State of Illinois Uniform Notice of Funding Opportunity (NOFO) Summary Information

Awarding Agency Name	Commerce And Econ Opp
Agency Contact	Devon Braunstein (broadband@illinois.gov)
Announcement Type	Initial
Type of Assistance Instrument	Grant
Funding Opportunity Number	FY25-1
Funding Opportunity Title	Connect Illinois Round 4-Broadband Equity Access and Deployment Program (BEAD)
CSFA Number	420-35-3504
CSFA Popular Name	Connect Illinois/ BEAD
Anticipated Number of Awards	0
Estimated Total Program Funding	\$1,000,000,000
Award Range	Not Applicable
Source of Funding	Federal
Cost Sharing or Matching Requirements	Yes
Indirect Costs Allowed	No
Restrictions on Indirect Costs	Yes : This grant opportunity is limited to capital improvement expenses.
Posted Date	07/01/2025
Application Date Range	07/01/2025 - 07/18/2025 : 11:59PM
Grant Application Link	Please select the entire address below and paste it into the browser https://dceo.illinois.gov/aboutdceo/grantopportunities/3504-2942.html
Technical Assistance Session	Offered : Yes Mandatory : No Date : 06/30/2025 : 1:00PM Registration link : https://www.youtube.com/watch?v=BPMF0P-gWhw

Agency-specific Content for the Notice of Funding Opportunity

Connect Illinois Broadband Program

NOFO ID: 3504-2942

For information about grants please visit https://dceo.illinois.gov/aboutdceo/grantopportunities/granteeresources.html.

A. Program Description

Notice of Funding Opportunity Intent

The Illinois Department of Commerce and Economic Opportunity (the "Department" or "DCEO") is issuing this Notice of Funding Opportunity ("NOFO") to set forth the requirements for the BEAD Funded Connect Illinois Round 4.

Program Description

BEAD Funded Connect Illinois Round 4 utilizes federal funds from the U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA) through the Broadband Equity, Access, and Deployment (BEAD) Program, which was authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also known as the Bipartisan Infrastructure Law.

BEAD Funded Connect Illinois Round 4 deploys broadband service to unserved and underserved locations.¹

<u>Definitions.</u> The following terms are defined accordingly for the purposes of this NOFO and the BEAD Funded Connect Illinois Round 4:

"Assistant Secretary" refers to the Assistant Secretary of Commerce for Communications and Information or the individual who holds any successor position.²

"**BEAD**" means the Broadband Equity, Access, and Deployment Program, authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also known as the Bipartisan Infrastructure Law.

"**BEAD NOFO**" herein refers to the Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity posted by the National Telecommunications and Information Administration (NTIA) to describe the requirements under which it will award grants for the BEAD Program.

"Broadband Serviceable Location" (also abbreviated as "BSL" or "location") means a business or residential location in the United States at which fixed broadband Internet access service is, or can be, installed.³

"Community Anchor Institution" (CAI) means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, and aged individuals.⁴

¹ For more details, please see NTIA, BEAD NOFO, page 7.

² NTIA, BEAD NOFO, page 11.

³ NTIA, BEAD NOFO, page 13.

⁴ 47 U.S.C. §1702(a)(2)(Ĕ).

"Consortium" refers to a group of eligible entities bidding for BEAD deployment subgrants as a multi-entity partnership.

"DCEO" or "Department" refers to the Illinois Department of Commerce and Economic Opportunity.

"**Deconfliction**" refers to the process by which projects with overlapping project area unit(s) will be reviewed and adjusted to determine which applicant shall be awarded the overlapping project area unit(s). For details, refer to Section E of this NOFO.

"Eligible Community Anchor Institution" means a Community Anchor Institution that lacks access to gigabit-level broadband service. The list of Eligible Community Anchor Institutions is subject to final review by NTIA.

"Enforceable commitment" is a commitment to deploy qualifying broadband to a location as a condition of another award for the provision of broadband service. The full list of awards counting toward an enforceable commitment can be found in the BEAD NOFO.⁵

"GATA" refers to the Grant Accountability and Transparency Act [30 ILCS 708].

"Hard-to-serve Project Area Unit" is a Project Area Unit that the State has designated as hard to serve, meeting at least one of the following criteria:

• Has a high proportion of unserved BSLs;

- Any grant, loan, or loan guarantee provided by the State of Illinois to the provider of broadband service;
- Any grant, loan, or loan guarantee provided by the Secretary of Agriculture under:
 - Title VI of the Rural Electrification Act of 1936 (7 U.S.C. § 950bb et seq.), including any program to provide grants, loans, or loan guarantees under Sections 601 through 603 of that Act (7 U.S.C. § 950bb et seq.); and the Community Connect Grant Program established under Section 604 of that Act (7 U.S.C. § 950bb–3); or
 - The broadband loan and grant pilot program known as the "Rural eConnectivity Pilot Program" or the "ReConnect Notice of Funding Opportunity Program" authorized under Section 779 of Division A of the Consolidated Appropriations Act, 2018 (Public Law 115–141; 132 Stat. 348);
- Any high-cost universal service support provided under Section 254 of the Communications Act of 1934 (47 U.S.C. § 254), except in the case of the Rural Digital Opportunity Fund, in which a location will be considered to have an enforceable commitment for qualifying broadband only (a) after the Federal Communications Commission has announced in a Public Notice that RDOF support for that location is ready-to-authorize or is authorized, and (b) if the provider does not rely on satellite technologies to deliver service;
- Any grant provided under Section 6001 of the American Recovery and Reinvestment Act of 2009 (47 U.S.C. § 1305);
- Amounts made available for the Education Stabilization Fund established under the heading "DEPARTMENT OF EDUCATION" in Title VIII of Division B of the CARES Act (Public Law 116–136; 134 Stat. 564) and funded under the CARES Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act), and the American Rescue Plan Act (ARP Act);
- Amounts made available for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) established under the American Rescue Plan Act of 2021 (Public Law 117–2; 135 Stat. 4) (ARPA);
- Amounts made available for the Capital Projects Fund established by Section 604 of the Social Security Act, as added by Section 9901 of ARPA; or
- Any other grant, loan, or loan guarantee provided by, or funded in whole or in part by, the federal government or a State or Territorial government for the provision of broadband service."

⁵ NTIA, BEAD NOFO, page 36-37, footnote 52. "An enforceable commitment for the deployment of qualifying broadband to a location exists when the commitment to deploy qualifying broadband service to that location was made as a condition of:

- Contains a high proportion of BSLs that have had little provider interest in prior Connect Illinois grant rounds, federal grant rounds, or outcomes of previous grant rounds (i.e., Connect Illinois Rd 1, Rd 2, and Rd 3);
- Is in a Persistent Poverty County⁶; or
- Is in a High-Cost Area (HCA).

The State will publish the list of hard-to-serve Project Area Units before the subgrantee process commences.

"High-cost area" (HCA) is an unserved area which NTIA has determined that the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States.⁷ In the State of Illinois, this specifically refers to the following Census Block Groups (by FIPS ID), based on the NTIA's determination as of August 2024: 170230601005 (Clark County), 171018808003 (Lawrence County), 171030001003 (Lee County), 171239613001 (Marshall County), 171599779003 (Richland County), and 171979800001 (Will County).⁸ Project areas consisting of only Project Area Units in High-Cost Areas are exempt from the minimum 25 percent matching funds requirement.⁹

"Illinois BEAD Map" is an interactive map created for the Illinois Office of Broadband and available via its website for purposes of administering the BEAD Funded Connect Illinois Round 4.

"Must-include Project Area Unit" means a Project Area Unit within an application that the applicant has identified as necessary to make the project viable. Applicants must indicate which Project Area Units are must-include Project Area Units upon application submission. During the deconfliction process, if an application's "must-include Project Area Units" conflict with the project area of a preliminarily selected project, the applicant will have the option to withdraw their application, and the application will not be automatically descoped during deconfliction.¹⁰

"NTIA-approved challenge process dataset" means the complete list of locations and Community Anchor Institutions within Illinois that are eligible for BEAD grant funds, including whether a particular location is an unserved location, underserved location, or eligible CAI. Per the NTIA's BEAD Restructuring Policy Notice, the final eligible list of locations for BEAD funding may change due to reasons such as locations no longer served due to a default or change in service area on a Federal enforceable commitment, locations counted as already served by an ULFW service that meets the technical specifications of the Policy Notice, and updates to the definition of Community Anchor Institutions per the Policy Notice. The final list will be subject to NTIA review and approval at the end of the BEAD-funded Connect Illinois Round 4 process.

"**Priority Broadband Project**" means a project that provides broadband service at speeds of no less than 100 megabits per second for downloads and 20 megabits per second for uploads, has a latency less than or equal to 100 milliseconds, and can easily scale speeds over time to

⁶ "Persistent Poverty Counties" means any county, including county equivalent areas in Puerto Rico, that has had 20% or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses and the 2011–2015 5- year data series available from the American Community Survey of the Bureau of the Census. Three counties (Alexander, Jackson, and Pulaski County) are categorized as persistent poverty county in 2023 according to <u>ACS data</u>.

⁷ NTIA, BEAD NOFO, page 13.

⁸ For details, refer to NTIĂ, BEAD NOFO, page 13. High-Cost Area designation from NTIA, "BEAD Allocation Methodology," accessed August 1, 2024, <u>https://www.internetforall.gov/program/broadband-equity-access-and-deployment-bead-program/bead-allocation-methodology</u>; county information from FCC, "2020 Census Blocks by State," accessed August 1, 2024, <u>https://www.fcc.gov/general/2020-census-blocks-state</u>.

⁹ For more details, refer to State of Illinois, BEAD Initial Proposal, Volume II, Page 55

¹⁰ Illinois BEAD Initial Proposal, Volume II, Page 56

meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services.¹¹

"Program" refers to the Connect Illinois Broadband Grant Program that uses federal Broadband Equity, Access, and Deployment (BEAD) dollars as a funding source.

"Project" means an undertaking by a subgrantee to construct and deploy infrastructure for the provision of broadband service. A "project" may constitute a single Project Area Unit or a grouping of Project Area Units in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations.¹²

"Project area" means a set of Project Area Units that applicants propose to serve in a subgrantee application. Applicants may pick any number of Project Area Units to form a project area; however, applicants may not split up a Project Area Unit when defining their project area. Project Area Units within a project area are not required to be contiguous.¹³

"Project Area Unit (PAU)" means a collection of unserved and underserved locations and CAIs that are eligible for inclusion in an application. Applicants cannot break up a Project Area Unit into smaller collections of unserved and underserved locations and CAIs. Project Area Units do not overlap and collectively contain all unserved and underserved locations and eligible CAIs in the state. Only unserved and underserved locations without an enforceable commitment will be included in Project Area Units.14

"Reference cost" means the per-Project Area Unit cost benchmark established by the State to represent the estimated financial need to serve the given Project Area Unit. Reference costs are established based on CostQuest Associates' (CQA) Net Present Value estimation assuming a greenfield buildout. The reference cost of a project area is calculated as the sum of the reference costs of the PAUs.15

"State" means the State of Illinois.

"Subgrantee" means an entity that receives grant funds from the BEAD Funded Connect Illinois Round 4 to carry out eligible activities.¹⁶

"Tribal Government" means the governing body of any Indian or Alaska Native Tribe, band, nation, pueblo, village, community, component band, or component reservation, individually recognized (including parenthetically) in the list published most recently as of the date of enactment of this Act pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. § 5131).17

"Tribal Lands" means (A) any land located within the boundaries of — (i) an Indian reservation, pueblo, or rancheria; or (ii) a former reservation within Oklahoma; (B) any land not located within the boundaries of an Indian reservation, pueblo, or rancheria, the title to which is held — (i) in trust by the United States for the benefit of an Indian Tribe or an individual Indian; (ii) by an Indian Tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or (iii) by a dependent Indian community; (C) any land located within a region established pursuant to section 7(a) of the Alaska Native Claims Settlement Act (43 U.S.C. § 1606(a)); (D) Hawaiian Home Lands, as defined in section 801 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. § 4221); or (E) those areas or communities designated by the Assistant Secretary of Indian Affairs of the Department of the Interior that are near, adjacent, or contiguous to reservations where

¹¹ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program; BEAD Restructuring Policy Notice," page 9, https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf. ¹² NTIA, BEAD NOFO, page 14.

¹³ State of Illinois, BEAD Initial Proposal, Volume II, page 56.

¹⁴ State of Illinois, BEAD Initial Proposal, Volume II, page 56.

¹⁵ For details, refer to State of Illinois, BEAD Initial Proposal, Volume II, pages 41-42.

¹⁶ NTIA, BEAD NOFO, page 15.

¹⁷ NTIA, BEAD NOFO, page 16.

financial assistance and social service programs are provided to Indians because of their status as Indians; and the term.¹⁸ A Resolution of Consent is required from each Tribal Government for broadband deployment projects in its Tribal Land.¹⁹

"Uniform Guidance" refers to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200.

"Underserved location" means a broadband-serviceable location that is (a) not an unserved location, and (b) shown by the NTIA-approved challenge process dataset as lacking access to reliable broadband service with (i) a speed of 100 Mbps or above for download, (ii) a speed of 20 Mbps or above for upload, and (iii) latency less than or equal to 100 milliseconds.²⁰

"Unserved location" means a broadband-serviceable location that the NTIA-approved challenge process dataset shows as (a) having no access to broadband service, or (b) lacking access to reliable broadband service offered with (i) a speed of 25 Mbps or above for download, (ii) a speed of 3 Mbps or above for upload, and (iii) latency less than or equal to 100 milliseconds.²¹

Program History

Connect Illinois is authorized by Section 605-20 of Department of Commerce and Economic Opportunity Law [20 ILCS 605] and The Broadband Infrastructure Advancement Act [220 ILCS 81]. Connect Illinois represents an integral and strategic component of both the comprehensive 2019 Rebuild Illinois infrastructure program and the State's five-year economic plan to expand economic opportunity and reduce socio-economic gaps through equity investment.

Through multiple rounds of competitive matching grants, Connect Illinois aims to achieve ubiquitous, statewide broadband access for homes, businesses, and community anchor institutions. At the same time, Connect Illinois has sought progress in digital access while leveraging investment in new broadband infrastructure to advance use and innovation in such areas as agriculture, economic development, education, and telehealth.

Performance Goals and Measures

The primary goal of the Program is to make progress toward achieving universal broadband access statewide and digital equity by 2030. Details of these goals are included in the State's BEAD Five-Year Action Plan and Initial Proposal Volumes I and II.

Subgrantees will be required to submit performance data to the State on a quarterly basis, as well as to report the completion of project milestones as defined in each subgrantee's award agreement. Subgrantees will be required to submit reports on program performance metrics, which will include but not be limited to:

- Number of unserved BSLs that are now served (i.e., 100/20 Mbps);
- Number of underserved BSLs that are now served (i.e., 100/20 Mbps);
- Number of BSLs with access to minimum 100/100 Mbps broadband service;
- Number of schools, libraries, and public health-related entities with access to minimum 1 Gbps symmetrical broadband service;
- Number of other eligible CAIs with access to 1 Gbps symmetrical broadband service.

For more details on reporting requirements, please refer to Section F of this NOFO.

¹⁸ NTIA, BEAD NOFO, pages 15-16.

¹⁹ NTIA, BEAD NOFO, page 48. For details on the NTIA requirements on the Resolution of Consent, please refer to the NTIA BEAD Final Proposal Guidance, 71-72 (https://www.ntia.gov/sites/default/files/2024-11/bead final proposal guidance v1.2.pdf).

²⁰ NTIA, BEAD NOFO, page 16.

²¹ NTIA, BEAD NOFO, page 17.

Not applicable

B. Funding Information

This grant program is utilizing federal funds received from the U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA) through the Broadband Equity, Access, and Deployment (BEAD) Program authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I, Section 60102, Public Law 117-58, 135 Stat. 429 (November 15, 2021) (Infrastructure Act or Act), also known as the Bipartisan Infrastructure Law, appropriated by the General Assembly.²² Total amount of funding expected to be awarded through this NOFO is \$1,000,000,000.

The State expects the period of performance to be four years from the day the subgrant agreement is executed for all providers except for those leveraging Low Earth Orbit (LEO) Satellite technology.23 The period of performance for providers deploying LEO technology in their Project would conclude ten years from the date upon which the subgrantee certifies to the State that broadband is available to every location covered by the project.²⁴ Execution of grant agreements and the subsequent release of funds to awardees is subject to the NTIA's approval of Illinois's BEAD Final Proposal. Upon completion of the award for all non-LEO providers, and no later than four years from the date of the subgrant for LEO providers, subgrantees shall be capable of performing a standard broadband installation of qualifying broadband service to an end-user, at a standard installation charge, within 10 business days of a service request.25

Eligible costs

Eligible costs in general: Per the BEAD NOFO V.H.1, BEAD grant recipients may only use federal award funds and any non-federal cost share committed to an award to pay for allowable costs under the BEAD program.²⁶ Costs must be reasonable, necessary, allocable, and allowable for the proposed project and conform to generally accepted accounting principles.²⁷ Funds committed to an award may only be used to cover allowable costs incurred during the period of performance, in addition to preaward expenses and allowable closeout costs incurred during the grant closeout process.²⁸ Such preaward and closeout costs must be included in the applicant's proposed project budget for the BEAD Funded Connect Illinois Round 4 to be considered.

The program will apply NTIA's guidance on the implementation of exceptions, adjustments, and clarifications to certain provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), codified at 2 CFR Part 200, and the

For details, refer to Broadband DATA Act, accessed August 7, 2024, https://www.congress.gov/bill/116th-congress/senate-bill/1822/text.

²² NTIA, BEAD NOFO, page 5

²³ NTIA, BEAD NOFO, page 65, emphasis added: "Eligible Entities shall ensure that each subgrantee deploys its Funded Networks and begins providing broadband service to each customer that desires broadband service not later than four years after the date on which the subgrantee receives the subgrant for the applicable network."

²⁴ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 19, https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf.

²⁵ Note that, per the Broadband DATA Act, the term 'standard broadband installation' includes the initiation of fixed broadband internet access service through routine installation that can be completed not later than 10 business days after the date on which the service request is submitted.

²⁶ NTIA, BEAD NOFO, page 81-82.

²⁷ NTIA, BEAD NOFO, page 81-82.

²⁸ NTIA, BEAD NOFO, page 81.

application of related provisions of the Uniform Guidance to the BEAD program.²⁹ Details on eligible costs per the BEAD Program are included below.

Eligible costs for last-mile broadband deployment projects: Per the BEAD NOFO, eligible uses of funding in connection with last-mile broadband deployment projects include the following:

- Construction, improvement, and/or acquisition of the facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings.
- Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements.
- Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.
- Engineering design, permitting, and work related to environmental, historical, and cultural reviews.
- Personnel costs, including salaries and fringe benefits for staff and consultants who provide services directly connected to the implementation of the BEAD program (such as project managers, program directors, and subject-matter experts).
- Network software upgrades, including but not limited to cybersecurity solutions.
- Training for cybersecurity professionals who will work on BEAD-funded networks.
- Workforce development including Registered Apprenticeships and pre-apprenticeships and community college and/or vocational training for broadband-related occupations to support deployment, maintenance, and upgrades.³⁰
- Reasonable financing costs that meet the definitions of 2 C.F.R. 200.

Pre-award expenses and closeout costs

- **Pre-award expenses and closeout costs**: BEAD Funded Connect Illinois Round 4 will allow pre-award and closeout costs that are permissible per the BEAD Program. These costs should be included in the applicant's proposed program budget toward the requested BEAD fund outlay and clearly indicated as pre-award or closeout costs, respectively. The applicant is expected to prepare a competitive budget. The State will apply scrutiny to pre-award and closeout costs in the proposed budget to ensure cost-reasonableness and reserves the right to remove them from the proposed budget if they do not meet the BEAD requirement that costs be "reasonable, necessary, allocable, and allowable for the proposed project [...] and conforming to generally accepted accounting principles."³¹
 - Pre-award expenses: In line with 2 C.F.R. 200.458, pre-award costs shall be allowable only to the extent that they would have been allowable if incurred after the date of the BEAD award and only with the written approval of the NTIA.³² If charged to the award, these costs must be charged to the initial budget period of the award, unless otherwise specified by the NTIA or the State.³³ The State will consider eligible costs for last-mile broadband deployment projects outlined above as allowable.
 - Closeout costs: The State will allow reasonable closeout costs in line with the below guidance from the Department of Commerce's Standard Terms and Conditions as of November 12, 2020:

Reasonable, necessary, allowable and allocable administrative award closeout costs are authorized for a period of up to 120 calendar days following the end of the period of performance. For this purpose, award closeout costs are those strictly associated with close-out activities and are typically limited to the preparation of final progress, financial, and required project audit reports, unless otherwise approved in writing by the Grants Officer. A non-

³¹ NTIA, BEAD NOFO, page 81.

²⁹ For details, refer to NTIA, "<u>Policy Notice: Tailoring the Application of the Uniform Guidance to the</u> <u>BEAD Program</u>."

³⁰ NTIA, BEAD NOFO, page 39.

³² 2 CFR 200.458

^{33 2} CFR 200.458

Federal entity may request an extension of the 120-day closeout period, as provided in 2 C.F.R. § 200.344 (Closeout).³⁴

Eligible costs as they pertain to locations that are not unserved or underserved: Per the BEAD NOFO, up to 20 percent of the project may be composed of BSLs that are not unserved or underserved.³⁵ An applicant who chooses to include such locations must only select locations within the Project Area Unit(s) that comprise their Project Area. The applicant must submit a list of all selected locations that are not unserved or underserved as part of their application, and share the rationale for doing so to demonstrate how including these locations that are not unserved or underserved to ensure the efficient use of BEAD funds, and reserves the right to reject funding requests for these locations and to request a revised application that does not include these locations.

Ineligible costs

Costs that are ineligible for the BEAD program may not be paid for with matching funds committed to an award. The following costs are specifically identified as prohibited under the BEAD program:

- Use of grant funds for covered communications equipment or services under the Secure and Trusted Communications Networks Act. A subgrantee (including their contractors and subcontractors) may not use grant funds received under the BEAD program to purchase or support any covered communications equipment or service, as defined in Section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. § 1608).
- **Profit and fees**. A profit, fee, or other incremental charge above the actual cost incurred by a subgrantee is not an allowable cost under this Program.
- Use of grant funds to support or oppose collective bargaining. A subgrantee may not use grant funds whether directly or indirectly to support or oppose collective bargaining.³⁶

Additionally, indirect costs may not be included in this opportunity.

Additional information regarding award execution and grant agreements

Award information: Applicants must submit a project narrative that describes in detail how the award will be executed. The project narrative should include sufficient information regarding the project scope, the budget, and any additional information that would enable the DCEO to manage the grant agreement activity according to planned project performance expectations.

Payment terms and use of fixed-amount subawards: Funds will be disbursed through fixed-amount subawards based on the milestones defined in the grant agreement and in compliance with the NTIA's guidance on the implementation of exceptions, adjustments, and clarifications to certain provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), codified at 2 CFR Part 200, and the application of related provisions of the Uniform Guidance to the BEAD Program. LEO Capacity Subgrant reimbursement will be based on subscriber milestones that create an incentive for recipients of LEO Capacity Subgrants to enroll subscribers in BEAD-funded locations.

In accordance with the NTIA's "Policy Notice: Tailoring the Application of the Uniform Guidance to the BEAD Program," payments to subgrantees under fixed-amount subawards shall be made on a reimbursement basis in accordance with the terms of the grants. Pursuant to 2 CFR 200.201(b)(3), the subgrantees must certify in writing to the State at the end of the BEAD award that the broadband infrastructure project funded under the fixed-amount subaward was completed. Accordingly, a

³⁴ Department of Commerce, "Standard Terms and Conditions," November 12, 2020, accessed July 25, 2024, <u>https://www.commerce.gov/sites/default/files/2020-11/DOC%20Standard%20Terms%20and%20Conditions%20-%2012%20November%202020%20PDF_0.pdf</u>.

³⁵ NTIA, BEAD NOFO, page 14, states that a project "may constitute [...] a grouping of broadbandserviceable locations in which not less than 80 percent of broadband-serviceable locations served by the project are unserved locations or underserved locations."

³⁶ NTIA, BEAD NOFO, page 82.

subgrantee receiving a fixed-amount subaward must certify to the State that the broadband infrastructure project was placed into service – as defined in 47 USC 1702(h)(4)(C) for last-mile broadband deployment projects or in the grant agreement for all other broadband infrastructure projects – by the end of the State's period of performance.³⁷

Specific reimbursement requirements for the NTIA Letter of Credit requirements: Prior to entering into any subgrantee agreement, subgrantees must provide the State with an irrevocable standby letter of credit in the required form, acceptable in all respects to the State, in a value of no less than 25 percent of the subaward amount.³⁸ Alternatively, applicants may employ the BEAD Letter of Credit Waiver, which, among other things, allows subgrantees to maintain a letter of credit or performance bond in the amount of 10 percent of the subaward instead if reimbursements occur no less frequently than every six months.³⁹ For subgrantees employing this waiver option, the grant agreement may allow for interim milestone reimbursements when necessary to ensure reimbursements occur no less than every six months to ensure compliance with the relevant requirement.

In the event the subgrantee is a LEO provider, consistent with the NTIA's BEAD Restructuring Policy Notice, the Letter of Credit requirement shall be administered in a way that incentivizes providers to reach out to potential subscribers to encourage adoption. Consistent with this reimbursement model, the LEO provider may reduce its Letter of Credit or performance bond by 50% at the point of certification that service is available to each location in the project area. The Letter of Credit can be reduced by an additional 25% of the original amount after the subscription rate reaches at least 25% of all locations in the project area and may be closed out once the subscription rate reaches 50 percent. Regardless of the subscription rate, the Letter of Credit may be terminated four years after the LEO Capacity Subgrantee certifies that it can initiate broadband service within 10 business days of a request to any covered BSL in the project area.⁴⁰

The release of this NOFO does not obligate the State to make an award.

C. Eligibility Information

An entity must be registered in the Grant Accountability and Transparency Act (GATA) Grantee Portal, https://grants.illinois.gov/portal/, at the time of grant application. The portal will verify that the entity:

- Has a valid FEIN number (<u>https://www.irs.gov/individuals/international-</u> <u>taxpayers/taxpayer-identification-numbers-</u> <u>tin#:~:text=You%20can%20use%20the%20IRS%27s,for%20Individual%20Taxpayer%20I</u> <u>dentification%20Number</u>);
- Has a current SAM.gov registration (<u>https://sam.gov</u>), SAM.gov registrations must be marked as "public" to allow the GATA Grantee Portal to expedite the review of the federal information;
- Has a valid UEI number (<u>https://sam.gov</u>)
- Is not on the Federal Excluded Parties List (verified at <u>https://sam.gov</u>);
- Is in Good Standing with the Illinois Secretary of State, as applicable (<u>https://www.cyberdriveillinois.com/departments/business_services/corp.html</u>);
- Is not on the Illinois Stop Payment list (verified once entity is registered in GATA Grantee Portal); and
- Is not on the Department of Healthcare and Family Services Provider Sanctions list (<u>https://www.illinois.gov/hfs/oig/Pages/SanctionsList.aspx</u>).

Entities on the Illinois Stop Payment List and/or the Federal Excluded Parties List at time of application submission will not be considered for an award.

 ³⁷ NTIA, "<u>Policy Notice: Tailoring the Application of the Uniform Guidance to the BEAD Program</u>."
 ³⁸ *Id.* at 72-73.

³⁹ For details, refer to NTIA, "BEAD Letter of Credit Waiver."

⁴⁰ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 20-21, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

An automated email notification to the entity alerts them of "gualified" status or informs how to remediate a negative verification (e.g., not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.

Pursuant to the policy of the Illinois Office of the Comptroller, to receive grant funds from the State of Illinois, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.

1. Eligible Applicants

Eligible participant type: Entities that can deploy broadband are eligible to apply. Eligible entities include, but are not limited to, an incorporated business or partnership, a political subdivision, a nonprofit organization, a cooperative association, or a limited liability corporation organized for the purpose of expanding broadband access. As required by the Infrastructure Act, the State shall not exclude cooperatives, nonprofit organizations, public-private partnerships, private companies, public or private utilities, public utility districts, or local governments from eligibility for grant funds for broadband deployment projects.⁴¹

Eligible participant qualifications: As detailed in the BEAD NOFO, IV.D, and the State's Initial Proposal Volume II, below is a high-level list of gualifications that subgrantees must meet to receive BEAD funding, among others.⁴² These requirements will be incorporated into the BEAD Funded Connect Illinois Round 4 process by including them in grant agreement terms and conditions, and grant-monitoring program requirements. Applications that do not meet the minimum qualifications outlined below, in the BEAD NOFO, IV.D, and other relevant sections, will not be considered for BEAD funding.

Category	Qualification
Overall	All certifications regarding relevant requirements, compliance, and other information pertinent to BEAD qualifications
Financial	Financial certification
capabilities	Evidence of sufficient funding
	Letter of credit and relevant details / supporting documents
	Financial statements
	Business plans
Managerial	Résumés
capabilities	Organizational chart(s)
	Managerial readiness
Technical	Technical qualifications
capabilities	Network design, diagram, project costs, build-out timeline and milestones
	for project implementation, all certified by a Professional Engineer
	Capital investment schedule
Compliance with laws	Certification of compliance with Federal labor and employment laws
Operational	Years of service
capabilities	[Applicable to prospective subgrantees that have provided a voice,
	broadband, and/or electric transmission or distribution service for at least
	two (2) consecutive years prior to the date of their application or that are
	wholly owned subsidiaries of such an entity]
	Certification and evidence of timely FCC Form 477 and Broadband DATA
	Act submissions
	[Applicable to prospective subgrantees that have provided a voice and/or
	broadband service]
	Certification of timely submission of qualifying operating and financial
	reports to relevant institutions

^{41 47} USC §1702(h)(1)(A)(iii).

⁴² For details, refer to NTIA, BEAD NOFO, pages 71-76, and NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice,"

https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf.

	[Applicable to prospective subgrantees that have operated only an electric transmission or distribution service]
	Narrative and evidence of operational capacity
	[Applicable to new entrants]
Ownership	Ownership information consistent with the requirements set forth in 47
-	C.F.R. § 1.2112(a)(1)-(7)
Stewardship	Lack of federal debarment
of other	No previous history of incomplete projects
public	Disclosure of other broadband projects in the State of Illinois
funding	Progress update on RDOF & CAFII awards in the State of Illinois

Additional guidance for consortia participants: Two or more entities otherwise eligible to bid for BEAD deployment subgrants may submit a bid as multi-entity partnerships and consortia. In these cases, the entity must submit the underlying consortium agreement between the parties, the consortium's organizational structure, and the participants' roles and relationships as part of the qualification process so that the State may assess whether the underlying obligations among the parties sufficiently meet the BEAD Program's qualification requirements. Pursuant to the BEAD Program's requirement to establish a fair, open, and competitive process for selecting subgrantees, any party that participates in a multi-entity partnership or consortium may join only one such entity. Applicants and any representatives thereof, shall not enter into any other combination, collusion, or agreement in regard to participation in the BEAD program. To this end, an entity cannot apply for PAU(s) simultaneously as an individual entity and as part of a consortium.⁴³

The State will structure awards to multi-entity partnerships and consortia in a way that best serves the goals and the interests of the BEAD Funded Connect Illinois Round 4 program. The State may, at its discretion, enter into subrecipient agreements with the individual entities in a multi-entity partnership or consortium, while in others it may require the multi-entity partnership or consortium to identify a lead subrecipient. No matter how the State structures the award, all subrecipient agreements will fully comply with the requirements of the BEAD Program, and all final subrecipients will meet BEAD qualification requirements.

2. Cost Sharing or Matching.

Except in certain specific circumstances, broadband network infrastructure deployment projects require the provision of matching funds of not less than 25 percent of total project costs.⁴⁴ The match can come from private and/or public sources available to the applicant. Should an applicant be unable to meet the 25 percent match requirement, the applicant can petition the State to apply for a match waiver from the NTIA for their proposed project, which will be subject to the NTIA's approval.⁴⁵ The NTIA, at its sole discretion, may choose to deny a full or partial waiver of the match requirement, in which case the application must be revised.⁴⁶

Match requirements: All matching funds for BEAD Funded Connect Illinois Round 4 must meet the requirements in 2 C.F.R. 200.306:

- Are verifiable from the non-federal entity's records
- Are not included as contributions for any other federal award
- Are necessary and reasonable to accomplish project or program objectives
- Are allowable under subpart E of 2 C.F.R. 200.306
- Are not paid by the federal government under another federal award, except where the federal statute authorizing a program specifically provides that federal funds made available for such program can be applied to matching or cost-sharing requirements of other federal programs (see "Matches from other federal programs and entities" below for details)

⁴³ See NTIA, BEAD NOFO, page 35 for details on the BEAD Program's requirements for establishing a fair, open, and competitive process for selecting subgrantees.

⁴⁴ NTIA, BEAD NOFO, page 20.

⁴⁵ NTIA, BEAD NOFO, page 20.

⁴⁶ NTIA, BEAD NOFO, page 22.

- Are provided for in the approved budget when required by the federal awarding agency
- Conform to other provisions of 2 C.F.R. 200.306, as applicable.⁴⁷

Match source: Per BEAD NOFO III.B.1, a matching contribution may be provided by the subgrantee, the State of Illinois, a unit of local government, a utility company, a cooperative, a nonprofit or philanthropic organization, a for-profit company, a regional planning or governmental organization, a federal regional commission or authority, or any combination thereof.⁴⁸ Should state matching funds become available, the State will post the update on its BEAD website with a description of how the funds will become accessible in the subgrantee selection process. The State will also incorporate this information in the Illinois Broadband Connections newsletter to ensure all are aware of this opportunity.

Match type: Per BEAD NOFO III.B.4, matching funds may be provided in the form of either cash or in-kind contributions, so long as such contributions are consistent with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth at 2 C.F.R. Part 200.

In-kind contributions: In-kind contributions, which may include third-party in-kind contributions, are non-cash donations of property, goods, or services that benefit a federally assisted project and that may count toward satisfying the non-federal matching requirement of a project's total budgeted costs when such contributions meet certain criteria. In-kind contributions must be allowable and allocable project expenses. The rules governing allowable in-kind contributions are detailed and encompass a wide range of properties and services. Applicants are encouraged to thoroughly consider potential sources of in-kind contributions that, depending on the particular property or service and the applicable federal cost principles, could include employee or volunteer services, equipment, supplies, indirect costs, computer hardware and software, and use of facilities. In the broadband context this could include - consistent with federal cost principles - a waiver of fees associated with access to rights of way, pole attachments, conduits, or easements, or with access to other types of infrastructure.⁴⁹ The State notes that in-kind contributions of articles, materials, and supplies to a project are subject to the requirements of the Build America, Buy America (BABA) Act and the United States Department of Commerce's "Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program."50

Matches from other federal programs and entities: Per BEAD NOFO III.B.3, except as expressly provided for in the Infrastructure Act, funds from other Federal programs (including funds from the Commission's Universal Service Fund programs) may not be used as matching funds. The Infrastructure Act expressly provides that matching funds for the BEAD Program may come from a federal regional commission or authority and from funds that were provided to a subgrantee for the purpose of deploying broadband service under the Families First Coronavirus Response Act (Public Law 116-127; 134 Stat. 178); the CARES Act (Public Law 116-136; 134 Stat. 281); the Consolidated Appropriations Act, 2021 (Public Law 116-260; 134 Stat. 1182); or the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 4), to the extent permitted by those laws. Loan funding issued through a federal agency, such as through the USDA ReConnect Program, may also be used as match funding. Subgrantees are encouraged to consider, and are

⁴⁷ For details, see <u>2 C.F.R. 200.306</u>.

⁴⁸ NTIA, BEAD NOFO, page 20.

⁴⁹ NTIA, BEAD NOFO, page 21-22.

⁵⁰ For the full waiver, refer to Department of Commerce, Office of Acquisition Management, Build America Buy America, "National Telecommunications and Information Administration Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program," accessed August 6, 2024, <u>https://www.commerce.gov/sites/default/files/2024-</u>02/BABA%20Waiver%20Signed.pdf.

expected to comply with, terms and conditions that may be associated with potential sources of matching funds and how those may impact the project overall.⁵¹

Match documentation: Consistent with prior Connect Illinois rounds, documentation to validate the availability of matching funds is required as part of the application. If additional financial partners will contribute to the matching funds, the application must also identify the financial partner(s) and provide documentation of the amount and availability of each partner's financial match. Examples of appropriate documentation include:

- A letter of credit;
- A letter confirming funds from a bank;
- A board resolution committing funding;
- Loan documentation.

The Evaluation Committee will scrutinize the documentation to verify the validity of the matching funds, including but not limited to verifying whether a project's proposed in-kind contributions meet the definition of in-kind contributions.

Subgrantee award agreements will require confirmation of the project's matching funds requirement and a description of how the subgrantee will provide the match. The match must be reported to the State at each project milestone and/or unit built and verified through documentation and subgrantee statements. The State will report on matching funds and drawdowns to the NTIA as part of its grant monitoring requirements and verify each match through Federal Program Officer monitoring.⁵²

3. Indirect Cost Rate.

This grant opportunity is limited to capital improvement expenses. The grant will not compensate for indirect costs, overhead or administrative expenses associated with the execution of the program.

4. Freedom of Information Act/Confidential Information.

Applications and accompanying materials are subject to disclosure in response to requests received under provisions of the Freedom of Information Act (5 ILCS 140/1 et seq.). Information that could be proprietary, privileged, or confidential commercial or financial information should be clearly identified as such in the application materials. The State will maintain the confidentiality of that information only to the extent permitted by law.

5. Other, if applicable.

Additional Program Requirements: All applicants must be compliant, or agree to comply, with all federal and state laws and related regulations to be considered for an award, including, but not limited to:

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200
- The Department of Commerce Financial Assistance Standard Terms and Conditions
- General Terms and Conditions of the BEAD Program
- The Illinois Human Rights Act
- The Public Works Employment Discrimination Act

See Section F for additional details.

Eligibility of beneficiaries of low-cost plans provided per the grant program: The Infrastructure Act requires that each subgrantee receiving BEAD funding to deploy network

⁵¹ NTIA, BEAD NOFO, page 21.

⁵² NTIA, "BEAD Match Primer," page 6, May 2024, accessed August 6, 2024, <u>https://broadbandusa.ntia.gov/sites/default/files/2024-05/BEAD_Match_Primer.pdf</u>.

infrastructure offer at least one low-cost broadband service option.⁵³ In line with the Infrastructure Act and the BEAD NOFO, the low-cost broadband service option must offer speeds of at least 100/20 Mbps and latency performance of no more than 100 milliseconds.⁵⁴ Applicants that already offer a low-cost plan that meets these service requirements may satisfy the low-cost broadband service option requirement by proposing to offer their existing low-cost plan to eligible subscribers.⁵⁵

Per the NTIA's BEAD Restructuring Policy Notice, the State will apply the eligibility criteria used for the FCC's Lifeline Program to define Eligible Subscribers for the low-cost broadband service option.⁵⁶ 47 CFR §54.409 defines eligibility for the Lifeline Program as the following:

- (a) To constitute a qualifying low-income consumer:
 - (1) A consumer's household income as defined in § 54.400(f) must be at or below 135% of the Federal Poverty Guidelines for a household of that size; or
 - (2) The consumer, one or more of the consumer's dependents, or the consumer's household must receive benefits from one of the following federal assistance programs: Medicaid; Supplemental Nutrition Assistance Program; Supplemental Security Income; Federal Public Housing Assistance; or Veterans and Survivors Pension Benefit.
 - (3) Consumers that are survivors can qualify to receive emergency communications support from the Lifeline program without regard to whether the survivor meets the otherwise applicable eligibility requirements of the Lifeline program in this part, if:
 - (i) The survivor suffers from financial hardship as defined by § 54.400(s); and
 - (ii) The survivor requested a line separation as required under 47 U.S.C. 345(c)(1) of the Communications Act of 1934.
- (b) A consumer who lives on Tribal lands is eligible for Lifeline service as a "qualifying low-income consumer" as defined by § 54.400(a) and as an "eligible resident of Tribal lands" as defined by § 54.400(e) if that consumer meets the qualifications for Lifeline specified in paragraph (a) of this section or if the consumer, one or more of the consumer's dependents, or the consumer's household participates in one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs general assistance; Tribally administered Temporary Assistance for Needy Families; Head Start (only those households meeting its income qualifying standard); or the Food Distribution Program on Indian Reservations.
- (c) In addition to meeting the qualifications provided in paragraph (a) or (b) of this section, in order to constitute a qualifying low-income consumer, a consumer must not already be receiving a Lifeline service, and there must not be anyone else in the subscriber's household subscribed to a Lifeline service.⁵⁷

This requirement for a low-cost broadband service option will be included in enforceable grant agreements, where the subgrantee must commit to providing low-cost broadband service to subscribers who can confirm that they meet the eligibility criteria above.

D. Application and Submission Information

⁵³ 47 U.S.C. §1702(h)(4)(B).

⁵⁴ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 7, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁵⁵ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 7, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁵⁶ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 8, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁵⁷ 47 CFR §54.409 (<u>https://www.ecfr.gov/current/title-47/chapter-I/subchapter-B/part-54/subpart-E/section-54.409</u>), accessed June 13, 2025.

1. Address to Request Application Package.

Grant application forms are available at the web link provided in the "Grant Application Link" field of this announcement or by contacting the Program Manager:

Illinois Office of Broadband Illinois Department of Commerce & Economic Opportunity 1101 S 2nd Street Springfield, IL 62704 Email: broadband@illinois.gov

2. Content and Form of Application Submission.

A standard application package must be submitted and reviewed by the State, which entails the following:

- Entity Submission Form (Part 1): Applicants shall submit materials required for BEAD qualification at the entity-level, including but not limited to:
 - Entity-specific qualifications;
 - State of Illinois Conflict of Interest disclosure;
 - State of Illinois Mandatory Disclosures; and
 - W-9 form.

This form should be submitted **once** per entity. Successful completion of the Entity Submission Form will generate an Entity Form ID, which must be submitted across all subsequent project and application form submissions. This Entity Form ID will be sent to the primary and secondary contact email addresses submitted in the application.

- **Project Submission Form (Part 2)**: Applicants shall submit materials pertaining to the proposed BEAD Funded Connect Illinois Round 4 project, for both meeting BEAD qualifications as well as for project scoring purposes. This includes but is not limited to:
 - Project-specific qualifications;
 - Additional project-specific materials for scoring;
 - Budget utilizing the template provided by the State for this project; and
 - State of Illinois Uniform Grant Application in fillable PDF format, with the signature page printed, signed, and submitted.

This form should be submitted for **each** proposed project by the given entity (i.e., multiple submissions would be needed if the same entity is applying for multiple projects). This submission must include the Entity Form ID generated above, with the same Entity Form ID submitted with **each** Project Form submission to link back to the entity materials submitted in Part 1. Each successful completion of the Project Submission Form will generate a Project Form ID that must be submitted as part of the subsequent application form response below. This Project Form ID will be sent to the primary and secondary contact email addresses submitted in the application.

 Application Submission Form (Part 3): Applicants must submit the Entity Form ID and the Project Form ID of the submissions they wish the State of Illinois to review, which would count as the <u>official completion</u> of the application to the State of Illinois. Only the materials associated with the IDs submitted through the Application Submission Form

(<u>https://app.smartsheet.com/b/form/eaf6e7c3122f485eb7b6c4f11e82a6d2</u>) will be reviewed by the State of Illinois. This form must be submitted for <u>each</u> proposed project that the entity wishes the State of Illinois to consider for the given Wave.

Please refer to the Application Guidebook for details on these requirements.

3. Unique Entity Identifier (UEI) and System for Award Management (SAM)

Each applicant (unless the applicant is an individual or Federal or State awarding agency that is exempt from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal or State awarding agency under 2 CFR 25.110(d)) is required to:

- (i) Be registered in SAM. To establish a SAM registration, go to www.SAM.gov and/or utilize this instructional link: How to Register in SAM from the www.grants.illinois.gov Resource Links tab. SAM.gov registrations must be "public."
- (ii) Provide a valid UEI number in the GATA Grantee Portal registration.
- (iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal, Federal pass-through or State award or an application or plan under consideration by a Federal or State awarding agency. The State awarding agency may not make a Federal pass-through or State award to an applicant until the applicant has complied with all applicable UEI and SAM requirements and, if an applicant has not fully complied with the requirements by the time the State awarding agency may determine that the applicant is not qualified to receive a Federal pass-through or State award and use that determination as a basis for making a Federal pass-through or State award to another applicant.

4. Submission Dates and Times.

Applications for this opportunity must be submitted by July 18, 2025, at 11:59PM CST.

Application materials must be submitted to the State via electronic form in subsequent order as per the aforementioned process outlined in *Section 2. Content and Form of Application Submission*.

The State is under no obligation to review applications that do not comply with the above requirements. The State will not review applications that fail to meet the application deadline. The State may follow up should it have questions on any submission.

5. Intergovernmental Review, if applicable.

N/A

6. Funding Restrictions.

Restrictions can be found in Sections A., B., and C.

7. Other Submission Requirements.

Documents stored in Google Docs or other cloud-based servers are not allowed.

Applicants may confirm receipt of the application and documents by contacting the program contact listed in this NOFO.

E. Application Review Information.

1. Criteria.

Scoring criteria: An Evaluation Committee team will review and evaluate all applications. This team will use standard criteria and associated point values to evaluate grant applications consistently and uniformly.

The criteria and associated weights outlined below, per the NTIA's BEAD Restructuring Policy Notice, will be applied during the Benefit of the Bargain round (see below for details) to

information provided by the applicant in response to the requirements of this NOFO.⁵⁸ Applicants will be held accountable via the subgrantee agreement to commitments made toward the scoring criteria.

Primary Criteria	
Minimum BEAD Program outlay The State will select the combination of project proposals with the lowest overall cost to the Program. This may involve selecting a proposal that is not the lowest-cost option for a given set of BSLs but is part of the combination of selected projects with the lowest overall cost to the Program.	N/A
Secondary Criteria	
(If competing application(s) propose a project cost within 15% of the lowes received for that same general project area on a per-BSL bas	
Speed to deployment	
Points will be assigned based on the prospective subgrantee's binding	50/
commitment to provision service by a date certain that is earlier than four years after the date on which the subgrantee will receive the subgrant	5%
from the State subject to contractual penalties to the State.	
Speed of network and technical capabilities	
Points will be assigned based on the speed, latency, and other technical	45%
capabilities of the technologies proposed by prospective subgrantees.	
Preliminary/Provisional Subgrantees.	
For locations where the State has already identified preliminary selected	50%
subgrantees during Wave 1 of Connect Illinois Round 4, points will be assigned to those applications in the Benefit of the Bargain Round.	
assigned to those applications in the Deficit of the Dargain Round.	

For further details, please refer to the Application Guidebook.

Additional Information Related to Scoring

i. Program Guidance

Prioritization among unserved locations, underserved locations, and CAIs. The State shall award funding in a manner consistent with the BEAD NOFO, IV.B.7.b.1, that ensures funding first to all unserved locations, then to underserved locations, and finally to eligible CAIs, as allowed by the existing BEAD funding amount. If sufficient funds are not available to fund deployment to all unserved, underserved, or eligible CAI locations, the State will prioritize projects within each of those categories based on a strong preference for projects in high-poverty areas or persistent poverty counties.⁵⁹

Selection Among Priority Broadband Projects: Per the BEAD NOFO, IV.B.7.b.2, if just one Priority Broadband Project is proposed in a given Project Area Unit(s), satisfies all other requirements set out in this NOFO, and that proposal is not deemed excessively expensive by the State, that proposal is the default winner.⁶⁰ In line with the above and NTIA's BEAD Restructuring Policy Notice, the State will prioritize Priority Broadband Projects over non-Priority Broadband Projects.⁶¹ If the State determines that selecting a Priority Broadband Project would incur excessive costs, it shall select a lower cost non-Priority Broadband Project.⁶²

 ⁵⁸ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 8, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.
 ⁵⁹ NTIA. BEAD NOFO, page 41.

⁶⁰ NTIA, BEAD NOFO, page 42.

⁶¹ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 11, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁶² NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 11, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

In line with the NTIA Policy Notice, a Priority Broadband Project means a project that provides broadband service at speeds of no less than 100/20Mbps, has a latency less than or equal to 100 milliseconds, and can easily scale speeds over time to meet the evolving connectivity needs of households and businesses and support the deployment of 5G, successor wireless technologies, and other advanced services.⁶³ Any applicant may seek to have the State treat its application as a Priority Broadband Project regardless of the technology used. The applicant's project, however, must still meet the required speed and latency standards set forth in the statute and the NOFO and demonstrate that it meets the additional statutory criteria, including that the project can easily scale speeds over time to support evolving connectivity needs and the deployment of 5G and successor wireless technologies. Applicants must provide supporting documentation sufficient for the State to assess the network application and determine that the proposed network architecture for each specific project area meets this standard. The State may only reject treatment of an application as a Priority Broadband Project could not meet the statutory definition for a specific project area.⁶⁴

If multiple proposals (a) constitute Priority Broadband Projects and (b) satisfy all other subgrantee requirements, the State shall use the selection criteria above to select a project.⁶⁵ Similarly, when comparing competing non-Priority Broadband Project proposals, the State shall use the selection criteria above to select a project.

2. Review and Selection Process.

Applications will be graded using the Merit Review Process and scored on the criteria specified in Section E.1. The State will designate an Evaluation Committee to grade each application received for this funding opportunity. The final score of each Committee member will be calculated and an average of all scores will be the final applicant score.

Wave	Projects Eligible for Preliminary Selection
Wave 1	Project type: Proposals where a minimum of 10 percent of the proposed Project Area is composed of Hard-to-serve Project Area Units
	Selected Hard-to-serve Project Area Unit(s) must be contiguous with a non- Hard-to-serve Project Area Unit within the proposed project area (details below).
	Technology type : End-to-end fiber projects that meet the scoring threshold and BEAD qualifications
	Note: Projects preliminarily selected during Wave 1 have been rescinded per the requirements of NTIA's BEAD Restructuring Policy Notice. However, the Wave 1 projects and applicants preliminarily selected will be used in the scoring process during the Benefit of the Bargain round as outlined in Section E.1 above.
Benefit of the	Project type: Any projects, regardless of "hard-to-serve" status
Bargain Round	Technology type : Any technology that meet BEAD qualifications
	Note: Applicants seeking to have their project considered as a Priority Broadband Project must meet the required speed and latency standards set

⁶³ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 9, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁶⁴ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 9, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁶⁵ NTIA, BEAD NOFO, page 42.

forth in the statute and the NOFO, and demonstrate that it meets the additional
statutory criteria, including that the project can easily scale speeds over time to
support evolving connectivity needs and the deployment of 5G and successor
wireless technologies. Applicants must provide supporting documentation
sufficient for the State to assess the network application and determine that the
proposed network architecture for each specific project area meets this
standard.

Grants will be awarded following the NTIA's approval of the State's Final Proposal. Note that applicants are expected to follow through with their application(s) should they be preliminarily selected, and it is thus expected that the applicant has the capabilities and capacity to successfully execute the full set of applications they submit.

<u>Benefit of the Bargain Round.</u> In line with the NTIA's BEAD Restructuring Policy Notice published in June 2025, the State will conduct at least one additional subgrantee selection round for every BEAD-eligible location.

When facilitating the Benefit of the Bargain Round, the State will rank all qualifying applications from highest to lowest by score, apply the prioritization approach described above, remove overlaps, and make preliminary selections. To balance the Program's goal of universal service and the updated timeline as stipulated in NTIA's BEAD Restructuring Policy Notice, ⁶⁶ the State may adjust its deconfliction approach as needed. Following the Benefit of the Bargain Round, the State may conduct direct negotiation or facilitate additional application rounds to meet the Program's goal of universal service.

The Benefit of the Bargain Round, similar to Wave 1, will allow applications at a Project Area Unit (PAU) level. Applicants may pick any number of Project Area Units to form a project area. Applicants may not split up a Project Area Unit when defining their project area; however, per the NTIA's BEAD Restructuring Policy Notice, applicants may propose to exclude select BSLs that the applicant determines are excessively high-cost locations from the project area (or would otherwise make the project economically unviable for the technology being used).⁶⁷ Applicants requesting such removal must provide their rationale for doing so to the State. When deciding among competing applicants, the State will review the reasonableness of a given application's proposed removal of excessively high-cost BSLs to evaluate whether the proposed project can be regarded as competing for the same general project area(s).

After the final application window, the State will conduct two review processes:

- (1) A review of preliminarily selected projects to confirm that the total set of preliminary selections to each prospective subgrantee is consistent with the financial, operational, and managerial capabilities submitted in the prequalification process. The State will confidentially engage with specific applicants, if needed, to confirm or clarify any identified issues and reserves the right to select an alternative proposal if any concerns remain.⁶⁸
- (2) A review of preliminarily selected projects to confirm that the overall selection is consistent with the statute, BEAD Initial Proposal Volume II, the BEAD NOFO, and the NTIA BEAD Restructuring Policy Notice in respect to selections among competing projects accounting for Priority Broadband Project status, respective scores, and cost reasonableness.

⁶⁶ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 10, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>. "Eligible Entities have 90 days [from June 6, 2025] to comply with the obligations outlined within this Policy Notice and submit a Final Proposal that reflects the results of the Benefit of the Bargain round."

⁶⁷ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 11, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁶⁸ State of Illinois, BEAD Initial Proposal, Volume II, page 32.

After formal consultation with the NTIA, the list of provisional winners will be submitted to the NTIA in the Final Proposal, and will be awarded once the NTIA approves the State's Final Proposal.

Applicants bidding on Project Area Units that contain multi-dwelling units (MDUs) will be required to demonstrate how their proposed solutions will connect all units within an MDU.

The Merit Based Review process is subject to appeal. However, competitive grant appeals are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal. The appeal must be submitted in writing to the State within 14 calendar days after the date that the grant award notice has been published. The written appeal shall include the name and address of the appealing party, the identification of the grant and a statement of reasons for the appeal. To file an appeal, applicants must submit the appeal in writing and in accordance with the Merit-Based Application Review Appeals Process listed on the Grant Opportunities page of the DCEO website: https://dceo.illinois.gov/aboutdceo/grantopportunities/meritappreview.html.

3. Anticipated Announcement and State Award Dates, if applicable.

After the application period is closed, the State will conduct a merit-based review of eligible applications. Successful applicants will receive a Notice of State Award (NOSA) to initiate the grant agreement phase. During this phase, you will be contacted by a grant manager to develop a grant agreement, which can be a months-long process depending on complexity, cooperation, and conformity with all applicable federal and state laws.

The Department reserves the right to issue a reduced award, or not to issue any award.

F. Award Administration Information

1. State Award Notices.

The Notice of State Award (NOSA) will specify the funding terms and specific conditions resulting from the pre-award risk assessments and the merit-based review process. The NOSA must be accepted in the GATA Portal by an authorized representative of the grantee organization. The NOSA is not an authorization to begin performance or incur costs.

2. Administrative and National Policy Requirements.

Subrecipients and Subcontractors: Subcontractors and subrecipients are subject to all applicable provisions of the Agreement(s) executed between DCEO and the grantee. The successful applicant shall retain sole responsibility for the performance of its subrecipient(s) and/or subcontractor(s).

Grant Uniform Requirements: The Grant Accountability and Transparency Act (30 ILCS 708/1 *et seq.*) (and its related administrative rules, 44 III. Admin. Code Part 7000), was enacted to increase the accountability and transparency in the use of grant funds from whatever source and to reduce administrative burdens on both State agencies and grantees by adopting federal guidance and regulations applicable to those grant funds; specifically, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200). The program will apply the NTIA's guidance on implementing exceptions, adjustments, and clarifications to certain provisions of the Uniform Administrative Requirements for Federal Awards (Uniform Guidance), and the application of related provisions of the Uniform Guidance to the BEAD

Program, including but not limited to modifications relevant to fixed-amount subawards.⁶⁹ Additional guidance may apply from the Department of Commerce's Standard Terms and Conditions, the General Terms and Conditions of the BEAD Program, and the Specific Award Conditions applicable to the State of Illinois.

Procurement: Pursuant to the NTIA's guidance on implementing exceptions, adjustments, and clarifications to certain provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), codified at 2 CFR Part 200, and the application of related provisions of the Uniform Guidance to the BEAD Program, subrecipients receiving fixed-amount subawards pursuant to the NTIA Policy Notice are exempt from complying with the procurement standards contained in 2 CFR 200.318-320 and 200.324-326.⁷⁰ Beyond these exemptions, subgrantees will be required to adhere to methods of procurement per the Procurement Standards (2 CFR 200.317, 200.321-323, 200.327).

Business Enterprise Program: For grant awards of \$250,000 or more, grantees will be required to comply with the Business Enterprise Program for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/0.01 *et seq.*), which establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities. The Department will work with the grantees to ensure compliance prior to the establishment of the grant agreement as well as through the life of the grant.

Environmental Review Requirements: Capital grants will be reviewed to determine environmental review requirements. Based on the scope of the project, the grantees may be required to complete additional environmental approvals before a grant agreement can be initiated.

Illinois Works Jobs Program Act (30 ILCS 559/20-1 et seq.): For grants with an estimated total project cost of \$500,000 or more, the grantee will be required to comply with the Illinois Works Apprenticeship Initiative (30 ILCS 559/20-20 to 20-25) and all applicable administrative rules. The "estimated total project cost" is a good faith approximation of the costs of an entire project being paid for in whole or in part by appropriated capital funds to construct a public work. The goal of the Illinois Apprenticeship Initiative is that apprentices will perform either 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated to seek from the State a waiver or reduction of this goal in certain circumstances pursuant to 30 ILCS 559/20-20(b). The grantee must ensure compliance for the life of the entire project, including during the term of the grant and after the term ends, if applicable, and will be required to report on and certify its compliance.

Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*): Applicants that are awarded grants shall comply with all requirements of the Prevailing Wage Act, including but not limited to, inserting into all contracts for construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the project shall be paid to all laborers, workers, and mechanics performing work under the award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract. Grantees will be required to report on Prevailing Wage Act compliance on a monthly basis.

Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.): All grantees will be required to comply with the Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 *et seq.*) (the "Act"), which provides that whenever there is a period of excessive unemployment in Illinois (as defined by the Act), if the Grantee is using Grant Funds for (1) constructing or building any public works, or (2) performing the clean-up and on-site disposal of hazardous waste for the State of Illinois or any political subdivision of the State,

⁶⁹ For details, refer to NTIA, "<u>Policy Notice: Tailoring the Application of the Uniform Guidance to the</u> <u>BEAD Program</u>."

⁷⁰ NTIA, "Policy Notice: Tailoring the Application of the Uniform Guidance to the BEAD Program."

then the Grantee shall employ at least 90% Illinois laborers on such project. Illinois laborers refers to any person who has resided in Illinois for at least 30 days and intends to become or remain an Illinois resident. Grantees may receive an exception from this requirement by submitting a request and supporting documents certifying that Illinois laborers are either not available, or are incapable of performing the particular type of work involved. The certification must: (a) be submitted to the grant manager within the first quarter of the Award Term; (b) provide sufficient support that demonstrates the exception is met; (c) be signed by an authorized signatory of the Grantee; and (d) be approved by DCEO in consultation with the Illinois Department of Labor. In addition, every contractor on a public works project or improvement or hazardous waste clean-up and on-site disposal project in this State may place on such work no more than 3 (or 6 in the case of a hazardous waste clean-up and on-site disposal project) of the contractor's regularly employed non-resident executive and technical experts.

Additional administrative and national policy requirements per BEAD Program requirements.

Per the BEAD NOFO and NTIA's BEAD Restructuring Policy Notice, all grants receiving BEAD funding are required to comply with applicable statutes and regulations, including but not limited to the following.⁷¹

General Compliance Requirements and Prioritization

This NOFO must be read to be consistent with all requirements contained in 47 U.S.C. § 1702, the BEAD NOFO, the Department of Commerce's Standard Terms and Conditions (effective on the date of award),⁷² the General Terms and Conditions of the BEAD Program,⁷³ the award's Specific Award Conditions, the Infrastructure Investment and Jobs Act, and other relevant NTIA guidance and applicable federal law. If language between two or more authorities appears to be inconsistent, the relevant authorities should be read and interpreted in a manner that emphasizes consistency and harmonization across all relevant authorities. Where harmonization is impossible, applicants should prioritize following the language contained in these authorities in the following order (from highest to lowest priority): 47 U.S.C. § 1702; the award's Specific Award Conditions; the General Terms and Conditions for the BEAD Program; the BEAD NOFO; the Department of Commerce Standard Terms and Conditions.

BEAD Subgrantee Obligations

Per NTIA requirements, BEAD Funded Connect Illinois Round 4 awardees receiving BEAD funds must comply with BEAD Subgrantee Obligations as outlined in the relevant documents. Specifically, the State shall ensure the following, among others:⁷⁴

Network Capabilities.

⁷¹ For details, refer to NTIA, BEAD NOFO, pages 86-89, and NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," pages 3-8, https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf.

 ⁷² NTIA, BEAD NOFO, page 86. For details, see Department of Commerce, Standard Terms and Conditions, November 12, 2020, <u>https://www.commerce.gov/sites/default/files/2020-11/DOC%20Standard%20Terms%20and%20Conditions%20-%2012%20November%202020%20PDF_0.pdf.
</u>

⁷³ For details, see NTIA, General Terms and Conditions for the NTIA Broadband Equity, Access & Deployment (BEAD) Program Funds, April 2024, https://broadbandusa.ntia.doc.gov/sites/default/files/2024-05/BEAD IPFR GTC 04 2024.pdf.

⁷⁴ For details, refer to NTIA, BEAD NOFO, pages 64-71, and NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," pages 3-8, https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf. Note, for LEO grants, these consumer and taxpayer protections that apply to all other last-mile deployment projects will apply to LEO Capacity Subgrants during its Period of Performance. See NTIA BEAD Restructuring Policy Notice, page 20.

- Speed and latency. Funded Networks shall deliver broadband service with speeds of not less than 100 Mbps for downloads and 20 Mbps for uploads.⁷⁵ In addition, 95 percent of latency measurements during testing windows must fall at or below 100 milliseconds round-trip time.⁷⁶ Funded Network connections to Eligible Community Anchor Institutions shall be capable of delivering service at speeds not less than 1 Gigabit per second for downloads and 1 Gigabit per second for uploads.⁷⁷ The State shall ensure that such connections can be used to provide business data services.⁷⁸ Subgrantees should deploy robust network infrastructure and schedule regular performance testing to ensure that the network can consistently meet or exceed the performance standards.⁷⁹ See BEAD NOFO, IV.C.2.a.i, for details.⁸⁰
- Network Outages. Each Funded Network's outages should not exceed, on average, 48 hours over any 365-day period except in the case of natural disasters or other force majeure occurrence. Subgrantees should develop a comprehensive outage management plan that includes preventive maintenance schedules, quick response teams for outage resolution, and clear communication channels for informing customers about outages and expected restoration times.⁸¹ See BEAD NOFO, IV.C.2.a.ii, for details.⁸²

Deployment Requirements.

- **Deployment Deadlines and Benchmarks.** Subgrantees must deploy their Funded Networks and begin providing broadband service to each customer that desires broadband service not later than four years after the date on which the subgrantee receives the subgrant for the applicable network. Subgrantees must meet interim buildout milestones established by the State to ensure progress. Subgrantees are required to adhere to specific deployment schedules, ensuring the network is operational within the stipulated time. Subgrantees should regularly report progress to the State in alignment with the monitoring requirements detailed by the State in the subgrantee agreements. Extensions to the four-year deployment deadline may be granted by the Assistant Secretary as described in the BEAD NOFO. However, it is the general intent of NTIA not to waive any of the provisions set forth in the BEAD NOFO.⁸³ See BEAD NOFO, IV.C.2.b.i, for details.⁸⁴
- Conduit Access Points. Any Funded Network deployment project that involves laying fiber-optic cables or conduit underground or along a roadway must include interspersed conduit access points at regular and short intervals for interconnection by unaffiliated entities.⁸⁵

Service Obligations

⁷⁵ 80 percent of a provider's download and upload measurements must be at or above 80 percent of the required speed (i.e., an 80/80 standard). See Performance Measures Order, 34 FCC Rcd at 6528, para. 51.

⁷⁶ See id., 34 FCC Rcd at 6527-28, para. 50.

⁷⁷ These requirements are consistent with § 60401(e)(3)(C) of the Infrastructure Act.

⁷⁸ The term "business data service" refers to the dedicated point-to-point transmission of data at certain guaranteed speeds and service levels using high-capacity connections. See Business Data Services in an Internet Protocol Environment et al., WC Docket No. 16-143 et al., Report and Order, 32 FCC Rcd 3459, 3463 para. 6 (2017).

⁷⁹ See NTIA, "Obligations for Subgrantees Deploying Network Projects: Guidance," page 4, accessed September 19, 2024, <u>https://broadbandusa.ntia.doc.gov/sites/default/files/2024-</u> <u>08/BEAD Obligations for Subgrantees Deploying Network Guidance.pdf</u>.

⁸⁰ NTIA, BEAD NOFO, pages 64-65.

⁸¹ See NTIA, "Obligations for Subgrantees Deploying Network Projects: Guidance," page 4, accessed September 19, 2024, <u>https://broadbandusa.ntia.doc.gov/sites/default/files/2024-08/BEAD_Obligations_for_Subgrantees_Deploying_Network_Guidance.pdf</u>.

⁸² NTIA, BEAD NOFO, pages 65.

⁸³ See NTIA, "Obligations for Subgrantees Deploying Network Projects: Guidance," page 5, accessed September 19, 2024, <u>https://broadbandusa.ntia.doc.gov/sites/default/files/2024-</u>08/BEAD Obligations for Subgrantees Deploying Network Guidance.pdf.

⁸⁴ NTIA, BEAD NOFO, pages 65.

⁸⁵ 47 U.S.C. §1702(h)(4)(D).

- Affordability and Low-Cost Plans. The Infrastructure Act requires that each subgrantee receiving BEAD funding to deploy network infrastructure offer at least one low-cost broadband service option.⁸⁶ The low-cost broadband service option must be made available to eligible subscribers for the useful life of the network asset⁸⁷ (i.e., the federal interest period for non-LEO subgrantees, which is 10 years after the year in which the subgrant for a project has been closed out,⁸⁸ and comparably the Period of Performance for LEO subgrantees).⁸⁹ See the NTIA's BEAD Restructuring Policy Notice for details.⁹⁰
- Access to Service. Operators of Funded Networks shall provide access to broadband service to each customer served by the project that desires broadband service on terms and conditions that are reasonable and non-discriminatory. Subgrantees should establish reasonable, feasible timelines and procedures for customer installations, ensuring that these processes are not overly complicated, unnecessarily delayed, or discriminatory. Subgrantees must provide equitable access to all individuals regardless of economic or demographic factors.⁹¹ See BEAD NOFO, IV.C.2.c.iii, for details.⁹²
- Cybersecurity and Supply Chain Risk Management. The Infrastructure Act directs the Assistant Secretary to specify prudent cybersecurity and supply-chain risk management practices for subgrantees deploying or upgrading broadband networks using BEAD funds. Toward this goal, prior to receiving any fund allocations, all prospective subgrantees will be required to attest that they will comply with cybersecurity and supply chain risk management practices as defined by NTIA for the purposes of the BEAD Program. To the extent a subgrantee relies in whole or in part on network facilities owned or operated by a third party (e.g., purchases wholesale carriage on such facilities), the same attestations from its network provider with respect to both cybersecurity and supply chain risk management practices. Prospective subgrantees should implement robust cybersecurity measures and manage supply chain risks to protect the integrity, reliability, and security of the broadband infrastructure. This includes adhering to national cybersecurity standards and ensuring that all hardware and software components are secure and sourced from reputable suppliers.⁹³ See BEAD NOFO, IV.C.2.c.vi, for details.⁹⁴

Pre-award notification requirements. The Department of Commerce will apply the Pre-Award Notification Requirements for Grants and Cooperative Agreements dated December 30, 2014 (79 FR 78390).⁹⁵

Environmental and national historical preservation requirements. The potential environmental impact of subgrantees' BEAD-funded projects must be analyzed as required by,

⁸⁶ 47 U.S.C. §1702(h)(4)(B). See Section C of this NOFO for details.

⁸⁷ The BEAD IPFR General Terms and Conditions clarifies that the "useful life" coincides with the "Federal Interest Period" in Term 48, which states: "For the purposes of this award, the useful life of the real property or equipment acquired or improved using BEAD funds shall coincide with the Federal Interest Period as defined in Term 49 below." Term 49 defines the Federal Interest Period as 10 years.

⁸⁸ The Federal Interest Period is defined as 10 years per the BEAD Uniform Guidance Policy Notice.

⁸⁹ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 20, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁹⁰ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," pages 6-8, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.

⁹¹ See NTIA, "Obligations for Subgrantees Deploying Network Projects: Guidance," page 7, accessed September 19, 2024, <u>https://broadbandusa.ntia.doc.gov/sites/default/files/2024-</u> <u>08/BEAD_Obligations_for_Subgrantees_Deploying_Network_Guidance.pdf</u>.

⁹² NTIA, BEAD NOFO, pages 68.

⁹³ See NTIA, "Obligations for Subgrantees Deploying Network Projects: Guidance," page 9, accessed September 19, 2024, <u>https://broadbandusa.ntia.doc.gov/sites/default/files/2024-08/BEAD_Obligations_for_Subgrantees_Deploying_Network_Guidance.pdf</u>.

⁹⁴ NTIA, BEAD NOFO, pages 70-71.

⁹⁵ For details, refer to NTIA, BEAD NOFO, page 86.

and to ensure compliance with, the National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.) and the National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 et seq.). In particular:

- Projects containing construction and/or ground-disturbing activities are required to submit all required environmental documentation to the State prior to award, which also must describe how they will comply with applicable environmental and national historical preservation requirements.
- It is the subgrantees' responsibility to obtain all necessary federal, state, and local governmental permits and approvals necessary for the proposed work to be conducted. Projects are expected to be designed to minimize any potential adverse impact on the environment.
- Subgrantees will also be required to cooperate with the State and the NTIA in identifying feasible measures to reduce or avoid any identified adverse environmental impact of their proposed projects. Failure to do so may be grounds for withholding an award. Proposals will be reviewed to ensure they contain sufficient information to allow agency staff to conduct a NEPA analysis so that appropriate NEPA documentation can be submitted to the NTIA, along with a recommendation for funding the selected projects or other eligible activities.
- If additional information is required after an application is accepted for funding, funds can be withheld by the NTIA under a specific award condition requiring the awardee to submit additional environmental compliance information sufficient for the agency to assess any impact that a project may have on the environment.⁹⁶

Natural disaster resilience. Subgrantees shall satisfy the statutory requirement to incorporate best practices defined by NTIA for ensuring reliability and resilience of broadband infrastructure⁹⁷ by establishing risk management plans that account for technology infrastructure reliability and resilience, including from natural disasters (e.g., wildfires, flooding, tornadoes, hurricanes, etc.), as applicable.⁹⁸

Property trust relationship and public notice filings for grant-acquired property. Broadband infrastructure projects under fixed-amount subawards will be subject to the requirements below, summarized from the NTIA's Policy Guidance, "Tailoring the Application of the Uniform Guidance to the BEAD Program" (see original text for full details). ⁹⁹

 Title to real property or equipment acquired or improved pursuant to a BEAD fixedamount subaward (Project Property) vests in the subrecipient upon acquisition, subject to the following during the Federal Interest Period, or 10 years after the year in which the subgrant has been closed out in accordance with 2 CFR 200.344:

 Subrecipients must follow their existing commercial practices for managing equipment in the normal course of business and must use inventory controls indicating the applicable Federal interest and loss prevention procedures. Subrecipients without such existing practices must comply with 2 CFR 200.313(d).
 Subrecipients must comply with the use and equipment disposition requirements of 2 CFR § 200.313(c)(4) and 313(e) as follows:

a. Subrecipients acquiring replacement equipment under 2 C.F.R. §
200.313(c)(4) may treat the replaced equipment as "trade-in" even if the subrecipient retains full ownership and use over equipment. The subrecipient must record the fair market value of the equipment being replaced in its Tangible Personal Property Status Reports to the Department of Commerce (DOC), and track the value of the replacement equipment, including both the Federal and non-Federal share.
b. Subrecipients may sell, lease, or transfer Project Property only after (a) securing the agreement of the successor or transferee to comply with

⁹⁶ For details, refer to NTIA, BEAD NOFO, pages 86-87; and State of Illinois, BEAD Initial Proposal, Volume II, page 53-54.

⁹⁷ 47 U.S.C. §1702(g)(1)(C).

 ⁹⁸ NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," page 5, <u>https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf</u>.
 ⁹⁹ For full details, refer to NTIA, "<u>Policy Notice: Tailoring the Application of the Uniform Guidance to the BEAD Program</u>."

these requirements and the acknowledgement of the successor or transferee of the Federal Interest in the subject Project Property, and (b) obtaining consent to the sale or transfer from the NTIA.

c. Subrecipients must notify the State and the NTIA upon filing a petition under the U.S. Bankruptcy Code, whether voluntary or involuntary, with respect to the subrecipient or any affiliate that would impact the subrecipient's ability to perform in accordance with its subgrant.

3) Subrecipients must record liens or other appropriate notices of record, acceptable in form and substance to the Grants Officer, to indicate that Project Property has been acquired or improved with a Federal award, and that use-and-disposition conditions apply to the property.

4) Subrecipients may encumber Project Property only after notifying the NTIA and the Grants Officer, and the DOC must receive either a first-priority security interest (preferred) or a shared first-priority security interest in the Project Property such that, if the Project Property were foreclosed upon and liquidated, the DOC would be entitled to receive, on a pari-passu basis with other first-position creditors, the portion of the current fair market value of the property equal to the DOC's percentage of contribution to the project costs.

- Pursuant to exceptions approved by the OMB, the property standards set forth in 2 CFR 200.314 -315 for supplies and intangible property, respectively, shall not apply to fixed-amount subawards.
- Subrecipients must comply with 2 CFR 200.316, the insurance requirements of 2 CFR 200.310, and 2 CFR 200.312 to the extent any Federally owned real property or equipment is used by the subrecipient.

Domestic preference for procurements ("Buy American"). Per the BEAD NOFO, all funds made available through the BEAD Program for broadband infrastructure must comply with the Build America, Buy America Act.¹⁰⁰ This act requires that all iron, steel, manufactured products (including but not limited to fiber-optic communications facilities), and construction materials used in the project or other eligible activities be produced in the United States unless a waiver is granted. The DOC has issued a limited, general applicability, nonavailability waiver of the Buy America Preference requirements for certain construction materials and certain manufactured products as applied to recipients of Federal financial assistance under the BEAD Program, which will flow down to subrecipients.¹⁰¹ Detailed information on BABA compliance and reporting requirements can be found in the NTIA's BABA Compliance guidance, as well as the BEAD NOFO.¹⁰²

3. Reporting.

Periodic Performance Report (PPR) and Periodic Financial Report (PFR)

Grantees funded through this NOFO are required to submit in the format required by the Grantor, at least on a quarterly basis, the PPR and PFR electronically to their assigned grant manager. The first of such reports shall cover the first three months after the award begins. Pursuant to 2 CFR 200.328, Periodic Financial Reports shall be submitted no later than 30 calendar days following the period covered by the report. Pursuant to 2 CFR 200.329, Periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. Pursuant to 2 CFR 200.329, Periodic covered by the report. Pursuant to 2 CFR 200.329, Periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. Any additional reporting requirements will be disclosed in the NOSA.

¹⁰⁰ Infrastructure Investment and Jobs Act of 2021, Division G, Public Law 117-58, 135 Stat. 429 (November 15, 2021).

¹⁰¹ Department of Commerce, Office of Acquisition Management, "National Telecommunications and Information Administration Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program," accessed July 24, 2024, <u>https://www.commerce.gov/oam/build-americabuy-america</u>.

¹⁰² For additional guidance, refer to NTIA, "BABA Compliance and Self Certification," accessed August 6, 2024, <u>https://broadbandusa.ntia.doc.gov/technical-</u>

assistance/BABA Compliance and Self Certification; and NTIA, BEAD NOFO, pages 87-88.

Grantees are required within 45 calendar days following the end of the period of performance to submit a final closeout report in the format required by the Grantor (*See* 2 CFR 200.344).

Monitoring

Grantees funded through this NOFO are subject to fiscal and programmatic monitoring visits by the Department in accordance with 2 CFR 200.337. They must have an open-door policy allowing periodic visits by Department monitors to evaluate the progress of the project and provide documentation upon request of the monitor. Program staff will also maintain contact with participants and monitor progress and performance of the contracts. The Department may modify grants based on performance.

<u>Audit</u>

Grantees shall be subject to Illinois' statewide Audit Report Review requirements. Terms of the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules set forth under the Grant Accountability and Transparency Act shall apply (See 30 ILCS 708/65(c)).

As outlined in the BEAD NOFO and the Guidance for Federal Financial Assistance from the Office of Management and Budget as of April 4, 2024,¹⁰³ Subpart F of 2 C.F.R. Part 200 requires any non-federal entity that expends federal awards of \$1,000,000 or more (effective for grantee fiscal years beginning on or after October 1, 2024) in the recipient's fiscal year to conduct a single or program-specific audit in accordance with the requirements set out in the Subpart. Additionally, unless otherwise specified in the terms and conditions of the award, entities that are not subject to Subpart F of 2 C.F.R. Part 200 (e.g., commercial entities) that expend \$1,000,000 or more (effective for grantee fiscal years beginning on or after October 1, 2024) in grant funds during their fiscal year must submit to the Grants Officer either: (a) a financial or related audit of each DOC award or subaward in accordance with Generally Accepted Government Auditing Standards or (b) a program-specific audit for each award or subaward in accordance with the requirements contained in 2 C.F.R. § 200.507. The NTIA, the Department of Commerce Office of Inspector General, or another authorized federal agency may conduct an audit of an award at any time.¹⁰⁴

Project reporting

Subgrantees must adhere to the reporting requirements of the BEAD program that will be established by NTIA. Subgrantees are required to submit regular reports, at least quarterly, for the duration of the subgrant period of performance to document the progress of the project. Each report shall describe each type of project and/or other eligible activities carried out using the subgrant. These reports must include, but are not limited to, the following requirements stipulated by the use of BEAD funds for this program, as well as the reporting requirements listed in the BEAD Initial Proposal Volume II:¹⁰⁵

- A list of addresses and location IDs that will be served by the broadband infrastructure to be constructed, including but not limited to:¹⁰⁶
 - The number of households in areas previously lacking access to at least 25/3 Mbps that are projected to have increased access to broadband that meets minimum speed standards (broken out by Tribal and non-Tribal lands).¹⁰⁷

 ¹⁰³ Office of Federal Financial Management, Office of Management and Budget, "Guidance for Federal Financial Assistance," published April 4, 2024, accessed August 30, 2024, <a href="https://www.cfo.gov/assets/files/Final%202%20CFR%20Guidance%20-%204.3.2024%20-%20Pre-Publication%20Version.pdf?utm_source=newsletter&utm_medium=email&utm_term=Wed+May+29+2024&utm_campaign=OMB+Pre-Releases+Changes+to+Uniform+Guidance
 ¹⁰⁴ For details, refer to NTIA, BEAD NOFO, page 93.

¹⁰⁵ For details, refer to NTIA, BEAD NOFO, pages 90-92; State of Illinois, BEAD Initial Proposal, Volume II, pages 133-135; and NTIA, "Broadband Equity, Access, and Deployment (BEAD) Program: BEAD Restructuring Policy Notice," <u>https://www.ntia.gov/sites/default/files/2025-06/bead-</u>restructuring-policy-notice.pdf.

¹⁰⁶ NTIA, BEAD NOFO, page 90.

¹⁰⁷ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

- The number of institutions/businesses in areas previously lacking access to at 0 least 25/3 Mbps that are projected to have increased access to broadband that meets minimum speed standards, with:
 - Reporting broken out by Tribal and non-Tribal lands
 - Reporting covering each of the following categories: businesses, small businesses, elementary schools, secondary schools, higher education institutions, libraries, healthcare facilities, and public safety organizations. 108
- The status of each project, including but not limited to: 109
 - The projected/actual construction start date¹¹⁰ 0
 - The projected/actual initiation of operations date (month/year)¹¹¹ 0
 - The technology to be deployed¹¹² 0
 - The cost per mile and per passing¹¹³ 0
 - Miles of fiber (if applicable).¹¹⁴ 0
- New locations served within each project area at the relevant reporting intervals and service taken (if applicable), including but not limited to:¹¹⁵
 - The number of households with access to (a) reliable 100 Mbps symmetrical speeds and (b) reliable 100/20 Mbps speeds^{116,117}
 - The number of institutions/businesses with access to (a) reliable 100 Mbps 0 symmetrical speeds and (b) reliable 100/20 Mbps speeds, with: 118, 119
 - Reporting broken out by Tribal and non-Tribal lands in each of the following categories: businesses, small businesses, elementary schools, secondary schools, higher education institutions, libraries, healthcare facilities, and public safety organizations.
- Indication of whether each address/location is residential, commercial, or a community • anchor institution¹²⁰
- Description of the types of facilities that have been constructed and installed¹²¹
- Description of the peak and off-peak actual speeds of offered broadband service¹²²
- Description of maximum advertised speed of offered broadband service¹²³
- Description of non-promotional prices including any associated fees charged for different tiers of all offered broadband service (including the low-cost affordability plan)¹²⁴
- The data required to comply with federal Broadband Data Collection (BDC) reporting requirements, or any successor regulation, for broadband infrastructure projects¹²⁵
- An SF-425 Federal Financial Report that meets the requirements described in the Department of Commerce Financial Assistance Standard Terms and Conditions (dated November 12, 2020), Section A.01 for Financial Reports¹²⁶
- Compliance with any other reasonable reporting requirements determined by the State to meet the reporting requirements established by the Assistant Secretary, as

¹⁰⁸ State of Illinois, BEAD Initial Proposal, Volume II, page 134. ¹⁰⁹ NTIA, BEAD NOFO, page 90. ¹¹⁰ State of Illinois, BEAD Initial Proposal, Volume II, page 133. ¹¹¹ State of Illinois, BEAD Initial Proposal, Volume II, page 133.

¹¹² State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹¹³ State of Illinois, BEAD Initial Proposal, Volume II, page 134. ¹¹⁴ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹¹⁵ NTIA, BEAD NOFO, page 90

¹¹⁶ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹¹⁷ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹¹⁸ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹¹⁹ State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹²⁰ NTIA, BEAD NOFO, page 90.

¹²¹ NTIA, BEAD NOFO, page 90.

¹²² NTIA, BEAD NOFO, page 90.

¹²³ NTIA, BEAD NOFO, page 90.

¹²⁴ NTIA, BEAD NOFO, page 90; State of Illinois, BEAD Initial Proposal, Volume II, page 134.

¹²⁵ NTIA, BEAD NOFO, page 91. For more details, refer to Section 1.7004 of title 47, Code of Federal Regulations.

¹²⁶ NTIA, BEAD NOFO, page 91.

well as certification that the information in the report is accurate,¹²⁷ including but not limited to:

- o <u>Monthly</u> reporting on compliance with the Prevailing Wage Act¹²⁸
- Any reporting required by the Commission on Equity and Inclusion Act (CEI) as part of mandatory participation by all subgrantees in the Business Enterprise Program (BEP)¹²⁹
- Any reporting required to show compliance with the Illinois Works Apprenticeship Initiative.¹³⁰

Subgrantees must maintain sufficient records to substantiate all information above upon request.¹³¹

As specified in the Department of Commerce's Standard Terms and Conditions, subgrantees must submit to the State their final performance report and financial report (Form SF-425) within 90 calendar days after the expiration of the Period of Performance, as well as real property, tangible personal property, and intangible property reports (as applicable).¹³²

G. State Awarding Agency Contact(s)

Grant Help Desk Illinois Department of Commerce & Economic Opportunity Email: **CEO.GrantHelp@illinois.gov**

H. Other Information, if applicable

N/A

¹²⁷ NTIA, BEAD NOFO, page 92.

¹²⁸ For details, see State of Illinois, BEAD Initial Proposal, Volume II, page 90.

¹²⁹ For details, see State of Illinois, BEAD Initial Proposal, Volume II, page 108-112.

¹³⁰ For details, see State of Illinois, BEAD Initial Proposal, Volume II, page 95, and <u>Section 20 - 20 of</u>

the (30 ILCS 559/) Illinois Works Jobs Program Act, Illinois General Assembly Website. ¹³¹ NTIA, BEAD NOFO, page 92.

¹³² For details, see U.S. Department of Commerce, Standard Terms, November 12, 2020, <u>https://www.commerce.gov/sites/default/files/2020-</u>

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^{%2012%20}November%202020%20PDF_0.pdf.