

**INTERNET  
FOR ALL**

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# Introduction to the Initial Proposal Funding Request (IPFR)

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# Disclaimer



*This document is intended solely to assist recipients in better understanding the Broadband Equity, Access, and Deployment (BEAD) program and the requirements set forth in the Notice of Funding Opportunity (NOFO) and follow-on IPFR policies and guidance for this program. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, the requirements set forth in the NOFO, and follow-on IPFR policies and guidance, shall prevail over any inconsistencies contained in this document.*



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# Introduction

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# Key Takeaways



This training presents information available in the IPFR Standards of Review and Eligible Entity IPFR guidance.

- 1 Volume II and the IPFR will be reviewed on a rolling basis.**

NTIA will review Volume II and IPFRs as they are submitted, but both are required to move through to receive approval from the Assistant Secretary and NIST. For this reason, Eligible Entities are strongly encouraged to submit their IPFR with Volume II.
- 2 The IPFR must align to Requirement 17, but it does not have to be released for public comment.**

In Requirement 17 of the IP Vol. II, Eligible Entities will indicate if they intend to submit an IPFR, and if so, how much funding they will request. Requirement 17, as part of IP Vol. II, must be released for public comment, but the IPFR itself does not have to be released for public comment, as it is not part of the IP.
- 3 Eligible Entities are able to request 100% of their funding allocation.**

While BEAD NOFO does not require an Eligible Entity to submit an IPFR, Eligible Entities may submit an IPFR to request 100% of their funding allocation.
- 4 The IPFR consists of two requirements: the Project Narrative and the Consolidated Budget Form.**

The Project Narrative is an overview of how the Eligible Entity intends to use awarded funds. The Consolidated Budget Form provides general budget information and detailed project costs. Both must align to Requirement 17 of the Initial Proposal, Volume II.



# Initial Proposal (IP) Submission



The **IPFR is optional** but Eligible Entities are **encouraged to submit** one in order to receive funding upon IP approval.

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## Volume I: Plan for Challenge Process

Sections of the IP for Volume I are:

- Existing Broadband Funding (3),
- Unserved and Underserved Locations (5);
- Community Anchor Institutions (CAIs) (6); and
- Challenge Process (7).

This includes an overview of the Eligible Entity's evidence-based, transparent, fair, and expeditious challenge process (see Section IV.B.6 for details) and an overview of the process to minimize duplication of funding.

Volume I can be **submitted at any time before the deadline, and Eligible Entities are encouraged to submit it as early as possible.** Volume I can be made available for public comment **before the Notice of Available Amounts.**

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## Volume II: Initial Proposal

Sections of the IP for Volume II are:

- Objectives (1)
- Broadband Planning Coordination (2)
- Stakeholder Coordination (4),
- Deployment Subgrantee Selection (8),
- Non-Deployment Subgrantee selection (9),
- Eligible Entity Implementation Activities (10),
- Labor Standards and Protection (11),
- Workforce Readiness (12),
- MBE/WBE/Labor Surplus Firms Inclusion (13),
- Cost and Barrier Reduction (14),
- Climate Assessment (15),
- Low-Cost Broadband Service Option (16),
- Use of 20 Percent of Funding (17),
- Eligible Entity Regulatory Approach (18),
- Certification of Compliance with BEAD Requirements (19)
- Middle Class Affordability Plan (★)



## IPFR

Requirements of the IP Funding Request are:

- Project Plan/Narrative
- Consolidated Budget Form

If Eligible Entities choose to submit the IPFR, they must do so via **the NTIA Grants Portal no later than 180 days after issuance of their Notice of Available Amounts.** Upon submission, the **NTIA Grants Portal (NPG) will send an email to the Authorized Organization Representative (AOR) with a date- and time-stamped confirmation of submission.**

In **Volume II** of its Initial Proposal, an **Eligible Entity must indicate whether it intends to request Initial Proposal funding**, how much it is requesting, and how it intends to use the funding allocation

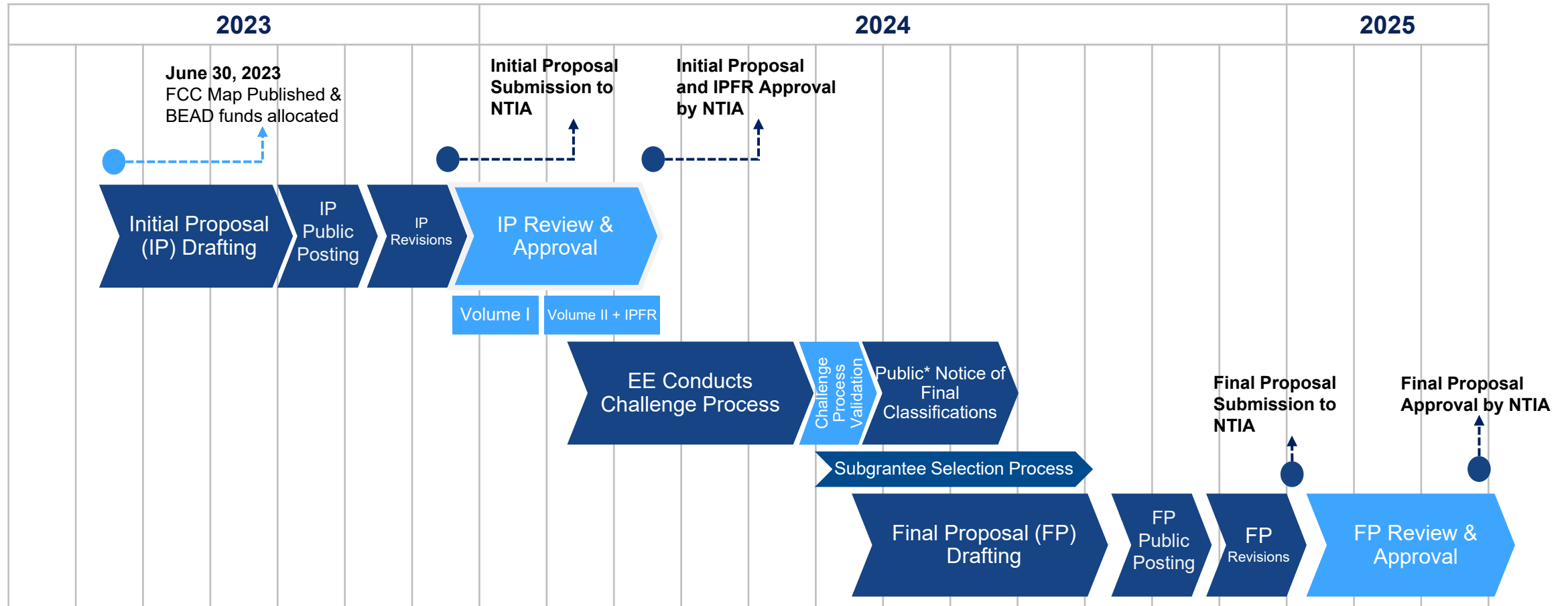
The IPFR **cannot be approved until Volume I and Volume II are approved.**



# Timeline of the Initial Proposal for BEAD



Eligible Entities are currently preparing for Initial Proposal submission. Note that the Initial Proposal Volume II and the IPFR are due on the same date.



\*Per the BEAD NOFO, an Eligible Entity must provide public notice of the final classification of each unserved location, underserved location, or Eligible Community Anchor Institution within the jurisdiction of the Eligible Entity after resolving each challenge and at least 60 days before allocating grant funds for network deployment.



# What is the IPFR?

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# What is the IPFR?



The IPFR is an optional submission to request access to a portion of the allocated grant funds prior to the approval of the Final Proposal.



The IPFR includes requirements to request funding allocations. Eligible Entities **can request the full amount of their funding allocation (100%)**. To do so they must provide a **rationale or specific need**, such as, but not limited to, a state requirement (e.g., anti-deficiency clause or to create budget certainty) that would require the obligation of all funding prior to conducting the Subgrantee Selection Process.



An IPFR submission **may not be approved** if the uses of funding proposed in the IPFR **jeopardize the Eligible Entity's ability to reach all unserved and underserved areas**. For example, if an Eligible Entity requested 20% of their funding allocation only to run their Challenge Process, their IPFR may get rejected because leaving only 80% of their allocation to deploy broadband may jeopardize their ability to reach all unserved and underserved areas.



Although the BEAD NOFO does not require an Eligible Entity to submit an IPFR, Eligible Entities may submit an IPFR to request 100% of their funding allocation. NTIA will not release funds without an IPFR.



The IPFR includes two requirements (outlined below) which are set forth by NTIA and NIST.

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## REQUIREMENTS

*The IPFR includes two requirements, which are:*



### Project Plan/Narrative

Eligible Entities are required to submit a project narrative that includes an **overview of how they intend to use awarded funds**. The project narrative **should be closely aligned to the activities in the Initial Proposal – Volume II** (e.g., activities related to Requirement 17—the intended use of the 20 percent of total funding allocation that is made available upon approval of the Initial Proposal) and be consistent with **Section IV.B.8 of the BEAD NOFO** (20 Percent Funding Release and Eligible Uses).



### Consolidated Budget Form

Eligible Entities are required to submit a Consolidated Budget Form that must provide **general budget information and detailed project costs**. The Consolidated Budget Form **includes 10 tabs associated with 10 cost categories, in addition to an Instructions and Summary tab**. Eligible Entities should complete each tab that they have applicable costs in their budget.

# How does IPFR relate to Requirement 17?



Eligible Entities will indicate whether or not they will submit IPFR in Requirement 17 of the IP Volume II.

## BEAD NOFO REQUIREMENT 17



Describe the **intended use of the 20 percent of total funding allocation** that is made available upon approval of the Initial Proposal consistent with Section IV.B.8 of this NOFO.

### EE INDICATES FUNDING REQUEST

*If the Eligible Entity is requesting funds, they must indicate the total dollar amount of funding requested and certify they will adhere to BEAD Program requirements regarding Initial Proposal funding usage.*

### EE INDICATES NO FUNDING REQUEST

*If the Eligible Entity indicates in Volume II Req. 17 that they do not wish to request funding during the Initial Proposal phase, they will defer funding until after the approval of the Final Proposal.*

*The Eligible Entity cannot change this determination once Volume II is submitted and under review.*



Regardless of the amount requested or approved, NTIA and NIST may always apply appropriate Specific Award Conditions that may limit the draw down of funding until program requirements are met.



# Eligible Uses of IPFR Funding

# Administrative vs. Programmatic Costs



IPFR funding can be used for both administrative and programmatic activities, as noted in the BEAD NOFO.

## Cost Guidelines from BEAD FAQs

- **Administrative costs** are those expenses incurred by the grant recipients or subrecipients in support of the day-to-day operations.
- **Programmatic costs** are costs that are directly tied to the delivery of a particular project, service or activity undertaken by a Grantee to achieve an outcome intended by the funding program.

### Administrative Cost Guidelines:



#### **Not Direct Provision**

These expenses are **not related to the direct provision of program activities.**



#### **General Operating Expenses**

The costs are usually for **general operating expenses** incurred by the organization.



#### **Different Forms**

Administrative cost can be for **Personnel, Non-Personnel, Direct or Indirect.**



#### **Distinguish Costs**

Budgets and financial reporting need to distinguish separately the **cost between administrative and programmatic costs.**

### Programmatic Cost Guidelines:



#### **Program Activities**

These expenses are **directly related to the provisions of program activities.**



#### **Approvals**

All program type costs would be **approved during the budget certification process.**



#### **Allocation of Time**

All **allocation of time would need to be kept through time reports** to show how much time was worked on each program and/or administrative duty.



#### **Acceptable Program Costs**

Acceptable program costs are **determined by the grant program.**



#### **Multiple Cost Types**

Personnel and related non-personnel who perform a portion of both administrative and programmatic services should have their **time allocated between the two different cost types.**



#### **Time Reports**

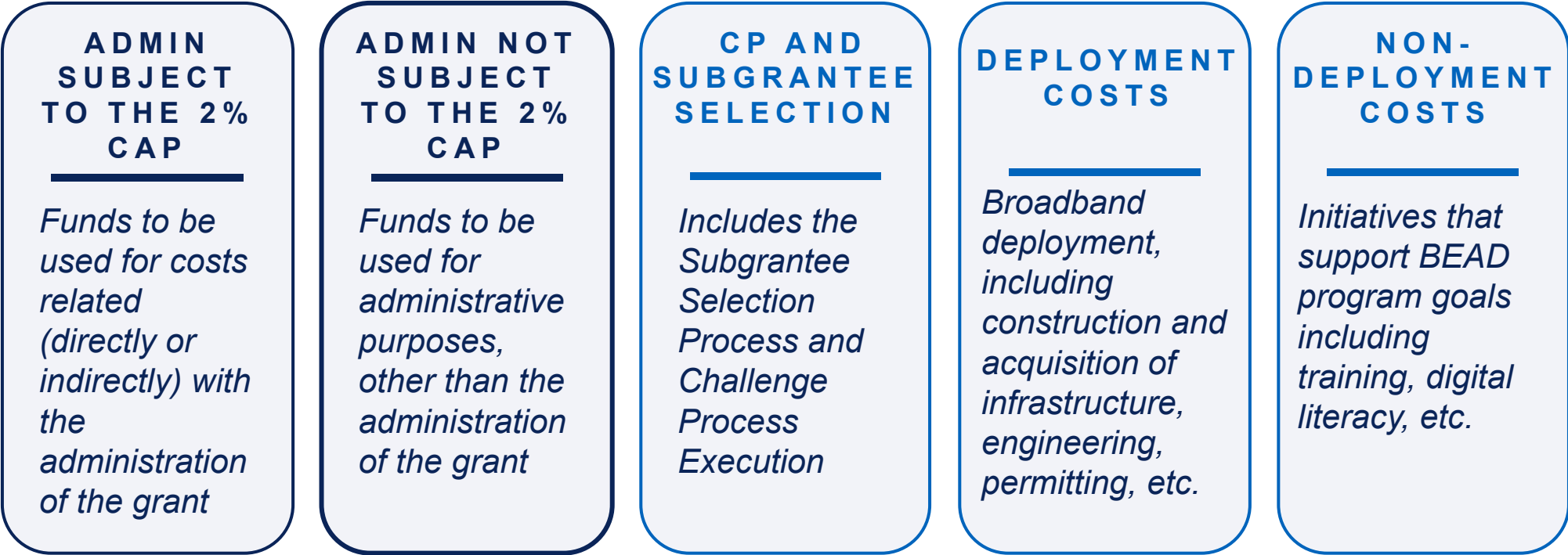
**Time reports need to be accurate** and saved for review by monitoring staff or audit staff.



# Eligible Uses of IPFR Funding: Cost Buckets



IPFR funding can be used for five types of activities under both administrative and programmatic costs. Each category is subject to specific timing and use requirements pursuant to the Infrastructure Act and NOFO.



# Admin Costs and the 2% Cap












To determine if a cost is subject to the two percent administrative cap, consider the relationship between grantee's administrative activity, NTIA, and the subgrantee. If a grantee's administrative activity involves NTIA, it is **typically** subject to the two percent cap. If the grantee's administrative activity involves the subgrantee, it is **not typically** subject to the two percent cap.



# Eligible Uses of IPFR Funding: Admin Subject to the 2% Cap



## Examples of administrative costs subject to the 2% cap may include:

-  Costs associated with the Eligible Entity reporting to NTIA
-  Costs associated with monitoring requested by NTIA including coordinating site visits, etc.
-  Costs associated with budget preparation and budget modifications by the Eligible Entity to NTIA
-  Costs associated with audit requests by NTIA/OIG/GAO
-  Drawing down funds from NTIA
-  Accounting fees associated with administering the grant
-  Cost of office supplies (e.g., printer ink) used in the administration of the grant
-  Costs associated with grant tasks such as close-out
-  Eligible indirect charges proportional to direct charges subject to the 2% cap





# Eligible Uses of IPFR Funding: Admin Not Subject to the 2% Cap



## Examples of administrative costs NOT subject to the 2% cap may include:



Costs associated with the Eligible Entity monitoring of subrecipient progress

- Ex. Reviewing progress reports, providing guidance on BEAD fund usage



Disbursing funds from the Eligible Entity to the subrecipients



Reviewing subrecipients' receipts, matching requirements, program income, etc.



Legal work that does not fall under programmatic cost categories or the admin 2% category



Costs associated with travel for subgrantee monitoring



Remaining eligible indirect charges after subtracting the portion for direct charges subject to the 2% cap



# Eligible Uses of IPFR Funding: Challenge Process and Subgrantee Selection (Programmatic Costs)



## Examples of programmatic costs associated with the Challenge Process and Subgrantee Selection may include:



Personnel, fringe benefits, travel, equipment, supplies and other costs associated with the challenge process

- Ex: Purchasing software to manage the challenge process submissions or management of the submissions/responses



Personnel costs for Eligible Entity staff running the subgrantee selection process

- Ex: Personnel costs for individuals writing the RFP, reading submissions, scoring applications, and making selections



Either the Challenge Process or Subgrantee Selection can be completed by Eligible Entity staff or by a contractor/subrecipient subject to factual determination by the Eligible Entity (see 2 CFR 200.331)



# Eligible Uses of IPFR funding for Deployment



An Eligible Entity may use the funds made available to them based upon the approval of their IP and associated IPFR to fund limited deployment activities, as Programmatic costs, if the deployment areas meet specific criteria.

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## ELIGIBLE USES OF IPFR FUNDING FOR DEPLOYMENT

An Eligible Entity may use the funds made available to fully fund deployment projects that meet the following criteria:

- 1 Consist of **at least 80 percent unserved locations**; *and*
- 2 Are in a location in which the **percentage of individuals with a household income at or below 150 percent of the poverty line** applicable to a family of the size involved (as determined under [Section 673\(2\) of the Community Services Block Grant Act \(42 U.S.C. § 9902\(2\)\)](#) that is higher than the national percentage of such individuals.

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## REMINDERS

Eligible Entity may use the funds made available under this Section IV.B.8 of the NOFO **for other eligible uses** described under Section IV.B.7 of this NOFO (i.e., for uses other than deployment of last-mile broadband infrastructure to unserved and underserved locations or eligible CAs) **only if the Eligible Entity is able to demonstrate, to the satisfaction of the Assistant Secretary, that the Eligible Entity has a plan to meet the unserved and underserved location broadband deployment commitments set forth in the Eligible Entity's Initial Proposal**, in which case the Assistant Secretary may waive, in whole or in part, limitations on the use of this funding round.



# Eligible Uses of IPFR Funding for Non-Deployment




Eligible uses of programmatic costs also include non-deployment projects, so long as they are designed and implemented in ways that most benefit the communities they serve.

## ELIGIBLE USES OF IPFR FUNDING FOR NON-DEPLOYMENT

Remember that eligible non-deployment uses are subject to the requirement that, before an Eligible Entity can use BEAD funds for non-deployment purposes, it must receive the Assistant Secretary's approval based on a demonstration that there will be sufficient funding to serve all unserved and underserved areas and a plan that is in compliance as outlined in the BEAD NOFO, Section IV.B.8.

**If permitted, an Eligible Entity may use the funds made available to fully fund non-deployment projects such as:**

-  **User training** with respect to cybersecurity, privacy, and other digital safety matters
-  **Remote learning** or **telehealth services/facilities**
-  **Digital literacy/upskilling** (from beginner-level to advanced)
-  **Computer science, coding** and **cybersecurity education** programs
-  Implementation of Eligible Entity **Digital Equity Plans**



# Roles and Responsibilities

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# What is the Role of the EE?



The EE will draft, submit and revise (as needed) the IPFR submission.



**Drafts IPFR** in accordance with requirements detailed in the BEAD NOFO and other IPFR guidance materials, and consistent with the contents of the IP



**Coordinates with assigned State FPO** to receive informal feedback and guidance while drafting the IPFR



Provides timely responses to **curing requests** throughout the review process to ensure swift resolution of deficiencies



**Conducts NTIA-Approved Challenge Process and Subgrantee Selection Process** prior to using any funds made available during the IPFR for a limited set of allowable deployment projects



# What is the Role of the State FPO?



The State FPO will support Eligible Entities as they draft their IPFR and guide them through the review and approval process.



**Supports Eligible Entity in preparing their submission of IPFRs**, including providing technical assistance and coordinating submission of questions or requests for guidance



**Communicates NTIA guidance** to Eligible Entities in support of drafting of IPFRs



**Coordinates with NTIA's technical assistance team** for additional resources when needed



**Initiates escalations** during the pre-submission phase



# Additional Resources

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- 1 Check the [BEAD FAQs](#) for more details about administrative costs
- 2 Read the [IP Vol. II Guidance](#) for more information on Requirement 17
- 3 Familiarize yourself with the [IPFR Eligible Entity Guidance](#)
- 4 Familiarize yourself with the [Consolidated Budget Form Template and Samples](#) and the [Project Plan/Narrative Samples](#)







# Questions?

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**THANK YOU**

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