of the requested grant amount or \$150,000.
- If the community center is constructed with grant funds, the center must reside on property owned by the awardee.
- Includes funding for at least 2 and up to 10 computer access points to be used in the Community Center.

3) The costs of providing the necessary bandwidth for service free of charge to the ECFs for 2 years.

Ineligible Grant Purposes

- 1) Funds may not be used to finance the duplication of any existing Broadband Service provided by other entities.
- 2) Operating expenses are ineligible with the exception of lease costs for facilities used to deploy broadband service and bandwidth expenses to ECFs.

Matching Contribution

- Applicants must provide a Matching Contribution which is at least 15% of the total amount of financial assistance being requested.
- Matching Contributions cannot include any financial assistance from federal sources unless there is a federal statutory exception.
- At the time of closing of the award, the awardee must contribute or demonstrate available cash reserves in an account(s) of the awardee equal to at least 15% of the grant.
- The Matching Contribution must be in the form of cash, to be used to fund operations of the project.

Application Submission

New for 2021, Applications can only be submitted:

- Electronically through a new electronic application system established by RUS
- A notice of the opportunity will be published at www.grants.gov , but applications can no longer be submitted through www.grants.gov.
- No hard copies may be submitted, only electronic applications through the RUS application system.

SUTA Provisions

If the Administrator determines that a community in trust land (as defined in section 3765 of title 38, United States Code) has a high need for the benefits of the Infrastructure Program, he/she may designate the community as a substantially underserved trust area (SUTA), as defined in section 306F of the RE Act. To receive SUTA consideration, the applicant must attach all of the information requested in 7 CFR 1700, Subpart D to the application and do both of the following:

1. Notify the Agency in writing that it seeks consideration as a substantially underserved trust area.
2. Identify the discretionary authorities of 7 CFR 1700, Subpart D that apply to the request.

The authorities which may be requested:

§1700.106 Discretionary provisions.

(a) To improve the availability of eligible programs in eligible communities determined to have a high need for the benefits of an eligible program, the Administrator retains the discretion, on a case-by-case basis, to use any of the following SUTA authorities individually or in combination to:

- (1) Make available to qualified applicants financing with an interest rate as low as 2 percent;
 - (2) Extend repayment terms;
 - (3) Waive (individually or in combination) non-duplication restrictions, matching fund requirements, and credit support requirements from any loan or grant program administered by RUS; and
 - (4) Give the highest funding priority to designated projects in substantially underserved trust areas.
- (b) Requests for waivers of nonduplication restrictions, matching fund requirements, and credit support requirements, and requests for highest funding priority will be reviewed on a case-by-case basis upon written request of the applicant filed pursuant to 7 CFR 1700.108.
- (c) Notwithstanding the requirements in paragraph (b) of this section, the Administrator reserves the right to evaluate any application for an eligible program for use of the discretionary provisions of this subpart without a formal, written request from the applicant.

Technical Assistance

Prior to official submission of applications, applicants may request technical assistance or other application guidance from the Agency. RUS suggests that requests be made at least 15 days prior to the application closing. Technical assistance is not meant to be an analysis or assessment of the quality of the materials submitted, a substitute for agency review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis. The Agency will not solicit or consider scoring or eligibility information that is submitted after the application deadline. The Agency reserves the right to contact applicants to seek clarifying information on materials contained in the submitted application.

Application Processing

Review Standards

- Applications must be submitted by December 23, 2020 (11:59 pm EST);
- Applications must be eligible and complete; and
- Applications must be technically and financially feasible.
- New for FY 2021, mapping information will be put out as a Public Notice Filing for potential existing service providers to contest the eligibility of an application. Any information received will be verified by RUS and may be rejected if found to not be supportable.
 - Applications passing Steps 1 - 4 will be evaluated competitively based on the three scoring components.
 - Applications will be ranked and awarded in rank order until all grant funds are expended.
 - Awards announced.

Scoring

Up to 100 points are available. These points are broken into 3 Scoring Components:

- PFSA Needs (up to 50 points are available)
- Stakeholder Involvement (up to 40 points are available)
- Management Experience (up to 10 points are available)

SPECIAL CONSIDERATION AREA POINTS ARE NOT PART OF THE 2021 PROGRAM

APPLICANTS MAY SUBMIT MORE THAN ONE APPLICATION, HOWEVER, ONLY THE SINGLE HIGHEST SCORING ELIGIBLE APPLICATION WILL BE CONSIDERED FOR AWARD

Scoring (Continued)

In making the final selection among and between applications with comparable rankings and geographic distribution, the Administrator may take into consideration the characteristics of the PFSA.

- Persistent poverty counties that will be served within the PFSA;
- Out-migration communities that will be served within the PFSA;
- The rurality of the PFSA;
- The speed of broadband service that is offered to subscribers in the PFSA;
- Substantially Underserved Trust Areas (SUTA) that will be served within the PFSA; and
- Community members with disabilities that will be served within the PFSA.

Contact Information

Additional resources are available on our website at:

<http://www.rd.usda.gov/programs-services/community-connect-grants>

Contact Information:

Loan Origination and Approval Division

202-720-0800

How to Apply for a Grant

Application Information

For program regulation (7 CFR 1739), 2021 Funding Opportunity Announcement (FOA), Standard Form 424 and instructions, and the Application Guide:

<http://www.rd.usda.gov/programs-services/community-connect-grants>

New for 2021, applications are submitted in an RUS online application system (<https://rus-apply.rd.usda.gov/>). Applicants register and associate with an applying entity, provide application information, draw a map, and attach the application schedules in this system. Instructions for using this system are also available on the program web site.

Community Connect Portal- Registering

If you are not yet registered to an organization in RUS systems:

Applicants must have a Level II eAuth account
(<https://www.eauth.usda.gov/home/>)

Once obtained, applications must submit an Authorized Representative Request in the CC Portal system. You will hit the “Start an ARR” button in the CC Portal

Search via the DUNS and TIN for your organization. If it exists in the system, select and proceed. If not, add the organization.

Once an organization is selected, you must submit a request for at least the Authorized Representative Signature Certifier

Community Connect Portal- Registering

Once the designated individuals have been added to the ARR form, the user must upload a signed board resolution before selecting the “Submit” button. The information in the signed board resolution must match all information that the user entered on the ARR form. Board resolutions must be uploaded in PDF format and may not exceed 25MB in size. Additional tips and sample board resolutions are available at: <https://www.usda.gov/sites/default/files/documents/arr-resolution-instructions-samples.pdf>

Community Connect

Thank you for your interest in the Community Connect Grant Program. The purpose of the Community Connect Grant Program is to provide financial assistance in the form of grants to eligible applicants that will provide, on a “community-oriented connectivity” basis, broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety benefits.

You can create your Proposed Funded Service Area and upload your Community Connect Grant application by clicking the button below.



Get Started


Applications

APPLICATION NO.	FUNDING WINDOW	START DATE	SUBMITTED
102000055	Jul 1, 2020 - Aug 15, 2020	08/05/2020, 08:02 AM	
102000054	Jul 1, 2020 - Aug 15, 2020	08/05/2020, 07:38 AM	08/05/2020, 07:52 AM
102000053	Jul 1, 2020 - Aug 15, 2020	08/05/2020, 07:16 AM	08/05/2020, 07:21 AM
102000052	Jul 1, 2020 - Aug 15, 2020	08/05/2020, 06:42 AM	08/05/2020, 07:03 AM

Community Connect Portal

- The CC Portal system is used to draw the map and upload required application schedules
- Maps can be either drawn via the tools in the system or a Shapefile can be uploaded
- Use the upload tool to upload application schedules.
- Once complete, submit the application

Community Connect Portal

USDA Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Home

Arthur Head

COMMUNITY CONNECT

Community Connect Grant Application

Application No:

To upload your Community Connect Grant Application, complete the following tasks on this page:

1. Draw or upload an ESRI zipped shapefile of the Proposed Funded Service Area (PFSA) (serves as Section "E" of the grant application);
2. Upload an electronic copy of the Application Documents; and
3. Submit the Community Connect Grant Application to USDA. This task can only be completed by the Entity's Representative Signature Certifier. Please note that the Entity's Representative Signature Certifier will not be able to complete this task if a PFSA has not been created or at least one file has not been uploaded under the "Upload Application Documents" section on this page.

The PFSA and the Application Documents can only be submitted during the application window. If the application window deadline has passed, the "Submit Application to USDA" button will no longer appear at the bottom of the page.

Proposed Funded Service Area Map

Use the Proposed Funded Service Area Map to draw or upload an ESRI zipped shapefile of the PFSA that will be included as part of your Community Connect Grant application. The PFSA must be a single, closed, non-overlapping polygon completely located within a rural area where Broadband Service does not already exist. Broadband Service is defined in the latest Funding Opportunity Announcement. The PFSA Map includes layers to assist applicants in identifying areas that are not eligible for funding under the Community Connect Grant Program. These layers are described below:

- **Non-Rural Areas** – This layer contains a subset of the 2010 Census Places data and a subset of the 2010 Urbanized Area/Urban Cluster Census data. Both subsets are filtered to include: (1) a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; or (2) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants. The resulting two subsets are merged to create the non-rural areas layer.
- **Pending Applications** – This layer includes all Farm Bill Broadband, ReConnect, and Telecommunications Infrastructure applications that have been submitted to the Rural Utilities Service (RUS) for consideration.
- **RUS Approved Project Service Areas** – This layer includes the service areas of all the Infrastructure and Farm Bill loan recipients and ReConnect and Broadband Initiatives Program (BIP) loan and loan/grant combination recipients. This layer also includes the service areas of Community Connect grant recipients that received a grant after Calendar Year 2014 and the service areas of the ReConnect 100% grant recipients.

If a BIP award recipient received either a 100% grant or a loan/grant combination award but paid off the loan portion, then those service areas are not included in this layer. If the loan or loan/grant combination recipient has at least one outstanding loan obligation with the RUS under any of the programs listed above, all of the service area(s) of the recipient are included in this layer.

The PFSA Map also includes the Tribal Lands layer as a reference layer. This layer includes cartographic boundary spatial data for American Indian, Alaska Native Areas, and Hawaiian Homelands.

Click on the Menu above the map and then open the "Proposed Funded Service Area" panel when you are ready to draw or upload your PFSA and click "Save Data" above the map when you are finished.

Need help using the map? [Contact us](#)

Community Connect Portal- Map

×

Menu

Proposed Funded Service Layer

Proposed Funded Service Data

Map Legend

Save Data

Proposed Funded Service Area

+ Add Proposed Funded Service Area



Hand drawing tools (if hand drawing)

×

Menu

Proposed Funded

Proposed Funded

Map Legend

Save Data

Add Proposed Funded Service Area

Draw or Upload a Proposed Funded Service Area

Click "Upload File" to upload an ESRI zipped shapefile of your PFSA or drag and drop your shapefile to the "Drop File" zone.

The shapefile must comply to the following specifications:

- 1. The Shapefile can only include a single contiguous polygon.
- 2. The polygon must be closed, non-overlapping, and must have an as projection with an accompanying .prj file.
- 3. The Shapefile must use an unprojected WGS84 Geographic Coordinate System.
- 4. The Shapefile must be submitted as a *.zip file. This can be done with Windows by selecting the files associated with a Shapefile, right-click then clicking "Send" to Compressed (zipped) folder.

Upload Files

Or drop files

No file chosen

Cancel

Add Area

≡

Menu

Save Data

+
-

Map of San Angelo, Texas, showing a pink polygon representing a proposed funded service area. The map includes labels for San Angelo, Goodfellow Air Force Base, and surrounding areas like Lipan Flat and Wall. A scale bar indicates 26 miles.

Community Connect Portal- Upload Files


Need help using the map? [Contact us](#)

Menu

Save Data

Upload Application

Click "Upload File" or drag and drop your file to the "Drop File" zone to upload an electronic copy of the grant application documents. Allowable file formats include .pdf, .docx, .xlsx, and .csv. The size for each uploaded document cannot be greater than 2 GB. Users have the ability to separate out the application into more than one file or file type.

 USDA URLA Text Case 2_v5.15.20

Ready to Upload Application to USDA?

Once the PFSA and accompanying Application Documents are ready to be submitted to USDA for consideration, the Entity's Representative Signature Certifier must click "Submit Application to USDA" button to submit the application to USDA. No further changes can be made to your Community Connect Grant Application once it has been successfully submitted to USDA. Submitted applications can always be viewed from the Applications table on the Home page.

Exit

Community Connect Portal- Submitting

Once the application is ready for submission, the 'Submit Application to USDA' button is enabled for the Rep Sign Cert

Ready to Upload Application to USDA?

When the application is ready, only the entity's Representative Signature Certifier can upload the application to USDA. If the option to upload the application isn't accessible below, please contact your entity's Representative Signature Certifier. Once the application is uploaded and/or the funding window has closed, no further action can be taken on the application. Uploaded applications can be viewed at all times from the Application table on the Home page.

Submit Application to USDA

Required Application Schedules

- Standard Form 424, SAM Registration and Other Documentation
- Executive Summary
- Scoring Criteria Documentation
- System Design (including Environmental Questionnaire)
- Service Area Demographics
- Scope of Work
- Community-Oriented Connectivity Plan
- Financial Information and Sustainability
- Statement of Experience
- Evidence of Funding Commitments from Other Sources
- Compliance with Other Federal Statutes and Regulations

Schedule A-1: SF 424

OMB Number: 4040-0004
Expiration Date: 03/31/2012

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
<input type="checkbox"/> Preapplication	<input type="checkbox"/> New	<input type="text"/>
<input type="checkbox"/> Application	<input type="checkbox"/> Continuation	* Other (Specify)
<input type="checkbox"/> Changed/Corrected Application	<input type="checkbox"/> Revision	<input type="text"/>

* 3. Date Received:	4. Applicant Identifier:
<input type="text"/>	<input type="text"/>
<small>Completed by Grants.gov upon submission.</small>	

5a. Federal Entity Identifier:	* 5b. Federal Award Identifier:
<input type="text"/>	<input type="text"/>

State Use Only:

6. Date Received by State:	7. State Application Identifier:
<input type="text"/>	<input type="text"/>

8. APPLICANT INFORMATION:

* a. Legal Name:
<input type="text"/>

* b. Employer/Taxpayer Identification Number (EIN/TIN):	* c. Organizational DUNS:
<input type="text"/>	<input type="text"/>

d. Address:

* Street 1:	<input type="text"/>
Street 2:	<input type="text"/>
* City:	<input type="text"/>
County/Parish:	<input type="text"/>
* State:	<input type="text"/>
Province:	<input type="text"/>
* Country:	<input type="text" value="USA: UNITED STATES"/>
* Zip / Postal Code:	<input type="text"/>

e. Organizational Unit:

Department Name:	Division Name:
<input type="text"/>	<input type="text"/>

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	* First Name:
<input type="text"/>	<input type="text"/>
Middle Name:	
<input type="text"/>	
* Last Name:	
<input type="text"/>	
Suffix:	
<input type="text"/>	
Title:	<input type="text"/>
Organizational Affiliation:	<input type="text"/>
* Telephone Number:	Fax Number:
<input type="text"/>	<input type="text"/>
* Email:	<input type="text"/>

Schedule A-2: SAM Registration

A DUNS number is required in order to register in the SAM Database.

Dun and Bradstreet Data Universal Numbering System (DUNS)

1-866-705-5711

OR

<http://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>

System for Award Management (SAM)

1-877-332-8277

OR

<http://www.sam.gov>

Schedule A-2 (Continued)

Printout a copy of your registration in SAM.gov and include as Schedule A-2, must show activation date and CAGE code.

- Registration, **with grant certifications**, must be active BEFORE application is submitted
- Registration must remain current at all times while application is under consideration
- Must be in the name of the applicant (not a parent, subsidiary, etc.)
- Must be accompanied by evidence of legal existence for the applicant as listed on the SAM registration (evidence of good standing with the body under which they are organized, or for entities created under law, a copy of the state statute, regulation, or other appropriate documentation)

Schedule B: Executive Summary

- Description of the Proposed Funded Service Area (PFSA) and why the project is needed;
- A description of the applicant;
- Explanation of the total project costs;
- General overview of the proposed broadband system (types of equipment, technologies, and facilities);
- Documentation describing the procedures used to determine the unavailability of existing Broadband Service in the PFSA;
- A list of participating Essential Community Facilities; and
- Evidence that any remaining Essential Community Facility located in the PFSA has rejected the offer for free service at the Broadband Grant Speed.
- Include a section which has a publicly releasable project description

Schedule C: Scoring Criteria Documentation

1) PFSA Needs (up to 50 points)

- a. Economic Characteristics
- b. Educational Challenges
- c. Health Care Needs
- d. Public Safety Issues

2) Stakeholder Involvement(up to 40 points)

3) Management Experience (up to 10 points)

Special Consideration Area points are not included in the FY 21 program

Please refer to the application guide for details on each scoring component and additional criteria that will be used to differentiate your application from other applications.

Schedule D: System Design

- Detailed description of existing network if applicable.
 - Services offered
 - Customers served
 - Internet connection
- Detailed description of the proposed network.
 - PFSA description
 - Technology proposed
 - Existing network upgrades
- Description of the design parameters used in engineering the system.

Schedule D: System Design (Continued)

- Licenses and/or agreements required to construct and operate the network and the status of securing those licenses/agreements.
- Network Diagram (Schedule D-1) of existing and proposed network.
- Environmental Questionnaire (Schedule D-2)
- Recommend System Design is prepared by a registered engineer licensed in the State(s) where the network will be constructed.

Environmental Considerations

- Additional instruction is included in the FY 2021 Community Connect Grant Program Application Guide, providing additional clarification on what to provide and agencies to contact, depending on the scope of the proposed project.
- If agency correspondence is required, or if sensitive areas are involved in the proposed project, reach out to RUS for advice before beginning consultation.

Schedule E: Service Area Demographics

Use the RUS web-based Mapping Tool to map the PFSA in the online application system. Provide as Schedule E a summary of the demographic information. If numbers vary from the Census based information provided by the mapping tool, provide an explanation and support for any variations. Below is a sample format for providing information.

Service Area Demographics			
Service Area Name	Population	Households	Businesses

Schedule F: Scope of Work

- Description of the specific activities and services to be performed.
- Who will perform the activities and services.
- A construction build-out schedule (Schedule F-1).
- Detailed budget (Schedule F-2).
 - The total grant funds shown on the budget must be the same as those listed on the Application for Federal Assistance (SF 424).
 - Any ineligible items listed on the budget will NOT be considered for grant funding and could affect the eligibility of the application.
 - The budget must include funding for at least 2 and no more than 10 grant funded computer access points.

Schedule F-2: Budget

Schedule F-2
Project Budget

BUDGET	No. of Units	Unit cost	Total	Grant	Other Funding	Description
BROADBAND SYSTEM						Note: These items are general in nature, applicants should modify as required to describe their specific project.
Electronic Equipment (FTH, 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						
Bandwidth Costs						
Collocation Costs						
Site preparation						
Engineering						
Total Broadband System			0.00	0.00	0.00	
COMMUNITY CENTER						Note: Grant funds provided for the community center are limited to the lesser of 10% of the grant amount requested or \$150,000. New building must be built on property owned by the applicant if grant funds are used for its purchase. Grant funds MUST be used to fund at least 2, and up to 10 Computer Access Points
Construction of building						
Renovations/expansion of existing building						
Furniture						
Computers/software/printers						
Total Community Center			0.00	0.00	0.00	
SUMMARY OF EXPENDITURES						
Broadband System						
Community Center						

Schedule G: Community-Oriented Connectivity Plan

- List of all Essential Community Facilities located in the PFSA;
- Description of the services that will be provided;
- The hours of operation of the Community Center in addition to the activities available to the public*
- Description of the consultation with the telecommunications carriers and their anticipated roles in the proposed telecommunications systems.
- Evidence of commitment from authorized personnel or owner to utilize building space for Community Center

* Building must be accessible to all members of the community before, during and after normal working hours AND on Saturdays or Sundays. This must be specifically addressed in the application.

Schedule H: Financial Information and Sustainability

- Description of the sustainability of the project
- Audited financial statements
 - Existing organizations (Prior two years)
 - If audited statements are not available, applicant must submit unaudited financial statements for those two years. The unaudited financial statements should include an income statement, balance sheet and statement of cash flows.
 - Start-up companies (Opening balance sheet dated within 30 days of application submission.)
- Annual financial projections
 - Include detailed assumptions that support the financial projections
 - Multiple applications from a single entity may be submitted, however only the highest scoring application will be considered. As a result, the version of the pro-formas for multiple applications provided in previous years has been removed since no entity will receive more than a single award.

Frequent Financial Flaws

- Historical Financial Data that doesn't match the Audit
- Balance Sheets that don't balance
- Cash Flow, Income Statements and Balance Sheets that don't tie together
- Equipment purchases on Balance Sheet must match System design
- Not enough Cash in the 5-year forecast to support the projections or negative cash balances
- Matching funds must be clearly reflected in the financial forecast
- Forecasts that don't include detailed assumptions

Assumption Examples

Bad assumption example 1:

Our company is currently offering broadband service, and anticipates greatly increasing this service over the five year period. The company currently has a penetration rate of 85% for its existing service areas. The projected rate for the PFSA will be the same as our existing rates.

Assumption Examples

Good Assumption example 1:

Revenues

Broadband Data Service:

The Company has been serving five communities for three years. Currently, our company offers broadband data service at speeds of 25 Mbps downstream/3 Mbps upstream, at a rate of \$50 per subscriber per month. For the prior two historical years, our company has had 70, and 85 subscribers respectively. Based on historical data, the company is projecting that our existing service area subscribers will increase by 10 subscribers per year over the five year forecast.

Based on the interest from community leaders, the company has projected that the PFSA for the community connect project will have a 20% penetration rate by year five of the project. Service plans for the new PFSA are projected to be consistent with our current offerings. The company is projecting 8 subscribers in the new service area in year one, and increasing by 10 new subscribers per year in years two through five.

Assumption Examples

Bad assumption example 2:

Customer Care expenses are the personnel and related costs of providing customer care operations to customers. This is projected to increase by 2% per year.

Good Assumption example 2:

Customer operations expense consists of the cost of customer care personnel, which includes one sales/marketing manager, three customer service representatives, and the associated employee benefits. The marketing manager has a salary of \$30,000 a year, and the customer service representatives \$18,000 per year. Benefits include the cost of health care insurance, calculated as 8% of each employee's salary per year. Base salaries are projected to increase by 2% per year to keep up with inflation.

Schedule I- Statement of Experience

Provide a narrative that describes your organization's capability and experience, if any, in operating a telecommunications system, or any project similar to the proposed project, including the qualifications of key staff.

Schedule J: Additional Funding

Applicants must provide evidence of matching funds equal to at least 15% of the requested grant amount.

- A recent bank statement in the name of the applicant showing the available funds

Or

- Evidence of external funding commitments

The match must be in CASH and AVAILABLE at the time of closing.

In-kind contributions will NOT be accepted.

Schedule J: Additional Funding (Continued)

If funding is going to be provided by another entity, additional information must be provided:

- Agreement between the entity and the applicant or a letter from the entity to the applicant
- Clearly state the name of the entity that is making the commitment to the applicant
- Include the amount of the commitment
- State the purpose of the commitment
- Demonstrate the ability of the entity making the commitment by a recent bank statement reflecting the appropriate amount of funds in the account.
- The agreement or letter should be signed by an authorized representative of the entity providing the commitment.

Because no entity is eligible to receive multiple awards under the 2021 FOA, Schedule J no longer needs to address the scenario where multiple awards are approved.

Schedule K: Compliance Certifications

Applicants have required certifications they must make. Some are handled via government wide certifications made in SAM.gov. Some are handled via the Application Checklist provided in the application guide, and the Assurance Agreement is provided as an attachment.

Common Mistakes with Applications

- Insufficient Match Funding
- Inadequate documentation that funding is available
- Little or no documentation or support from Community Leaders or organizations within the PFSA
- Insufficient or no historical financials provided
- Inadequate assumptions or no assumptions included
- Lack of specifics
- Inconsistencies within the application
- Lack of details on the Community Center: where it is located, who owns the property, hours, number of stations, access and availability to public and what services will be offered in it.

Common Mistakes with Applications (Continued)

- The PFSA on the mapping tool does not match the PFSA described in the application
- The entire PFSA is not rural
- All premises (households & businesses) in the service area are not offered service at the Broadband Grant Speed
- The application was insufficiently detailed as to determine the technical feasibility of the proposed system.
- Detailed descriptions of the existing and proposed networks were not provided
- Community Center not located in PFSA boundaries.

Applications: What to do

- Be specific
- Be clear
- Make sure all schedules are included
- Check for consistency

Applications: Submitting

Electronically via the RUS application system, no paper applications will be accepted. Application deadline is 11:59 pm EST, December 23, 2020. Submission will be disabled after this time. It is strongly recommended you submit well before this time to avoid any possible last minute technical issues.

Questions?

Contact Information

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