

Broadband Ready Communities Grant Application Guide



TN Department of
**Economic &
Community Development**

Digital Adoption
Grant Programs

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Broadband Ready Communities Grant Application Guide

01 | Program Guidelines

1.1. Overview of the Grant Program

As part of the Tennessee Broadband Accessibility Act of 2017 (TBAA), the State of Tennessee established the Broadband Ready Communities Program to foster county engagement in securing broadband infrastructure and access to their communities. “Broadband Ready Community” is a designation certified by the Tennessee Department of Economic and Community Development (TNECD) that counties acquire when they pass an ordinance acknowledging broadband infrastructure as an essential need and committing to reducing administrative barriers to broadband projects in their county. Since the start of the program, 65 counties and localities have been certified as Broadband Ready.

Now expanded, the Broadband Ready Communities Program will utilize a portion of the Tennessee Emergency Broadband Fund – American Rescue Plan (TEBF-ARP) to promote community-based digital adoption work to ensure that constituents have the resources and digital skills necessary to access broadband infrastructure. The expanded program involves working with local officials and counties on closing the digital divide as the state prepares to receive the most significant investment in broadband infrastructure in state history.

1.2. Federal Award Information

1.2.1. Funding Availability

TNECD will make up to \$10 million available for federal assistance under the Broadband Ready Communities Program.

Important: This is a non-competitive grant opportunity; hence, submitted proposals will not undergo a competitive scoring process. There is no match requirement.

TNECD will review all applications and other relevant documents and records.

Projects that meet the completeness review and are approved by the review team will be presented to TNECD's Grant Committee, comprising the commissioner, deputy commissioners, assistant commissioners, and others designated by the commissioner that approves all TNECD grants.

1.2.2. Award Amount

The maximum grant request allowable under the Broadband Ready Communities Program is \$100,000.

1.2.3. Period of Performance

All contracts with grantees must be in effect by June 30, 2024. Funds must be expended by December 31, 2026.

02 | Eligibility Requirements

2.1. Target Populations

Per ARPA SLFRF specifications, the population(s) served by the grantee must fall into **one** of the following categories:

- Households at or below 300% of the Federal Poverty Guidelines for a default household size of 3 (\$65,880)
- Households that experienced unemployment or increased food or housing insecurity
- Households that qualify for the Children’s Health Insurance Program, Childcare Subsidies through the Child Care Development Fund (CCDF) Program, or Medicaid
- Qualified Census Tracts: Census Tracts, blocks, or zip codes that meet the designation of “impacted”/“disproportionately impacted” designation or are considered Qualified Census Tracts

If one of these categories do not apply to the project, the applicant will be responsible for verifying that the individual end users of the proposed project satisfy the state and federal guidance through eligibility verification.

For more information, please reference the [ARPA SLFRF Final Rule](#) (pages 12, 17 to 20) or the [2023 Interim Final Rule](#) (pages 42 to 43).

2.2. Eligible Applicants

The following are eligible to apply for a Broadband Ready Grant:

- Any county that has a Broadband Ready designation.
- Any county that does not have a Broadband Ready designation.
 - The county must submit the duly executed Broadband Ready ordinance or policy in the application; a sample of an acceptable ordinance is available on the [TNECD Broadband Communities page](#).

- A locality/other political subdivision with a Broadband Ready designation located in a county that does not have a Broadband Ready designation:
 - The locality may apply for funding on behalf of the county.
 - The locality must submit written proof that both the county government and local government agree to such arrangement.
 - Grant awards will be made to the county; it is the responsibility of the locality to coordinate with the county government throughout the application process.

2.2.1. Digital Adoption Priorities

Applicants must have efforts for promoting digital literacy in place, which they will be required to describe in a series of application questions. Examples of areas where counties may focus their digital literacy efforts are telehealth, workforce development, and education. The planned efforts should include at least three of the five elements of digital inclusion (as defined by the National Digital Inclusion Alliance [NDIA]), which are:

- Affordable, robust broadband internet service
- Internet-enabled devices that meet the needs of the user
- Access to digital literacy training
- Quality technical support
- Applications or online content designed to enable and encourage self-sufficiency, participation, and collaboration

2.2.2. Required Use of a Development District Professional Grant Administrator

All awardees will be required to use a Development District Professional Grant Administrator across the grant cycle. The awardee (county) will receive an initial drawdown of \$1,000 post completeness review and upon contract signing to pay to the Development District for application review. The remaining 5% - 6% will be paid out during the contract term to reimburse grant administrative activities performed by Development District staff through the Administrative expense contract category.

2.3. Eligible Program Activities

The grant request limit is \$100,000. Applicants must provide detailed explanation of how the project budget was determined.

2.3.1. Eligible Activities

Grant funding for Broadband Ready Communities is intended to support activities

and initiatives that promote digital adoption. The following are eligible activities that the funds may be used for:

a) Digital skills training

Grant funds may be utilized to design, develop, and implement digital skills training programs aimed at enhancing the digital literacy of residents. Examples of eligible costs are fees for curriculum development, instructor wages, curriculum supplies, software licenses, and facilities necessary for conducting training sessions. The program should support skilling programs and access to basic or advanced digital tools.

b) Education and workforce development

Grant funds may be used to establish and enhance educational and workforce development initiatives including adult education, digital skills training in K-12 schools, workplace preparation and education, apprenticeships, and industry-relevant credentialing or micro-learning programs.

c) Equipment/devices

Grant funding may be leveraged for procurement and distribution of necessary free or low-cost equipment and devices, such as computers and tablets, to further the goal of broadband readiness and bridge the digital divide.

d) Marketing and public outreach for the Affordable Connectivity Program (ACP)

Grant funds may be used for the creation and implementation of marketing campaigns to raise awareness about the ACP. These include expenses related to:

- Developing promotional materials such as:
 - Printed communications (e.g., brochures, flyers, pamphlets)
 - Digital content (e.g., videos, animations, infographics)
 - Other traditional advertising methods (e.g., radio broadcasts)
- Labor for grassroots door-to-door outreach

e) Public Wi-Fi

Grantees can use no more than 50% of total funding to make public Wi-Fi available and accessible:

- Costs of construction, repair, rehabilitation, installation, improvement, and acquisition of real property, equipment (e.g., devices and office equipment), and facilities (e.g., telecommunications equipment) for public Wi-Fi
- Pre-project development costs and uses for public Wi-Fi, including data-gathering, feasibility studies, public feedback processes, equity assessments and planning, needs assessments, permitting, planning, engineering design,

- and work related to environmental, historical, and cultural review
- Internal labor costs incurred as part of eligible project activities
- Ancillary costs necessary to operationalize the capital assets and put them to full use

f) Other costs relating to broadband readiness

These include miscellaneous costs that align with the overall goal of the Broadband Ready Communities Program. Costs that appear excessive and/or without justification and costs not considered eligible will not be reimbursed.

2.3.2. Ineligible Activities

Grant funding for Broadband Ready Communities may not be used for these activities:

- Payment of county wages to support implementation of grants
- Any costs related to the construction, acquisition, or improvement of middle mile and last mile infrastructure in unserved areas (areas lacking minimum download and upload speeds of 25 Mbps and 3 Mbps, respectively) and underserved areas (those lacking at least 100/20 Mbps)
- Internal administrative activities
- Fundraising activities
- Satisfaction of any obligation arising under or pursuant to a settlement agreement judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding
- Activities to support or oppose collective bargaining

2.4. Use of Project Funds: Allowable vs. Unallowable Costs

2.4.1. Allowable Costs

Grant funding for Broadband Ready Communities may be used for these purposes:

- Supplies, telephone, postage and shipping, equipment rental and maintenance, and printing
- Capital purchases
- Construction
- Architect/engineering fees
- Professional fees and grant and awards
- Other non-personnel
- Administrative expenses

2.4.2. Unallowable Costs

Grant funding for Broadband Ready Communities may not be used for these purposes:

- Travel costs (associated with program-related functions)
 - Flights/airfare
 - Hotels/lodging
 - Meals
 - Vehicle rentals (however, mileage may be charged per the state-level regulations of \$0.655/mile)
 - Related insurance
- Discounts or subsidized broadband service
- Incentives for incorporation of broadband across different sectors
 - Subsidies
 - Tax benefits
- Promotional items and memorabilia
 - Models
 - Gifts
 - Souvenirs
 - Other costs designed solely to promote the grant-holding agency
- Entertainment
 - Food
 - Amusement
 - Diversion
 - Social activities
 - Other associated costs
- Grants and awards
 - Scholarships or vouchers to fund industry-relevant credentialing
- Capital purchases
 - Vehicles
 - Land acquisition
- Fundraising activities
- Expenses incurred prior to the date of the grant award announcement
- Payment of interest or principal on outstanding debt instruments, or other debt service costs
- Fees or issuance costs associated with the issuance of new debt
- Costs that are not reasonable, necessary, or allocable to the grant

2.5. Compliance

2.5.1. Fair Labor Practices

Applicants must provide record of and plans to be in compliance with federal labor and employment laws. The following is a general summary of laws that applicants must comply with; this summary is not exhaustive. For the exhaustive list of federal labor and employment laws, reference [State and Local Fiscal Recovery Funds Guidance June 2023 \(treasury.gov\)](#).

1. Davis-Bacon Act (Subchapter IV of Chap. 31 of Title 40, United States Code):
 - a. Applicants must provide certification that all laborers employed to be working on the project are paid wages at rates not less than those prevailing.
 - b. If certification is not provided, then the applicant must provide a project employment and local impact report that includes the following:
 - i. The number of contractors and sub-contractors working on the project
 - ii. The number of employees on the project hired directly and hired through a third party
 - iii. The wages and benefits of workers on the project by classification
 - iv. Whether those wages are at rates less than those prevailing
2. National Labor Relations Act (29 U.S.C. 158(f)):
 - a. Recipients are to provide certification that the project includes a project labor agreement, a pre-hire collective bargaining agreement that is in accordance with the National Labor Relations Act (29 U.S.C. 158(f)) section 8(f).
3. Applicants must provide information on whether the project prioritizes local hires.
4. Applicants must provide information on whether the project has a Community Benefit Agreement with a description of such agreement.

2.5.2 Civil Rights and Nondiscrimination Law

Recipients of the Broadband Ready Communities Program are required to be in compliance with all civil rights and nondiscrimination federal laws related to the use of federal funds. Recipients shall not discriminate or deny benefits or services, on the basis of race, color, national origin (including limited English proficiency), disability, age, sex, sexual orientation, gender identity, or handicap. Recipients are required to agree to, by a form of binding commitment, abide by all civil rights and non-discrimination requirements set forth. The following is a general description of requirements; for an exhaustive list with exact requirements, reference [State and Local Fiscal Recovery Funds Guidance June 2023 \(treasury.gov\)](#).

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d-1 et seq.) and the Treasury's implementing regulations, 31 C.F.R. part 22, which states that no person in the United States shall, on the basis of race, color, or national origin, excluded from participation in, denied benefits or services of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
2. Title IX of the Education Amendments of 1972 (20 U.S.C § 1681 et seq.) and the Treasury's implementing regulations, 31 C.F.R. part 28, states that no person in
3. the United States shall, on the basis of sex, be excluded from participation in, denied benefits or services of, or be subjected to discrimination under any education program or activity receiving federal financial assistance.
4. The Americans with Disabilities Act of 1990 (42 U.S.C § 12101 et seq.) states that discrimination on the basis of disability in employment, state and local government, public accommodations, commercial facilities, transportation, and telecommunications is strictly prohibited.
5. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) prohibits the discrimination of a qualified individual with a disability under any program or activity that receives federal financial assistance.
6. The Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), and the Treasury's implementing regulations, 31 C.F.R. part 23, prohibits discrimination based on age for any programs or activities receiving federal financial assistance.
7. Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq., states that it is an unlawful employment practice for an employer to discriminate against an individual with respect to employment on the basis of the individual's race, color, religion, sex, or national origin.

2.4.3. Domestic Preference

Under Uniform Guidance (2 CFR 200.322), grantees must provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes items and construction materials composed of metals, plastics, aggregate (such as optical fiber), and lumber. All items made in whole or in part of these covered materials apply. Grantees should make all efforts to document this preference and ensure subcontractor compliance, including listing the referenced clause in all subcontracts.

03 | Application

3.1. Key Dates

TNECD Broadband anticipates opening the Broadband Ready Communities grant opportunity application on October 2, 2023, and closing the applications on November 15, 2023. The anticipated announcement for the awards will be March 2024.

3.2. Content and Form of Applications

Applications will be submitted via the grant managements software SmartSimple. Grantees will need to register with Smart Simple at https://ecd.grants.tn.gov/s_Login.jsp to access the grant application.

3.2.1. General Information

The applicant should be prepared to provide identifying information including the legal entity name, Federal Employer Identification Number (FEIN), System Award Management (SAM) ID (SAM) ID, mailing address, and primary contact information.

3.2.2. Project Information

The applicant will need to provide information including project descriptions, information about the service area, facility information, project implementation information, and information on the project timeline.

3.2.3. Budget Information

The applicant should click on the “Grant Budget Details” open button to access the budget worksheet. Then the applicant should enter line items and descriptions into the appropriate sections and provide the following details for each of those line items:

- Unit cost
- Number of units
- Total unit cost
- Grant funds requested

3.3. Budget Narrative

Each applicant is required to submit a detailed budget narrative that explains and justifies all costs. For each budget category, there must be descriptions and justifications for the necessity and basis for the listed costs. Costs must be within the bounds of what is considered allowable costs and must be in compliance with 2 C.F.R. Part 200 for administrative requirements, cost principles, and audit requirements. All budget amounts must match exactly across all budget documentations. Identifying non-federal sources of the budget is also required to be included in the budget narrative, along with distinctions between non-federal and federal portions of the budget with explanation.

The budget categories covering allowable costs are listed below:

- Supplies, telephone, postage and shipping, equipment rental and maintenance, and printing
- Capital purchases
- Construction
- Architect/engineering fees
- Professional fees and grant and awards
- Other non-personnel
- Administrative expenses
- Project contingency

The following are summaries of what sections and content are to be included in the budget narrative. Applicants are required to include all information discussed below and information that is required in the budget narrative template in the Appendix of this document.

1) Supplies, telephone, postage and shipping, equipment rental and maintenance, printing (less than \$5,000)

Applicants must provide a detailed description of any proposed supplies, telephone, postage & shipping, equipment rental and maintenance, and printing and publication costs for the project. Examples of these costs are devices, office equipment, telecommunications equipment, shipping, textbooks and materials to promote broadband readiness, printing costs of fliers and other promotional material for marketing purposes.

Examples of such costs are:

- Office equipment and supplies for skills training
- Shipping
- Curriculum materials/kits (instructors and students)
- Student computers, including subsidized or low-cost devices (e.g., computers, tablets) and refurbishing supplies
- Print and digital advertising (e.g., fliers, yard signs)
- Telecommunications equipment (e.g., hotspots)
- Supplies for hands-on learning activities (e.g., ladders)

2) Capital purchase (equipment \$5,000 or more)

Applicants must provide a detailed description of any proposed capital purchase costs for the project. Examples of capital purchase costs are the acquisition of equipment purchased at \$5,000 or more.

Examples of covered equipment are:

- Computer labs or classrooms with devices in place (measured by price of rental, # of hours of use, # of seats needed, etc.)
- Assistive technology (e.g., mobility devices such as walkers and wheelchairs, as well as hardware, software, and peripherals that assist people with disabilities in accessing computers or other information technologies)
- Adaptive technology
- General purpose equipment (e.g., motor vehicles enabling transportation assistance for program participants, printing or reproduction technology)
- Special purpose equipment
- Equipment for hands-on learning activities (e.g., power tools, wiring lab, simulating lab)

3) Construction (for public Wi-Fi)

Applicants may only use up to 50% of funds for public Wi-Fi expenses. Each applicant must provide a detailed description of any proposed construction costs for the public Wi-Fi projects. Examples of construction costs are costs related to the construction, repair, rehabilitation, installation, and improvement of facilities, along with internal labor costs incurred as part of eligible project activities.

4) Architect/engineering fees (for public Wi-Fi)

Applicants must provide a detailed description of any proposed architect and engineering costs for the public Wi-Fi projects. Examples of architect and engineering costs are costs related to engineering, architectural, and project management costs involved in designing and constructing the proposed project. Engineering expenses can be included if they fall within the contract period. Mileage rates charged as a part of engineering expenses should be brought down to the state-level regulations (\$0.655/mile), which also needs to be shown on the invoices.

5) Professional fees and grant and awards

Applicants must provide a detailed description of any proposed professional fees to outside professionals, consultants, and personal-service contractors, and grant and award costs for the project. Examples of professional fees are legal and auditing fees, public feedback processes, equity assessments and planning, needs assessments, permitting, planning, architectural design, engineering design, and work related to environmental, historical, and cultural reviews. Fees for external consultants or agencies engaged to design and/or implement grassroots marketing campaigns (i.e. flyers, local Facebook ads) for the Affordable Connectivity Program may also be included in the section. This section also covers the organization's awards, grants, subsidies, and other pass-through expenditures to individuals and to other organizations including allocations to affiliated organizations. Costs are to be broken down by line item and the description should include methods used to calculate the costs and any additional information to describe the costs.

6) Other non-personnel

Applicants must provide a detailed description of any proposed other non-personnel costs for the project. Examples of other non-personnel costs are any other upfront costs not covered in other categories, such as permits, required licenses, sales tax applicable to new equipment purchases and warehousing expenses, and miscellaneous minor material. Digital subscriptions and software licenses may also be included herein. Costs are to be broken down by line item, and the description should include methods used to calculate the costs and any additional information to describe the costs. Mileage rates charged as part of digital skills training expenses should be charged per the state-level regulations (\$0.655/mile), which needs to be validated in invoices review.

7) Administrative expenses

Administrative expenses are limited to 6% of the total budget or the indirect cost rate if a negotiated indirect cost rate agreement is in place. Administrative expenses refer to indirect costs associated with operating the program. Applicants must provide a detailed description of any proposed indirect grant and project administration costs for the project.

Examples of covered administrative costs are:

- Administration, including carrying out performance accountability requirements (e.g., compiling monthly expenditure reports, aggregating quarterly performance data, fulfilling a request from TNECD concerning costs or other program-level information, etc.) and activities completed by the awardee's Professional Grant Administrator (refer to Sections 2.2 and 5.2)
- Planning activities (excludes strategizing and implementation of developed plan)
- Budgeting and accounting services to track grant and prepare reimbursement requests
- Environmental review
- Federal grant compliance (Davis-Bacon, financial management, procurement, closeout, etc.)

Applicants, if awarded, are permitted to charge both direct and indirect costs to their award as administrative costs. If an applicant has a current Negotiated Indirect Costs Rate Agreement (NICRA), the applicant may use their current NICRA to charge indirect costs to the award. However, if the applicant does not have a current NICRA, they may elect to use the de minimis rate of 6 percent of the modified total direct costs to charge indirect costs to its the award pursuant to 2 CFR 200.414(f).

8) Project contingency

Applicants must provide a detailed description of any proposed contingency costs for the project. Costs are to be broken down by line item, and the description should include reasoning regarding the need for contingency funding, methods used to calculate the costs, and any additional information to describe the costs.

04 | **Application Review Process**

4.1. Review Process

This is a non-competitive grant opportunity; hence, submitted proposals will not undergo a competitive scoring process. Following the closing of the application on November 15, 2023, all applications will be assessed for eligibility and completeness by TNECD and the Development Districts of Tennessee with a focus on community need and support, project impact, project plan, and local coordination. This review will include assessing that administrative information is complete and correct and that the applicant is in good standing with their other federally funded projects. The applicant's adherence to application instructions and completion of budget and other supplementary attachments will be examined at this stage as well. After the applicant's submission, TNECD and the Development Districts of Tennessee may take up to 15 business days (November 16 through December 11, 2023) to review the application for completeness. If TNECD determines that an application is incomplete, TNECD will allow the applicant 5 business days to make the necessary adjustments, such as resubmitting incomplete documentation or submitting missing ones. No applications will be accepted after the deadline of 4 PM CST November 15, 2023.

All projects that meet the completeness review and are approved by the review team will be presented to TNECD's Grant Committee comprised of the Commissioner, Deputy and Assistant Commissioners and others designated by the Commissioner that approves all TNECD grants.

4.2. Anticipated Announcement and Award Dates

The anticipated award announcement date for the Broadband/Adoption Ready Communities Program will be in March 2024.

05 | TNECD Award Administration

5.1. TNECD Award Notices

A grants officer from the TNECD Broadband office will serve as the Grants Officer for awards issued from this program. Applicants will be notified in writing by the TNECD Broadband Grants Officer if their application is selected for an award. If an applicant is awarded funding, the TNECD Broadband Grants Officer will issue the grant award by an authorizing financial assistance award document. By signing the document, the recipient agrees to comply with all terms, conditions, and provisions set forth. If an applicant is awarded funding, TNECD Broadband office is not under any obligation to provide additional funding in connection with that award or make any future awards.

5.2. Required Use of a Development District Professional Grant Administrator

As stated earlier in Section 2.2, all awardees will be required to use a Professional Grant Administrator across the grant cycle. The awardee (county) will receive an initial drawdown of \$1,000 post completeness review and upon contract signing to pay to the Development District for application review. The remaining 5% - 6% will be paid out during the contract term to reimburse grant administrative activities performed by Development District staff through the Administrative expense contract category, as mentioned in Section 3.3.

5.3. National Policy Requirements

5.3.1. Uniform Guidance and Cost Principles

Recipients of an award are subject to various federal regulations, including the Uniform Guidance, Cost Principles, and Audit Requirements set forth in 2 C.F.R. Part 200. Treasury may deem certain provisions inapplicable to such award and are subject to such exceptions provided by Treasury. Subpart D – Post Federal Award Requirements of the Uniform Guidance shall apply to this award, along with Subpart E – Cost Principles and Subpart F – Audit Requirements, including the Single Audit Act, of the Uniform Guidance. For an exhaustive list of uniform guidance

requirements reference, [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#).

Cost principles: As set forth in 2 C.F.R. Part 200 Subpart E, allowable costs are based on, but not limited to, the premise that the non-Federal entity (recipient) assumes the responsibility for the administration of funds in an effective and appropriate manner, employment of sound organization and management techniques, and appropriate accounting practices. Recipients are responsible for the creation of internal controls that monitor to ensure compliance with 2 C.F.R. Part 200 Subpart E. For the exhaustive list of cost principles regulations, see [eCFR :: 2 CFR Part 200 Subpart E -- Cost Principles](#).

5.3.2. Environmental and National Historical Preservation Requirements

Each recipient must comply with all environmental regulations and standards. The following is a summary of the National Environmental Policy Act (42 U.S.C. §§ 4321 et seq.) and the National Historic Preservation Act (16 U.S.C. §§ 470 et seq.); note that the following descriptions are only general summaries.

The National Environmental Policy Act (NEPA) states that recipients of the award are required to inform the awarding agency of any direct or indirect impacts an award would have on the environment. Recipients may also be requested to assist in creating an environmental assessment or impact statement if it is determined that such documentation is required but the Department of Commerce reserves the right to the approval of the final document. NEPA (42 U.S.C. §§ 4321 et seq.) also states that until proper NEPA documentation is complete or under the circumstances that additional information is required (during the period of performance) to assess environmental impacts of the award, funds can be withheld by the Grants Officer. For more information on the requirements for NEPA see [USCODE-2021-title42-chap55.pdf \(govinfo.gov\)](#), as recipients are responsible for obeying all requirements set forth by NEPA.

The National Historic Preservation Act (16 U.S.C. §§ 470 et seq.) states that recipients are required to inform the awarding agency of any direct or indirect effects the award may have on properties included or eligible for inclusion on the National Register of Historic Places. Recipients may also be inquired to assist with consulting with State or Tribal Historic Preservation Officers, among others, to assess unfavorable effects to historic properties. If The National Historic Preservation Act consultations and documentation are not completed or in the case that additional information is required to ensure compliance with the NHPA regulations, funds can

be withheld until the documentation is completed and provided. In addition to NHPA regulations, recipients are required to comply with the Archeological and Historic Preservation Act of 1974 (54 U.S.C. § 312502 et seq.), Executive Order 11593, and Executive Orders 13006-7. For more information on the requirements for NHPA and other compliances, see [Federal Historic Preservation Laws \(nps.gov\)](https://www.nps.gov/learn/management/policies/federal-historic-preservation-laws), as recipients are liable for adherence to all requirements set forth by NHPA and other compliances.

5.3.3. Property Trust Relationship and Public Notice Filings for Grant-Acquired Property

In accordance with § 200.316 Property trust relationship, real property, equipment, and intangible property that are acquired or improved by a federal award must be held in trust by the recipient as trustee for the beneficiaries of the award under which the property was improved or acquired. The awarding agency may require the recipient to record liens or other public notices of record that are appropriate to demonstrate that real or personal property has been improved or acquired by a federal award and that use and disposition conditions apply to the property. For more information, refer to [eCFR :: 2 CFR 200.316 -- Property trust relationship](https://www.ecfr.gov/current/title-2/chapter-II/subchapter-A/part-200/subpart-B/section-200.316).

5.3.4. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

In accordance with 2 C.F.R. § 200.321, the recipient of an award must take the following affirmative steps to ensure that businesses under 2 C.F.R. § 200.321 are used when possible.

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists
2. Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce

6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in this section and further described in [eCFR :: 2 CFR 200.321 -- Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.](#)

5.4. Technical Assistance

Grantees will have access to procurement and compliance resources that contain information regarding grantee requirements. TNECD will provide compliance webinars and trainings as well as provide one-on-one assistance for compliance questions.

5.5. Reporting

Grantees will be required to report quarterly to TNECD; the quarterly report dates are January 1, April 1, July 1, and October 1. Grantees will also have to submit an annual report and closeout report. Reporting information will be accessible in these resources. Below is a general summary of reports that grantees will be required to complete and provide; for more information about reporting requirements, reference [State and Local Fiscal Recovery Funds Guidance June 2023 \(treasury.gov\)](#).

5.6. Audit

Subpart F of 2 C.F.R. Part 200 states that any recipients and subrecipients of federal awards that expends \$750,000 or more during the fiscal year in such awards are required to have a single audit conducted for that year in accordance with § 200.514. The exception for a single audit is when it elects to have a program-specific audit conducted. For more information on audit requirements, see [eCFR :: 2 CFR Part 200 Subpart F -- Audit Requirements](#), as the recipient will be required to adhere to all audit requirements.

5.7. Monitoring

All grantees will be subject to monitoring activities including a desk review of project documents. Some grantees may be subject to additional monitoring such as a site visit, based on risk level determined by TNECD's broadband team. The first monitoring check will be at the midpoint of project completion—when the project is 50% complete as attested to by the grantee—and at closeout review. Grantee will be eligible for the remaining 15% of their invoice reimbursements once the closeout...

Grantees must redact information such as ACH Company name, ABA code, account number, MICR code from their invoices, and proofs of payments before submitting invoices to TNECD. Invoices will be thoroughly reviewed for accuracy and consistency before payment can be disbursed.

Advisory for select budgeted line items

Grantees should be aware that the categories in the table below, if not supported by the appropriate documentation as outlined in the table, will be considered red flags. This would lead to delay in the invoice review process. Therefore, it is advisable that the instructions described below be followed carefully:

5.8. Invoicing

Grantees will be required to invoice exact expenses directly to TNECD. Grantees must follow the format prescribed by TNECD, which includes a cover sheet outlining the invoice items against each contractor or make-ready/material charge-out/inhouse labor expenses along with supporting documentation, including individual invoices and proofs of payment. The file should be submitted to the mail ID ECDBroadband.Invoices@tn.gov.

No.	Red Flag Category	Red Flag Description	Instructions for Submitting Invoices
1	Construction	Permits, licenses and allied/similar fees for construction purposes (usually construction of fiber network)	Include a memo from the grantee stating the expenses are justified.
2	Inventory	Operational expenses	Inventory applies to the make-ready back date (March 3, 2021) and should be submitted within the Construction line item. Only prepaid inventory items charged out to complete make-ready construction in the service area. A spreadsheet should retain record of the following data: item, amount, quantity, description and use, total amount

No.	Red Flag Category	Red Flag Description	Instructions for Submitting Invoices
3	Engineering	Budget line for project/plan designs, engineering consultant fees, and specified engineering invoices	Engineering expenses ready to be reimbursement should fall in the contract period.
4	Capital Purchase	Budget line for pre-approved specific items as identified in the grant contract	Any capital purchase must be included in the contract in order to be claimed as an expense.

Other general red flags:

- Duplicative charges
- Reimbursement invoices that cross fiscal years on their invoice service timeline (Note: TNECD's fiscal year ends June 30)

06 | TNECD Contact Information

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07 | Appendix

7.1. Application Checklist

Completion Status	Documented Upload	Description
	Duly executed ordinance or policy	A document containing statutory requirements on commitment to facilitate broadband access and adoption. Please refer to an example of the duly executed ordinance or policy here .
	<p>Government partnership agreement, <i>if applicant is a local government partnering with the county government</i></p> <p>Applicant organization's procurement policy</p>	<p>An agreement between the local government applicant and the county government</p> <p>The organization's existing procurement policy to demonstrate consistency with federal and state procurement standards</p>
	Completed Grant Payment Setup Form	The applicant's banking information to expedite grant disbursement, if awarded. If applicant has submitted a grant payment setup form previously and their bank information has not changed, they do not need to resubmit.

Completion Status	Documented Upload	Description
	Boundary map of the area	<p>A .shp, .kml, or .kmz file showing a map indicating the facility within the surrounding area.</p> <p>If a Public Wi-fi project is proposed, please provide a map indicating the area and key places or institutions that will benefit from the broadband service or coverage</p>
	Miscellaneous supplemental documentation	Any other supplemental documentation that does not fit in the other categories.
	Community partner agreement(s), if applicable	A compiled document that provides the budget indicating all data (rows and columns), a summary cover sheet, and descriptions (including justifications) of each included cost. For more information, reference this source .
	Budget narrative justification Long-term lease agreement, if applicable	<p>Any other supplemental documentation that does not fit in the other categories.</p> <p>Any long-term lease agreements that are made for the proposed project, if applicable</p>

7.2 Budget Narrative Template

All applicants must submit a budget narrative proposing how funds will be expended. The budget worksheet will be completed in SmartSimple.

In SmartSimple click on the "Budget Sheet" button.

The first table in the worksheet, Budget Details, will auto-populate based on input from the tables below: Salaries and Wages, Professional Fees, Supplies, Telephone, Postage and Shipping, Equipment Rental and Maintenance, Printing and Publications (less than \$5,000), Capital Purchases, Other Non – Personnel, Employee Benefits & Payroll Taxes, Administrative Expenses, and Specific Assistance to Individuals.

If there are expenses relating to a table specific to each budget category, you may add as many rows as needed by clicking the "+" button below the table. If you need to remove a row, you may click the "X" button at the end of the row.

Supplies, Telephone, Postage Shipping, Equipment Rental Maintenance, Printing Publications

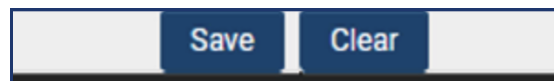
Please include a brief description of supplies costs.

Item Description	Unit Cost	Number. of Units	Total Unit Cost	Grant Funds Requested
Modems	\$250.00	10	\$2,500.00	\$1,250.00
	\$250.00	10	\$2,500.00	\$1,250.00

+

Note that the Total Unit Cost column and the Cash Match Amount columns will automatically populate based on input from the other columns.

Once you have completed filling out the budget worksheet, press the save button at the bottom of the worksheet. If you need to restart the worksheet for any reason, you may also quickly clear the worksheet by pressing the "Clear" button as shown here.



The following examples are references for each budget category of the budget worksheet. Please note that costs are to be broken down by line item and the description should include methods used to calculate the costs and any additional information to describe the costs. Below is an example of what the detailed budget will look like in SmartSimple.

Budget Category #1: Supplies, Telephone, Postage and Shipping, Equipment Rental and Maintenance, Printing and Publications (less than \$5,000)

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Modems	\$250	10	\$2,500	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Modems (\$2,500): 10 consumer-grade modems at \$250 each. Modems are necessary for communication between ISP and devices. Purchase price is based on standard cost for this equipment type.
- Note: "X" indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #2: Capital Purchases

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Computer Desktop	\$500	10	\$5,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Routers (\$5,000): 10 consumer-grade routers at \$500 each. Routers are necessary for communication between internet and devices. Purchase price is based on standard cost for this equipment type.
- Note: "X" indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #3: Construction				
Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Fencing – 30' x 30'	\$7,000	12	\$84,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Fencing (\$84,000): 6-foot chain link fencing with security wiring and two gates. Local contractor estimated \$7,000 per site based on previous, similar work. Each node (12) will require fencing.
- Note: “X” indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #4: Architect/Engineering Fees				
Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex: Design Fees	\$100	10	\$1,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Design fees (\$1,000): The designs will be completed by an engineer. Designs are necessary since new infrastructure is to be constructed and the designs will ensure that the infrastructure will be designed to best fit its planned use. The time is estimated at 10 hours at \$100 an hour. The costs are estimated based on industry standards for the area.
- Note: “X” indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #5: Professional Fees

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Equity Assessment Planning	\$1,000	1	\$1,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Equity assessment planning (\$1,000): An equity assessment needs to be conducted for the project. In order to accurately complete the assessment, there needs to be a plan on how necessary data will be gathered and submitted. The \$1,000 will cover the costs of data-gathering and the submission of the assessment. Costs are based on average costs for assessment planning.
- Note: "X" indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #6: Other Non-Personnel

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Building Permit	\$5,000	1	\$5,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Building Permit (\$5,000): Permit is necessary for the construction of infrastructure. Cost is based on industry standards for building permits for the area.
- Note: "X" indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #7: Administrative Expenses

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Legal fees associated with sub-recipient contracts/ accounting fees associated with audit	\$3,000	4	\$12,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Legal Fees/Accounting Fees: Recipients will be audited annually for the life of the project. An audit costs \$3,000; the anticipated life of the project is four years. The total cost of accounting fees associated with auditing would be \$3,000 x 4, which totals to \$12,000.
- Note: “X” indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.

Budget Category #8: Project Contingency

Line-Item Description	Price (\$/unit)	No. of units	Total Unit Cost	Grant Funds Requested
Ex. Equipment Repair	\$10,000	1	\$10,000	x
Final Total				

Example of a sufficient budget narrative detailed description for the line item above:

- Equipment Repair (\$10,000): Equipment repair funds are necessary in case of damage to any of the equipment that is essential to broadband access. The contingency funding amount was calculated based on average equipment repair prices.
- Note: “X” indicates fields that will need to be filled in by the applicant—the fields filled in above are for example purposes only.



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