

Grant Agreement

State of Alaska
Department of Commerce, Community, and Economic Development
Alaska Broadband Office

Broadband Equity, Access, and Deployment (BEAD) Alaska Broadband Grant Program

Grant Agreement # XX-BBP-XX	UEI # XXXXXX	Appropriation Unit # XXXXXXXXXX	Vendor # XXXXXXX	Amount of Grant Funds ("Grant Funds") \$XXXXXXX
Federal Award Number XXXXXXXXXX	CFDA # 11.035	Project Title XXXXXXXXXXXXXXXXXXXXXXX		
Grantee			Department Contact Person	
Name			Name Jan Cox	
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City/State/Zip			Street/PO Box 550 W 7th Ave, Suite 1650	
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Agreement

The Alaska Department of Commerce, Community, and Economic Development, Alaska Broadband Office (hereinafter 'Department') and **[legal business name]** (hereinafter 'Grantee') agree as set forth herein.

Section I. The Department shall pay the Grantee for the performance of the project work under the terms outlined in this agreement ("Agreement"). The amount of payment is based upon project expenditures which are authorized under this Agreement. In no event shall the payment exceed **[grant award amt]**.

Section II. The Grantee shall perform all the work required by this Agreement.

Section III. The eligible costs under this Agreement begin **[date Grant Agreement is signed]** ("Effective Date") and shall be completed with all costs paid and deliverables received no later than **[four years out from date Grant Agreement is signed]** ("End of Term").

Section IV. The agreement consists of this page and the following:

ATTACHMENTS:

Attachment A – Scope of Work
Attachment B – Payment Method
Attachment C – Standard Provisions

AMENDMENTS:

Any fully executed amendments to this agreement.

APPENDICES:

Appendix A – Monitoring and Audit Regulations
Appendix B – Insurance and Bonding
Appendix C – State Laws and Regulations
Appendix D – Special Requirements and Assurances for Federally Funded Projects

EXHIBITS:

Exhibit A – Irrevocable Standby Letter of Credit
Exhibit B – Bankruptcy Opinion-of-Counsel Letter
Exhibit C – C-SCRM Plan Template
Exhibit D – C-SCRM 3rd Party Compliance Attestation Form
Exhibit E – Project Map
Exhibit F – Signatory Authority Form

Grantee	Department
Signature	Signature
Grantee Printed Name and Title	Printed Name and Title Jan Cox, Grants Administrator 3
Date	Date

Attachment A

Scope of Work

Background

The National Telecommunications and Information Administration (NTIA) funds the Broadband Equity, Access, and Deployment Program (BEAD). The Federal Award Number is 02-20-B066. On October 21, 2024, the State of Alaska was awarded \$1,017,139,672.42 of which [REDACTED] will receive a subaward of \$ [REDACTED] (“Grant”). Alaska’s Grant Program is called the Alaska Broadband Grant Program (“Grant Program”).

Recipients of Grant Program funds must maintain a current [SAM.gov](https://sam.gov) registration and have an active Unique Entity ID generated by [SAM.gov](https://sam.gov). This information must be current during the term of the grant.

1. Project Description

[add text]

Outcomes:

- 1) Funded Networks are operational and delivering Reliable Broadband Service with:
 - a. speeds of no less than 100 megabits per second for downloads and
 - b. 20 megabits per second for uploads, and
 - c. a latency less than or equal to 100 milliseconds
- 2) Can easily scale service speeds as determined by FCC Broadband Benchmarks over time to meet the evolving connectivity needs of households and businesses, and
- 3) Support the deployment of 5G, successor wireless technologies, and other advanced services.
- 4) Ability to meet the FCC’s Broadband monitoring criteria based on the FCC’s Measuring Fixed Broadband – Eleventh Report.

Site Control:

Grantee is required to establish site control for all applicable real estate for the construction of any infrastructure improvements for the Grant Program Network. Site control shall be established by lease, deed, license or any other form approved by the Department from the property owner to Grantee to show Grantee has acquired a sufficient legal interest to build and operate the Project. Grantee shall provide a copy of the deed, lease, license or other Department approved documents establishing site control to the Department. Prior to Grantee establishing site control, Grant Funds will not be reimbursed to Grantee for eligible expenses without the Department’s prior advance written approval. Grantee’s failure to obtain complete site control to build the Project in a timely fashion shall be a breach of this Agreement. Timely fashion shall mean at a point the Project can be built without delay and so the entire Project can be completed during the Grant Term.

Labor Standards:

If the Project will be contracted out, federal labor standards may apply. All licensed contractors for this project must comply with all applicable federal labor standard requirements and may require prevailing wage rates of the State specific geographic region in which the project is located. All applicable Federal labor standards and other applicable Federal provisions must be included in any contracts under this project. The Grantee must verify contractor/subcontractor(s) eligibility prior to awarding the contract(s), making sure the contractor is not on the Debarment and Suspension list at [SAM.gov](https://sam.gov)

Grantee is subject to the requirements of the Davis-Bacon Act, where applicable, when Grant Funds are used on a construction project in conjunction with funds from another federal program that requires

enforcement of the Davis-Bacon Act. Additionally, corollary state prevailing-wage-in-construction laws (commonly known as “little Davis-Bacon Acts”) may apply to projects.

It is the Grantee’s responsibility to monitor their construction contract(s) to ensure that all required notices and the wage rate decisions are posted prominently at the construction site for the full duration of the Project. The Grantee must receive and verify the accuracy of copies of the contractor/contractor’s certified weekly payroll reports and compliance with applicable labor standards. The federal Statement of Compliance Form (original signatures) must be submitted with all weekly certified payroll reports. Any discrepancies found should be reported by the Grantee and corrected before the close-out of the Project.

Grantee will ensure that vendors pay all laborers and mechanics employed by contracts and subcontractors in the performance of the project wages at rates not less than those prevailing. (40 U.S.C. 3141-3148)

If the Project will be constructed with local force account labor and contractual services, grantee may be required to pay its employees the prevailing wage rates comparable in the area. If Grantee hires or contracts with licensed contractor/subcontractor(s) for any specialized work for this project those licensed contractors/subcontractors may also be required to comply with all applicable federal laws and regulations, and with all requirements for state, local, and Tribal laws and ordinances to the extent that such requirements do not conflict with federal law. It is the Grantee’s responsibility to ensure that the prevailing wage rates are paid for each job classification.

Insurance Requirements

The Grantee is required to maintain and provide proof of appropriate insurance coverage, in conformance with Appendix D, for the full duration of the Project. Any construction contractors/subcontractors hired to work on the project must be licensed, bonded and insured for at least the amount of the Project as appropriate. It is the Grantee’s responsibility to make sure any contractor/subcontractor hired maintains the appropriate insurance coverage on the Project.

National Environmental Policy Act (NEPA) Requirements

Grantees will be required to fulfill all NEPA requirements prior to the release of Grant funds for construction and deployment activities. Grantee will also be required to ensure all construction and deployment activities are covered by the actions described in Chapter 3 (Alaska) of the Nationwide Public Safety Broadband Network Final Programmatic Environmental Impact Statement for the Non-Contiguous United States (FPEIS) prepared by First Responder Network Authority’s (FirstNet) NEPA procedures identified under the BEAD program’s authority as it relates to Alaska.

Link available at: [FirstNet FPEIS Non-Contiguous Chapter 3 Alaska July 2017.pdf](#)

Once a Grant is awarded, the Grantee will provide a completed NEPA analysis to the Department. This will initiate the Tribal Notification and Notice of Organizations process. The Department, acting as a NEPA joint lead agency, will review and make a preliminary determination regarding the appropriateness of the Grantee’s analysis. If Categorical Exclusions (CATEX) apply, and there are no extraordinary circumstances, the Department will transmit a Draft Decision Memo to NTIA for review and final NEPA decision. If no CATEX’s apply, further NEPA processing will be required regarding the need for an Environmental Assessment (EA) or Environmental Impact Statement (EIS).

If required, completion of an EA or an EIS must be completed prior to the release of Grant funds for construction or deployment activities.

National Historical Preservation Act (NHPA) Requirements

Grantee will complete NHPA Section 106 consultation with Alaska's Office of History and Archeology (OHA) and/or, if Tribal, then the Tribal Historic Preservation Office (THPO), in accordance with the NTIA [*National Historic Preservation Act \(NHPA\) Consultation Process Fact Sheet*](#). Unless approved otherwise in writing by the Department, the Grantee will provide, within 30 days of the award, all documentation related to the Project including maps and other Project description documents as required by the Department. Grantee will provide a letter from the OHA or THPO office(s) that the Project will have No Effect or No Adverse Effect and an MOA signed between all parties setting forth requirements necessary to avoid, minimize, or mitigate any adverse effects identified by the OHA or THPO during the review.

If a Tribal applicant, grantee will participate in the Federal Communications Commission's (FCC) Tower Construction Notification System (TCNS) process and engage with the NTIA to complete the Section 106 consultation.

Resolution to the Section 106 consultation is required prior to the release of Grant funds for construction or deployment activities.

Endangered Species Act (ESA) Requirements

In conformance with the NTIA [*Endangered Species Act \(ESA\) Section 7 Fact Sheet*](#), Grantee will complete an ESA Section 7 consultation with the U.S. Fish and Wildlife Service (USFWS) and the National Marine Fisheries Service (NMFS). Grantee will provide the Department with a Section 7 Biological Opinion within 30 days of award unless approved otherwise in writing by the Department.

Resolution to the Section 7 consultation is required prior to the release of Grant funds for construction or deployment activities.

Additional Federal, State, and Local Permits

Grantee is required to obtain all other relevant Federal, State, and local permits.

Network Capabilities

Grantee will comply with compliance standards and testing protocols for speed and latency as established by the Federal Communications Commission. To demonstrate compliance, the Grantee will perform speed and latency testing from the premises of an active subscriber to a remote test server at an end-point consistent with the requirements for a Commission-designated IXP. The service characteristics outlined in the proposed plan include speeds and latency requirements that must be met in accordance with the FCC's 80/80 metric. That is, if the ABO or any other entity assigned by the ABO tests the end user speeds of these plans, the requirements will only be met if 80% of tests meet or exceed 80% of the required speeds and 95% of latency measurements are at or below 100 milliseconds round trip. For instance, if the ABO runs 100 speed tests at a selection of locations that subscribe to low-cost broadband service plans, then at least 80 of those speed tests must meet 80% of the speed requirements and 95 latency measurements must meet requirements. For the purposes of these specifications, "typical" download or upload speeds mean that 80% of speed tests must demonstrate at or above 80% of such speeds. Furthermore, 95% of latency tests must demonstrate no more than 100 milliseconds of latency.

Deployment Requirements

Grantee will demonstrate compliance with the requirement that Funded Networks begin providing broadband service to each customer that desires broadband service not later than four years after the

date on which the Grantee receives the Grant for the applicable Funded Network. The Buildout milestones are identified in the Grantee's Milestone Plan which must be provided to the Department prior to signing this Agreement. Reporting on the plan progress will be reported through semi-annual reporting as identified in Section 4 of Attachment A. Grantees are expected to demonstrate the Project is making reasonable progress toward meeting the four-year deployment deadline. The Department may withhold funds if it determines the Project is not demonstrating reasonable progress related to the requirements of Attachment A, Section 4 hereof.

If the project proposes to lay conduit, the Grantee will demonstrate in quarterly reporting the status of implementation of providing excess conduit capacity.

Service Obligation

Grantee will demonstrate that at least one low-cost service option (LCSO) is being provided through the Funded Network(s) through the Grant Program which will remain available for the useful life of the network assets. The LCSO must offer speeds of at least 100/20 Mbps and latency performance of no more than 100 milliseconds. Applicants that already offer a low-cost plan that meets these service requirements may satisfy the LCSO requirement by proposing to offer their existing low-cost plan to Eligible Subscribers. Eligible Subscriber means any household seeking to subscribe to broadband internet access service that is eligible for the FCC's Lifeline Program as defined in 47 CFR § 54.409.

Grantee will provide access to broadband service to each customer served by the Funded Network that desires broadband service on terms and conditions that are reasonable and non-discriminatory.

Grantees will notify the Department immediately if for any reason, at any time, the Grantee is no longer able to provide broadband service to the end user locations identified in the Funded Network. Grantee's failure to continuously provide broadband service to the end user locations identified in the Funded Networks at any time during the ten (10) years from Project completion is a breach of this Agreement. Immediately means within 24 hours after entering status of inability to provide service. The Grantee agrees to work with the Department and NTIA to take remedial actions and facilitate potential sale of the assets in order to ensure continuity of service.

Cybersecurity and Supply-Chain Risk Management (C-SCRM)

Grantee will follow the Cybersecurity and Supply Chain Risk Management Plan ("C-SCRM Plan") that was submitted to and approved by the Department prior to signing this Agreement. A C-SCRM Plan template and 3rd Party Compliance Attestation Form are attached as Appendices G and H. If the Grantee makes any substantive changes to the plan, a new version will be submitted to the Department within 30 days.

If grantee is relying in whole or in part on network facilities owned and operated by a third party, the Grantee will require from all vendors providing use of network facilities through contract or other agreement mechanism that the network provider submit to the Grantee an attestation of compliance with the Grantee's C-SCRM Plan provided to the Department which included requirements specified by the NTIA and which incorporated current National Institute of Standards and Technology (NIST) 2.0 standards. A copy of this attestation for each vendor will be provided to the Department within 30 days of agreement with the third-party vendor. Grantee will update the Plan at minimum twice per year as appropriate and provide updated copies to the Department and vendors within 30 days of the update.

Build America Buy America (BABA) Compliance

Grantee, and its contractors and subcontractors will follow procurement requirements established under 2 CFR §200.322 and 2 CFR §184 which address the requirement for grant-funded infrastructure

projects to exclusively purchase products manufactured and produced in the United States unless the type of product is waived from this requirement as described in the Limited General Applicability Nonavailability Waiver of the Buy America Domestic Content Procurement Preference as Applied to Recipients of Broadband Equity, Access, and Deployment Program. Grantee's failure to purchase, install or utilize products that meet the requirements identified in Build America Buy America referenced above or obtain the above-mentioned waiver is a breach of this Agreement and cause for termination. Grantee shall provide the Department with receipts for verification of compliance and for reporting purposes as identified herein.

2. Project Budget

Cost Category	Authorized Budget
Personnel	
Fringe Benefits	
Travel	
Equipment	
Supplies	
Contractual	
Construction	
Other	
Indirect	
Total	\$

3. Budget Narrative

Information as provided by the Grantee:

1. Personnel
2. Fringe Benefits
3. Travel
4. Equipment
5. Supplies
6. Contractual
7. Construction
8. Other
9. Indirect

4. Monitoring and Reporting:

This Project will be managed by the Grantee, with signatory authority for execution of the Agreement and subsequent amendments granted to the highest-ranking official who may delegate signatory authority for executing the Agreement and amendments to others within the organization via the Signatory Authority Form. A copy of the Signatory Authority Form is attached hereto as Appendix J.

Grantee's highest-ranking official may also designate financial and progress reporting via the Signatory Authority Form. Such delegation is limited to others within the organization unless otherwise approved.

The Grantee must establish and maintain separate accounting for the use of Grant Funds. The use of Grant Funds in any manner contrary to the terms and conditions of this Agreement may result in the subsequent revocation of the Grant and require the return of any balance of Grant Funds. Grantee shall repay to the Department any Grant Funds provided to Grantee which Grantee expends in violation of this the Agreement. Repayment shall be in conformance with the terms outlined in Article 23 (Recovery of Funds) of Attachment C.

Financial and Performance Reports focus on project-level information associated with the Agreement. Performance Reports will provide information related to Project outputs and outcomes against the stated objectives in the Grant Program. Grantees will complete both the Financial/Progress Reports and Performance Reports using forms provided by the Department during the term of the Agreement. An annual reporting schedule will be provided by the Department to the Grantee.

a. Financial/Progress Report – Submitted monthly (minimum)

The Grantee must submit a Financial/Progress Report through the Department's grant management portal each month during the life of the Agreement. Each financial reporting period is from the first of the month through the last day of the month. Financial/Progress Reports may be submitted more frequently than once per month but must be submitted at minimum once per month, due on the thirtieth (30th) calendar day of each month for activities undertaken in the prior month. Financial/Progress Reports should reflect activities completed through a brief narrative and costs paid out during the reporting period. Supporting documentation of all costs shall be provided with the reports.

The final Financial/Progress Report must be submitted within thirty (30) days following completion of the Project. All Project activities shall be completed with all costs paid and deliverables received prior to the End of Term. Under no circumstances will the Department release funds to the Grantee unless all required reporting is current.

It is incumbent on the Grantee to communicate with the Department regarding all reporting matters. In the unforeseen event that the Department's grant management portal is not operational, Grantee must submit timely reports via email directly to the Department at caa@alaska.gov.

b. Performance Reports – Submitted Semi-Annually and Annually

Grantees must submit semi-annual Performance Reports through the Department's grant management portal that demonstrate the Project performance. Performance Reports are required to be filed with the Department for the Grant Term upon the Networks initial operations and for the Life of the Project, i.e., ten (10) years. Performance Reports must provide an update, using qualitative and quantitative data on how the Grantee achieved progress towards Project completion. Performance reports will be used to track the effectiveness of the use of Grant Funds. An annual Performance Report will also be submitted which provides additional progress information. Grantee shall submit the annual Performance Report one (1) year after the Effective Date and each year thereafter to the end of the Grant term.

Performance Reports are due thirty (30) calendar days after the end date of the reporting period, except for the final report, which is due 120 calendar days after the twentieth year from the start of the Funded Network's Operational Readiness.

It is incumbent on the grantee to communicate with the Department regarding all reporting matters. In the unforeseen event that the Department's grant management portal is not operational, Grantee must submit reports via email directly to the Department.

In accordance with 2 CFR § 200.329 the Grantee agrees to submit Performance Reports that include the following information:

Information that will be submitted on a semi-annual basis (twice per year) includes the following:

- (a) Description of the types of facilities that have been constructed and installed.
- (b) Description of the peak and off-peak actual speeds of the broadband service being offered.
- (c) Identification of the maximum advertised speed of the broadband service being offered.
- (d) Description of the nonpromotional prices, including any associated fees, charged for different tiers of broadband service being offered, including the LCSO.
- (e) A list of addresses or location identifications (including the Broadband Serviceable Location Fabric established under 47 U.S.C. 642(b)(1)(B) that constitute the service locations that will be served by the broadband infrastructure to be constructed and the status of each Project(s).
- (f) Identification of new locations served within each Project area at the relevant reporting intervals, and service taken (if applicable) and indication of whether each address or location is residential, commercial, or a community anchor institution.
- (g) Speed and Latency testing – report on results of completed speed and latency testing.

Information that will be submitted on an annual basis (once per year in addition to the information listed above for the semi-annual report) includes the following:

- a) Copy of current letter of credit or performance bond.
- b) Audited Financial Statements for Grantee organization, including State and Federal Single Audits if Grantee's federal grant expenditures from all sources reach or exceed \$750,000.
- c) Copy of Active Alaska Business License
- d) Copies of any new or updated contracts with third parties.
- e) Disclosure of any new public funding sources.
- f) A copy of confirmation that data was submitted to the Federal Communications Commission (FCC) Broadband Data Collection System portal demonstrating compliance with data and mapping collection standards of the FCC for broadband projects.
- g) An SF-425 Federal Financial Report form
- h) Most recent SSAE 18 SOC 3 audit for all third-party vendors.
- i) Copy of active UEI and SAM.gov registration.

c. Site Visits - Annual

To ensure proper grant management, and use of funds by the Grantee, the Department will conduct annual in-person Site Visits. The Department will provide 30 days' notice prior to a Site Visit, along with a list of interview questions and documentation to be inspected. The Department reserves the right to conduct additional Site Visits as deemed necessary.

d. Field Visits

To ensure construction and deployment activities conform to the approved engineered plans and network design, the Department will conduct annual in-person Field Visits. The Department will provide 30 days' notice prior to a Field Visit, along with a list of interview questions and points to be inspected. The Department reserves the right to conduct additional Field Visits as deemed necessary.

5. Project Buildout Milestones Plan

Stage 1: Workforce Readiness

Stage 2: Permitting

Stage 3: Staging and Materials Acquisition

Stage 4: Construction and Deployment

Stage 5: Operational Readiness Transition

Stage 6: Project Close-Out

6. Prevention of Fraud, Waste, and Abuse of Grant Funds

The Grantee will establish and widely publicize a telephone number and email address for the Grantee's ethics office, or comparable entity, for the purpose of reporting fraud, waste, or abuse in the Program. Prior to the execution of this Agreement the Grantee will provide the Department with the contact information and describe when and how the contact information was made public.

Attachment B

Payment Method

1. Reimbursement Payment

Grant Funds shall be released, at minimum, monthly to the Grantee on a cost reimbursable basis, upon the Department's receipt and approval of monthly Program Financial/Progress Reports. Grantee shall include required source documentation including vendor billings, timesheets, payroll tax forms and other documentation, as requested by the Department with their submission of the Program Financial/Progress Reports. The Department shall issue payment to the Grantee for costs paid out during the reporting period in accordance with this grant agreement solely for reimbursement of eligible expenses. In no case shall the total amount of Grant Fund payments exceed the total amount of Grant Funds awarded. Under no circumstances shall the Department release Grant Funds to the Grantee or Grantee's designee unless all required Program Financial/Progress Reports are current.

2. Withholding of Ten Percent (10%)

The Department may withhold ten percent (10%) of the Grant Funds until the Department determines that the Grantee has satisfactorily completed the terms of this Agreement, including all required reporting.

Attachment C

Standard Provisions

Article 1. Definitions

“Buildout Milestone Plan” refers to a plan that defines the ability to obtain site control within the time period identified.

“Department” refers to the Department of Commerce, Community, and Economic Development within the State of Alaska.

“Funded Network” – The term “Funded Network” means any broadband network deployed and/or upgraded with BEAD Program funds.

“Asset Life” means ten years from the date of Operational Readiness.

“No Effect” means there are absolutely no effects to the species and its critical habitat, either positive or negative. A no effect determination does not include small effects or effects that are unlikely to occur.

“No Adverse Effect” means that there is an effect to the date of property, but conditions are imposed to avoid adverse effects, or the impacts are minor and do not alter the characteristics for which the property is eligible for the National Register.

“Operational Readiness” refers to the state where all aspects of a project (people, systems and processes) are fully prepared to perform their intended functions efficiently and without issues.

Article 2. Indemnification

The Grantee, its successors and assigns, will indemnify, protect, save, and hold harmless the Department and the State of Alaska and their authorized agents and employees, from any and all claims, actions, costs, damages, or expenses of any nature whatsoever, including reasonable attorney fees, by reason of the acts or omissions of the Grantee, its contractors, its contractors’ subcontractors, assigns, agents, licensees, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Agreement. The Grantee further agrees to defend the Department and the State of Alaska and their authorized agents and employees in any litigation, including payment of any costs or attorney’s fees for any claims or actions commenced thereon arising out of or in connection with acts or activities authorized by this Agreement. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Department or the State of Alaska or their authorized agents or employees, provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the Department and the State of Alaska and their agents or employees, and (b) the Grantee, its agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee, or Grantee’s contractors, its contractors’ subcontractors, assigns, agents, licensees, invitees, employees, or any person whomever arising out of or in connection with any acts or activities authorized by this Agreement.

Article 3. Legal Authority

By signing this Agreement, Grantee certifies that it possesses legal authority to accept the Grant Funds and to carry out and deliver the project described in this Agreement. The Grantee’s relation to the Department and the State of Alaska shall be at all times as an independent Grantee.

Article 4. Waivers

No conditions or provisions of this Agreement can be waived unless approved by the Department in writing. The Department’s failure to insist upon strict performance of any provision of the Agreement, or to exercise any right based upon a breach thereof, or the acceptance of any performance during such a breach, shall not constitute a waiver of any Department’s right under this Agreement.

Article 5. Access to Records

The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Agreement.

Grantee is subject to audit or review by the Department and NTIA.

Article 6. Reports

The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final close-out report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement.

Article 7. Retention of Records

The Grantee shall retain financial records, supporting documents, statistical records, and all other Grantee records pertinent to this Agreement for the longer of six (6) years after the expiration or termination of this Agreement, or six (6) years after the submission of the Department's annual performance and evaluation report, or in the applicable Federal Register notices governing the use of the funds, in which the specific activity is reported on for the final time.

The preceding requirement is, however, subject to the following exceptions:

- a. Records for property and equipment acquired with Grant Funds must be retained for six (6) years after final disposition.
- b. Records for individual activities for which there are outstanding loan balances, other receivables, or contingent liabilities must be retained for 6 years after such receivables or liabilities have been satisfied.
- c. If any litigation, claim, or audit is started before the expiration of the 6-year period, the records must be retained for 6 years after all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- d. When the Grantee is notified to do so in writing by US Treasury or NTIA, the cognizant agency for audit as defined in 2 CFR § 200.18, the oversight agency for audit as defined in 2 CFR § 200.73, the cognizant agency for indirect costs as defined in 2 CFR § 200.19, or the Department, the Grantee shall extend the retention period consistent with the notification.
- e. When records are transferred to or maintained by the US Treasury Department or NTIA, the 6-year retention requirement is not applicable to the Grantee.
- f. The retention period for the records pertaining to the earning of the program income (as defined in this Agreement) is six years and starts from the end of the Department's fiscal year in which the program income is earned; and
- g. For indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates), and their supporting records:
 - i. If submitted for negotiation, the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the Department) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 - ii. If not submitted for negotiation, the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the Department) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Notwithstanding the term of this Agreement, all records the Grantee is required to maintain, including supporting documentation, shall be retained for the greater of six (6) years from Project closeout of the Federal award to the Department, or the period required by other applicable laws and regulations as described in 2 CFR § 200.334.

The Grantee agrees to keep such records as the Department may require. Such records will include information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income. They will also include information pertaining to project performance and efforts to comply with the provisions of the Grant Agreement.

Article 8. Assignability

The Grantee shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation).

Article 9. Financial Management and Accounting

The Grantee shall establish and maintain a financial management and accounting system that conforms to generally accepted accounting principles.

Article 10. Program Income

Program income will be used first by the Grantee before drawing additional funds to complete activities included in the Project Summary and referenced application unless otherwise specified in an approved lump sum agreement. Unanticipated program income shall be used to increase the overall project budget.

Interest earned on federal, or state funds shall not be retained by the Grantee. The Grantee must remit such interest to the Department so that it can be returned to the U.S. Treasury or NTIA, and in the case of state funds, to the State of Alaska, Alaska Broadband Grant Program.

Article 11. Amendments and Modifications

The Grantee or the Department may request an amendment or modification of this Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee.

Article 12. Procurement

The Grantee and its contractors may utilize their own written procurement procedures, if those processes are consistent with the specific applicable procurement standards identified in 2 CFR §§ 200.318 through 200.327. If Grantee does not have its own procurement policies that comply with 2 CFR §§ 200.318 through 200.327, Grantee shall follow applicable state and local laws and regulations and conform to the standards identified in AS 36.30.

Article 13. State or Federal Excluded Parties List Report

The Grantee is responsible for ensuring that all sub-grantees or sub-contractors are not listed on the 'Excluded Parties List Report', either State or Federal, which identifies those parties excluded throughout the U.S. Government (unless otherwise noted) from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and non-financial assistance and benefits.

Article 14. Recordkeeping

The Grantee shall establish and maintain records sufficient to enable the Department to (1) determine whether the Grantee and its lower-tier recipients, contractors, and consultants complied with this Agreement, applicable Federal statutes and regulations, and the terms and conditions of the Department's Federal award and (2) satisfy recordkeeping requirements applicable to the Department.

Such records include but are not limited to: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets the objectives of the Program; Records required to determine the eligibility of activities; Financial records as required by 2 CFR § 200, including records necessary to demonstrate compliance with all applicable procurement requirements; Other records necessary to document

compliance with this Agreement, and any other applicable Federal statutes and regulations, and the terms and conditions of Department's Federal award.

The Grantee shall give NTIA, the Inspector General and the Department, or any of their duly authorized representatives, access to and the right to examine all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by the Grantee pertaining to this Agreement. Such rights to access shall continue as long as the records are retained by the Grantee. The Grantee agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with State laws governing open records, freedom of information or similar.

The Grantee shall include the substance of this section in all subcontracts.

Article 15. Obligations Regarding Third-Party Relationships

It is understood and agreed that this Agreement is solely for the benefit of the parties to the Grant Agreement and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement.

No permission for subcontracting shall create, between the Department or State of Alaska and the subcontractor, any contract or any relationship.

The Grantee shall remain fully obligated under the provisions of this Agreement notwithstanding its designation of any third party or parties of the undertaking of all or any part of the Project described herein. Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all lawful requirements of this Agreement necessary to ensure that the Project is carried out in accordance with the provisions of this Agreement.

The Grantee shall bind all subcontractors to each and every applicable Agreement provision. Each subcontract for work to be performed with Grant Funds shall specifically include a provision that the Department and the State of Alaska are not liable for damages or claims from damages arising from any subcontractor's performance or activities under the terms of the subcontracts.

Article 16. Conflict of Interest

No officer or employee of the Department; no member, officer, or employee of the Grantee or its designees or agents; no member of the governing body of the jurisdiction in which the Project is undertaken or located; and no other official of such locality or localities who exercises any functions or responsibilities with respect to the Project during his or her tenure, shall have any personal or pecuniary gain or interest, direct or indirect, in any contract, subcontract, or the proceeds thereof, for work to be performed in connection with the Project assisted under this Agreement.

The Grantee shall incorporate, or cause to incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this provision. The Grantee shall also disclose in writing any potential conflict of interest to the Department. Grantee understands and agrees it must maintain a conflict-of-interest policy consistent with 2 CFR § 200.318(c) and that such conflict-of-interest policy is applicable to each activity funded under this Agreement. Grantee must disclose in writing to the Department any potential conflict of interest affecting the Grant Award in accordance with 2 CFR § 200.112.

Article 17. Political Activity

No portion of the funds provided hereunder shall be used for any partisan political activity or to further the election or defeat of any candidate for public office or influence the approval or defeat of any ballot issue.

Article 18. Notices

The Grantee shall comply with all public notices or notices to individuals required by applicable state and federal laws and shall maintain a record of this compliance.

Article 19. Prohibition against Payment of Bonus or Commission

The assistance provided under this Agreement shall not be used in payment of any bonus or commission for the purpose of obtaining approval or concurrence under this contract provided, however, that reasonable fees of bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

Article 20. Termination by Mutual Agreement and Convenience

This Agreement may be terminated, in whole or in part, prior to the completion of the Project when both parties agree that continuation is not feasible or would not produce beneficial results commensurate with the further expenditure of Grant Funds. The Department will determine whether an environmental review of the cancellation is required under State and/or Federal law. The parties must agree on the termination conditions, including effective date and the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date of the termination and shall cancel as many outstanding obligations as possible. The Department shall make Grant Funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

The Department may terminate this Agreement at any time, in whole or in part, for any reason determined by the Department to be in the Department's best interest. The Department shall make Grant Funds available to the Grantee to pay for allowable expenses incurred before the effective date of termination.

Article 21. Termination for Cause

If the Grantee fails to comply with the terms of this Agreement, or fails to use the Grant Funds for only those purposes set forth herein, the Department may take the following actions:

- A. Suspension - After notice in writing by certified mail to the Grantee, suspend the Grant and withhold any further payment or prohibit the Grantee from incurring additional obligations of Grant Funds, pending corrective action by the Grantee or a decision to terminate. Grantee shall respond within fifteen (15) days of receipt of the written notice.
- B. Termination - Terminate the Grant in whole or in part, at any time before the final Grant payment is made. The Department shall promptly notify the Grantee in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Payments made to the Grantee or recoveries by the Department shall be in accordance with the legal rights and liabilities of the parties.

Article 22. Withdrawal of Funds

In the event funding from the state, federal, or other sources is withdrawn, reduced, or limited in any way after the Effective Date of this Agreement and prior to Project completion, the Department may terminate the Agreement, reduce funding, or re-negotiate subject to those new funding limitations and conditions. A termination under this article shall be implemented under the same conditions as a termination under Article 21 of this Attachment.

Article 23. Recovery of Funds

In the event of a default or violation of the terms of the Grant Agreement by the Grantee, the Department may institute actions to recover all, or part of the project funds paid to the Grantee. Repayment by the Grantee of grant funds under this recovery provision shall occur within thirty (30) days of demand.

All remedies conferred on the Department by this Grant Agreement, or any other instrument or agreement are cumulative, not exclusive, and may be exercised concurrently or consecutively at the Department's option.

Article 24. Sanctions

In the event of a Recipient's noncompliance with applicable law or Program requirements or guidance, NTIA may impose additional conditions on the receipt of additional Alaska Broadband Grant Program funds by the Recipient, terminate further payments from the Alaska Broadband Grant Program, seek the repayment of previous Alaska Broadband Grant Program payments, or take other available remedies pursuant to 2 CFR §200.339.

Article 25. Disputes

Except as otherwise provided in this agreement, any dispute arising under this Agreement that is not disposed of by mutual agreement shall be decided by the Department, which shall reduce its decision to writing and mail, or otherwise furnish a copy thereof, to the Grantee. The decision of the Department may be appealed to the Commissioner. Any appeal to the Commissioner shall be served upon the Commissioner within 15 days of the Department's providing notice of decision to the Grantee. The Commissioner shall decide an appeal within 30 days of its receipt and provide the decision on appeal in writing to the Grantee within that time frame. All notices required to be provided hereunder shall be deemed delivered when delivered by e-mail or when received by Grantee when sent by certified mail, return receipt requested.

Article 26. Jurisdiction and Venue

This grant agreement shall be governed by the laws and statutes of the State of Alaska. The venue of any suit hereunder shall be in the Superior Court for the First Judicial District, Juneau, Alaska.

Article 27. Ownership of Project/Capital Facilities

The Department makes no claim to any capital facilities or real property improved or constructed with funds under this Agreement and, by this Grant does not and will not acquire any ownership interest or title to such property of the Grantee. The Grantee shall assume all liabilities arising from the ownership and operation of the Project.

Article 28. Site Control

If the Project involves the occupancy and use of real property, the Grantee assures that it has the legal right to occupy and use such real property for the purposes of this Agreement, and further that there is legal access to such property. Grantee's failure to obtain site control within the time period identified in the Buildout Milestone Plan constitutes a breach of this Agreement.

Article 29. Insurance

The Grantee shall maintain insurance as required in Appendix B to the Agreement.

Article 30. Subcontracts for Engineering Services

In the event that the Grantee subcontracts for engineering services, the Grantee will require that the engineering firm certify that it is authorized to do business in the State of Alaska. The Grantee shall require any engineering firm or other licensed professionals hired to work on the Project to be insured and bonded as required in Appendix B to this Agreement.

Article 31. Compliance with Laws

The Grantee shall perform all aspects of this Project in compliance with all appropriate federal, state and local laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operation of this project by the federal, state or local governments have been obtained.

Article 32. Budget Flexibility

Notwithstanding the provisions of Article 11, Attachment C, the Grantee may revise the project budget in Attachment A without a formal amendment to this Agreement. Such revisions are limited within each budget line item to a maximum of 10% of the line item or \$10,000, whichever is less, over the entire term of this Grant Agreement. Such budget revisions shall be limited to changes to existing budget line items. Budget revisions may not be used to increase any budget item for project administrative expenses. Changes to the budget beyond the limits authorized by this provision may only be made by a formal amendment to this Agreement as required by Article 11, Attachment C.

Article 33. Equal Employment Opportunity (EEO)

During the term of this Agreement, the Grantee agrees as follows:

(1) The Grantee will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Grantee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their

race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Grantee will, in all solicitations or advertisements for employees placed by or on behalf of the Grantee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Grantee will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The Grantee will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Grantee's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

Article 34. Operation and Maintenance

Throughout the useful life of the Project, the Grantee, its successors or assigns, shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this Grant Agreement.

Article 35. Assurance

The Grantee shall spend Grant Funds under this Agreement only for the purposes specified in this Agreement.

Article 36. Current Prevailing Rates of Wage

Certain grant projects are constrained by the provisions of AS 36. PUBLIC CONTRACTS. To the extent that such provisions apply to the Project, which is the subject of this Agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. The Grantee shall also require any contractor and their subcontractors to pay the current prevailing rates of wage as required by AS 36.05.010.

Article 37. Severability

If any provision of this Agreement is declared invalid, illegal, or unenforceable by any court having jurisdiction under this Agreement, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement.

Article 38. Performance

The Department's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right based upon breach thereof or the acceptance of any performance during such breach, shall not constitute a waiver of any of the Department's rights under this Agreement.

Article 39. Sovereign Immunity

If the Grantee is an entity which possesses sovereign immunity, it is a requirement of this Grant Agreement that the Grantee irrevocably waive its sovereign immunity with respect to state enforcement of this Agreement. The waiver

of sovereign immunity shall be affected by a resolution of the entity's governing body or as required by the Sovereign's constitution, and it hereby incorporated into this Agreement.

Article 40. Audit Requirements

The Grantee, including all for-profit entities, shall comply with the audit requirements established in 02 AAC 45.010 and U.S. Office of Management and Budget 2 CFR § 200, Subpart F – Audit Requirements as set forth in Appendix A of this Agreement.

Article 41. Close-Out

The Department will advise the Grantee to initiate close-out procedures when the Department determines, in consultation with the Grantee, that there are no impediments to close-out and that the following criteria have been met or soon will be met:

- a. All costs to be paid with grant funds have been incurred with the exception of close-out costs and any unsettled third-party claims against the Grantee. Costs are incurred when goods and services are received, or contract work is performed.
- b. The last required performance report has been submitted. The Grantee's failure to submit a report will not preclude the Department from effecting close-out if it is deemed to be in the State's interest. Any excess grant amount that may be in the Grantee's possession shall be returned by the Grantee, within 30 days of notice, in the event of the Grantee's failure to finish or update the report.
- c. Other responsibilities of the Grantee under this Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further Department interest in keeping the Grant open for the purpose of securing performance.
- d. The Grantee shall closeout its use of the Grant and its obligations under this Agreement by complying with the closeout procedures in 2 CFR § 200.344. Activities during this closeout period may include, but are not limited to:
 1. Making final reimbursements,
 2. Disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Department), and
 3. Determining the custodianship of records.

Article 42. Property Standards

Grantee shall comply with the property provisions of 2 CFR §§ 200.310 – 316. These standards shall apply from the date Grant Funds are first spent for the property until five years after closeout of the Grant. The Grantee may not change the use or planned use of any such property (including the beneficiaries of such use) from that for which the acquisition or improvement was made, unless the Grantee complies with 2 CFR § 200.311 and any other applicable federal statute, rule or regulation.

Article 43. Notices.

All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") must be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by each Party from time to time in accordance with this Section). The Parties shall deliver Notices by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or email (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage pre-paid). Notwithstanding the above, notices or other communications can also be deemed as delivered when sent by email with confirmation of read receipt requested or, in the absence of a read receipt, five (5) business days after the Notice was sent. In any event, a Party's reply must not be unreasonably withheld. If Notice is sent by email, then to Department at caa@alaska.gov; and to Grantee at the email address set forth on the first page of this Agreement.

Appendix A

Monitoring and Audit Regulations

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR § 200 apply to this Grant Agreement, except for any provisions the Department may determine are inapplicable to an award and subject to such exceptions as may be otherwise provided by NTIA. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

I. Monitoring

Grantees must constantly monitor performance to ensure that time schedules are being met, projected milestones are being accomplished, and other performance goals are being achieved in accordance with this Agreement. In addition, all Project activities must be conducted in compliance with federal and state requirements. Problems, delays, or adverse conditions affecting the Grantee's ability to meet this Agreement's objectives or time schedules should be reported to the Department immediately. The Grantee may report these matters via the Monthly Report form or may provide Notice to the Department, as appropriate, at any other time.

The Department may conduct monitoring visits, as necessary, to provide technical assistance and to ensure that the Grant is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this Agreement. In addition to providing technical assistance, the Department may, at appropriate times during program activities, review the Grantee's records to ensure that all applicable state and federal requirements are being met. The Department's emphasis will be on preventing and correcting problems before they develop into serious obstacles to Program implementation. These reviews may include: (1) reviewing Financial/Progress Reports and Performance Reports required by the Department; (2) following up and ensuring that the Grantee takes timely and appropriate action on all deficiencies pertaining to the Grant provided to the Grantee from the Department detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Agreement provided to the Grantee from the Department as required by 2 CFR § 200.521.

The Grantee shall permit the Department and federal and state auditors to have access to the Grantee's records and financial statements.

II. Audit

The Grant Award is subject to U.S. Office of Management and Budget 2 CFR § 200, Subpart F – Audit Requirements.

1. Grantees must contract for annual independent audits of their financial operations, including compliance with Federal and State laws and regulations. The contracts for independent audit must be done in accordance with 2 CFR § 200, Subpart F, if the following circumstances occur:
 - a. If Grantee expends \$750,000 or more in a year in total federal funds (Program funds plus any other federal funds), they must submit an annual audit that should be made in accordance with 2 CFR § 200, Subpart F. This audit should also include a Project Cost Schedule and a Source and Application of Funds Schedule.
2. Grantees that expend less than \$750,000 in a year in total Federal (Program funds plus any other federal funds) awards are exempt from Federal (but not State) audit requirements for that year.

However, records must be available for review. In these cases, a copy of the State Audit as well as the Project Cost Schedule and Source and Application of Funds Schedule must be submitted.

3. Grantees are required to submit audits according to State laws and regulations.
4. Audits must include an examination of internal control systems established to ensure compliance with laws and regulations affecting the expenditure of Grant Funds, financial transactions, and accounts and financial statements, and reports of Grantee organizations. These examinations are to determine whether:
 - a. There is effective control over and proper accounting for revenues, expenditures, assets and liabilities.
 - b. The financial statements are presented fairly in accordance with generally accepted governmental accounting principles.
 - c. The monthly reports to the Department contain accurate and reliable financial data and are presented in accordance with the terms of this Agreement.
 - d. Grant Funds are being expended in accordance with the terms of this Agreement and those provisions of Federal and State law or the Department regulations that could have a material effect on the financial statements.
5. To accomplish the purposes set forth above, a representative number of charges to the Grant award shall be tested. The test shall be representative of all cost categories that materially affect the Grant. The test is to determine whether the charges:
 - a. Are necessary and reasonable for the proper administration of the program.
 - b. Conform to any limitations or exclusions of the Grant itself.
 - c. Were given consistent accounting treatment and applied uniformly to the Grant and other activities of the Grantee.
 - d. Were net of applicable credits.
 - e. Did not include costs properly chargeable to other programs.
 - f. Were properly recorded (i.e., correct amount and date) and supported by source documentation.
 - g. Were approved in advance if subject to prior approval.
 - h. Were incurred in accordance with competitive purchasing procedures if applicable.
 - i. Were allocated equitably to benefiting activities, including non- Program activities.
6. If an acceptable annual audit is completed within a short period of time prior to closeout of a Grant, the Department will request reimbursement documentation of the unaudited funds and then formally close the Agreement.
7. If the auditor becomes aware of irregularities in the Grantee organization, the auditor shall promptly notify the Department and Grantee management officials above the level of involvement. Irregularities include such matters as conflicts of interest, falsification of records and reports, and misappropriation of funds or other assets.
8. The annual audited financial statements shall include:
 - a. A statement that the audit was conducted in accordance with 02 AAC 45.101 and 2 CFR § 200, Subpart F.
 - b. Financial statements, including the schedule of expenditures of Federal awards, including footnotes, of the Grantee organization.
 - c. The auditor's report on the financial statement which should:
 - (i) Identify the statements examined and the period covered.
 - (ii) State that the audit was done in accordance with the Generally Accepted Government Auditing Standards.

- (iii) Express an opinion as to whether the financial statements of the Grant are presented fairly in all material respects in conformity with the stated accounting policies.
 - (iv) Report on internal controls related to the Grant, which shall describe the scope of testing of internal control and the results of the test.
 - (v) Report on compliance which includes an opinion as to whether the audit is in compliance with laws, regulations, and the provisions of this Agreement which could have a direct and material effect on the Grant.
 - (vi) Include a schedule of findings and questioned costs for the Grant.
 - (vii) Identify the major programs.
 - (viii) State the dollar threshold used to distinguish between programs.
 - (ix) Determine whether the audit qualifies as a low-risk audit.
9. The auditor's reports on compliance and internal control should:
- a. Include comments on weaknesses or noncompliance with the systems of internal control, separately identifying material weaknesses.
 - b. Report the scope of testing of internal control and the results of the tests, and where applicable, a separate schedule of findings and questioned cost.
 - c. Include a statement that the audit is in compliance with laws, regulations, and the provisions of this Agreement that could have a direct and material effect on each major program according to the Federal and State law and where applicable, a separate schedule of findings and questioned cost.
 - d. Provide a Summary Schedule of prior audit findings that report the status of all audit findings included in the prior audit's schedule of findings and questioned costs relative to Grant. The Summary Schedule shall also include audit findings reported in the prior audit's schedule of prior audit findings except audit findings listed as corrected.
 - e. When audit findings were fully corrected, the summary schedule need only list the audit findings and state which corrective action was taken or provide a statement of planned actions taken by Grantee.
 - f. A Source and Application of Funds Schedule and a Project Cost schedule for all Grant Funds. This Agreement number should also be shown. Please note that if the Grantee's total federal expenditures meet or exceed the guidelines of 2 CFR §200, Subpart F, (\$750,000), the Federal Schedule of Financial Assistance can be substituted for the Source and Application of Funds Schedule.
 - g. Comments on the accuracy and completeness of financial reports or reimbursement to the Department.
 - h. Comments on corrective action taken or planned by the Grantee.
10. Work papers and reports must be retained for a minimum of six (6) years from the date of the audit report, unless the auditor is notified in writing by the Department of the need to extend the retention period. The audit work papers must be made available upon request of the Department or its designees and the General Accounting Office or its designees.
11. When an audit discloses significant findings, the Grantee will be called upon by the Department to take corrective action. Depending upon the nature of the inadequacies, drawdown of funds, final closeout or subsequent disbursement of Grant Funds may be delayed or denied until corrective action has been taken.

III. Corrective Actions

The Department may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. The Department may require the Grantee to take timely and

appropriate action on all deficiencies pertaining to the Grant provided to the Grantee from the pass-through entity detected through audits, on-site reviews, and other means. In response to audit deficiencies or other findings of noncompliance with this Agreement, the Department may impose additional conditions on the use of the Grant Funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance. The Grantee shall be subject to reviews and audits by the Department, including on-site reviews of the Grantee as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2).

Appendix B

Insurance and Bonding

Grantee agrees it will comply with the following insurance and bonding requirements for itself, its contractors and its contractor's subcontractors.

I. Insurance

Without limiting Grantee's and Grantee's contractor's indemnification, it is agreed that the Grantee and Grantee's contractors shall purchase at their own expense and maintain in force at all times during the performance of services under this grant agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the policy contains higher limits, the Department shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a thirty (30) day prior notice of cancellation, non-renewal or material change. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach and grounds for termination of the grant agreement and/or contractor's services.

1.1 Worker's Compensation Insurance

The Grantee and its contractors shall provide and maintain, for all employees of the Grantee and its contractors engaged in work under this contract, Worker's Compensation Insurance as required by AS 23.30.045. The Grantee's contractor shall be responsible for Worker's Compensation Insurance for any subcontractor who directly or indirectly provides services under this grant agreement. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection is not less than \$100,000.00 per occurrence. Where applicable, coverage for all federal acts (i.e., USL &H and Jones Acts) must also be included.

1.2 Comprehensive (Commercial) General Liability Insurance

With coverage limits not less than \$1,000,000.00 combined single limit per occurrence and annual aggregates where generally applicable and shall include premises-operations, independent contractors, products/completed operations, broad form property damage, blanket contractual and personal injury endorsements. The Department shall be named as an additional insured.

1.3 Comprehensive Automobile Liability Insurance

Covering all owned, hired, and non-owned vehicles with coverage limits not less than \$500,000.00 per person/\$1,000,000.00 per occurrence bodily injury and \$50,000.00 property damage.

1.4 Professional Liability Insurance

Covering all errors, omissions or negligent acts of the contractor, subcontractor or anyone directly or indirectly employed by them, made in the performance of this contract which result in financial loss to the State. Limits required are per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$100,000 per occurrence/\$300,000 annual aggregate
\$100,000-\$499,999	\$500,000 per occurrence/\$1,000,000 annual aggregate
\$500,000-\$999,999	\$1,000,000 per occurrence/\$2,000,000 annual aggregate
\$1,000,000 or over	\$2,000,000 per occurrence/\$5,000,000 annual aggregate

II. Bonding or Letter of Credit

Applicants must provide a form of project performance security choosing from three options.

2.1. Option 1: 25% Irrevocable Standby Letter of Credit from a Bank or Credit Union.

If option 1 is selected, as a condition of approval of the grant award, the successful subgrantee must submit an Irrevocable Standby Letter of Credit (using the template provided as [Exhibit A](#)) equal to 25% of the total project cost and a Bankruptcy Opinion of Counsel Letter, using the template provided as [Exhibit B](#).

2.2. Option 2: 100% Performance Bond.

As a condition of approval of the grant award, the successful subgrantee must obtain and submit a performance bond, acceptable in all respects to the ABO and in a value of no less than 100% of the total project cost. No Bankruptcy Opinion of Counsel Letter is required when Option 2 is used.

2.3. Option 3: 10% Alternative Letter of Credit or Performance Bond.

Under Option 3 applicants must follow all the requirements of Option 1 or Option 2, but may reduce the amount, of Option 1 - 25% Irrevocable Standby Letter of Credit or Option 2 – 100% Performance Bond, to 10% if the applicant agrees to the following requirements upon becoming a successful subgrantee:

2.3.1. Reimbursement.

The Alaska Broadband Office issues funding to the subgrantee on a reimbursable basis consistent with Section IV.C.1.b of the federal BEAD NOFO.

2.3.2. Reporting.

Financial Progress Reports, and corresponding requests for reimbursement must be submitted monthly by the subgrantee.

2.3.3. Maintenance of Letter of Credit or Performance Bond.

The subgrantee commits to maintain a letter of credit or performance bond in the amount of 10% of the subaward until it has demonstrated to satisfaction of the ABO that it has completed the buildout of 100 percent of locations to be served by the project or until the period of performance of the subaward has ended, whichever occurs first.

2.4. LEO Provider Requirements

A LEO provider may reduce its Letter of Credit or performance bond by 50% at the point of certification that service is available to each location in the project area. The Letter of Credit or performance bond can be reduced by an additional 25% of the original amount after the subscription rate reaches at least 25% of all locations in the project area and may be closed out once the subscription rate reaches 50%. The reduction in the Letter of Credit obligations continues to be allowable even if the subscription rate later drops. Regardless of the subscription rate, the Letter of Credit may be terminated four years after the LEO Capacity Subgrantee certifies that it can initiate broadband service within 10 business days of a request to any covered BSL in the project area. Proof of subscription rate must be provided to the Department, upon which written permission will be provided to the LEO Grantee to reduce the amount of the Letter of Credit or performance bond. New Letters of Credit or performance bonds must be provided to the Department within five days of execution.

Appendix C

State Laws and Regulations

The Grantee shall comply with the following state Laws and regulations to the extent applicable to the Project. The identification of state laws and regulations is not an exhaustive list and other state laws and regulations may apply to the Project.

Historic Preservation Act AS 41.35

This chapter of the Alaska Statutes applies to public construction of any nature undertaken by the State, or by a governmental agency of the State, or by a private person under contract with or licensed by the State or a governmental agency of the State. The Department of Natural Resources (DNR) must be notified if the construction is planned for an archaeological site. The DNR may stop the construction to determine the extent of the historic, prehistoric, or archaeological values.

Fire Protection AS 18.70

This chapter of the Alaska Statutes requires the Department of Public Safety (the State Fire Marshal) to adopt regulations (currently in the form of Uniform Fire Code, as amended) establishing minimum standards for:

1. Fire detection and suppression equipment.
2. Fire and life safety criteria in commercial, industrial, business, institutional, or other public buildings used for residential purposes containing four or more dwelling units.
3. Any activity in which combustible or explosive materials are stored or handled in commercial quantities.
4. Conditions or activities carried on outside a building described in (2) or (3) likely to cause injury to persons or property.

Environmental Conservation AS 46.03

This chapter of the Alaska Statutes applies to municipalities and could subject them to enforcement actions instituted by the Alaska Department of Environmental Conservation (ADEC) for air, land and water nuisances, and water and air pollution in a municipality of 1,000 or more and may establish a local air pollution control program.

Permits and Environmental Procedures

The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water or soil. There are dozens of ADEC permits related to constructing and operating public buildings and infrastructure projects. To the extent applicable to the Grantee's project(s), state and federal laws may require the following permits, including others designated by the commissioner. The following list is informational only and not intended to be all-inclusive. The Grantee is responsible for confirming with ADEC which permits are required for the Grantee's project(s).

Air Emissions Permit	Encroachment Permit
Anadromous Fish Protection Permit	Miscellaneous State Land Use Permit
Authorization for Tidelands Transportation	Mineral and Geothermal Prospecting Permits
Brine or Other Saltwater Waste Disposal Permit	Occupied Tide and Submerged Land
Burning Permit during Fire Season	Open Burning Permit
Coal Development Permit	Permit for Use of Timber or Materials
Critical Habitat Area Permit	Permit to Appropriate Water
Dam Construction Permit	Pesticides Permit
Driveway Permit	Preferred Use Permit
	Right-of-Way and Easement Permits

Solid Waste Disposal
Special Land Use Permit
State Game Refuge Land Permit
State Park Incompatible Use Permit
Surface Oiling Permit
Surface Use Permit
Tide and Submerged Lands Prospecting Permit
Tidelands Permit
Tidelands Right-of-Way or Easement Permit
Utility Permit
Wastewater Disposal Permit
Water Well Permit

Appendix D

Special Requirements and Assurances for Federally Funded Projects

The Grantee assures compliance with all applicable federal laws and regulations. The following laws, regulations, and requirements may be applicable to the design, implementation, and administration of the Project.

Grantee and Grantee's contractors shall comply with the applicable Federal Laws and Regulations including but not limited to:

1. Grantee agrees to comply with the requirements of Section 60101-60401 of the Infrastructure and Jobs Act (2021).
2. The Grant Funds allocated in connection with this Agreement are considered to be federal financial assistance, subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance, 2 CFR § 200.303 regarding internal controls and §§ 200.330 through 200.332.
 - 2.1. To the extent required to comply with 2 CFR § 200, Subpart F - Audit Requirements, Grantee shall complete an audit at the end of the Grantee's fiscal year ending after December 30 each year.
 - 2.2. Grant Award funds awarded hereunder count toward the \$750,000 or more threshold applicable to federal awards spent during the fiscal year, which triggers 2 CFR § 200, Subpart F regarding audit requirements for nonprofits or governmental entities.
 - 2.3. Nonprofit and local government subrecipients that expend \$750,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of the OMNI Circular, OMB Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR § 200.
 - 2.4. These audit requirements do not generally apply to for-profit business; however, the Department remains responsible for ensuring compliance with NTIA requirements through the implementation of audit and monitoring controls pursuant to 2 CFR § 200.501(h). Accordingly, the requirements of this Section shall apply to Grantee and Grantee's Contractors. Grantee shall require and cause any Grantee Contractor or subgrantee or subrecipient used by Grantee in connection with the Grant Award to agree to and be subject to and bound by such terms and provisions.
3. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR § 200, other than such provisions as NTIA may determine are inapplicable to this Grant Award and subject to such exceptions as may be otherwise provided by NTIA. Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
4. Obtaining and Maintaining a Unique Entity Identifier (UEI) in the System for Award Management (SAM), 2 CFR § 25, as set forth in Appendix A to 2 CFR § 25 is hereby incorporated by reference. The Department will require Grantee to obtain a UEI and to provide corresponding account information before any payments will be made under a Grant Award.

5. Developing appropriate internal control procedures consistent with 2 CFR §200.303. d. Reporting Subaward and Executive Compensation Information, 2 CFR §170, pursuant to which the award term set forth in Appendix A to 2 CFR § 170 is hereby incorporated by reference.
6. Federal Funding Accountability and Transparency Act (FFATA) of 2006. In accordance with 2 CFR § 170, all recipients of a federal award made on or after October 1, 2010, are required to comply with reporting requirements under the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282).
7. If at any time, the total amount of federal funds reaches a value exceeding \$10,000,000.00 including currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies for any period of time during the period of performance of an award made under the Alaska Broadband Grant Program, the grantee is subject to the requirements specified in Appendix XII to 2 CFR § 200 for maintaining the currency of information reported to SAM that is made available in the Federal Awardee Performance and Integrity Information System (FAPIIS) about certain civil, criminal, or administrative proceedings involving the recipient.
8. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (not procurement), 2 CFR § 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 CFR § 180, Subpart B) that the Grant Award is subject to 2 CFR § 180 and Treasury's implementing regulation at 31 CFR § 19.
9. Subrecipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 CFR § 200, Appendix XII to § 200 is hereby incorporated by reference.
10. Governmentwide Requirements for Drug-Free Workplace, 31 CFR § 20.
11. New Restrictions on Lobbying, 31 CFR § 21. These regulations require certification by Grantee (and Grantee's Contractors) that they have not engaged in prohibited lobbying activities and/or have filed any required disclosures in accordance with applicable laws. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code; any person who fails to file the required certification may be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. In accordance with these Applicable Laws, Subrecipient certifies the following:
 - 11.1. No federal funds have been paid or will be paid by, or on behalf of Grantee, to any person for influencing or attempting to influence an officer or employee of the Department, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - 11.2. If any funds other than federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of the Department, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any federal contract, grant, loan, or cooperative agreement, Subrecipient must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
12. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

13. Contract provisions for non-federal entity contracts under federal awards (Appendix II, 2 CFR § 200). All contracts entered into by Grantee must comply with the following:

- 13.1. All prime construction contracts in excess of \$10,000 must address termination for cause and for convenience by a non-Federal entity, the manner in by which it will be affected, and the basis for settlement.
- 13.2. All federally assisted construction contracts must contain an Equal Employment Opportunity provision in accordance with Executive Order 11246 (30 FR 12319, 12935, 3 CFR §§ 1964-1965 Comp. p. 339) as amended by Executive Order 11375 and implementing regulations at 41 CFR § 60 “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- 13.3. All prime construction contracts greater than \$2,000 must include a provision for compliance with the Davis-Bacon Act and the Copeland “Anti-Kickback” Act, if applicable.
- 13.4. It is prohibited to procure or renew contracts on telecommunications and video surveillance services or equipment from Huawei Technologies or ZTE Corporation, including any subsidiary or affiliate of these entities.
- 13.5. Contracts and subgrants in excess of \$150,000 must contain a provision of compliance with the Clean Air Act and the Federal Water Pollution Control Act.
- 13.6. Contractors in contracts in excess of \$100,000 must file the required certification in accordance with the Byrd Anti-Lobbying Amendment.
- 13.7. If the Federal award meets the definition of “funding agreement”, contracts entered into with small business firms or nonprofit organizations for the purpose of experimental, developmental, or research work must include provisions of “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements.”
- 13.8. All contracts in excess of \$100,000 that employ mechanics or laborers must include a provision for compliance with Contract Work Hours and Safety Standards Act.
- 13.9. No contract shall be awarded to a contractor in violation of 2 CFR § 200.215 and regulations implementing Never Contract with the Enemy in 2 CFR §183.
- 13.10. No contract shall be awarded to a contractor included on the federally debarred bidder’s list. The list of entities that are not allowed to do business with the Federal government can be found at [SAM.gov](https://sam.gov).
- 13.11. Section IV.C.1.b Broadband Equity Access and Deployment (BEAD) Federal Notice of Funding Availability reimbursement basis principles.

14. The Uniform Federal Accessibility Standards (UFAS), as published by the United States Access Board.

15. The Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA and certain related federal environmental laws, statutes, regulations, and Executive Orders found in 7 CFR § 1970.

The Native American Graves Protection and Repatriation Act (25 USC 3001 et seq., 43 CFR § 10.4); (ix) the Communications Act of 1934, as amended, (47 U.S.C. § 151 et seq.).

16. The Clean Air Act and the Federal Water Pollution Control Act; and

17. The Telecommunications Act of 1996, as amended (Pub. L. 104-104, 110 Stat. 56 (1996); and the Communications Assistance for Law Enforcement Act (47 U.S.C. § 1001 et seq.).

18. Grantee and its contractors, subcontractors and subrecipients are the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

19. The Infrastructure and Jobs Act of 2021 (47 USC 16 §1702)

The grantee will comply with the provisions and regulations identified including procurement regulations, project requirements, equity requirements, and all other provisions identified in the Infrastructure and Jobs Act in particular, the Build America, Buy America procurement preference. Pub. L. 117-58, 135 Stat. 429, 70901-70927.

20. Federal Communications Commission (FCC) Ownership Disclosures (47 CFR § 1.2112 (a)(1)-(7))

The grantee must require as part of any contracted relationship acquired through competitive bidding, licensing, authorization, assignment, or transfer of control related to the Funded Network through Alaska Broadband Grant Program funding, that the other entities disclose information related to the business and identity of the other parties in accordance with FCC guidelines.

21. Federal Communications Commission (FCC) Digital Opportunity Data Filing Requirements (47 CFR § 1.7004)

The grantee will comply with all reporting requirements identified by the Federal Communications Commission or any successor regulation for broadband infrastructure projects. Data will be reported to the Department demonstrating compliance with applicable requirements.

22. Access Broadband Act (47 USC § 1307, and Infrastructure Act § 60105)

Grantees are required to support Department reporting requirements as requested in support of federal agency obligations under these Acts.

23. Trade Secrets Act (as amended 18 USC 1905)

Grantees will protect confidential and proprietary information from public disclosure consistent with the Trade Secrets Act.

24. Economic Espionage Act of 1996 (18 USC 1831 et. seq.)

Grantees will protect confidential and proprietary information from public disclosure consistent with the Economic Espionage Act of 1996.

25. Protected Critical Infrastructure Information (6 CFR § 29)

Grantees will mark any documents submitted to the Department that may be considered law-enforcement sensitive or otherwise important to national security interests during the course of grant administration activities.

26. Sensitive Security Information (49 CFR § 1520)

Grantees will mark any documents submitted to the Department that may be considered law-enforcement sensitive or otherwise important to national security interests during the course of grant administration activities.

27. The National Historic Preservation Act of 1966 (16 USC 470, 36 CFR § 800)

Prior to undertaking any activity under this contract, the Grantee shall evaluate the effects of the activity on any district, site, building structure, and object listed in, or eligible for, the National Register of Historic Places; and shall give the Alaska State Historic Preservation Office a reasonable opportunity to comment on the proposed activity.

28. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971

The Grantee shall assure that plans for federally funded projects contribute to the preservation and enhancement of sites, structures, and objects of historical, architectural, or archaeological significance.

29. The National Environmental Policy Act (NEPA of 1969 (42 USC Section 4321 et seq.))

The Grantee shall comply with the provisions of the National Environmental Policy Act of 1969. The purpose of this Act is to attain the widest use of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences. Environmental review procedures, including determining and publishing a Finding of Significance or of No Significance for a proposal, are a necessary part of this process. Pursuant to these provisions, the Grantee must also submit environmental certifications to the Department when requesting that funds be released for the project. The Grantee must certify that the proposed project will not significantly impact the environment, and that the Grantee has complied with environmental regulations and fulfilled its obligations to give public notice of the funding request, environmental findings, and compliance performance.

30. Coastal Zone Management Act of 1972, As Amended (16 USC 1451 et seq.)

The Grantee may be subject to the review provisions of Section 307 of the Coastal Zone Management Act (CZMA) and implementing regulations 15 CFR § 930. Questions as to the applicability of the CZMA consistency provisions should be directed to the Office of Ocean and Coastal Resource Management (OCRM), Coastal Services Center within the National Oceanic and Atmospheric Administration (NOAA).

31. The Endangered Species Act of 1973, As Amended (16 USC 1531 et seq.) The Grantee shall comply with the Endangered Species Act of 1973, as amended. The intent of this Act is to ensure that all federally assisted projects seek to preserve endangered or threatened species. Federally authorized and funded projects must not jeopardize the continued existence of endangered and threatened species or result in the destruction of or modification of habitat of such species which is determined by the U.S. Department of the Interior, after consultation with the state, to be critical.

32. Magnuson – Stevens Fishery Conservation and Management Act (MSA)

The Grantee shall comply with the Magnuson-Stevens Fishery Conservation and Management Act (MSA) the primary law that governs marine fisheries managements in U.S. federal waters. Consultation with the National Marine Fisheries Service (NMFS) may be required if Essential Fish Habitat (EFH) is present where project activity will occur. The trigger for EFH consultation is a federal agency's determination that an action or proposed action, funded, authorized, or undertaken by that agency may adversely affect EFH.

33. Marine Mammal Protection Act (MMPA)

The Grantee shall comply with the Marine Mammal Protection Act which prohibits actions that may result in taking of any marine mammal. Taking is defined as “to harass, hunt, capture, or kill, or attempt to harass, hunt, capture, or kill any marine mammal.” Any Agency actions with the potential to take a marine mammal require consultation with the National Marine Fisheries Service (NMFS) (for seals, sea lions, whales, dolphins, and most marine mammals) or U.S. Fish & Wildlife Service (FWS) (sea otters, polar bears, walruses, manatees, and dugongs) following a process similar to Endangered Species Act Section 7 consultation.

34. Clean Water Act (CWA)

Grantees may be required to obtain a permit to dispose of dredge or fill material in the Nation’s waters, including wetlands. Authorized by Section 404 of the Act, this permit program is administered by the U.S. Army Corps of Engineers (USACE), subject to and using environmental guidance from the Environmental Protection Agency (EPA). Some types of activities are exempt from permit requirements, including certain farming, ranching, and forestry practices that do not alter the use or character of the land; some construction and maintenance; and activities already regulated by States under other provisions of the Act.

35. The Clean Air Act, (CAA) as Amended (42 USC 7409, 7410, 7502-7514, 7571-7574)

The Grantee shall comply with the Clean Air Act (CAA), which prohibits (1) engaging in, (2) supporting in any way or providing financial assistance for, (3) licensing or permitting, or (4) approving any activity which does not conform to the state implementation plan for natural primary and secondary ambient air quality standards. The Grantee shall ensure that the facilities under its ownership, lease, or supervision which shall be utilized in the accomplishment of the program are not listed on the U.S. Environmental Protection Agency’s (EPA) list of Violating Facilities and that it will notify the Agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by EPA

36. National Historic Preservation Act (NHPA) of 1974 (54 USC 300101)

The Grantee shall comply with regards to historic preservation. Section 106 of NHPA (54 USC § 306108) with provisions for the preservation of historical properties that might otherwise be irreparably lost or destroyed as a result of any alteration of the terrain caused as a result of any federal construction project or federally licensed activity or program. Whenever any federal agency finds or is notified in writing by an appropriate historical or archaeological authority, that its activities in connection with any federal construction project or federally licensed project, activity, or program may cause irreparable loss or destruction of significant scientific, prehistoric, historical, or archaeological data, and afford the Advisory Council on Historic Preservation a reasonable opportunity to comment with regard to such undertaking.” Special conditions may be required on projects that could affect historic resources.

37. Coastal Barrier Resources Act (CBRA) (16 USC Sections 3501 et seq.)

The Grantee shall comply with the Coastal Barrier Resources Act. The intent of this is to minimize the loss of human life, wasteful expenditure of Federal revenues, and the damage to fish, wildlife, and other natural resources associated with coastal barriers by restricting future Federal expenditures and financial assistance which have the effect of encouraging development of coastal barriers, by establishing a Coastal Barriers Resources System, and by considering the means and measures by which the long-term conservation of these fish, wildlife, and other natural resources may be achieved.

38. Rivers and Harbors Act

Grantees may be required to comply with Section 10 of the Rivers and Harbors Act of 1899 which requires authorization from the Secretary of the Army, acting through the Corps of

Engineers (USACE), for the construction of any structure in or over any navigable water of the United States. The law applies to any dredging or disposal of dredged materials, excavation, filling, re-channelization, or any other modification of a navigable water of the United States, and applies to all structures, from the smallest floating dock to the largest commercial undertaking. A permit may be required from the USACE if the proposed activity involves any work in, over, or under navigable waters of the United States.

39. Resource Conservation and Recovery Act (RCRA)

Grantees may be required to comply with the Resource Conservation and Recovery Act (RCRA) which gives EPA the authority to control hazardous waste from cradle to grave. This includes the generation, transportation, treatment, storage, and disposal of hazardous waste. A RCRA permit may be required from the EPA or designated state agency for the long-term storage, treatment, or disposal of hazardous materials or petroleum products.

40. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)

The Comprehensive Environmental Response, Compensation, and Liability Act otherwise known as CERCLA or Superfund provides a Federal "Superfund" to clean up uncontrolled or abandoned hazardous-waste sites as well as accidents, spills, and other emergency releases of pollutants and contaminants into the environment. Special provisions and requirements may apply if the proposed activity involves a Superfund site

(<http://www.epa.gov/superfund/sites/index.htm>).

41. The Wild and Scenic Rivers Act of 1968, As Amended (16 USC 1271 et seq.)

The Grantee shall comply with the Wild and Scenic Rivers Act. The purpose of this Act is to preserve selected rivers or sections of rivers in their free-flowing condition, to protect the water quality of such rivers and to fulfill other vital national conservation goals. Federal assistance by loan, grant, license, or other mechanism cannot be provided to water resources construction projects that would have a direct and adverse effect on any river included or designated for study or inclusion in the National Wild and Scenic River System.

42. The Safe Drinking Water Act (SDWA) of 1974, As Amended (42 USC Section 201, 300(f) et seq., and U.S.C. Section 349)

The Grantee must comply with the Safe Drinking Water Act (SDWA), as amended, which is intended to protect underground sources of water. No commitment for federal financial assistance, according to this Act, shall be entered into for any project which the U.S.

Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal drinking water source for an area.

43. Farmland Protection Policy Act (FPPA) of 1981, As Amended (7 USC 4201 et seq.)

The grant minimizes the extent to which Federal programs contribute to the unnecessary and irreversible conversion of farmland to non-agricultural uses, and to assure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government, and private programs and policies to protect a farmland. Questions pertaining to this Act should be directed to the Secretary, Department of Agriculture.

44. Executive Order 11988, as amended by E.O. 13690 Floodplain Management

The Grantee shall comply with the provisions of Executive Order 11988. The extent of this Executive Order is to (1) avoid, to the extent possible, adverse impacts associated with the occupancy and modification of floodplains and (2) avoid direct or indirect support of floodplain development wherever there is a practical alternative. If the Grantee proposes to conduct, support, or allow an action to be located in a floodplain, the Grantee must consider alternatives to avoid adverse effects and incompatible involvement in the floodplain. If sitting in a floodplain is

the only practical alternative, the Grantee must, prior to taking any action, (1) design or modify its actions in order to minimize any potential harm to the floodplain and (2) prepare and circulate a notice containing an explanation of why the action is proposed to be located in a floodplain.

Executive Order 11988 requires federal agencies to avoid, to the extent possible, the long and short-term adverse impacts associated with the occupancy and modification of floodplains and to avoid direct and indirect support of floodplain development wherever there is a practicable alternative. To this effect, an 8-step process must be followed for projects that may have potential impacts to or within floodplains. On January 30, 2015, in amending and building upon E.O. 11988, the President issued E.O. 13690, establishing Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input. Order 13690 and the associated Federal Flood Risk Management Standards (FFRMS) reinforce the important tenets and concepts articulated in Order 11988. When avoiding the floodplain is not possible, E.O. 13690 calls for agencies to make efforts to improve the resilience of communities as of federal actions. Importantly, Order 13690 established a new standard against which federal agencies are to evaluate the potential impacts of flooding on federal investments, the FFRMS. This standard set a higher vertical elevation and a greater horizontal extent to the floodplain to be considered.

45. Executive Order 11990 Wetlands Protection (42 CFR 26951 et seq.)

The Grantee shall comply with Executive Order 11990. The intent of this Executive Order is to (1) avoid, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and (2) to avoid direct or indirect support of new construction in wetlands wherever there is a practical alternative. The Grantee, to the extent permitted by law, must avoid undertaking or providing assistance for the new construction located in wetlands unless (1) there is no practical alternative to such construction and (2) the proposed action includes all practical measures to minimize harm to wetlands which may result from such use. In making this determination, the Grantee may take into account economic, environmental, and other pertinent factors.

46. Executive Order 12898 Environmental Justice

Grantee shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." Thus, as appropriate, analysis of environmental justice concerns should be integrated during the review process.

47. Executive Order 13089 Coral Reef Protection

Grantees shall not degrade the condition of coral reef ecosystems.

48. Executive Order 13112 Invasive Species

Grantee shall prevent the introduction of invasive species and provide for their control.

49. Executive Order 13186 Protect Migratory Birds

Grantee shall include incorporation and promotion of migratory bird conservation considerations into all grantee activities.

50. As required by the Federal Funding Accountability and Transparency Act of 2006 (FFATA) ([2 CFR §25](#)), information on subawards made by Federal grantees must be made publicly available.

Therefore, recipients of these Alaska Broadband Grant Program funds, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Universal Identifier and System for Award Management ([SAM.gov](#)).

51. Grantees must also comply with provisions of the Federal Funding Accountability and Transparency Act (FFATA), which includes requirements on executive compensation, and [2 CFR §170](#) Reporting Sub-award and Executive Compensation Information (FSRS).

Exhibit A

Irrevocable Standby Letter of Credit

BANK or CREDIT UNION Letterhead

Issuing Bank or Credit Union Name

Address of Issuing Bank or Credit Union

Date of Issuance:

Amount: \$

Expiration Date:

BENEFICIARY

State of Alaska, Department of Commerce, Community, and Economic Development

Alaska Broadband Office

550 W. 7th Avenue, Suite 1550

Anchorage, AK 99501

Attn: Director of Broadband

Ladies and Gentlemen:

We hereby establish, at the request and for the account of GRANTEE, in your favor, as required under the Alaska Broadband Grant Program Notice of Funding Opportunity and the Federal Notice of Funding Opportunity for the Broadband Equity, Access, and Deployment Program, our Irrevocable Standby Letter of Credit Number ____ (“Letter of Credit”) in the amount of (Spell out Dollar Amount) U.S. Dollars and 00/100 (\$____.00). This Letter of Credit shall remain in full force and effect for six (6) years from the Issuance Date or such earlier date as the Letter of Credit is terminated by the State of Alaska, Department of Commerce, Community, and Economic Development, Alaska Broadband Office (the “Expiration Date”).

Funds under this Letter of Credit are available to you against your draft in the form attached hereto as Annex A, drawn on our office described below, and referring thereon to the number of this Letter of Credit, accompanied by your written and completed certificate signed by you substantially in the form of Annex B attached hereto. Such draft and certificates shall be dated the date of presentation or an earlier date, which presentation shall be made at our office located at (Issuing Bank Address) and shall be affected either by personal delivery or delivery by a nationally recognized overnight delivery service. We hereby commit and agree to accept such presentation at such office, and if such presentation of documents appears on its face to comply with the terms and conditions of this Letter of Credit, on or prior to the Expiration Date, we will honor the same not later than one (1) banking day after presentation thereof in accordance with your payment instructions. Payment under this Letter of Credit shall be made by check or wire transfer of Federal Reserve Bank of New York funds to the payee and for the account, you designate, in accordance with the instructions set forth in a draft presented in connection with a draw under this Letter of Credit. Partial drawings and multiple presentations may be made under this Irrevocable Standby Letter of Credit, provided, however, that each such demand that is paid by us shall reduce the amount available under this Irrevocable Standby Letter of Credit. This Letter of Credit is not transferable or assignable in whole or in part.

In addition to the draft drawn under this letter of credit described above, if _____ becomes a debtor (voluntarily or involuntarily) under any chapter of the United States Bankruptcy Code (11 U.S.C. §§ 101, et seq.), Beneficiary may draw a draft for the total of all amounts paid by or on account of the letter of credit to the Beneficiary and provided further such draft must be accompanied by the Beneficiary's signed certificate that _____ is a debtor under the Bankruptcy Code together with the case number and filing date.

This Letter of Credit sets forth in full the undertaking of the Issuing Bank, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except only the certificates and the drafts referred to herein and the ISP (as defined below); and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificates and such drafts and the ISP. This Letter of Credit shall be subject to, governed by, and construed in accordance with, the International Standby Practices 1998, International Chamber of Commerce Publication No. 590 (the "ISP"), which is incorporated into the text of this Letter of Credit by this reference, and, to the extent not inconsistent therewith, the laws of the State of Alaska, including the Uniform Commercial Code as in effect in the State of Alaska. Communications with respect to this Letter of Credit shall be addressed to us at our address set forth below, specifically referring to the number of this Letter of Credit.

Issuing Bank or Credit Union Signature
Printed Name of Signatory
Title of Officer

Exhibit B

Bankruptcy Opinion-of-Counsel Letter

Law Firm Letterhead

Date

State of Alaska
Department of Commerce, Community, and Economic Development
Alaska Broadband Office
550 W. 7th Avenue, Suite 1550
Anchorage, AK 99501
Attn: Director of Broadband

BANKRUPTCY OPINION OF COUNSEL

[I/We] have served as **[general/special]** counsel for Grantee, a **[State of _____organization]** **[insert type of entity, e.g. corporation, cooperative, etc.]**, in connection with Grantee's grant award ("Grant") from the State of Alaska, Department of Commerce, Community, and Economic Development, Alaska Broadband Office ("State") from the State's Alaska Broadband Grant Program. In connection with the Grant, the Grantee has delivered an Irrevocable Standby Letter of Credit ("Letter of Credit") to the State as beneficiary.

[I/We] are delivering this opinion to you pursuant to the requirements of the State's Alaska Broadband Grant Program Notice of Funding Opportunity and the Federal Government's Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity. For Purposes of this Opinion, **[I, We]** have reviewed the following:

- A. Alaska Broadband Grant Program Notice of Funding Opportunity;
- B. Broadband Equity, Access, and Deployment Program Notice of Funding Opportunity;
- C. Irrevocable Standby Letter of Credit ("Letter of Credit") issued by _____ on _____ on behalf of Grantee and listing the State as Beneficiary in the amount of \$_____.

Based upon the foregoing, **[I am/We are]** of the opinion that:

- A. The issuance of the Letter of Credit in favor of the State of Alaska as Beneficiary will not be disturbed or be unenforceable in any fashion by virtue of the (Grantee's Name) filing of a Bankruptcy under Title 11 of the United States Code (11 U.S.C. §101, et seq.) and further the Beneficiary may draw on the Letter of Credit without moving for relief from the automatic stay as provided in 11 U.S.C. §362 or be impeded by any other section of 11 U.S.C. §101 et seq. from immediately drawing on the Letter of Credit and shall not be responsible for any return of any funds to the Debtor in Possession, or a subsequent Trustee; and

B. The Letter of Credit payable to the Beneficiary is not regarded as property of the Estate as defined by 11 U.S.C. §541.

As to matters of law, **[I/we]** limit **[my/our]** opinion to the laws of the State of Alaska and the laws of the United States of America, and **[my/our]** opinions are limited to the facts and laws in existence on the date of this opinion and at no subsequent time.

This opinion is delivered to you in connection with the Grant referenced above and may not be utilized or quoted by you for any other purpose or relied upon by any other person or entity other than your successors or assigns without **[my/our]** express written consent.

Very truly yours,

Law Firm Name

Print Attorney Name

Title

For Himself/Herself and _____ Firm

Exhibit C

C-SCRM Plan Template for Broadband Applicants

Embedded document – double click to access:



Microsoft Word
Document

Exhibit D

C-SCRM 3rd Party Compliance

Attestation of Compliance with Cybersecurity and Supply Chain Risk Management (C-SCRM) Plan

Grantee Name: _____

Grant #: _____

Vendor Name: _____

Project Role: _____

☐ I have provided a copy of our most recent SSAE 18 SOC 3 Audit to the grantee; it is marked confidential and understand that it will be provided to the Alaska Broadband Office as a grant compliance document.

☐ I understand that at any time, the grantee may request a copy of my most recent audit to be submitted to the Alaska Broadband Office as a grant compliance document.

As a vendor of [eg. GCI] (grantee name) for the [eg. Connect Kuskokwim Project] (grant project name) funded by the BEAD Alaska Broadband Grant Program administered by the Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs; the undersigned attest that:

- A copy of [eg. GCI's] (Grantee's name) Supply Chain Risk Management Plan has been received, read, and as a vendor of the [eg. Connect Kuskokwim Project] (grant project name) which is funded by the BEAD Alaska Broadband Grant Program, we are compliant with [eg. GCI's] (Grantee's name) plan.
- You understand that the plan is based upon the key practices discussed in the NIST publication NISTIR 8276, Key Practices in Cyber Supply Chain Risk Management: Observations from Industry and related SCRM guidance from NIST, including NIST 800-161, Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations and specifies the supply chain risk management controls being implemented.
 - There are 8 key practices when using NISTIR 8276:
 - Integrate C-SCRM across the organization
 - Establish a formal C-SCRM program
 - Know and manage critical components and suppliers
 - Understand the organization's supply chain
 - Closely collaborate with key suppliers
 - Include key suppliers in resilience and improvement activities
 - Assess and monitor throughout supplier relationships
 - Plan for the full lifecycle
- You understand that the plan will be reevaluated and updated on a periodic basis and as events warrant and a copy of any updates will be provided to the Department and to you as a vendor.
- You are responsible for maintaining compliance with the SCRM plan for the duration of your contract and for the duration of the life of the project funded by the BEAD-Alaska Broadband Grant Program.

Signature of authorized official

Date of signature

Name of authorized official

Exhibit E
Project Map

(To Be Provided by Grantee)

Exhibit F

Alaska Broadband Grant Program Signatory Authority Form

Please clearly print, submit ORIGINAL form, and submit an updated form annually or whenever changes are made to the information below.

Grantee Name:	Date:
Regular Election Held (if applicable):	Telephone Number:
Grantee Contact Name:	Fax Number:
Address:	E-mail Address:
City, State, Zip Code:	Federal Tax ID #:
Indicate reporting frequency: <input type="checkbox"/> Monthly Reporting <input type="checkbox"/> Semi-Annual Reporting <input type="checkbox"/> Annual Reporting	

Use this section to designate individuals other than the Chief Administrator to sign the following documents:

Grant Agreements and Amendments:	Financial/Progress Reports and Advance Requests:
Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:
Signature:	Signature:

This signatory authority is conveyed by _____, the Chief
(Name)

Administrator of _____, this _____ day of _____, 20____
(Grantee Name)

Signature

Printed Name/Title