



Washington State Broadband Office

Broadband Equity Access Deployment (BEAD)

Funded by US Department of Commerce,
National Telecommunications and Information
Administration

Handbook 26-40

Please note that this is a living document and is updated frequently. Please only save a shortcut to the document, and not a copy of the document to ensure that you always have the most updated copy.

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General

The Washington State Broadband Office's mission is to enrich the lives of all Washington residents and businesses by ensuring they have access to affordable, reliable, redundant and scalable/future proof broadband technologies. This access ensures the economic viability of both urban and rural Washington today and into the future.

Disclaimer

This handbook is a guide for Subgrantees of funding from the Washington State Broadband Office (WSBO). The WSBO is the administrator of several grant programs. Please pay close attention to any notations within this document that refer to differing requirements according to the source of funding. Please further note that this handbook is provided as a helpful resource but does not guarantee compliance with all state and federal requirements. Subgrantees are responsible for compliance with all the rules and guidelines as required by the WSBO and the various funding sources. The WSBO and Department of Commerce (Commerce) expressly disclaim any warranty related to the compliance with federal and state requirements and will accept no responsibility for any consequences arising from the use or reliance on this handbook.

The WSBO reserves the right to update these policies at any time. Updates will be published in this document and posted at <https://www.commerce.wa.gov/wsbo/bead/>.

1. Overview

1.1 Introduction

The Washington State Broadband Office (WSBO) is tasked with developing strategies and plans to promote broadband infrastructure deployment and greater broadband access to unserved and underserved areas of the state. It is authorized by state statute ([RCW 43.330.534](#)) to provide funding opportunities to local governments, tribes, public and private entities, nonprofit organizations, and consumer-owned and investor-owned utilities. These organizations are known as applicants until such time as they are Subgrantees of WSBO BEAD funding.

Under WSBO [RCW 43.330.536](#), it is the goal to have:

- By 2024: 25/3 megabits per second (Mbps) scalable
- By 2026: 1/1 gigabit per second (Gbps) all anchor institutions
- By 2028: 150/150 Mbps all residents and households

In May 2022, the National Telecommunications and Information Administration (NTIA) issued a Notice of Funding Opportunity (NOFO) to describe the requirements under which it will award grants for 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. 429 (November 15, 2021) (Infrastructure Act or Act) also known as the Bipartisan Infrastructure Law. The BEAD Program provides new federal funding for NTIA to grant to all 56 states, the District of Columbia, and territories, for broadband planning, deployment, mapping, equity, and adoption activities. Funding was distributed primarily based on the relative number of “unserved” locations (*i.e.*, broadband-serviceable locations that lack access to Reliable Broadband Service at speeds of at least 25 Mbps downstream and 3 Mbps upstream and latency levels low enough to support real-time, interactive applications) in each state and territory. WSBO also utilized the BEAD Pre-Challenge Modification to list all DSL connections as underserved to facilitate the phase-out of legacy copper systems.

In June 2026, NTIA issued a Restructuring Policy Notice that reformed the BEAD program. This Policy Notice modified and replaced certain requirements outlined in the BEAD NOFO. Each state had to comply with this Policy Notice to gain approval of its Final Proposal from NTIA. BEAD funds were awarded in accordance with a modified version of the subgrantee selection process described in Washington’s BEAD Initial Proposal Volume II. In September 2025, WSBO submitted its Final Proposal, which included preliminary awards for 370 BEAD projects. NTIA approved Washington’s Final Proposal in February 2026, allowing WSBO to conclude the planning phase of the BEAD Program and move forward with the implementation phase.

BEAD funds have been issued a unique 5-digit federal assistance number. The Assistance Listing Number (ALN) will replace CFDA identifiers as found in **11.035 – Broadband Equity Access Deployment (BEAD) Program**.

All grants must adhere to all internal control compliance and reporting requirements for the use and expenditure of federal funding. This BEAD Grant Handbook adheres to the statutory, regulatory, and policy requirements at minimum defined in:

- 47 U.S.C. § 1702 (Infrastructure Investment and Jobs Act – BEAD enabling statute)
- 2 C.F.R. Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)
- The BEAD Notice of Funding Opportunity (NOFO)
- The BEAD Program Restructuring Policy Notice
- The General Terms and Conditions for the BEAD Program
- The Department of Commerce Standard Terms and Conditions

For the purposes of this document, orange call out boxes refer to documentation and information that must be submitted to WSBO throughout the life of the program. All the orange call out boxes are denoted in the table in Section 3.8. Blue call out boxes are informational but not deliverable requirements.

1.2 WSBO Program Administration

Washington State Broadband Office PO Box 42525 Olympia, WA 98504-2525 E-mail: WSBO@commerce.wa.gov	
Staff contacts	
Chelsi Wickersham Broadband Infrastructure and Finance Manager (564) 250-2688 chelsi.wickersham@commerce.wa.gov	Jason Freeze Broadband Infrastructure and Programs Manager (360) 725-4138 Jason.Freeze@commerce.wa.gov
Samuel Ross Broadband Infrastructure Specialist (360) 972-5832 Samuel.Ross@commerce.wa.gov	Nicholas Zehrung Broadband Infrastructure Specialist (564) 250-0498 Nicholas.Zehrung@commerce.wa.gov

WSBO staff are responsible for the application and grants management process including:

- Conducting a competitive process and selecting applicants.
- Determining project readiness and negotiating final scopes of work.
- Preparing and executing grant contract documents.
- Providing contract management training.

- Monitoring compliance with contract requirements and progress.
- Issuing and requesting project tracking materials.
- Reviewing and approving reimbursement requests.
- Amending contracts, project completion process.
- Technical assistance.
- Managing contracts for completed projects.

1.3 State & Federal Requirements

Numerous state and federal requirements must be followed when implementing a WSBO-funded project. These requirements are a part of the contract between the WSBO and the Subgrantee. Please see Chapter 10 - Appendix for the list of Applicable State & Federal Requirements.

1.4 SAM.gov Requirements

All Subgrantees must have an active registration with the [System for Award Management \(SAM\)](#) and maintain it through the period of the contract, as required by [2 CFR Part 25](#).

To renew an account:

1. [SAM.gov | Home](#)
2. Select ok when dialogue box comes up
3. Select Entity Registration
4. Sign In: select Accept, enter work email address (from auto-populated list) and password, enter the security code given by 2-step authentication method (i.e. phone call to my work cell)
5. Select Search, In Keywords box: enter Subgrantee name (i.e. "City of South Bend")

1.5 Procurement, Suspension, and Debarment Requirements

Subgrantees are responsible for ensuring that any procurement using BEAD funds, or payments under procurement contracts using such funds, are consistent with the procurement standards set forth in the Uniform Guidance at [2 CFR § 200.317](#) through [2 CFR § 200.322](#), as applicable. The Uniform Guidance establishes that all procurement transactions for property or services must be conducted in a manner providing full and open competition consistent with standards outlined in [2 CFR 200.320](#). Non-competitive procurements are allowed only in circumstances where at least one of the following conditions is true:

- The item is below the micro-purchase threshold, \$50,000 with prior approval from a cognizant agency for indirect cost. Less than \$50,000 doesn't require prior approval.

- The item is only available from a single source.
- The public exigency or emergency will not permit a delay from publicizing a competitive solicitation.
- After solicitation of a number of sources, competition is determined inadequate.

Informal procurement methods for small purchases:

1. The item is below the micro-purchase threshold, \$50,000 with prior approval from a cognizant agency for indirect cost.
2. Simple acquisitions, \$350,000 or less:
 - The aggregate dollar amount of the procurement transaction is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by the Federal agency, the Subgrantee or Subgrantee may exercise judgment in determining what number is adequate.
3. The Subgrantee must follow their procurement policies, that may include obtaining quotes can be conducted by telephone or in writing and documented in their contract files. At a minimum obtain at least three quotes, via telephone or in writing.
4. Or, if the Subgrantee has maintained a vendor list to obtain quotes directly from vendors when awarding contracts for any materials, supplies or service purchases. At least twice per year, the Subgrantee must publish, in a local newspaper of general circulation, a notice of the existence of the vendor list and solicit names and contact information of vendors to add to the list.
5. All quotes obtained must be retained in the Subgrantee contractor files the period of performance BEAD contract with the state plus six years after closeout.
 - ***Simplified acquisition thresholds.*** The Subgrantee is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk, and its documented procurement procedures.

Subgrantees must have and use documented procurement procedures that are consistent with the standards outlined in [2 CFR 200.317](#) through [2 CFR 200.320](#). The Uniform Guidance requires infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties. Your organization must ensure adherence to all applicable local, state and federal procurement laws and regulations.

The Subgrantee's procurement system should include, but not necessarily be limited to, the following:

- General procurement standards [2 CFR 200.318](#). A code or standard of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding of contracts using federal funds.

- Competition [2 CFR 200.319](#). Procedures that ensure all procurement transactions shall be conducted in a manner providing full and open competition consistent with the standards of this section and [2 CFR 200.320](#).
- Methods of procurement to be followed [2 CFR 200.320](#).
- Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms [2 CFR 200.321](#).
- Providing adequate evidence of competitive procurement for project monitoring. This includes, but is not limited to, solicitation for bids advertisement approved by WSBO, OMWBE posting confirmation, a complete bid tabulation, and a completed notice of award.

1.6 How does BABA apply to the BEAD Program

BABA Basics

The Build America, Buy America (BABA) Act of 2021 requires that all iron, steel, manufactured products, and construction materials used in certain infrastructure projects are produced in the United States – known as the “domestic procurement preference.” Although infrastructure projects in the U.S. have long been subject to some kind of domestic content preference, BABA rules are more strict than previous laws. All BEAD awards made in the Benefit of the Bargain round are subject to BABA rules. Subgrantees should be careful to ensure they understand how BABA applies to BEAD specifically – as these rules are different than those used for other federal programs.

All materials used in an infrastructure project must be classified as iron, steel, construction materials, or manufactured products. Note that BABA only applies to things “consumed in, incorporated into, an integral part of, or affixed to an infrastructure project” – not, for example, tractors used to dig a trench or computers used to design the project. Each type of material has its own rules:

- All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

Glass, optical fiber, and fiber optic cable are both categorized as “construction materials.” 2 CFR § 184.6 defines the meaning of “all manufacturing processes” these items as follows:

- Glass: All manufacturing processes, from initial batching and melting of raw materials through annealing, cooling, and cutting, occurred in the United States.
- Fiber optic cable (including drop cable): All manufacturing processes, from the initial ribboning (if applicable), through buffering, fiber stranding and jacketing, occurred in the United States. All manufacturing processes also include the standards for glass and optical fiber, but not for non-ferrous metals, plastic and polymer-based products, or any others.
- Optical fiber: All manufacturing processes, from the initial preform fabrication stage through the completion of the draw, occurred in the United States.

BEAD-Wide BABA Waivers

The federal Department of Commerce (within which NTIA sits) does have the authority, in certain circumstances, to grant waivers of the Buy America Preference. Note that NTIA and WSBO do not have that authority. The Department has established Department-wide public interest waivers for de minimis infrastructure project purchases, small grants, and minor components within iron and steel products. Subgrantees can find the Department-wide waivers [here](#).

On February 23, 2024, the Department issued a limited, general applicability, nonavailability waiver of the Buy America Preference requirements for the BEAD Program for certain construction materials and certain manufactured products.

Fiber Optic Cable. NTIA issued a limited waiver for “non-optic-glass inputs (e.g., an overclad cylinder)” used in fiber optic cable. NTIA also provided clarification that U.S.-made fiber optic cable may be connectorized outside of the U.S. The Department-wide de minimis waiver may not be applied to purchases of optical fiber and fiber optic cable.

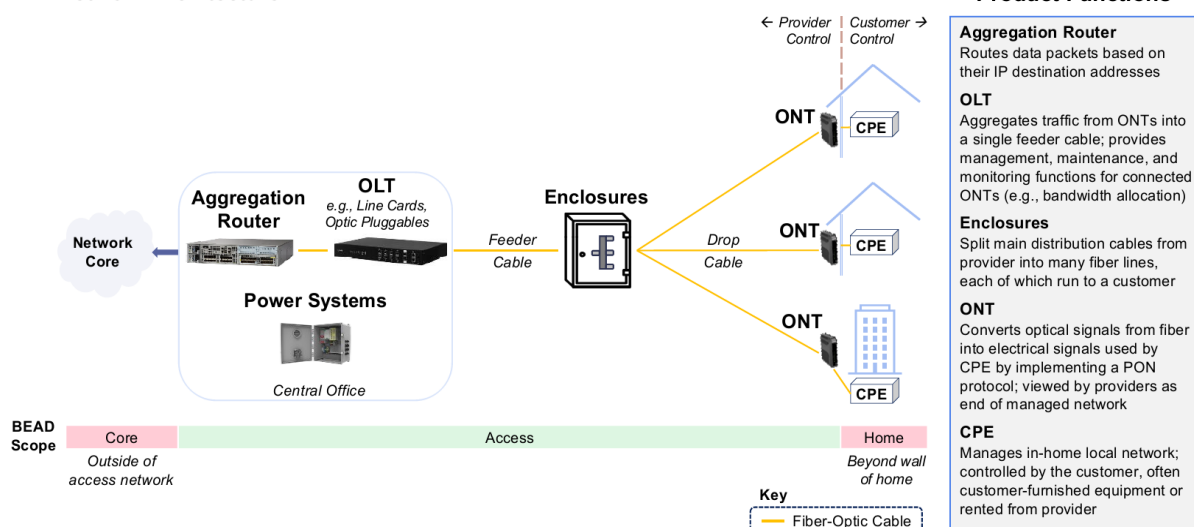
Electronics: NTIA waived BABA requirements for all electronics used in BEAD Program projects, except for four specific categories of electronics:

- Optical Line Terminals (OLTs & rOLTs)
- OLT line Cards
- Optic Pluggables (installed in OLTs)
- Optical Network Terminals (ONTs & ONUS)

For these electronics, NTIA waived the 55% cost of components test), but NTIA provided specific guidance regarding manufacturing processes that must occur in the United States for these categories of electronics to be BABA compliant. As with fiber, the Department-wide de minimis waiver may not be applied to subrecipient purchases of the four non-waived categories of electronics.

Network Architecture

Illustrativ



Enclosures: Enclosures NOT waived from BABA requirements. NTIA defined an enclosure as a manufactured product used at a location where a network function (*e.g.*, active electronics, fiber split or splice) is housed, and includes cabinets, vaults and other below ground housing, pedestals and other above ground housing, and closures and terminals. NTIA requires that enclosures meet the cost of components requirement and defined certain processes that must occur in the U.S. for the product to be considered “produced in the United States.” Finally, NTIA clarified that the Department-wide de minimis waiver may not be applied to subrecipient purchases of enclosures.



Subrecipients can find the complete waiver [here](#).

Applying for Additional BABA Waivers

When necessary, WSBO may submit to the U.S. Department of Commerce a request to waive the Buy America Preference in cases of public interest, nonavailability or unreasonable cost. Waiver requests must be approved prior to the purchase, acquisition or negotiated

procurement of the materials in the request. The Department is responsible for processing and approving all waivers, including waivers requested by recipients and on behalf of subrecipients. To the greatest extent practicable, waivers should be targeted to specific products and projects. Before issuing a waiver, the Department must make publicly available on the agency's website a detailed explanation for the proposed determination to issue the waiver and request public comment of at least 15 days on the proposed waiver. The Made in America Office (MIAO), which is located within the Office of Management and Budget (OMB), must review every waiver.

Certifying Compliance

For the BEAD Program, both WSBO and the subgrantee are responsible for ensuring adequate documentation of BABA compliance. To adequately document BEAD projects, manufacturers must provide accurate documentation of BABA compliance for their equipment. If suppliers and distributors are also involved, they are responsible for obtaining and transmitting to recipients and subrecipients compliance documentation for affected projects.

NTIA has adopted a two-part framework for BEAD stakeholders (e.g., manufacturers and subrecipients) to self-certify and report on their compliance:

- A. Self-Certification – [A public document](#) hosted on the Department of Commerce website that allows manufacturers to certify, at the risk of penalty, that their product(s) are produced domestically and meet the Buy America requirements outlined in the BEAD BABA waivers.
- B. Manufacturer's BABA Certification Letter - A certification letter from the manufacturer to a BEAD subrecipient for equipment requiring domestic production. A manufacturer will furnish a certification letter to a BEAD subrecipient, certifying that its equipment meets the BABA domestic manufacturing requirement. A letter is not needed for waived equipment.

Subgrantees are required to obtain BABA compliance certification documentation for all applicable procurements and submit such documentation with invoice requests. Failure to do so subjects the reimbursement request to delay or rejection at the discretion of WSBO.

Waiver Reporting

BEAD subrecipients are required to compile and share with the WSBO a [reporting tracker on the finished waived electronics](#) used in a BEAD project(s) on a semiannual basis. WSBO will then share the tracker with NTIA as part of our semiannual reports. The key elements of the reporting tracker are:

- Name of Manufacturer
- Category of electronic product (e.g., router, switch, power system, radio, etc.)
- HS Code (10 digit)
- Product Identifier (e.g., Stock Keeping Unit (SKU), Product ID, Part No., etc.)
- Common language description of the product's function

- Country of origin
- Quantity

1.7 Other Federal Requirements

Civil Rights Compliance

All Subgrantees are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of federal funds. Those requirements include ensuring Subgrantees of the BEAD awards do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity). Use of federal funds must be in accordance with the following authorities:

- [Title VI of the Civil Rights Act of 1964](#) (Title VI) Public Law 88-352, 42 U.S.C. 2000 d-1 et seq.
- [Section 504 of the Rehabilitation Act of 1973](#) (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794
- [Title IX of the Education Amendments of 1972](#) (Title IX), 20 U.S.C. 1681 et seq.
- [Age Discrimination Act of 1975](#), Public Law 94-135, 42 U.S.C. 6101 et seq.

Additional information to be collected and reviewed from Subgrantees will be provided as soon as additional guidance is received from the NTIA.

Property and Equipment

Tangible personal property means property of any kind that has physical existence and includes equipment and supplies. It does not include copyrights, patents or securities. Property may be provided by NTIA or acquired by the Subgrantee with award funds. Federally-owned property consists of items that were furnished by the Federal government. Equipment includes tangible personal property (including information technology systems) having a useful life of more than one year and per-unit acquisition costs that equal to or exceed \$5,000. A computing device is a supply if the acquisition cost is less than \$5,000, regardless of the length of its useful life.

Equipment must be used for the authorized purposes of the project during the period of performance or until the property is no longer needed for the purposes of the project. Subgrantees may use the equipment for the program or project for as long as needed, whether the project or program continues to be supported by the Federal award.

The Federal grant regulations establish specific rules for disposing of equipment, depending on what the equipment will be used for and its value (see [2 CFR § 200.313\(e\)](#)). The Subgrantee must request disposition instructions from the Federal awarding agency. If the equipment has a current per-unit fair market value of \$5,000 or less, the Subgrantee may keep the equipment, sell it, or otherwise dispose of it with no further responsibility to the Federal government (see [2 CFR § 200.313\(e\)\(1\)](#)). However, if the equipment has a current, per-unit fair market value in excess of \$5,000 and NIST GMD, after coordination with NTIA, fails to provide disposition

instructions within 120 days, the Subgrantee may keep or sell the equipment but must pay the Federal Government its Federal share based on a percentage of Federal participation in the initial acquisition ([2 CFR § 200.313\(e\)\(2\)](#)).

In addition, Subgrantees must capture the acquisition costs of equipment in their accounting system and report it in their financial statements and financial report to NTIA. The SF-428 form is a standard form to collect information related to tangible personal property.

Subgrantees of Federal assistance awards may be required to provide Federal awarding agencies with information concerning property in their custody annually, at award closeout, or when the property is no longer needed. Specific requirements will vary based on award provisions, the type of property (equipment or supplies) and whether the property is Federally owned. The BEAD Grants Officer may require a non-Federal entity (i.e., a Subgrantee or Sub-Subgrantee) to execute and to record (as applicable a statement of interest, financing statement (FORM UCC-1), lien, mortgage or other public notice of record to indicate that real or personal property acquired or improved in whole or in part pursuant to a BEAD award is subject to the Federal Interest, and that certain use and deposition requirements apply to the property. The statement of interest, financing statement (FORM UCC 1), lien, mortgage or other public notice must be acceptable in form and substance to NTIA and to NIST GMD and must be placed on record in accordance with applicable State and local law, with continuances re-filed as appropriated.

In such cases, the BEAD Grants Officer may further require the non-Federal entity to provide NTIA and NIST GMD with a written statement from a licensed attorney in the jurisdiction where the property is located, certifying that the Federal Interest has been protected, as required under the award and in accordance with applicable State and local law. The attorney's statement, along with a copy of the instrument reflecting the recordation of the Federal Interest, must be promptly returned to the BEAD Grants Officer. The non-Federal entity may use model documentation made available by NTIA.

Relocation and Real Property Acquisition Requirements

The Uniform Relocation Assistance and Real Property Acquisition Act of 1970 ([42 USC §§ 4601-4655](#)) (URA) and implementing regulations are in [15 CFR Part 11](#) as published and amended in the Federal Register on December 30, 2024. (See URA documents located on the [Electronic Code of Federal Regulations website](#)).

1.8 Acquisition

Most acquisitions are simple acquisitions requiring compliance with a minimal amount of regulations under the URA. The requirements of Subpart B do not apply to acquisitions that meet all of the following conditions ([49 CFR § 24.101b \(1\) \(i\)-\(iv\)](#)):

- No specific site or property needs to be acquired, although the Subgrantee may limit its search for alternative sites to a general geographic area. Where a Subgrantee wishes to purchase more than one site within a general geographic area on this basis, all owners are to be treated similarly.

- The property to be acquired is not part of any intended, planned, or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits.
- The Subgrantee will not acquire the property if negotiations fail to result in an amicable agreement and the owner is informed in writing.
- The Subgrantee will inform the owner in writing of what it believes to be the market value of the property.

NOTE: Contact your **BEAD Program Infrastructure Specialist** if an acquisition does not meet **all** of the conditions as noted above. Compliance with all of Subpart B of the URA is required.

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2. Contracts and Amendments

2.1 Overview

This Chapter outlines the contract development and contract amendments process followed by the WSBO infrastructure team through project completion.

2.2 Assignment of Project

All Subgrantees will receive a letter from the WSBO specifying the amount of the award, any conditions on the award, and the name and contact information of the WSBO infrastructure specialist assigned to the project.

Subgrantees are expected to work closely with the infrastructure specialists during pre-contracting, project implementation, placed-in-service activities and award close-out.

2.3 Contract Execution and Scope of Work Deadline

Award letters will be issued after the WSBO signs the Notice of Award (NOA) with NIST. No more than a week after the award letter is sent, a draft Scope of Work will be sent to the Subgrantee for review and approval. Subgrantees awarded BEAD funding must return a Scope of Work approval within one month of receipt of a draft from the WSBO.

Once the Scope of Work is approved by the Subgrantee, the Infrastructure specialist issues a contract through DocuSign within a week for management review/approval. NTIA requires that all BEAD Subgrantees contracts be executed within six months from the date NIST issues a Notice of Award to WSBO. Subgrantees must return an executed contract by date specified in issued award letter. Failure to do so shall result in withdrawal of the award.

2.4 Contract

The WSBO contract is comprised of two parts: *Specific Terms and Conditions* and *General Terms and Conditions*. The Office of the Attorney General has pre-approved boilerplate language for the WSBO contract and related legal documents. The General Terms and Conditions are not negotiable. Limited revisions to the Specific Terms and Conditions or other legal documents may be allowed. Substitution or addition of non-WSBO documents is subject to the approval of the WSBO's Assistant Attorney General (AAG). The approved contract boilerplate includes the scope of work and terms of the contract on the declaration page.

2.5 Time of Performance Requirements

The Subgrantee must demonstrate projects are progressing in a timely manner. The WSBO may terminate contracts when projects are not progressing on schedule. Subgrantees must have a NEPA Milestone checklist and **estimated** build schedule for each project area, which will be used to track schedule progress. Updates to these schedules may be made with BEAD infrastructure specialists as needed. At a minimum, Quarterly Reports will be utilized to ensure ongoing performance.

Infrastructure Projects funded with BEAD Funds may only be used to cover eligible costs incurred during the period of ***XX, 2025 thru the contract end date stated on subgrantee contract.***

2.6 Contract Amendments Overview

Changes to the contract scope of work, budget activities, or timing to carry out contract activities require a contract amendment. The Subgrantee **MUST** contact their WSBO infrastructure specialist to initiate amendments to contracts.

2.7 Scope of Work Amendment

Scope of work revisions must be requested in writing by the Subgrantee to their designated WSBO infrastructure specialist. A formal process will be initiated after this first notice.

Scope of work amendments may require additional environmental and/or cultural resources reviews under Section 106 and Environmental Assessment, especially where the revisions:

- Add/delete elements to the project scope of work
- Increase or change the project location / Area of Potential Effect
- Excavate at a deeper depth or different location

No work can proceed, nor reimbursement of any elements related to the proposed revised scope, until the WSBO and NTIA determine the scope change is allowable and contract amendments are fully executed.

2.8 Requesting Project Completion Date Extensions

Period of performance extensions may be granted for up to 12 months with approval from NTIA and WSBO. For the WSBO to consider a project extension request, the Subgrantee must request extensions to the Project Completion Date at least 90 days before the Completion date referenced on the Declarations page of their contract. The Subgrantee must request Project Completion extensions in writing to their WSBO infrastructure specialist. Written requests must state the reason(s) for the delay and list the revised timeline for completion of the activities.

2.9 Broadband Serviceable Location (BSL) Removal

During the course of design and construction, the Subgrantee may run into situations where a BSL needs to be removed from the project. In the event this is necessary, the Subgrantee must reach out to their BEAD Infrastructure Specialist for process and evidence requirements.

2.10 Requesting Jurisdiction Name Change

When the legal name of the Subgrantee changes, the Subgrantee shall send the official document showing approval of the change to their WSBO infrastructure specialist for the contract file.

2.11 Requesting Contract Termination

A Subgrantee terminating their contract must notify the WSBO Broadband Infrastructure Programs Manager in writing indicating the request to rescind all obligations and provisions contained in the contract. All qualifying invoices for reimbursement must be received within 30 days of the date of the official termination notification.

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3. Administrative and Program Requirements

3.1 Overview

The Subgrantee must be able to document compliance with all state and federal (if applicable) laws and regulations. Good record keeping and reporting systems are essential to document compliance. These records must be accessible to Commerce, the Washington State Auditor, NTIA, and the Government Accountability Office (GAO). This Chapter provides a summary to help set up a WSBO record keeping system and a summary of reports that will be requested during the management of the contract.

Subgrantees of BEAD funds must have a contract management system in place to ensure contractors perform in accordance with contract terms, conditions, specifications, and applicable state and federal requirements. This system must:

- Ensure prevailing wage requirements are included in bid documents and contracts.
- Verify the selected contractor and subcontractor are not excluded from receiving federal funds.
- Review contractor and subcontractor compliance with prevailing wage laws, on-site inspections, review of change order requests, project closeout, release of retainage and record keeping.

3.2 Uniform Administrative Requirements

BEAD sub-awards are generally subject to the requirements set forth in the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, [2 CFR Part 200](#) (the “Uniform Guidance”). In all instances, Subgrantees must review the Uniform Guidance requirements applicable to the organization’s use of BEAD-funded project(s). Subgrantees are advised to carefully review the Uniform Guidance requirements and any additional regulatory and statutory requirements, as applicable.

All Subgrantees are responsible for the effective administration of this BEAD sub-award of federal funds and expected to:

- Utilize sound management practices in a manner consistent with the BEAD program objectives and terms and conditions of the award.
- Implement robust internal controls and effective monitoring to ensure compliance with all state and federal regulatory and statutory requirements.

3.3 Standards of Conduct

General procurement standards [2 CFR § 200.318](#). Subgrantees and any sub-Subgrantee are to maintain a standard code of conduct governing the performance of their employees engaged in the award and administration of federally funded contracts. No employee, officer or agent of the Sub-Subgrantee or any sub-Subgrantee shall participate in the selection or in the administration of

a contract supported by federal funds if there is a conflict of interest. See Attachment 3-A for sample standards of conduct.

If the Subgrantee or sub-Subgrantee has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian Tribe, the Subgrantee or sub-Subgrantee must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the Subgrantee or sub-Sub-Subgrantee is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

3.4 Establishing a Filing System

The Subgrantee must maintain accurate and current files. It is best to keep all WSBO files in one central location. Files need to be accessible to all project funders.

3.5 Security

Files should be kept in a secure place, but accessible to the public.

3.6 Maintaining Records

All records and files pertaining to the WSBO application, engineering, and construction of the project must be stored for the life of the grant plus six years. Records of operating and maintenance costs do not have to be saved for the purposes of the WSBO grant.

3.7 Organizing a Filing System

A good filing system can be a very effective management tool. It will ensure the Subgrantee has all the necessary documentation to meet compliance requirements. The following is suggested as a basic guide for WSBO record keeping. It is recommended that the Subgrantee keep separate files for each WSBO/BEAD project.

The system includes major headings for administration, financial management, and compliance (as applicable):

- | | |
|---------------------------------|-------------------------------------|
| 1 – Application | 6 – Environmental / Cultural Review |
| 2 – Grant Contract & Amendments | 7 – Prime Contractor Contracts |
| 3 – Financial Management | 8 – Labor Construction & Standards |
| 4 – Non-Construction Contracts | 9 – Required Reports |
| 5 – Procurement / Bonding | |

3.8 Contract Implementation Documents to be Submitted

The following is a general guide for implementing a BEAD project. These are the required documents that need to be submitted to your Infrastructure specialist.

	Task-Documents to be Submitted	Handbook Chapter
1	Maintain an active registration with the System for Award Management (SAM) and maintain through the period of contract.	1.4
2	Submit all BABA certifications and/or waivers.	1.6, 5.3
3	Scheduled Single Audit following \$1,000,000 or more in expenditures (all federal fund sources) in Subgrantee's Fiscal year. Submit with an Audit Certification Form to auditreview@commerce.wa.gov . If the Subgrantee did not expend \$1,000,000 in their fiscal year, no audit is required .	4.3, 4-A
4	Notify WSBO infrastructure specialist in writing when making any budget modifications that would exceed ten percent (10%) of any cost eligible project activities and cost.	4.5
5	Submit Project Area Completion form 5-B and schedule final inspection.	5.5, 9.11
6	Conduct a competitive process to procure professional services (engineer, architect, or project management).	6
7	Provide the Infrastructure Specialist with Consultant eligibility documentation showing the date eligibility was verified on SAM.gov .	7.5
8	Must conduct a competitive construction procurement. Prior to Construction advertising, send a copy of the draft bid advertisement to your Infrastructure specialist for review and approval.	8.11
9	Construction bid OMWBE solicitation, submit copy of the posted advertisement.	8.12
10	Contact your Infrastructure specialist when less than two bids received.	8.13
11	Provide the Infrastructure Specialist with Contractor and all lower tier sub-contractors eligibility documentation showing the date eligibility was verified on SAM.gov	8.14
12	Submit Small Works Roster documentation.	8.21
13	Submit Construction Procurement Documentation	8.22
14	Submit Contract Completion Report with last A19 reimbursement request.	9.12
15	Submit Sub-Subgrantee documentation, if applicable	10
16	Environmental Assessment and Cultural Review completed.	11.1
17	Submit Cybersecurity and Supply Chain Risk Management Plan updates within 30-days if substantial changes are made.	12.8

Attachment 3-A: Sample Standards of Conduct

[Subgrantee] STANDARDS OF CONDUCT

Purpose

The purpose of the Standards of Conduct is to ensure the efficient, fair and professional administration of grant funds in compliance with [2 CFR § 200.318](#) and other applicable federal and state standards, regulations, and laws.

Application

Standards of Conduct applies to all elected officials, employees or agents of [Subgrantee] engaged in the selection, award or administration of contracts supported by grant funds.

Requirements

No elected official, employee or agent of [Subgrantee] shall participate in the selection, award or administration of a contract supported by grant funds, if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- the employee, elected official, or agent.
- any member of his/her immediate family.
- his/her partner; or
- An organization which employs, or is about to employ any of the above, has a financial or other interest in or tangible personal benefit from the firm considered for contract.

The [Subgrantee] elected officials, employees or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors or subcontractors.

Remedies

To the extent permitted by federal, state or local laws or regulations, violation of these standards may cause penalties, sanctions or other disciplinary actions to be taken against [Subgrantee] elected officials, employees or agents, or the contractors, potential contractors, subcontractors or their agents.

[town/city/county], WASHINGTON

CEO/Chairman

Commissioner/Council

Commissioner/Council

Attest:

Clerk Signature and Date

4. Financial Management

4.1 Overview

This Chapter is designed to help the Subgrantee understand and implement financial management systems that comply with WSBO program requirements.

4.2 Internal Controls

Subgrantees must maintain effective control and accountability for the BEAD funds by complying with financial management standards found in [2 CFR § 200.303](#). The Subgrantee should designate one person as the fiscal coordinator for the BEAD(s). Only one signature is required to request reimbursement of expenditures from Commerce. However, in the absence of a fiscal coordinator, or in other circumstances, a second person should be authorized to sign the reimbursement request form.

Subgrantees' internal controls plans should consist of five key elements: **control environment, risk assessment, control activities, information and communication, and monitoring activities**. To ensure effective internal controls are in place, Subgrantees should develop policies and procedures.

The Subgrantee **MUST** maintain effective internal controls and accountability for WSBO funds by complying with the financial management standards and general accepted accounting principles. Methods for maintaining internal control include establishing policies and practices for approval of expenditures, bonding of staff handling cash, clearly defining grant and project management roles and responsibilities, and maintaining segregation of duties in handling and accounting for expenditures and receipting of funds.

4.3 Single Audit Requirements

Subgrantees that expend more than \$1,000,000 in federal awards (from all sources in a calendar year of the jurisdiction audit year) during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at [2 CFR Part 200, Subpart F](#) regarding audit requirements.

A program-specific audit is allowed when the Subgrantee expends federal awards under only one federal program \$1M. A single audit is an audit that includes both an entity's financial statements and its federal awards (from all applicable federal programs) \$1M in the Subgrantee's fiscal year.

Each Subgrantee is responsible for arranging the required federal audits. All federal audits must be conducted by an independent public accountant. For local governments in Washington State, that is the function of the State Auditor's Office. Audits of non-profit organizations are to be conducted by a certified public accountant procured in accordance with the implementation regulations.

Upon completion of each audit, the Subgrantee shall:

- Submit to Commerce the reporting package specified in [2 CFR § 200.501](#), reports required by the program-specific audit guide (if applicable) and a copy of any management letters issued by the auditor.
- Submit to Commerce follow-up and developed corrective action plans for all audit findings.

If the Subgrantee spends less than \$1,000,000 in federal awards from any and/or all sources in any fiscal year, the Subgrantee shall notify Commerce they did not meet the single audit requirement.

The Subgrantee shall send all single audit documentation to auditreview@commerce.wa.gov.

Commerce tracks audit report submission quarterly. Our Internal Control Officer may contact Subgrantees if required audit(s) were not submitted; or to coordinate submission of an Audit Verification Form to certify that a federal audit was not required, see Attachment 4-A for [Audit Certification Form](#).

Subgrantees may also refer to the provisions in the contract with Commerce, Office of Management and Budget (OMB) Compliance Supplements for audits of federal funds and related guidance and the [Federal Audit Clearinghouse](#) for additional guidance and to see examples and single audit submissions.

In addition, Subgrantee's Audit is required to be submitted to the Federal Audit Clearing House, as required by [2 CFR 200, Subpart F](#)

Subgrantees that expend \$1,000,000 in federal awards from any and/or all sources in any fiscal year, must complete an audit report and submit to the [Federal Audit Clearing House](#).

4.4 Online Reimbursement Setup

Commerce utilizes an electronic vouchering method through the Contracts Management System (CMS) Online A-19 Portal. Request for reimbursement (A-19) must be completed through this system by authorized individuals of the Subgrantee's organization. Online electronic vouchering provides receipt of reimbursements as quickly as possible. Subgrantees with barriers to using the online A-19 portal may request an A-19 form from their Infrastructure specialist.

To set up your Commerce CMS account you need to:

- Register for a [Secure Access Washington](#) (SAW) account, if you do not already have one.
- Once logged into SAW, add the Department of Commerce to your "services" and submit a CMS Access Request form (PDF) to your Infrastructure specialist.
- Upon approval, you will receive an email from CMS-noreply@commerce.wa.gov with a registration code, how-to guide and instructions for log in.

For additional support on this program, refer to the [Commerce Online A-19 Webpage for External Users](#), which includes SAW resources and the CMS User Manual.

After contract execution, you will receive additional instructions on how to submit online requests for reimbursement.

Commerce initiated a Diverse Spend reporting process to assess how it supports diverse businesses through its pass-through funds. A Subgrantee requesting reimbursements must submit Unified Business Identifier (UBI) expenditure reports to collect payment data on each contractor and subcontractor by their name, contract relationship and UBI number. Commerce will provide a fillable excel spreadsheet to submit the UBI expenditure report, including instructions. This data also may be directly entered into the CMS Online A-19 Portal.

The WSBO does not directly pay the Subgrantee's prime contractors, sub-contractors or any other vendors.

Final Reimbursement Request

Once the Subgrantee has successfully completed all contractual tasks, activities and conditions, the Subgrantee shall submit a contract completion report (Attachment 5-C) to their WSBO infrastructure specialist as well as with their final A-19. Upon the WSBO's acceptance of the contract completion report, the Subgrantee may request final reimbursements.

Retainage

Five percent (5%) or lesser amount of WSBO contract funding may be withheld until the WSBO funded project's scope of work is completed and a contract completion report is submitted to, and approved by, the WSBO infrastructure specialist.

4.5 Cost Eligibility

All costs must be directly related to the scope of work of the project being funded. Subgrantees must determine if costs are **reasonable, necessary, allocable, and allowable** for the proposed project or other eligible activity and conform to generally accepted accounting principles, [2 CFR Part 200](#).

Pre-award costs:

Once contracts are executed, the Subgrantee may request reimbursements for pre-award costs that were allowed in the application BEAD NOFO, the **cost of letter of credit/performance bond or design engineering services but not paid for by any other state or federal fund**. Funds will only be distributed as reimbursement for incurred costs, and there will be no advance payments under *any* circumstances.

Eligible project activities and costs include:

Costs must be directly related to the scope of work of the project being financed by the PROGRAM. Eligible project activities and costs include:

- Construction, improvement, and/or acquisition of facilities and telecommunications equipment required to provide qualifying broadband service, including infrastructure for backhaul, middle- and last-mile networks, and multi-tenant buildings
- Line of Credit and Performance Bond fees

- Long-term leases (for terms greater than one year) of facilities required to provide qualifying broadband service, including indefeasible right-of-use (IRU) agreements and archeological/historical & cultural review
- Deployment of internet and Wi-Fi infrastructure within an eligible multi-family residential building.
- Acquire wireless license, to qualify:
 - Applicants will need to directly relate the expenses in the BEAD project.
 - The status of an applicant's license, and whether the applicant can pass the technical evaluation to provide licensed fixed wireless without a license.
- Engineering design, permitting, and work related to environmental, historical and cultural reviews.
- Personnel costs, including salaries and fringe benefits for staff and consultants providing services directly connected to the implementation of the BEAD Program (such as administration, project managers, program directors, and subject matter experts).
- Equipment rental/lease as allowed under [2 CFR § 200.465](#), except covered communications equipment or services as defined in section 9 of the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. 1608).
 - If equipment rental/lease cost exceeds the cost to purchase, contact your WSBO project manager for approval to purchase the equipment as allowed under [2 CFR § 200.439](#).
- Indirect Rate: federal approved indirect rate or 15 percent of the modified total direct costs. New De Minimis rate increase per [2 CFR 200.414](#). Allowed based on what the applicant submitted in their BEAD application.

[“§ 200.68 Modified Total Direct Cost \(MTDC\)”](#) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each sub-award (regardless of the period of performance of the sub-award under the award). MTDC excludes equipment, capital expenditures and rental costs. If applicable see attachment 4-C example MTDC calculation and attachment 4-D- MTDC form.
- Capitalized equipment
- Applicants may include a contingency line item in their budget as part of the funding request. This contingency funding, once an applicant is awarded, may be accessed, but is subject to the approval of WSBO prior to incurring such an expense.
- Real property when purchased specifically for the project, and associated costs. **

****Costs directly associated with property acquisition** include appraisal fees, title opinions, surveying fees, real estate fees, title transfer taxes, easements of record, and legal expenses.

Note: [2 CFR 200.316](#) any real property, equipment, or intangible property acquired or improved with a federal award must be held in trust by the Eligible Entity (WSBO) or subgrantee as trustee for the beneficiaries of the project, other eligible activity, or program under which the property was acquired or improved. This trust relationship exists throughout the duration of the property's estimated useful life, as determined by NTIA. NTIA retains an undivided, equitable reversionary interest in the property (Federal Interest). In this connection, NTIA may require the non-federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a federal award and that use, and disposition conditions apply to the property. Awards issued pursuant to this NOFO may contain specific award conditions pertaining to the use and disposition of grant-acquired property and to a requirement that the Subgrantee or subgrantee file certain public notices (*e.g.*, UCC-1, Covenant of Purpose, Use and Ownership, *etc.*) with respect to grant-acquired property.

See Special Terms in Conditions 29. Recordation of the Federal Interest in BEAD-Funded Property, in subgrantee contract for further NTIA guidance regarding the useful life schedules and UCC filing.

The UCC filing must include the below or substantively similar language:

The Equipment set forth at Attachment A hereto was acquired with funding under a financial assistance award (Award Number) issued by the National Institute of Standards and Technology, U.S. Department of Commerce. As such, the U.S. Department of Commerce retains an undivided equitable reversionary interest (Federal interest) in the Equipment for [insert number] years after the end of the year in which the award is closed out in accordance with 2 CFR 200.344.

Expenditures must be supported with source documentation. Examples of documentation include invoices, and time sheets. Documentation supporting each payment is to be kept on file and retained six (6) years after close-out to verify all BEAD expenditures. Payments by the Subgrantee to prime contractors, consultants and/or sub-Subgrantees should not be made without an invoice and supporting documentation.

4.6 Ineligible Costs

The following costs are ineligible uses of grant funds and matching funds:

- Operating expenses, other than grant administration costs
- Fundraising activities
- Rolling stock (such as vehicles and generators)
- Lease payments facilities
- Mortgages and property leases (including long-term)
- Ineligible costs include those costs that are unallowable under the applicable federal cost principles. Please note that costs ineligible for the BEAD Program may not be paid for with matching funds committed to an award.

- **Prohibition on Profit and Fees:** A profit, fee, or other incremental charge above actual cost incurred by an Eligible Entity or subgrantee is not an allowable cost under this Program.
- **Prohibition on Use of Grant Funds to Support or Oppose Collective Bargaining:** a Subgrantee may not use grant funds, whether directly or indirectly, to support or oppose collective bargaining.

4.7 Grant Match Requirements

A Subgrantee is required to provide 25% cost sharing/match that is cash or in-kind, with the exception of NTIA defined high-cost areas. The project area maps have identified the total match required in these areas, see [Bead Project Area Match and CostQuest Estimate](#) list.

In-kind matching categories are the same as the BEAD eligible expenses. In-kind contributions, which may include third-party in-kind contributions, are non-cash donations of property or goods. The Subgrantee must provide proper documentation to support match. Without documentation demonstrating that the match requirement has been met, the Subgrantee will not be fully reimbursed for expenditures. If the match is properly documented and meets the applicable eligibility criteria, expenditures may be reimbursed according to the agreement.

All eligible costs used for match are to be reported and incurred within the effective dates of the agreement with each A-19 invoice.

Supporting Documentation

All matches must be supported by documentation acceptable to WSBO and be verifiable from Subgrantee records. Examples include (but are not limited to):

- Itemized receipts
- Detailed invoices from Subgrantee, contractors, sub-contractors, etc.
- Vendor invoices

Additional In-Kind Documentation Requirements

Subgrantees utilizing in-kind match must submit documentation with each A-19 invoice that includes:

- The name of the party providing the in-kind.
- The match value.
- The nature of the in-kind contribution.
- An explanation of how the contribution qualifies as an eligible cost under the program rules.
- If the contributor is not the subgrantee, a description of any benefits the contributor will derive from the project (e.g., free or discounted access to the network).

Additional information can be found in the [NTIA Understanding In-Kind Match document](#).

Contributions Not Eligible for Match

- Costs used as match on another project. No expenditure or in-kind contributions used as match on one project may be used as match on another project.
- Costs paid by the same funding source. Funds that come from the same funding source as the grant or loan, even if it passes through another party to the Subgrantee, cannot be used as match.
- Costs financed by penalties and/or fines. The Subgrantee cannot use income associated with penalties and/or fines for a match.

4.8 Project Status Reports

Each A-19 Reimbursement Voucher (A-19) request must be accompanied by a Project Status Report for each invoiced project area (Attachment 4-B), which describes the progress made on the project since the last invoice was submitted. The WSBO infrastructure specialist will not release payment for any reimbursement request submitted until the Project Status Report is received. After approving the A-19 and the Project Status Report, Commerce shall promptly remit a warrant to the Subgrantee.

In order to receive reimbursement for eligible expenses incurred, each A-19 must include:

- Source documentation of expenses such as copies of invoices/receipts, payroll reports, consultant invoices and contractor pay requests.
- Project Status Report (Attachment 4-B). These must be included in all A-19 submissions for each project area included in the invoice.
- BEAD Invoice Tracker
- BABA compliance documentation as required

Incomplete or improperly prepared submissions may result in payment delays. WSBO infrastructure specialists will not release payments for any reimbursement requests received until the A-19 Invoice, supporting documentation and Project Status Reports are received. After approving the A-19 Invoice and Project Status Report, WSBO infrastructure specialists shall promptly remit reimbursement to the Subgrantee. After receipt and accepting a fully completed A-19 voucher submittal, Subgrantees can expect electronic reimbursement within 7-10 days.

Attachment 4-A: Audit Certification Form

As a pass-through agency of federal grant funds, the Washington State Department of Commerce is required by the Office of Management and Budget (OMB) 2 CFR 200 to monitor activities of sub-Subgrantees to ensure federal awards are used for authorized purposes and that sub-Subgrantees have met the OMB 2 [CFR 200 Subpart F](#) - Audit Requirements. Your entity is a sub-Subgrantee subject to such monitoring by Commerce because it is a non-federal entity that expends federal grant funds received from Commerce as a pass-through entity to carry out a federal program.

A non-federal entity expending \$1,000,000 or more in any fiscal year in federal funds from all sources, direct and indirect, are required to have an audit conducted in accordance with 2 CFR 200.501 – Audit Requirements.

Please complete the information below, provide additional documents as applicable and return via email from an authorized official's email address within the next 15 days to Laura.Shackley@commerce.wa.gov. [Please complete the form and send it in each year the Subgrantees receive federal funds.](#)

Organization Name:

Organization Name as reported to the Federal Audit Clearinghouse:

For Organization's Fiscal Year Ending On (FY MM/DD/YYYY):

Statewide Vendor No. (SWV#):

☐ **We are not subject to the audit requirements of the Federal Audit Clearinghouse because:**

☐ We did not spend \$1,000,000 or more of total federal awards from any source during the last fiscal year.

☐ We are exempt for other reasons – explain: [Click or tap here to enter text.](#)

☐ **We are subject to the requirement of the Federal Audit Requirements**

☐ We completed our last federally compliant audit and have attached the audit report.

☐ Our completed federally compliant audit will be available on [Click or tap here to enter text.](#)

Authorized Official Name and Title (print):

Authorized Official Signature:

Date:

Email Address:

Phone Number:

Attachment 4-B: Project Status Report Form

Submitted By: _____

Reporting Period: _____

This form must accompany each A19 voucher request for reimbursement.

Subgrantee Name:		
Grant Agreement Number:		
Project Area:		
Anticipated Project Completion Date:		
Describe progress made in acquiring permits and any current or anticipated delays in acquiring permits.		
Describe the progress made to date on the project's scope of work (see Declarations Page in Grant Agreement).		
Approximately, what percentage of the project is complete?		%
If the anticipated completion date is different from the submitted construction schedule, what factors led to the change?		
Please provide copies of any press releases or news articles related to the project that were released or published during this reporting period. Provide notice of ground breakings, ribbon cutting ceremonies, etc.		

Attachment 4-C: Calculating Indirect Expense

Step 1: Calculate the MTDC.

Line Item	Approved Budget	MTDC Eligible Amount
Direct Salaries	\$ 120,000.00	\$ 120,000.00
Fringe Benefits	\$ 35,000.00	\$ 35,000.00
Travel	\$ 10,000.00	\$ 10,000.00
Consumable Supplies	\$ 10,000.00	\$ 10,000.00
Services:		
Contract Services -A:	\$ 50,000.00	\$ 50,000.00
Contract Services -B:	\$ 50,000.00	\$ 50,000.00
Contract Services -C:	\$ 75,000.00	\$ 50,000.00
Total Direct Costs	\$ 375,000.00	\$ 325,000.00

Step 2: Apply 10% De Minimis to the MTDC.

Line Item	Approved Budget	MTDC Eligible Amount
Total	\$ 375,000.00	\$ 325,000.00
Indirect Cost Rate	15 %	15 %
Total Indirect Costs	\$ 56,250.00	\$ 48,750.00

Attachment 4-D: 15% of the Modified Total Direct Costs (MTDC) Verification Form

Grantee Name: Click or tap here to enter text.

Any non-Federal entity that has never received a negotiated indirect cost rate may elect to charge a de Minimis rate of 15% of modified total direct costs (MTDC) which may be used indefinitely. If chosen, this methodology must be used consistently for all Federal awards. Costs must be consistently charged as either direct or indirect costs. [§ 200.414 \(5\) \(f\) Indirect \(F&A\) costs.](#)

The intent of this verification is to assure that calculation of MTDC is done with the necessary accounting expertise to comply with the cost's rules in 2 CFR, Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

TOTAL DIRECT COSTS AMOUNT <i>Salaries + Benefits + Travel + Supplies + Contracted Services</i>	Approved Budget
1. Direct Salaries	
2. Direct Fringe Benefits	
3. Travel	
4. Consumable Supplies	
5. Contract Services (contract amount) *:	
6. Contract Services (contract amount) *:	
7. Contract Services (contract amount) *:	
8. Subtract the amount of the <i>Contracted Services</i> line item that is over \$25,000*	
Total = MTDC base amount (add rows "a-g", subtract row "h")	
15% of the Base Amount = MTDC Indirect Total	

[§ 200.68 Modified Total Direct Cost \(MTDC\)](#). Modified Total Direct Cost is defined as: *All direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and sub-awards and subcontracts up to the first \$50,000 of each sub-award or subcontract (regardless of the period of performance of the sub-awards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each sub-award and subcontract in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.*

5. Reporting

5.1 Quarterly Projection Reports

Quarterly projections and expenditure reports are required. We request an estimate and the timing of when you are planning on submitting an A19 reimbursement request over a period. This information is used for program budgeting purposes only and is **not binding**. Your Infrastructure Specialist will send Quarterly Projection Reporting forms for you to complete and return.

5.2 Quarterly Progress Report

Quarterly Progress Reports are required for each project area that has not been billed for during the previous quarter (Attachment 5-A). Your WSBO infrastructure specialist will email the Subgrantee reminders of the upcoming report and will include templates. Updates to the required report may be made based on future guidance and requirements from NTIA.

5.3 Semi-Annual CSV submission

Subgrantee must submit updated CSVs for all project areas on a semi-annual basis. Templates will be provided once NTIA updates their required documentation. WSBO must submit these semi-annual reports to NTIA 30 days after each six-month period, January to June and July to December. This includes, at a minimum, the following CSVs:

- Location CSV
- CAI CSV
- BABA CSV
- Subgrantee CSV
- Deployment CSV

Updates to the required report may be made based on future guidance and requirements from NTIA.

5.4 System Performance Testing

A subgrantee must test a random sample of their active subscribers in each state for each committed speed tier and technology. Sample sets should come from the National Broadband Map, using locations reported to the FCC Broadband Data Collection (BDC). The number of test locations are detailed in the table below:

Active Subscribers	Minimum Test Locations
50 or fewer	5 locations (if fewer than 5 subscribers, all locations tested)
51-500	10% of locations
500 or greater	50 locations

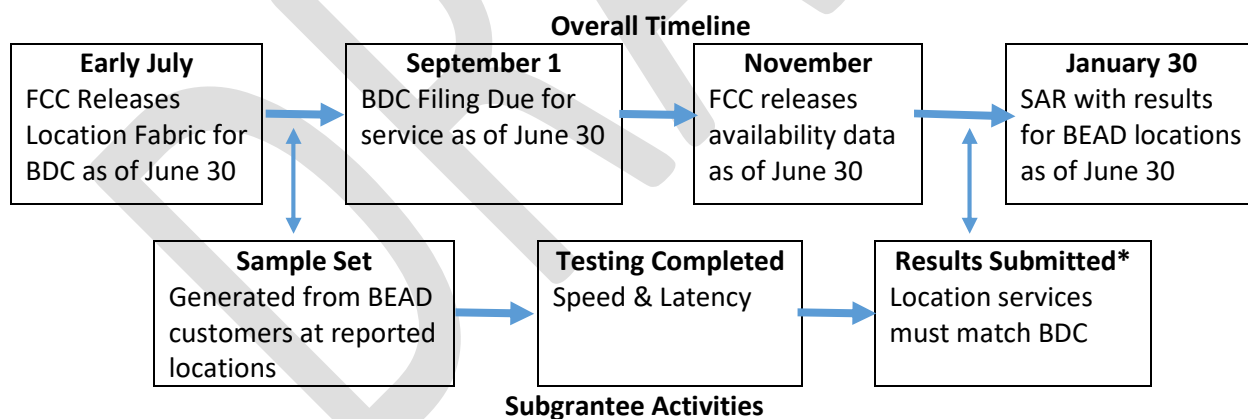
Performance Measure Process

Network performance testing must be done annually throughout the period of performance for inclusion in the Semi-Annual Report (SAR) due each January 30 and prior to subgrant close-out (transition to extended period of performance for LEO).

- After the FCC releases the location fabric to license holders, subgrantees will randomly select a sample set of Broadband Serviceable Locations (BSLs) to test that meet the following eligibility requirements:
 - The BSL is included in the FCC location fabric
 - Service is available on the subgrantee's BEAD-funded network at the BSL
 - The service offered on the BEAD-funded network at the BSL has an active subscriber
 - The tested BEAD service was reported in the subgrantee's most recent FCC BDC filing
- Subgrantees must complete all speed and latency testing before the WSBO deadline for reporting performance measures testing results.
- Subgrantees will submit testing results to WSBO by the reporting deadline. WSBO will ensure that the tested BEAD service (location, provider, and technology) matches the BDC data.

Performance Measure Testing Timeline

The below timeline illustrates the overall Performance Measures speed and latency testing timeline as well as the relevant subgrantee activities at each step.



Performance Measure Speed Testing Standards

Subgrantees must conduct speed testing and submit the detailed data to WSBO in their measurement reports to ensure speed test compliance. Speed requirements and data reporting apply in both the upload and download directions.

- Testing must be performed during testing weeks between the hours of 6:00 pm and 12:00 am local time each day, including weekends (testing hours).

- The test must be conducted once per testing hour, at the beginning of each hour, for one week. If application traffic load is greater than 10% of the committed speed tier in the relevant direction, the subgrantee may defer the affected test for one minute.
- Each measurement must last at least 15 seconds between the customer and a remote server location.
- 80% of measurements must be at or above 80% of the committed speed, with a minimum of 80 megabits per second (Mbps) download and 16Mbps upload for Broadband Serviceable Locations (BSLs) or committed speed tier as detailed in the subgrantee agreement.

Performance Measure Latency Testing Standards

Subgrantees must conduct latency testing and submit detailed data to WSBO in their measurement reports to ensure latency test compliance.

- Testing must be performed during testing weeks between the hours of 6:00 pm and 12:00 am local time each day, including weekends (testing hours).
- The test must be conducted once per minute for one test hour during testing hours between the customer and a remote server location.
- Round-trip time of either a single User Datagram Protocol (UDP) packet or group of three Internet Control Message Protocol (ICMP) or UDP packets sent simultaneously.
- 95% of measurements must be at or below 100 milliseconds.
- Lost packets count as “failing”, i.e., above the 100-millisecond threshold.

Performance Measure Availability/Reliability Testing

Subgrantees must meet availability/reliability requirements and submit a narrative response in their measurement reports to WSBO to ensure compliance. The narrative response must include the number of BSLs that exceeded the availability/reliability requirement and an explanation of the events that contributed to the failure to meet the required standard.

- Report cumulative network outages over the selected 365-day period that exceed 48 hours (for an annual uptime of 99.45%), regardless of whether the outages are reported by the subscriber. Network outages exclude scheduled maintenance, power outages, subscriber equipment disconnection, outages during a FEMA-declared disaster, and up to a month after the activation of the FCC’s Disaster Information Reporting System (DIRS).
- Report all outages starting at the time of customer report or first determination that the outage is the responsibility of the subgrantee.

Performance Measure Compliance

Subgrantees are obligated to comply with the guidance in the [NTIA Performance Measures Policy Notice](#) and the [NTIA BEAD NOFO](#).

To comply with transparency and reporting requirements, subgrantees are required to:

- Document the methods, standards, and parameters used in measuring network performance in each submission, denoting changes;
- Submit this documentation in a measurement report to the Eligible Entity and publish on their website;
- Retain data for inspection by WSBO or NTIA during the Period of Performance; and
- Provide an official certification of accuracy for their measurement report.

A subgrantee is compliant if they perform all of the following:

- Meet all four thresholds (Download, Upload, Latency, Reliability);
- Use a compliant testing methodology;
- Report measurement results to WSBO on time and in the required [CSV format](#), using a separate file for each technology and/or committed speed tier; and
- Comply with transparency requirements.

Non-compliance Tracking Responsibility

Subgrantees are responsible for reporting any non-compliance to WSBO. WSBO may enforce penalties for non-compliance by withholding final payments to the subgrantee and may establish a remediation process to support subgrantees in complying with the outlined requirements.

5.5 Project Area Completion

Upon completion of construction of a project area, subgrantees must complete the Project Area Completion Form, Attachment 5-B, and submit to their WSBO infrastructure specialist. This form must be completed for each project area included in the subgrantees contract. At the completion of each project area, a final inspection must be scheduled in accordance with BEAD Contract Special Terms and Conditions 20. It is after this inspection is completed and approved that the project area will be considered completed.

5.6 Contract Completion

To complete the closeout process, the Subgrantee must submit a Contract Completion Report form, Attachment 5-C, to their WSBO infrastructure specialist. This may be updated, pending NTIA development of a form for possible UCC filing.

Attachment 5-A: Quarterly Progress Report Form

(Due, if no A19-Invoices have been submitted during this time.)

Project Information	Reporting Period
Subgrantee Name:	<input type="checkbox"/> July 1 – September 30
Grant Agreement Number:	<input type="checkbox"/> October 1 – December 31
Project Area:	<input type="checkbox"/> January 1 – March 31
Completed by:	<input type="checkbox"/> April 1 – June 30
Phone:	Year:
Email:	
Date of Submittal:	

1. Review the contract scope of work, describe the progress made to date and percentage of completion.
2. Describe any significant problem(s) or unforeseen costs that have or will affect the project's timeline or successful completion of the project, (i.e. any delays or changes to the project as described in the contract scope of work).
3. Describe progress made in acquiring permits and any current or anticipated delays in acquiring permits.
4. Are any contract amendments needed? ☐ Yes ☐ No
If yes, please explain:
5. Please provide copies of any press releases or news articles related to the project that were released or published during this reporting period.
6. Provide notice of ground breakings, ribbon cutting ceremonies, etc.

Attachment 5-B: Project Area Completion Report

This form must be completed and submitted, along with electronic photos of the completed projects when you have completed construction for a project area.

WSBO Subgrantee:					
Contract Number:					
Project Area:					
Project Construction (Complete all applicable fields)	Built	Leased	Upgraded		
Aerial Fiber (Miles)					
Buried Fiber (Miles)					
Sites Built (number of base stations, towers, etc.)					
Project Connections (Complete all applicable fields)	Fiber	LFW	LBR	ULFW	LEO
Residences Passed (Count of connected locations and locations that can be connected within 10-days with a standard installation)					
Residences Connected (Count of all residences connected by the project)					
Businesses Passed (Count of connected locations and locations that can be connected within 10-days with standard installation)					
Businesses Connected (Count of locations connected by the project)					
Community Anchor Institutions (CAIs) Passed (Count of connected locations and locations that can be connected within 10-days with standard installation)					
Community Anchor Institutions (CAIs) Connected (Count of locations connected by the project)					
Project Area Final Inspection					
Date of NTIA-WSBO Project Area Final Inspection (BEAD contract Special Terms and Conditions 20)					
<p>Please email high resolution digital photographs of the completed project with this report. By providing images, Subgrantee hereby consents to and authorizes the use and reproduction in print or electronic format by Commerce, or anyone authorized by Commerce, of any and all photographs which have been provided to Commerce without compensation.</p>					

Attachment 5-C: Contract Completion Report

This form must be completed and submitted, along with electronic photos of the completed projects, with your final A-19 reimbursement request.

WSBO Subgrantee:		
Contract Number:		
All Project Areas:		
Total Contract Funds Expended To Date (including all funds)		
Funding Source	Amount	
BEAD	\$	
State Match	\$	
Private Match	\$	
In-Kind	\$	
Federal Match	\$	
Final Reimbursement (including all funds)		
Funding Source	Amount	
BEAD	\$	
State Match	\$	
Private Match	\$	
In-Kind	\$	
Federal Match	\$	
TOTAL CONTRACT FUNDING: <i>(Include all sources expended and final reimbursement)</i>	\$	
Briefly summarize the results of your Project(s):		

Certification of Final Report Accuracy:

I hereby certify that the information entered above, and any attachments hereto are true and correct to the best of knowledge and belief. Further, I certify that the infrastructure project was completed as described in the WSBO application and WSBO contract scope of work and all project areas have completed the required final inspection.

Signature of Authorized Official

Title

Print Name

Date of Signature

6. Monitoring Plan

6.1 Monitoring Overview

The objectives of monitoring are to determine if Subgrantees are:

- Carrying out BEAD-funded activities in a timely manner and complying with applicable laws, regulations and terms as described in their contracts (as modified or amended).
- Charging costs to the program or project that are eligible and minimizing the opportunity for fraud, waste and mismanagement.

6.2 WSBO's Monitoring Role

The role of the WSBO is to ensure that Subgrantees are carrying out their programs in accordance with applicable laws and regulations. In carrying out this responsibility, we will help Subgrantees identify problems or potential problems in program implementation, identify the causes of problems and help Subgrantee to correct them. Templates of the monitoring checklists are included as Attachments 6-A.

6.3 NTIA's Monitoring Role

Representatives from the National Telecommunications and Information Administration (NTIA) may also conduct monitoring visits to ensure that Subgrantees are carrying out their programs in accordance with the applicable laws and regulations.

6.4 Definitions

- Contract Monitoring – An ongoing process of reviewing Subgrantee performance, progress and compliance with applicable laws or regulations assuring any necessary corrective action. The Subgrantee is responsible for monitoring their sub-Subgrantees. An on-site visit may occur.
- Concerns/Issues – Areas that warrant preventative action before noncompliance or areas that are out of compliance with applicable laws or regulations.
- Findings – Substantial evidence obtained by the BEAD Infrastructure specialist or NTIA as a result of any monitoring or reporting activity that indicates nonperformance or noncompliance with a specific requirement of applicable laws or regulations. Continued unresolved findings may have serious implications for future NTIA eligibility.
- Recommendation – Advice for future action due to a concern or to further comply with applicable laws or regulations.
- Required Action or Resolution – The corrective response directed to the Subgrantee, or sub-Subgrantee if applicable, to resolve a monitoring issue or address a finding.

6.5 Contract Monitoring Activities

BEAD infrastructure specialists conduct contract monitoring throughout the contract period to assess Subgrantee progress and performance.

The WSBO will emphasize the following areas when conducting monitoring in accordance with applicable state and federal regulations:

- Overall Subgrantee Management
- Sub-Subgrantees
- Financial Management (including all reporting documents specified in Section 4.8)
- Professional Services Procurement (including Minority- and Women-Owned Business outreach)
- Construction Procurement (including Minority- and Women-Owned Business outreach)

The WSBO will conduct monitoring on a regular basis and as outlined below. In addition, BEAD infrastructure specialists will conduct regular meetings (monthly, or as determined by the BEAD infrastructure specialist) with all subgrantees to ensure projects are on task and be able to quickly address any issues that may arise.

Monitoring Approach

The role of the WSBO is to ensure that subgrantees are carrying out their projects in accordance with applicable laws and regulations. In carrying out this responsibility, the WSBO will help subgrantees identify problems or potential problems in program implementation, identify the causes of problems, and help subgrantees correct them. BEAD Infrastructure Specialists (also known as “Contract Managers”) and Broadband Infrastructure and Programs Manager will be responsible for conducting monitoring throughout the contract period to assess subgrantee progress and performance. Representatives from the National Telecommunications and Information Administration (NTIA) may also conduct monitoring visits to ensure that subgrantees are carrying out their programs in accordance with the applicable laws and regulations.

The WSBO will employ a risk-based approach to monitoring, wherein the type of monitoring activities and depth of monitoring are dependent on the assigned risk level (low, medium, and high) of the subgrantee, determined by a Risk Assessment Tool and the initial risk assessment based on the risk assessment form submitted by applicants. Subgrantees’ risk profiles will be reassessed biannually and may result in adjustments to risk ratings and/or monitoring activities carried out by WSBO.

Within the first three months of contract execution, the WSBO contract managers will develop the subgrantee’s monitoring plan based on its risk level, which will be submitted to the Broadband Infrastructure and Finance Manager and the Broadband Infrastructure Programs Manager for review and approval. Medium- and high-risk subgrantees will be subject to more frequent and in-depth monitoring activities. Additional monitoring activities will be

administered for medium- and high-risk subgrantees in areas where noncompliance or potential for noncompliance are identified. If there are corrective actions identified, WSBO staff will complete follow-up monitoring as needed to ensure compliance.

Monitoring Activities & Subgrantee Reporting

As previously mentioned, the frequency and type of monitoring activities will vary according to the subgrantee's assigned risk level, determined by a Risk Assessment Tool. The tool includes questions relating to subgrantee attributes such as pending or existing legal issues, history of timely and accurate reporting compliance with WSBO, and turnover of agency management. There are two main categories of monitoring activities: 1) contract monitoring activities and reporting mandates, and 2) supporting activities. **Table 1** below provides an overview of the types and frequency of the activities related to monitoring, according to subgrantee risk level.

Monitoring Type & Frequency According to Risk Level			
	Low Risk	Medium Risk	High Risk
Contract Monitoring Activities			
Document Reviews based on Monitoring Checklist	At least once every other year during each year of the Contract More frequently, as needed to support WSBO's submission for the NTIA's Semi-annual Reports (SAR)	Once per year during each year of the Contract More frequently, as needed to support WSBO's submission for the NTIA's Semi-annual Reports (SAR)	Twice per year during each year of the Contract More frequently, as needed to support WSBO's submission for the NTIA's Semi-annual Reports (SAR)
Site Visits	Not required	At least once during the contract period	At least once in the first year of contract execution, subsequent visits at the WSBO's discretion
Inspection for Final Acceptance	Once at project conclusion		
Supporting Activities			
Federal Guidance and State Policy Updates	Upon Publication		
Technical Assistance	TBD – decided based on subgrantee monitoring plan	TBD – decided based on subgrantee monitoring plan	TBD – decided based on subgrantee monitoring plan
Risk Assessment updates	Every 24 months	Every 12 months	Every 6 months

Following the award, a risk-based monitoring plan will be implemented. Subrecipients will be categorized by risk level, with higher-risk entities receiving more frequent oversight, including site visits, and targeted reviews. Monitoring will focus on financial performance, deployment progress, compliance with Build America, Buy America (BABA) provisions, and other BEAD program obligations. Risk Assessment will be reassessed at periods stated in the chart above, or whenever issues arise, such as performance delays or potential non-compliance findings.

Corrective Actions

After a monitoring activity takes place, the Contract Manager will, as needed, issue a corrective action(s) to the subgrantee. The process for identifying and issuing corrective actions as part of the monitoring process is as follows:

1. Identify
2. Document
3. Develop a corrective plan
4. Notify the subgrantee
5. Implement the corrective plan
6. Confirm resolution and documentation
7. Closeout

All corrective action communications will be in writing, have assigned deadlines for completion, and will be fully documented. Corrective courses of action form a part of the subgrantee's file. A standard template will be used to document corrective actions and will be used for consistency and uniformity across the portfolio.

Follow-up Action

- In the event that the Subgrantee fails to meet a target date for corrective action, the WSBO will issue a formal request for a response.
- If the Subgrantee has not responded within 30 calendar days after the corrective action date, the WSBO will withhold further payment until the Subgrantee responds or implements corrective action.
- Failure by the Subgrantee to correct deficiencies may result in the WSBO withholding funds and possible restrictions on future grants.

Attachment 6-A: Monitoring Checklist

SUBGRANTEE		CONTRACT #	
PROJECT AREAS		SUBGRANTEE CONTACT(S)	
DATE		COMMERCE STAFF	
REVIEW COMPLETION & ROUTING			
		Initials	Date Completed
BEAD INFRASTRUCTURE SPECIALIST			
INFRASTRUCTURE PROGRAMS MANAGER			
OVERALL SUBGRANTEE MANAGEMENT			
Does the Subgrantee have written standards of conduct (Handbook Attachment 3-A)?			
Is there any appearance or evidence of conflict of interest? (BEAD Infrastructure specialist to determine and answer)			
Confirm Subgrantee has an executed BEAD Contract and BEAD NOFA			
Does it appear that the Subgrantee is implementing the project in accordance with overall management and reporting requirements?			
COMMENTS:			
SUBSUBGRANTEES (if applicable)			
Sub-Subgrantee Name			
Copy of SAM.Gov active registration verification (showing date checked)			
Is there a written contract or agreement that includes the required Federal Standard Provisions along with other recommended content listed in the management handbook?			
How has the Subgrantee monitored the performance and compliance?			
COMMENTS			
FINANCIAL MANAGEMENT			
Identify the person(s) primarily responsible for the financial management of the BEAD contract.			
Check for Allowable and Eligible Costs			
Review of funding sources for the project. Identify other funding sources: State, local, private and federal. Federal funds cannot be used to duplicate costs/services/equip. etc. ID internal controls to ensure no duplicate expenditures			
PROFESSIONAL SERVICES PROCUREMENT			
Name of consultant/engineer/architect:			

Copy of SAM.Gov Consultant exclusion check showing date checked (prior to award):	
Amount of contract:	
Purpose of the contract work:	
Which type of RFQ/RFP procurement, either an Annual Roster or Project Specific Advertisement did the Subgrantee prepare?	
Did the procurement instrument (RFQ or RFP) contain all required clauses and provisions?	
List Publications Dates (RFQ/RFP advertised once per week for two weeks with 14 days allowed after the last publication for respondents to submit?)	
Has the Subgrantee provided a copy of the Affidavit of Publication or provided actual copies of the Published Ad?	
Efforts to use Small, Minority, and Women-Owned Businesses, Document Review /Selection Process and Federal Standard Provisions	
Did the Subgrantee provide the posted advertisement or the email from the State Office of Minority and Women's Business Enterprises (OMWBE) website at www.omwbe.wa.gov showing date posted? OR Did Subgrantee provide documentation that they sent the advertisement to a minimum of five MWBE consultants?	
Does the Subgrantee have documentation supporting the review and selection process?	
Comments:	
CONSTRUCTION PROCUREMENT	
Construction Procurement - Utilizing Competitive Sealed Bids	
List Publications Dates of the Advertisement for Bids (once per week for two weeks with 14 days allowed after the last publication for bidders to submit)?	
Has the Subgrantee provided a copy of the Affidavit of Publication or provided actual copies of the published advertisement?	
For projects that do NOT contain solely last mile of work. Verify contract contains the following language: <ol style="list-style-type: none"> 1. Include interconnection requirements in contract (to any grant funded facilities at any technically feasible point along the network without exceeding capacity limitations.) – <i>physical interconnection with public and/or private facilities.</i> 2. Mandatory connection to public internet (directly or indirectly). 3. Rates and terms shall be reasonable and nondiscriminatory. Document compliance (copies of policies, rate/term sheets, etc.)	

<p>Efforts to use Small, Minority, and Women-Owned Businesses</p> <p>Did the Subgrantee provide the posted advertisement or the email from the State Office of Minority and Women's Business Enterprises (OMWBE) website at www.omwbe.wa.gov showing date posted?</p> <p>OR</p> <p>Send the invitation to bid advertisement to a minimum of five MWBE contractors. You can use the directory on the OMWBE website or develop your own local list.</p>		
<p>Key Dates/comments:</p>		
<p>Bid Closing/Opening:</p>		
<p>Bid Tabulation (If there are less than 3 bids, PM ask for Plan Holders List):</p>		
<p>Contractor Name:</p>		
<p>Copy of SAM.Gov Contractor exclusion check showing date checked (prior to award):</p>		
<p>Contract Award Date:</p>		
<p>Preconstruction Conference, if applicable:</p>		
<p>Executed contract (with bonds and insurance):</p>		
<p>Construction Start:</p>		
<p>Notice of Contract Award and Start of Construction form.</p>		
<p>SCHEDULE INSPECTION FOR FINAL ACCEPTANCE: Attendees: WSBO, Sub-Subgrantee, Contractor(s), NIST Grants officer. Send "Save the date" emails Schedule 2 months in advance if possible.</p>		
<p>Comments:</p>		
<p>SMALL PURCHASE/ NON-COMPETITIVE PROCUREMENT</p>		
<p>Small Purchases (less than \$50,000)</p>		<p>Response</p>
<p>Name of Contract/Purchase</p>		
<p>Amount:</p>		
<p>Date of SAM.Gov Contractor Clearance</p>		
<p>How many price quotations did Subgrantee solicit? (must solicit bids from at least three sources; must receive at least two bids)</p>		
<p>Did Subgrantee issue a purchase order or contract to the most advantageous vendor in terms of price and other factors considered?</p>		
<p>Bonding and insurance requirements were met (if applicable)?</p>		

7. Procuring Professional Services

7.1 Overview

A Subgrantee already under contract with an engineering, architectural or project management consultant may continue to use that consultant for their project if they were originally hired through a competitive process. In this case, please notify your Infrastructure Specialist via email at the start of your contract.

Subgrantees must verify immediately that their current consultant and the owner or president is not excluded from receiving federal funds by using the [System for Award Management \(2 CFR 200.214\)](#).

If they are disbarred or have exclusions, the Subgrantee will need to conduct a new procurement process for professional service.

Alternatively, a Subgrantee that needs to hire engineering, architectural or project management consultants is required to use a competitive selection process. The Subgrantee can demonstrate compliance with this requirement using the following Procurement Methods to secure professional services.

Subgrantees must comply with both state and federal competitive procurement requirements, using the most stringent standards of the two. All local governments in Washington must follow the uniform requirements of chapter [39.80 RCW](#) when procuring professional architecture and engineering services. When using BEAD funds for professional services, Subgrantees must also incorporate federal provisions from [2 CFR 200 Subpart D](#).

7.2 Implement Standards of Conduct

The Subgrantee and any sub-Subgrantee are to maintain a standard code of conduct governing the performance of their employees engaged in the award and administration of BEAD-funded contracts. No employee, officer or agent of the Subgrantee shall participate in the selection or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, is involved. A sample of Standards of Conduct is in Attachment 3-A.

7.3 Advertise

To demonstrate a competitive selection process that was used by advertising, publish the request for professional services in a newspaper of general circulation. The advertisement must be publicized at a minimum of once a week for two weeks. **At least 14 calendar days from the last publication date must be allowed for respondents to prepare and submit their proposals.** The announcement should state the general scope and nature of the project or work and how to contact the Subgrantee for additional information. **Submit a copy of the published advertisement to your Infrastructure Specialist.**

Evaluation of Proposals and Statement of Qualifications

The Subgrantee must have a documented system for reviewing proposals and statements of qualifications submitted in response to the published and distributed advertisement. The system must include the use of selection criteria established prior to solicitation, evaluation of cost and rates, and be thorough, uniform, and well documented. Submit scoring/evaluation materials to your Infrastructure Specialist.

Selecting Firm Most Advantageous to the Project

The Subgrantee needs to document why they selected the chosen firm and indicate why the chosen firm is the most qualified for the job. Select the firm (under the Request for Proposals method) whose proposal is most advantageous to the project considering all factors, or the most qualified (under Request for Statement of Qualifications method). In the case of the latter method, contract negotiations must then be conducted to determine the fair and reasonable price of services.

The Subgrantee should negotiate a contract with the most qualified firm for architectural and engineering services at a price they determine to be fair and reasonable. In making a determination, the Subgrantee should take into account the estimated value of the services to be performed, as well as the scope and complexity of the project. If the Subgrantee is unable to negotiate a satisfactory contract with the firm selected at a price the Subgrantee determines to be fair and reasonable, negotiations with that firm shall be formally terminated and the Subgrantee shall select other firms in accordance with [RCW 39.80.040](#).

7.4 Encourage MBE, WBE, Local and Small Business Participation

Take affirmative steps to solicit statements of qualifications and proposals from local businesses and minority- and women-business owners, [RCW 39.19.060](#). To comply with affirmative action requirements, Subgrantees must, at a minimum:

- Post the RFQ/RFP notification on the [State Office of Minority and Women's Business Enterprises](#) (OMWBE) website, select "Bids & Opportunities" and then click on "Create Bid Post". Jurisdictions utilizing MRSC Rosters must document posting of the MRSC Rosters- Small Works and Consultant Rosters Legal Notice (routinely displayed year-round) on the OMWBE website; or
- Develop a list of minority- and women-owned businesses and send the RFQ/RFP notification to five consultants from the list. You can use the directory on the OMWBE website or develop your own local list.

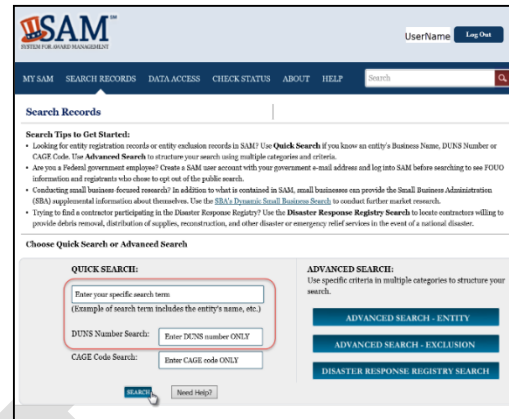
Document the posted advertisement or the email from the OMWBE website showing date posted or provide documentation that the advertisement was sent to OMWBE consultants. Submit documentation OMWBE posting to your Infrastructure specialist.

Post the invitation to bid advertisement on the [State Office of Minority and Women's Business Enterprises](#) (OMWBE), select the Bids & Opportunities button and follow the instructions. Submit documentation OMWBE posting to your Infrastructure specialist.

7.5 Professional Service Check for Eligibility

Before awarding a contract, Subgrantees must verify that the selected firm and the owner or president is not excluded from receiving federal funds using the [System for Award Management \(SAM\)](#) ([2 CFR § 200.214](#)). Submit evidence of SAM verification to your Infrastructure Specialist.

For additional guidance, see [Is your contractor banned from receiving federal funds? Don't wait to find out. – Office of the Washington State Auditor.](#)



7.6 Prepare the Contract

Prepare the contract agreement. The contract should include the following provisions:

- Effective date of contract.
- Detailed descriptions of the extent and character of the work to be performed.
- Time for performance and completion of contract services, including project milestones.
- Specifications of deliverables or other services to be provided by both parties.
- Conditions and terms under which the agreement can be terminated by either party, or remedies for violation/breach of contract.
- Authority and source of funds, and provisions for compensation of services.
- Maximum amount payable under the contract with fee and payment schedules, if appropriate.
- Errors and Omissions (engineering firms only)
- Engineering firms must be licensed to do business at Washington State, be in compliance with the Board of Professional Registration requirements and insured with proper errors and omissions insurance and/or bonding.
- Conflict of interest provisions.
- Access to records and records retention clauses.
- Scope of Services
- Detailed description of the extent and character of work to be performed.
 - Time of performance and completion of contract services, including milestones, if any.
 - Specifications of materials or other services to be provided by both parties.
- Method of Compensation
 - Provisions for compensation for services.

- Maximum amount payable under the contract.
- Fee and payment schedules, if appropriate.

7.7 Contract and Amendments

Funds need to be obligated in writing with executed contracts and amendments with consultants that include increased budgets.

7.8 Monitor Performance

The Subgrantee should establish a system to monitor the performance of retained engineers, architects or consultants. The system should provide for reconciling the bills against applicable documentation and receiving, at the minimum, a monthly update on the project status, problems, etc. The scope of work provides the basis for monitoring and evaluating the performance of the engineer, architect or consultant by specifically identifying performance measures.

7.9 Record Keeping and Reporting

The Subgrantee is required to maintain records which identify:

- The procurement method used and why it was selected.
- The rationale used for selecting the contract type.
- Reasons for selecting and rejecting bidders/qualified firms.
- The basis for the contract cost or price.

The Subgrantee is also required to keep a copy of the legal notice or affidavit of publication and outreach efforts to minority-owned, women-owned and local business.

The Subgrantee must maintain documentation of the procurement process in project files for six years after all funds have been expended AND project closeout, whichever is longer.

8. Procuring Construction & Material Contracts

8.1 Overview

When procuring construction contracts, the Subgrantee must follow the procurement standards in [2 CFR §§ 200.318 through 200.327](#). Construction projects expected to exceed \$50,000 must be bid competitively through a sealed bid process.

This Chapter guides you through the process for procuring construction contractors.

It is the responsibility of the Subgrantee to understand their local procedures and policies and assure that the most stringent of the federal and state requirements are adhered to.

Information in this Chapter outlines a competitive bid process applicable to construction projects where the construction project must be competitively bid through a sealed bid process or small purchase procedure.

Construction contracts are normally procured by sending an Invitation for Bid (IFB) to interested contractors. The IFB contains all the information the contract will need to bid on a project. Once completed and submitted by the bidder, the IFB, if the lowest responsible bid, becomes the basis for the contract between the contractor and the Subgrantee.

8.2 Implement Written Standards of Conduct

Subgrantees are to maintain written standards of conduct governing the performance of their employees engaged in the award and administration of contracts supported with federal funds ([2 CFR 200.318\(c\)](#)). No employee, officer or agent of the Subgrantee shall participate in the selection or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. A sample of Standards of Conduct, see Attachment 3-A. Submit your standards of conduct to your Infrastructure Specialist.

8.3 Develop the Bid Documents with Scope of Work

The bidding documents contain all the information the contractor will need to bid on a project. Bid documents are composed of the components of the construction contract including, but not limited to, the proposal form, contract provisions, contract plans and addenda.

The proposal submitted by the lowest, responsive and responsible bidder becomes the basis for the construction contract.

8.4 Public Works Bidder Responsibility Criteria

The Washington Legislature adopted amended [RCW 39.04.350](#). It adds an additional criterion to the list of mandatory bidder responsibility criteria that the Subgrantee must verify and document before awarding any public works project, regardless of cost. This means that the Subgrantee must ensure that the required sworn statement is obtained prior to awarding the public works project.

8.5 What is a Responsible Bidder?

Responsible Bidders, as defined in [RCW 39.04.010](#) and [39.04.350](#), must meet a number of mandatory criteria. The bidder must:

- Be a registered contractor.
- Have a current Unified Business Identifier (UBI) number.
- Have industrial insurance/workers' comp coverage, which means they normally cannot be sued for damages if a work-related injury or illness occurs. For more details, see L&I's publication [Employers' Guide to Workers' Compensation Insurance in Washington State](#).
- Have an Employment Security Department (ESD) account.
- Have a state excise tax registration number.
- Not be disqualified from bidding under [RCW 39.06.010](#) or [39.12.065\(3\)](#).
- Not have any apprenticeship violations, if applicable.
- Certify through a sworn statement or an unsworn declaration under penalty of perjury that they are not a willful violator of labor laws in reference to [RCW 49.48.082](#) within the past three years. MRSC has developed a [model statement](#) (.docx) to satisfy this requirement.
- **Effective July 1, 2019:** Have received training, provided by the Washington State Department of Labor and Industries (L&I) or by a provider whose curriculum has been approved by L&I, on the requirements related to public works and prevailing wages. However, bidders that have completed three or more public works projects and maintained a valid business license in Washington for at least three years are exempt from this requirement.

8.6 Public Works Contracts Require Apprentice

- As of July 1, 2026, there is now the requirement that projects that are public works are required to have at least 15% of labor as apprentice for a bid estimate of \$1.5M or greater. This has been adopted in RCW [39.04.320](#).
- As of July 1, 2024, for all public works contracts awarded by a municipality estimated to cost \$2,000,000 or more, all specifications must require that no less than 15 percent of the labor hours be performed by apprentices. For contracts advertised for bid on or after July 1, 2026, for all public works contracts awarded by a municipality estimated to cost \$1,500,000 or more, all specifications must require that no less than 15 percent of the labor hours be performed by apprentices. For contracts advertised for bid on or after July 1, 2028, for all public works contracts awarded by a municipality estimated to cost \$1,000,000 or more, all specifications must require that no less than 15 percent of the labor hours be performed by apprentices.
- RCW [39.04.010](#) Definitions. (*Effective until July 1, 2024.*) "Municipality"

"Municipality" means every city, county, town, port district, district, or other public agency authorized by law to require the execution of public work, except drainage districts, diking districts, diking and drainage improvement districts, drainage improvement districts, diking improvement districts, consolidated diking and drainage improvement districts, consolidated drainage improvement districts, consolidated diking improvement districts, irrigation districts, or other districts authorized by law for the reclamation or development of waste or undeveloped lands.

- RCW [39.04.320](#) requires all public works projects over \$2 million awarded by municipalities, or over \$1 million if awarded by a state agency, to include apprentice utilization requirements (AURs). While it is not mandatory to include AUR language in bid documents, it is a best practice so that everyone knows up-front. If it turns out that the work is not apprentice able and there are no programs that cover the work classification(s) being done, the prime contractor can request a good faith effort before the project is completed. If the good faith effort is approved by the awarding entity, then they are good to go with no monetary penalty.
- These discussions can also take place at the conference with the employer before the project kicks-off so that the awarding entity has an idea of the work scopes and the intentions of the contractor(s).
- Awarding entities may adjust the requirements of this section for a specific project for the following reasons:
- The demonstrated lack of availability of apprentices in specific geographic areas.
- A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation.
- Participating contractors have demonstrated a good faith effort to comply with the requirements of this section; or
- Other criteria the awarding entity deems appropriate, which are subject to review by the office of the governor.

Process of determining the awarding entity:

The Department of Commerce is the awarding agency to the grantee only; we are not conducting construction bid so we are not the one to ask for a waiver or determine the good faith efforts. When your clients go out to bid and they fill out the paperwork to L&I, it should be their name because they are awarding the funding to the contractor.

First, you need to identify who the awarding entity is for each project; here are some examples:

- If Subgrantee is a tribe and making the awards, then this requirement is not required, as they are a sovereign nation. Although some tribes do participate, via their consultant has chosen to submit the statement of intent or affidavits to L&I.
- If Sub-grantee is a quasi-government and is making the awards, then the apprentice is applicable for any project going out to bid for \$1.5M or more.

- If Subgrantee is a private entity, then this requirement is not applicable.
- If the subgrantee, through competitive process, has awarded a contractor, the contractor is not subject to this requirement when going out to bid subcontractors.

Other resources from MSRC:

- [Presentation Slides](#)
- [Presentation Slides \(Formatted for Notetaking\)](#)
- [Apprentice Utilization Requirements for Public Works Contracts \(MRSC Topic Page\)](#)
- [Part 1 Recording Link](#)
- [Part 2 Recording Link](#)

8.7 Labor Standards / Prevailing Wages

All projects are required to pay state prevailing wages, as applicable. All projects are required to pay all laborers and mechanics employed by contractors and subcontractors in the performance of such projects Washington state prevailing wages per [RCW 39.12](#). State prevailing wages are determined and enforced by the Washington State Department of Labor and Industries (L&I) based on collective bargaining agreements or – if collective bargaining agreements are not available – wage surveys or other methods.

The state prevailing wage law is modeled after the federal Davis-Bacon Act, enacted to protect employees of contractors performing public works construction from substandard earnings, and preserves local wage standards. State prevailing wages are triggered when construction projects use public funds to build schools, roads and other projects. Subgrantee contractors and subcontractors are required to pay prevailing wages to all workers for public works and maintenance contracts regardless of the dollar value of the contracts. During construction, Subgrantees are responsible for enforcing prevailing wage requirements.

L&I offers a number of publications, tools and resources to assist in complying with these requirements, including:

- LNI.wa.gov
- [Awarding Agencies](#) web page
- [The Washington State Prevailing Wage Law publication](#)

Additional Resources:

- [MRSC - Public Works Contracts](#)
- [MRSC - Prevailing Wages](#)
- [Prevailing Wage in Public Works \(Chapter 39.12 RCW\)](#)

8.8 License, Bonding, and Insurance for Contractors

The contractor must be licensed, bonded and insured in Washington State. Contractors are not required to have payment or performance bonds, which exceed normal bonding requirements.

However, this type of bonding can reduce the Subgrantee's exposure to risk by ensuring liability is covered. We encourage you to have payment or performance bonds for loan agreements over \$100,000. A performance bond guarantees that the Subgrantee will complete the contract according to its terms, including price and time. In case of default, the owner receives the amount of the bond, which is usually the amount of the construction contract. A payment bond guarantees that subcontractors and suppliers receive the money they are due from the principal contractor, which reduces the possibility of liens against the project. We recommend that Subgrantee ensure that the bonding company and the insurance company recognize them and the Department of Commerce- BEAD Program as interested parties to be notified if the contractor terminates the bond or insurance.

It is important for the contract to specify that the contractor will notify the Subgrantee if it terminates the bond. Subgrantees must notify their Infrastructure specialist if payment or performance bonds are terminated for any reason.

8.9 Retainage and Retainage Bonds

[RCW 60.28.011](#) requires Subgrantee to withhold up to 5% of the value of a public improvement contract, not including sales tax according to [Department of Revenue of Revenue ETA 3024.2013](#), as the retainage until the project is completed and the contract is accepted. This provides a financial incentive for contractors to finish a project, as well as a limited amount of financial protection for the involved parties.

Normally, 5% of each contract payment is withheld, and the money must be set aside one of three ways, chosen by the contractor:

- A public fund
- A private interest-bearing account
- A private escrow account

Instead of having retainage withheld from the contract payments, a contractor may opt to submit a retainage bond instead covering any or all the amounts. The subgrantee must accept these retainage bonds unless they can demonstrate a good reason for refusing.

A contractor may request that the retainage be reduced to 100% of the value of the remaining contract, realistically when at least 95% of the contract has been paid.

In addition, RCW 39.04.155(2)(f) allows agencies to waive retainage for small works roster projects, thereby assuming liability for a contractor's nonpayment of (1) laborers, mechanics, subcontractors, material persons, suppliers, and (2) taxes, increases, and penalties that may be due. However, the local agency has the right of recovery against the contractor, and recovery of unpaid wages and benefits are the first priority for actions filed against the contract.

Subcontractor Retainage Bonds

A subcontractor may request the contractor to submit a retainage bond to the Subgrantee for the portion of the subcontractor's retainage.

The contractor may withhold the subcontractor's portion of the bond premium. Within 30 days, the contractor must submit the retainage bond to the Subgrantee, unless the bond is not commercially available, or the subcontractor refuses to pay the subcontractor's portion of the bond premium and to provide the contractor with a like bond.

The Subgrantee shall accept such a retainage bond from an acceptable bonding company, unless the Subgrantee can demonstrate good cause for refusing to accept it.

Retainage Release

The Subgrantee must release the retainage to the contractor after the project is completed, minus any claim amounts. All workers, subcontractors, and suppliers have lien rights against the retainage and can claim all or part of the money if the contractor does not pay them. In addition, the Department of Revenue, the Employment Security Department, and the Department of Labor and Industries all have lien rights against the retainage for payment of unpaid excise taxes, industrial insurance/workers' comp, and unemployment compensation.

For information about claims and retainage release, see our page on Public Works Project Closeout.

Performance and Payment Bonds

[RCW 39.08.010](#) requires public works contracts (note since the funding is coming from WSBO, these projects are public works contracts) to use performance and payment bonds to guarantee that the contractor or the surety itself will complete the project and pay all subcontractors, workers, and suppliers. If the retainage is not enough to cover claims and unpaid fees, the performance and payment bonds will cover the remaining amount.

Performance and payment bonds must usually be in the amount of 100% of the contract value. Cities and towns may set a bond amount between 25% and 100% by ordinance (RCW 39.08.030)

8.10 Domestic Preferences for Procurements (2 CFR § 200.322)

As appropriate and to the extent consistent with law, the Subgrantee should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all awards including all contracts and purchase orders for work or products under this award. Build America, Buy America (BABA) [Memorandum M-24-02](#) and [Pub L. No. 117-58 §§ 70901-27](#).

In addition, see [Build America, Buy America Act-Frequently Asked Questions \(FAQ\) Related to the BEAD Program](#).

For purposes of this section:

- “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

- “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

8.11 Advertise for Bids

The Subgrantee is ready to advertise after all of the provisions and requirements are incorporated in the bid documents. Bids must be solicited by public advertising. The advertisement must be published once a week for two weeks in a major newspaper of general circulation. **A minimum of 14 calendar days must be allowed from the second publication date and the bid opening date.** The advertisement must be posted in a public place. Prior to advertising, send a copy of the draft bid advertisement to your Infrastructure specialist for review and approval.

Prior to advertising, send a copy of the draft bid advertisement to your Infrastructure specialist for review and approval.

At a minimum, a Construction bid advertisement should include the following information:

- Project owner (Subgrantee).
- Title of project.
- Description of work.
- Where the bidding documents may be obtained.
- Bid opening date, time and location.
- Contact the person and phone number.
- Specify that a five percent (5%) bid guarantee is required in form of a cashier’s check, money order, or surety bond (Code cities, second class cities, and towns: [RCW 35.23.352](#)) or (Counties [RCW 35.23.352](#)) or (Port Districts [RCW 53.08.130](#)) or (Water/sewer Districts [RCW 57.08.050](#)). With the funding coming from the State Washington, Department of Commerce, this project is considered as a Public Works project and is required by [RCW 39.04.010](#). Therefore, all public works, when performed by contract shall comply with [RCW 57.08.050](#). This requires a 5% guarantee or bid bond.
- Basis for rejecting bids.
- Statement that all contractors must be licensed in the State of Washington to conduct business.
- List of the funding sources for the project, including the BEAD funds (see statement below).
- Requirement that state prevailing wages must be paid. *
- **The following statements must be included in the advertisement for bids:**
 - “The (Town/City/County/Private Entity) of _____ is an Equal Opportunity and Affirmative Action Employer.”

- “This project is (funded/partially funded), by federal award number 53-20-B219N (BEAD NTIA) awarded to Washington State Broad Band Office by the U.S. Department of the Commerce.”
 - “Small, Minority- and Women-owned firms are encouraged to submit bids.”

Bid advertisements for Materials only must include the following information:

- Project owner (Subgrantee).
- Title of project.
- Description of work.
- Where the bidding documents may be obtained.
- Bid opening date, time and location.
- Contact the person and phone number.
- Basis for rejecting bids.
- List of the funding sources for the project, including the BEAD funds (see statement below).
- “This project is (funded/partially funded), by federal award number 53-20-B219N (BEAD NTIA) awarded to Washington State Broad Band Office by the U.S. Department of the Commerce.”
- “Small, Minority- and Women-owned firms are encouraged to submit bids.”

8.12 Take Affirmative Steps to Attract MBE and WBE Bidders

Take affirmative steps to solicit statements of qualifications and proposals from local businesses and minority- and women-business owners, [RCW 39.19.070](#). Take affirmative steps to solicit bids from local businesses, and minority and women owned businesses. To comply with affirmative action requirements, Subgrantees must, at a minimum:

Post the invitation to bid advertisement on the [State Office of Minority and Women’s Business Enterprises](#) (OMWBE), select the Bids & Opportunities button and follow the instructions. Submit documentation OMWBE posting to your Infrastructure specialist.

Include documentation from OMWBE that confirms posting of the bid advertisement to the *OMWBE Bids & Contracting Opportunities* webpage in the project’s file. Submit documentation OMWBE posting to your Infrastructure specialist.

8.13 Conduct Bid Opening

Subgrantees must open bids in public at the time and place stated in the advertisement. **A successful bid opening is when two or more responsible bidders have submitted bids.** You can delay the bid opening, but you must notify all bidders in advance. If you delay a bid opening, all bidders should have the opportunity to withdraw their bids or resubmit them before the new bid opening date and time (cost of equipment or materials could increase). You should conduct the public bid opening in a business-like manner. You must read each bid aloud during the

meeting and determine the apparent low bidder. You must maintain a description of the bid review and tabulation process in your project files.

Contact your Infrastructure specialist when fewer than two bids are received.

If you receive no bids, or the bids received are too costly, re-advertise the bid ad in a wider geographic area. We encourage borrowers to maintain a list of reputable general contractors that have done good work for them in the past or have bid previous projects in order to alert them of the bid request.

8.14 Select the Lowest Responsible Bidder

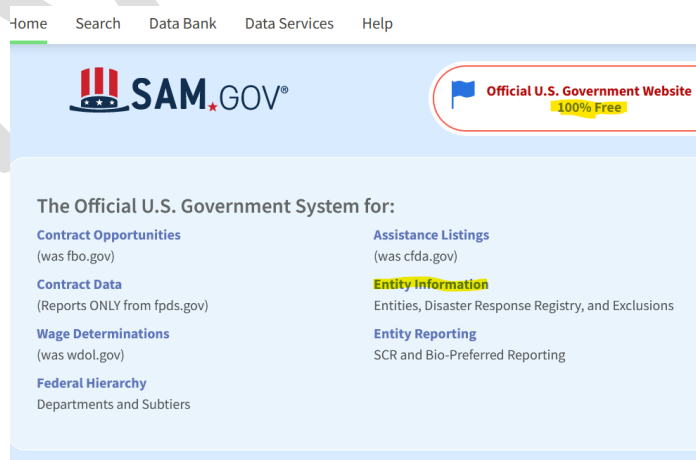
The bids received should show in detail the estimated total cost of the work, a unit price for each component of the project, its overall individual cost, and the estimated completion schedule for each phase. For sealed bids, [2 CFR 200.320\(b\)\(1\)](#). This is a procurement method in which bids are publicly solicited through an invitation and a firm fixed-price contract (lump sum or unit price) is awarded to the bid responsible, whose bid conforms with all the material terms and conditions of the invitation and is the lowest in price. The lowest responsible bidder must:

- Be licensed to work in the State of Washington.
- Have the ability, capacity and skill to perform the work described in the contract scope of work and comply with requirements within the indicated timeframes.
- Have good character, integrity, reputation, judgment, experience and efficiency.
- Be able to perform within the specified time.
- Demonstrate successful performance of previous construction contracts or services and demonstrate compliance with laws relating to the loan contract or services.

8.15 Check Contractor Eligibility

Before awarding a contract, Subgrantees must verify that the selected contractor and the owner or president is not excluded from receiving federal funds using the System for Award Management at www.SAM.gov. ([2 CFR § 200.214](#)).

Subgrantees must provide the Infrastructure Specialist with documentation showing the date eligibility was verified. Subgrantees are also responsible for ensuring that all lower-tier subcontractors associated with the project are not excluded.



Subgrantees must provide the Infrastructure Specialist with documentation showing the date eligibility was verified. Subgrantees are also responsible for ensuring that all lower-tier subcontractors associated with the project are not excluded.

8.16 Check Contractor State Registration

Subgrantees must verify that the successful bidder was registered and licensed with the state of Washington prior to bidding on the project. Subcontractors also must be registered and licensed in the state of Washington. The Department of Labor and Industries – [Verify a Contractor, Tradesperson or Business](#). Submit a screenshot of the verification to your Infrastructure Specialist.

8.17 Award the Construction Contract

Subgrantees must award the contract within 30 days or reject all bids. The contract must be awarded to the lowest responsible bidder whose bid conforms to all material terms and conditions of the invitation for bids.

8.18 Execute the Construction Contract

All the clauses and provisions that were in the construction IFB packet must be incorporated into the construction contract. All provisions required in the prime contract must also be passed on by the prime contractor to all subcontractors, including the Labor Standards Provisions.

Execute the construction contract, applicable bonding and insurance documents.

8.19 Conduct Pre-Construction Conference

Prior to starting construction, all parties should attend a pre-construction conference to go over the project details and state (federal, if applicable) requirements.

8.20 Send Notice of Contract Award

Within 10 days after contract award and signing, the Subgrantee must submit a Notice of Contract Award and Start of Construction (Attachment 8-A) form to the Infrastructure Specialist.

8.21 Small Works Roster Procedures (only applicable to local governments)

When a construction contract or construction materials are less than \$350,000, the small purchase procedures may be used. If the jurisdiction has a lower ceiling for small purchases, then this lower ceiling should be followed ([eCFR :48 CFR Part 2 Subpart 2.1 -- Definitions \(FAR Part 2 Subpart 2.1\)](#)).

Obtain at least three (3) qualified proposals when using small purchase procurement process.

- Efforts must be made to seek at least one proposal from a certified minority or women business enterprise (MBE/WBE).

- Document all steps taken, quotation/proposals received, and MWBE outreach efforts. Legal notice of the request for proposals is not required. When using small purchase procedures, verify the selected firm's references and ability to perform the scope of work. See also the limited public works process described in [RCW 39.04.155\(3\)](#).
- The MRSC website has more information about the specific limits that jurisdictions have for using this procurement methodology at www.mrsc.org.

Subgrantees submit Small Works Roster documentation as stated above to your Infrastructure specialist.

8.22 Construction Procurement Documentation

After the bid opening and before construction begins, Subgrantees must submit the following documentation to the Infrastructure Specialist:

- Affidavit of publication of the advertisement for bids
- Confirmation with dates of bid advertisement posted to OMWBE webpage
- Bid Tabulation
- Contractor/Sub-contractors Sam.gov exclusions search, showing date checked
- Notice of Contract Award (see Attachment 8-A for the form)
- Preconstruction conference meeting notes, if applicable

8.23 Maintain Procurement Records

Maintain documentation of the procurement process in project files for six years after all funds have been expended and project closeout.

Attachment 8-A: Notice of Contract Award

Washington State Broadband Office – BEAD Grant Program

The form must be filled out for the general contractor working on the awarded project. Please attach your verification that the contractor and subcontractor were checked on www.sam.gov for suspension and debarment. This form must be completed within 10 days after contract award.

Contract Information

Subgrantee:	
Project Name:	
Contract #:	

Construction Procurement

Bid Opening/Closing Date:	# Of Bids Received:	SAM.gov Verification Date ¹ :
Construction Contract Award Date:	Construction Contract Amount:	Construction Start Date:
Contractor Name:	Contractor UBI #:	
Names/Addresses of Disadvantaged Business Enterprise Solicited (if applicable):		

Labor Standards (if applicable)

Federal Wage Decision #:	Modification #:
Published Date:	10-Day Wage Verification Date ² :

Person Responsible for Compliance³:

Email Address:

Phone #:

¹ Date verification was made at SAM.gov that contractor is not excluded from receiving federal funds.

² Date the Subgrantee (or representative) determined if modifications were made to the federal wage (if applicable) decision contained in the bid document (must occur 10 days prior to the scheduled bid opening.)

³ Person responsible for enforcing the labor standards requirements for this project.

9. Managing Construction Projects

9.1 Overview

Subgrantees undertaking a state funded construction project must have a contract management system in place to ensure contractors perform in accordance with contract terms, conditions, specifications, and applicable state requirements. This system includes conducting the pre-construction conference, review of contractor and subcontractor compliance with Labor Standards, on-site inspections, review of change order requests, project closeout, release of retainage, and record keeping.

9.2 Conduct the Pre-construction Conference

After awarding and signing the construction contract and before the contractor is issued a Notice to Proceed, the Subgrantee or its representative, is responsible for holding a pre-construction conference for the general contractor and subcontractors, engineers and other professional service providers, and other interested parties. The pre-construction conference should cover the following:

- Responsibilities of the engineer, Subgrantee, contractor, and any other agencies or parties contributing to or involved in the project.
- General contract provisions, including specifications, Notice to Proceed, completion schedule, guarantees and warranties for materials, workmanship, change orders, etc.
- Project inspection and reporting responsibilities of the engineer and Subgrantee.
- Labor Standards requirements, prevailing wage rates, apprentices and trainees, fringe benefits, weekly payroll, and additional classification requests.
- Requirements for final acceptance of work, special testing, and/or site cleanup.
- Distribution of necessary forms such as certified payroll, posters, and prevailing wage rates to the contractor and subcontractors.

Maintain a record of the pre-construction conference in the project file and send a copy to your Infrastructure specialist.

9.3 Issue Notice of Contract Award and Notice to Proceed

Once the pre-construction conference is conducted, the Subgrantee can issue the Notice of Contract Award and the Notice to Proceed to the contractor. The notice conveys the authorization to the contractor to begin work on the project. Send a copy to your Infrastructure specialist.

9.4 Contract Work Hours and Safety Standards Acts

The [Contract Work Hours and Safety Standards Act \(CWHSSA\)](#) applies to all construction contracts in excess of \$100,000 involving the employment of laborers or mechanics. The

CWHSSA requires that applicable workers are paid at least one and one-half times their basic rate of pay for hours worked more than 40 hours in a standard workweek. In the event of violations, the contractor or subcontractor shall be liable to any affected employee for their unpaid wages as well as to the United States Department of Commerce for liquidated damages.

Contractors may not require any laborer or mechanic to work in surroundings or under working conditions that are unsanitary, hazardous or dangerous to their health or safety as determined under construction safety or health standards transmitted by the Department of Labor.

9.5 Certified Payroll Reports

Effective January 1, 2020, contractors must file certified payroll reports at least once per month for all prevailing wage jobs (regardless of project amount) and submit them directly to L&I through the agency's online Prevailing Wage Intent and Affidavit (PWIA) system ([RCW 39.12.120](#)). The local government agency is not responsible for reviewing or checking the reports.

Contractors must always provide weekly certified payroll reports for federal projects. For questions regarding federal law, contact the federal Department of Labor.

9.6 Conduct Payroll Reviews

Contractors are required to use the L&I online systems to submit their weekly certified payroll report.

9.7 Conduct Technical Inspections

During construction, the Subgrantee is responsible for monitoring the contractor/subcontractor's progress and compliance with technical requirements of the project. Typically, this monitoring process is the responsibility of the project engineer, consulting engineer or architect; however, the Subgrantee should designate someone locally with oversight responsibility. The purpose of the technical monitoring process is to ensure that the project is constructed as planned, within budget and estimated timeframes, and within specified quality and quantity standards.

9.8 Affidavits of Wages Paid

[RCW 39.12.040](#) requires every Subgrantee, contractor and subcontractor on the project to file an Affidavit of Wages Paid soon after the work has been completed. These statements also must be filed with [L&I Contractor Portal](#), and approved by the Industrial Statistician before being submitted Subgrantee administering the contract. The Subgrantee administering the contract may not release retainage until the contractor and subcontractors have filed approved Affidavits of Wages Paid. These requirements should also be stated in the specifications and contract.

It is the Subgrantee's responsibility to confirm that the affidavits have been approved before releasing retainage. Agencies can Search Prevailing Wages Intents and Affidavits at the L&I

website. Contractors must keep accurate work and pay records and submit certified copies upon request.

Awarding Agency Portal

Create a “My L&I” Account to sign up for L&I’s Awarding Agency Portal. You can check the status of items for multiple contractors working on your project at the same time as the portal, including:

- Verify valid Unified Business Identifier
- Contractor registration and licensing
- Contractor Public Works and Prevailing Wage Law training
- State Debarment
- Intent for Pay Prevailing Wages
- Affidavits of Wage Paid

A contract Awarding Agency is an entity that includes, but is not limited to, state and local governments, fire districts, public hospitals, port districts, housing authorities and non-profits.

9.9 Maintain Project Records

The Subgrantee is required to maintain project records that document all financial, monitoring and inspection transactions, and progress reviews that occur during the life of the project. Subgrantees must maintain copies of weekly certified payrolls and any corrected certified payrolls, copies of correspondence and resolution of overtime violations, and copies of employee interviews in the project files for six years after all funds have been expended and project closeout.

9.10 Requirements During Construction

During construction, the Subgrantee is responsible for:

1. Ensuring project completion in accordance with the approved plans and specifications.
2. Providing for required construction permits and adequate construction inspection.

9.11 Scheduling Inspection for Final Acceptance

The Subgrantee will schedule a final inspection when all construction has been completed, the architect/engineer has conducted a final inspection, and any deficiencies have been corrected. The BEAD Infrastructure specialist, architect/engineer, and contractor(s) will make the final inspection.

The NTIA Grants Officer and WSBO must be given advance notice of the final inspection so that the NTIA Grants Officer may participate.

9.12 Contract Completion Requirements

To close this project, BEAD is requesting an Initiation of Operations Date. Initiation of operation means the date specified by the municipality on which use of the project begins for the purpose that it was planned, designed and built. Initiation of operation means the actual date the Subgrantee begins using, or begin using, the facilities for its intended purpose.

To complete the closeout process, the Subgrantee must submit the Contract Completion Report (Attachment 5-C).

The Contract Completion Report is to be submitted, along with electronic photos of the completed project, with your final A-19 reimbursement request.

10. Sub-Subgrantee

This chapter describes the procedures and requirements involved in using a sub-Subgrantee to administer BEAD funded activities and incorporates applicable procurement and recordkeeping requirements. For a complete understanding of these requirements, refer to the specific compliance chapters in this handbook.

10.1 What is a Sub-Subgrantee?

A sub-Subgrantee is a non-profit, for profit (Broadband Internet Service Provider) organization or agency that is provided IAG program funds by a BEAD Subgrantee (WSBO) for the sub-Subgrantee's use in carrying out agreed-upon eligible activities. The sub-Sub-Subgrantee is subject to the same administrative requirements as those described in these program guidelines for the Subgrantee (WSBO).

A sub-Subgrantee differs from a contractor. A contractor is selected through a competitive procurement process and is paid BEAD funds by the Subgrantee in compensation for specific services. A contractor is only paid BEAD funds by the Subgrantee in compensation for services.

10.2 Sub-Subgrantee Agreement

Check for Federal Eligibility

When entering into an agreement with the Sub-Subgrantee and throughout the contract period, the Subgrantee must verify that the Sub-Subgrantee is not excluded from participation by any federal department or agency ([2 CFR 200.214](#)). A Subgrantee can use the [System for Award Management](#) to check federal eligibility. A Subgrantee must document the status of eligibility in the grant file and provide documentation to their Infrastructure Specialist showing the date eligibility was verified, prior to executing an agreement.

Standards of Conduct

The sub-Subgrantee [2 CFR 200.318](#), must have a written Standard of Conduct which safeguards against conflict of interest by its officers, employees, subcontractors and agents in the selection, award or administration of contracts supported with BEAD funds (sample Attachment 3-A).

Agreement

Once selected, the Subgrantee must execute a written agreement with the designated sub-Subgrantee. If properly written and executed, the Subgrantee agreement can be both a management tool for the Subgrantee and an orientation and educational document for the sub-Subgrantee. The agreement must include:

- Scope of Work/Services
- Intended Beneficiaries
- Budget
- Method of Payment

- Performance Schedule
- Deed of Trust or Indefeasible Right of Use (IRU)
- Termination Clause
- Annual Audit Requirement Clause referencing [2 CFR 200.501](#)
- Required Federal Standard Provisions
- Monitoring and Evaluation Criteria
- Record Keeping
- Insurance Requirements
- Indemnification/Hold Harmless Clause
- Use and Reversion of Assets or Disposition of Property, if applicable

Amendments to the sub-Sub-Subgrantee agreement are occasionally necessary if there are changes in the scope or schedule of work. The Sub-Subgrantee should consult their WSBO infrastructure specialist regarding any proposed amendments to the sub-Subgrantee agreement.

10.3 Cost Eligibility

All sub-Subgrantees are subject to the federal cost principles applicable to [2 CFR Part 200, Subpart E](#).

10.4 Monitoring Sub-Subgrantee Performance

Subgrantees must monitor the sub-Subgrantee's compliance with BEAD requirements. The BEAD financial management, procurement, equal employment, and recordkeeping requirements described in these program guidelines accompany the receipt of BEAD funds and apply to the sub-Subgrantee as well as the Subgrantee.

The Subgrantee must track the sub-Subgrantee's progress through regular status reports or meetings. Reimbursements to the sub-Subgrantee must reflect the timely performance of accomplishing these measurable objectives and be supported by documentation of eligible expenses.

10.5 Sub-Subgrantee Reporting

The Subgrantee must collect and maintain documentation of the sub-Subgrantee's performance and compliance with the funding source requirements.

10.6 Sub-Subgrantee Compliance Monitoring Process

The BEAD Infrastructure specialist will review the sub-Subgrantee agreement to ensure that it includes the required contract items and federal provisions. The Subgrantee must provide oversight and monitor the sub-Subgrantee throughout the project.

10.7 BEAD Partnership Agreement or Indefeasible Right of Use (IRU) policy- 12/04/24

To ensure lasting operations for end-user, connections created with BEAD funding, WSBO requires non-Internet Service Provider (ISP) awardees to submit executed Partnership Agreement(s) and/or IRU(s) between themselves and the ISPs who will be operating on the network (if applicable). This must happen no later than thirty (30) days prior to the anticipated construction completion date or contract end date; however, there is no prohibition on submitting these documents earlier.

Open Access is not a program requirement for BEAD subgrantees. However, for successful BEAD applicants that have stated they will be an open access network, Partnership Agreement and/or IRU documentation must be submitted for all ISPs operating on the network during the Federal Interest Period (ten years)¹.

¹ Future modification of federal reporting period by NTIA may modify the required timeline.

11. NEPA Review and Environmental Assessment (EA)

11.1 NEPA and EA Overview

The WSBO has hired EA Engineering as the NEPA and Historic Preservation Services contractor to assist WSBO and our BEAD subgrantees in completing both the NEPA and Historic Preservation Services requirements.

WSBO will utilize a multi-step methodology to evaluate subgrantee projects for environmental compliance. This process includes:

1. Subgrantee signs NEPA process and documentation certification Attachment G of their contract with WSBO.
2. The WSBO NEPA consultant will identify and utilize qualified NEPA and Historic Preservation practitioners with relevant environmental and/or historic preservation expertise to assist in preparing and supervising environmental review, ensuring compliance with NEPA, and addressing hist concerns.
3. The WSBO NEPA consultant will ensure subgrantees design broadband projects in a manner that prioritizes avoiding potential adverse impacts and, where avoidance is not feasible, minimize and mitigate those impacts to the greatest extent practicable. WSBO may require subgrantees to alter project routes if the WSBO determines avoidance of a particular area will significantly reduce subgrantees' pre-construction obligations.
4. The WSBO NEPA consultant, on behalf of subgrantees, will consult the First Responder Network Authority (FirstNet) Programmatic Environmental Impact Statement (PEIS) and any incorporated updates as part of the drafting process.
5. Encourage subgrantees to consult the NTIA Permitting and Environmental Information Application and its ArcGIS Pro Permitting and Environmental Information Tool (APPEIT) project package, together with publicly available tools like NEPAassist, and the U.S. Fish and Wildlife Service's IPaC, to inform preliminary environmental and historic-preservation analyses and minimize potential adverse impacts.
6. Require subgrantees to provide WSBO with a detailed project description² and all supporting environmental documentation requested by NTIA or WSBO to support environmental review.

² A "detailed project description" must contain sufficient information, including (1) what is being constructed; (2) where the project is located, listing street address, local jurisdiction (county), any applicable legal land description (applicable Public Land Survey System (PLSS) township, range, and section), and geographic coordinates (latitude and longitude); (3) a physical description of the site or route and surrounding area (developed land versus open space and adjacent resources such as rivers, wetlands, forests, or protected lands); (4) a detailed explanation of how the project will be implemented, covering necessary ground disturbance, connected actions, pre-construction preparations, and follow-up activities after construction; (5) project metrics such as dimensions, areas, distances, depths, and thicknesses, as applicable; (6) any mitigation actions known or anticipated; (7) any permits the subgrantee must obtain before work begins; (8) if applicable, a decommissioning or maintenance plan; (9) a project

7. Require subgrantees to ensure subcontractors understand and follow all NEPA and other Historic Preservation requirements, and to prevent any construction or related fieldwork until NTIA and WSBO final approval of all Historic Preservation documentation and issuance of final decision documents.
8. The NEPA consultant will work with the Subgrantees to create, maintain, and share with the WSBO a timeline that captures all NEPA, NHPA, and ESA consultations, reviews, permits and submissions, updating it as necessary to keep every milestone aligned with BEAD program requirements.
9. The WSBO and NEPA consultants will review each subgrantee project and, through the Environmental Screening and Permitting Tracking Tool (ESAPTT):
 - a. At the earliest possible time, provide the NTIA-assigned Environmental Program Officer (EPO) sufficient information to initiate Tribal consultation via the Federal Communication Commission (FCC)'s Tower Construction Notification System (TCNS).
 - b. Upload the project map, project description, and supporting documentation.
 - c. Complete the categorical-exclusion and extraordinary-circumstances questionnaires.
 - i. If necessary, WSBO will request additional information from subgrantees, such as detailed route plans and engineering specifications, or preliminary mitigation commitments to support efficient, accurate assessment.
 - ii. If Extraordinary Circumstances are present and cannot be avoided though adoption of Best Management Practices (BMPs) and mitigation commitments to avoid potentially significant impacts³.
 - d. Validate the appropriate level of environmental review.
 - e. Transmit the completed draft NEPA decision memorandum to NTIA's Environmental Program Officer for approval.
 - f. Upon approval, WSBO will continue monitoring project developments to ensure compliance throughout the project lifecycle.
10. The WSBO and NEPA consultant will use ESAPTT's permitting-tracking module to catalog and monitor all applicable local, state, and federal permits against milestone schedules, escalate delays to the EPO and Federal Program Officer (FPO), and document each permit's issuance and progress.

map that clearly marks boundaries, sites, routes, and activities per required specifications; and (10) photos summarizing the site or route, key areas of interest, and the topography of the project area.

³ https://broadbandusa.ntia.gov/sites/default/files/2025-06/ESAPTT_Overview.pdf

11. The Washington State Historic Preservation Office requires a professional archaeological monitoring plan. In addition, an Inadvertent Discovery Plan, once approved, needs to be posted at the job site trailer.

Categorical Exclusion (CatEx), Environmental Assessment (EA) and Environmental Impact Statement (EIS)

The NEPA and Historic Preservation practitioners will review NEPA project area for CatEx applicability. During this review, the NEPA and Historic Preservation practitioners will identify any reasonably foreseeable adverse effects that may occur to the elements of the environment required under NEPA as a result of the proposed project. If it is determined a CatEx applies to the NEPA project area, a Decision Document will be prepared and sent to NTIA for approval. The approved Decision Document will include any required Best Management Practices (BMPs) or measures to mitigate adverse effects to environmental resources. The NTIA issued Decision Document will indicate NEPA review has been completed for the evaluated scope of work.

If the project may adversely affect an element of the environment that is not able to be properly avoided or mitigated, the preparation of an EA will be required. Additionally, if the significance of the project's environmental impact is not clearly established or known, WSBO will confer with NTIA's EPO to determine if avoidance or mitigation measures can be used to circumvent EA preparation. If a subsequent required EA determines a project to have no significant impacts on the quality of the environment, a Finding of No Significant Impact (FONSI) is issued by NTIA. The FONSI will indicate the completion of NEPA review for the evaluated scope of work.

An EIS will be prepared for projects when the EA determines the action will likely have a significant effect on the environment. The final decision is documented in a Record of Decision (ROD), which codifies the final decision made, whether to approve the project or not, and the basis for that decision. WSBO intends to avoid this outcome by imposing route alterations if conditions necessitating an EIS are identified.

As part of NEPA review, each project site will undergo Section 106 review in compliance with the National Historic Preservation Act, described in further detail under **Section 9.2** below.

Joint Lead Agency Responsibility Summary

As the primary administering agency for the BEAD Program in Washington, WSBO serves as a joint lead agency alongside NTIA to fulfill NEPA obligations and minimize potential delays during the BEAD Program's implementation. WSBO performs its duties in alignment with 42 U.S.C. 4336a(a)(1)(B) and 42 U.S.C. 4336a(a)(2).

In this capacity, WSBO will:

- Administer the BEAD Program in strict compliance with federal environmental statutes, including but not limited to NEPA, NHPA, ESA, and the CWA. Washington understands its role in this capacity to include the following:
- Obtainment of NEPA and Historic Preservation expertise to support the state/territory office.

- Use of NTIA’s ESAPTT for all intended efficiencies, including initial screening, Categorical Exclusion/Extraordinary circumstances evaluation, records management, and post-award monitoring.
- Establishment of a schedule for environmental review and permitting.
- Oversight of NEPA document preparation and ensure compliance before submission to NTIA.
- Prevention of any project activities from starting before NEPA review is complete; and
- Monitoring subgrantees for compliance with NEPA and other environmental laws.
- Conduct comprehensive evaluations of the sufficiency, applicability, and accuracy of the FirstNet PEIS relevant to Washington’s broadband deployment projects.

Evaluation of FirstNet Regional PEIS

WSBO has reviewed the FirstNet Final Regional Programmatic Environmental Impact Statement for the Western United States, Volume 5, Chapter 7, and the accompanying Record of Decision for the Adoption of the First Responder Network Authority Final Programmatic Environmental Impact Statement – Western Region to assess the sufficiency and applicability of the PEIS to anticipated BEAD-funded activities. The PEIS adequately addresses the deployment-related activities anticipated for Washington. All projects will be evaluated to ensure specific activities of the project are covered by the FirstNet Regional PEIS. In the unlikely event that a proposed activity is not sufficiently covered by the PEIS, additional analysis will be conducted to determine whether supplemental environmental assessment is required to address identified gaps or deficiencies.

The PEIS can be used to inform environmental compliance under the BEAD Program, ensuring that construction and development activities align with established environmental regulations and BMPs. Its comprehensive analysis is sufficient to support informed decision-making and regulatory compliance throughout the BEAD Program's implementation.

This proactive approach ensures WSBO’s environmental review process remains comprehensive, adaptive, and aligned with federal and state requirements. WSBO’s ongoing collaboration with NTIA further strengthens the state’s commitment to environmental stewardship.

Specific Award Conditions (SACs)

To reinforce environmental compliance, WSBO will apply Specific Award Conditions (SACs) to all Grant Agreements, ensuring:

- Subgrantees shall not initiate or allow any grant funded implementation activities—apart from the limited “Uses Prior to Implementation” section below—prior to the following:
 - The completion of any review required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.) (NEPA), and issuance, as required, of a Categorical Exclusion (Cat Ex) determination, Record of Environmental Consideration (REC),

Finding of No Significant Impact (FONSI), Record of Decision (ROD) that meets the requirements of NEPA

- The completion of reviews required under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470, et seq.) (NHPA), including any consultations required by Federal law, to include consultations with the State Historic Preservation Office and Federally recognized Native American tribes.
- The completion of consultations with the U.S. Fish and Wildlife Service (USFWS) or the National Marine Fisheries Service (NMFS), as applicable, under Section 7 of the Endangered Species Act (16 U.S.C. 1531, et seq.), and/or consultations with the U.S. Army Corps of Engineers (USACE) under Section 404 of the Clean Water Act (33 U.S.C. 1251, et seq.), as applicable; and
- Demonstration of compliance with all other applicable Federal, State, and local environmental laws and regulations.

Additionally, provisions of the Subgrantee Agreement require subgrantees' commitment that they will not commence implementation activities and understand funds will not be disbursed until all necessary environmental reviews are complete and NTIA has approved any necessary decision document, except for the limited permissible activities identified below:

- Timely preparation of any required NEPA documents and obtainment of required permits, adhering to any applicable statutory deadlines as described in 42 U.S.C. 4336g(a); and
- In the event NTIA and WSBO determine further analysis must occur, preparation of a milestone schedule identifying specific deadlines, a description of how the Subgrantee will meet these timing requirements, which may include the completion of consultations, NEPA and Section 106 reviews, and/or the submission of EAs or EISs, in the unlikely event that such efforts are unavoidable.

Regarding NHPA Compliance, the Grant Agreement will require Subgrantees to carry out the following actions, as applicable, to satisfy related compliance obligations. The NEPA consultant and HISTORIC PRESERVATION practitioners are able to provide support the Subgrantees to complete the following actions:

- At the earliest possible time, provide the NTIA-assigned Environmental Program Officer sufficient information to initiate Tribal notification via the FCC's Tower Construction Notification System (TCNS) when required for grant funded activities.
- Provide notified Tribes with information regarding grant-funded activities via their preferred means of communication, as identified in TCNS.
- Apply the Advisory on Historic Preservation (ACHP) Program Comment to Avoid Duplicative Reviews for Wireless Communications Facilities or any other applicable program comment or alternative program developed to address the Section 106 review of communications facilities.

- Notify NTIA of any Tribal request for government-to-government consultation or any identification that a grant funded activity may impact a historic property of religious or cultural significance to a Tribe; and
- Provide all consulting parties with the statutorily required time to assess any determinations of a grant funded activity's effect on historic properties.

Subgrantees will be required to ensure that implementation (site preparation, demolition, construction, ground disturbance, fixed installation, or any other implementation activities) does not begin prior to the completion of the above activities.

Subgrantees must comply with all conditions placed on the grant funded activities as the result of NEPA or consultation processes—e.g., BMPs or other measures necessary to reduce environmental impacts, as well as to provide confirmation or documentation showing required implementation conditions have been fulfilled.

Subgrantees will be required to provide any related information requested by the WSBO or by NTIA (directly or through the WSBO) to ensure both initial and ongoing compliance with all requirements described above.

Permissible Uses of Award Funds Prior to Implementation

The allowable use of Award Funds prior to beginning implementation includes, but is not limited to, activities necessary for the completion of the following:

- Pre-construction planning, including collecting information necessary to complete environmental reviews.
- Applications for environmental permits.
- Studies including, but not limited to, EA, wetland delineations, biological assessments, archaeological surveys, and other environmental reviews and analyses.
- Administrative costs.
- Pre-award application costs.
- Activities supporting consultations required under the NHPA, the ESA, and the CWA; and/or
- Limited, preliminary procurement, including the purchase or lease of equipment or execution of binding contracts to do so; the purchase of applicable or conditional insurance; and/or funds used to secure land or building leases (including right-of-way easements).

Remedies for Noncompliance

Grant funded activities with significant impacts on environmental or historic resources may require de-obligation of funding if impacts cannot be avoided, minimized, or mitigated.

Subgrantees will be required to notify the WSBO within 24 hours upon receipt of any Section 106 notices of foreclosure; notices requesting continuing or supplemental consultation received from the SHPO, Tribal Historic Preservation Office (THPO), or other consulting party or the

USFWS; or notices of noncompliance received from consulting authorities or regulatory agencies.

Scope Changes

Subgrantees and WSBO will acknowledge that any change to the approved scope of grant funded activities proposed after the completion of environmental and historic preservation analyses may alter the nature or extent of environmental or historic preservation impacts. All parties will be required to notify the NTIA of any proposed scope changes, and any approved changes must be re-evaluated for compliance.

Archaeological Resources

Burial sites, human remains, and funerary objects are subject to the requirements of all applicable Federal, Tribal, state, and local laws and protocols, such as the Native American Graves Protection and Repatriation Act (NAGPRA), in addition to Section 106 of the NHPA. Subgrantees must notify the Department of inadvertent discoveries and potential impacts to these resources and identify and follow all applicable laws or protocols. Subgrantees should have an archaeologist who meets the Secretary of the Interior's Professional Qualification Standards monitor ground disturbance for grant funded activities proposed in the vicinity of National Register-eligible archaeological sites and suspected or known burials. If any potential archeological resources or buried human remains are discovered during construction, Subgrantees must immediately stop working in that area, secure that area, and keep information about the discovery confidential, except to notify the WSBO, NTIA, the interested SHPO, THPO, and potentially affected Tribes. Construction activities may then only continue with the written approval of the WSBO and NTIA.

Encouragement of Best Management Practices

WSBO will actively encourage Subgrantees to adopt proactive mitigation strategies aligned with NTIA's BMPs. Examples include:

- Seasonal construction adjustments to protect sensitive wildlife habitats.
- Implementation of erosion and sediment control measures to protect water quality; and
- Design adaptations to avoid disruption of culturally significant sites.

These strategies are strongly recommended to minimize or mitigate environmental impacts and expedite the environmental compliance process. The NEPA and HISTORIC PRESERVATION practitioners will be able to support the Subgrantees in identifying and applying BMPs.

The Subgrantee must comply with all environmental standards and identify to the NTIA any impact a proposed infrastructure project may have on the environment. The Subgrantee may not expend any federal infrastructure funds other than for engineering design, permitting and work related to environmental, historical and cultural reviews, and limited, preliminary procurement funds, as described below, prior to the following:

- A. The completion of environmental review and issuance of a Record of Consideration (REC), Finding of No Significant Impact (FONSI), or Record of Decision (ROD) (hereinafter

“decision documents”) that meets the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.).

- B. The completion of any required consultations, to include consultations with the State Historic Preservation Office (SHPO) and the appropriate federally recognized Native American tribes, under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470, et seq.) (NHPA), and/or consultations with the U.S. Fish and Wildlife Service (USFWS) under Section 7 of the Endangered Species Act (16 U.S.C. 1531, et seq.).
- C. Demonstration of compliance with all other applicable federal, state and local environmental laws and regulations.

Project implementation (site preparation, demolition, construction, ground disturbance, or any other project implementation activities) may not begin prior to the completion of the above activities.

Consultation is started early in the planning process for pre-construction, construction, demolition or acquisition. Pre-construction activities include but are not limited to planning, design and feasibility studies, engineering, permitting, bid documents, acquisition, etc. that will culminate in construction, demolition or land acquisition. Projects completed in phases may be reviewed on a case-by-case basis.

The Subgrantee will not move forward with construction activities that will disturb soils (such as, trenching, completing geo-technical work, grading, clearing, etc.), or construction activities until Environmental Assessment or Categorical Exclusion has been completed and accepted by NTIA.

11.2 National Historic Preservation Act

The Subgrantee may not expend any federal infrastructure funds other than for engineering design, permitting and work related to environmental, historical and cultural reviews, and limited, preliminary procurement funds prior to the following:

- A. The completion of any required consultations, to include consultations with the State Historic Preservation Officer (SHPO) and the appropriate federally recognized Native American tribes, under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470, et seq.) (NHPA).
- B. Demonstration of compliance with all other applicable Federal, State, and local environmental laws and regulations.

Project implementation (site preparation, demolition, construction, ground disturbance, or any other project implementation activities) may not begin prior to the completion of the above activities.

11.3 Process Administration – Getting Started

The Subgrantee starts the NEPA and NHPA review process by submitting project area scope of work and associated information to the NEPA and Historic Preservation practitioners as soon as

readily available. Typically, NEPA review begins when project design is at 75% or greater. However, an informal prescreening for potential environmental impacts can be completed by the NEPA and Historic Preservation practitioners at earlier design phases to quickly identify any potential environmental issues that could arise to inform the design process. Early project screening can save time and resources by avoiding required changes happening later in the project development process.

To start the NEPA and NHPA process, subgrantees shall provide, at a minimum, the following information:

- Project Area Name
- NEPA Area ID # (Detailed in your locations attachment as project ID)
- General Project Address
- Land Parcel #s
- Applicant Project # (If you have a separate internal tracking number)
- Applicant Main Point of Contact
- General project description writeup, including the following information:
 1. Provide general location details and length of aboveground and underground fiber routes.
 2. Provide proposed underground conduit/fiber installation methods (trenching details, boring techniques [plowing method], machinery to be utilized, etc.).
 3. Provide the proposed depth of ground disturbance for underground routes.
 4. Provide the number and dimensions of any proposed handholes along the underground routes.
- Project documentation including zoning drawings, construction drawings, KML file, PDF, GIS file, as available, that includes the following information:
 1. Location of proposed aerial routes.
 2. Location of proposed underground routes.
 3. Location of proposed handholes.
 4. Location of utility poles to be collocated on.
 5. Location of utility poles to be replaced.
 6. Location of staging areas, parking, or equipment laydown.
- Share any previously completed environmental reports, if available.

EA Engineering's subcontractor will use the above submitted information to complete and submit a Section 106 EZ1 form.

11.4 Things That May Hinder Progress

The following items may delay progress on a project's environmental or cultural review:

- Delaying sending sufficient and complete project information to the NEPA and HISTORIC PRESERVATION practitioners to complete NEPA review.
- Not including complete scope of work information requested (for example, omitting staging areas from provided scope of work).
- Revising the scope of work during or after the NEPA review process that may require additional evaluation to be completed.
- Delays in reporting changes to the scope of work for a project area to complete additional required NEPA review.
- The identification of project redesign required to avoid adverse effects NEPA elements of the environment.
- The identification of environmental elements that require further or additional in-depth studies to be completed to properly evaluate for reasonably foreseeable impacts.
- The identification of adverse effects to a NEPA element of the environment that requires additional in-depth NEPA reports to be completed.

12. Appendix

12.1 State Requirements

Title	Relevant Law or Regulation
Insurance Coverage	<u>Non-Profits</u> : Contractual Requirement <u>Self-Insured</u> : RCW 48.62
Labor Regulations	Title 49 RCW
Public Works	Title 39 RCW
State Environmental Policy Act (SEPA)	Chapter 43.21C RCW

12.2 Federal Requirements

Title	Relevant Law or Regulation
Annual Audit Requirement Clause	2 CFR 200.501
Conflicts of Interest	2 CFR 200.318(c) , 2 CFR 200.112
Contract Hours and Safety Standards Act	40 U.S.C. 3702 and 3704 29 CFR Part 5
Cost Principles	2 CFR Part 200, Subpart E
Equipment and Real Property Management	2 CFR Part 200, Subpart D 2 CFR 200.311 , 2 CFR 200.313
Labor Agreements	29 U.S.C. 158(f)
Procurement, Suspension, and Debarment Requirements	2 CFR 200.317 through 2 CFR 200.322
Reducing Text Messaging While Driving	Executive Order 13513 , 74 CFR 51225
SAM.gov Requirements	2 CFR Part 25 , 2 CFR 200.214
Standards of Conduct	2 CFR 200.318
Uniform Administrative Requirements	2 CFR Part 200

12.3 Quick References for WSBO Funding

Organization	Website
Washington State Broadband Office	https://www.commerce.wa.gov/building-infrastructure/washington-statewide-broadband-act/

Organization	Website
Washington State Labor & Industries - Prevailing Wage	www.lni.wa.gov
Office of Minority & Women's Businesses	www.omwbe.wa.gov
Municipal Research and Services Center (MRSC)	www.mrsc.org
Washington Small Business Development	www.wsbdc.org
Washington Society of Certified Public Accountants	www.wscpa.org
Washington Utilities and Transportation Commission	http://www.utc.wa.gov/

12.4 Definitions and Glossary

Acronym	Meaning
A-19 Reimbursement Voucher	The form used to request reimbursement for incurred BEAD project expenses.
ALN	Assistance Listing Number: For BEAD this is 11.035
BEAD	Broadband Equity Access Deployment
Broadband:	The term broadband commonly refers to high-speed Internet access that is always on and faster than traditional dial-up access. For the Federal Communications Commission (FCC), broadband capability requires consumers to have access to actual download speeds of at least 25 megabits per second (Mbps) and actual upload speeds of at least 3 Mbps.
Broadband Access:	The availability of high-speed, reliable internet and related equipment, including having internet connections and technology at home or in community institutions.
Broadband Affordability	Affordability refers to the ability to afford the costs associated with accessing the internet, including for service, devices, and fees.
Broadband Adoption	Daily access to the Internet: (1) At speeds, quality, and capacity necessary to accomplish common tasks, (2) With the digital skills necessary to fully participate online, and (3) On a personal device and secure convenient network.
Broadband Backbone:	High-speed transmission lines that strategically link smaller high-speed internet networks across the globe.

Acronym	Meaning
Broadband Deployment:	The development of broadband networks or infrastructure through which broadband services can be delivered.
Broadband Serviceable Location (BSL):	As defined by the FCC, a BSL is a business or residential location in the United States at which mass-market fixed broadband Internet access service is, or can be, installed. Residential BSLs include all residential structures, including structures that are (or contain) housing units or group quarters (as those terms are defined by the United States Census Bureau). Business BSLs include all non-residential (business, government, non-profit, etc.) structures that are on property without residential locations and that would be expected to demand mass-market, non-enterprise-grade Internet access service.
Broadband Serviceable Location Fabric (Fabric)	The Fabric is a dataset of all locations in the United States and its Territories where fixed broadband internet access service is or could be installed. The Fabric allows broadband availability data filers, the FCC, and other stakeholders to work from a single, standardized list of locations for the Broadband Data Collection.
CFR	Code of Federal Regulations
CMS	Contract Management System
Commerce	Washington State Department of Commerce.
Community Anchor Institutions:	An entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.
Competitive Bid Process	All construction activities must be contracted out to the lowest responsible bidder through a competitive bidding process.
Contingency Agreement:	Is any contract that depends on one or more events that may or may not take place. If the specified events occur, the parties may have a binding contract, or the contract will be invalidated depending on the nature of the contingency.

Acronym	Meaning
Contractor	Firm selected through a competitive procurement process and is paid BEAD funds by the Subgrantee (WSBO) in compensation for specific services.
CWHSSA	Contract Work Hours and Safety Standards Act
Department of Archaeology and Historic Preservation (DAHP)	Washington State Department of Archaeology and Historic Preservation, which reviews cultural resource activities for federal and state funded projects.
Dig Once	Policies and/or practices that minimize the number and scale of excavations along highway rights-of-way when installing telecommunications infrastructure.
Electronic Funds Transfer (EFT)	SUBGRANTEES are encouraged to sign up for EFT to have funds transferred to their accounts electronically rather than through the mail by State Warrant.
ESD	Employment Security Department
Executed Contract	A contract is considered “executed” once the document is signed by the SUBGRANTEE and the Commerce.
Extremely High-Cost Per Location Threshold (EHCT)	A BEAD subsidy cost per location to be utilized during the subgrantee selection process above which an Eligible Entity may decline to select a proposal if use of an alternative technology meeting the BEAD Programs technical requirements would be less expensive. (NOFO Section I.C.k)
Existing Service Provider	A broadband service provider that currently serves or has begun construction to serve end users with reliable wireline high speed broadband service with minimum speeds of 100 Mbps download and 20 Mbps upload, scalable to 150 Mbps symmetrical by 2028. Anchor institutions need to receive at least 1 Gbps symmetrical broadband service by 2026.
Federal Interest Period	For all real property or equipment acquired or improved as part of a subgrant for which the major purpose is a broadband infrastructure project will continue for 10 years after the year in which the subgrant for a project has been closed out in accordance with 2 CFR 200.344.
Funded Network	The term “Funded Network” means any broadband network deployed and/or upgraded with BEAD Program Funds.
GAO	Government Accountability Office

Acronym	Meaning
Gigabit per Second (Gbps)	Units of measurement for network bandwidth and throughput. They are used to show how fast a network or internet connection is. A gigabit is 1,000 megabits.
High-Cost Area	The term “high-cost area” means an unserved area in which the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States (as determined by the Assistant Secretary, in consultation with the Commission), incorporating factors that include— (I) the remote location of the area; (II) the lack of population density of the area; (III) the unique topography of the area; (IV) a high rate of poverty in the area; or (V) any other factor identified by the Assistant Secretary, in consultation with the Commission, that contributes to the higher cost of deploying broadband service in the area. For purposes of defining “high-cost area,” the term “unserved area” means an area in which not less than 80 percent of broadband-serviceable locations are unserved locations.
IFB	Invitation for Bid
Incumbent Local Exchange Carrier (ILEC)	Company that provides basic telephone services, among other telecommunications services, to the residents of the Local Government.
Internet Service Provider (ISP)	An ISP is an organization that provides services for accessing, using, managing, or participating on the Internet. ISPs can be organized in various forms, such as commercial, community-owned, non-profit, or otherwise privately owned.
IRU	Indefeasible Right of Use
ISP	Internet Service Provider
Last Mile:	The technology and process of connecting the end customer’s home or business to the local network provider.
Lowest Responsible Bidder	A term used to determine the successful contractor for a construction project that has been competitively bid.
Megabits per Second (Mbps)	Units of measurement for network bandwidth and throughput. They are used to show how fast a network or internet connection is. Each Mbps represents the capacity to transfer 1 billion bits each second.

Acronym	Meaning
Middle Mile:	The hard assets need to support the connection between a local network, also called a “last mile” connection, and the backbone internet connection.
Middle Mile Infrastructure:	The term “middle mile infrastructure” (A) means any broadband infrastructure that does not connect directly to an end-user location, including a community anchor institution; and (B) includes—(i) leased dark fiber, interoffice transport, backhaul, carrier-neutral internet exchange facilities, carrier-neutral submarine cable landing stations, undersea cables, transport connectivity to data centers, special access transport, and other similar services; and (ii) wired or private wireless broadband infrastructure, including microwave capacity, radio tower access, and other services or infrastructure for a private wireless broadband network, such as towers, fiber, and microwave links.
MRSC	Municipal Research and Services Center
NTIA	National Telecommunications and Information Administration
NTIA Subgrantee or ‘Subgrantee’	WSBO’s title with regards to the funding received by the federal agency as the pass thru agency. This funding is then passed on to Subgrantees (also called sub-Subgrantees).
OMB	Office of Management and Budget
OMWBE	Office of Minority and Women’s Business Enterprises
Open Access	An arrangement in which a network owner offers nondiscriminatory access to and use of its network on a wholesale basis to other providers seeking to provide broadband service to end-user locations, at just and reasonable wholesale rates for the useful life of the subsidized network assets. (NOFO Section I.C.g) For this purpose “just and reasonable wholesale rates” means rates that include a discount from the provider’s retail rates reflecting the costs that the subgrantee avoids by virtue of not providing retail service to the end user location (including, for example marketing, billing, and collection related costs).

Acronym	Meaning
Other Last-Mile Broadband Deployment Projects	Applications that do not propose constructing end-to-end fiber optic facilities to all Broadband Serviceable Locations (BSLs) in a Project Funding Area. Broadband technologies could include hybrid fiber coaxial DOCSIS 3.1 or higher, wireless using licensed spectrum, or LEO satellite. LEO satellite is only allowed for projects proposed in extremely high-cost areas.
Partnership Agreement(s) and/or Indefeasible Rights of Use (IRU)	Submit executed Partnership Agreement(s) and/or Indefeasible Rights of Use (IRU), no later than thirty (30) days prior to the anticipated construction completion date or contract end date.
Prevailing Wages	Hourly wage and usual benefits paid in the largest city in each county, to the majority of workers, laborers, and mechanics as determined by the Washington State Department of Labor and Industries for each trade and occupation employed in the performance of public work.
Project	The term “project” means an undertaking by a subgrantee to construct and deploy infrastructure for the provision of broadband service.
Public-Private Partnership	A partnership among one or more government entities and one or more non-government entities for the purpose of expanding broadband access where public entities are the lead applicant and will be the entity with whom WSBO establishes a contract.
PWIA	Prevailing Wage Intent and Affidavit
RCW	Revised Code of Washington
Subgrantee	The receiving organization of funds from WSBO, may also be referred to as a sub-Subgrantee
Regional Partners:	Any combination of local governments, tribal nations, nonprofits, nonprofits cooperatives, or multi-party entities consisting of public entities, or public entities and private entities. Each entity has a distinct role in the project: funding, right of way, permitting, staffing, etc.

Acronym	Meaning
Reliable Broadband Service	The term “Reliable Broadband Service” means broadband service that the Broadband DATA Maps show is accessible to a location via: (i) fiber-optic technology; (ii) Cable Modem/ Hybrid fiber-coaxial technology; (iii) digital subscriber line (DSL) technology; or (iv) terrestrial fixed wireless technology utilizing entirely licensed spectrum or using a hybrid of licensed and unlicensed spectrum.
RFP	Request for Proposals
Rights-of-Way	Rights-of-way are legal rights to pass through property owned by another. They are frequently used to secure access to land for digging trenches, deploying fiber, constructing towers, and deploying equipment on existing towers and utility poles.
RPN	The Restructuring Policy Notice issued by the NTIA which modified earlier guidance on how the BEAD program would function, technology preference, and equity initiatives. https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf
RSQ	Request for Statement of Qualifications
SAM	System for Award Management
SAW	Secure Access Washington: https://secureaccess.wa.gov/
Scalable	Technology must have the capability to easily expand or upgrade to the speeds required.
Serviceable Connection/Passing	Serviceable connections are completed internet connections between a network and end-user capable of delivering high-speed broadband service that meets or exceeds program required speeds. Passings are potential connections based on broadband infrastructure passing a residence or business but not establishing the end-user connection.
Statewide Vendor Number (SWV)	A vendor number established through the Washington State Office of Financial Management
Subcontractor	Firm selected through a competitive procurement process and is paid by the Subgrantee in compensation for specific services.
Subgrantee	The Subgrantee of BEAD funding to carry out eligible activities. (NOFO Section I.C.w)

Acronym	Meaning
Symmetrical Speeds	Internet connections capable of the same upload and download speeds, typically delivered by fiber technology.
UBI	Unified Business Identifier
Underserved Location	An underserved location is defined as a broadband-serviceable location that is (a) not an unserved location, and (b) that the Broadband DATA Maps show as lacking access to Reliable Broadband Service offered with - (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds. (NOFO Section I.C.bb)
Unserved Location	An unserved location is defined as a broadband-serviceable location that the Broadband DATA Maps show as (a) having no access to broadband service, or (b) lacking access to Reliable Broadband Service offered with - (i) a speed of not less than 25 Mbps for downloads; and (ii) a speed of not less than 3 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds. (NOFO Section I.C.dd)
WAC	Washington Administrative Code
Washington State BEAD NOFO	This is the NOFO that was published by the WSBO allowing applicants to apply for the BEAD funding allocated by the NTIA. The Washington State BEAD NOFO is different from the BEAD NOFO. The NTIA issued BEAD NOFO to describe the requirements under which it will award grants for the BEAD Program.
WSBO	Washington State Broadband Office

12.5 Notes

Subgrantee and Internet Service Providers Consult with Their Tax Professionals:

The [Tax Cuts and Jobs Act of 2017, Public Law 115-97\(2017\)](#) has material relating to the manner by which funds awarded from this NOFO are viewed for tax purposes. The WSBO recommends that all Subgrantees and Internet Service Providers consult with their tax professionals to ensure full understanding of the tax implications for their project.

Proprietary Information and Public Disclosure

Subgrantee Applications shall be deemed public records as defined in [RCW 42.56](#).

If a public records request is made for the application information that the Subgrantee has

marked as "Proprietary Information", WSBO will notify the Subgrantee of the request and of the date that the records will be released to the requester unless the Subgrantee obtains a court order enjoining that disclosure. If the Subgrantee fails to obtain the court order enjoining disclosure, the WSBO will release the requested information on the date specified. If a Subgrantee obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to RCW 42.56 or other state or federal law that provides for nondisclosure, WSBO shall maintain the confidentiality of the Subgrantee's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the NOFO Coordinator is required. All requests for information should be directed to the NOFO Coordinator.

12.6 Resources

Resources for Locating Existing Network Service Providers

[UTC Registered Telecommunications Companies](#)

[ILEC Exchange Boundaries](#)

[Federal Communications Commission Fixed Broadband Deployment](#)

Resources for Wireline Attachments

[Avista](#)

[PacifiCorp](#)

[Puget Sound Energy](#)

Washington State Department of Transportation (WSDOT)

[WSDOT Accommodation](#)

[WSDOT Projects](#)

[Dig Once-Broadband Utilities](#)

[WSDOT-Roadway Data Access Control](#)

[Utilities, railroad & agreements](#)

12.7 Understanding Complex Subgrantee Obligations

Network Capabilities

Speed and Latency

Requirement

BEAD NOFO requires Funded Networks to deliver speeds of not less than 100 Mbps for downloads and 20 Mbps for uploads for broadband serviceable locations and 95 percent of

latency measurements during testing windows to fall at or below 100 milliseconds round trip time. These standards are critical for supporting modern applications and services that require high-speed and low-latency connections. More information can be found in the BEAD NOFO Section IV.C.2.a.i – page 64.

Guidance

Subgrantees should deploy robust network infrastructure and schedule regular performance testing to ensure that the network can consistently meet or exceed the performance standards. NTIA will provide additional guidance regarding the required performance testing for last-mile broadband infrastructure.

Reliability and Resilience

Requirement

Subgrantees must ensure the reliability and resilience of the broadband infrastructure and network through the incorporation of best practices as defined by the Assistant Secretary. More information can be found in IJA (47 U.S.C. § 1702 (g)(1)(D)).

Guidance

Subgrantees should establish comprehensive risk management plans that address the reliability and resilience of their technology infrastructure. Cybersecurity and supply chain risk management plans that BEAD subgrantees must have in place should satisfy this requirement as long as they incorporate strategies for mitigating risks associated with natural disasters, such as wildfires, flooding, tornadoes, hurricanes, etc., as applicable. The plans should reflect current best practices and demonstrate preparedness for physical and digital disruptions.

Network Outages

Requirement

Subgrantees must have protocols in place to ensure each Funded Network's outages do not exceed, on average, 48 hours over any 365-day period except in the case of natural disasters or other force majeure occurrence. More information can be found in the BEAD NOFO Section IV.C.2.a.ii – page 65.

Guidance

Subgrantees should develop a comprehensive outage management plan that includes preventive maintenance schedules, metrics for measuring outages, quick response teams for outage resolution, and clear communication channels for informing customers about outages and expected restoration times. As applicable, subgrantees should develop network designs that meet Eligible Entity metrics for measuring outages once the network is operational.

Best Practices

1. Preventive Maintenance: Schedule regular, recurring maintenance windows during off-peak hours for all non-emergency service-impacting activities. Announce regularly scheduled maintenance windows on network status or management pages to set proper expectations for customers regarding necessary maintenance and network reliability. Use modern predictive

analytics to identify risks that may be handled proactively during regularly scheduled maintenance, which can reduce the number of emergency events and lead to greater network availability.

2. Rapid Response Protocol: The ability to quickly recover from service disruptions is important for maintaining broadband service reliability. In the event of an unplanned outage, activate an emergency response team that is trained to quickly diagnose and fix network issues, with a customer service protocol in place to inform affected users via “out-of-band” communication such as SMS and social media with regular updates until the issue is resolved.

Deployment Requirements

Deployment Deadlines and Benchmarks

Requirement

Subgrantees must deploy Funded Networks and start service to each customer that desires it no later than four years after receiving the subgrant, meeting interim buildout milestones established by the Eligible Entity to ensure progress. Eligible Entities must set clear interim milestones and enforce them as conditions of the subgrant. More information can be found in the BEAD NOFO Section IV.C.2.b.i - page 65.

Guidance

Subgrantees are required to adhere to specific deployment schedules, ensuring the network is operational within the stipulated time. Subgrantees should regularly report progress to their respective Eligible Entity in alignment with the monitoring requirements detailed by the Eligible Entity in their subgrantee agreements. Eligible Entities may request waivers to the four-year deployment deadline, as described in the NOFO. Although NTIA will carefully review all waiver requests, there should not be an expectation that they will be granted.

Best Practices

Fiber Deployment: A subgrantee reports readily measurable milestones to the Eligible Entity, such as the total number (or percentage) of BSLs served in a project area. At the start of a project, milestones may include time-consuming gating items such as submitting local permits to the appropriate offices, locating underground utilities, and receiving final approval of permitting requirements.

Fixed Wireless Deployment: For a fixed wireless network covering remote areas, a subgrantee might report to the Eligible Entity the number of new towers, base stations, and sectors completed, or endpoints completed in a coverage zone.

Low Earth Orbit Deployment: For a low Earth orbit network, a subgrantee may certify to the Eligible Entity that service is available to a percentage of BSLs in the project area, or once the subscription rate reaches a set percentage of locations in the project area.

Conduit Access Points

Requirement

Projects that lay fiber optic cables or conduit underground or along a roadway must include interspersed regular conduit access points at regular and short intervals. More information can be found in IIJA (47 U.S.C. § 1702 (h)(4)(D)).

Guidance

Prospective subgrantees should propose a plan for the placement and interval of conduit access points in their applications for projects that lay fiber optic cables or conduit underground or along a roadway.

Covered Purchases

Requirement

When deploying Funded Networks, subgrantees may not purchase covered communications equipment or support the People's Republic of China through purchasing fiber optic cable and optical transmission equipment manufactured there. More information can be found in IIJA (47 U.S.C. § 1702 (g)(1)(D)).

Guidance

Subgrantees are required to follow specific deployment guidelines when purchasing equipment to be used in the Funded Network. Eligible Entities may request waivers to the covered purchases clause if the Eligible Entity shows that the requirement unreasonably increases the cost of the project, as described in IIJA. Although NTIA will carefully review all waiver requests, there should not be an expectation that they will be granted.

Service Obligations

Low-Cost Plans

Requirement

Prospective subgrantees are required to offer at least one low-cost broadband service option, as proposed by the relevant subgrantee and approved by NTIA. The low-cost broadband service option must be made available to eligible subscribers for the useful life of the network asset (i.e., the federal interest period, which is 10 years after the year in which the subgrant for a project has been closed out or in the case of LEOs, a ten-year period of performance). More information can be found in IIJA (47 U.S.C. §1702(h)(4)(B)).

Guidance

The subgrantee's definition of a low-cost service option must detail:

- All recurring charges to the subscriber, as well as any non-recurring costs or fees to the subscriber.
- The plan's basic service characteristics (download and upload speeds and latency; the LCSO must be at least 100/20 Mbps and <100ms latency);
- The plan's price and, as applicable, how the price will change over time;

- Whether the subgrantee will define Eligible Subscriber more broadly than the RPN.

Best Practice

1. Low-Cost Broadband Service Option Eligibility: A subgrantee requires potential subscribers to provide the same documentation required by the Lifeline program to determine low-cost broadband service option eligibility.

Access to Service

Requirement

Subgrantees are required to provide consumers of BEAD-funded networks with reasonable and non-discriminatory terms and conditions. Subgrantees should initiate service at standard installation charges within 10 business days of a request from any consumer in the BEAD-funded network's service. Low Earth orbit (LEO) Capacity subgrantees are required to provide all necessary consumer premises equipment (CPE) at no cost as part of the standard installation for each new subscriber at the BEAD funded location throughout the period of performance. This obligation is limited to no more than three (3) CPE per location during the period of Performance. For subgrantees planning to send CPE to the subscriber to self-install or use a third-party installer, the BEAD program requires at a minimum that the subscriber receive the CPE within ten days. More information can be found in the BEAD NOFO Section IV.C.2.c.iii – page 68 and RPN Appendix B – page 21.

Guidance

Subgrantees will adhere to the timelines set forth and establish procedures for customer installations, ensuring that these processes are not overly complicated, unnecessarily delayed, or discriminatory.

Use of Funds

Requirement

Subgrantees are required to use funds in an equitable and nondiscriminatory manner. Eligible Entities shall require prospective subgrantees to agree to reasonable provisions for the recovery of funds in the event of subgrantee nonperformance, as stipulated in the subgrantee agreement. More information can be found in IIJA (47 U.S.C. § 1702 (g)(2)).

Guidance

Subgrantees will adhere to the commitments outlined in their subgrantee agreements as well as those established by the Program and the Assistant Secretary. Failure to meet these commitments may result in enforcement penalties determined by the Eligible Entity and agreed to by the subgrantee. These actions may include, but are not limited to, additional grant provisions, suspension of payment or award, termination of the grant, or clawback of funds.

Public Notice

Requirement

Subgrantees are required to conduct public awareness campaigns, both online and through other means, to increase broadband adoption by highlighting the value and benefits of

broadband internet access. Each Eligible Entity shall require each prospective subgrantee seeking to deploy or upgrade network facilities to explain in its application how it intends to notify relevant populations of the new or newly upgraded offerings available in each area. Such proposals shall be designed in a manner that reflects any unique needs of the specific demographics of the area at issue. More information can be found in IIJA (47 U.S.C. § 1702 (h)(4)(G)).

Guidance

Subgrantees should use a variety of communications channels to reach as broad an audience as possible. This includes traditional media like local television and radio, as well as digital platforms such as social media and email newsletters. Public notices should be transparent and clearly outline what the service entails, the terms and conditions, and any eligibility criteria for promotions or special pricing. More information can be found in IIJA (47 U.S.C. § 1702 (h)(4)(F)).

Cybersecurity and Supply Chain Risk Management

Requirement

Subgrantees must attest to having cybersecurity and supply chain risk management plans in place, or ready to be operationalized, that reflects the National Institute of Standards and Technology (NIST) cybersecurity and supply chain risk management framework. More information can be found in IIJA (47 U.S.C. § 1702 (g)(1)(B)) and the BEAD NOFO Section IV.C.2.c.vi – page 70.

Guidance

Subgrantees should implement robust cybersecurity measures and manage supply chain risks to protect the integrity, reliability, and security of the broadband infrastructure. This includes adhering to national cybersecurity standards and ensuring that all hardware and software components are secure and sourced from reputable suppliers.

Risk management plans should account for technology infrastructure reliability and resilience, including from natural disasters (e.g., wildfires, flooding, tornadoes, hurricanes). More information can be found in the RPN – page 5.

Best Practices

Implementing Advanced Threat Detection Systems: A subgrantee deploys a comprehensive threat detection system that continuously monitors network traffic for signs of unauthorized access or anomalies. They also conduct regular penetration testing to evaluate the effectiveness of existing security measures.

Securing the Software Supply Chain: A subgrantee establishes a protocol for software acquisition that includes validation of software integrity through cryptographic signatures and sourcing from vendors that comply with an internationally recognized cybersecurity framework.

Training and Incident Response Drills: A subgrantee organizes recurring cybersecurity training for all network operations staff and conducts simulated cyber-attack drills to prepare the team for real incident response. This helps to reduce response times and improves the overall resilience of network operations.