



## **6.0. BEAD Program Monitoring Plan within the Alaska Broadband Grant Program**

The ABO will monitor Subgrantees using the following policy and procedures. All subgrantee monitoring requirements will be outlined in the Grant Program Grant Agreement and therefore agreed to by all subgrantees upon execution of the individual Grant Agreements.

### **6.1. Risk Assessments**

Risk Assessments will be completed for Provisional Subgrantees prior to submittal of the Final Proposal to NTIA. In conformance with 2 CFR § 200.332, pass-through entities for federal grants must conduct a risk assessment on all subgrantees. Risk Assessments will be completed following Provisional Subgrantee Selection. Using the evaluation criteria in the Grant Program Risk Assessment Matrix (Attached as Appendix A), a risk assessment will be completed through a combination of data collected in the Portal and information provided by each provisionally selected subgrantee.

#### **6.1.1. Risk Assessment Instructions**

##### **6.1.1.1. Risk Evaluation Criteria**

Eight criteria will be evaluated to determine one of three risk rankings (Low, Moderate, or High). The eight criteria are identified below:

- Administrative Capabilities
- Staff Turnover
- Financial System
- Audit Results
- Experience with Similar Awards
- Federal Agency Monitoring
- Total Grantee Funding
- Subcontracts

#### **6.1.2. Risk Rankings**

Each criterion is evaluated to determine one of three risk rankings (Low, Moderate, or High). Each rank has a description of activities or performance to make determinations using source material as the basis. Each ranking has a corresponding point value:

- Low Risk = 1
- Moderate Risk = 2
- High Risk = 3

#### **6.1.3. Risk Evaluation Score**

Each criterion will receive a rank of 1, 2, or 3. The point value of each criterion Evaluation Score will be summed to obtain a Total Evaluation Score establishing the overall risk of an Applicant.

- Low Risk = 8-12 Points
- Moderate Risk = 13-19 Points
- High Risk = 20-24 Points

Provisionally selected subgrantees determined to be Moderate or High Risk may have additional Specific Award Conditions (SACs) assigned in the Grant Agreement.

## **6.2. Financial Management**

The Subgrantee 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 the Grant Agreement may result in the subsequent revocation of the Grant and require the return of any balance of Grant Funds. The Subgrantee shall repay to the ABO any Grant Funds provided to the Subgrantee which the Subgrantee expends in violation of the Grant Agreement. Repayment shall be in conformance with the terms outlined in Article 23 (Recovery of Funds) of Attachment C (Standard Provisions) of the Grant Agreement.

### **6.3. Reporting Requirements & Reimbursement Process**

Projects will be managed by each Subgrantee, with signatory authority for execution of the Grant Agreement and subsequent amendments granted to the highest-ranking official who may delegate signatory authority for executing the Grant Agreement and amendments to others within the organization via the Signatory Authority Form. The Signatory Authority Form is attached to the Grant Agreement as Appendix J. The Subgrantee's highest-ranking official may also delegate financial and progress reporting via the Signatory Authority Form. Such delegation is limited to others within the organization unless otherwise approved.

Financial and Performance Reports focus on project-level information associated with the Grant 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 ABO during the term of the Grant Agreement. An annual reporting schedule will be provided by the ABO to the Subgrantee.

#### **6.3.1. Financial/Progress Report – Submitted Monthly (Minimum)**

The Subgrantee must submit a Financial/Progress Report through the ABO's grant management portal each month throughout the life of the Grant 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 for all costs shall be provided with the reports.

##### **6.3.1.1. Project Buildout Milestones**

Progress reporting shall be done using Project Buildout Milestones:

- 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

##### **6.3.1.2. Reimbursement Requests**

The monthly Financial/Progress Report constitutes a monthly reimbursement request. 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](mailto:caa@alaska.gov).

#### **6.3.1.2.1. Payment Method**

In conformance with Attachment B of the Grant Agreement payment of funds associated with Monthly Financial/Progress Report Reimbursement Requests will be handled as follows:

Grant Funds will not be released until the Subgrantee has provided the ABO with adequate evidence that Grantee has secured site control for all parcels of land owned by an Alaska Tribe and/or Alaska Tribal Entities necessary to complete the Project. A Tribal Entity includes" a Tribal Organization, an Alaska Native Corporation, a Native College and similar entities owned or controlled by native Alaskans. Satisfactory evidence of site control includes copies of a letter, easement, lease, purchase agreement, deed, license, or other document signed by an authorized representative of the property owner that specifically provides site control for the proposed project and affected parcel(s). After site control is achieved, Grant Funds shall be released, at minimum, monthly to the Subgrantee on a cost reimbursable basis, upon the ABO's receipt and approval of monthly Program Financial/Progress Reports. The Subgrantee shall include required source documentation including vendor billings, timesheets, payroll tax forms and other documentation, as requested by the ABO with their submission of the Program Financial/Progress Reports. The ABO shall issue payment to the Subgrantee for costs paid out during the reporting period in accordance with the 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 ABO release Grant Funds to the Subgrantee or Subgrantee's designee unless all required Program Financial/Progress Reports are current.

#### **6.3.1.3. Final Financial Progress Report**

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 ABO release funds to the Subgrantee unless all required reporting is current. The ABO may withhold ten percent (10%) of the Grant Funds until the ABO determines that the Subgrantee has satisfactorily completed the terms of the Grant Agreement, including all required reporting.

#### **6.3.2. Performance Reports – Submitted Semi-Annually and Annually**

Subgrantees must submit semi-annual Performance Reports through the ABO's grant management portal that demonstrate the Project performance. Performance Reports are required to be filed with the ABO for the Grant Term upon the Network's 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 Subgrantee achieved progress toward 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. The Subgrantee 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 tenth year from the start of the Funded Network's Operational Readiness.

It is incumbent on the Subgrantee to communicate with the ABO regarding all reporting matters. In the unforeseen event that the ABO's grant management portal is not operational, the Subgrantee must submit reports via email directly to the Department at [caa@alaska.gov](mailto:caa@alaska.gov).

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

#### **6.3.2.1. Semi-Annual Reports**

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.
- h. An SF425 Federal Financial Report Form.
- i. Requirements of any Specific Award Conditions (SACs) specific to each applicant identified in the Grant Agreement (if applicable).

#### **6.3.2.2. Annual Reports**

- a. 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:
- b. Copy of current letter of credit or performance bond.
- c. 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.
- d. Copy of Active Alaska Business License.
- e. Copies of any new or updated contracts with third parties.
- f. Disclosure of any new public funding sources.
- g. 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.
- h. An SF-425 Federal Financial Report form
- i. Most recent SSAE 18 SOC 3 audit for all third-party vendors.
- j. Copy of active SAM.gov registration.

#### **6.3.3. Site Visits**

To ensure proper grant management and use of funds by the Subgrantee, the ABO will conduct annual in-person Site Visits. The ABO will provide 30 days' notice prior to a Site Visit, along with a list of

interview questions and documentation to be inspected. The ABO reserves the right to conduct additional Site Visits as deemed necessary.

#### **6.3.4. Field Visits**

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

#### **6.3.5. Close-Out**

In conformance Article 42 of Attachment C (Standard Provisions) of the Grant Agreement the ABO will advise the Subgrantee to initiate close-out procedures when the ABO determines, in consultation with the Subgrantee, 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 Subgrantee. Costs are incurred when goods and services are received, or contract work is performed.
- b. The last required performance report has been submitted. The Subgrantee's failure to submit a report will not preclude the ABO from effecting close-out if it is deemed to be in the State's interest. Any excess grant amount that may be in the Subgrantee's possession shall be returned by the Subgrantee, within 30 days of notice, in the event of the Subgrantee's failure to finish or update the report.
- c. Other responsibilities of the Subgrantee under the Grant Agreement and any close-out agreement and applicable laws and regulations appear to have been carried out satisfactorily or there is no further ABO interest in keeping the Grant open for the purpose of securing performance.
- d. The Subgrantee shall closeout its use of the Grant and its obligations under the Grant 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 ABO), and
  3. Determining the custodianship of records.

#### **6.4. Audit Requirements**

In conformance with Article 41 of Attachment C (Standard Provisions) of the Grant Agreement, Subgrantees, including all for-profit entities, shall comply with the audit requirements established in established in 02 Alaska Administrative Code (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 the Grant Agreement.

#### **6.5. Compliance with Specific Requirements**

##### **6.5.1. IIJA**

The ABO, inclusive of Subgrantees, will comply with the Broadband Equity, Access, and Deployment (BEAD) Program, authorized by the Infrastructure Investment and Jobs Act of 2021, Division F, Title I,

Section 60102, Public Law 117-58, 135 Stat. 1182 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law, CFDA 11.035.

#### **6.5.2. BEAD NOFO**

The ABO, inclusive of Subgrantees, will comply with the BEAD Notice of Funding Opportunity (NOFO) as amended by the BEAD Restructuring Policy Notice issued on June 6, 2025.

#### **6.5.3. BEAD Restructuring Policy Notice**

The ABO, inclusive of Subgrantees, will comply with the BEAD Restructuring Policy Notice issued on June 6, 2025.

#### **6.5.4. Executive Orders**

In conformance with Specific Award Condition 34, the ABO, inclusive of Subgrantees, will comply with the policies, and further the objectives set forth in all applicable Executive Orders currently in legal effect, including those issued on or after January 20, 2025, as well as Executive Orders that may be issued after the effective date of Alaska's award.

##### **6.5.4.1. Executive Order 14173, 90 FR 8633 (Jan. 21, 2025)**

The ABO, inclusive of Subgrantees:

- a. Agrees that compliance in all respects with all applicable Federal antidiscrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of Title 31 United States Code; and
- b. Certifies to the Department that it does not operate any programs promoting diversity, equity, and inclusion that violate any applicable Federal anti-discrimination laws.

#### **6.5.5. Specific Award Conditions (SAC) Requirements**

The ABO will comply with recipient-specific SAC requirements, inclusive of Subgrantees. The ABO reserves the right to include State SAC Requirements in Grant Agreements depending on the results of the Risk Assessment of each Provisional Subgrantee. The ABO reserves the right to add State SACs based on ongoing Subgrantee monitoring results.

#### **6.6. Events of Default, Remedies, and Recovery of Funds**

In conformance with Articles 23 and 24 of Attachment C (Standard Provisions) of the Grant Agreement, Subgrantees are subject to events of default, remedies, and the potential of the recovery of funds.

##### **6.6.1. Events of Default**

The following events constitute events of default hereunder and the ABO will give written Notice of Default to the Subgrantee if the Subgrantee:

1. Fails to begin work under the Grant Agreement within the time specified;
2. Fails to perform the work with sufficient workers, equipment, or materials to ensure the prompt completion of the work;
3. Fails to complete the work timely;
4. Discontinues the work;
5. Fails to resume work after a discontinuance within a reasonable time after notice from the ABO to resume the work;
6. Becomes insolvent or files for bankruptcy;

7. Allows any final judgment to be entered against Subgrantee and the judgment remains unsatisfied for a period of 60 days;
8. Makes an assignment for the benefit of creditors without the consent of the ABO;
9. Fails to comply with any requirement under Section 60102 of the Infrastructure Act or the BEAD Notice of Funding Opportunity;
10. Fails to comply with the low-cost broadband service option requirement set out in Section 60102(h)(4)(B) of the Infrastructure Act;
11. Fails to meet statutory obligations, or engages in wasteful, fraudulent, or abusive expenditure of grant funds;
12. Breaches or defaults on any indebtedness related to the Project and fails to cure such default in the time permitted under the financing instrument;
13. Fails to continuously maintain its bond, letter of credit, or other financial assurance as required; or
14. Fails to comply with any provision of the Grant Agreement.

#### **6.6.2. Notice of Default and Remedies**

The ABO's written Notice of Default will include a notice to cure and will establish a date upon which the cure must be completed. The ABO may extend the time to cure in its absolute and sole discretion. In the event Subgrantee fails to cure the default, the ABO may terminate the Grant Agreement, seek repayment of funds provided, and/or seek any other remedy available to it at law or in equity.

#### **6.6.3. Recovery of Funds**

In the event of a default, the ABO may institute actions to recover all or part of the project funds paid to the Subgrantee. Repayment by the Subgrantee of grant funds under this recovery provision shall occur within thirty (30) days of demand. Nothing in this provision shall prohibit the ABO from recovering any other damages or relief available to it at law or in equity. In the event the ABO is required to repay any grant funds to NTIA or the Federal Government as a result of the Subgrantee's actions or inactions, then the Subgrantee shall be required to pay to the ABO any such sums upon written demand of the ABO to the Subgrantee. Such sums include but are not limited to the penalties. The ABO may also impose a) additional Specific Award Conditions (SACs); b) payment suspension; c) award suspension; d) grant termination; e) de-obligation/clawback of funds; or debarment of organizations and/or personnel.

#### **6.7. Prevention of Fraud, Waste, and Abuse of Grant Funds**

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

#### **6.8. References**

- [Division F, Title I of the Infrastructure Investment and Jobs Act of 2021](#)
- [Broadband Equity, Access, and Deployment \(BEAD\) NOFO](#)
  - Section IV.C.1.b. Eligible Entity Obligations – Ensure Subgrantee Accountability
  - Section VII.G. Audit Requirements
  - Section VII.E.2. Reporting Requirements – Subgrantees
  - Section IX.G.1. Transparency, Accountability, and Oversight – Generally
- [BEAD Policy Notice of Uniform Guidance 2 CFR 200](#)
- [2 CFR Part 200](#)

- [BEAD Restructuring Policy Notice](#)
- [Alaska Broadband Grant Program Revised NOFO](#)
  - Appendix H Draft Grant Agreement