

Attachment I: Checklists

In this section of the Appendix, you will find helpful checklists to guide you through the post-award reporting and compliance process.

Allowable and Unallowable Costs Checklist

Allowable costs are reasonable, allocable, and necessary costs that may be paid for by the Federal grant. They must be allowable as defined by the terms of the award, [2 CFR Part 200](#), and approved by the Grants Officer as part of the project budget. See [2 CFR § 200.403](#).

Unallowable costs are those costs that do not meet the criteria of reasonableness, allowability, and allocability and cannot be paid for by the grant. Unallowable costs include excessive or unreasonable costs and those expressly unallowable by the terms of the award and [2 CFR Part 200](#).

This checklist generally outlines allowable and unallowable costs under the National Telecommunications Information Administration (NTIA) Office of Internet Connectivity and Growth (OICG) State Digital Equity Capacity Grant (SDCPG) Program. Refer to the [Notice of Funding Opportunity, Infrastructure Investment and Jobs Act of 2021, Division F, Title III, Public Law 117-58, 135 Stat. 429, 1209 \(November 15, 2021\)](#), and [2 CFR Part 200 Subpart E](#) (Cost Principles) for additional information on how grant funds can be spent. Please contact your assigned Federal Program Officer (FPO) or Grants Specialist if you have any questions.

Allowable Costs Checklist

For additional information, please see Digital Equity Capacity Grant Program NOFO Section II.C.3.a and [2 CFR Part 200 Subpart E](#) (Cost Principles).

Type		Description
<input type="checkbox"/>	Update/Maintain Digital Equity Plan	Costs that go towards the update or maintenance of your State's Digital Equity Plan provided, however, that the Recipient may not use more than 20 percent of the amount of the grant for this purpose.
<input type="checkbox"/>	Implementation of DE Plans	Costs associated with implementing the State Digital Equity Plan of the State or Territory.

<input type="checkbox"/>	Subgrants to Eligible Entities and Third-Party Contractor(s)	<p>Costs that go toward making subgrants to any of the eligible entities identified at 47 U.S.C. §1724(b) that are located in the State or Territory to: (a) assist in the implementation of the Digital Equity Plan of the State or Territory; (b) pursue digital inclusion activities in the State or Territory consistent with the Digital Equity Plan of the State or Territory; and (c) report to the State or Territory regarding the digital inclusion activities of the entity.</p> <p>Before a Recipient can award a subgrant, they must require that:</p> <ol style="list-style-type: none"> 1. The entity carries out the activities required under items (a), (b), and (c) of the Funding Restrictions subsection of the NOFO; 2. The receipt of the subgrant shall not result in unjust enrichment of the entity; and 3. The entity shall cooperate with any evaluation of the program as it relates to a grant awarded to the entity and that is carried out by or for the Recipient, the Assistant Secretary, or another federal official.
<input type="checkbox"/>	Evaluation	Costs associated with assessing and evaluating the efficacy of the efforts funded by grant, whether directly implemented by the Recipient or implemented by subrecipients, provided that the Recipient may not use more than 5 percent of the amount of the grant for the purposes of evaluating subgrantees.
<input type="checkbox"/>	Administrative Costs	Costs (exclusive of costs for program evaluation and updating the Digital Equity plan) incurred in carrying out the activities described above, provided that the Recipient may not use more than 3 percent of the amount of the grant for this purpose.

Unallowable Costs Checklist

	Type	Description
<input type="checkbox"/>	Supplanting and Certain Website Upgrades	A grant or subgrant awarded under the State Digital Equity Capacity Grant Program shall supplement, not supplant, other federal or State funds that have been made available to carry out activities. For example, Broadband Equity, Access, and Deployment Program funds, including funds used for non-deployment expenditures, are subject to separate financial assistance award terms and conditions and must not be supplanted by State Digital Equity Capacity Grant Program funding. In addition, grantees are prohibited from using Capacity Grant funds to conduct website upgrades or other accessibility projects that are otherwise required by law. See NOFO Section II.C.3.c.v
<input type="checkbox"/>	Deployment	Costs associated with deployment of broadband infrastructure to connect broadband serviceable locations. In general, deployment of broadband infrastructure to connect broadband serviceable

	Type	Description
		locations should be accomplished through other programs, including the Broadband Equity, Access, and Deployment program.
<input type="checkbox"/>	Profits, fees, or other incremental charges	Profits, fees, or other incremental charges above the actual cost. See NOFO Section II.C.3.c. vii.
<input type="checkbox"/>	Opposing or supporting collective bargaining	Using grant funds to support or oppose collective bargaining, directly, indirectly, or as an offset for other funds See NOFO Section II.C.3.c. viii
<input type="checkbox"/>	Costs in Excess of Key Budget Caps	<ol style="list-style-type: none"> 1. No more than 20 percent of the amount of the grant may be used to update or maintain the Digital Equity Plan of the State or of the Territory (as applicable). 2. No more than 5 percent of the amount of the grant may be used to evaluate the efficacy of the efforts funded by grants made to subgrantees to: (a) assist in the implementation of the Digital Equity Plan of the State or Territory; (b) pursue digital inclusion activities in the State or Territory consistent with the Digital Equity Plan of the State or Territory; and (c) report to the State regarding the digital inclusion activities of the entity. 3. No more than 3 percent of the amount of the grant may be used for administrative costs (exclusive of costs for program evaluation and updating the Digital Equity plan) in carrying out allowable activities under this program and described in a State Digital Equity Capacity Grant Program award. For this purpose, the three percent limitation on administrative expenses includes the combined total of indirect costs and direct administrative costs charged to an award. The applicant must clearly describe in the budget narrative how it applied or calculated the 3 percent limitation on administrative costs. 4. No more than 10 percent of the total amount of the grant award for affordable broadband programs.
<input type="checkbox"/>	Unauthorized Activities	Costs attributable to any other activities not authorized by the eligible use categories specified in the Infrastructure Investment and Jobs Act.

Internal Controls Checklist

This checklist provides specific tasks and measures for effective internal control as well as steps to establish them if they are not in place. For additional guidance, please see [2 CFR §200.303](#).

Accounting System	
<input type="checkbox"/>	Accounting system identifies the receipt and expenditure of program funds separately for each contract/grant.

<input type="checkbox"/>	Accounting system has provisions to record expenditures for each grant/contract by the component project and budget cost categories shown in the approved budget.
<input type="checkbox"/>	Time distribution records are maintained for individuals charging to the grant in connection to a particular cost objective (i.e., clearly identified to codes in the accounting system).
<input type="checkbox"/>	Recipients, if applicable, have an approved indirect cost rate with the Federal Government.
<input type="checkbox"/>	Accounting/financial system include budgetary controls to preclude incurring obligations in excess of: <ul style="list-style-type: none"> a. Total funds available for a grant; or b. Total funds available for a budget cost category (e.g., Personnel, Travel).
<input type="checkbox"/>	Federal grant/contract funds and related costs and expenses can be distinctly accounted for if grant/contract funds are commingled with Recipient's funds.

Financial Capabilities

<input type="checkbox"/>	An independent certified public accountant (CPA) has examined the financial statements.
<input type="checkbox"/>	The Recipient has retained copies of the CPA's latest report and any management letters issued.
<input type="checkbox"/>	The Recipient is generally familiar with the existing regulations and guidelines containing the cost principles and procedures for the determination and allowance of costs in connection with Federal contracts/grants.
<input type="checkbox"/>	The Recipient files audits with the Federal Audit Clearinghouse in a timely manner, if applicable.

Property Management (CFR § 200.313 (d)(1))

<input type="checkbox"/>	The Recipient's property management system provides for maintaining: <ul style="list-style-type: none"> <input type="checkbox"/> a description of the property; <input type="checkbox"/> an identification number; <input type="checkbox"/> source of funding for the property; <input type="checkbox"/> where the title vests; <input type="checkbox"/> the acquisition date; <input type="checkbox"/> the cost of the property; <input type="checkbox"/> the Federal agency contribution toward the original purchase; <input type="checkbox"/> the location, use, and condition of the property; <input type="checkbox"/> the ultimate disposition information.
<input type="checkbox"/>	The Recipient's property management system provides for a physical inventory and reconciliation of property at least every two years.

Procurement Management

Below are best practices, please see 2CFR § 200.317-200.327 for additional information.	
<input type="checkbox"/>	The Recipient maintains written procurement procedures to: <ul style="list-style-type: none"> <input type="checkbox"/> promote competition; <input type="checkbox"/> avoid unnecessary purchases; <input type="checkbox"/> provide an analysis of lease vs. purchase alternatives; <input type="checkbox"/> provide a process for soliciting goods and services.
<input type="checkbox"/>	There is a written code of conduct for procurement staff.
<input type="checkbox"/>	Conflict of interest rules are in place to apply to the Recipient's procurement system.
<input type="checkbox"/>	Employees sign a conflict of interest statement annually.
<input type="checkbox"/>	The Recipients include all required and applicable Federal provisions in contracts and sub-grants.
<input type="checkbox"/>	The Recipient's procurement system provides for the conduct and documentation of cost or price analysis for each procurement action.
<input type="checkbox"/>	The Recipient assesses the financial capability of a contractor to perform the contract.
<input type="checkbox"/>	The Recipient conducts internal reviews of the procurement files for adherence to statutes, regulations, and organization policies.
<input type="checkbox"/>	Duties and functions are segregated within a Recipient's organization to ensure that adequate checks and balances exist.
<input type="checkbox"/>	Policies regarding subrecipient suspension or debarment are in place.
Subrecipient Monitoring and Management (2 CFR §200.331-333)	
<input type="checkbox"/>	There is a subrecipient monitoring system in place (i.e., written policies).
<input type="checkbox"/>	There is regular communication with subrecipients.
<input type="checkbox"/>	A process for Recipient review of the costs contained in a sub-grant Application is in place.
<input type="checkbox"/>	A schedule for subrecipients to submit required financial and progress reports to the Recipient is in place.
<input type="checkbox"/>	The Recipient conducts subrecipient site visits and site visit criteria are in place.
Contractor Management	
<input type="checkbox"/>	A contract administration system is in place (i.e., written policies).

<input type="checkbox"/>	There is regular communication with the contractor.
<input type="checkbox"/>	Recipient reviews invoices submitted by the contractor.
<input type="checkbox"/>	The Recipient verifies contract deliverables.

ASAP / Drawdown Funds Checklist		Completion Dates
<input type="checkbox"/>	Understand payment policies, allowable costs, and restrictions on use of Capacity Program funds.	Before drawing down Capacity Program funds.
<input type="checkbox"/>	Register with ASAP (if not registered already).	As soon as possible.
<input type="checkbox"/>	Drawdown funds from ASAP into an insured, interest-bearing account.	As needed.
<input type="checkbox"/>	Return any unused funds or interest accrued exceeding \$500 per calendar year to ASAP.	Monthly, or as needed.

Budget Revisions (General) Checklist

Budget Revisions	
<input type="checkbox"/>	Communicated with FPO and Grant Specialist, as assigned in the award agreement (CD-450) or amendments, as applicable, regarding budget revision in advance of submission.
<input type="checkbox"/>	Include the following in the email subject line: State/Territory, Recipient Name; Award # (as listed in NGP); AOR Name; and Action to be requested (e.g., Budget Revision).
<input type="checkbox"/>	Body of the email describes the reason for budget modification and summary of change(s) being requested.
<input type="checkbox"/>	Revised Consolidated Budget Form (including details and narrative).
<input type="checkbox"/>	Confirmed that the total of the budget does not exceed original award amount and aligns with award documents. NOTE: If there is a discrepancy resulting in a lesser amount, be sure to consult with FPO and Grants Specialist first about SF-424 implications.

Specific Projects Budget Revisions Checklist

Budget & Specific Projects Form Update	
<input type="checkbox"/>	Communicated with FPO and Grant Specialist, as assigned in the award agreement (CD-450) or amendments, as applicable, regarding specific projects budget revision in advance of submission.
<input type="checkbox"/>	Filled out the specific projects form with all project details for direct and sub-granted projects.
<input type="checkbox"/>	Populated each field for each line item included in the specific projects form.
<input type="checkbox"/>	Confirmed alignment with the Consolidated Budget Form details and narrative.
<input type="checkbox"/>	Updated the Consolidated Budget Form to accommodate new project details and followed Budget Revisions Checklist above.
<input type="checkbox"/>	Prepared the Budget Revision package to include Specific Projects Form (SPF) in addition to the Consolidated Budget Form (CBF).
<input type="checkbox"/>	Sent package to the NIST Grants Office via UGAM@nist.gov , with a copy to assigned Federal Program Officer (FPO) and digitalequity@ntia.gov .
<input type="checkbox"/>	Included the following in the email subject line: State/Territory, Recipient Name; Award # (as listed in NGP); AOR Name; and Action to be requested (e.g., Specific Projects Budget Revision: Release of Funds).

<input type="checkbox"/>	Body of the email describes the reason for budget modification and summary of change request.
<input type="checkbox"/>	Submitted SPF and updated CBF within 9 months of the Period of Performance start date, or submitted an extension request 60 days prior to the deadline.

REMINDER: As always, please be sure to review your award documents to understand the terms and conditions of award, including the specific award conditions, that you must meet. Please consult with your designated FPO if you have any questions