ReConnect Program: Frequently Asked Questions

General Application Inquiries for Round 4 Funding Opportunities

Updated: October 19, 2022

Question: What is the ReConnect Program?

Answer: The ReConnect Program offers federal loans, grants, and loan-grant combinations to help get broadband to rural areas that lack sufficient broadband access (defined as 100 megabits per second (Mbps) downstream, and 20 Mbps upstream). ReConnect loans and grants can help cover costs associated with the construction, improvement, or acquisition of facilities and equipment.

Question: What types of assistance are available in the ReConnect program?

Answer: USDA offers loans and grants to build infrastructure and install equipment that provides modern, reliable, high-speed internet service in rural places. The ReConnect program offers five products:

- 100 percent loans
- 50-50 loan-grant combinations
- 100 percent grants
- 100 percent grants for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities
- Projects where 90 percent of households lack sufficient access to broadband

More information about the five products is available at this link: https://www.usda.gov/reconnect.

Question: How does the August 4, 2022 Funding Opportunity Announcement define "sufficient access to broadband?"

Answer: "Sufficient access to broadband" is defined as any rural area in which households have fixed, terrestrial broadband service defined as 100 megabits per second (Mbps) downstream and 20 Mbps upstream.

Question: What are the buildout speeds required for facilities proposed to be constructed with ReConnect funds?

Answer: Proposed facilities funded by ReConnect must be capable of delivering 100 Mbps symmetrical service to every premises in the Proposed Funded Service Area (PFSA) at the same time. Specifically, this means **every premises** within the PFSA can receive 100 Mbps downstream and 100 Mbps upstream service at the same time.

Question: What types of – and how much – ReConnect funding is provided under the August 4, 2022 FOA?

Answer: There are five types of funding available with this FOA:

- 100 Percent Loan. A total of up to $150 million is available for loans. The maximum amount that can be requested in an application is $50 million.
- 50 Percent Loan – 50 Percent Grant Combination. Up to $150 million is available for loan-grant combinations. The maximum amount that can be requested in an application is $25 million for the loan, and $25 million for the grant. Loan and grant amounts will always be equal.
- 100 Percent Grant. Up to $150 million is available for grants. The maximum amount of grant funds that can be requested in an application is $25 million.
    - The maximum amount an applicant may request increases to $35 million if the applicant demonstrates the Proposed Funded Service Area (PFSA) is comprised 100 percent of areas classified by the USDA Economic Research Service as Frontier and Remote Area (FAR) Level 4 areas. An area meets the FAR Level 4 designation if it is a rural area located 15 minutes or more from an urban area of 2,500 – 9,999 people, 30 minutes or more from an urban area of 10,000 – 24,999 people, 45 minutes or more from an urban area of 25,000 – 49,999 people, or 60 minutes or more from an urban area of 50,000 or more people. Additional explanatory information about FAR levels is available at this link: https://go.usa.gov/xMJ5x. A GIS layer of FAR Level 4 areas is located at https://www.usda.gov/reconnect.
- 100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas or Socially-Vulnerable Communities. Up to $350 million is available for grants. The maximum amount of grant funds that can be requested in an application is $25 million.
    - If an applicant demonstrates the PFSA(s) are comprised 100 percent of locations within areas classified by the USDA Economic Research Service as FAR Level 4, the applicant

can request up to $35 million. A Geographic Information System (GIS) layer of FAR Level 4 areas is available at https://www.usda.gov/reconnect.

- Projects proposing to serve area where 90% of the households lack sufficient access to broadband. Up to $200 million is available for grants. The maximum amount of grant funds that can be requested in an application is $25 million.

Question: Why is there a new funding category for projects where 90 percent of households lack sufficient access to broadband?

Answer: The ReConnect FOA published on August 4, 2022 is utilizing funds appropriated under the IIJA. The IIJA states that the program must set-aside funding for service areas where at least 90 percent of households to be served by a project do not have sufficient access to broadband.

Question: What are the interest rates for loans allowed under the August 4, 2022 FOA?

Answer: The interest rate for 100 percent loans is fixed at 2 percent. The interest rate for the loan portion of loan-grant combinations is set at the U.S. Treasury rate for the remaining amortization period at the time of each advance of funds.

Question: What are the deferral periods for loans allowed under the August 4, 2022 FOA?

Answer: The deferral period for loans will be three years deferral of principal and interest. The deferral period begins on the date of the first advance of loan funds.

Question: How does the advance of funds process work under the ReConnect Program?

Answer: For this FOA, the advance of funds for a 50/50 loan grant combination will be as follows: a) funds substituted for the loan component will be advanced first, b) loan funds will be advanced second and c) grant funds will be advanced third.

The advance of funds for 100 percent grants that require a matching component will be prorated against the amount of matching funds that are required and the amount of the grant funds approved.

Question: Which ReConnect funding categories do not require a match?

Answer: Currently, a match is not required for applications submitted under the following funding categories:

- 100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities.
- Projects where 90 percent of households lack sufficient access to broadband.

Question: What is the amortization period on which loan repayments (principal and interest) are based?

Answer: Unless the applicant requests a shorter repayment period, loans must be repaid with interest within a period that – rounded to the nearest whole year – is equal to the expected Composite Economic Life of the funded assets. This is determined by RUS using acceptable depreciation rates, plus three years. You can find the current acceptable depreciation rates table at this link: https://go.usa.gov/xexHF.

"Composite Economic Life" means the weighted (by dollar amount of each class of facility) average economic life of all classes of facilities necessary to complete construction of the broadband facilities in the proposed funded service area.

Question: How does an applicant determine what an affordable rate is for the PFSA?

Answer: Review the median household income for the PFSA, identify any potential competition in the PFSA – including what rates they are proposing – and also review Federal Communications Commission (FCC) Urban Rate Survey Data and Resources (available at this link: https://go.usa.gov/xe35x). Use this information to demonstrate the affordability of your application's proposed rate packages. You also are free to provide additional supporting information on the low-cost option you propose.

Question: Are pole attachment fees eligible costs under the ReConnect Program?

Answer: Yes, pole attachments fees are eligible for reimbursement under the current FOA.

Question: How many applications can one entity submit for consideration under the August 4, 2022 FOA?

Answer: An entity can only submit one application for consideration. Although the application system will allow you to create more than one application in the system, you can only submit one application for consideration.

Question: Must applicants for the 100 percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas or Socially-Vulnerable Communities propose to serve all of these at the same time?

Answer: No. An Alaskan Native Corporation (ANC), Tribal Government, or a corporation wholly owned by a Tribal Government proposing to provide service on its own lands is eligible to apply under this funding category. Additionally, this funding category is available to any applicant proposing projects where 75 of the applicant's Proposed Funded Service Areas are located in areas recognized as Colonia as of October 1, 1989. Finally, this funding category is available to any applicant proposing to serve a geographic area that consists of at least 75 percent Persistent Poverty Areas or Socially-Vulnerable Communities.

Question: We submitted a Tribal Resolution in the application associated with a previous round of funding. Do we need a new resolution for the current round of funding?

Answer: Yes, a new up-to-date Tribal resolution should be provided in a new ReConnect application.

Question: Can a non-Tribal applicant that is proposing a project impacting Tribal lands submit their Tribal resolution after the application is submitted?

Answer: No, a Tribal resolution must be included in the application submitted by a non-Tribal applicant at the time of submission if the proposed project impacts Tribal lands. Failure to include the resolution at time of submission makes your application ineligible for consideration. Tribal applicants are not affected by this requirement.

Question: **When can I apply through the online application system?**

Answer: The RUS online application system will open September 6, 2022 and remain open until 11:59 a.m. Eastern on November 2, 2022. Applicants can access the application system at https://www.usda.gov/reconnect.

Question: What is a Unique Entity Identifier (UEI) and where do we get it?

Answer: On April 4, 2022, the unique entity identifier used across the federal government changed from the DUNS Number to the UEI. The UEI is a 12-character alphanumeric ID assigned to an entity by SAM.gov.

Question: Can an applicant start an application if they do not have their System for Award Management (SAM) registration, or Unique Entity Identifier (UEI) yet?

Answer: No. Both UEI and a Taxpayer Identification Number (TIN) are required to start a ReConnect application.

It can take up to three weeks to register in the System for Award Management (SAM), get a UEI and a Commercial and Government Entity (CAGE) Code (if one is required for your organization). Information is available at this link: https://sam.gov/content/home) It is important to start these items as soon as possible.

Please keep in mind that entities creating new registrations in SAM and entities completing their annual registration renewals must review and complete financial assistance representations and certifications before their registration can be activated. All SAM registration certifications must be up-to-date and complete.

Question: What types of IDs do we need to access the ReConnect Application System?

Answer: To access the application system, applicants need a USDA-verified (Level II) eAuthentication (eAuth) account, which can be obtained at www.eauth.usda.gov. All users working on an application must have their own Level II eAuth ID.

To create and submit an application – as well as manage users in the application system – you must also have an approved Authorized Representative Request (ARR). Instructions on how to submit a new ARR or how to update an existing ARR are in the application guide, which is currently being updated, and will be made available before the application window opens at https://www.usda.gov/reconnect under "Forms and Resources". Additionally, short "How-To" videos explaining the eAuth and ARR processes can be found on the ReConnect website under "Workshop and Webinar Materials".

Note: An ARR requires a Taxpayer Identification Number (TIN), for which you can apply through the Internal Revenue Service website at this link: https://go.usa.gov/xMJnr, and a Unique Entity Identifier which can be obtained by visiting https://sam.gov/content/home

Question: We have an approved Authorized Representative Request (ARR) from a previous round of the ReConnect Program. Do we need to submit a new ARR?

Answer: If your entity has an approved ARR from the first or second round of the ReConnect Program, then a new ARR is likely required. Users associated with an entity requiring a new ARR will receive an "Update ARR" pop-up message upon logging into the system.

Implemented during the third round of the ReConnect Program, an ARR, if approved, now grants all users listed on the ARR access to the entities account for the ReConnect Program Online Application System, Community Connect Program Online Application System, and the Reporting & Compliance System. Users that are not assigned the Representative Signature Certifier or Administrator role at the time of this ARR will still need to be added separately.

Any entities who requested to only be granted access to the ReConnect Program Online Application System during the third round will need to submit an Updated Authorized Representative Request.

Question: How do I get a verified (Level II) eAuthentication (eAuth) account?

Answer: Follow the instructions on the USDA eAuth website (available at this link: https://www.eauth.usda.gov/eauth/b/usda/home) to create a verified (Level II) eAuthentication (eAuth) account or upgrade an existing account to "verified" (Level II). All users who access the online application system must have a verified (Level II) eAuth account. You may also update or reset your username and password at the eAuth website if needed.

NOTE: RUS cannot retrieve your eAuth ID or password for you. Please visit the eAuth website to obtain this information.

Question: Can we begin working on the application before the Authorized Representative Request is approved?

Answer: No. Applicants cannot begin working on an application in the application system until the Authorized Representative Request (ARR) is approved. ARR approval typically takes about two business days. However, applicants are strongly encouraged to review the ARR process and obtain the necessary resolution ahead of time. In addition, applicants are encouraged to begin assembling necessary documents and information ahead of time. While a new application guide will be published when the

application window opens on August 1, the previous application guide lays out the required documents for the account, network, financial and environmental portions of the application.

Question: Will data from a previously submitted application be available in the ReConnect Online Application System?

Answer: Users will not be able to access any information previously inputted into a specific ReConnect application. This includes information related to the project, service area(s), network, financials, evaluation criteria, environmental, licenses and agreements, and certifications tabs.

Question: Will consultants, including consulting engineers, have access to the online application site for clients?

Answer: Yes. Applicants can grant consultants access to the online application system. Once assigned the role of "Consultant," they will then be able to access multiple applications within the system. NOTE: All individuals who log into the system must have a USDA verified (Level II) eAuth account.

Question: Can an employee of one company be added to a second company without needing a second, separate eAuth ID?

Answer: Yes. All users, regardless of security role, can now be added to multiple ReConnect accounts under a single eAuth ID. Users who are not consultants no longer need a unique eAuth ID in order to access different ReConnect accounts.

Question: How do I start my application for ReConnect funds?

Answer: Begin by reviewing the August 4, 2022 Funding Opportunity Announcement (FOA), and the ReConnect program regulation (7 CFR 1740 as revised – information is available at this link: https://go.usa.gov/xex6b) for current program and eligibility requirements. The FOA, regulation, application guide, and other resources including program information, fact sheets, and technical assistance materials are available at https://www.usda.gov/reconnect. All applications must be submitted through the RUS online application system, which will open on September 6, 2022, and remain open until 11:59 a.m. Eastern on November 2, 2022.

Question: My organization uses Internet Explorer, and I am having problems accessing the application system. What can I do to improve my access to the system?

Answer: Do not use Internet Explorer or Safari when using the application system. Both can create technical hitches that result in incomplete applications. Google Chrome and Microsoft Edge are the recommended browsers to use when completing your application.

Question: My application timed out and I lost the information entered into the system. Can USDA recover this information?

Answer: USDA cannot recover any information lost from not saving your application. We recommend saving your application multiple times during the process. For security, the system times out after 15 minutes of inactivity, and you will receive a warning message at approximately 14 minutes and 30 seconds. If an application times out without being saved, you will lose all information entered since the last time you saved the application.

Question: When will USDA announce awards for the new round of funding?

Answer: For current award announcements, visit the ReConnect Program website at https://www.usda.gov/reconnect and click "Subscribe" under the "Stay up to date" section at the bottom of the home page.

Question: What is considered an affiliate company? What is the ownership threshold for considering a company an affiliate?

Answer: "Affiliate" or "Affiliated Company" of any specified person or entity means any other person or entity directly or indirectly controlling of, controlled by, under direct or indirect common control with, or related to, such specified person or entity, or which exists for the sole purpose of providing any service to one company or exclusively to companies which otherwise meet the definition of affiliate. This definition includes Variable Interest Entities as described in Financial Accounting Standards Board Interpretation (FIN) No. 46(R), *Consolidation of Variable Interest Entities*.   For the purpose of this definition, "control" means the possession directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement with, one or more other companies, and whether such power is established through a majority or minority ownership voting

of securities, common directors, officers, or stockholders, voting trust, holding trusts (other than money exchanged) for property or services.

Question: How does USDA know where broadband services at 100 Mbps down, 20 Mbps up speeds are currently provided?

Answer: Rural Development uses several methods to verify whether a particular Proposed Funded Service Area (PFSA) currently has 100 Mbps downstream, 20 Mbps upstream broadband service. We will post a Public Notice Filing (PNF) of the proposed service area on the ReConnect webpage under the "Public Notice Filings" tab at https://www.usda.gov/reconnect, and service providers in those areas can submit a Public Notice Response (PNR) indicating whether they already provide 100 Mbps downstream, 20 Mbps upstream service. Then, USDA will conduct Service Area Validations (SAVs) within the areas of the PFSA(s) where a PNR is filed.

Service area validations also include desktop research using currently available data. Additionally, we will send subject matter experts (SMEs) to service area locations where a PNR is filed to oversee field tests to determine if the area(s) meet eligibility requirements, to verify the availability of 100 Mbps downstream, 20 Mbps upstream service, and validate other aspects of the application.

Question: Does RUS require audited financial statements as part of the application?

Answer: Yes. Audited financial statements are required. The following types of entities must submit unqualified, comparative audited financial statements for the previous fiscal year from the date your application is submitted:

- Corporation
- Commercial business
- Limited Liability Company
- Cooperative

The following types of entities (non-Federal entities) are subject to 2 CFR 200 and must have a single audit conducted:

- Authority
- Municipality
- Public body

- Public Power or Utilities District
- Indian Tribe
- Tribal government
- Higher education
- Non-profit
- Territory or possession of the United States
- A state or local government

If an application is submitted and the most recent year-end audit has not yet been completed, you can submit the most recent, completed, unqualified, comparative audit.

Note: an applicant can use the consolidated audit of the parent as long as the parent fully guarantees the loan, or in the case of a grant, guarantees construction will be completed as approved in the application, or the parent will repay the grant to RUS. If the applicant has more than one parent, then each parent's audits must be submitted, and each parent must fully guarantee the award.

For government entities, financial statements must be accompanied with certifications regarding unrestricted cash that may be available to the applicant on a yearly basis.

Question: Can an applicant use fiscal year projections when completing the financials component of the application, or must they use calendar year projections?

Answer: You can submit your financial information using a calendar year or fiscal year basis for historical and forecasting, but the methodology must be consistent across all years. If you choose to provide financial information on a fiscal year basis, you must indicate the fiscal year in the assumptions. We recommend you use the same basis as the unqualified, comparative, audited financial statements submitted with the application.

Question: Would two entities owned by the same holding company be able to submit separate applications as separate entities proposing to serve different areas? Or is only one application allowed because both entities are owned by the same holding company?

Answer: As long as each entity is organized as a standalone company and can meet all other eligibility requirements as standalone entities, then each entity can submit its own application. However, if a consolidated unqualified, comparative audit containing each entity's financial information is not available from the parent holding company, each company must independently provide the unqualified,

comparative audited financial statement for the previous fiscal year of the applicant from the date the application is submitted.

Question: Can a subsidiary use a parent company's financials when preparing the pro forma financial analysis?

Answer: Financial information and projections must be those of the applicant, and consolidated projections are not acceptable. Applicants must use their own standalone projections.

Question: What needs to be included for the real property question? (Example: Does the applicant own any real property? If so, upload all applicable copies of real estate deeds or any real property schedules). Do applicants need to upload documents for each property that they own, or can they use a real property schedule that lists all of their real property?

Answer: The question regarding real property is intended to determine whether or not a mortgage would be required if the project is awarded. To satisfy this requirement, upload a copy of the company's real estate deeds and real property schedule. Real estate deeds are not required at the time of the application submission. However, RUS may request copies of real estate deeds if an award is made. NOTE: Applicants for any 100 percent grant product must select "no" in response to this question in the application system.

Question: Do we need to upload all lease agreements in our ReConnect application? What about leases that would be contingent on receiving an award?

Answer: Yes, all lease agreements, regardless of status, must be uploaded into the application. The ReConnect Online Application System allows applicants to select the "Agreement Status" to indicate whether the agreement is not required, a draft, an existing agreement, pending approval, contingent upon award, or contingent upon availability of funds.

Question: Will ReConnect fund middle-mile only projects?

Answer: The intent of the ReConnect program is to bring high-speed broadband service to rural residences and businesses. Therefore, stand-alone, middle-mile projects are not eligible. However, middle-mile facilities are eligible if they are necessary to bring sufficient broadband service to all premises in the PFSA.

Question: Can an applicant apply for Community Connect and ReConnect funds for different Proposed Funded Service Areas (PFSA)?

Answer: Yes. You can apply for funds from both programs if the projects serve different Proposed Funded Service Areas (PFSAs).

Question: What is the difference between the 100 Mpbs downstream, 20 Mbps upstream service requirement and the 25 Mbps downstream, 3 Mbps upstream evaluation criteria?

Answer: To be eligible for ReConnect funding, 50 percent of the households within a Proposed Funded Service Area (PFSA) must lack sufficient access to broadband service. "Sufficient access" is defined in the August 4, 2022 Funding Opportunity Announcement (FOA) as "fixed, terrestrial broadband service delivering at least 100 Mbps downstream, 20 Mbps upstream." If more than 50 percent of households in a proposed service area has 100 Mbps downstream, 20 Mbps upstream or greater service available, the area is not eligible for ReConnect funding.

The evaluation criteria for an application seeking a 100 percent grant or a loan-grant combination includes additional points if the proposed project serves an area of households that lack fixed, terrestrial broadband service of at least 25 Mbps downstream, 3 Mbps upstream. The applicant must provide supporting evidence that 25 Mbps downstream, 3 Mbps upstream service does not exist for those households. To the extent possible, you must identify all existing providers in the PFSA and indicate what level of service is actually being provided. The evaluation criteria do not apply to applications seeking 100 percent loan funding.

This requirement for at least 50 percent of the households to lack access to sufficient broadband service to be eligible does not apply to those applications which seek funds from the "Projects serving areas where 90 percent of households lack sufficient access to broadband" funding category. For this funding source, not more than 10% of homes in the PFSA can have sufficient access to broadband.

Question: Can one applicant request funding from all five funding categories?

Answer: No. You must choose one type of funding (100 percent loan, loan-grant combination, 100 percent grant, 100 percent grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas, and Socially-Vulnerable Communities, or Projects where 90 percent of households lack sufficient access to broadband) from which to apply, and you can submit only one application. You can, however, begin multiple applications in the application system. NOTE: if you decide

to change to another funding type, you must start a new application from the beginning. The system will not transmit data from one application to another.

Question: If an applicant applies for but does not receive a 100 percent grant, will they be considered for the 50 – 50 percent combination loan-grant category?

Answer: No. You can submit only one application within the application window specified in the August 4, 2022 FOA. An application submitted for one funding category is not eligible for any of the other funding categories.

Question: Does USDA have sample language for the Authorized Representative Request (ARR)? To whom and to where should the ARR and board resolution be submitted?

Answer: Authorized Representative Request (ARR) instructions and sample board resolution language are available on the ReConnect website at https://www.usda.gov/reconnect under "Forms and Resources." The instructions provide two sample resolutions featuring a corporation, and a Limited Liability Company (LLC). If the applicant is an entity other than a corporation or LLC, the content of the sample resolutions can be modified to reflect the applicant's legal structure. Once completed, the board-approved resolution must be uploaded within the online application system as a part of the AAR.

Question: Can I use my RD Apply or eAuth login for access to ReConnect?

Answer: No. Although both use verified (Level II) eAuthentication for logins, the ReConnect program does not use the RD Apply system. To use the ReConnect online application system, you must have an approved ARR in ReConnect. The RUS ReConnect online application system can be found at https://www.usda.gov/reconnect.

Question: Are there any application fees required in the ReConnect application?

Answer: No application fees are required to submit an application to USDA. However, you may incur pre-application expenses related to the creation and submission of an application. Pre-application expenses must fund eligible costs and be budgeted within the application in order to be reimbursed by Rural Development. Additional details on pre-application expenses can be found in 7 CFR 1740.12(a)(2) – available at this link: https://go.usa.gov/xex6M and in the Funding Opportunity Announcement published on August 4, 2022.

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Question: Can expenses incurred under the previous round of ReConnect be eligible for reimbursement under the current round?

Answer: Yes, Pre-application expenses that were incurred under the previous round of ReConnect, but benefit an application for this round, may be funded. Pre-application expenses are limited to up to the five percent of the total award amount.

Question: Do applicants need to submit a legal opinion?

Answer: Yes. All applicants must submit a legal opinion via the Account Documents section of the application system. The document must address your ability to enter into the award documents, describe all material pending litigation matters, address your ability to pledge security as required by the award documents, and address your ability to provide broadband service under state law. Legal opinions submitted under prior ReConnect rounds should not be resubmitted. Applicants should provide a new legal opinion for the current round of funding.

NOTE: We recommend the legal opinion be prepared according to the sample format available under "Forms and Resources" at this link: https://www.usda.gov/reconnect. This sample can be modified to meet your needs. Additionally, we recommend all such modifications be reviewed with RUS staff prior to final submission. Additional details on legal opinions required for the ReConnect program can be found in 7 CFR 1740.60(d)(9), available at this link: https://go.usa.gov/xex6t.

Question: Are the evaluation criteria datasets available for download?

Answer: Yes. The datasets used to determine evaluation criteria are available to download. These datasets represent a specific moment in time and will not be modified during the course of the current Funding Opportunity Announcement; nor can the data be challenged. The Evaluation Criteria Datasets available for download include:

- Economic Need of the Community (SAIPE)
- Rurality – 100 Miles from Urbanized Areas
- Socially-Vulnerable Communities
- Tribal Supplemental Area (BIA LAR)
- Tribal Area (BIA LAR)
- Tribal Statistical Area (BIA)
- Tribal Area in Alaska (Census)

More information about ReConnect Program Service Area Map Datasets can be found at this link: https://go.usa.gov/xe3GH.

Question: What datasets are available to the public as they relate to the ReConnect Program Service Area Map?

Answer: The following ReConnect Program Service Area Map datasets are available for download:

Evaluation Criteria Datasets: The Evaluation Criteria datasets are referenced in the scoring of applications and include:

- **Economic Needs of the Community (SAIPE)** – This dataset contains the results of the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program poverty estimates for all counties with a poverty percentage of 20 percent or higher. This program provides annual estimates of income and poverty statistics for all school districts, counties, and states for the administration of federal programs and the allocation of federal funds to local jurisdictions.
- **Rurality** – 100 Miles from Urbanized Areas – This shapefile contains a multipart feature of all 2010 Census urbanized areas surrounded by a 100-mile buffer. Urbanized areas are areas of 50,000 or more people.
- **Socially-Vulnerable Communities** – The dataset contains Census Tracts with a Social Vulnerability Index (SVI) overall ranking of 0.75 or higher. The SVI determines the degree to which a community is perceived as able to prevent human suffering and financial loss in the event of a disaster.
- **Tribal Area in Alaska (Census) -** This dataset represents federally recognized American Indian reservations and off-reservation trust lands in the state of Alaska.

Service Area Eligibility Criteria Datasets: The Service Area Eligibility Criteria datasets outline geographic areas that may impact the eligibility of a project and include:

- **FAR Level 4 -** This dataset contains Frontier and Remote Areas that are:
    a. 15 minutes or more from an urban area of 2,500-9,999 people
    b. 30 minutes or more from an urban area of 10,000-24,999 people
    c. 45 minutes or more from an urban area of 25,000-49,999 people
    d. 60 minutes or more from an urban area of 50,000 or more people.

More information on FAR can be found at the USDA Economic Research Service FAR web page. All projects located 100% within territories or possessions of the United States eligible to apply under ReConnect, are eligible to request up to $35,000,000 in 100% grant funds.

- **Non-Rural Areas -** This dataset contains a subset of the 2010 Census Places data and a subset of the Urbanized Area/Urban Cluster 2010 Census data. Both subsets were filtered to include: (1) a city, town, or incorporated area that has a population of greater than 20,000 inhabitants; and (2) an urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants. The resulting two subsets were merged to create the non-rural areas layer.

- **Pending Applications -** This dataset includes all Community Connect, Farm Bill Broadband, Telecommunications Infrastructure, and ReConnect Program loan, loan/grant combination, and grant applications that have been submitted to the Rural Utilities Service (RUS) for consideration. The layer will be updated when the status of an application changes. Approved applications will remain protected under the Protected Broadband Borrower Service Areas layer. For applications that are no longer considered by RUS, the applicant's Proposed Funded Service Area will no longer appear as part of this layer.

- **Protected Broadband Borrower Service Areas** - This dataset includes the service areas of entities that received a Telecommunications Infrastructure loan, Farm Bill Broadband loan, Broadband Initiatives Program (BIP) award, or ReConnect Program grant, loan, or combination award during or after Fiscal Year (FY) 2000. This dataset also includes Community Connect projects that are still under construction. Service areas of projects that were approved but were subsequently de-obligated are not protected and have been omitted from this layer. With the exception of RUS projects still under construction, the service areas of existing RUS broadband borrowers and grant recipients without sufficient access to broadband, as defined in the FY2022 Funding Opportunity Announcement (FOA), are eligible for ReConnect funding.

- **Colonia Areas –** This dataset consists of unincorporated low-income communities lacking infrastructure within 150 miles of the U.S.-Mexico border.

- **Persistent Poverty Counties –** This dataset includes U.S. counties with 20 percent or more of residents classified as below the poverty rate for the past 30 years, as measured by the decennial census.

- **Alaska Native Regional Corporations –** This dataset includes the twelve legally defined boundaries of Alaskan regions created pursuant to the Alaska Native Claims Settlement Act (ANCSA) enacted in 1971 as a ''Regional Corporation'' and organized under the laws of the State

of Alaska to conduct both the for-profit and nonprofit affairs of Alaska Natives within a defined region of Alaska.

- **Alaska Native Village Corporations –** This dataset represents the more densely settled portion of Alaska Native villages (ANVs). The ANVs constitute associations, bands, clans, communities, groups, tribes, or villages recognized pursuant to the Alaska Native Claims Settlement Act of 1971 (Public Law 92-203). Because ANVs do not always have clear, legally defined boundaries or boundaries that include most of the population and housing associated with the ANV, the Census Bureau does not delimit ANVs. Instead, the Census Bureau presents statistical data for ANVSAs that represent the settled portion of ANVs. In addition, each ANVSA should include only an area where Alaska Natives, especially members of the defining ANV, represent a substantial proportion of the population during at least one season of the year.

- **FY22 Congressionally Directed Spending -** The Consolidated Appropriations Act, 2022 identified a number of entities that are eligible to receive funding through the Rural Utilities Service's (RUS) ReConnect Program as part of Community Project Funding/Congressionally Directed Spending (CDS). This dataset represents the Proposed Funded Service Areas of the entities that received this funding.

- **RDOF-Ready to Authorize -** This dataset consists of a subset of census blocks of winning bidders that are Ready to Authorize (RTA) as of July 27, 2022, as part of the Federal Communications Commission's Auction 904: Rural Digital Opportunity Fund. Only census blocks that will be offered terrestrial broadband at speeds of at least 100 megabits per second (Mbps) downstream and 20 Mbps upstream are included in this dataset. More information on the Rural Digital Opportunity fund can be found on the FCC Auction 904 website.

The following datasets inform both the Evaluation Criteria and Service Area Eligibility Criteria:

- **Tribal Area (BIA LAR)-** This dataset consists of the geospatial representation of American Indian land areas for federally recognized tribes as determined by the Bureau of Indian Affairs (BIA).

- **Tribal Supplemental Area (BIA LAR) -** This dataset is a supplemental dataset compiled from The American Indian Reservations / Federally Recognized Tribal Entities dataset which depicts feature location, selected demographics and other associated data for the 561 Federally Recognized Tribal entities in the contiguous U.S. and Alaska. The data represented in this source features American Indian Reservations (AIR), Federally Recognized Tribal Entities (FRTE) and Alaska Native Villages (ANV).

- **Tribal Statistical Area (BIA) –** This dataset consists of trust, restricted, and mixed ownership land area used for the collection, tabulation, and presentation of decennial census data for the 36 Federally recognized American Indian tribes located in the state of Oklahoma
- The ReConnect Program Service Area Map Datasets can all be viewed at this link: https://go.usa.gov/xe3GH.

Question: What is the difference between the 100 Mbps symmetrical buildout requirement and the 100 Mbps downstream, 20 Mbps upstream sufficient access to broadband definition?

Answer: The 100 Megabits per second (Mbps) symmetrical buildout speed is a requirement for all ReConnect Program projects. Projects incapable of delivering 100 Mbps symmetrical service to every premises in their Proposed Funded Service Area (PFSA) at the same time will not be selected for funding. A professional engineer must certify the proposed network can deliver at least 100 Mbps symmetrical service.

The 100 Mbps downstream, 20 Mbps upstream service speed is the current definition for sufficient access to broadband. Only areas where at least 50 percent of household lack access to 100 Mbps downstream, 20 Mbps upstream service are eligible for ReConnect funding. If fewer than 50 percent of households in an area lack access to 100 Mbps downstream, 20 Mbps upstream service, the area is not eligible to be served.

This requirement for at least 50 percent of the households to lack access to sufficient broadband service to be eligible does not apply to those applications which seek funds from the "Projects serving areas where 90 percent of households lack sufficient access to broadband" funding category. For this funding source, not more than 10% of homes in the PFSA can have sufficient access to broadband.

Question: Can other federal funds be used to meet the ReConnect Program matching requirement for 100 percent grants?

Answer: Typically, federal funds from other programs cannot be used as match for ReConnect funds unless the program under which the non-ReConnect funds were awarded has specific statutory authorization allowing that program's funds to be used as match for other federal programs.

Question: Can federal funds received by my State be used as a match for the ReConnect Program?

Answer: Federal funds administered to municipalities are still considered federal funding. Typically, federal funds from other programs cannot be used as match for ReConnect funds unless the program under which the non-ReConnect funds were awarded has specific statutory authorization allowing that program's funds to be used as match for other federal programs.

Question: Can ReConnect funds be used for monitoring expenses associated with National Historic Preservation Act (Section 106) reviews?

Answer: Yes; as long as the costs of the monitors are considered part of construction costs and are capitalized. Monitoring expenses are considered professional costs and are eligible to be funded using up to 3 percent of the total award amount. Awardees are required to submit associated invoices, along with a copy of the agreement with their state or Tribal historic preservation office.

Question: What areas are eligible for ReConnect funding?

Answer: To be eligible for ReConnect funding, a Proposed Funded Service Area (PFSA) must be:

1. Rural. According to 7 CFR 1740.2 (available at this link: https://go.usa.gov/xexFF), a rural area is any area not located within:
   - A city, town, or incorporated area with a population greater than 20,000
   - An urbanized area contiguous and adjacent to a city or town with a population greater than 50,000
2. Lack sufficient access to broadband service as defined in the Funding Opportunity Announcement (FOA)
   - For 100 Percent Grant, 100 Percent Loan, 50 Percent Loan/50 Percent Grant Combination, and 100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities funding categories, 50 percent of households within each proposed service area must lack sufficient access to broadband. Sufficient access to broadband is defined in the August 4, 2022 FOA (available at this link: https://go.usa.gov/xSpBF) as "any rural area in which households have fixed, terrestrial broadband service delivering at least 100 Mbps downstream, 20 Mbps upstream."

This requirement for at least 50 percent of the households to lack access to sufficient broadband service to be eligible does not apply to those applications which seek funds from the "Projects serving areas where 90 percent of households lack sufficient access to broadband" funding category. For this funding source, not more than 10% of homes in the PFSA can have sufficient access to broadband.

In addition, 7 CFR 1740.2 (available at this link: https://go.usa.gov/xexFt) states that mobile or cellular and satellite services – including systems that use satellite backbone facilities to connect to the internet – will not be considered when determining whether sufficient access to broadband exists.

A PFSA cannot include areas considered ineligible for funding under the ReConnect program. The ReConnect Program Service Area Map identifies ineligible and potentially ineligible areas due to a protected broadband borrower currently providing sufficient access to broadband.

Both the regulation and FOA provide information on this issue. The ReConnect Program Service Area Map (available at this link: https://tinyurl.com/4m7bax9m) does **not** provide information on where sufficient access to broadband currently exists.

Question: The RUS Service Area Map does not differentiate between "Protected Broadband Borrowers" that have built to 100/20 Mbps (therefore ineligible) and those that have not. Does RUS intend to differentiate them on the tool, or is it up to applicants to determine which Protected Broadband Borrower areas are eligible, and which are not?

Answer: RUS currently does not list broadband download and upload speeds on either the Protected Broadband Borrower or Pending Applications layers of the Service Area Map (available at this link: https://tinyurl.com/4m7bax9m). You must exercise your own due diligence in determining broadband speeds in potential PFSAs. RUS will review all submitted application information and will contact the RUS borrower to determine if sufficient access to broadband exists.

Question: What are the requirements for a Pledged Deposit Account?

Answer: RUS has modified the grant agreement to permit awardees to deposit the required matching and other required funds into the Pledged Deposit Account on a rolling basis. If the matching funds are provided by a third party, a commitment letter from the third party must be submitted indicating that the funds will be available at the closing of the award if approved. The matching contribution can be used only for eligible purposes. If the applicant elects to initiate a loan to satisfy the matching requirement, documentation must be included as part of the application indicating the terms and conditions for the loan

and that the grant funded assets cannot be used as collateral for the matching funds loan. The loan must be entered into and funds transferred into the applicant's accounts by the closing of the award.

Question: Must all matching funds be deposited into the Pledged Deposit Account (PDA) in order to receive an award?

Answer: No, matching funds may be deposited into the PDA on a rolling-basis. Given the cashflow pressures on many telecommunications providers during the COVID pandemic, many previous awardees have requested complying with the matching requirement over time, rather than depositing all matching funds at once into the Pledged Deposit Account (PDA). Because of these extraordinary circumstances, RUS has agreed to modify the grant agreement to permit awardees to deposit the required matching and other required funds into the PDA on a rolling basis.

If the matching funds are provided by a third party, a commitment letter from the third party must be submitted as part of the application indicating that the funds will be available at the closing of the award if approved. If the applicant elects to initiate a loan to satisfy the matching requirement, documentation must be included as part of the application indicating the terms and conditions for the loan and that the grant funded assets cannot be used as collateral for the matching funds loan. The loan must be entered into and funds transferred into the applicant's accounts by the closing of the award.

Question: If an applicant wants to use the ILOC option, is an unqualified comparative audit required in the application?

Answer: Yes. The audit requirement remains if an applicant intends to replace the standard grant security agreement with an ILOC.NOTE: Non-federal entities are only required to submit a single audit, pursuant to 2 CFR 200.

Question: Are the expenses associated with the Irrevocable Letter of Credit (ILOC) considered a pre-application expense that can be reimbursed?

Answer: ILOC expenses are considered operating costs of the applicant and are not reimbursable by the ReConnect Program. The ILOC must be for the full amount of funding requested and must remain in place at that level until the completion of the project. The ILOC should be secured outside the operation that is being awarded a grant.

Question: An eligible service area under the ReConnect Program has historically been an area where 90 percent of households do not have sufficient access to broadband. Why has the threshold dropped to 50 percent of households?

Answer: The ReConnect FOA published on August 4, 2022 is utilizing funds appropriated under the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. 117-58). The IIJA states that at least 50 percent of households to be served by a project must be without sufficient access to broadband.

Question: Our entity has applied for a Unique Entity Identifier (UEI) but we have not received it. How do we submit our Authorized Representative Request (ARR) if we do not have a UEI?

Answer: USDA is aware of delays related to obtaining a UEI through SAM.gov. USDA will use an alternative identifier on a temporary basis to allow entities to begin an application for the ReConnect Program while they await their UEI. Applicants who are assigned a temporary identifier will provide this information during the ARR process and this temporary identifier will be replaced when the entities UEI has been issued. To request a temporary identifier, please use the Contact Us form available at: https://usda.gov/reconnect.

Entities with an existing UEI will not be issued a temporary identifier.

NOTE: The temporary identifier assigned cannot be used with any other program, either within USDA or at any other federal agencies. This temporary identifier is only intended to be used for the ReConnect Program.

Question: Can I account for installation labor costs as a professional service?

Answer: No, installation labor costs are not considered a professional service. Professional services may include, but are not limited to, costs associated with environmental reviews, post-award monitoring expenses, architectural services, and engineering services.

Question: How do you define Wholesale Broadband Services?

Answer: Wholesale Broadband Services refers to the resale of the bulk bandwidth on a network to another provider or user for distribution such as wireless providers. To receive points for offering wholesale broadband services, the applicant should be proposing an open access network in which access is granted to multiple service providers to provide services on one physical network infrastructure.