NEXT Level Connections Broadband Grant Program FAQs

Project Area

1. What areas are eligible for grant funding?

Areas that lack fixed service of at least actual 10Mbps download speed and 1 Mbps upload speed.

2. An applicant is required to provide documentation of the location of existing infrastructure within a given census block. Does this only apply to infrastructure owned by the applicant, or is the applicant required to provide a listing of all known broadband infrastructure, regardless of any ownership interest?

Applicant will need to provide information for the existing infrastructure they own to ensure the proposed project can be supported.

3. How can an applicant show that there is no broadband infrastructure in a census block?

This grant is awarded for broadband service to unserved areas, which does not necessarily mean a lack of infrastructure. The focus is on expanding service to unserved areas.

4. What is meant by “statistically significant survey data” for showing that a census block is unserved?

If the applicant uses survey data to show unserved areas, the survey must follow a sound methodology to include an appropriate sample size and random sampling.

5. Does the project area need to be contiguous?

No. The project area may include areas that are not adjacent to each other. However, the State of Indiana reserves the right to fund partial applications and the maximum request per application is $5 million.

6. Are there any requirements/thresholds for non-contiguous (miles apart/geographic or government unit)?

No thresholds.

7. Can an applicant apply for multiple grants in the same year?

Yes. If an applicant would like to submit multiple eligible projects for a single grant round, they must submit a separate application for each project. How to split the projects among applications is at the discretion of the applicant. The maximum request per application may not exceed $5 million.

8. The max grant amount is $5M is this per provider or per project?

Per project

9. Will service provided by mobile or satellite carriers be considered in determining areas eligible for this grant program?
No. Only fixed, terrestrial connections will be used to determine the areas that are eligible to receive grant funds. However, applications may propose to complete the project with any technology capable of supporting the service levels described in the application.

10. For a fiber build, what is the guidance around pole attachments and proximity to locations serviceable for them?

In order to be included as a served location, the infrastructure must be close enough so that it is "available" to that location. This means that service could be provided within a reasonable time and at a reasonable cost when the service is requested.

11. Would it be possible to get a map in shape file format of the eligible census blocks for the Next level connections broadband grant?

Shape files for the census blocks are not available. Please refer to the excel spreadsheet provided on the NLC web page.

12. The data being used to determine eligible census blocks comes from the December 2017 FCC Form 477 report. How is that information being updated to take into account projects that have been completed in 2018 as well as projects that are already in the planning stages for 2019 and beyond?

The program is following the most current data available to the FCC. Applicants are encouraged to provide any updated information via their application or the challenge process.

13. Is any unserved address eligible to be submitted as part of a grant application, regardless of whether it is located in an unserved census block (as provided in the state maps), or are only those addresses located within a previously identified unserved census block (pursuant to the state maps) eligible for funding?

Please refer to “Eligible Project Area” on page 2 of the application.

14. Has the map data been adjusted to remove any census block that is part of a federal or state funded build out program?

The eligible block map has been adjusted to take in consideration areas that received CAF.

15. If an area is receiving USF, IUSF, ACAM, CAF or CAFII funding is that area eligible for the NLC grant program?

Areas receiving CAF / CAFII are not eligible for this program.

16. If the applicant submits for multiple grants, will that be held against the provider? Likewise, will a single large application receive preference?

There is no preference and each application will be scored on its own merits.
**Project Documentation**

17. Will the financial data or other trade secrets be made public?

Information that contains trade secrets should be marked “Confidential” and in a separate file. Pursuant to IC 5-14-3-4(a)(4) these records may not be disclosed by a public agency.

18. Is a letter of intent required?

No.

19. What level of detail is required for the application in terms of the network design?

A preliminary technical evaluation of the project is required. It must include a project cost estimate, project schedule, and maps showing the proposed project area. It should be certified by a Professional Engineer (PE) registered in Indiana.

20. What does it mean for the service to be “available?”

Determination of service availability will be based on the definition used by the FCC. Service is defined as being available if the provider does, or could, within a service interval that is typical for that type of connection—that is, without an extraordinary commitment of resources—provide two-way data transmission at the speeds prescribed. A screenshot from a provider’s website demonstrating the lack of service availability at a specific address is an example of evidence that can be provided to prove that service is not available at that location, however, final determinations will be based on all the evidence submitted in the application and the public comment period.

21. Can you clarify the definition of last mile and middle-mile?

The last mile refers to network infrastructure that carries signals from the network to and from the home or business. Depending on network design and density of the area served, the actual distance of the last mile can be relatively short or may be considerably longer than a mile.

Middle-mile refers to the portion of the telecommunications network that connects a network operator’s core network to the local network (last mile) plant. Middle-mile facilities provide fast, large capacity connections and can range from a few miles to a few hundred miles.

Grant dollars can only be used for middle-mile related costs if it is necessary in order to provide last-mile service.

22. The program guidelines state that the most recently available FCC Form 477 data will be used to determine grant eligibility. What can I do if the data for my project area appears inaccurate?

While Indiana is using the FCC Form 477 data as our starting point in determining eligibility, we will allow applicants to apply for areas deemed served in the data if they include additional evidence to prove the area’s lack of service. This can include a statistically significant survey of the residents in the proposed area, the location of infrastructure assets, or other information. Additionally, a screenshot from a provider’s website demonstrating the lack of service availability at a specific address is an example of evidence that can be provided to prove that
service is not available at that location, however, final determinations will be based on all the evidence submitted in the application and the challenge period.

23. Can the grant fund middle-mile only projects?

No. The purpose of the grant is to provide broadband access to additional residential and business locations. Middle-mile expenses are eligible for grant funding only when they are necessary for the provision of the last-mile services described in the application.

24. If the project area needs to build thru a served area (Middle Mile) to get to the (Last Mile) should the applicant count the middle mile census blocks and homes passed?

If service won’t be provided to those middle mile census blocks, they should not be included in number of passings.

25. Are there technologies that are given preference over others in the application process?

No. The application process is technology neutral.

26. Does the presence of infrastructure capable of supporting actual 10/1 speeds automatically exclude an area from eligibility?

Not necessarily. The presence of infrastructure alone does not disqualify an area from the grant process. An area is excluded if service is available at an actual speed of 10/1 at that location.

27. What evidence is required to show that the 10D/1U criterion is not being currently met in the locations we intend to apply for? Will written statements from farmers and home owners verifying the speeds they currently receive sufficient evidence?

Multiple forms of evidence may be accepted. Ex: survey data that is statistically sound and / or address level data that shows current speeds offered. Letters should be summarized into survey data.

28. How far from existing infrastructure must an area be in order to be considered “unserved?”

The appropriate distance depends on the technology and the provider. If a provider is willing to run the service and can do so quickly, a large distance could still be considered served and vice versa. We recommend the applicant explains why it is using a specific distance in its application and basing that distance on its experience and knowledge of the area.

29. Part of the project area includes upgrade to some of our own service areas– Do such upgrades to our infrastructure qualify for this program?

If these are defined as unserved areas, this project may be submitted per the program.

30. Will awarded applicants be required to connect to existing facilities (e.g., dark fiber) owned by an unrelated 3rd party rather than building new broadband backhaul?

No, there is no such requirement.

31. On Page 6 under the “Anticipated Improvements” section, how does the applicant list speeds by current provider(s) if an incumbent provider only advertises “high-speed internet” (i.e., you get what you get)?
Applicants should provide information that is accurate to the best of their knowledge. Applicants can note the source of the information if it adds value to the application.

32. What are some examples of community support that an applicant can provide?

The types of community support are flexible depending on the impact this project will have on the community located in the proposed grant area. Some examples could include supportive letters from educational institutions, healthcare facilities, local elected officials, and future customers in the grant area explaining the need for broadband connectivity. Community support comprises a portion of the scoring, so we recommend applicants begin collecting this information as early as possible. Applicants are encouraged to work with community partners to identify ways to utilize the proposed infrastructure.

33. For the letter(s), who qualifies as “community leaders” (i.e. the Town Council, individual politicians, businesses, business owners, etc.)?

Community leaders are local elected officials. However, letters from businesses and other key stakeholders will be accepted.

34. If the Town is a community leader for purposes of letters of support, is there a template or form letter available?

Support letters should be individualized and speak to the level of support between the community and the applicant.

35. Letters of support from community leaders is straight forward, but what type of details are expected for the community and provider engagement and what level of technical information would you look for coming out of that engagement?

Letters should include the type of engagement and interaction that is and will be occurring between the applicant and the community.

36. For the issue of community and provider engagement, what kind of engagement is acceptable? (Town sponsored public meetings, Town matching funds, other)?

Any activity in which the applicant and the community are working together to engage the residents, businesses and institutions of the community will be considered community support.

37. If the Town constitutes a “community leader” for letters of support and “community engagement” can the Town support more than one provider seeking a grant?

Yes, the community will be able to support more than one applicant. Communities do not have to choose between applicants.

38. Does the Town’s support (i.e. letters of support or community engagement) matter for the application, if the “Unserved Areas” do not lie within the corporate boundaries of the Town, though they may be near to the Town and possibly in an area that could later be annexed?
Support from neighboring communities or the county can be included if the applicant feels this would increase the competitiveness of the application. An explanation of this documentation would be helpful.

39. If the applicant is in partnership with a local government and they will own system but the applicant will operate it thru an agreement can equipment to feed subscribers be included in the grant?

Yes, the grant will support these types of partnerships.

40. Would partnership with local county government be considered community support?

Yes, however, documentation outlining the partnership is encouraged.

41. What are the eligibility requirements to be a partner of a lead applicant?

Applicant should determine partnership requirements to assist with deployment to eligible areas. The details of the partnership agreement will need to be included with the application.

42. Once the funds are allocated, would the lead applicant be allowed to transfer ownership to a partner?

Transfers of ownership will be reviewed during the monitoring process.

43. Where can I find guidance on state ER requirements?

The applicant must document how they will meet the State Environmental Policy Act (SEPA). Please visit the Indiana Department of Environmental Management at https://www.in.gov/idem/

44. How do you want the PE to certify sections 1.7 and 1.8?

Certifications should be on the certifying engineer’s letterhead.

45. Can an in-house project engineer that works for the applicant sign off on all PE needs for the application?

Yes, as long as they are a registered PE in the state of Indiana.

46. The application is a fillable PDF document, but additional documentation cannot be inputted into the PDF. In what format should our application be submitted?

A word doc is available to download for the applicant on the website. The application package submitted is required to be PDF.

47. If an application is filed before the deadline, but needs areas to be redone or additional information provided, will the applicant be given additional time to do this or will the application not be accepted?

Once an application is submitted it cannot be modified.

48. Will an applicant receive confirmation that its application has been received by OCRA?

An applicant will receive confirmation from the Office of Community and Rural Affairs (OCRA) of submission. The deadline for submitting applications is May 3, 2019 at 4 p.m. (ET).

Updated 3/22/19 12:00 pm
49. The application package indicates a board resolution is needed, however my organization’s board does not approve every capital project undertaken. What other evidence can/should be provided?

A board resolution is just an example and would only be required if it is required by governance for that entity.

50. Application asks whether local/city/county/state approvals for the project have been obtained. Should approvals be obtained before the grant has been approved?

Approvals are not required at time of application, however proof the provider has an understanding of what permits are needed to demonstrate their capacity to complete the project should be included in application.

51. As part of the Broadband Grant Program, there is a requirement to provide a Certificate of Territorial Authority. Is that the ILEC certification or a CLEC certification?

The certification(s) provided should correlate to the proposed service area in the application.

52. If an applicant is awarded funding for middle mile infrastructure as a part of their application, will the applicant be required to make available to other providers any excess capacity on the portion of middle mile facilities that is awarded funding through the NLC grant program?

This would be up to the applicant. There is no requirement that excess capacity be made available to other providers.

**Project Budget/Financials**

53. Could an applicant count the value of redeployed equipment toward our match, or does the applicant actually have to spend cash?

In-kind expenses will not be considered as match.

54. Is there a list of ineligible costs? Or costs that count as match?

Costs not included on the eligible costs list may be considered ineligible.

55. Will any allowance be made to cover some portion of otherwise eligible expenses that were incurred prior to the award of a grant?

The NLC program will not cover any expenses for projects completed before the grant award date.

56. Do Davis Bacon wages apply?

Davis Bacon does not apply since the program is using state funds.

57. What kinds of documents are required to provide proof of financing?

The application requires a letter from the applicant’s financial institution outlining the financial standing of the applicant. A statement of “good standing” is not sufficient. The letter must clearly demonstrate the applicant’s ability to fund the project whether on its own or in conjunction with other partners, investments, etc. If applicable for a subsidiary, the applicant may include a letter demonstrating the parent’s financial standing. If an entity plans
to fully fund the project with cash reserves, a bank statement will also work if it clearly demonstrates the applicant’s ability to provide the match funds as well as pay upfront project costs due to the reimbursable nature of the grant.

58. What are the eligible project costs?

Eligible project costs include costs include terrestrial capital expenses directly related to a qualified broadband project, including design, construction, engineering, and permitting expenses. Maintenance or operating expenses related to the project do not qualify as an eligible expense.

59. What types of planning costs are eligible for grant funding?

Costs related to project planning are eligible. This would include costs specific to planning for the project’s network design and engineering. Feasibility studies, general business plans, and general broadband planning are ineligible costs.

60. Would costs incurred by a provider to maintain new infrastructure be considered an eligible expense or a cash match?

No. The program will pay for capital expenses related to the infrastructure, but will not pay operating expenses related to maintaining the infrastructure. Additionally, this cannot be used as a local match.

61. Can an applicant use its own employees to lay fiber and include that cost toward the grant amount?

Yes. The applicant may use its own employees and request reimbursement for those hours under the appropriate line item. For example, if the employee completed construction related to the project, the grantee would request reimbursement under the construction budget line item for this work.

62. Are areas that are currently funded by USF funds eligible for NLC Funds?

Yes, areas that are currently receiving USF funds are eligible for the program.

63. Can you please clarify if the use of an RUS loan would be acceptable when applying for this Grant?

Areas that have received federal loans are eligible for this program. However, this may be reviewed on a case by case basis.

64. Under Section 5.2 in the application it states that applicants need to provide an organizational chart, and information on key officers or personnel that will be overseeing the project. Can other information regarding the company’s track record in broadband deployment be acceptable?

Include a list of the individuals and their experience managing the project. Other information about the company’s track record is welcome as it speaks to the company’s capacity.

65. Under Section 5.3 in the application it states that “financial statements for the parent company can be provided, but additional financial information for the applicant entity/organization must also be provided.” What is the additional financial information that is being sought?

Additional financial information that is specific to the subsidiary entity applying on behalf of the parent company and if funded, would be responsible for the deployment of the project.
66. If the applicant is financing the project internally, what documentation is required?

A letter from the CFO / CEO is sufficient to show applicant match is available from internal funds.

67. Under section 5.3 in the application it is asking for financials for the most recently completed fiscal year be provided. Do these need to be audited financials?

Financials need to be reviewed but not necessarily audited. Audited financials are welcome.

68. Why is financial contact information needed for the application?

An applicant’s financial contact information is needed to expedite the award process.

69. Does this program require that the State be the first lien on grant-funded assets?

No

**Project Timeline / Project Reporting**

70. If a provider applies for multiple grants and has all of those awarded, are they expected to accept all of those grants and complete all projects within the 24-month timeframe?

All projects, regardless of the number of grants awarded to the same provider, must be completed within 24 months of grant award.

71. What is the process for grant recipients to report on progress and results of funded projects?

Grant recipients will be provided more details when they receive their award notification.

72. Who will be following up with the grant recipients on those projects and will there be some guidance issued outlining this process?

Grant recipients will be provided more details when they receive their award notification.

73. Can the awarded applicant submit incremental expenses as the project is being built?

Invoices should be submitted no more than once per calendar month and will be reimbursed per state guidelines.

74. Will the reimbursement be for the full value or at the submitted project percentage level? Example – awarded applicant is invoiced $100K for equipment. Applicant pays invoice total of $100K. Will the awarded applicant be reimbursed $80K based on agreed upon 20% applicant contribution?

Yes, reimbursements will be done based upon the ratio of grant dollars to total project costs as outlined in your application and the grant agreement.

75. Will there be any consideration given for early stage Operations Expense to bridge capital outlay and account receivables?

No, the grant is reimbursement basis only.
76. Will there be a system in place to ensure that an applicant can’t reduce speeds to the grant recipient areas below the 10/1 threshold by, for instance, adding customers outside the grant area to the same facilities upon which the grant recipient area is receiving service?

As part of the monitoring process speeds will be checked. The minimum threshold is for actual speeds of at least 10/1 to the service area. By submitting an application the applicant agrees to provide that level of service to the area.

77. What happens if the project isn’t fully completed or is stalled as a result of permitting or other construction related issues?

Changes to project timelines will be reviewed and approved on a case by case basis.

Scoring

78. What are the criteria for determining grant recipients in cases where multiple recipients receive equal points for their project proposals?

The chance of multiple applicants receiving the same amount of points is low, however, the scoring committee will set guidelines on how to rank each eligible application based on the scoring criteria prior to scoring the applications.

79. For the scoring criteria for “Households/Businesses Served,” How are the 75 points allocated on each 3 of passings/speed after build?

Those speeds in between those shown on the table will be awarded points using the smaller of the speeds indicated on the table.

80. For the scoring criteria for “Households/Businesses Served,” Is this homes per mile or per application total?

Households per application.

81. For the scoring criteria for “Economic/Community Impact,” What is an LMI household?

LMI is Low to Moderate Income which is 80% or less than the median household income per the American Community Survey.

82. In order to receive points for LMI does the applicant have to provide special monthly pricing/a discount on the monthly cost, or can it be something like free installation, first month free, some other type of discount program?

Pricing consideration is up to each applicant. Please consider the competitiveness for your application of the different methods of discounts of service for LMI households.

83. Also, does this pricing have to be available for LMI in all the census blocks in the application, or can it only be available to certain census block?

Pricing consideration will be up to each applicant.
84. Are there multiple points that can be awarded for this aspect, depending on how defined the LMI program is, or are points awarded by either “yes there is a program” or “no there is not a program” (all or none)?

Applicants are encouraged to describe their LMI program and how it will impact the residents in the project area. The scoring committee may consider the details of your LMI program during scoring.

85. If an applicant provides qualified broadband service to anchor institutions, but those institutions already have access to qualified broadband service will the applicant receive a reduction in points even though they are technically making access available to anchor institutions in the geographical area contemplated in the grant application?

Points will be not be reduced if the anchor institution is already served.

86. Will the inclusion of a proposed project in an Infrastructure Development Zone (IDZ) be worth any additional points (for example, in Community Support)?

No specific points are assigned to this detail, but it may be considered by the scoring committee if included in the application.

87. Is the latency of existing and/or proposed service to the customer considered in the scoring system?

Speeds to all residential end users in the project area must be at least actual 10/1.

88. How will services without any data caps, or charges based on data usage, be considered against other applications or existing service providers that have no such caps or charge for data used?

Data caps are not part of the scoring consideration. However, if the applicant wants to include information about data caps / usage the scoring committee may take it into consideration.

89. The backhaul passes through an area not eligible for funding, as it is already served. Are the houses along this backhaul counted as part of the total for the scoring criteria, or only the houses within the eligible area?

Only households being newly served in the project area will count towards scoring criteria.

**Challenge Process**

90. What evidence must a challenger provide to show that a census block is served?

Provide address level data of addresses that are already being served to include the speeds that are being offered.

91. Will the applicant have a chance to respond to the challenge? If so, how long after the challenge is filed will the applicant have for the response?

Applicant will not have an opportunity to respond to challenges. The NLC Program team may reach out to the applicant if more information is needed.
92. What happens if a party challenges only some of the census blocks in the application? Will the entire application be rejected or will the applicant have a chance to rework the application to remove the challenged census blocks?

If a challenge is found to be partially valid, the applicant will be provided the opportunity to revise their application based on revised eligible area.

93. If a partial grant is awarded, will the applicant have the option of declining the award? If so, under what conditions would an applicant be allowed to decline the reduced award?

An applicant can decline an award at any point during the application process.

94. If a challenge is found valid or invalid, will justification/explanation be provided?

All challenge results will be posted on the NLC website.

95. If an incumbent provider anticipates serving an area applied for in a grant within a certain timeframe (e.g., the next two years), will that defeat that portion of an application that requests funds for the relevant area?

Yes, the incumbent provider or challenger must provide documentation that they will be providing service to that area within the next 24 months.

96. What reporting requirements will be in place as it pertains to a successful challenger?

Successful challengers will be required to provide documentation as part of the monitoring process.

97. What are the repercussions if a successful challenger does not perform their buildout as promised?

Successful challenges will be monitored and if the incumbent does not complete the planned project within 24 months, the area will become eligible for future NLC grants.