CONNECT ILLINOIS BROADBAND GRANT PROGRAM

Frequently Asked Questions (FAQ)
Updated: June 2023

Program Overview Questions

1. **How much funding is available?** Connect Illinois includes a combination of state and federal funding, including $400 million from the Rebuild Illinois Capital Plan, $300 million from the American Rescue Plan Act, and approximately $1 billion in Broadband Equity, Access, and Deployment (BEAD) funding from the Bipartisan Infrastructure Law.

2. **What is the maximum grant amount?** Applicants can request up to $10 million in Connect Illinois grant funding per proposal. Many applications will seek much smaller amounts, though, and applicants are encouraged to submit multiple proposals – both in terms of multi-phased projects and separate, stand-alone projects.

3. **What does “competitive matching grant” mean?** All applications that meet basic qualifying standards will be scored by a merit-based review team. The team will use a detailed scorecard that directs how points are allocated over seven distinct scoring areas: broadband impact, including number of new connections and economic development; project readiness; project sustainability; share of non-state match provided; community support; adoption support; and open access and shared use.

4. **What amount is required in the non-state match?** Connect Illinois does not require non-state matching funds. However, the merit review process and its scoring rubric awards points for those projects that offer non-state matching funds accounting for 30 percent or more of total project costs. Points are awarded on a sliding scale, providing maximum category funding for those projects that offer a 60 percent non-state match.

5. **What types of projects are eligible for funding?** Applications should be classified under one of three categories: (a) broadband access for Illinois homes, businesses, and community anchor institutions; (b) broadband innovation for economic development and related applications; or (c) urban broadband for access and/or innovation in qualified Illinois cities or metropolitan areas of 75,000 residents or more. Although successful projects may – and are encouraged to – produce positive impact toward both broadband access and broadband innovation, applicants must indicate under which of the three categories an application is intended to be considered.

Applicant Eligibility Questions

6. **If an applicant is already GATA (Grant Accountability and Transparency Act) pre-qualified for another grant program does the applicant need to pre-qualify again or demonstrate its current GATA status?** No, if an applicant is GATA pre-qualified for another grant program, you should be all set! If you’re uncertain, confirm your status via broadband@illinois.gov.
7. **Who is eligible to apply?** Connect Illinois grants are available to various entities with proven track records, including broadband providers, cooperatives, local governments and political subdivisions, nonprofits, and partnerships.

8. **Are colleges and universities or hospitals and clinics eligible to apply?** Yes, these entities can qualify as nonprofit applicants.

9. **Must an applicant have experience and expertise with providing broadband access or adoption?** The most competitive applications will include a partner with a proven track record of broadband deployment; certain Broadband Innovation applications may emphasize additional experience and expertise.

10. **What areas of Illinois are eligible for funding?** Projects located in unserved and/or underserved areas of Illinois are eligible for funding under the Broadband Access category. An **unserved area** is an area of Illinois in which households, businesses, or community anchor institutions lack access to wireline broadband service of at least 25/3 Mbps. An **underserved area** is an area of Illinois in which households, businesses, or community anchor institutions have wireline broadband access of at least 25/3 Mbps but less than 100/20 Mbps. The **Broadband Innovation** and **Urban Broadband** categories do not have an un/underserved eligibility threshold.

11. **Can a grant application be filed that includes both unserved and underserved areas?** Yes, an application can request a grant for both unserved and underserved areas. The application must separately identify the location count for each and the projected improvement in broadband service.

12. **How do we know where broadband is – and is not?** To help guide the grant application process, the Connect Illinois website includes mapping of available broadband service based upon the most recent Federal Communications Commission (FCC) data. As federal broadband mapping improves, the Office of Broadband will continue to invest in the Illinois Broadband Map and related state broadband mapping that incorporates both provider-offered data confirmed through field testing and crowd-sourced consumer data. In addition, the Connect Illinois website includes maps of existing state-owned fiber assets, which can be leveraged by grantees for middle-mile infrastructure.

13. **Where is the map to identify unserved and underserved on the Connect Illinois website?** The “Illinois Broadband Map” tab on the Connect Illinois website.

14. **Should applicants include information to support claims that the maps may not be accurate?** The maps will be a primary tool in determining the eligibility of an area for Broadband Access grants, and we will work with any applicant that identifies discrepancies in the maps to correct the information. We encourage anyone who sees inaccuracies in the mapping to contact our office as soon as possible.

15. **How long can the map be challenged?** The Office of Broadband welcomes feedback regarding the accuracy of the Illinois Broadband Map at any time. However, formal feedback regarding the eligibility of Broadband Access projects must be provided within the appropriate window of the Mapping Review process, details of which are shared via the Connect Illinois website, Office of Broadband newsletter,
and email. To participate in the Mapping Review process, an Illinois broadband service provider also must participate in Illinois Broadband Map data collection efforts led by the Office of Broadband’s mapping vendor, Connected Nation.

16. **Does the project area need to be contiguous?** No. The project may include areas that are not adjacent to each other, within reason.

17. **Can you apply for multiple grants (to cover multiple project areas)?** Yes, if an applicant has multiple proposals, they can submit an application for each project they wish to have considered for the grant program.

18. **Can a portion of a larger project be considered a "project" for which matching grant funds may be requested? In that situation, if allowed, would the financial feasibility of completing the entire project be what is reviewed?** Only areas qualifying as un- or underserved are eligible for grant funding. However, an applicant may choose to present information on a larger project area to demonstrate context and sustainability of the proposal. Also, applicants are encouraged to indicate if a proposal is part of a multiple-phase project that may include one or more proposals in future grant funding rounds.

19. **Can a planning-only proposal be submitted?** No, not for this grant program. However, the Office of Broadband supports various community planning and local capacity building activities, including separate grant funding opportunities.

**Project Documentation and Definition Questions**

20. **What level of detail is required for the engineering design and diagrams for the project?** The engineering design and diagrams for the project should be adequate to support the requested grant amount, confirm the performance claims included in the application, and demonstrate the reasonableness of the timeline for the project’s completion. When working with an engineer in preparing a proposal, an applicant will want to ask for “budgetary design” documents as opposed to construction documents, which will be necessary prior to contract execution. Applications are not expected to include splicing diagrams.

21. **What type of mapping must an application include?** An application must include GIS-capable files (shp, kml, etc.) of the proposed project area. Also, an application should include a pdf showing the project boundaries for clear review by the public, the Office of Broadband, and related stakeholders. In addition, we welcome mapping with additional detail related to the project design that speaks to the project’s readiness and sustainability.

22. **When submitting a proposal, can applicants request that proprietary information remain confidential?** Yes, please mark such information as confidential.

23. **How important is it to document service to Community Anchor Institutions since most of these are already served?** Service to community anchor institutions is not a grant requirement. But applicants should look for these opportunities if they exist within the project service area. An application should document any instances where a community anchor institution will receive new or upgraded service. If the services provided by a community anchor institution will be made more accessible by the project
being proposed, that should also be noted. Information on significant community institutions that will benefit from the proposed project, the provision of new or substantially upgraded broadband service to important community institutions, and evidence of strong support for the project are all areas that the law indicates should be considered.

24. What is meant by the term "scalable?" Connect Illinois projects must be scalable to speeds of at least 100/100 Mbps. This service level does not need to be offered initially, but the deployment must be capable of providing the service without additional infrastructure investment. An applicant must be able to provide documentation from the manufacturer or certification by an engineer that the electronics being purchased using grant dollars are capable of offering 100Mbps symmetrical service. This does not mean that 100Mbps service must be offered at the time construction is complete.

25. Does the applicant need to be the owner of the infrastructure that is built with the grant dollars? The applicant does not need to be the owner of the infrastructure that is built with the grant dollars. However, the applicant must be in close partnership with the entity that would own the network and offer the services in order to provide the documentation and service commitments required by the application. The applicant will be entering into a grant agreement and committing to all grant requirements. It is recommended that if the applicant is different than the entity constructing and owning the network that a formal contract be executed between the partner entities.

26. If an applicant will build and own the network but have a provider partner operate and provide service over the network, what type of documentation is needed to demonstrate that partnership? In addition to listing the provider partner on the cover page of the application, a lease agreement between the applicant and the provider partner should be included with the application as documentation of the partnership. The lease agreement can be contingent upon receipt of the grant funding, the network being built, etc. but provides the demonstration needed to respond to several other questions in the application (speed tiers and pricing structure, specific pricing information, documentation that service will be offered for at least five years, financial plan, project schedule, etc.).

27. Can this grant be used to upgrade wireless infrastructure? Yes, provided the infrastructure is fully scalable. For instance, Connect Illinois funding could be leveraged for middle mile funding for wireless deployments.

28. Are tower costs eligible infrastructure costs? Yes, the cost of a tower necessary to provision the broadband service proposed in the grant application would be an eligible total project cost. The intent of the grant program is not to fund duplicative infrastructure, so please include in your application justification of the necessity for the infrastructure you propose to build.

29. Does the program require subscription to service or access to service? Although Connect Illinois values applicant efforts to increase adoption and recognizes such activities in the application scoring process, this grant program is focused on expanded access (i.e. service availability rather than service subscription) to homes, businesses, and community anchor institutions.

30. Are applicants expected to provide free service to Community Anchor Institutions? No

31. Are grantees required to provide access for other broadband providers if their presence in the marketplace will hurt the sustainability of our business model? No; open access and shared use are encouraged, but not required.
32. **What costs are eligible for the grant program?** The grant program is to support infrastructure costs such as costs related to obtaining construction permits, purchase and/or construction of facilities (middle mile and/or last mile), and installation and testing of the equipment used to provide broadband service including facilities to bring the service to the home. Costs related to providing video service or voice service that are not necessary to be incurred to provide broadband service are not eligible infrastructure costs for purposes of the grant program.

33. **Since the program is limited to capital expenditures, will broadband adoption proposals be considered from the applicant matching portion?** Yes, certain non-capital expenditures (e.g. nondurable equipment) proposed by the applicant will be considered as non-state match.

34. **Is it your understanding that RDOF funds will not be able to be combined with the Illinois state broadband grant program?** Illinois broadband service providers and other eligible applicants are encouraged to leverage federal funding, such as the FCC’s Rural Digital Opportunity Fund (RDOF) program or USDA’s ReConnect, to the fullest. Although ARPA and BEAD funding sources may limit the use of such funds in areas with an existing federal obligation, state-sourced Connect Illinois funding may be used in these areas – particularly to enhance or expand a federally-funded project.

35. **Would the costs incurred by a broadband provider to maintain the new infrastructure be considered an eligible cash match, especially if the costs were ensued during the grant period?** The purpose of the grant program is to assist in the costs of deploying the middle mile or last mile network. Ongoing maintenance costs would not be eligible costs under the grant program.

36. **Is a local government match required?** No, but strong community support and public-private partnerships are encouraged; additional points will be awarded if there is a verified financial commitment from a community partner. Also, note that projects that provide a non-state match of 55 percent or more are awarded extra points.

37. **Can bonding be used as a source of funding towards the match required for the grant program?** Applicants should consult with their own bond counsel for advice on using bonds towards the project match. If bonds will be used, for purposes of the application, supporting documentation should include a letter from the local government administrator that bond counsel have been consulted and find this method of financing appropriate, the type of bond that will be used, and the amount (and that the amount is within the local government’s limits for this type of funding). The letter should also address that there are no foreseen obstacles that would prevent the local government entity from moving forward with a bond process should the grant be awarded and then include the estimated timeframe for a bonding process (and also include this information in the application timeline). This letter would be in conjunction with the local governing body’s resolution in support of the project and financial commitment. Should the match include debt, application reviewers will also look for evidence that the business model adequately accounts for the repayment of that debt, should it be required.

38. **Can an RUS loan or CAF II/ACAM funding be considered for the match?** An RUS loan or CAF II/ACAM funding can be used towards the match, just ensure that the appropriate information is included in the application.
39. Can costs incurred for building out ineligible components of a proposed project area be considered as matching funds for the grant program?  No.

40. Do applicants need to provide a unit breakdown for all construction units?  No, but the more detail included in the application the better the Office of Broadband is able to score the application for project readiness and sustainability. At minimum, applications should include such detail as feet of fiber cable or number of wireless radios, etc.

41. Can grant funds be used to pay for private easements?  Yes, provided that easement acquisition is not temporary or leased.

42. When will grantees be reimbursed with grant funds?  Up to 25 percent of grant funding will be available at project outset, with remaining grant funding dispersed per certified project costs incurred and/or project milestones met – as provided in the grant award contract.

43. Can an applicant use its own employees to trench in fiber and have that cost included towards the grant amount?  Yes, this would be similar to a company's own engineers designing the project. Just keep in mind that prevailing wage rates apply, and that adequate timecard records should be kept documenting labor devoted to state-funded projects.

Prevailing Wage Act Requirements

44. What does “prevailing wage” mean, and are we required to pay a prevailing wage for all work being done on the project (i.e. both the grant portion and the non-state matching portion)?  The prevailing wage is administered and enforced by the Illinois Department of Labor. The prevailing wage for a specific area applies to the total labor costs of the entire project, not simply the state grant portion. More information regarding Illinois prevailing wage requirements is available at: https://www2.illinois.gov/idol/Laws-Rules/CONMED/Pages/prevailing-wage-act.aspx

45. After the mainline fiber and drops have been constructed, the house and the customer requests broadband service; would prevailing wage apply to the following:

- The provisioning of the circuit in order to light the service to the premise will require in-house staff to complete this step, will prevailing wage need to be paid?  No, prevailing wage does not apply to in house staff. Moreover, the scope of work probably does not include lighting the service to the premise?
- If new cards would need to be installed in order to complete the provisioning of the circuit – with in-house staff used to complete this step, would prevailing wage need to be paid?  No, prevailing wage does not apply to in house staff. Moreover, the scope of work probably does not include lighting the service to the premise?
- If the cost to complete the provisioning is not factored in to the budget where grant funds would not be requested for reimbursement, would prevailing wage be applicable, or not?  It depends. If completing the provisioning is not included in the scope of work in the grant agreement and/or application, then prevailing wage does not apply. Also, if in-house employees are used, prevailing wage does not apply.

Grantees could obtain greater certainty on these issues by pursing a PLA with the relevant trades and labor organization.
46. **Does prevailing wage apply after a project is closed out?** Probably not. Any work performed after a project is complete is considered a new and separate project. Unless that new and separate project also has public funding, PW probably does not apply.

47. **Assume a project is completed and closed out in 18 months. Then, after closeout, whether one day later or many years later, a new customer requests service. Does prevailing wage apply after a project is closed out?** Probably not. When the project closes out, it’s done. Whatever happens next, even if it’s the next day, constitutes a new project. The in-house exception would still apply.

These are general statements of the law and applicants should not consider them able substitutes for case-specific legal counsel.

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**Grant Process Questions**

48. **Will Connect Illinois build off existing state broadband infrastructure?** Yes, the Connect Illinois grant program will encourage shared use to promote efficiency – allowing broadband providers to focus their investment on last-mile connections to homes, businesses, and community anchor institutions in need of better service.

49. **What happens if a grantee doesn’t deliver?** Connect Illinois will include safeguards ensuring applicant financial stability; will deploy grant resources on a project-specific, incremental basis; and will include a claw back provision for work that is contracted, but not completed. Progress reporting will proceed on a regular basis throughout the duration of the project build. In addition, the Office of Broadband will keep an inventory of the fiber deployed as a result of the Connect Illinois grant program.

50. **Do projects that will complete over one construction season score higher than those that take the full two years to complete?** There are many factors that go into scoring an application. Smaller projects may take only one construction season while larger projects will require the two full construction seasons allowed. We recommend that the project schedule included in the application be as realistic as possible as schedules are reviewed for reasonableness.

51. **What, if any, testing requirements will be used to confirm project completion?** The Office of Broadband will pursue various approaches to measure and confirm project completion, including provider-supplied data, independent field testing, and crowd-sourced user data collection.

52. **What happens if our application is chosen, but lack of easement access prevents construction as proposed?** An applicant is not obligated to accept a grant award, and the project can be adjusted modestly as conditions require prior to contract execution – which sets the enforceable terms of the proposed deployment.

53. **Can environmental reviews be done once applicants are notified of an award?** Yes; the Office of Broadband does not expect applicants to complete environmental reviews prior to application submittal.
54. Are indirect costs ever allowed? No. Indirect costs are not allowable for this grant program.

55. Which audit provisions are applicable to my Grant? If Grantee is not a “for profit” entity, Section 12.3 applies. If Grantee is a “for profit” entity, Section 12.4 applies. If Grantee is a publicly traded company and the Grantee is not subject to the single audit or program-specific, GAGAS, or GAAS audit requirements based on levels of award expenditures during the relevant fiscal year, the Grantee must still submit its annual audit conducted in accordance with its regulatory requirements. Additional information on the audit requirements can be found at:

- eCFR :: 2 CFR Part 200 Subpart F – Audit Requirements and in Administrative Rule at:

56. When will a discretionary audit be required? The Department can request a discretionary audit at any time but will generally only do so if there is suspected fraud or abuse of grant funds.

57. Can rates increase within five years of the grant? Yes, provided the applicant’s intended approach to pricing is included in the application.

58. Is there a restriction to what can be charged for installing a drop? Within the initial project-specific deployment, separate installation fees cannot exceed the monthly price for the level of service purchased.

59. Are there parts of the grant agreement that do not apply to my grant? The boilerplate of the Grant Agreement is a mandatory template used for grant programs statewide. Grantees must comply with all applicable terms. If a provision is not applicable to the Grantee or the Connect Illinois Grant Program, compliance with that provision is not required (Ex. Section 7.2 Indirect Cost Rate Submission - indirect costs are not allowed under Connect Illinois, therefore grantee will not be submitting indirect costs and Section 7.2 does not apply to this grant program). The department cannot say with complete certainty which terms will and will not apply to any given grantee. Grantees should consult their own legal counsel.

60. Are we allowed to make a profit from providing broadband service over the network constructed? Yes. The purpose of the grant is to lay infrastructure for future broadband use. Charging for broadband service is not considered profiting from grant funds.

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