

BEAD-Funded Connect Illinois Round 4 Pre- Qualification Guidebook

CONNECT ILLINOIS

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I Introduction

To connect all homes and businesses to high-speed internet, Illinois was awarded \$1.04 billion in federal Broadband Equity, Access, and Deployment (BEAD) Program funds by the National Telecommunication and Information Administration (NTIA).¹ This BEAD funding will primarily support the deployment of broadband service to unserved and underserved Broadband Serviceable Locations (BSLs) and eligible Community Anchor Institutions (CAIs) through Connect Illinois Round 4.

This document is a guidebook on the pre-qualification process for the BEAD-Funded Connect Illinois Round 4. To qualify for a subgrant, prospective subgrantees must demonstrate their financial, technical, and managerial capabilities. The pre-qualification process is an opportunity to demonstrate this prior to the start of the sub-grantee process in late summer or early fall 2024.

The pre-qualification process is designed to:

1. Allow prospective subgrantees to gain an early familiarity with the BEAD program's requirements and receive feedback on their qualification materials from the Illinois Office of Broadband (IOB);
2. Enable early approval of prospective subgrantees' qualification materials, reducing the administrative burden during the subgrantee process;
3. Mitigate risk and potential delays by offering prospective subgrantees more time to identify and resolve any potential shortcomings or concerns in their submissions before the sub-grantee process begins.

II Overview of the Pre-qualification Process

2.1 Overview of all qualifications related to BEAD-Funded Connect Illinois Round 4 Grant Program

The BEAD Notice of Funding Opportunity (NOFO) (Section IV.D) requires the State to ensure that all prospective subgrantees can competently carry out activities funded by the subgrant in compliance with all applicable laws.² The BEAD NOFO specifies seven types of qualifications:³

- A. Financial capabilities
- B. Managerial capabilities
- C. Technical capabilities
- D. Legal and regulatory compliance
- E. Operational capabilities
- F. Ownership
- G. Stewardship of other public funding

¹ [BEAD Overview](#), BroadbandUSA

² [BEAD NOFO](#)

³ [BEAD NOFO](#)

Prospective subgrantees will have the opportunity to submit the relevant qualification materials at four points during the BEAD-funded Connect Illinois Round 4:

1. **During the pre-qualification period (strongly encouraged):** Prospective subgrantees may submit non-project-specific qualifications and receive feedback and/or approval of their submitted materials. Submission of pre-qualification materials during this period is highly encouraged.
2. **During the application period for each wave of the subgrantee process (required):** Submission of all pre-qualification materials and project-specific qualifications is required during this period. Prospective subgrantees do not need to re-submit qualification materials that have been approved by the State during the pre-qualification period, unless otherwise requested by the State.
3. **Prior to final proposal submission (required):** Provisionally selected awardees are required to submit any mandatory revisions and/or remaining qualification materials to meet the State's and BEAD's program requirements.
4. **Prior to entering the grant agreement (required):** Provisionally selected awardees are required to submit an irrevocable standby letter of credit in compliance with the letter-of-credit requirements set forth in Section IV.D.2.a.ii of the BEAD Program NOFO and the BEAD Letter of Credit Waiver, as well as any additional qualification materials requested by the State.^{4, 5}

The pre-qualification materials submitted by prospective subgrantees prior to the subgrantee process represent a subset of all qualification materials needed for BEAD participation. Additional project-specific materials will be required to meet the complete qualification requirements during the subgrantee selection process. If the materials are found to be insufficient for pre-qualification, the applicant will receive feedback from the Illinois Office of Broadband (IOB) to help them qualify during the formal subgrantee process. The State will release further guidance on the remaining qualification materials (such as project-specific qualifications) at a future date.

2.2 Purpose of the pre-qualification submission

Pre-qualification is a **strongly recommended** first step in the multi-phase BEAD-funded Connect Illinois Round 4 application process. There are three key objectives of the pre-qualification process:

1. Allow prospective subgrantees to gain an early familiarity with the BEAD program's requirements and receive feedback on their qualification materials from the Illinois Office of Broadband (IOB).
2. Enable early approval of prospective subgrantees' qualification materials, reducing the administrative burden during the subgrantee process.
3. Mitigate risk and potential delays by offering prospective subgrantees more time to identify and resolve any potential shortcomings or concerns in their submissions before the sub-grantee process begins.

⁴ [BEAD NOFO](#)

⁵ [BEAD Letter of Credit Waiver](#), BroadbandUSA

2.3 Pre-qualification timeline

The pre-qualification submission window opens on June 17, 2024. The State will offer two submission and review timelines: prospective subgrantees may submit their qualification materials by July 9, 2024, for **priority review** or they may submit their qualification materials by July 23, 2024, for **regular review**.

The key milestones and timeline for the pre-qualification process are summarized in the table below:

Pre-Qualification Key Milestones	Date
Pre-qualification submission window opens	June 17, 2024
Webinar on the pre-qualification process	June 17, 2024 (10-11 am CT)
Priority Review Deadline	July 9, 2024
Regular Review Deadline	July 23, 2024
Prospective subgrantees receive feedback	On a rolling basis, depending on the submission date

III Key Questions and Answers

1. Who is eligible to participate in the pre-qualification process?

Anyone who is eligible to participate in the BEAD program may participate in the pre-qualification process. Eligible participants of the BEAD program include: for-profit and non-profit organizations, public-private partnerships, utilities (public and private, including public utility districts), cooperatives, local governments, and tribal organizations.⁶ All participants must be entities capable of delivering broadband service.

2. What are the potential outcomes of the pre-qualification process?

The two possible outcomes of the pre-qualification process are:

- (1) The prospective subgrantee receives approval from the State on all pre-qualification materials submitted, or
- (2) The prospective subgrantee receives feedback on some or all pre-qualification materials submitted. If the prospective subgrantee receives feedback instead of approval, they may revise and re-submit the materials within a timeline to be specified by the State or during the BEAD-funded Connect Illinois Round 4 subgrantee process.

3. If I applied for a prior round of Connect Illinois, will review of my pre-qualification materials be expedited?

The State may consider documents submitted in a previous Connect Illinois round if the documents are current and valid, and if the prospective subgrantee indicates on their pre-qualification

⁶ [Frequently Asked Questions and Answers on the BEAD Program](#), NTIA

submission form that the State should refer to this prior submission. Please see the instructions on the pre-qualification submission form for more details.

4. Is participation in the pre-qualification process required to qualify for BEAD?

While pre-qualification participation is not required, it offers several benefits for prospective subgrantees and is strongly encouraged. Prospective subgrantees must meet the capability requirements of the BEAD-funded Connect Illinois Round 4 Grant Program, whether the applicant submits during the pre-qualification period or during the subgrantee process.

5. Why should prospective subgrantees participate in the pre-qualification process?

The pre-qualification process is designed to:

1. Allow prospective subgrantees to gain an early familiarity with the BEAD program’s requirements and receive feedback on their qualification materials from the Illinois Office of Broadband (IOB);
2. Enable early approval of prospective subgrantees’ qualification materials, reducing the administrative burden during the subgrantee process; and
3. Mitigate risk and potential delays by offering prospective subgrantees more time to identify and resolve any potential shortcomings or concerns in their submissions before the sub-grantee process begins.

6. How long is the pre-qualification review period?

The State will accept pre-qualification materials from June 17 – July 23, 2024, and review submissions on a rolling basis.

- Submit by the **priority** review deadline to receive feedback on materials with time to refine and resubmit (as necessary) materials prior to subgrantee process launch.
- Submit by the **regular** deadline to receive feedback and a decision prior to the subgrantee process launch. The State cannot guarantee time to refine materials prior to subgrantee launch.

7. How will pre-qualification impact my BEAD-funded Connect Illinois Round 4 application?

During the BEAD-funded Connect Illinois Round 4 subgrantee process, the prospective subgrantee does not need to re-submit materials that have already been submitted and approved by the State, unless the State requests otherwise. While prospective subgrantees could submit applications during the subgrantee process without previously clearing the pre-qualification requirements, they need to clear all the qualification requirements, as specified by the State, to be eligible for final award(s). The State reserves the right to re-assess the qualifications, capabilities, and resources of all prospective subgrantees based on the application-specific technical, geographical, and financial details of the actual proposed projects prior to making final awards.

8. Will I have the opportunity to refine my qualifications?

Yes. All participants in the pre-qualification process will receive feedback from the State before the BEAD-funded Connect Illinois Round 4 subgrantee process opens. Prospective subgrantees may

incorporate this feedback into their qualification materials and then submit the refined materials during the subgrantee process.

9. How do I participate in the pre-qualification process?

Upload documents and respond to questions using an [online form](#).

10. What support is available to prospective subgrantees?

- Weekly Office Hours: The State will host weekly office hours. The schedule and instructions to join are published on the [pre-qualifications landing page](#)
- Webinar: An overview webinar is scheduled for June 17, 2024, 10-11 am CT. Participants may register at this [link](#). The recording of the webinar and accompanying slides will be posted on the [pre-qualifications landing page](#).
- Direct Questions: To ask direct questions, email broadband@illinois.gov with “BEAD Pre-Qualifications” in the subject line.
- FAQs: The State will post and regularly update a list of Frequently Asked Questions (FAQs) on the [pre-qualifications landing page](#).

11. Will submitted materials be kept confidential?

All information submitted is subject to the Freedom of Information Act (FOIA) 5 ILCS 140/1, et seq. However, if prospective subgrantees include proprietary information, they may mark it “confidential.” The Department will consider any content designated as “Confidential Information”, to be presumptively exempt from disclosure, pursuant to Section 7(1)(g) of FOIA.

If denoted as confidential, the information provided in the pre-qualification process will be treated as trade secret information. If any party seeks to require the Department, pursuant to any law, regulation, or legal process, to disclose any of the Confidential Information, the Department will provide the respondent prompt notice so the company may seek a protective order or take other appropriate action.

12. Do I need to submit the full set of pre-qualification materials to participate in the process?

As pre-qualification participation is both voluntary and non-punitive, prospective subgrantees may choose to submit either all or a subset of the documentation requested. The State encourages prospective subgrantees to participate in the pre-qualification process even if they do not have all their materials ready for pre-qualification. Prospective subgrantees must meet the capability requirements of the BEAD-funded Connect Illinois Round 4 Grant Program, whether the applicant submits during the pre-qualification period or during the subgrantee process.

IV Pre-qualification Submission Guide

The materials submitted by prospective subgrantees before the subgrantee process opens to be “pre-qualified” represent a subset of all qualification materials needed for BEAD participation. Additional project-specific materials will be required to meet the complete qualification requirements during the subgrantee process. If the materials are found to be insufficient for pre-qualification, the applicant will receive feedback from the Illinois Office of Broadband (IOB) to help them qualify during the formal subgrantee process. The State will release further guidance on the remaining qualification materials (such as project-specific qualifications) at a future date.

Index	Qualification	Description of Documentation	Additional details
A. Financial capabilities			
A1	Financial certification	Certification that prospective subgrantees (1) are financially qualified to meet the obligations associated with a range of BEAD subgrant awards, (2) will have available funds for all project costs that exceed the amount of the grant, and (3) will comply with all program requirements, including service milestones	Certification is listed in Appendix I.
A2	Evidence of sufficient funding	Narrative and evidence that prospective subgrantees will have sufficient financial resources to cover the eligible cost of the projects	Prospective subgrantees must provide a narrative explaining the source(s) of funding to cover the potential matching contribution of all applications that they plan to submit. Prospective subgrantees must provide evidence regarding the available funding amount for broadband grant programs, such as cash on the balance sheet, credit lines, equity commitments, etc.
A3	Letter of credit (LoC)	Narrative on how subgrantees plan to obtain a letter of credit (or performance bond)	Prospective subgrantees must provide a short narrative describing how they intend to comply with the Letter of Credit requirement set forth in Section IV.D.2.a.ii of the BEAD NOFO and the BEAD Letter of Credit Waiver. The narrative should include the name(s) of the bank(s) or other entities the prospective subgrantee plans to enlist and the estimated timeline for obtaining the required documentation. Prospective subgrantees must, in good faith, attest that they can obtain the required LoC commitment letters, final LoC, and bankruptcy opinion letters prior to final subgrant issuance (see Appendix I).
A4	Financial statements	Financial statements from the prior fiscal year that are audited by an	If the prospective subgrantee has not been audited during the ordinary course of business, in lieu of submitting audited financial statements, they must

Index	Qualification	Description of Documentation	Additional details
		independent, certified public accountant	<p>submit unaudited financial statements from the prior fiscal year, with a certification that it will provide financial statements from the prior fiscal year that are audited by an independent, certified public accountant within 90 days of notification of a provisional award (see Appendix I).</p> <p>Provisional winners may be asked for 2024 financial statements before finalizing awards.</p> <p>If applying as a consortium, each participant in the consortium must upload audited financial statements from the prior fiscal year that have been audited by an independent, certified public accountant.</p>
B. Managerial capabilities			
B1	Résumés	Résumés for key management and operational personnel	Prospective subgrantees must upload the ~5-7 key résumés for essential financial, technical, and managerial personnel who will support project implementation. Résumés should include educational experience, detailed descriptions of work history, and all relevant experience in undertaking projects of similar size and scope.
B2	Organizational chart(s)	Organizational chart detailing personnel of the entity; and organizational chart(s) detailing all parent companies, subsidiaries, and affiliates	<p>The personnel organizational chart must include all relevant personnel who will support project implementation. Names and titles should be clearly identified for all positions.</p> <p>The company structure organizational chart must include the relevant parent, subsidiary, and affiliate companies.</p> <p>If relevant, prospective subgrantees should also provide a narrative on upcoming organizational changes, including mergers, acquisitions, and organizational policies.</p>
B3	Managerial readiness	Narrative of managerial readiness to manage a broadband services network	Prospective subgrantees must provide a narrative describing key management personnel's experience and qualifications for undertaking this project, as well as a description of the team's experience in undertaking projects of similar size and scope.
C. Technical capabilities			
C1	Technical qualifications	Certification and evidence that prospective subgrantees are technically qualified to complete and operate the project and are capable of carrying out the funded activities competently	<p>Certification is listed in Appendix I.</p> <p>Prospective subgrantees must provide a narrative that explains how they will retain the technical expertise needed to successfully complete the project.</p> <p>Evidence may include endorsements from prior partners or certifications from reputable institutions held by technical staff (e.g., Professional Engineer</p>

Index	Qualification	Description of Documentation	Additional details
			certification, fiber optic installer certification, PMP certification).
C2	Use of skilled and credentialed workforce	Certification that the subgrantees will use an appropriately skilled and credentialed workforce	Certification is listed in Appendix I.
D. Legal and regulatory compliance			
D1	History of compliance	Detailed history of compliance with all federal, state, and local laws for previous broadband projects in the last three years	Prospective subgrantees must either certify that they are in compliance with all federal, state, and local laws for previous broadband projects in the last three years or disclose any instances of past violations (see certification listed in Appendix I.) If violations have been found, the prospective subgrantee must detail mitigating actions taken and provide documentation.
D2	Commitment to comply with all laws	Detailed commitment to comply with all federal, state, and local laws (such as procurement, environmental, preservation, and labor – please see Appendix I)	Relevant certifications are listed in Appendix I. Prospective subgrantees must provide a narrative detailing established processes, procedures, or protocols that the prospective subgrantee has in place to ensure continued compliance during the project and provide evidence to support this narrative.
D3	Occupational safety and health requirements	Narrative and evidence of compliance with occupational safety and health requirements. Subgrantees must permit workers to create worker-led health and safety committees.	Prospective subgrantees must describe in a narrative their organizational policies related to occupational safety and health requirements, as well as the relevant training programs they have in place. Evidence could include schedules, modules, or materials as documentary evidence. Additionally, they must include narratives describing how they will ensure the implementation of workplace safety committees that are authorized to raise health and safety concerns related to the delivery of deployment projects.
E. Operational capabilities			
E1	Years of service	<i>[For 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]</i> Certification that attests to the above facts and specifies the number of years the prospective subgrantee or its parent company has been operating	Certification is listed in Appendix I. Entities that are wholly owned subsidiaries of such an entity must submit a certification that attests to these facts and specifies the number of years in which the prospective subgrantee or its parent company has been operating.

Index	Qualification	Description of Documentation	Additional details
E2	Timely FCC submission	<i>[For prospective subgrantees that have provided a voice and/or broadband service]</i> Certification and evidence that the Federal Communication Commission's Form 477 and Broadband DATA Act submissions were filed on time	Certification is listed in Appendix I. Prospective subgrantees should upload email confirmations or screenshotted verifications. Prospective subgrantees should explain any pending or completed enforcement action, civil litigation, or other matter in which it failed to comply or was alleged to have failed to comply with the commission's rules or regulations.
E3	Timely submission to relevant institutions	<i>[For prospective subgrantees that have operated only an electric transmission or distribution service]</i> Qualified operating or financial reports that the prospective subgrantee has filed on time with the relevant financial institutions, as well as certification attesting to the accuracy of the provided reports	Acceptable submissions for this purpose will be the Rural Utilities Service (RUS) Form 7, Financial and Operating Report Electric Distribution; the RUS Form 12, Financial and Operating Report Electric Power Supply; the National Rural Utilities Cooperative Finance Corporation (CFC) Form 7, Financial and Statistical Report; the CFC Form 12, Operating Report; the CoBank Form 7; or the functional replacement of one of these reports. See Rural Digital Opportunity Fund Order, 35 FCC Rcd at 719, n. 202.
E4	Operational capacity	<i>[For new entrants]</i> Narrative and evidence sufficient to demonstrate that the newly formed entity has obtained, through internal or external resources, sufficient operational capabilities	Acceptable evidence includes résumés from key personnel, project descriptions and narratives from contractors, subcontractors, or other partners with relevant operational experience, or other comparable evidence.
F. Ownership			
F1	Ownership information	Ownership information consistent with the requirements set forth in 47 C.F.R. § 1.2112(a)(1)-(7) ⁷	The prospective subgrantee (or if applying as a consortium, each participant in the consortium) must: 1. List the real party or parties with interest in the prospective subgrantee or application, including a complete disclosure of the identity and relationship of those persons or entities that directly or indirectly own and/or control the prospective subgrantee. 2. List the name, address, and citizenship of any party holding 10 percent or more of stock in the prospective subgrantee, whether voting or nonvoting, common or preferred, including the specific amount of the interest or percentage held. 3. List, in the case of a limited partnership, the name, address, and citizenship of each limited partner whose interest in the prospective subgrantee is 10 percent or greater (as calculated according to the percentage of equity paid in or the percentage of distribution of profits and losses).

⁷ [Title 47](#), Code of Federal Regulations

Index	Qualification	Description of Documentation	Additional details
			<p>4. List, in the case of a general partnership, the name, address, and citizenship of each partner and their share or interest participation in the partnership.</p> <p>5. List, in the case of a limited liability company, the name, address, and citizenship of each of its members whose interest in the prospective subgrantee is 10 percent or greater.</p> <p>6. List all parties holding indirect ownership interests in the prospective subgrantee as determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain that equals 10 percent or more of the prospective subgrantee. If the ownership percentage of an interest in any link in the chain exceeds 50 percent or represents actual control, it shall be treated and reported as if it were a 100 percent interest.</p> <p>7. List any FCC-regulated entity or applicant for an FCC license, in which the prospective subgrantee or any of the parties identified in paragraphs (a)(1) through (a)(5) of this section, owns 10 percent or more of stock, whether voting or nonvoting, common, or preferred. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the prospective subgrantee (For example, if Company A owns 10 percent of Company B, the prospective subgrantee, and 10 percent of Company C, then Companies A and C must be listed on Company B's application, where C is an FCC licensee and/or license applicant.)</p>
G. Stewardship of other public funding			
G1	Lack of federal debarment	Attestation that prospective subgrantee has never been federally debarred	Prospective subgrantees must indicate if they have previously been federally debarred
G2	Previous history of incomplete projects	List of all publicly funded awards issued in the last five years that have been suspended, terminated, rescinded, or not completed	Prospective subgrantees must identify and explain the cause of all prior publicly funded awards in the last five years that have been suspended, terminated, rescinded, or not completed
G3	Disclosure of other broadband projects in the State of Illinois	<p><i>[If applicable]</i></p> <p>Any application the prospective subgrantee or its affiliates have submitted or plan to submit, and every broadband deployment project that the subgrantee or its affiliates are undertaking or have committed</p>	See Appendix II for the disclosure template.

Index	Qualification	Description of Documentation	Additional details
		to undertake in the State of Illinois using public funds	
G4	Progress update on RDOF & CAFII awards in the State of Illinois	<i>[If applicable]</i> An update on the progress to date for projects that the prospective subgrantee or its affiliates are undertaking or have committed to undertake in the State of Illinois using the RDOF or CAF II funds	See Appendix II for the disclosure template. The State may request additional information from the prospective subgrantee to better understand the status of these projects.

V Appendix

5.1 Appendix I: List of certifications

Index	Certification	Initial to certify
A1-1	Do you certify that you are financially qualified to meet the obligations associated with an application you intend to submit?	
A1-2	Do you certify that you will have funds available for all project costs that exceed the grant amount?	
A1-3	Do you certify that you will comply with all grant requirements, including service milestones to be determined by IOB?	
A3-1	Do you attest in good faith that you have the ability to obtain the required Letter of Credit (LoC) commitment letters prior to the State's submission of the final proposal?	
A3-2	Do you attest in good faith that you can obtain the irrevocable standby LoC and an opinion letter from legal counsel stating that, in a proceeding under the Bankruptcy Code, the bankruptcy court would not treat the letter of credit as property of the winning subgrantee's bankruptcy estate prior to final subgrant issuance?	
A4	<i>[Only required if the prospective subgrantee has not been audited during the ordinary course of business]</i> Do you certify that you will provide financial statements from the prior fiscal year that are audited by an independent, certified public accountant within 90-days of provisional award notification?	
C1	Do you certify that you are technically qualified to complete and operate the project you will propose?	
C2	Do you certify that you will use an appropriately skilled and credentialed workforce?	
D1	Do you certify that you are in compliance with all federal, state, and local laws for previous broadband projects in the last three years?	
D2-1	Do you certify that you will comply with all applicable Build America, Buy America Act (BABA) requirements?	
D2-2	Do you certify that you will comply with all applicable Environmental and Historic Preservation (EHP) requirements?	

Index	Certification	Initial to certify
D2-3	Do you certify that you will comply with the Davis-Bacon Act, where applicable, and the requirements of the Prevailing Wage Act (820 ILCS 130/0.01 et seq.)? ⁸	
D2-4	Do you certify that you will comply with the Illinois Work Apprenticeship Initiative? ⁹	
D2-5	Do you certify that you will comply with the Employment of Illinois Workers on Public Works Act (30 ILCS 570/0.01 et seq.)? ¹⁰	
E1	<p><i>[For 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]</i></p> <p>Do you certify that you have provided a voice, broadband, and/or electric transmission or distribution service for at least two (2) consecutive years prior to the date of your application or that you are a wholly owned subsidiary of such an entity?</p> <p>Please specify the number of years the prospective subgrantee or its parent company has been operating: _____</p>	
E2	<p><i>[For prospective subgrantees that have provided a voice and/or broadband service]</i></p> <p>Do you certify that you have timely filed the Federal Communications Commission (“FCC” or “Commission”) Form 477 and the Broadband DATA Act submission, if applicable, as required during this period and otherwise have complied with the Commission’s rules and regulations?</p>	
E3	<p><i>[For prospective subgrantees that have operated only an electric transmission or distribution service]</i></p> <p>Do you certify that the operating or financial reports you provided are accurate?</p>	

Download the BEAD-funded Connect Illinois Round 4 Pre-Qualification Certification Template [here](#).

5.2 Appendix II: Existing Broadband Projects Template (Excel)

The Existing Broadband Projects Template (download [here](#)) contains two tabs:

- A. Progress update for RDOF and CAFII
- B. Disclosure of other existing broadband projects

⁸ [Prevailing Wage Act](#), Illinois General Assembly

⁹ [Illinois Works Apprenticeship Initiative](#), Illinois Department of Commerce and Economic Opportunity

¹⁰ [Employment of Illinois Workers on Public Works Act](#), Illinois General Assembly