

## **Alabama Capital Projects Fund – Phase 2 Frequently Asked Questions (FAQs)**

These FAQs are intended to provide additional information in response to frequently asked questions about the Alabama Capital Projects Fund – Phase 2 (CPF 2). These FAQs are not binding, exhaustive, or final, and may be updated by the Alabama Department of Economic and Community Affairs (ADECA) at any time. These FAQs should be reviewed in conjunction with the *Alabama Capital Projects Fund – Phase 2 Application*, *Alabama Capital Projects Fund – Phase 2 Application Guide*, *Alabama Capital Projects Fund – Phase 2 Program Guide*, and *Alabama Capital Projects Fund – Phase 2 Rating Criteria* as well as the federal Capital Projects Fund guidance issued by the U.S. Department of the Treasury (Treasury).

### **1. What is the CPF 2?**

As with CPF Phase 1, the CPF 2 is a competitive subaward program that will provide grants to broadband service provider subrecipients to support the deployment of last-mile broadband infrastructure and services in rural, unserved areas of Alabama. The CPF 2 follows the announcement of the initial round of CPF grants in early 2024 and generally follows the requirements established by CPF Phase 1 while implementing an expedited application process.

### **2. What is the funding source for CPF 2 grants?**

CPF 2 grants are supported by federal funds under the Capital Projects Fund established by the American Rescue Plan Act of 2021. The federal Capital Projects Fund is administered by Treasury. More information about the federal Capital Projects Fund can be found on Treasury's website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>.

### **3. Is the CPF 2 subject to federal law, state law, or both?**

Both. ADECA will implement the CPF 2 in accordance with: (a) Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA); (b) 42 U.S.C. § 804; (c) Ala. Act No. 2022-1; (d) the Alabama Broadband Accessibility Act, Ala. Code §§ 41-23-210–41-23-214; and (e) other applicable laws and guidance.

As a recipient of federal ARPA funds, ADECA must comply with and ensure subrecipients comply with applicable terms and conditions of the ARPA, regulations governing the expenditure of funds distributed from the ARPA, and interpretative guidance Treasury has issued or will issue governing the expenditure of funds distributed from the ARPA. Importantly, ADECA must comply with and ensure subrecipients comply with all applicable provisions of 2 C.F.R. Part 200, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Administrative Requirements). ADECA and CPF 2 subrecipients must comply with the Uniform Administrative Requirements, subject to any exceptions provided by law or as determined by Treasury. More information on the Uniform Administrative Requirements can be found at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>.

In the event of any discrepancy between these FAQs and applicable federal/state law, the federal/state law will prevail.

#### **4. What is the CPF 2 application process and timeframe?**

ADECA will accept CPF 2 applications beginning on April 11, 2024, and applications must be submitted no later than 5:00 p.m. (Central) on May 2, 2024. Any application received by ADECA after the deadline will not be considered. Applications and all supporting documentation must be submitted in PDF format to ADECA by email to [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov).

Before applying, CPF 2 applicants must submit a letter of intent to submit an application no later than 5:00 p.m. (Central) on April 11, 2024. Letters of intent will be posted on ADECA's website and publicly available to promote coordination between CPF 2 applicants and with existing internet service providers regarding potentially overlapping service areas. A sample letter of intent can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide*. Letters of intent must be submitted to ADECA by email to [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov).

More information on the CPF 2 application process can be found in the *Alabama Capital Projects Fund – Phase 2 Application, Alabama Capital Projects Fund – Phase 2 Application Guide, and Alabama Capital Projects Fund – Phase 2 Program Guide*.

#### **5. Why is a letter of intent required?**

An applicant's letter of intent notifies ADECA of the applicant's intent to file a CPF 2 application during the upcoming grant cycle, provides a preview of the proposed project area(s) for funding, and offers an opportunity for other applicants and incumbent service providers to review and correspond about the proposed project and potentially overlapping service areas.

#### **6. Will letters of intent be posted online to allow for review?**

Yes. Letters of intent will be posted on the ADECA website as soon as possible after the close of the letter of intent submission window. ADECA will send a notice that the letters of intent are available on its website. The notice will be sent to subscribers of ADECA's Broadband Alabama Mailing List. To sign up for the Broadband Alabama Mailing List, please go to <https://adeca.alabama.gov/broadband-alabama-mailing-list/>.

Applicants and other service providers are strongly encouraged to contact CPF 2 applicants regarding their letters of intent within 10 days of the posting of the letters of intent on the ADECA website. A sample document to help facilitate communication between service providers and CPF 2 applicants can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide*.

#### **7. Can an applicant revise a proposed project area description from its letter of intent when it submits its application for the project?**

Yes. Applicants may submit a CPF 2 application with minor changes to reduce the proposed project area described in the letter of intent, but may not increase the proposed project area. Applicants also may combine proposed project areas from multiple letters of intent into one application, so long as the proposed project area in the application does not exceed the proposed project areas from the letters of intent. Applicants must clearly identify any changes from the

letter(s) of intent in their application project description and map. Note that ADECA may request that the applicant revise the proposed project service area to include additional unserved locations reflected in the Alabama Broadband Map.

## **8. What is the CPF 2 Risk Assessment Questionnaire?**

The CPF 2 Risk Assessment Questionnaire is part of the application and seeks information regarding an applicant's ability to comply with program requirements and applicable laws, allowing ADECA to conduct a risk assessment in accordance with federal law. Each successful CPF 2 applicant will be further evaluated by ADECA for risk of noncompliance with federal and state statutes, regulations, and the terms and conditions of the grant before the subaward agreement is executed. ADECA staff also will monitor CPF 2 subrecipients as necessary to ensure that projects are completed in a timely manner and program funds are used for authorized purposes.

## **9. What are the requirements for a proposed project area to be eligible for CPF 2 funding?**

ADECA will grant CPF 2 subawards only to applicants that will provide at least one service offering that is capable of delivering broadband service that reliably meets or exceeds symmetrical speeds of 100/100 Mbps to customers in rural, unserved areas of Alabama.

- A rural area is any area within Alabama not included within the boundaries of any incorporated city or town having a population in excess of 25,000 inhabitants, according to the last federal census.
- An unserved area is any rural area in which there is not at least one provider of terrestrial broadband service that is either (a) offering a connection to the internet meeting the minimum service threshold (100/20 Mbps) or (b) required under the terms of another state or federal grant to provide a connection to the internet at speeds meeting the minimum service threshold within the same or similar timeframe of projects of similar complexity or scale awarded during the CPF 2 grant cycle.

**Note:** *Terrestrial broadband service includes wireline or fixed wireless service and does not include cellular or satellite service.*

The symmetrical 100/100 Mbps speed benchmark represents the minimum required for consideration for CPF 2 funding. CPF 2 applicants are encouraged to provide faster broadband speeds and will receive a higher score for demonstrating the ability to provide faster broadband speeds in their applications.

Please see the *Alabama Capital Projects Fund – Phase 2 Application Guide* and *Alabama Capital Projects Fund – Phase 2 Program Guide* for additional information regarding project eligibility.

**10. Do CPF 2 subrecipient broadband service offerings have to provide symmetrical speeds?**

The symmetrical 100/100 Mbps speed benchmark is a floor. Applicants may include asymmetrical broadband speed offerings in their applications, so long as both the upload speed and download speed exceed 100 Mbps.

**11. How should applicants identify eligible proposed project areas in the letter of intent and the application? Is it possible to get a shapefile of specific layers of the Alabama Broadband Map?**

Generally, CPF 2 applicants may establish that a proposed project is in a rural area and in an unserved area by using the Alabama Broadband Map located at <https://broadband.alabama.gov/broadband-maps/>. The Alabama Broadband Map identifies addresses unserved at 100/20 Mbps speeds based on information collected by ADECA through the state's broadband mapping program.

***However, applicants are strongly encouraged to conduct a field review to determine whether an area is served or may become served.*** A field review may include an in-person survey of a proposed project area to determine if there is current construction or other indications of new service in the area that could change the service classification of the area. If an area is identified as unserved at the time of the application but becomes served prior to the execution of a CPF 2 subaward agreement for the project, the project may not be eligible for funding. Please contact [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to request a shapefile based on the Alabama Broadband Map or to ask further questions about the mapping process.

**12. For the shapefile that is required in the letter of intent, does the applicant need to identify the addresses to be served or is only the polygon of the proposed project area required?**

The shapefile in the letter of intent only needs to show the polygon of the proposed project area.

**13. Can you define what is meant by a polygon?**

For any mapping technical assistance, please contact ADECA by e-mail at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov).

**14. Can applicants provide address-level data for a proposed project area prior to the letter of intent deadline and get feedback from ADECA on eligible areas?**

ADECA can provide technical assistance in completing the letter of intent or application, but it will not assist in writing the letter of intent or application.

**15. If an applicant submits a letter of intent and then decides not to apply for that area, is that allowable?**

Yes. An applicant is permitted to rescind a letter of intent that has been submitted and to not apply for the proposed project area. Service providers should submit such letter of intent recissions to ADECA by e-mail at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov).

**16. Who is eligible to receive funding under this program?**

Eligible applicants are entities that are cooperatives, corporations, limited liability companies, partnerships, non-profits, other private business entities, or units of government that currently provide broadband services. An entity that does not currently provide broadband services in any state or territory is not eligible for CPF 2 funding. An entity that currently provides broadband services only outside of Alabama may be eligible for CPF 2 funding if it submits (a) a certification that it currently does not provide broadband service in Alabama and (b) documentation identifying its current broadband service areas and service performance outside of Alabama.

An entity will not be eligible for a CPF 2 grant unless it has submitted, within the one-year period preceding the awarding of the grant, the entity’s broadband service availability information to Alabama’s broadband mapping program and agrees to continue to participate in the mapping program throughout the entire project period.

More information on applicant eligibility can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide* and *Alabama Capital Projects Fund – Phase 2 Program Guide*, and more information on Alabama’s broadband mapping program can be found at <https://broadband.alabama.gov/>.

**17. What are the minimum service performance standards and other requirements for projects?**

CPF 2 applicants must certify that all customers to be served as a result of a proposed project will have access to an internet connection and at least one service offering that is capable of delivering broadband internet access service that reliably meets or exceeds symmetrical download and upload speeds of 100 megabits per second (100/100 Mbps). In addition, CPF 2 applicants are required to submit a preliminary technical evaluation of the proposed project certified by a currently licensed Professional Engineer, demonstrating that the proposed project can deliver the broadband service offerings included in the application.

Please refer to the *Alabama Capital Projects Fund – Phase 2 Application* and *Alabama Capital Projects Fund – Phase 2 Application Guide* for further information regarding other broadband project requirements.

**18. Does the preliminary technical evaluation certification for a proposed project have to come from a Professional Engineer licensed in Alabama?**

No. The Professional Engineer is not required to be licensed in Alabama to provide the preliminary technical evaluation certification for a proposed project, so long as the engineer is properly licensed.

**19. Will applicants be required to provide their own funds for these projects? Are there other requirements for the mix of funding sources to support each project?**

Yes. CPF 2 grants may not exceed 80% of the total cost of the proposed project or \$5,000,000, whichever is less. Any CPF 2 grant, when combined with other forms of state or federal support or assistance dedicated to the proposed project, other than interest-bearing loans, may not exceed 90% of the total cost of the proposed project. The subrecipient is responsible for securing funding for all project expenses beyond the grant award.

The 20% match obligation represents the minimum required for consideration for CPF 2 funding. CPF 2 applicants are encouraged to commit additional match and will receive a higher score for including additional match commitments in their applications.

**Note:** *This is a reimbursement program. Funds will not be disbursed until work is completed and all program requirements have been met, including all reporting and project closeout obligations.*

**20. What kinds of project costs are eligible for reimbursement?**

Subrecipient project costs eligible for reimbursement generally will be limited to construction and construction-related costs of broadband infrastructure, in accordance with applicable law, CPF 2 program materials, and Treasury/ADECA guidance. More information on eligible CPF 2 project expenses may be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide* as well as the *Alabama Capital Projects Fund – Phase 2 Program Guide* and on Treasury’s website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>. CPF 2 participants should contact ADECA by email at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) with any questions regarding the eligibility of CPF 2 project expenses.

**21. Can a local entity contribute funding to these projects?**

Yes. Local entities may, but are not required to, contribute financial resources to these projects. To document a local entity’s funding, an application must include a resolution from the local entity committing specific funding to the project. The local entity and/or the applicant should specify if the local entity’s match will rely on local, state, or federal funding sources.

Separate from committed funding from local entities, applicants may also describe demonstrated community support for a project by including letters that are specific to the applicant’s project and other types of documented support from the local community, and may also separately commit to additional community support projects. Additional points may be given based on the demonstrated community support.

Please review the *Alabama Capital Projects Fund – Phase 2 Application* and *Alabama Capital Projects Fund – Phase 2 Application Guide* for further information, including a sample local entity resolution regarding the commitment of funding and examples of community support projects that may qualify for additional points.

## **22. Will CPF 2 grants reimburse projects that are currently underway?**

Generally, subrecipient costs for the project incurred before the term of the CPF 2 subaward agreement will not be eligible for reimbursement. However, an exception is made for purchased fiber or other broadband equipment acquired in advance of the award (stockpiled materials, materials on hand, etc.). Additionally, while applicants may use this funding to expand or complement an existing project, each CPF 2 project must “stand alone.” To receive a grant, applicants must ensure that each proposed project complies with all applicable CPF 2 criteria and the project will be complete and in compliance with closeout requirements at the end of the subaward agreement term without reliance on any other project.

## **23. How long does a subrecipient have to complete a project?**

CPF 2 subrecipients normally must complete their projects within two years of the subaward grant. However, an applicant may request an extended timeframe due to project complexity in its application. An applicant requesting an extended timeframe must provide a specific explanation of the proposed project’s complexity, including any challenges presented by project infrastructure deployment. If an increased project completion timeframe is approved by ADECA, it will be included in the CPF 2 subaward agreement for the project. In addition, if a subrecipient demonstrates that a project is progressing, it may request an extension of the project term for delays beyond its control, subject to federal program deadlines.

Subrecipients must submit all extension requests in writing to ADECA no less than 30 calendar days prior to project term expiration. Approval of any extension request will be at ADECA’s sole discretion. If a subrecipient fails to complete a project within the required term, including any term extension, ADECA may revoke the subaward agreement and rescind the CPF 2 grant.

## **24. Are there any service affordability requirements for CPF 2 projects? How will ADECA assess proposed project service affordability?**

In accordance with current Treasury guidance, CPF 2 subrecipients must participate in federal programs that provide low-income consumers with subsidies on broadband internet access services upon project completion, including, at a minimum, the Affordable Connectivity Program (ACP) established by the Federal Communications Commission (FCC). Subrecipients must allow subscribers in their project service area(s) to utilize the ACP for their project service offerings upon project completion. Subrecipients also are required to participate in the ACP (or any successor affordability program designated by the Treasury) for the duration of such program or until the date the project infrastructure is no longer in use, whichever is earlier.

Applicants must discuss any plans they have to offer services that are affordable to customers in the proposed service area(s). This discussion should include any relevant pricing data, service characteristics, non-recurring costs, data caps, and average service fees in the communities to be served. Affordability considerations also include: (a) the availability of ACP-supported service

offerings, including offerings that include additional provider discounts so that service is delivered at no cost to eligible end users; (b) advertising and promoting discounted service offerings under the ACP; (c) advertising and promoting additional low-income and low-cost programs beyond ACP; (d) affordability and subsidy programs offered by third-party organizations working with the applicant; (e) demographic and socioeconomic descriptions of the proposed funded service area(s); and (f) any plans to conduct outreach or participate in community events regarding affordable service offerings.

**Applicants should note that, given the uncertainty about continued funding for the ACP, guidance from Treasury regarding the ACP may change. In the event the ACP expires and a replacement program is not designated by Treasury, ADECA will share additional guidance with CPF 2 participants as it becomes available.**

More information on the ACP and project service affordability can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide* and *Alabama Capital Projects Fund – Phase 2 Program Guide*.

**25. Will subrecipients be required to comply with any environmental and historic preservation requirements?**

Yes. CPF 2 subrecipients and their contractors and subcontractors must comply with all applicable federal, state, and local environmental laws during project deployment. The National Environmental Policy Act (NEPA) normally does not apply to projects funded by the CPF 2. However, projects funded by the CPF 2 may still be subject to NEPA review if they are also funded by, require the approval of, or otherwise involve other federal programs or agencies. Subrecipients and their contractors and subcontractors also must comply with all applicable federal, state, and local historic preservation laws, including but not limited to the National Historic Preservation Act. It is the responsibility of CPF 2 applicants to familiarize themselves with these requirements and their potential impact on their proposed projects.

**26. Will subrecipients be required to comply with any project labor requirements?**

Yes. CPF 2 subrecipients must comply with all applicable federal, state, and local labor laws. While the federal Davis-Bacon Act prevailing wage rate requirements generally do not apply to projects funded solely by the CPF 2, Treasury and ADECA encourage subrecipients to ensure that projects incorporate strong labor standards and competitive wages. CPF 2 applicants will be asked to provide information on their proposed project labor practices as part of their applications and subrecipients may be required to provide additional labor information as part of the subaward reporting process.

**27. What information must a successful CPF 2 applicant provide in order to receive a subaward agreement?**

Successful CPF 2 applicants will receive a letter of conditional commitment from ADECA, stating that the application has been conditionally selected for a grant and requesting additional information required for the subaward agreement. As part of this process, each successful applicant will be required to complete and submit the Beason-Hammon Alabama Taxpayer and Citizen Protection Act Certification, a complete copy of its E-Verify Memorandum of

Understanding, the State of Alabama Disclosure Statement, the Signatory Authority Form, and other documentation and certifications required by federal and state law. Additionally, each successful applicant must register in the Alabama Buys eProcurement Portal, be eligible for federal grants, and obtain and maintain an active registration in the federal System for Award Management. Successful applicants also may need to provide subrecipient executive compensation information for federal reporting purposes. The Taxpayer ID number, entity name, and entity address must match across all documents and with the information in the Alabama Buys eProcurement Portal.

More information about subrecipient documentation requirements can be found in the *Alabama Capital Projects Fund – Phase 2 Application* and *Alabama Capital Projects Fund – Phase 2 Application Guide*.

## **28. What are the project reporting and closeout requirements?**

CPF 2 subrecipients will be required to report on the progressive completion of their projects until closeout. Grants for projects not showing progress may be terminated. Subrecipients will submit each report by the deadline established by ADECA and in the format established by ADECA, including through the completion of ADECA-provided templates. Subrecipients will be required to file an initial project report as well as quarterly, annual, and closeout project reports in accordance with the subaward agreement and any other requirements established by Treasury/ADECA. These requirements are subject to change and are regularly updated.

Subrecipients will be responsible for obtaining the equipment, software, or any other applications necessary to conduct the required testing to validate speeds, latency, and other project closeout requirements. ADECA will condition the release of any grant funds on the satisfaction of all requirements in the subaward agreement, including all project reporting and closeout obligations. Subrecipients remain responsible for the accuracy and completeness of their reports.

More information on project reporting and closeout requirements can be found in the *Alabama Capital Projects Fund – Phase 2 Program Guide* and on Treasury’s website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund/recipient-compliance-and-reporting-responsibilities>.

## **29. Will applicants be allowed to amend or rescind their applications if part of a project area is in a served or otherwise ineligible area?**

ADECA may allow applicants an opportunity to amend or rescind applications containing project areas that are determined to be ineligible. ADECA will contact the applicant as needed regarding any necessary revisions and reserves the right to terminate the amendment process in response to repeated deficient applications or when a substantial portion of a proposed project area is ineligible.

## **30. How much grant funding is available through the CPF?**

ADECA plans to award over \$182 million in grants over the course of Phase 1 and Phase 2 of the CPF. However, ADECA may cancel the CPF 2 subaward application solicitation, award less

than the planned amount, and/or issue another application solicitation as part of its ongoing administration of the program and in accordance with applicable law and guidance.

**31. Where can I find the CPF 2 application rating criteria?**

The CPF 2 application rating criteria are available on ADECA’s website at <https://adeca.alabama.gov/alcapitalprojectsfund/>.

**32. How will subrecipients receive CPF 2 grant funds?**

CPF 2 subrecipients will receive the grant amount in a fixed single payment upon project completion. ADECA will condition the release of any grant funds on the satisfaction of all requirements in the subaward agreement, including all project reporting and closeout obligations. Subrecipients will submit a payment request to ADECA, providing written certification that the project reached completion and sufficient evidence of compliance with the subaward agreement obligations, which will be subject to ADECA review and approval before payment is made. Subrecipients also must submit all invoices and other required documentation demonstrating compliance with the subaward agreement and all reporting obligations within 30 calendar days of the submission of the project completion certification or such other period as ADECA may establish consistent with federal law.

More information regarding grant payments can be found in the *Alabama Capital Projects Fund – Phase 2 Program Guide*.

**33. Can ADECA provide a list of all CPF 2 applicants and their contact information?**

Letters of intent will be posted on ADECA’s website. The letters of intent will include service provider contact information.

**34. Will there be a challenge/protest process for CPF 2 applications or projects?**

No. With the availability of the Alabama Broadband Map and the requirement that applicants provide a letter of intent, there will be no challenge/protest process for applications or projects.

**35. What types of facilities qualify as community anchors?**

In accordance with Treasury guidance, a community anchor may include an entity, such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.

Please contact ADECA by email at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to set up a technical assistance call for specific questions about community anchors.

**36. Do operating expenses include connection costs to the final premises (i.e., additional fiber routed from any route to the actual location)?**

Generally, construction and construction-related costs for broadband infrastructure are not operating expenses, but rather capital expenditures. Capital expenditures may include expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

If you have any specific questions regarding operating expenses and capital expenditures, please contact ADECA by email at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to set up a technical assistance call.

**37. Where can I find additional information and guidance about the CPF 2?**

Additional resources providing information and guidance relevant to the CPF 2 can be found on ADECA's website at <https://adeca.alabama.gov/alcapitalprojectsfund/> as well as Treasury's website at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>.

**38. Are RDOF-funded areas eligible for CPF 2 funding?**

Typically, no. If an area is shown to be funded under RDOF, it probably cannot be funded under CPF 2, but there may be exceptions. Please contact ADECA by e-mail at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to discuss the proposed project.

**39. What about wireless RDOF areas – are they eligible for CPF 2 funding?**

If it is a licensed fixed wireless RDOF project, the area probably is ineligible to be funded under the CPF 2. Please contact ADECA by e-mail at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to discuss the proposed project.

**40. Are letters of credit required for CPF 2?**

No. A letter of credit is not required for CPF 2. This is a reimbursement-only program with payments made at the completion of the project.

**41. Are churches considered community anchors?**

Churches are not generally considered community anchors. In accordance with Treasury guidance, a community anchor may include an entity, such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.

Please contact ADECA by email at [broadband.fund@adeca.alabama.gov](mailto:broadband.fund@adeca.alabama.gov) to set up a technical assistance call for specific questions about community anchors.

**42. Are there any safeguards to cover more rural areas for future projects?**

The projects that will leave the least number of unserved addresses are those that will be the most competitive for CPF 2. Future funding for other programs, such as BEAD and the AIMM Program, will make it more economical to get to each step of serving all currently unserved addresses.

**43. How current is the Alabama Broadband Map?**

The Alabama Broadband Map normally is updated every six months.

**44. Is 25/3 Mbps “up to” or below the CPF 2 standard?**

Under the CPF 2 program, an unserved area is any rural area in which there is not at least one provider of terrestrial broadband service that is either (a) offering a connection to the internet meeting the minimum service threshold (100/20 Mbps) or (b) required under the terms of another state or federal grant to provide a connection to the internet at speeds meeting the minimum service threshold within the same or similar timeframe of projects of similar complexity or scale awarded during the CPF 2 grant cycle. As a result, an area that will only have access to 25/3 Mbps broadband services is considered unserved under the CPF 2 program and eligible for CPF 2 program funding.

**45. Should CPF 2 projects focus solely on fiber infrastructure?**

The CPF 2 program’s focus is fiber infrastructure, but if there is a technology that can meet the minimum CPF 2 performance requirements that is not fiber infrastructure, it can be considered for funding.

**46. Can proposed projects have multiple polygons? How will it affect the total costs?**

Proposed service areas for each CPF 2 project do not need to be contiguous and may be combined as a single project. CPF 2 grants may not exceed 80% of the total cost of the proposed project or \$5,000,000, whichever is less. As long as the grant amount requested does not exceed the limit, a project may have multiple polygons.

**47. Is the use of satellite technology in combination with local distribution of fiber or wireless to the home a viable means of submitting for 100% coverage? Are ongoing operating expenses for that possible?**

The CPF 2 program’s focus is fiber infrastructure, but if there is a technology that can meet the minimum CPF 2 performance requirements that is not fiber infrastructure, it can be considered for funding. ADECA will grant CPF 2 subawards only to applicants that will provide at least one service offering that is capable of delivering broadband service that reliably meets or exceeds symmetrical speeds of 100/100 Mbps to customers in rural, unserved areas of Alabama.

**48. Will the slides from the CPF2 workshop held on March 28, 2024, be available for review?**

Yes. The CPF slide deck from the presentation will be available on the ADECA website at <https://adeca.alabama.gov/broadband-webinars-and-workshops/>.

**49. Is a fiber plus wireless solution considered an eligible solution to submit for 100% coverage?**

The CPF 2 program's focus is fiber infrastructure, but if there is a technology that can meet the minimum CPF 2 performance requirements that is not fiber infrastructure, it can be considered for funding. Please contact ADECA to provide additional information regarding any specific proposed project designs.

**50. Is the cost of mainline fiber to connect separate polygons allowed in the application?**

The cost of mainline fiber may be included as part of the total project cost and cost per passing for a proposed project.

**51. Does the letter of intent encompass more than one project?**

A letter of intent is expected for each proposed project. After review of the letter of intent, applicants may be asked to break down the area to multiple projects to keep the application viable.

**52. How does a potential applicant become certified with ADECA's Office of Minority Business Enterprise?**

ADECA's Office of Minority Business Enterprise administers the certification program to identify small, minority-owned, and women-owned businesses capable of providing goods and/or services to both government and private sectors. You can find information on the eligibility requirements and certification process on ADECA's website at <https://adeca.alabama.gov/ombe/>, by calling 334-353-3966, or by emailing [Scott.Stewart@adeca.alabama.gov](mailto:Scott.Stewart@adeca.alabama.gov).

**53. Are multiple applications by the same provider allowed?**

Yes. An applicant may submit more than one application and may receive funding for more than one project. The proposed service area for each project does not need to be contiguous and multiple proposed service areas may be combined as a single project. If an applicant submits multiple projects, each project must have its own letter of intent, application, and budget, and must stand alone in the described benefits and services proposed for the project area. Each project must comply with all CPF 2 program requirements.

**54. Are providers expected to build to an entire census tract or are partial builds acceptable?**

The projects that will leave the least number of unserved addresses are those that will be the most competitive for CPF 2. However, an applicant is not required to build to an entire census tract as part of a proposed project.

**55. Should the letter of intent include the total funding the applicant expects to request?**

No. The letter of intent should include the name of a contact person and the polygon of the proposed project area. A sample letter of intent can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide*.

**56. Besides the polygons to be submitted with the letter of intent, are there any other data required or expected, such as number of locations and estimated construction costs per polygon?**

A sample letter of intent can be found in the *Alabama Capital Projects Fund – Phase 2 Application Guide*. The letter of intent should include the name of a contact person and the polygon of the proposed project area. When submitting a letter of intent and the project application, it may be determined that the proposed project could be separate projects. It is recommended that the applicant consider a larger project area in the letter of intent than what is planned, as the applicant may shrink the proposed project area from the letter of intent when submitting the application, but the proposed project area cannot be increased unless ADECA asks for verified addresses to be added to the project.

**57. Will a subrecipient’s normal procurement procedures be sufficient?**

Subrecipients are responsible for ensuring that their procurement procedures for a project comply with all applicable federal, state, and local laws. CPF 2 subrecipients will be required to comply with the federal Uniform Administrative Requirements found in 2 C.F.R. Part 200, subject to any exceptions provided by law or as determined by Treasury. Treasury has issued guidance regarding the application of certain Uniform Administrative Requirements to internet service providers receiving CPF 2 subawards. That guidance provided that states are not required to apply the cost principles and procurement standards of the Uniform Administrative Requirements to internet service providers receiving CPF 2 subawards. However, CPF 2 subrecipients will be required to comply with any applicable provisions of 2 C.F.R. §§ 200.321-200.323 and 2 C.F.R. § 200.327 as part of the subaward agreement.

Subrecipients remain responsible for accounting for their project costs appropriately and for maintaining records demonstrating that such costs are eligible for reimbursement, in accordance with applicable law, CPF 2 program materials, and Treasury/ADECA guidance. Subrecipients that are subject to the Alabama Competitive Bid, Procurement, and/or Public Works Laws, including certain governmental entities, are expected to be familiar with their procurement obligations and procedures under these laws and their application to CPF 2 projects. Similarly, subrecipients are expected to be familiar with the mix of funding for their CPF 2 projects and, if a project is relying on other federal/state funding sources, to be familiar and comply with any procurement requirements associated with those funding sources.

More information on the application of the Uniform Administrative Requirements to CPF 2 subrecipients can be found in the *Alabama Capital Projects Fund – Phase 2 Program Guide* and

on Treasury’s website at <https://home.treasury.gov/system/files/136/SLFRF-and-CPF-Supplementary-Broadband-Guidance.pdf>.

**58. If the Alabama Broadband Map shows fewer locations unserved at 100/20 Mbps speeds in a proposed CPF 2 project area than are shown on the FCC’s National Broadband Map, how should an applicant report this information in its application?**

CPF 2 applicants should ensure that the unserved location data is accurate, note the discrepancy in the application, and provide a budget based on the total number of locations that the applicant intends to serve in the proposed project area. ADECA will determine the number of unserved locations in a proposed project area as part of its application review process.

**59. What is the *Alabama Capital Projects Fund – Phase 2 Rating Criteria* spreadsheet?**

The *Alabama Capital Projects Fund – Phase 2 Rating Criteria* spreadsheet is a tool to help applicants get a better sense of the scores their proposed project applications may receive. The spreadsheet is not definitive and ADECA will score applications based on its review of the information provided in the applications and the supporting documentation submitted by applicants. The *Alabama Capital Projects Fund – Phase 2 Rating Criteria* spreadsheet on ADECA’s website at <https://adeca.alabama.gov/alcapitalprojectsfund/> and more information on how applications will be scored can be found in the *Alabama Capital Projects Fund – Phase 2 Application* and *Alabama Capital Projects Fund – Phase 2 Application Guide*.

Disclaimer

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