



APPENDIX 3

California Advanced Services Fund Rural and Urban Regional Broadband Consortia Grant Account Application Requirements and Guidelines

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I. Background

Public Utilities (Pub. Util.) Code, § 281, which governs the Rural and Urban Regional Broadband Consortia Grant Account (Consortia Account) states:

(g) (1) Moneys in the Rural and Urban Regional Broadband Consortia Grant Account shall be available for grants to eligible consortia to facilitate deployment of broadband services by assisting infrastructure applicants in the project development or grant application process. An eligible consortium may include, as specified by the commission, representatives of organizations, including, but not limited to, local, and regional government, public safety, elementary and secondary education, health care, libraries, postsecondary education, community-based organizations, tourism, parks and recreation, agricultural, business, workforce organizations, and air pollution control or air quality management districts, and is not required to have as its lead fiscal agent an entity with a certificate of public convenience and necessity.

• ~~(2)~~ Each consortium shall conduct an annual audit of its expenditures for programs funded pursuant to this subdivision and shall submit to the commission an annual report that includes both of the following:

(A) A description of activities completed during the prior year, how each activity promotes the deployment of broadband services, and the cost associated with each activity.

(B) The number of project applications assisted.

II. Amount Available for Grants

The Commission will award grants based only upon the budgeted level of program activities approved for each Consortium, subject to a maximum funding cap of \$200,000 per year per Consortium, plus up to \$10,000 (per consortium for up to 5 representatives) for attendance to at least one of the annual public workshops held by CASF staff pursuant to Public Utilities Code, § 281. Where an application seeks multi-year funding, however, the application must still present separate year-by-year annual Work Plans and budgets. Awards granted may be less than the allowed maximum amounts in order to leverage available funding.

Any CASF ~~grants~~grant awarded will be limited to and apply only to eligible activities and programs that are not already funded by any other public or private ~~sources~~source.

III. **Definitions for the Consortia Grant Account Program**

~~A “Consortia region”~~Region: is a geographic region with boundaries largely consistent with county boundaries or the boundaries of multiple counties, or tribal lands and membership living on or near tribal lands, or other geographic lines due to geographic characteristics/barriers, such as mountains and basins, that create hard-to-serve-areas, as long as the areas included using “other geographic lines” do not overlap with other Consortia regions (except that Tribal Consortia may overlap with other Consortia regions). In no case may an area be represented by more than one Consortium.

~~A “geographic region”~~Geographic Region: means a regional area within California that consists of tribal communities, cities, counties, and/or unincorporated areas that have united to form a network of leaders representing public, non-profit, and/or for-profit entities that share common goals and objectives regarding broadband deployment and adoption.

~~We define a “Regional Consortium”~~as: is made up of a group of Eligible Tribes or a network of leaders in a geographic region that ~~represents~~represent public, non-profit, and/or for-profit entities that share common goals and objectives.¹

Eligible Tribe: is a California Tribe with or without federal recognition, that demonstrates tribal leadership support. Staff shall consider Tribal support to be established, for example by furnishing statements from applicants with endorsement(s) and/or an official letter from the Tribal Chairmen’s Association, the Tribal administrator, chair or council.

CASF Infrastructure Projects: means projects under the CASF Broadband Infrastructure Grant Account Program, the Line Extension Program and CASF Broadband Public Housing Account. BEAD: Broadband, Equity, Access and Deployment (BEAD) is a federal program that funds infrastructure deployment and adoption implemented by the CPUC.²

IV. **Account Objective and Allowable Activities**

The Commission will fund grantees for activities consistent with the statutory mandate specified in Pub. Util. Code, § 281:

¹ D.11-06-038, p. 2.

² The California Department of Technology (CDT) implements the Digital Equity Plan part of BEAD.

- Collaborating with the Commission and other state agencies to engage regional consortia, local officials, internet service providers (ISPs), stakeholders, and consumers regarding priority areas and cost-effective strategies to achieve the broadband access goal.
- Identifying potential CASF infrastructure projects or potential broadband deployment projects related to new programs created under SB 156 and AB 164, along with other opportunities, where providers can expand and improve their infrastructure and service offerings to achieve the goal of reaching 98% broadband deployment in each consortia region.
- Assisting potential CASF infrastructure applicants or potential applicants for broadband deployment projects related to the new programs created under SB 156 ~~and~~ AB 164, and BEAD in the project development or grant application process.
- Conducting activities that will lead to or that can be reasonably expected to lead to CASF infrastructure projects or broadband deployment projects related to new programs created under SB 156 ~~and~~ AB 164, and BEAD including but not limited to the following examples of allowable activities:
 - Supporting project permitting activities.
 - Engaging local government officials and communities to better understand and explain regional broadband needs and solutions and providing technical assistance to such entities.
 - Conducting an inventory of public assets (e.g. rights-of-ways, publicly owned towers, public utility poles, equipment housing, publicly owned property) and aggregate demand, including speed tests and the identification and updates of priority areas.
- Assisting the Commission in publicizing requests for wireline testing volunteers in areas, as needed.
- Assisting the Commission in promoting broadband deployment in California, related to the Federal Funding Account and other programs including Middle-Mile, Broadband Loan Loss Reserve, and Local Agency Technical Assistance created under SB 156 ~~and~~ AB 164 and BEAD.

~~According to a prior Commission decision, "the California Emerging Technology Fund (CETF) partners or any other external Consortia grantees will have no formal role in the Commission's review of CASF applications for infrastructure grants. The CASF review and approval function must remain exclusively under Commission authority."~~²

The amount of grant funding requested must be limited to the costs of the eligible activities above that the Consortium expects to incur, supported by a Bi-annual Progress Report and Payment Request, relevant documentation and a signed affidavit

²D.11-06-038 at 12.

as explained in the CASF Consortia Administrative Manual. The Bi-annual Progress Reports are based upon the approved Work Plan and Performance Metrics Plan, timelines, milestones, and costs identified in the application. A sample Bi-annual Progress Report template will be available in the CASF Consortia Administrative Manual. See Section VI – Information required from Applicants below.

The CASF ~~program~~Consortia Account will fund consortia activity directly related to and in support of ~~infrastructure applications~~CASF Infrastructure projects as defined in Section III. A consortium may receive CASF funding for work on ~~an infrastructure application requesting funding from CASF and other~~CASF infrastructure project applications as defined in Section III and the infrastructure funding programs ~~pursuant to~~listed below. All eligible activities must be included in the Work Plan. The CASF Consortia program will also fund consortia activities that assist the Commission in promoting broadband deployment in California, related to new programs created under SB 156 and AB 164 and BEAD.

The CASF Consortia Account will also fund up to 10 percent of the approved grants for consortia activities related to the BEAD program. CASF will fund BEAD related infrastructure activities. No funding will be allowed for BEAD adoption activities, the Digital Equity Plan that the California Department of Technology implements, or other BEAD activities not implemented by the CPUC. Regional Tribal Consortia activities may not overlap with activities funded through the Tribal Technical Assistance program. CASF staff will provide guidance for existing Consortia grantees that want to modify budget and workplans to include eligible BEAD activities, which will be available on the CASF Consortia Account website.

Activities not listed in this Section as noted in the Work Plan and Performance Metric Plan and Budget are not eligible for reimbursement.

V. Eligible Applicants

Pub. Util. Code, § 281(g)(1) specifies consortium eligibility criteria:

An eligible consortium may include, as specified by the commission, representatives of organizations, including, but not limited to, local and regional government, public safety, elementary and secondary education, health care, libraries, postsecondary education, community-based organizations, tourism, parks and recreation, agricultural, business, workforce organizations, and air pollution control or air quality management districts, and is not required to have as its lead fiscal agent an entity with a certificate of public convenience and necessity.

The Commission, ~~itself,~~ will not organize Consortia but will select eligible Consortia among those submitting applications, and award grants by Commission resolution

based on designated criteria set forth herein. It will be the responsibility of each Consortium applicant to assemble its own membership and to delineate its geographical region of responsibility. The Commission will approve Consortia Account funding based upon eligibility and scoring.

[For the purposes of the CASF Consortia Account ,eligible tribe\(s\) as defined in Section III, may apply as a regional Tribal Consortia \(e.g. Southern, Northern, or Central regions\)](#)

The Commission will allow both existing and newly formed consortia to submit applications ~~-, unless the geographic region exceeds 98% broadband availability.~~³ The Commission will not predetermine geographic region or mandate the precise number of consortia to receive CASF grants; however, the Commission shall award Consortia grants only to one consortium per geographic region, along boundaries largely consistent with [tribal or](#) county boundaries or the boundaries of multiple [tribes or](#) counties, or other geographic lines due to geographic characteristics/barriers, such as mountains and basins, that create hard-to-serve areas, as long as the areas included using “other geographic lines” do not overlap with other Consortia regions. A consortium may represent more than one county, but a county may not be represented by more than one consortium, in most cases.

However, the Commission may approve more than one consortium representation for a county under certain circumstances, (i.e., those noted above), as long as approval would not cause two Consortia regions to overlap. When requesting to represent a portion of a county, it is the consortium applicant’s responsibility to include in its application: (1) its justifications and reasons for the request, with supporting data and facts, (2) a clear definition of the areas it wishes to represent, including a description of the area(s) and a map, (3) a jointly signed agreement letter with any other consortia representing the same county as ~~any~~ the applicant is also requesting to represent, and (4) demonstration that there will be no geographic overlap with these other consortia, including a map of both Consortia regions, pre- and post-award (if applicable), showing no boundary overlap. Preference will be given to applications that serve an entire county or several entire counties, as opposed to a portion of a county.

[For the purposes of the Consortia Account, Tribes do not have overlapping jurisdictions with other eligible non-tribal consortia. In addition, cities do not have overlapping jurisdictions with the county or counties in which the city is located. As further described in Section VI below, these Guidelines require consortia to include with their applications a jointly signed agreement letter with any other consortia](#)

³ [See California Interactive Broadband Map](#)

representing the same county explaining which consortia will represent the area should the application be granted, and demonstration that there will be no geographic overlap with other consortia if the award is granted.

The Commission will continue to provide general standards and guidelines to govern the formation and membership of eligible ~~consortia~~Consortia or regional Tribal Consortia and the details regarding the membership of each consortium should be worked out within each geographic region.

VI. Information Required from Applicants

A CASF Consortia Application and Application Checklist will be included in the Administrative Manual, which will be available on the CASF Consortia website.⁴

Each Consortium application shall provide the following required information:

A. Applicant Information and Experience

- Identification (i.e., name, contact information, etc.) of each Consortium member, including which, if any members are telecommunications carriers that are certificated by or registered with the Commission, identifying their Utility Identification number in such instances.
- Background, description, and role that each member of the Consortium will play in the proposed Consortium.
- Governing board structure in place that provides for direct representation from affected cities, counties, and tribes; the application must describe the governing board structure.
- Identification and description of the geographical regions/population groups/community interests to be covered by the proposed Consortium project, including a description of the area, maps, and list of Census Blocks (CBs).
- Description of existing and past projects including: (1) budget, timelines, and funding source; (2) demonstration that there will be no overlap and/or duplication of such projects (i.e., provide description of geographic region served and geographic region that will be served, etc.); and (3) best practices learned from said projects.
- If the applicant requests Consortia boundaries that do not coincide with county boundaries, the application must include:
 - The geographic or terrain-related justifications and reasons for the request, with supporting data and facts (e.g., shapefile geodata),
 - a clear definition of the areas within the county it wishes to represent, including a description of the area(s) and a map,
 - a jointly signed agreement letter with any other consortia representing the same county explaining which Consortia will represent the area should the application be granted, and

⁴ See CASF Rural and Urban Regional Broadband Consortia Account

- demonstration that there will be no geographic overlap with other consortia if the award is granted, including a map showing no boundary overlap- with the exception of regional Tribal Consortia that may or may not overlap with other non-Tribal Consortia geographic regions
- Since regional Tribal Consortia do not have overlapping jurisdictions for the purposes of this program, regional tribal consortium applicants are not required to demonstrate coordination performed with other non-tribal eligible consortia. However, formal letters of support from the Tribal Chairmen’s Association, the Tribal administrator, chair, council or other applicable governing body is required.

B. Work Plan and Performance Metrics Plan Requirements

Each Consortium applicant must submit a Work Plan and a Performance Metrics Plan as part of the application. The Work Plan and Performance Metrics Plan will serve as the tools in the initial review of the applications.³⁵

The Work Plan ~~should~~must identify the Consortium’s goals as they relate to the region’s needs for broadband deployment and include detailed functions and activities related to implementation of each goal. The Work Plan documents are to be tailored to fit the needs of a given Consortium region’s constituents and geography, incorporating core responsibilities, including goals, measurable deliverables, work products, expected outcomes, and specific timeline milestones as they relate to broadband deployment.⁴⁶

The Work Plan ~~should~~must align with the activities outlined in Section IV *Account Objective and Allowable Activities*. The Work Plan should represent the viewpoints of a consensus of stakeholders and anchor institutions, and it should aim to increase broadband deployment, specifically assisting with the filing of infrastructure projects, identifying priority areas, assisting potential broadband deployment applicants with the broadband deployment programs created under AB 164 ~~and~~, SB 156 and BEAD, and cost-effective solutions in the Consortium’s respective region. Additionally, the Work Plan should ~~broadly~~ describe how the Consortium would track and measure performance results with respect to broadband deployment goals of Pub. Util. Code, § 281.

³⁵ Metrics is a measurement used to gauge quantifiable components of performance, e.g., survey of 150 community-based organizations, five project application meetings with local ISP, etc.

⁴⁶ Supporting Materials for May 25 Communications Division Staff Workshop on CASF Reform,” Communications Division, May 2017 at 11-14.

The Work Plan ~~should~~must include:

- Detailed functions, activities, and deliverables related to implementing the ~~consortia grant program~~Consortia Grant Account;
- A timeline identifying milestone dates for completion of key Work Plan activities and deliverables; the timeline should describe each of the monthly milestones, including performance metrics to be accomplished; and
- Identified start-up activities with expected timeframe and deliverables.

A Work Plan with dates that align with allowable activities/ deliverables for each funding year shall be submitted, e.g., Work Plan Year 1, Work Plan Year 2, Work Plan Year 3. A detailed description of the Work Plan Contents and sample of the Work Plan Format will be included in the Administrative Manual, which will be available on the CASF Consortia website. CASF staff may schedule meetings to review Work Plan and Performance Metrics Plan activity at any time throughout the grant period.

Performance Metrics Plan:

The Performance Metrics Plan ~~should also~~must explain how the performance results from the proposed functions and activities will be tracked and measured following milestone dates and/or completion of functions/ activities/ deliverables, as described in the Work Plan. A detailed description of the Performance Metrics Plan and sample format will be included in the Administrative Manual, and available on the CASF Consortia website.

C. Annual Audit

Any functions and activities necessary for the preparation of the annual audit must be included in the Work Plan (See Administrative Manual). The cost of the annual audits must be included in the budget requirements and may not exceed \$15,000 per annual audit, inclusive of personnel costs to prepare documents required for audit. Staff will provide instructions for the annual audit in the Administrative Manual, which will be available on the CASF Consortia website. Annual audits are due within six months after the end of each budget or work plan year.

D. Budget Requirements

The requested amount of Consortia Account grant funds shall be based upon and consistent with the total budget presented in the application. A ~~Budget~~budget for each funding year shall be submitted, e.g., Budget Year 1, Budget Year 2, Budget Year 3. The budget must detail the expected costs directly related to the Work Plan. A sample ~~Budget~~budget format will be included in the Administrative Manual, which will be available on the CASF Consortia website.

Each proposed consortium budget must expressly exclude any costs for activities or

programs funded from other sources. CASF grants shall not duplicate funding from other sources. The proposed consortium budget must be accompanied by a description of any existing broadband deployment activities funded by any other state or federal grants within the same region, together with confirmation showing that the CASF consortium budget does not duplicate any other sources of funding.⁵⁷

Items not listed in Section IV as noted in the Work Plan and Budget are not eligible for reimbursement.

E. Assignment of Fiscal Agent

Each regional Consortium must retain at least one Fiscal Agent with lead responsibility and legal authority to represent the Consortium for purposes of sponsoring the application, administering fiscal activities between the Consortium and the Commission, receiving and dispersing Consortium grant funds and ensuring Consortium compliance with the grant. A Consortium cannot act as its own Fiscal Agent. In the event a Fiscal Agent dissolves or can no longer act as Fiscal Agent to a Consortium, the Consortium must make every effort to replace the Fiscal Agent and may act as its own Fiscal Agent temporarily and only in the interim or through the end of the grant award period, whatever occurs first. A Consortium must also notify the Commission or Communications Division Director as described below in Section XIV. In order for a Consortium to temporarily act as its own Fiscal Agent, the Consortium must ensure and demonstrate a segregation of duties by providing an organizational chart detailing roles and responsibilities within its agency.

The Fiscal Agent must affirmatively agree⁷ on behalf of the Consortium, to comply with the Commission's directives and conditions relating to the review, approval, and administration of any consortia application grants. The Fiscal Agent must provide assurance that Consortium members or contractors retained by the Consortium are capable and committed to fulfilling the commitments.

The Fiscal Agent may be a local public institution e.g., city, county, academic institution, tribal government, etc., as defined under Section 50001 of the Government Code, or a town, as defined by Section 21 of the Government Code. The Fiscal Agent may also possibly be a certificated telecommunications carrier.

The Fiscal Agent must submit a letter stating its commitment to act as a Fiscal Agent for the Consortium. The letter must include:

- The name and contact information of the responsible party within the agency, including the person responsible for the administrative tasks, if different.
- Affirmation that the work outlined in the Consortium Work Plan will be

⁵⁷ D.11-06-038, Ordering Paragraph 11 at 40.

completed and verification by an Annual Audit instead of the previously required Attestation Report,⁶⁸ to be prepared by an independent, licensed Certified Public Accountant will be submitted annually to the Communications Division within six months after the end of each budget or work plan year. The letter must also state the Consortium's acceptance of the Fiscal Agent's rights, duties, and responsibilities.

The Fiscal Agent shall comply with all of the rules and requirements herein and the Resolution authorizing the award, including but not limited to ensuring implementation of the approved Work Plan within the allocated budget (in conjunction with staff), and shall be responsible for notifying Communications Division with 30 days of advance notice of any proposed changes to Work Plan, Performance Metrics Plan, or budget during the course of the grant cycle. Any subsequent change in the Fiscal Agent must be approved by the Commission or Director of Communications Division. Any change in the official Consortia membership must be submitted to the Commission or Director of Communications Division and is subject to pre-approval as discussed in Section XIV below.

~~Any changes to the substantive terms and conditions underlying Commission approval of the grant (e.g., changes to the Work Plan, Performance Metrics Plan, budget or designated Fiscal Agent, etc.) must be communicated in writing to the Director of Communications Division at least 30 days before the anticipated change, and may be subject to approval by either the Director or by Commission resolution before becoming effective.~~

~~Any subsequent change in the Fiscal Agent must first be approved by Commission resolution.~~

F. Affidavit of Application's Truth and Accuracy

As part of the application, an applicant's Fiscal Agent must sign an affidavit, under penalty of perjury, containing at minimum, the following attestations, the final form of which will be made available on the CASF Consortia website:

- i. Applicant agrees that ~~to the best of their knowledge, all statements and representations made in the application submitted are true and correct;~~⁷ and by receiving a CASF grant, the grantee agrees to comply with the terms, conditions, and requirements of the grant and thus submits to the jurisdiction of the Commission with respect to the disbursement and administration of the grant.
- ii. Applicant agrees to abide by the CASF program rules the Commission established as well as all other applicable state and federal rules and regulations concerning broadband services.

⁶⁸ D.11-06-038 at 26.

~~⁷ Rule 1.1 of the Commission's Rules of Practice and Procedure.~~

- ~~iii.~~ ~~ii.~~ Applicant agrees to ~~abide by~~comply with the Commission's Rules of Practice and Procedure, Rules 1, 1.11 and 2.2 and be subject to Pub. Util. Code ~~§§ 2108~~sections 2018 and 2111; ~~and~~ for failure to meet program and project compliance requirements as the Commission determines.
- ~~iv.~~ ~~iii.~~ Applicant certifies that no member, officer, director, partner of a Consortium or its Fiscal Agent has: 1) filed for bankruptcy; 2) was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order; nor 3) has been found either civilly or criminally liable by a court of appropriate jurisdiction for violation of § 1700 et. seq. of the California Business and Professions Code, or for any action which involved misrepresentations to consumers, nor is currently under investigation for similar violations.
- ~~v.~~ Affirmation under penalty of perjury that, to the best of their knowledge, all statements and representations made in the application are true and correct, and with respect to Tribes with the signature of the person authorized to act on behalf of the Tribe.

~~If the Consortium fails to perform in good faith, or in accordance with the expectations set forth in its Work Plan or Performance Metrics Plan, as affirmed in the affidavit, the Commission may withhold subsequent grant disbursements, suspend, or terminate the Consortium grant, as warranted.~~

The Commission may prohibit future participation in the CASF program for failure to comply with these provisions.

~~A CASF Consortia Application Checklist will be included in the Administrative Manual, which will be available on the CASF Consortia website.~~

VII. Scoring and Evaluation Criteria

Applications will be evaluated based on meeting all the requirements in the Information Required from Applicants. Applicants may submit endorsements or letters of support from the state or local government, ~~community groups, and anchor institutions supporting their application.~~tribal chairmen's association, tribal chair, administrator, or council.⁹¹⁰

¹⁰ The California Emerging Technology Fund (CETF) partners or any other external Consortia grantees will have no formal role in the Commission's review of CASF applications for infrastructure grants. The CASF review and approval function must remain exclusively under Commission authority. (See D.11-06-038, D.18-10-032 and D.22-05-029)

An evaluation team comprised of Communications Division Staff will assess all completed applications. The following table summarizes the scoring criteria and weight:

Scoring Criteria

<u>Criterion</u>	<u>Weight (Points)</u>
(1) Regional Consortium Representation and Endorsements	15
(2) Regional Consortium / Members' Experience	35
(3) Work Plan and Performance Metrics Plan	30
(4) Budget	20
Total	100

Applications will be objectively evaluated on how well they meet the goals of the CASF Consortia program. Judgment regarding each area will be rendered in the form of a numerical score. Each application will be assigned a total score. Those applicants who meet a minimum score of 70 points (out of a possible 100 points) will be considered for funding. Where multiple Consortia apply for the same region only the applicant in a region who has the highest score will be considered for an award. Regional Tribal Consortia will be evaluated and the applicants with the highest score will be considered for an award. If said scoring criteria threshold is not met in any region(s), no award will be disbursed for said region(s) and as a result, a second application process for said region(s) will be required and announced to the CASF Distribution List and posted on the CASF Consortia website.

The Commission will issue approval of qualifying consortia applications, together with the grant amount per consortium, through a Commission resolution(s).

Staff shall notify an applicant by letter specifying reasons for rejection, should an application fail to meet the criteria set forth in these rules.

VIII. Submission and Timelines

~~The Commission will open a new application cycle on June 1, 2022. Eligible applicants must submit their proposals by July 15, 2022 via e-mail to the address below to ensure consideration.~~

~~CASF_Consortia_Grant_Administrator@cpuc.ca.gov~~

The Commission delegates to staff the option to set additional application windows and review timelines for the CASF Consortia Grant Account. Revisions to the application windows and review timelines will be issued via Communications Division Director letter through the CASF Distribution list.

The Commission assigns staff to propose administrative changes to the CASF Consortia Account via Resolution for Commission review and approval of those changes.

~~The Commission will allow both existing and newly formed consortia to submit applications.~~

Public Notice of Consortia Application Information

The Communications Division will post a list of all pending applications on the CASF Consortia Account webpage at <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-fund/casf-consortia-account>.

Given that multiple applicants may potentially be competing for the same grant money, the Commission will not post the full contents of each application on the webpage. However, parties seeking to review the contents of a Consortium application may contact the respective Consortium to request an electronic ~~or paper~~ copy for review.

Prospective applicants may contact the CASF Consortia Grant Administrator for questions on the application process and program questions at:
CASF_Consortia_Grant_Administrator@cpuc.ca.gov

IX. Public Workshop

Pub. Util. Code, § 281 directs the Commission to consult with regional consortia, stakeholders, local governments, existing facility-based broadband providers, and consumers regarding unserved areas and cost-effective strategies to achieve the broadband access goal, through public workshops at least annually no later than April 30 of each year. All consortia receiving CASF grants shall attend at least one of the annual public workshops to be conducted by Communications Division.¹¹

Consortia may claim reimbursement for travel expenses and per diem costs associated with each CASF sponsored public workshop hosted by CPUC staff. Expense claims must comply with the travel expense, limitation rules applicable to State of California employees and contractors.⁸¹² The maximum reimbursement allowable is \$2,000 per person for up to five delegates for each workshop, for a total of up to \$10,000 per consortium.

Consortia may not claim reimbursement for travel expenses and per diem costs if the annual CASF public workshop is held virtually.

X. Annual Audit and Annual Audit Report

¹¹ See [CASF Public Workshops](#)

⁸¹² See e.g. <http://hrmanual.calhr.ca.gov/Home/ManualItem/1/2201>.

Pub. Util. Code, § 281 requires each consortium to conduct an annual audit of its expenditures and activities for grant programs funded and submit to the Commission an annual report that includes both of the following:

- (A) • A description of activities completed during the prior year, how each activity promotes the deployment of broadband services, and the cost associated with each activity.
- (B) • The number of project applications assisted.

~~Applicants may include such costs in its budget request.~~

The number of project applications assisted must reflect actual performance with agreed upon performance metrics. The annual audit report must be submitted with the information required by Pub. Util. Code, § 281 above within six months after the end of each budget or workplan year. For instance, Consortia grantees may submit the audit report after the second bi-annual progress report (e.g. Year 1 Report 2) but before the following bi-annual progress report (e.g. Year 2 Report 1). Discrepancies identified in the audit report must be reflected in the following bi-annual progress report and payment request (See Administrative Manual). The Annual Audit Report and related audit costs may be submitted separately from the bi-annual progress reports and payment requests.

XI. Reporting

Consortia grantees are required to submit bi-annual progress reports. Any ~~progress~~ payment ~~requests~~request shall be submitted along with bi-annual progress reports, with the exception of the start-up and/or audit costs, which can be submitted as separate payment requests. Staff will provide a template for all necessary reports and additional details in the Administrative Manual, which will be available on the CASF Consortia website. ~~Consortia grantees are required to submit bi-annual progress reports.~~

~~In addition, the Commission will allow Consortia grantees to request an initial start-up costs payment, up to 25% of entire grant. If a grantee requests an initial start-up cost payment, then a "Start-up Period Report" is required.~~

Start-up ~~Period~~ Report: ~~"A start-up period report"~~Start-up Report is required only if the grantee requests an initial start-up cost payment. ~~This report~~The Commission will allow Consortia grantees to request an initial start-up costs payment, up to 15% of entire grant following the submission of a signed Consent Form acknowledging acceptance of the grant. The Start-up Report must be submitted no later than three months after the completion of the start-up activities within the first budget year. In this report, recipients will report on the completion of start-up activities with dates, activities performed, and milestones per the Work Plan ~~as well as milestones met.~~

and provide documentation such as invoices, receipts, deliverables, etc., for expenses or services performed, to support initial start-up costs for services performed. The start-up period is a maximum of six months and may be requested by first time grantees only; existing Consortia grantees are not eligible.

Bi-Annual Progress Reports: The bi-annual progress report is required every six months, i.e., at the end of the ~~six six-month period, at the end of the 12-month period,~~ at the end of the ~~12-month period, at the end of the 18-month period, of deployment~~ 18-month period, at the end of the 24-month period, etc. These reports must be submitted ~~by~~ no later than three months after every six months. ~~In these report, grantees~~ Grantees will report on the status of bi-annual milestones per the Work Plan including line items to align objectives and/or activities performed with grant award disbursement schedule dates, as well as request payment for relevant expenses to date.

Annual Audit Report: As mentioned above, the annual audit report must be submitted six months after the end of each budget or workplan year. Consortia grantees may submit the audit report after the second bi-annual progress report but before the third bi-annual progress report. Discrepancies identified in the audit report must be reflected in the following bi-annual progress report and payment request.

Completion Report: A completion report is required at the end of the grant cycle. This report must be submitted ~~by~~ no later than three months after completion of the project. In this report, grantees will report on the completion of the overall project, milestones met per the Work Plan, actual work products as well as request payment for final and remaining relevant expenses. The completion report must be submitted prior to a request for final payment.

XII. Oversight of Consortia Activities Subsequent to Grant Approval

Staff is authorized to implement administrative controls necessary to assure that funds disbursed to a Consortium are administered efficiently and cost-effectively, consistent with the stated purposes and objectives for which the funds are to be used. ~~⁹The start of the Consortia grant program will begin upon grant approval.~~¹³

The Commission will retain continuing oversight of grant disbursements to ensure that funds are spent on authorized functions that meet set objectives and timelines specified in grantees applications.

⁹~~D.11-06-038 at 28.~~

¹³ D.11-06-038 at 28.

~~Grant funds will be disbursed in accordance with, and within the time specified in California Government Code § 927. Staff has the authority to initiate~~ The Commission has the right to conduct any necessary audit, site visits, verification, and discovery ~~of Consortium members relating to grant funding activities~~ for work proposed or completed under the grant award to ensure that CASF ~~Consortia grant~~ funds are spent in accordance with ~~the adopted rules and standards for the Account.~~¹⁰ Commission rules and with the terms of approval granted by the Commission.¹⁴ A consortium must keep detailed records, such as invoices and receipts of each program element and eligible activities. Each Consortia grantee shall maintain books, records, documents, and ~~other~~ evidence sufficient to substantiate expenditures covered by the grant, according to generally accepted accounting practices. Each Consortia grantee shall make these records available to the Commission upon request and agrees that these records are subject to a financial audit by the Commission at any time **within five years** after the Grantee incurred the expense being audited. A Consortia grantee shall provide access to the Commission upon 24-hour notice to evaluate work completed or being performed pursuant to the grant.

Each Consortia grantee must use the grant funds solely for the approved project as described in the Grantee's Commission-approved Work Plan and Performance Metrics Plan as affirmed by the signed Affidavit. Each Consortia grantee must complete the project in accordance with and within the project performance period set forth in the Commission-approved Work Plan, see Section ~~1.14~~XIV *Execution and Performance* on changes to the substantive terms and conditions underlying Commission approval. Grantee's performance and completion of the project must comply with all applicable laws and regulations. The Progress Report must present the results of performance metrics.

~~Grantees must notify Communications Division as soon as they become aware that they may not be able to meet performance metrics set forth in the Work Plan and Performance Metrics Plan. Any changes to the substantive terms and conditions underlying Commission approval of the grant (e.g., changes to the Work Plan, schedule/timeframe, Work Plan budget or designated Fiscal Agent, etc.) must be communicated in writing to the Director of Communications Division at least 30 days before the anticipated change, and may be subject to approval by either the Director or by Commission resolution before becoming effective.~~

XIII. Payment

To receive a bi-annual payment, the Consortium must submit the Bi-Annual Progress Report to the Communications Division, together with all requests for payment and

¹⁰ ~~D.11-06-038 at 29; Pub. Util. Code, § 270.~~

¹⁴ D.11-06-038 at 29; Pub. Util. Code, § 270.

reimbursement supported by verifiable and relevant supporting documentation, invoices, receipts, work products, deliverables, etc.

Grant funds will be disbursed in accordance with, and within the time specified in California Government Code, § 927. The disbursement of funds at any time is subject to Commission discretion, including a review-and-approval process of each grantee through regular site visits, progress reports on a bi-annual basis, narrative reports, and supporting ~~invoices and receipts. All requests for progress payments and reimbursements must be supported by~~ documentation, ~~e.g., receipts~~, invoices, ~~quotes, etc.~~ timesheets, contracts, and receipts showing expenditures incurred in accordance with the approved CASF budget included in the application.

~~The~~ As mentioned in Section XI, the Consortia grantee may request reimbursement of start-up costs equivalent to a maximum of ~~25~~15% of the total award. Such payment requests must be supported by itemized accounting and detailed documentation, e.g., receipts, invoices, deliverables, ~~quotes, etc., for any portion of an award used to reimburse start-up costs and must demonstrate that total cost does not exceed 15% of the total award.~~ Start-up costs include administrative expenses, e.g., ~~rental of building,~~ hiring of personnel, purchase of office supplies, etc. ~~Subsequent disbursements are on a bi-annual progress report review basis~~ The start-up report and payment request must be submitted within three months after the completion of start-up activities.

~~In order to receive a progress payment, the Consortium must first submit the Progress Report to the Communications Division, together with all requests for payment and reimbursement supported by relevant invoices receipts, etc.~~

Personnel costs/Consulting costs

Personnel expenses must include timesheets with names of employees, dates of activity, hours worked, hourly wages with line-item descriptions of objectives and/or activities performed. For consulting expenses, the Consortia grantee must provide a copy of the consulting contract with scope of work and include timesheets with consultant name, dates of activity, hours worked, hourly wages with line-item descriptions of objectives and/or activities performed. The hourly rate for consultants must be within an acceptable range for similar work performed as found on the Department of General Services Procurement Division website.¹⁵

Administrative/Indirect Overhead Costs

Administrative costs are defined as indirect overhead costs attributable to a project, per generally accepted accounting principles (GAAP), and the direct cost of complying with Commission administrative and regulatory requirements related to the grant itself. Up

¹⁵ See MSA Contractor List at TDDC MSA (ca.gov)

to 15% of administrative costs may be associated with the securing or completion of reimbursable work products, other than the cost of staff/consultant hours.

Grantees must submit an itemized accounting of any portion of an award used to reimburse for administrative costs and/or indirect overhead costs associated with the project; the itemized accounting must demonstrate that the total requested amount for reimbursement does not exceed 15% of the total authorized award.

To claim administrative/indirect costs, they must be reasonable, allocable, and auditable. Grantees must provide appropriate supporting documentation for administrative/indirect costs and/or how the cost allocation is determined.

Supporting documentation may include, but not limited to, an accounting ledger (i.e. excel) that has work items/lines that are categorized as “administrative expenses/costs”, supported by receipts, paid invoice(s), etc. that correlate to each of those line items to show proof of payment.

Example of budget allocation for a \$200,000 grant:

Staff/Consulting costs (\$160,000) + Administrative costs (\$30,000) + Annual Audit (\$10,000) = \$200,000

Administrative/Direct Cost Items not eligible for reimbursement include:

Facility rent, utilities, food costs, lodging, marketing incentives for participation, furniture, gift cards, giveaways, etc. All funding requests will be assessed for reasonableness and may be adjusted accordingly at the discretion of the Commission.

All performance specified under the terms of any award must be completed on or before the termination date of the award. A project completion report **is required** must be submitted before full payment showing that all activities in the Work Plan have been accomplished. The final disbursement will be equal to the outstanding balance due under the Consortium grant or actual expenditures, whichever is less. The grantee’s final payment report, including all documentation and receipts, should be submitted no later than three months after project completion.

~~No payment will be made for any~~ Any payment requests received three months after relevant reports are due may be considered for payment if submitted timely and with an explanation justifying consideration as described in Section XIV (i.e., bi-annual progress reports and/or completion reports) and the Administrative Manual, which will be available on the CASF Consortia website.

If any payment is found to be out of compliance, the grantee will be responsible for refunding any disallowed or improper payment amount along with appropriate

interest rates determined in accordance with applicable Commission decisions. Consortia are required to maintain records such as files, invoices, deliverables and other related documentation for five years after final payment. Grantees' invoices will be subject to financial audit by the Commission at any time within five years of completion of the grant.

XIV. Execution and Performance

The start of the Consortia grant will begin upon grant approval, once the Consent Form and Grant Disbursement Schedule are signed and received by CASF staff. Grantees must update their Work Plan and Performance Metrics Plan to align with the grant approval start dates when submitting the Consent Form accepting the grant award.

The Commission's grant of any award is subject to satisfaction of the conditions set forth in the decision adopting this proposal, and any additional conditions that may be specified in the Commission resolution approving a grant. Each grant is made expressly only to the Consortia grantee as identified in the Commission resolution. The Consortia grantee may not assign the project in whole or in part, except as expressly provided by the Commission's approval.

Each Consortia grantee must use the grant funds solely for the approved project as described in the Grantee's Commission-approved Work Plan and Performance Metrics Plan as affirmed by the signed Affidavit. Each Consortia grantee must complete the project in accordance with and within the project performance period set forth in the Commission-approved Work Plan. The Grantee's performance and completion of the project must comply with all applicable laws and regulations. The Bi-Annual Progress Report must present the results of performance metrics.

Grantees must notify the Communications Division Director within 30 days of becoming aware that they may not be able to meet performance metrics set forth in the Work Plan and Performance Metrics Plan. Any changes to the substantive terms and conditions underlying Commission approval of the Consortium grant (e.g., changes to Work Plan, Performance Metrics Plan, Budget, or designated Fiscal Agent, extensions, etc.) **must be communicated in writing to the Communications Division Director at least 30 days before the anticipated change** and may be subject to approval by either the Director or by Commission resolution before becoming effective.

By receiving a CASF Consortia grant, the grantee agrees to comply with the terms, conditions, and requirements of the grant and thus submits to the jurisdiction of the Commission with regard to disbursement and administration of the grant.⁴⁴¹⁶

⁴⁴¹⁶ D.11-06-038 at 12-13.

Should the Consortia grantee fail to commence work ~~at the agreed upon time~~six months from the date of submission of the Consent Form, the Commission, ~~upon ten business days written notice to the Consortia grantee,~~ may terminate the award. ~~The Commission may also impose penalties.~~ by furnishing the Consortia grantee with 30 days written notice.¹⁷

~~In the event that the Consortia grantee fails to complete the project, in accordance with the terms of approval granted by the Commission, the grantee will be required to reimburse some or all of the CASF Consortia Account funds that it has received.~~

If the Consortia grantee fails to perform in good faith, ~~or~~ fails to complete the project, in accordance with the expectations set forth in its Work Plan and Performance Metrics Plan, as affirmed in the affidavit, the Commission may withhold subsequent grant disbursement, suspend, reduce, or terminate the Consortia grant, as warranted. ~~Any changes to the substantive terms and conditions underlying Commission approval of the Consortium grant (e.g., changes to Work Plan, budget, or designated Fiscal Agent, etc.) must be communicated in writing to the Communications Division Director at least 30 days before the anticipated change, and may be subject to approval by either the Director or by Commission resolution before becoming effective.~~

XV. Consent Form

Grantees are required to sign a consent form within 30 days from the date of the award agreeing to the terms stated in the ~~resolution or award letter~~Resolution authorizing the CASF award. The agreement will provide the name of the grantee, names of officers, ~~and~~Fiscal Agent, must be signed by the grantee. Should the grantee not accept the award through failure to submit the consent form within 30 calendar days from the date of the award, the Commission ~~will~~may deem the grant null and void. The proposed wording of the consent form is available on the CASF Consortia website.

XVI. Penalties

Grantees must agree to the following language in the affidavit:

If [Grantee Name] violates the terms and conditions of a CASF award or other program and project compliance requirements, it shall be subject to Public Utilities Code sections 2108 and 2111. The Commission may impose the maximum penalties allowed under Public Utilities Code sections 2108 and 2111 for failure to meet the program and project compliance requirements, as determined by the Commission.

¹⁷ See CPUC Resolution T-17756 at <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M432/K752/432752653.PDF>

(End of Appendix 3)

Summary report:	
Litera Compare for Word 11.8.0.56 Document comparison done on 9/4/2024 7:07:46 AM	
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Intelligent Table Comparison: Active	
Original filename: Appendix 3 Consortia guidelines_original.docx	
Modified filename: Consortia Guidelines APPENDIX 3_comment_08.21.24 ACOedits.docx	
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Delete	123
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
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Embedded Excel	0
Format changes	0
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