



# ReConnect NOFO 5 Workshop

Reno, NV – February 29, 2024



United States  
Department of  
Agriculture

Rural Development

# ReConnect Round 5 Workshop – Day 3

<b>8:30 a.m.-12:00 p.m.</b>	<b>Office Hours</b>
<b>8:30-8:45 a.m.</b>	<b>Opening Remarks</b>
<b>8:45-9:15 a.m.</b>	<b>Public Notice Process</b>
<b>9:15-10:15 a.m.</b>	<b>Legal Agreements</b>
<b>10:15-10:30 a.m.</b>	<b>Break</b>
<b>10:30 a.m.-11:30 p.m.</b>	<b>Application Assistance, Best Practices, and Lessons Learned</b>
<b>11:30 a.m.-12:00 p.m.</b>	<b>Open Q&amp;A</b>
<b>12:00-2:05 p.m.</b>	<b>Closing Remarks</b>





# PNF, SAV and PNR Process



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PNF – Public Notice Filing  
SAV – Service Area Validation  
PNR – Public Notice  
Response

# Public Notice Filing / PNF

- RUS publishes “maps” of the PFSA to a publicly available website.
- Maps are outlines of the area to be served and not the actual sites and routes of the application.
- These are posted on the website for 45 days so that PNR (Public Notice Response) filers can provide evidence that they are currently serving an area that may overbuild them.
- The goal of this effort is to avoid the duplication of service in order to put funds in areas where it is needed.

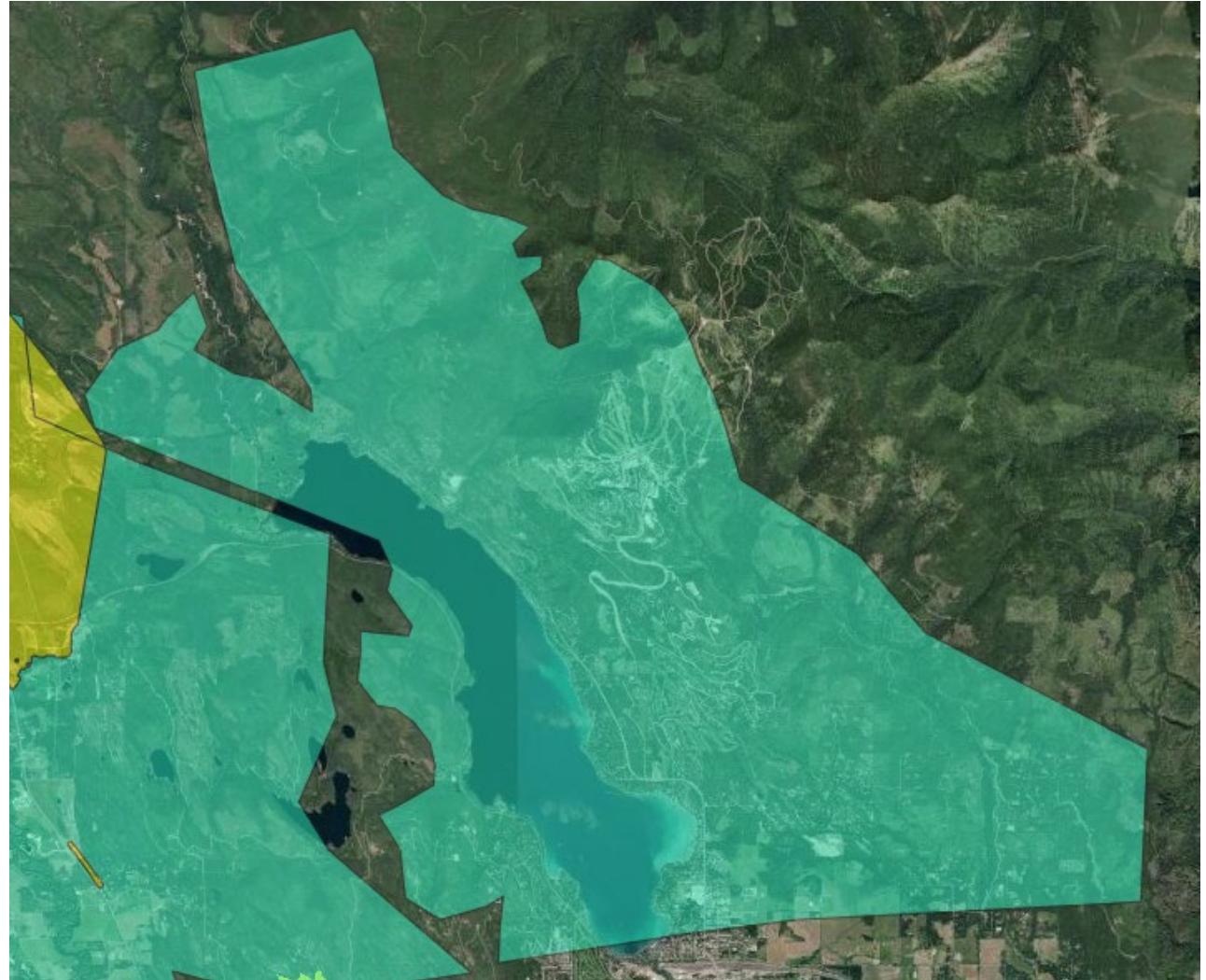
# Service Area Validation

- Multi-step process to determine preliminary or final determination of whether an area has existing service.
- Check speed test data for the PFSA
- Check for protected borrower overlap
- Check for existing awards from other federal agencies (if available).
- Tribal Overlap
- Funding announcement can dictate focus
- Notes are taken and a draft report is written for the specific application being reviewed for a future final “Determination Report.”

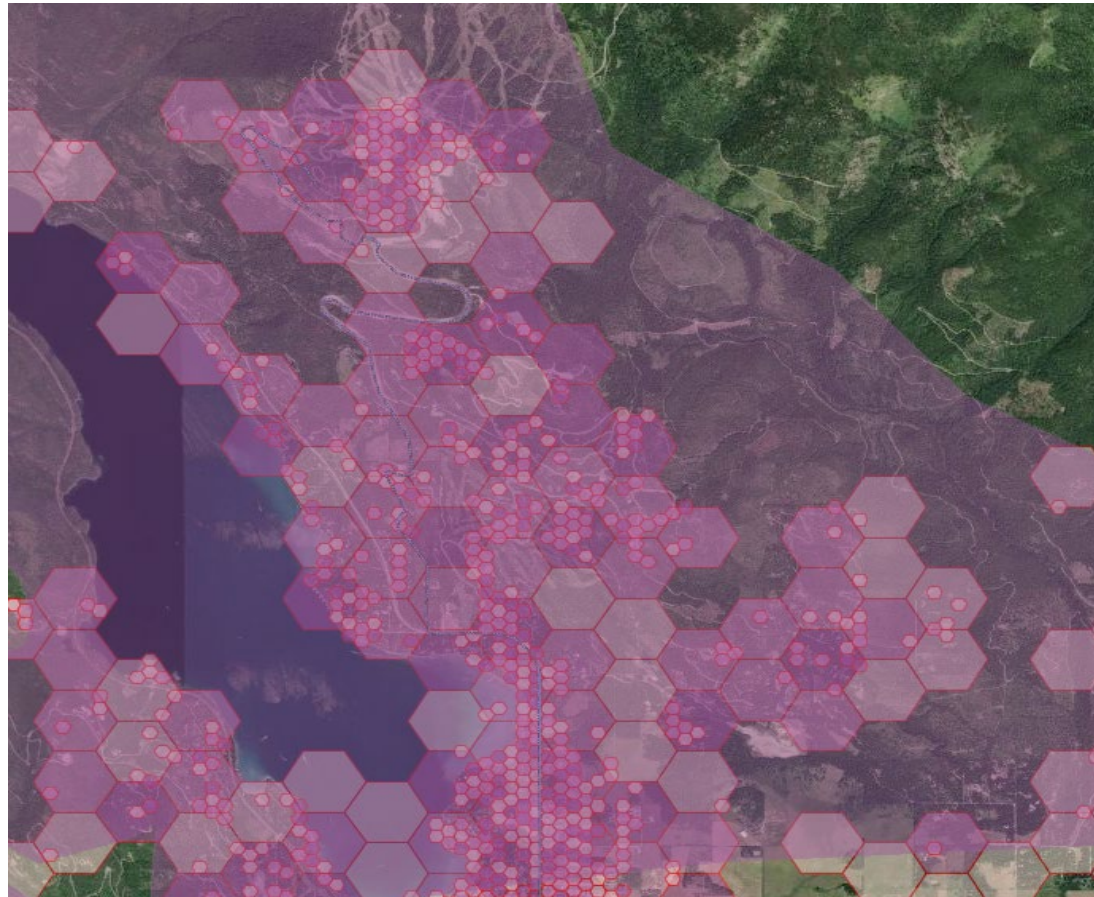


# PFSA as submitted by applicant.

This would be the PNF.



# PFSA with speed test data and routes checked during SAV



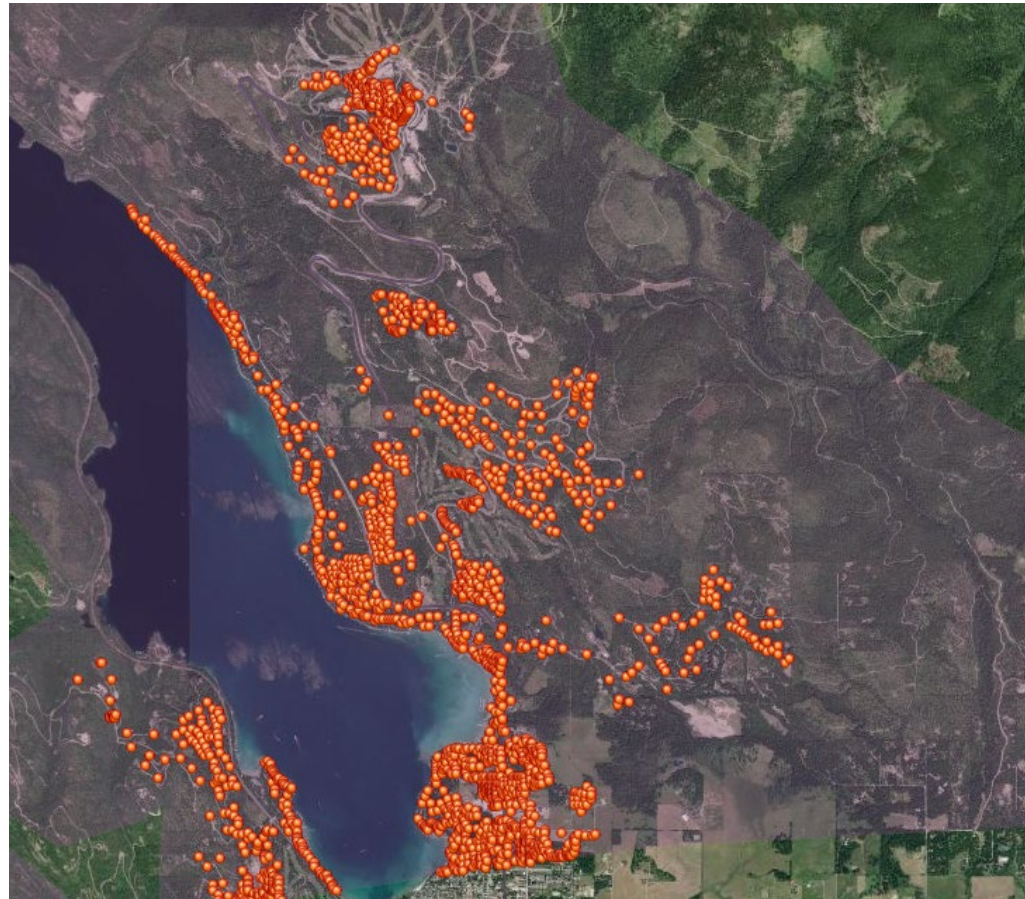


# PNR

- An existing service provider files for an area that they currently claim to be serving.
- They will need to provide evidence of existing service (To be constructed is not service).
- There is a high likelihood we will ask for sites and routes or propagation maps.
- We have the regulatory authority to ask for 3 months or 6 months of speed tests for various times of the day.
- We may do a site visit if we are not able to make a determination with the existing tools.

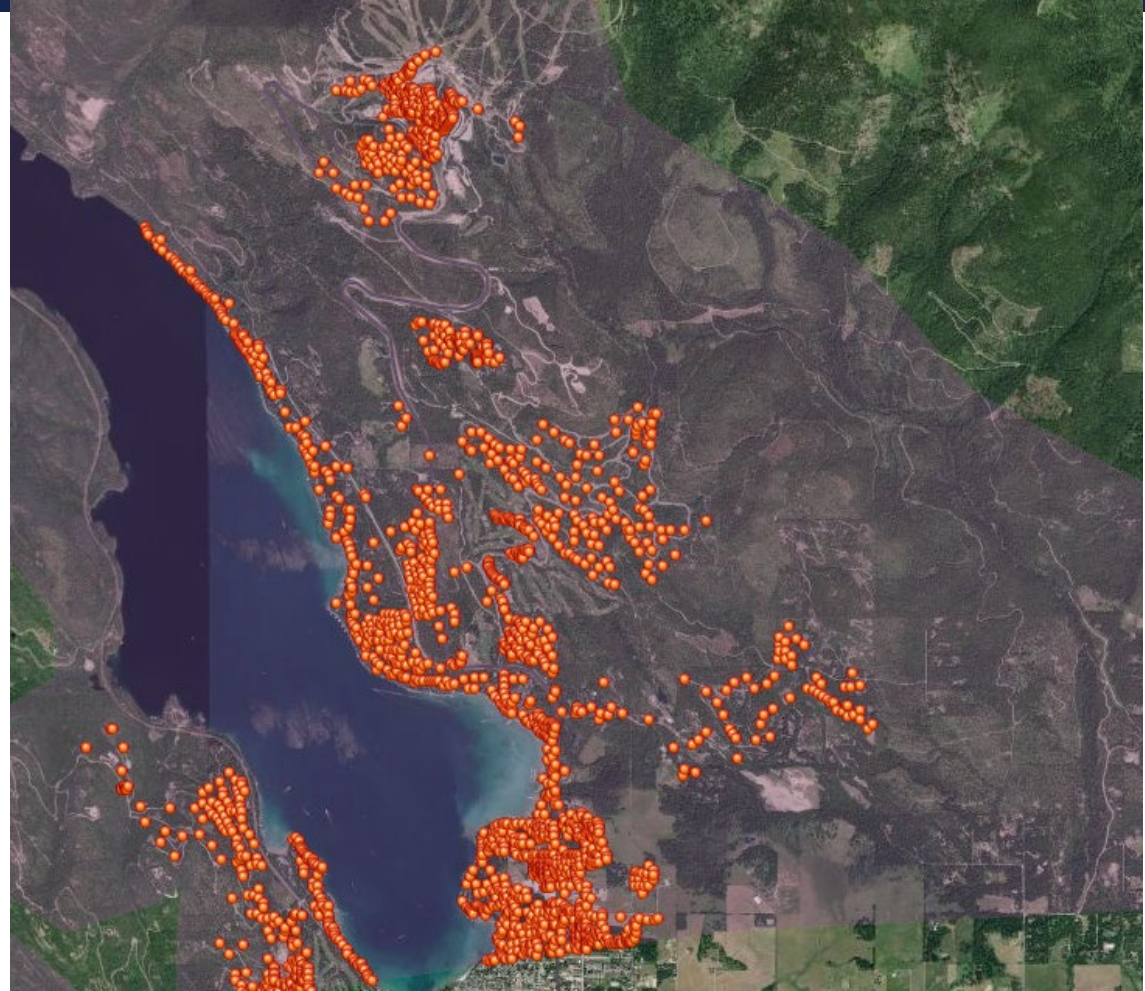
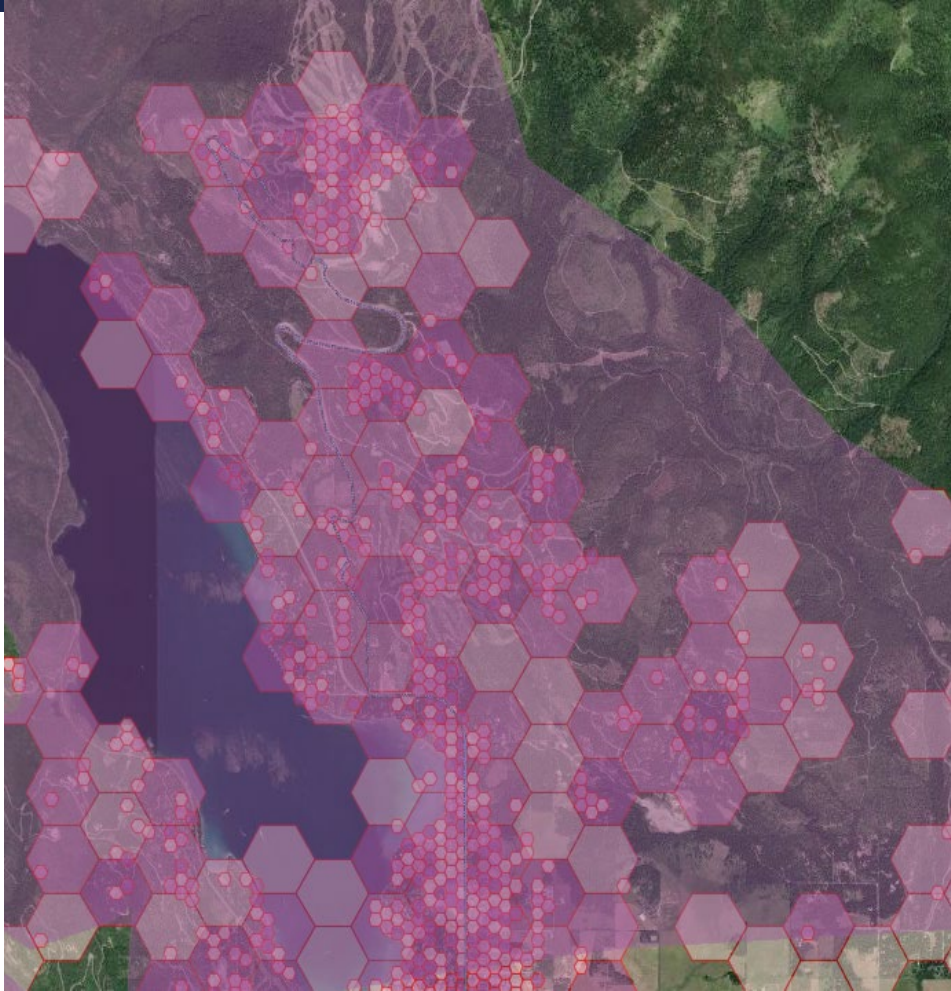
# PNR

PNR Showing sites throughout the fiber route in application





# Application Route with Speed Tests and PNR filer Sites





# Things to consider in your application

- Do not overbuild known service providers.
- Creating your maps to serve more area without planning to build it out is a risk for overlap and other issues.
- PNR Filers have 45 days to challenge.
- An application that is overbuilding existing service not only stands less chance of getting funded, but will take longer to go through the process.

# Contact

**Brian Smith**

[brian.smith1@usda.gov](mailto:brian.smith1@usda.gov)



# Available Resources for Application Help

- **Technical Assistance**

- Register for upcoming workshops/webinars <https://www.usda.gov/reconnect/events>
- Subscribe to receive updates about upcoming events on the ReConnect website

- **Resources**

- ReConnect website <https://www.usda.gov/reconnect>
- NOFO: <https://federalregister.gov/d/2024-03484>
- Regulation: <https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XVII/part-1740>
- Updated Application Guide <https://www.usda.gov/reconnect>
- Updated Frequently Asked Questions <https://www.usda.gov/reconnect>

- **Contact Us**

- When working **inside** the application, use the “contact us” button on your screen.
- **Outside** of the application system, use <https://www.usda.gov/reconnect/contact-us>
- Contact your General Field Representative (GFR): <https://www.rd.usda.gov/contact-us/telecom-gfr/all>







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**Rural Development**



# Legal Agreements

USDA RUS ReConnect Program  
Round 5 Workshop, Feb. 27-29, 2024  
Reno, Nevada



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Rural Development



# Notification of ReConnect Award w/Draft Award Legal Agreement

1. Award offer/acceptance letter enclosures include draft award legal Agreement between Awardee and RUS. Depending on the award type, it will be either a draft –
  - a. 100% Grant Agreement, OR
  - b. 50% Loan/50% Grant Combination Agreement, OR
  - c. 100% Loan Agreement
2. Awardee given 10 business days to notify RUS of any necessary revisions to be made to draft Agreement based on an attorney's review. A review of the entire agreement is recommended, but especially these key parts which are tailored to the specific Awardee:
  - a. Cover page, opening paragraph, and signature block – Check Awardee legal name, entity type, state in which organized
  - b. Schedule 1 – Check award and Awardee-specific information added and referenced to specified sections in the main body of Agreement

# Main Sections of Award Legal Agreements

- ❑ Title page
- ❑ Opening paragraphs – description of parties, general statements regarding the application for financial assistance and the funding program
- ❑ Article I – Definitions
- ❑ Article II – Representations and Warranties
- ❑ Article III – The Grant / The Loan and Grant / The Loan
  - Loan and Grant Amounts (further specified in Schedule 1)
  - Interest Rate (applied to Loan)
  - Maturity Date (for Loan, as specified in Schedule 1)
  - Expiration Date of Award – advance period expires 5 years from Release of Funds date

# Main Sections of Award Legal Agreements (cont'd.)

## ☐ Article IV – Conditions of Financial Assistance

- Conditions Precedent to Closing
- General Conditions Precedent to RUS' Obligations to Release Funds for Advance
- Conditions to Individual Advances
- Additional conditions as specified on Schedule 1

## ☐ Article V – Affirmative Covenants

- Deposit of Advances into Pledged Deposit Account; Awardee perfects 1st lien on account via a DACA
- Financial Requirements (re ratios, cash flow, cash balances) which Awardee must meet
- Rural Digital Opportunity Fund (RDOF) Funding
- Scoring Criteria Commitments, as identified on Schedule 1 (for 100% Grants and Loan/Grant combos only, for special consideration in scoring)
- Additional affirmative covenants as specified on Schedule 1



# Main Sections of Award Legal Agreements (cont'd.)

## ☐ Article V – Affirmative Covenants

- Financial Requirements (re ratios, cash flow, cash balances) which Awardee must meet
  - 100% Grants – Maintain a positive ending cash balance as reflected on the cash flow statement for each year in which grant funds are expended
  - Loan/Grant Combos – Meet at least 2 of the 3 ratio requirements on Financial Requirements Commencement Date, as specified in Schedule 1, until the Loan is repaid in full: TIER  $\geq 1.2$ , DSCR  $\geq 1.2$ , and Current Ratio  $\geq 1.2$ ; positive cash flow from operations at the end of the fifth year of the award; and positive ending cash balance per cash flow statement for each year of the forecast period.
  - 100% Loans “Loan and Security Agreement” – Meet at least 2 of the 3 ratio requirements on Financial Requirements Commencement Date, as specified in Schedule 1, until the Loan is repaid in full: TIER  $\geq 1.2$ , DSCR  $\geq 1.2$ , and Current Ratio  $\geq 1.2$ ; positive cash flow from operations at the end of the fifth year of the award
  - 100% Loans “Loan Agreement” (with Mortgage) – Meet at least 2 of the 3 ratio requirements on Financial Requirements Commencement Date, as specified in Schedule 1, until the Loan is repaid in full: TIER  $\geq 1.2$ , DSCR  $\geq 1.2$ , and Current Ratio  $\geq 1.2$ ; Tangible equity to Total Assets  $\geq 20\%$  at the end of the calendar year starting in 3<sup>rd</sup> year and ending in the 5<sup>th</sup> year of the award, positive cash flow from operations at the end of the fifth year of the award; and positive ending cash balance per cash flow statement for each year of the forecast period

# Main Sections of Award Legal Agreements (cont'd.)

## ❑ Article V – Affirmative Covenants

- Rural Digital Opportunity Fund (RDOF) Funding:  

“If the Awardee is a recipient of Rural Digital Opportunity Fund (RDOF) funding, Awardee acknowledges and certifies that neither funds under this Award nor under the RDOF award will be used to reimburse the same expenditures. Such Awardees must also maintain separate accounts to track sources and uses of each funding source.”
- Scoring Criteria Commitments, as identified on Schedule 1 (for 100% Grants and Loan/Grant combos only, for special consideration in scoring)
- Additional affirmative covenants as specified on Schedule 1

# Main Sections of Award Legal Agreements (cont'd.)

- ☐ Article VI – Accounting and Reporting
- ☐ Article VII – Negative Covenants
  - Distributions or Withdrawals
  - Restrictions on Transfers of Property (i.e., Collateral and property necessary to operation of the business)
  - Additional negative covenants as listed on Schedule 1
- ☐ Article VIII – Grantor's Rights / Lender's Rights (i.e., RUS's rights)
- ☐ Article IX – Grant of Security Interest (for 100% Grants) / Security Interest (for Loan/Grant combos) / Events of Default (for 100% Loans)
- ☐ Article X – Events of Default (for 100% Grants and Loan/Grant combos) / Remedies (for 100% Loans)
- ☐ Article XI – Remedies (for 100% Grants and Loan/Grant combos) / Miscellaneous (for 100% Loans)



# Main Sections of Award Legal Agreements (cont'd.)

- ☐ Article XII – Miscellaneous (for 100% Grants and Loan/Grant combos)
- ☐ Signature page
- ☐ Schedule 1
- ☐ Schedule 2, Collateral (for Grants)
- ☐ Attachment 1, Equal Opportunity Contract Provisions
- ☐ Attachment 2, ReConnect Program Construction Procedures
- ☐ [Option for additional attachments, as applicable]

**Article II** **Representations and Warranties**

1. Paragraph (h) Awardee's Principal Place of Business: **2255 Main St., Anytown, State 77889**
2. Paragraph (i) Awardee's Organization Number: **3838444**
3. Paragraph (j) Awardee's Subsidiaries:
  - a) **Small Sub, LLC**
  - b) **Tiny Tel, Inc.**
4. Paragraph (j) Awardee's Parent: **N/A**
5. Paragraph (l) Additional Representations and Warranties:  
**The Awardee represents and warrants that it is primarily engaged in the business of transmitting communications electrically, electromagnetically, or by light.**

**Article III** **The Grant**

1. Section 3.1(a) Grant amount: **\$7,000,000**

**Article IV** **Conditions Precedent to Closing**

1. The additional conditions referred to in Section 4.1(l) are as follows:
  - a) Pursuant to 7 CFR 1970.11(b), the Agency has determined that assurance of funding for this Project is necessary for economic rural development. As a result, this Agreement is subject to the completion of all necessary environmental procedures required by Federal law, and funds may not be disbursed until successful completion of such procedures. The Awardee acknowledges that it may not engage in any work on the Project until Awardee has received written notice from the Agency, except for work required to finalize the environmental reviews. Such environmental work, however, shall be done at the Awardee's own risk and may not be reimbursed if the environmental reviews cannot be completed as required by 7 CFR 1970.11(b). Awardee understands and acknowledges that unauthorized work will result in the termination of this Agreement. Awardee also acknowledges that any findings in the environmental reviews requiring significant changes to the Project will constitute an immediate deobligation of funding and termination of this Agreement, and will not result in an amended agreement until revised terms are agreed upon and funding is determined to be still available.
  - b) RUS shall have received satisfactory evidence that Private National Bank has consented to Awardee's entering into this Agreement and has released or subordinated its lien to an RUS first priority lien on and security interest in all of the Grant Assets.

**Conditions Precedent to Release of Funds**

2. The additional conditions referred to in Section 4.2(b) are as follows: **N/A**

#### Conditions Precedent to Individual Advances

3. Section 4.3(b) Other funds required for Project completion that must be deposited into the Pledged Deposit Account: **N/A**
4. Section 4.3(j) Required permits, licenses, franchise, and other approvals: **N/A**
5. The additional conditions to advance referred to in Section 4.3(m) are as follows: **N/A**

#### **Article V** Affirmative Covenants

1. Section 5.7 Composite Economic Life of RUS financed facilities: **20 Years**
2. Section 5.8(f) Awardee is subject to the following National Programmatic Agreement (NPA):  
**N/A**
3. Section 5.19 Scoring Criteria Commitments: Awardee has agreed to the following commitments for this Award:  
  
**(X) Affordable Pricing Packages**  
**(X) Labor Standards**  
**(X) Net Neutrality**  
**(X) Wholesale Broadband Service**
4. The additional affirmative covenants referred to in Section 5.20 are as follows: **N/A**

#### **Article VII** Negative Covenants

1. The additional negative covenants referred to in Section 7.11 are as follows: **N/A**

#### **Article XII** Miscellaneous

1. Section 12.1 Awardee's address for purposes of notification:  
**Mr. Joseph Smith**  
**Chief Executive Officer**  
**A1 Telecom, Inc.**  
**2255 Main St.**  
**Anytown, State 77889**
2. Section 12.1 Address for Awardee's notification copy:  
**Ms. Jane Jenkins**  
**999 Sycamore Ln., Suite B**  
**Center City, State 77555**



## SCHEDULE 1

### Article I Definitions

1. "Mortgage" refers to: Mortgage, Security Agreement and Financing Statement, dated as of the same date as this Loan Agreement, made by and between the Awardee and the United States of America.

### Article II Representations and Warranties

1. Paragraph (h) Awardee's Principal Place of Business: 333 Maple Ave., Springfield, State 88888
2. Paragraph (i) Awardee's Organization Number: AA555-99
3. Paragraph (j) Awardee's Subsidiaries: N/A
4. Paragraph (j) Awardee's Parent: N/A
5. Paragraph (m) Additional Representations and Warranties:  
**The Awardee represents and warrants that it is primarily engaged in the business of transmitting communications electrically, electromagnetically, or by light.**

### Article III The Loan

1. Section 3.1(a) Loan amount: \$15,000,000
2. Section 3.1(c) Maturity Date: **25 Years from Release of Funds Date**

### Article IV Conditions Precedent to Loan Closing

1. The additional conditions referred to in Section 4.1(l) are as follows:
  - a) Pursuant to 7 CFR 1970.11(b), the Agency has determined that assurance of funding for this Project is necessary for economic rural development. As a result, this Agreement is subject to the completion of all necessary environmental procedures required by Federal law, and funds may not be disbursed until successful completion of such procedures. The Awardee acknowledges that it may not engage in any work on the Project until Awardee has received written notice from the Agency, except for work required to finalize the environmental reviews. Such environmental work, however, shall be done at the Awardee's own risk and may not be reimbursed if the environmental reviews cannot be completed as required by 7 CFR 1970.11(b). Awardee understands and acknowledges that unauthorized work will result in the termination of this Agreement. Awardee also acknowledges that any findings in the environmental reviews requiring significant changes to the Project will constitute an immediate deobligation of funding and termination of this Agreement, and will not result in an amended agreement until revised terms are agreed upon and funding is determined to be still available.

Conditions Precedent to Release of Funds

2. Section 4.2(c) funds deposited for Project completion: \$5,350,600
3. The additional conditions referred to in Section 4.2(d) are as follows: N/A

Conditions Precedent to Individual Advances

4. Section 4.3(i) Required permits, licenses, franchise, and other approvals: N/A
5. The additional conditions to advance referred to in Section 4.3(l) are as follows: N/A

**Article V** Affirmative Covenants

1. Section 5.8(a) Financial Requirements Commencement Date: **December 31, 2027**
2. Section 5.10 Composite Economic Life of RUS financed facilities: **21 Years**
3. Section 5.11(f) Awardee is subject to the following National Programmatic Agreement (NPA): N/A
4. The additional affirmative covenants referred to in Section 5.20 are as follows: N/A

**Article VII** Negative Covenants

1. The additional negative restrictions on Distributions and Withdrawals referred to in Section 7.9(b) are as follows: N/A
2. The additional negative covenants referred to in Section 7.17 are as follows: N/A

**Article XI** Miscellaneous

1. Section 11.1 Awardee's address for purposes of notification:  
**Ms. Jennifer Smith**  
**444 Stonewall Dr.**  
**Springfield, State 88899**
2. Section 11.1 Address for Awardee's notification copy:  
**Mr. Geoffrey Jones**  
**Jones & Jones, LLP**  
**333 Main St., Suite 800**  
**Richmond, State 88899**

# The Various Types of Award Legal Agreements

1. Grant Agreement (3 subtypes)
  - a. “Grant and Security Agreement”
  - b. “Grant and Security Agreement” (with no matching funds)
    - i. Tribal entities
    - ii. Socially Vulnerable Communities
  - c. “Grant Agreement with Letter of Credit as Security”



# The Various Types of Award Legal Agreements (cont'd.)

2. Loan/Grant Combination Agreement (2 subtypes)
  - a. “Loan/Grant and Security Agreement”
  - b. “Loan and Grant Agreement” (paired with Mortgage)
  
3. 100% Loan Agreement (3 subtypes)
  - a. “Loan Agreement” (paired with Mortgage)
  - b. “Loan and Security Agreement”
  - c. “Loan Agreement” (with Substitution Collateral)

# Security Documentation for Awards

## 1. Grants

- a) For “Grant and Security Agreement” – UCC Financing Statement filing and DACA (deposit account control agreement)
  - + “Subordination of Mortgage Lien” or “Subordination of Lien” needed IF Awardee has **existing** outside lender
- b) “Grant Agreement with Letter of Credit as Security” – Irrevocable Letter of Credit (ILOC) and DACA

## 2. Loan/Grant Combinations

- a) For “Loan/Grant and Security Agreement”– UCC Financing Statement filing and DACA
  - + “Intercreditor Agreement” needed IF Awardee has **existing** outside lender
  - + Mortgage filing needed IF Awardee subsequently acquires real property
- b) For “Loan and Grant Agreement” (paired with Mortgage) - Mortgage filing, UCC Financing Statement filing, and DACA

# Security Documentation for Awards (cont'd.)

## 3. 100% Loans

- a) For “Loan Agreement” (with Mortgage) – Mortgage filing, UCC Financing Statement filing, and DACA
- b) For “Loan and Security Agreement” – UCC filing and DACA
  - + “Intercreditor Agreement” needed IF Awardee has **existing** outside lender
- c) For “Loan Agreement” (with Substitution Collateral) – DACA or other document providing collateral as defined in Schedule 1



# Promissory Note (Loans only)

- Must be executed by all Loan Awardees
- Interest rate is based on funding category as set forth in applicable NOFO
- Three-year interest and principal deferral, after which accrued interest and principal is capitalized and amortized over the remaining term
- Default term to maturity is the composite economic life of all project assets (based on depreciation rates determined acceptable by RUS) plus 3 years, otherwise applicants must request shorter term

# Switch from Loan/Grant Combination Agreement to Grant Agreement

- Loan/Grant Awardees which prepay the loan portion must execute a standard Grant Agreement

# Award Closing Documents Package for Execution & Return

RUS email to Awardee will include the following attachments:

- Documents transmittal letter
- Closing Instructions and templates
- Award Legal Agreement (prepared for digital signature)
- Any other documents needing execution by digital signature as specified in the Award Legal Agreement (e.g., Promissory Note)
- DACA General and Specific Terms
- Forms UCC-1 and UCC-1Ad
- RUS forms for completion (Form 675, Certificate of Authority and Borrower Automated Clearing House Payment Form, and Borrower Customer Initiated Payments Enrollment Form)
- Form for capturing information about Awardee's Certified Public Accountant
- Common Errors to Avoid document

RUS will mail or have courier deliver hardcopies of any additional documents needing manual (or "wet") signatures and filing with appropriate offices, as specified in the Award Legal Agreement, documents transmittal letter, and Closing Instructions (e.g., Mortgages).







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## Application Assistance, Best Practices, and Lessons Learned



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# Agenda

- Planning Application
- Preliminary Considerations
- Application Completion
- Application Submission
- Errors to Avoid
- Resources





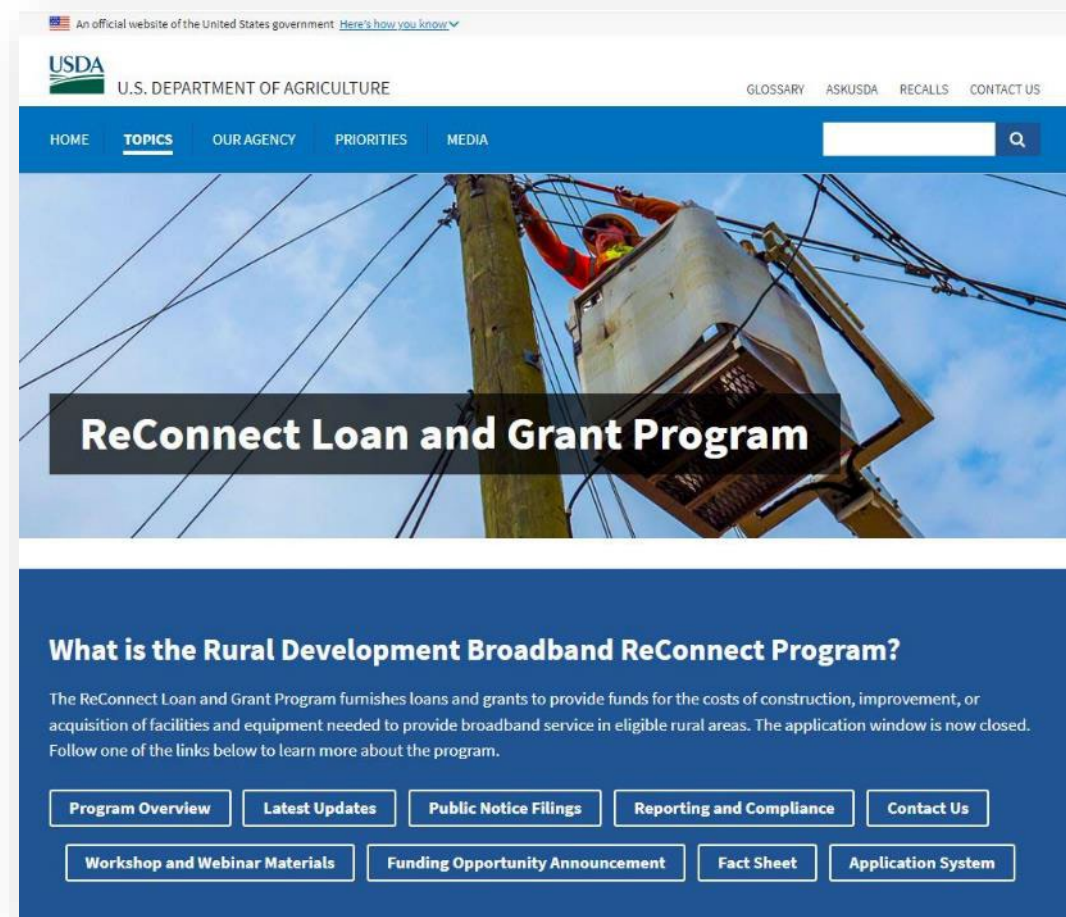
# Planning Application



# Best Practices – Planning Application

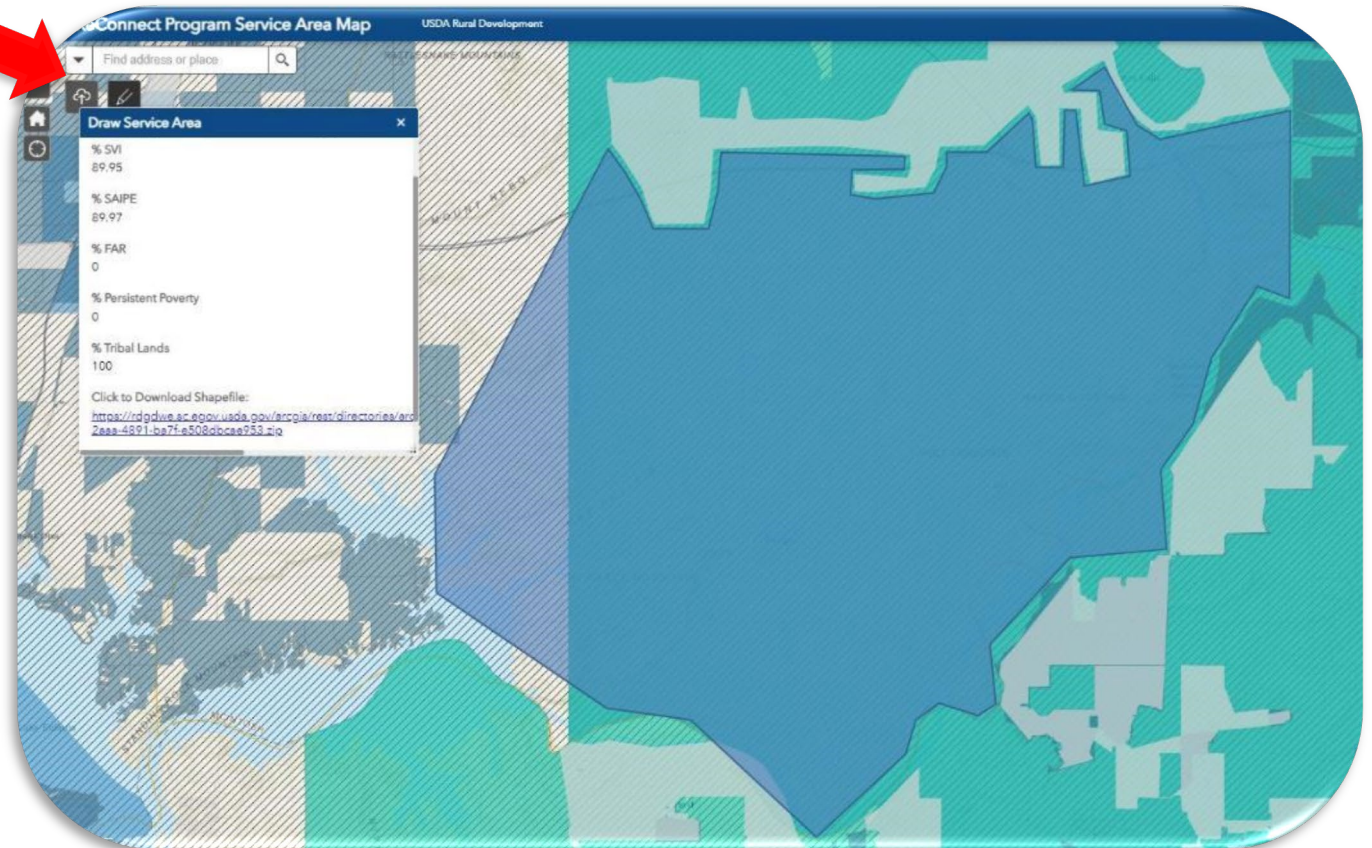
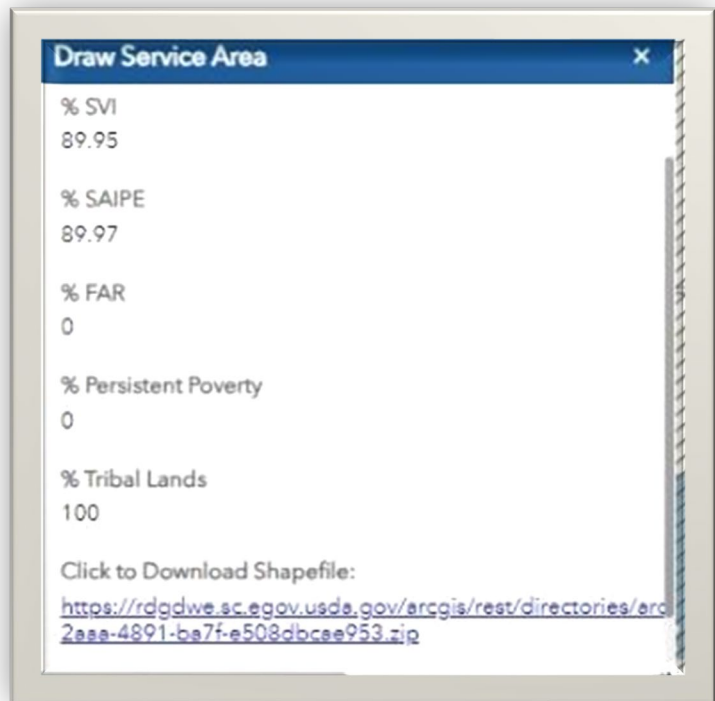
## ReConnect Program Website:

- Mapping Tool
- Resources/Webinar Material
- Updates
- FAQs
- Document Resources
- Contact Us



# Best Practices – Planning Application

ReConnect Program Website:  
Service Area Tool



# Best Practices – Planning Application

## Federal and State Resources:

- [FCC.gov](https://www.fcc.gov)
- [NTIA.gov](https://www.ntia.gov)
- [USAC.org](https://www.usac.org)
- State Broadband Offices
- Universities
- State Planning Commissions (County Organizations)



# Preliminary Considerations



# Best Practices – Preliminary Considerations

- Board Resolution/Meetings – Completing or Updating Authorized Representative Request (ARR)
- Legal Agreement Drafts
- Engineering and Financial Support
- Existing Debt – Lender Concurrence
- Subsidiary Interaction – Asset Ownership
- Construction Method/Existing Infrastructure
- Network and Financial Workbook - [https://www.rd.usda.gov/sites/default/files/Copy-of-ReConnect\\_Intake\\_Network\\_Financial\\_Model\\_r4.zip](https://www.rd.usda.gov/sites/default/files/Copy-of-ReConnect_Intake_Network_Financial_Model_r4.zip)
- Tribal Land Interaction – Resolution of Consent
- Project/Budget/Timeline – Realistic evaluation of what can be done

# Application Completion



# Best Practices – Application Completion

**Understand Resource Material:** Applicants should review all resource material prior to beginning the application.

- Notice of Funding Opportunity (NOFO)
- ReConnect Program Guide (Application Guide)
- ReConnect Program Regulation – 7 CFR 1740

**Assigning Roles/Responsibilities** – ARR identifies and assigns as necessary



# Best Practices – Application Completion

Understand Application Interdependencies:

- ☐ Project Tab
- ☐ Service Area(s) Tab
- ☐ Network Tab
- ☐ Financials Tab

- Applicants must understand how each section informs the others. Changes after start of information input may change other sections causing removal of information.

## Best Practices - Application Completion - Household Data

- Household data supports both eligibility and feasibility.
- Household data is generated from Census data based on mapped service areas (PFSA & NFSA).
- Alternate Household data may be provided if applicant knows the Census data isn't a correct representation of Households.
- Applicant must include adequate supporting documentation supporting Alternate Household data.
- Applicant is encouraged to provide a narrative statement discussing methodology and datasets used determining alternative household numbers.
- Be detailed, thorough and descriptive to allow RUS to understand validity of information.

# Best Practices - Application Completion - Household Data

## Examples of Past Support:

- Current service area (Network Maps or other service area data)
- State or county addressing information – 911 data sets
- Digital resources showing structures manually counted or using rooftop software. Additional justification required demonstrating only household structures are counted.
- Field verification by staff or contractors.
- Other 3rd party sources that seem reasonable for having information on the area. Such sources could include but are not limited to economic development councils, other utility providers, and/or not-for-profit associations.

# Application Submission





## Best Practices – Application Submission

- Validation of Application – Prior to submission and throughout completion, utilize the validation button to check on progress
- Although all content is important, double check uploads for critical eligibility documents are the correct documents.
- Plan to submit application at least one (1) week prior to deadline. This avoids possible system issues and allows time for contacting RUS.
- Submission deadline will be 11:59am Eastern.

# Errors to Avoid



# Best Practices - Errors to Avoid


## SAM.gov Registration:

- Applicants must make the certifications and representations required of entities that are applying for or have received funding under any Federal financial assistance project or program to be eligible for ReConnect funding. **A SAM registration that lacks the Financial Assistance General Certifications and Representations will cause an application to be rejected as ineligible.**
- The default for Do you wish to apply for a Federal assistance project or program is **NO**. This will have to be changed to a “YES”.
- You must choose Federal Assistance Certification and Representation (**FAR**) and not **DFARS** which is for Defense and National Security.
- This certification states that you have the legal authority to apply for Federal assistance, that you will give the awarding agency and US Government permission to look at your books, will disclose any conflict of interest, will comply with limitations of the appropriations act, will comply with the US Constitution and all Federal Laws, and will comply with all certifications listed A through P.

# Best Practices - Errors to Avoid - SAM.gov registration (Cont'd)

## ■ FINANCIAL ASSISTANCE REPRESENTATION AND CERTIFICATION

The Grants Certifications are a common set of certifications and representations required by Federal statutes or regulations in accordance with the grants guidance under Title 2 of the Code of Federal Regulations (2 CFR 200.208 Certifications and Representations). Those non-Federal entities who intend to apply for, or are already recipients of Federal grants or agreements, must read and agree to the corresponding certifications and representations. Registrants who reply yes to the following questions are required to keep these certifications and representations current, accurate, and complete as part of their entity registration.

Does [REDACTED] wish to apply for a Federal financial assistance project or program, or is [REDACTED] currently the recipient of funding under any Federal financial assistance project or program? No 

# Best Practices - Errors to Avoid- Parent Financials

## CFR 1740.63 (2) (i)

- An applicant can use the consolidated audit of a parent as long as the parent fully guarantees the loan, or in the case of a grant, guarantees that construction will be completed as approved in the application or will repay the grant to RUS.
- FY2024 NOFO has restricted parent company guarantees to only one application for this funding period. RUS will use its discretion to choose the application if multiple subsidiaries apply based on the same parent audited financial statement.



## Best Practices - Errors to Avoid - Subscriber Count

- Subscriber counts must be provided even if applicant's subsidiary will be ISP
- Applicant should show Service Offerings in the Financial Tab when services are wholesale or provided by subsidiary
  - Handling Subscriber Projections: Applicant should list subscriber projections and zero out the price cell so that Network Access is not calculated and put into Income Statement twice. i.e. Once in Other Income and once in Network Access.

**NOTE:** Information is required to allow RUS to validate projected revenue, to understand number of subscribers to be served and to ensure Network meets build-out requirement.

## Best Practices - Errors to Avoid - Subscriber Count (Cont'd)

- Applicants should not double count subscribers when subscribers may have more than one service. Example: Subscriber has Voice and Data service. This would represent one subscriber with a Voice/Data service and not two subscribers.
- New Subscribers represented not supported by build-out schedule
- Subscribers within PFSA not consistent with Household Data

## Best Practices - Errors to Avoid - Route Miles

- Aerial and Buried wireline facilities must be shown in “Route Miles”. Applicants may have designed sections having multiple cables within a given route mile. Applicant should represent the calculated per route mile cost for proposed network with an appropriate description.
- Wireline subscriber connections or “drops” should be represented as “Route Miles” with estimated route mile cost based on assumption of drop length. Description should contain methodology.
- Network Mileage Inconsistencies: Applicants need to review application sections to ensure network mileage is represented consistently. Any variances should be discussed, for example, greater mileage within Environmental Descriptions due to desire for additional corridor review or multiple construction methods.

## Best Practices - Errors to Avoid - Route Miles (Cont'd)

### Example 1 – Application Inconsistency:

- Application demonstrates a total of 200 wireline Route Miles within CIW
- Environmental route description section identifies 50 route miles
- Project Tab Description states “The project will install a total of 1,000 route miles once the project is fully constructed.”

Technical Feasibility may be at risk causing the application to be rejected.

## Best Practices - Errors to Avoid - Route Miles (Cont'd)

Example 2 - Misrepresenting “Route Miles” for subpart of Network Construction: Splicing and enclosures should be part of Network Mileage cost.

ASSET TYPE	QUANTITY	UNIT	UNIT COST	TOTAL COST	DESCRIPTION	
Fiber Cable - Aerial	12	Route Miles	\$52,637.00	\$631,644	288 fiber count and complete installation	▼
Fiber Cable - Aerial	23	Route Miles	\$37,984.00	\$873,632	144 fiber count and complete installation	▼
Fiber Cable - Aerial	24	Route Miles	\$32,395.00	\$777,480	96 fiber count and complete installation	▼
Fiber Cable - Aerial	53	Route Miles	\$28,466.00	\$1,508,698	48 fiber count and complete installation	▼
Fiber Cable - Aerial	143	Route Miles	\$23,730.00	\$3,393,390	12 fiber count and complete installation	▼
Fiber Cable - Aerial	254	Route Miles	\$5,622.00	\$1,427,988	Splicing labor and enclosures for entire project	▼



## Best Practices - Errors to Avoid - Route Miles (Cont'd)

Example 3 – Breaking out wireline coils or slack: Network Route Mile should be the distance from one terminal to another (pole, pedestal or handhole). Applicants should account for these costs within the per Route Mile cost. Applicants may upload any documentation demonstrating how network was designed and cost estimates generated.

Fiber - Buried	4	Route Miles	\$11,061.00	\$44,244	BFO48I
Fiber - Buried	3	Route Miles	\$10,997.00	\$32,991	BFO24I
Fiber - Buried	6	Route Miles	\$14,556.00	\$87,336	BFO96I
Fiber - Buried	1	Route Miles	\$3,227.00	\$3,227	BFO24I Coil
Fiber - Buried	1	Route Miles	\$5,715.00	\$5,715	BFO48I Coil
Fiber - Buried	1	Route Miles	\$7,787.00	\$7,787	BFO96I Coil

## Best Practices - Errors to Avoid - Route Miles (Cont'd)

Example 4 – Lump Sum Totals: Lump sums rather than a per mile calculation is not acceptable for Network Wireline asset. Applicants need to understand shortcuts within the CIW may cause adverse review on Technical and Financial Feasibility. Plan accordingly. If an application has multiple PFSAs, different individuals can work in different PFSAs simultaneously.

Outside Plant					
ASSET TYPE	QUANTITY	UNIT	UNIT COST	TOTAL COST	DESCRIPTION
Fiber Cable - Aerial	1	Route Miles	\$310,500.00	\$310,500	This is a lump sum total for the 6.9 miles of aerial fiber in the [REDACTED] at \$45,000 a mile.
Fiber Cable - Aerial	1	Route Miles	\$5,382,000.00	\$5,382,000	This is the lump sum of [REDACTED] PFSA totaling 119.6 miles at \$45,000 per mile.






# Application Assistance

- Telecom staff use a number of tools to help you get through the application process
  - Webinars for specific topics
  - “Ask Me Anything” sessions
  - “Contact Us” portal
- Office hours while you were in Reno!!!


# Events

- All events are posted on the ReConnect Program's website under the "Events" tab
  - <https://www.usda.gov/reconnect/events>
  - Webinars will have a specific topic while "Ask Me Anything" is about what questions the applicant may have.
  - We also send out emails, and you can register by clicking "Subscribe" in the "Stay Up to Date" section of the ReConnect Program's website.

# Events

 usda.gov/reconnect 


[View FY 2023 Program Awardees](#)



## Events

Attend a training for technical assistance.


[Register](#)



## Announcements

Read community announcements.


[Learn More](#)



## Stay up to date

Stay up to date with the latest information on the ReConnect Program.

[Subscribe](#)



## We'd like to hear from you

Submit your questions, comments and suggestions to help us identify how we can meet your service needs.

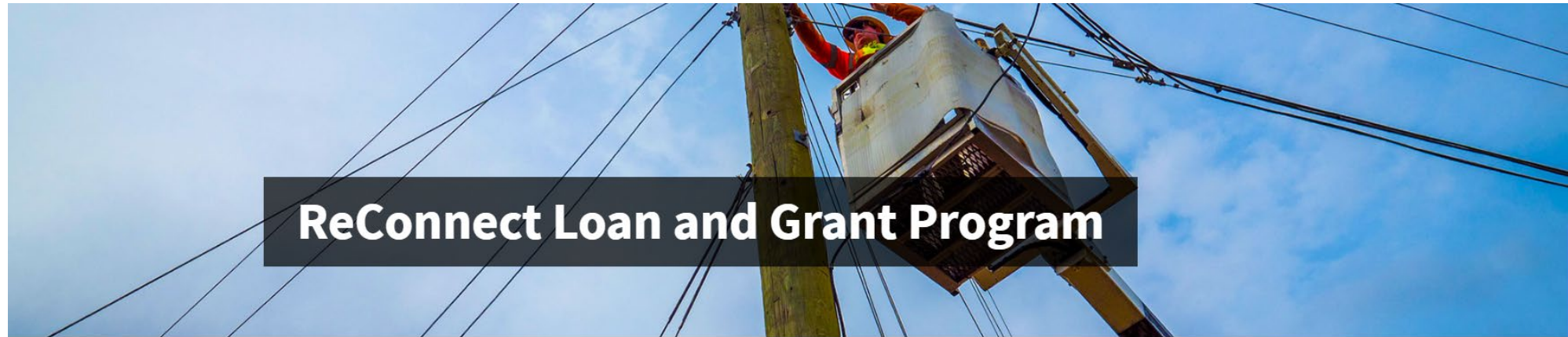
[Contact Us](#)



# Contact Us

- Intake for questions relating to the ReConnect Program and much more.
  - On the ReConnect Program's website
  - Inside the ReConnect Program application

# Contact Us – ReConnect Program Website



## What is the Rural Development Broadband ReConnect Program?

The ReConnect Loan and Grant Program furnishes loans and grants to provide funds for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in eligible rural areas. The application window is now closed. Follow one of the links below to learn more about the program.

[Program Overview](#)[Latest Updates](#)[Public Notice Filings](#)[Reporting and Compliance](#)[Contact Us](#)[Workshop and Webinar Materials](#)[Funding Opportunity Announcement](#)[Fact Sheet](#)[Application System](#)

# Contact Us – ReConnect Program Website

## We'd like to hear from you.

Submit your ReConnect comments and suggestions to help us identify how we can meet your broadband service needs.

To contact us about other USDA programs, visit the [Contact Us page](#).

Subject:

Question:

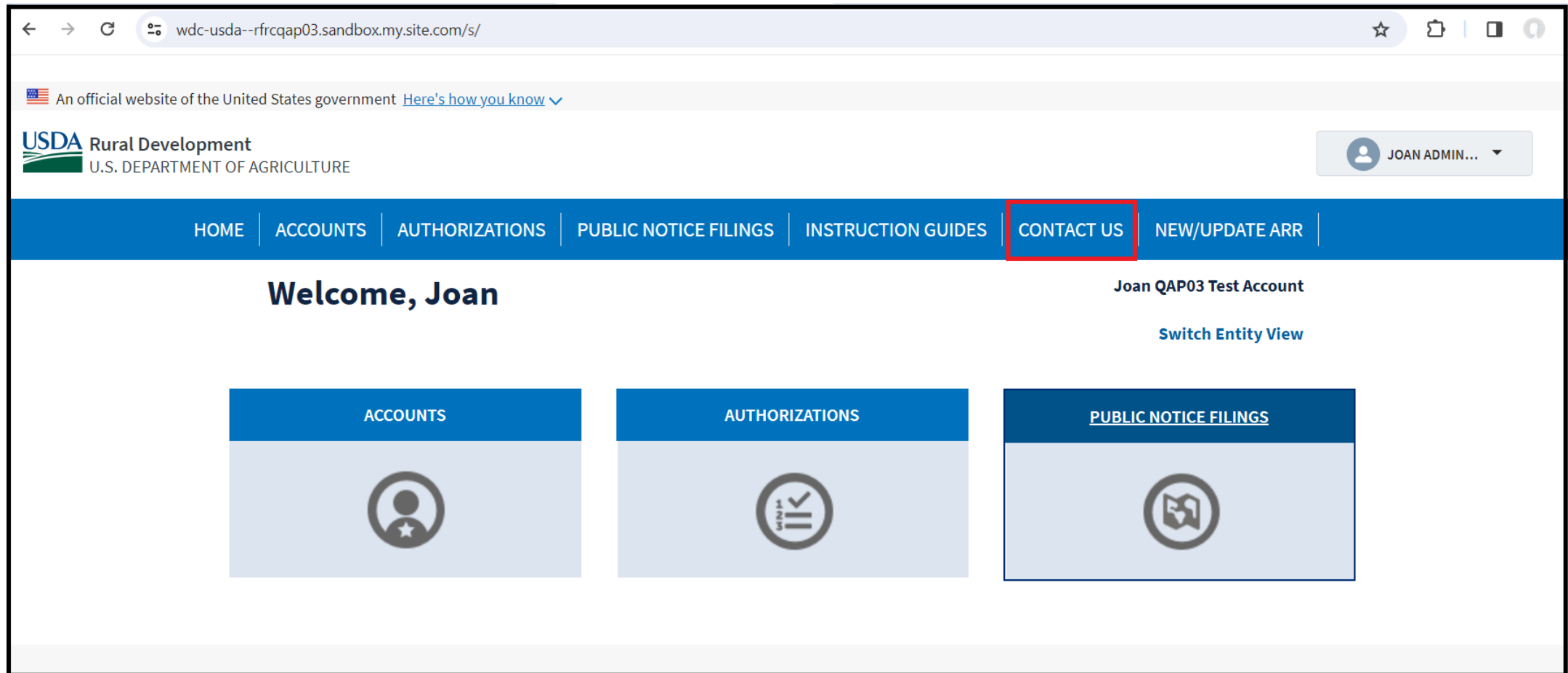
Contact Name:

Email Address:

Subject:

--None--	▼
--None--	
About Funding	
Accessibility	
Applicant Eligibility	
Authorized Representative Request	
Broadband Technical Assistance	
Congressionally Directed Spending Projects	
Distance Learning & Telemedicine Program	
Engineering	
Environmental	
Financial	
Project Eligibility	
Public Notice Filings/Responses	
Reporting	
SAM.gov Registration Support	
Scoring Criteria	
Service Area	
Submitting an Application	
Other	

# Contact Us – Application Portal



# Contact Us – Application Portal

wdc-usda--rfrcqap03.sandbox.my.site.com/s/submit-a-question

An official website of the United States government [Here's how you know](#) ✓

**USDA** Rural Development  
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## Contact Us

**Submit A Question**

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RD Telecom Programs	Privacy Policy	White House
RD Recovery	Non-Discrimination Statement	No Fear Act
Policies and Links		Browser Recommendations ⓘ

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## Option 1: Submit a Question Online

SUBJECT \*

-- Clear --

- Accessibility
- Account Information
- Project Information
- Service Area Information
- Financial Information
- Network Information
- Evaluation Criteria
- Licenses & Agreements
- Certifications
- Documents
- SAM.gov Registration Support
- Distance Learning & Telemedicine Program

# Contact Us – Application Portal



Rural Development  
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## Option 1: Submit a Question Online

SUBJECT \*  
Project Information ▼

APPLICATION ID \* 🔍

QUESTION \* ✎

Submit

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# Available Resources for Application Help

- **Technical Assistance**

- Register for upcoming workshops/webinars <https://www.usda.gov/reconnect/events>
- Subscribe to receive updates about upcoming events on the ReConnect website

- **Resources**

- ReConnect website <https://www.usda.gov/reconnect>
- NOFO: <https://federalregister.gov/d/2024-03484>
- Regulation: <https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XVII/part-1740>
- Updated Application Guide <https://www.usda.gov/reconnect>
- Updated Frequently Asked Questions <https://www.usda.gov/reconnect>

- **Contact Us**

- When working **inside** the application, use the “contact us” button on your screen.
- **Outside** of the application system, use <https://www.usda.gov/reconnect/contact-us>
- Contact your General Field Representative (GFR): <https://www.rd.usda.gov/contact-us/telecom-gfr/all>





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Agriculture

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