

Rural Development
United States Department of Agriculture

RURAL UTILITIES SERVICE

Community-Oriented Connectivity

Broadband Program

Grant Application Guide

Fiscal Year 2002

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Rural Utilities Service Community-Oriented Connectivity Broadband Grant Program

The Community-Oriented Connectivity Broadband Grant Program is designed to provide financial assistance to furnish broadband service in rural, economically-challenged communities where such service does not currently exist. Grant funds may be utilized to deploy broadband transmission service to critical community facilities, rural residents, and rural businesses and to construct, acquire, or expand, equip, and operate a community center that provides free access to broadband services to community residents for at least two years. Grants will be awarded, on a competitive basis, to entities serving communities of up to 20,000 inhabitants to ensure rural consumers enjoy the same quality and range of telecommunications service as are available in urban and suburban communities.

General Information

!! BEFORE YOU GET STARTED !!

You must read:

- ◆ *The Notice of Funds Availability (NOFA) published in the Federal Register on July 8, 2002*

A copy is included in this guide as Attachment 14.

This NOFA **MUST** be utilized in conjunction with this application guide. Should any differences result in the interpretation of this Application Guide and the NOFA, the NOFA takes precedence over information contained in this Application Guide.

➤ ***When and Where to Submit Your Application:***

GRANT applications must be postmarked by:

November 5, 2002

An original and two copies of a **completed application** must be mailed or hand-delivered by the deadline date. **Applications must be submitted to:**

ROBERTA D. PURCELL
ASSISTANT ADMINISTRATOR
TELECOMMUNICATIONS PROGRAM
RURAL UTILITIES SERVICE
US DEPARTMENT OF AGRICULTURE
STOP 1590, ROOM 4056-S
1400 INDEPENDENCE AVENUE, SW
WASHINGTON, DC 20250-1590

Due to the current disruption in mail delivery service, applicants are strongly encouraged to submit applications via express mail or hand delivery to our office.

Applications Delivered by Mail:

Applications must show proof of mailing consisting of one of the following:

1. A legibly dated U.S. Postal Service (USPS) postmark;
2. A legible mail receipt with the date of mailing stamped by the USPS; or
3. A dated shipping label, invoice, or receipt from a commercial carrier.

If an application is sent through the USPS, neither of the following will be accepted as proof of mailing:

1. A private metered postmark; or
2. A mail receipt that is not dated by the USPS.

Applicants should note that the USPS does not uniformly provide a dated postmark. Before relying on this method, an applicant should check with its local post office.

Applications Delivered by Hand:

Applications delivered by hand will be accepted daily between 8:00 a.m. and 4:30 p.m. (Eastern Standard Time), except Saturdays, Sundays and Federal holidays. Individuals delivering applications must provide proper identification to enter the building.

Late applicants will be notified that their applications will not be considered for funding and their applications will be returned.

➤ Key Definitions:

Please refer to the NOFA published July 8, 2002 in the Federal Register (Attachment 14) for all defined terms.

Basic Broadband Transmission Service: The broadband service level provided by the applicant at the lowest rate or service package level for residential or business customers, as appropriate, providing such service meets the definition of broadband transmission service.

Broadband Transmission Service: Providing an information rate equivalent to at least 200 kilobits/second in the consumer's connection to the network, both from the provider to the consumer (downstream) and from the consumer to the provider (upstream).

Community: Any incorporated or unincorporated city, town, village, or borough.

Community Center: A public building, or section of a public building, that is used solely for the purposes of providing free access to and/or instruction in the use of broadband Internet service, and is of the appropriate size to accommodate this sole purpose. The community center must be open and accessible to area residents before and after normal working hours and on Saturday or Sunday. It may include but is not limited to a school, library, or city hall.

Computer Access Point: A new computer terminal with access to basic broadband transmissions service.

Critical Community Facility: A public school, public library, public medical clinic, public hospital, community college, public university, or law enforcement, fire and ambulance stations.

Project: The approved purposes financed by the grant and the applicant's matching contribution to serve one community and the contiguous, unincorporated areas located outside the community's boundaries.

Rural Area: Any area in the United States not included within the boundaries of any incorporated or unincorporated city, town, village, or borough having a population of 20,000 inhabitants.

For additional information concerning this grant program, please contact the appropriate Telecommunications Program Area Director. A listing of the Directors and the states they serve is provided as Attachment 13 to this application guide. Information about RUS and this application guide can be retrieved electronically *via the internet* at:

<http://www.usda.gov/rus/telecom>

Applying for a Grant

Grant Processing

Completed applications must be postmarked no later than November 5, 2002, to be considered for funding. Grant applications will be scored in accordance with the provisions of the Notice of Funds Availability published in the Federal Register on July 8, 2002.

Applicant Eligibility

To be eligible to receive a Grant under this program, the applicant must:

- ◆ Be a public body; Indian tribe; cooperative, nonprofit, or limited dividend or mutual association; municipality; an incorporated or limited liability company; or other legally organized entity; and
- ◆ Have the legal authority to own and operate the broadband facilities, to enter into contracts and to otherwise comply with applicable Federal statutes and regulations.

Note: The applicant may not be an individual or partnership.

Project Eligibility

To be eligible to receive a Grant under this program, the project must:

- ◆ Propose to serve a rural area where broadband transmission service does not currently exist;
- ◆ Propose to serve one community;
- ◆ Deploy basic broadband transmission service, free of all charges for at least 2 years, to all critical community facilities located within the proposed service territory;
- ◆ Offer basic broadband transmission service to all residential and business customers within the proposed service territory; and
- ◆ Provide a community center within the proposed service territory and make broadband transmission service available, free of all charges to users within the center for at least 2 years.

!! COMMUNITY CENTER !!

- ◆ *The community center must have at least 10 computer access points or computer access points equal to 1% of the service area's population, whichever is greater.*

For example:

If an applicant is proposing to serve an area with a total population (the community and the contiguous, unincorporated areas located outside the community) of **800**, the community center must have at least **10 computer access points**.

If an applicant is proposing to serve an area with a total population of 1,500, the community center must have at least 15 computer access points (1% of 1,500).

Rurality Requirement

The proposed project must provide broadband transmission service to a rural area that does not currently have such service. A "Rurality Calculation Table" is provided for this computation (**See attachment 2a**), and should be based upon 2000 Census Data.

Eligible Grant Purposes

Grants funds may be used to finance:

1. The construction, acquisition, or lease of facilities, including spectrum, to deploy broadband transmission services to all critical community facilities and to offer such service to all residential and business customers located within the proposed service area;
2. The improvement, expansion, construction, or acquisition of a community center that furnishes free access to broadband Internet service, provided that the community center is open and accessible to area residents before and after normal working hours and on Saturday or Sunday. Grant funds provided for the community center are limited to the greater of \$100,000 or 5% of the grant amount requested. The costs of the computer access points, their installation, connection to the broadband transmission system are not included in this limitation;
3. End-user equipment needed to carry out the project;
4. Operating expenses incurred in providing broadband transmission service to critical community facilities for the first 2 years of operations and to provide training and instruction. Salary and administrative expenses will be subject to

review, and may be limited, by RUS, for reasonableness in relation to the scope of the project; and

5. The purchase of land, buildings, or building construction needed to carry out the project.

Grant Funds may not be used to finance the duplication of any existing broadband services provided by other entities; and

Facilities financed may not be used, in any way, to provide local exchange telecommunications service to any person or entity where it currently exists.

Matching Funds Requirement

The applicant's minimum matching contribution must be for eligible purposes and equal 15% of the grant amount requested. Eligible purposes include:

- ◆ Cash for eligible grant purposes; and
- ◆ In-kind contributions of eligible grant purposes.

In-kind contributions include:

- New or non-depreciated assets with established monetary values. Manufacturers' or service providers' discounts are not matching contributions.
- The value of rental income for donated space in a community center, calculated for the entire term of the donation;
- Salaries and expenses incurred by the community center in operating the community center.

Costs incurred by the applicant, or others on behalf of the applicant, for facilities or equipment installed, or other services rendered prior to submission of a completed application, shall not be considered as an eligible matching contribution.

!! Note !!

Rental values *must* be supported by rental agreements documenting the cost of space of a similar size in a similar location.

Rental values and salaries and expenses incurred by the community center are subject to review by RUS.

The source and amount of matching funds must be identified in the application. If matching funds are to be provided by a third party, documentation of the third party's commitment must be included in the application.

Any financial assistance from Federal sources will not be considered as matching contributions unless there is a Federal statutory exception authorizing the Federal financial assistance to be considered as a matching contribution.

Completing the Grant Application

This section addresses all of the information that must be submitted for an application to be complete and considered for financing:

- | | |
|--|--|
| A. <i>A Completed Application for Federal Assistance (Standard Form 424)</i> | G. <i>Financial Information and Sustainability</i> |
| B. <i>An Executive Summary of the Project</i> | H. <i>A Statement of Experience</i> |
| C. <i>Scoring Criteria Documentation</i> | I. <i>Evidence of Legal Authority and Existence</i> |
| D. <i>System Design</i> | J. <i>Funding Commitments from Other Sources</i> |
| E. <i>Scope of Work</i> | K. <i>Compliance with Other Federal Statutes and Regulations</i> |
| F. <i>Community-Oriented Connectivity Plan</i> | L. <i>Supplemental Information</i> |

A. A Completed Standard Form 424, “Application for Federal Assistance”

Complete this form along with a resolution from the **board of director or other document** authorizing the funding request, Attachment 1.

B. An Executive Summary of the Project

The Executive Summary of the project is one of the most important parts of the application. It gives reviewers their first overall view of the area to be served, what problems the residents face, and how the proposed project will help alleviate those problems, increase quality of life, and provide enhanced opportunities for rural residents. This is your opportunity to discuss the core aspects of the project:

- ◆ *The goals of the project;*
- ◆ *The communities to be served;*
- ◆ *The community organizations participating as project partners; and*
- ◆ *The technologies to be used.*

The Executive Summary gives the applicant the opportunity to discuss the project subjectively and to point out its unique characteristics. Be clear and provide convincing links between project and benefits.

The Executive Summary must provide a general project overview covering the following six categories:

1. A description of why the project is needed;
2. A description of the applicant;
3. An explanation of the total project cost;

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4. A general overview of the telecommunications system to be developed, including the types of equipment, technologies, and facilities used;
5. Documentation describing the procedures used to determine the unavailability of existing broadband service; and
6. A description of the participating community organizations (such as schools, health care providers, police and fire departments, etc.).

Number each paragraph as shown above. Remember, this summary is the first overall picture of your request for assistance and what problems you are attempting to solve.

C. Scoring Criteria Documentation

There are three scoring categories that must be addressed by applicant in order to be considered for funding. They are:

1. The rurality of the community served by the project (up to 40 points);
2. The economic need of the project's service area(s) as determined by per capita personal income by County, as determined by the Bureau of Economic Analysis, U.S. Department of Commerce, at www.bea.doc.gov/bea/regional/reis/ (up to 30 points);
3. The benefits derived from the proposed service area (up to 30 points).

The first two categories are objective criteria. The objective criteria are straightforward indicators that measure the rurality and economic need of the service area.

1. Rurality of the Project Service Area:

A rurality table is provided in this application guide to assist you with this process (Attachment 2a). An applicant must base this calculation on 2000 U.S. Census data.

The following table outlines the definitions used in evaluating rurality:

Level	Community Having a Population:		Points
	Over	Not in Excess of	
1		499	40
2	499	1,000	35
3	1,000	2,000	30
4	2,000	3,000	25
5	3,000	4,000	20
6	4,000	5,000	15
7	5,000	10,000	10
8	10,000	20,000	5

Points are awarded based on the population of the community located within the service area:

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For example, a project proposes to serve the town of Belle Haven, Virginia. In accordance with U.S. Bureau of the Census statistics, the town of Belle Haven, Virginia has a population of 480. A population of 480 is a Level 1 community eligible to receive 40 points, as follows:

<u>Service Area Community</u>	<u>Population</u>	<u>Level*</u>	<u>Points</u>
Belle Haven town, Virginia	480	1	40

2. Economic Need of the Project Service Area (up to 30 points):

An “Economic Need Calculation Worksheet” is provided in this application guide to assist you in this calculation (Attachment 2b).

This criterion measures the economic need of the service area based upon the per capita income (PCI) by County as determined by the Bureau of Economic Analysis, U.S. Department of Commerce, at www.bea.doc.gov/bea/regional/reis/.

Points are awarded for service provided in each county where the PCI is less than 75 percent of the national average per capita personal income (NAPCI) and according to the following scale:

PCI is:		Points Awarded
Percent of NACPI Less than:	Percent of NAPCI Greater than or equal to:	
	75	0
75	70	5
70	65	10
65	60	15
60	55	20
55	50	25
50		30

If an applicant proposes significant service in more than one county, an average score will be calculated based on each county’s individual scores.

Example: Applicant proposes to provide service in three adjoining counties:

<u>County</u>	<u>Percent of NAPCI</u>	<u>Score</u>
A	61	15
B	36	30
C	81	0

The total number of points awarded is 15 (total points of 45 divided by 3 counties).

3. *Benefits derived from the proposed service (up to 30 points):*

The benefits derived from the proposed service area is a subjective scoring category for which applicants may receive up to 30 points. This criterion will be scored based on the documentation in support of the need for services, benefits derived from the services proposed by the project, and local community involvement in planning and implementation of the project.

RUS will consider:

1. The extent of the applicant's documentation explaining the economic, educational, health care, and public safety issues and challenges facing the community and the applicant's proposed plan to address these challenges on a community-oriented basis.
2. The extent of the project's planning, development, and support by local residents, institutions, and community facilities. This includes evidence of community-oriented involvement, as exemplified in community meetings, public forums, and surveys. In addition, applicants should provide evidence of local residents' participation in the project planning and development.
3. The extent to which the community center will be used for educational or instructional purposes.
4. Web-based community resources enabled or provided by the applicant, such as community bulletin boards, directories, public web-hosting, notices, etc.

In addressing this scoring criterion, applicants must describe the unique circumstances involving their proposed project and how they propose to utilize Federal financing provided from this program in conjunction with any other resources to meet their community's needs. When addressing this criterion, applicants should specifically discuss all aspects of the application that contribute to the scoring criterion.

Applicants should attempt to quantify benefits in terms of outcomes from the project; that is, ways in which peoples' lives, or the community, will be improved. Try to provide estimates of the number of people affected by the benefits arising from the project.

Use as many pages as is necessary to address the subjective criterion.

D. System Design

The system design must contain the following information:

1. A narrative discussing the proposed community center and all costs of the project, all existing and proposed facilities that are a part of the project, the services to be provided by the project, and the proposed service area;

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2. Engineering design studies providing an economical and practical engineering design of the project, including a detailed description of the facilities to be funded, technical specifications, data rates, and costs; and
3. A map of the proposed service area reflecting the proposed location of the community center and critical community facilities.

E. A Scope of Work

The scope of work must include, at a minimum:

1. The specific activities and services to be performed under the project;
2. Who will carry out the activities and services;
3. The time-frames for accomplishing the project objectives and activities; and
4. A budget for all capital and operating expenditures reflecting the line item costs for eligible purposes for the grant funds, the matching contributions, and other sources of funds necessary to complete the project.

F. Community-Oriented Connectivity Plan

The provision of broadband service is vital to the economic development, education, health, and safety of rural Americans. To further this objective, RUS will provide financial assistance to eligible entities that propose, on a “community-oriented connectivity” basis, to provide broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety services. The “community-oriented connectivity” concept integrates the deployment of broadband infrastructure with the practical, everyday uses and applications of the facilities.

Specifically, RUS will provide financial assistance to eligible entities that are proposing to deploy broadband transmission service in rural communities where such service does not currently exist and who will connect the critical community facilities including the local schools, libraries, hospitals, police, fire and rescue services and who will operate a community center that provides free and open access to residents. A state-of-the-art community center will not only provide improved access but will aid rural residents in developing on-line businesses and will allow them to reap the benefits of Internet-based advanced placement courses, and continuing adult education. Priority will be given to rural areas that have the greatest need for broadband services. The applicant must provide a community-oriented connectivity plan consisting of the following:

1. A listing of all critical community facilities located in the service area, including public schools, public libraries, public medical clinics, public hospitals, community colleges, public universities, and law enforcement, fire and ambulance stations.

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- The applicant must provide documentation of consultation with these groups, including commitments to participate in the proposed project;
2. A description of the services available to local residents through the use of the community center;
 3. A listing of the proposed telecommunications terminal equipment, telecommunications transmission facilities, data terminal equipment, interactive video equipment, computer hardware and software systems, and components that process data for transmission via telecommunications, computer network components, communication satellite ground station equipment, or any other elements of the telecommunications system designed to further the deployment and used of broadband services, that the applicant intends to build or fund using RUS grant funds and matching contributions; and
 4. A description of the consultations with the appropriate telecommunications carriers (including interexchange carriers, cable television operators, enhanced service providers, providers of satellite services and telecommunication equipment manufacturers and distributors) and the anticipated role of such providers in the proposed telecommunications system.

G. Financial Information and Sustainability

The applicant must provide a narrative description demonstrating sustainability of the project, including having sufficient resources and expertise necessary to undertake and complete the project and how the project will be sustained following completion. The following financial information is required:

1. Certified financial statements, if available; and
2. 5 years of pro-forma financial information, including income statements, balance sheets, cash flow statements. Applicants must include sufficient pro-forma financial data to demonstrate the financial capability of the project participants to continue a sustainable project for a minimum of 5 years after completion of the project.

This documentation should include non-contingent sources of income or revenues that are sufficient to pay all operating expenses including, system maintenance, salaries, training, and any other general operating expenses, and provide for replacement of depreciable items. Applicants must also include depreciation rates, based upon current industry standards, for the equipment being financed. All assumptions in support of the pro-forma must be clearly identified.

H. A Statement of Experience

An applicant must provide a written narrative describing its demonstrated capability and experience, if any, in operating a telecommunications system, or any project similar to the

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proposed project. The applicant must include the owner's and principal employees' relevant work experience that would ensure the success of the project.

I. Evidence of Legal Authority and Existence

The applicant must provide evidence of its legal existence and authority to enter into a grant agreement with the RUS and perform the activities proposed under the grant application.

Satisfactory documentation of legal authority includes, but is not limited to, Articles of Incorporation, Bylaws, Board Resolutions, excerpts from State Statutes, or an attorney's opinion of counsel.

Satisfactory documentation of legal existence includes, but is not limited to, certificates from the Secretary of State, state statutes or laws establishing your organization. Letters from the IRS awarding tax-exempt status are not considered adequate evidence.

J. Funding Commitments from Other Sources

If the project requires additional funding from other sources in addition to the RUS grant, the applicant must provide evidence that funding agreements have been obtained to ensure completion of the project. These agreements shall be sufficient to ensure:

1. Payment of all proposed expenditures for the project;
2. All required matching contributions;
3. Any additional matching funding; and
4. Any other funds necessary to complete the project.

A letter from the organization providing the matching funds or in-kind contributions is an example of the evidence required. In the case of in-kind contributions of equipment, the letter should include a description of the items, value and date purchased. For donations of space for the community center, the letter should include the dimensions of the space and a calculation of the value of the foregone rental income, and a commitment to provide the space for a minimum of 2 years. For donations of operating and administrative expenses of the community center, the letter should include detailed calculations of the individual expense line items used to determine the value.

K. Compliance with Other Federal Statutes and Regulations

The applicant is required to submit evidence that it is in compliance with other Federal statutes and regulations as follows:

- ◆ E.O. 11246, Equal Employment Opportunity, as amended by E.O. 11375 and as supplemented by regulations contained in 41 CFR part 60, Attachment 3;
- ◆ Architectural barriers, Attachment 4;

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- ◆ Flood hazard area precautions, Attachment 5;
- ◆ Assistance and Real Property Acquisition Policies Act of 1970, Attachment 6;
- ◆ Drug-Free Workplace Act of 1998 (41 U.S.C. 701), Attachment 7;

- ◆ E.O.s 12549 and 12689, Debarment and Suspension; (**See 7 CFR 3017.510**), Attachment 8;
- ◆ Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), Attachment 9;
 - If the applicant is engaged in lobbying activities, the applicant must submit a completed disclosure form, “Disclosure of Lobbying Activities” (**See 7 CFR Part 3018**); and
- ◆ Non Duplication of Services Certificate, Attachment 10;
- ◆ Federal Obligations Certification on Delinquent Debt, Attachment 11; and
- ◆ Environmental Impact Report, in accordance with 7 CFR 1794, Attachment 12 (see further information below).

Environmental Impact and Historic Preservation:

Details of the project’s impact on the environment and historic preservation must be provided. The application must contain a separate section entitled “Environmental Impact of the Project.”

An “Environmental Questionnaire/Certification” may be used by applicants to assist in complying with the requirements of this section. Attachment 12.

For a proposed project that only involves internal modifications or equipment additions to buildings or other structures, the environmental information normally required includes a description of the internal modifications or equipment additions, the size of the site in hectares, and the general nature of the proposed use of the facilities once the project is completed, including any hazardous materials to be used, created or discharged, any substantial amount of air emissions, wastewater discharge, or solid waste that will be generated.

L. Supplemental Information

Please provide any additional information you believe RUS may consider relevant to the application and necessary to adequately evaluate the application, including all other required forms for Federal assistance and compliance with other applicable statutes.

Putting It All Together

The GRANT application should be **assembled** and **tabbed** in the following order: Numbered attachments are provided at the end of this guide for your use. Use only the applicable attachments listed below.

1. An Application for Federal Assistance: Completed Standard Form 424, Attachment 1
2. An Executive Summary of the Project
3. Summary Worksheet, Attachment 2
4. Scoring Criteria Documentation
 - (a) Rurality Calculation Table, Attachment 2a
 - (b) Economic Need Calculation Worksheet, Attachment 2b
 - (c) The Benefits Derived from Services
5. System Design
6. Scope of Work
7. Community-Oriented Connectivity Plan
8. Financial Information and Sustainability
 - (a) Certified Financial Statements, if available
 - (b) Pro-Form Financial Statements
9. Statement of Experience
10. Evidence of Legal Existence
11. Evidence of Legal Authority to Contract with Government
12. Evidence of Funding Commitments from all sources, if applicable.
13. Compliance with Other Federal Statutes and Regulations
 - (a) Equal Opportunity and Nondiscrimination Certification, Attachment 3
 - (b) Certificate Regarding Architectural Barriers, Attachment 4
 - (c) Certificate Regarding Flood Hazard Area Precautions, Attachment 5
 - (d) Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Certification, Attachment 6
 - (e) Certification Regarding Drug-Free Workplace Requirements, Alternative I – For Grantees Other than Individuals, Attachment 7
 - (f) Certification Regarding Debarment and Suspension, and Other Responsibility Matters – Primary Covered Transactions, Attachment 8
 - (g) Certification Regarding Lobbying for Contracts, Grants, Loans, and Cooperative Agreements, Attachment 9
 - If the applicant is engaged in lobbying activities, the applicant must submit a completed disclosure form, “Disclosure of Lobbying Activities” (See 7 CFR Part 3018);
 - (h) Non Duplication of Services Certificate, Attachment 10;
 - (i) Federal Obligations Certification on Delinquent Debt, Attachment 11; and
 - (j) Environmental Questionnaire/Certification, Attachment 12
14. Supplemental Information (if any)

Sample certificates and forms are included for your use

Rural Utilities Service

Community-Oriented Connectivity Broadband Grant Program Federal Forms and Attachments Fiscal Year 2002

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**Community-Oriented Connectivity Broadband Grant Program
Federal Forms and Attachments, FY 2002**

**U.S. Department of Agriculture
Rural Utilities Service**

Summary Worksheet

Please print or type.

Legal Name: _____

Organization Name: _____

Contact Person: _____

Phone Number: _____ Fax Number: _____

Web Site (if applicable): _____

Address: _____

Grant Requested	_____
Matching Contribution	_____
Other Supplemental Funding	_____
Total Project Cost	_____

<u>Objective Criterion</u>	<u>Total Number of Points</u>
Rurality of the project service area	
Economic need of the project service area	

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 2

**Community-Oriented Connectivity Broadband Grant Program
Federal Forms and Attachments, FY 2002**

**U.S. Department of Agriculture
Rural Utilities Service**

Rurality Calculation Table

Please list each area proposed to be served with the proceeds of the Community-Oriented Connectivity Broadband Grant, its population based upon 2000 Census data, and its rurality level. Please list the most rural service area first.

<u>Service Area Community</u>	<u>Population</u>	<u>Level*</u>	<u>Points</u>

* Denote Level based on the following table:

Level	Community Having a Population:		Points
	Over	Not in Excess of	
1		499	40
2	499	1,000	35
3	1,000	2,000	30
4	2,000	3,000	25
5	3,000	4,000	20
6	4,000	5,000	15
7	5,000	10,000	10
8	10,000	20,000	5

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

Economic Need Calculation Worksheet

Applicants are awarded points for providing service in counties where the per capita personal income (PCI) is less than 75% of the national average per capita income (NAPCI). Enter the county name and associated points based upon the statistics compiled by the Bureau of Economic Analysis, U.S. Department of Commerce at www.bea.doc.gov/bea/regional/reis/:

<u>County</u>	<u>PCI as % of NAPCI</u>	<u>Points*</u>
<u>Total Points</u>		
<u>Total Score for Project</u> (Total Points divided by Number of Counties)		

*Award the appropriate number of points for each county based on PCI as a percent of NAPCI:

- 0 pts.** if $\geq 75\%$
- 5 pts.** If $\geq 70\%$ but $< 75\%$
- 10 pts.** if $\geq 65\%$ but $< 70\%$;
- 15 pts.** if $\geq 60\%$ but $< 65\%$;
- 20 pts.** if $\geq 55\%$ but $< 60\%$;
- 25 pts.** if $\geq 50\%$ but $< 55\%$;
- 30 pts.** if $< 50\%$.

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

Equal Opportunity and Nondiscrimination Certification

All grants made under the Community-Oriented Connectivity Broadband Grant Program are subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, as amended, (7 CFR Part 15); Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 901 *et seq.*; 7 CFR Part 15b); and Age Discrimination of 1975, as amended (42 U.S.C. 6101 *et seq.*; 45 CFR Part 90); and as amended by Executive Order 11375 Amending Executive Order 11246, Relating to Equal Employment Opportunity (3 CFR, 1966, 1970 Comp., p. 684).

All recipients of financial assistance from RUS, the prospective primary participant commits to carry out RUS' established policy to comply with the requirements of the above laws and executive orders to the effect that no person in the United States shall, "on the basis of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Community-Oriented Connectivity Broadband Grant Program.

The _____ (Grantee)
hereby certifies that, as a prospective recipient under the said Community-Oriented Connectivity Broadband Grant Program, it will comply with the above reference laws and executive orders.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 3

**U.S. Department of Agriculture
Rural Utilities Service**

Certificate Regarding Architectural Barriers

All facilities financed with RUS grants that are open to the public, or in which physically handicapped persons may be employed or reside, must be designed, constructed, and/or altered to be readily accessible to, and usable by handicapped persons. Standards for these facilities must comply with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. 4151 *et seq.*) and with the Uniform Federal Accessibility Standards (UFAS), (Appendix A to 41 CFR subpart 101-19.6).

As a prospective primary participant recipient of financial assistance from RUS, this organization commits to carry out RUS' established policy to comply with the requirements of the above referenced law to the effect that all facilities must be readily accessible to and usable by handicapped persons.

The _____ (Grantee) hereby certifies, that, as a prospective recipient under the Community-Oriented Connectivity Broadband Grant Program, it is in compliance, or will be in compliance upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

Certificate Regarding Flood Hazard Area Precautions

If the project is located in an area subject to flooding, flood insurance must be provided to the extent available and required under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 through 4128). If applicable, the insurance must cover, in addition to the buildings, any machinery, equipment, fixtures, and furnishings contained in the buildings. RUS will comply with Executive Order 11988, Floodplain Management (3 CFR, 1977 Comp., p. 117), and 7 CFR 1794.41, of this chapter in considering the application for the project.

Please check the appropriate line below:

- ___ a) The project is not located in a 100 year flood plain; therefore, no Flood Insurance is required.
- ___ b) The project is located in a 100 year flood plain and the required insurance is or will be provided by:

The _____ (Grantee) hereby certifies, that, as a prospective recipient under the Community-Oriented Connectivity Broadband Grant Program, it is in compliance, or will be in compliance during construction and/or installation of equipment and upon completion of the project, with the above referenced law.

(Date)

(Authorized Representative's Signature)

(Name Typed or Printed)

(Title)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

***Uniform Relocation Assistance and Real Property Acquisition
Policies Act of 1970 Certification***

The _____ (Grantee) assures that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), 42 U.S.C. 4601-4655, and with implementing Federal regulations in 49 CFR Part 24 and 7 CFR Part 21.

Specifically, the _____ (Grantee) assures that:

Whenever Federal financial assistance is used to pay for any part of the cost of a program or project which will result in the displacement of any person:

- (a) Fair and reasonable relocation payments and assistance shall be provided to or for displaced persons in accordance with sections 202, 203, and 204 of the Uniform Act;
- (b) Relocation assistance programs offering the services described in section 205 of the Uniform Act shall be provided to displaced persons; and
- (c) Within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with section 205(c) (3) of the Uniform Act.

Date

(Authorized Representative's Signature)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 6

**U.S. Department of Agriculture
Rural Utilities Service**

***Certification Regarding Drug-Free Workplace Requirements
Alternative I – For Grantees Other than Individuals***

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (P.L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 *et seq.*), 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose. The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990, Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

ALTERNATIVE I

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than 5 calendar days after such conviction;
- (e) Notifying the Agency in writing, within 10 calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

**Community-Oriented Connectivity Broadband Grant Program
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- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance:

Street Address

City

County

State

Zip Code

Check if there are workplaces on file that are not identified here.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

***Certification Regarding Debarment, Suspension, and Other
Responsibility Matters – Primary Covered Transactions***

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' Responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed transaction.

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for Debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 8

**U.S. Department of Agriculture
Rural Utilities Service**

***Certification Regarding Lobbying for Contracts, Grants,
Loans, and Cooperative Agreements***

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. (Copies of this form may be obtained from RUS.)
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Organization Name

Authorized Representative's Signature

Date

Name Typed or Printed

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 9

**U.S. Department of Agriculture
Rural Utilities Service**

Non Duplication of Services Certificate

As a prospective primary participant recipient of assistance from RUS, this organization certifies that facilities financed under the Community-Oriented Connectivity Broadband Grant Program will provide broadband service only in areas where it does not currently exist.

The _____ (Grantee/Borrower) hereby certifies that as a prospective recipient under the said Community-Oriented Connectivity Broadband Grant Program, that it will not use RUS grant funds to duplicate any established broadband services or facilities as referenced above.

(Date)

(Signature)

(Name Typed or Printed)

(Title)

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

Federal Obligations Certification on Delinquent Debt

IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? _____ YES _____ NO

Note: Example of debts include, but are not limited to, delinquent taxes, guaranteed or direct government loans (more than 31 days past due) and other administrative debts.

If Yes, provide explanatory information.

**APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR COMMERCIAL DEBT**

The Federal Government is authorized by law to take any or all of the following actions in the event that a borrower's loan payments become delinquent or the borrower defaults on its loan: (1) Report the borrower's delinquent account to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service the borrower's account; (4) Offset amounts owed to the borrower under other Federal programs; (5) Refer the borrower's debt to the Internal Revenue Service for offset against any amount owed to the borrower as an income tax refund; (6) Refer the borrower's account to a private collection agency to collect the amount due; and (7) Refer the borrower's account to the Department of Justice for litigation in the courts.

All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

Certification

I have read and understand the actions the Federal Government can take in the event that I fail to meet my scheduled payments in accordance with the terms and conditions of my agreements.

Signed: _____

Title: _____

Company: _____

Date: _____

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

Attachment 11

U.S. Department of Agriculture
Rural Utilities Service

***Community-Oriented Connectivity Broadband Grant Program
Environmental Questionnaire/Certification***

Environmental Project Summary:

(This description should encompass all construction in the project, no matter the source of funding. It should provide details of how the project will impact the environment (wetlands, farmlands, floodplain, cultural environment, endangered species, environmental quality, and historic preservation). If additional space is needed, continue on white bond paper and insert between the first and second pages.)

If the construction proposed in this application, as described above, will not impact the environment or historic preservation, you may sign the certification indicating that no adverse impact and skip filling out the questionnaire.

CERTIFICATION

I hereby certify that the construction proposed in this application will not adversely impact the environment or historic preservation.

(Signature and Date)

(Print or Type Title)

QUESTIONNAIRE

Note: It is extremely important to respond to all questions completely to ensure expeditious processing of the Community-Oriented Connectivity Broadband Grant Program application. The information herein is required by Federal law.

Important: Any activity related to the project that may adversely affect the environment or limit the choice of reasonable development alternatives shall not be undertaken prior to the completion of Rural Utilities Service's environmental review process.

Legal Name of Applicant _____

Signature (Type, sign, & date) _____

The applicant's representative certifies to the best of his/her knowledge and belief that the information contained herein is accurate. Any false information may result in disqualification for consideration of financial assistance or the rescission of financial assistance.

I. Project Description - Detailing construction, including, but not limited to internal modifications of existing structures, and/or installation of telecommunications transmission facilities including satellite uplinks or downlinks, microwave transmission towers, and cabling.

1. Describe the portion of the project, and site locations (including legal ownership of real property), involving internal modifications, or equipment additions to buildings or other structures (e.g., relocating interior walls or adding computer facilities) for each site.

II. For projects that involve construction of transmission facilities, including cabling, microwave towers, satellite dishes, or physical disturbance of real property of .99 acres or greater, the following information must be submitted.

1. A map (*preferably a U.S. Geological Survey map*) of the area for each site affected by construction (include as an attachment).
2. A description of the amount of property to be cleared, excavated, fenced, or otherwise disturbed by the project and a description of the current land use and zoning and any vegetation for each project site affected by construction.
3. A description of buildings or other structures (i.e., transmission facilities), including dimensions, to be constructed or modified.
4. A description of the presence of wetlands or existing agricultural operations and/or threatened or endangered species or critical habitats on or near the project site(s) affected by construction.
5. Describe any actions taken to mitigate any environmental impacts resulting from the proposed project (use attachment if necessary).

Note: The applicant may submit a copy of any environmental review, study assessment, report or other document that has been prepared in connection with obtaining permits, approvals, or other financing for the proposed project from State, local or other Federal bodies. Such material, to the extent relevant, may be used to meet the requirements herein.

(This is not an official Government form. It has been prepared to assist and expedite the application process and is only intended for use in the Community-Oriented Connectivity Broadband Grant Program.)

**U.S. Department of Agriculture
Rural Utilities Service**

Points of Contact

Ken Kuchno

DIRECTOR, EASTERN AREA
TELECOMMUNICATIONS PROGRAM
(202) 690-4673
kkuchno@rus.usda.gov

Alabama
Connecticut
Delaware
Florida
Georgia
Illinois
Indiana
Kentucky
Maine
Maryland
Massachusetts
Michigan
Mississippi
New Hampshire
New Jersey
New York
North Carolina
Ohio
Pennsylvania
Puerto Rico
Rhode Island
South Carolina
Tennessee
Vermont
Virginia
Virgin Islands
West Virginia
Wisconsin

Points of Contact

Jerry Brent

DIRECTOR, NORTHWEST AREA
TELECOMMUNICATIONS PROGRAM
(202) 720-1025
jbrent@rus.usda.gov

Alaska
Idaho
Iowa
Minnesota
Missouri
Montana
North Dakota
Oregon
South Dakota
Washington
Wyoming

Ken Chandler

DIRECTOR, SOUTHWEST AREA
TELECOMMUNICATIONS PROGRAM
(202) 720-0800
kchandle@rus.usda.gov

American Samoa
Arizona
Arkansas
California
Colorado
Commonwealth of the Northern Marianas Islands
Federated States of Micronesia
Guam
Hawaii
Kansas
Louisiana
Nebraska
Nevada
New Mexico
Oklahoma
Republic of the Marshall Islands
Republic of Palau
Texas
Utah

**Community-Oriented Connectivity Broadband Grant Program
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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

**BROADBAND PILOT GRANT
PROGRAM**

Notice of Funds Availability

SUMMARY: The Rural Utilities Service (RUS) announces a pilot grant program for the provision of broadband transmission service in rural America. For fiscal year 2002, \$20 million in grants will be made available through a national competition to applicants proposing to provide broadband transmission service on a “community-oriented connectivity” basis. The “community-oriented connectivity” approach will target rural, economically-challenged communities and offer a means for the deployment of broadband transmission services to rural schools, libraries, education centers, health care providers, law enforcement agencies, public safety organizations as well as residents and businesses. This all-encompassing connectivity concept will give small, rural communities a chance to benefit from the advanced technologies that are necessary to foster economic growth, provide quality education and health care opportunities, and increase and enhance public safety efforts.

DATES: Applications for grants will be accepted as of the date of this notice through November 5, 2002. All applications must be delivered to RUS or bear postmark no later than November 5, 2002. Comments regarding the information collection requirements under the Paperwork Reduction Act must be received on or before September 6, 2002, to be assured of consideration.

FOR FURTHER INFORMATION

CONTACT: Roberta D. Purcell, Assistant Administrator, Telecommunications Program, Rural Utilities Service, STOP 1590, 1400 Independence Avenue SW., Washington, DC 20250-1590, Telephone (202) 720-9554, Facsimile (202) 720-0810.

SUPPLEMENTARY INFORMATION:

Information Collection and Recordkeeping Requirements

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), RUS invites comments on this information collection for which RUS intends to request approval from the Office of Management and Budget (OMB). These requirements have been approved by emergency clearance under OMB Control Number 0572-0127.

Comments on this notice must be received by September 6, 2002.

Comments are invited on (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of burden including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments may be sent to F. Lamont Heppe, Jr., Director, Program Development and Regulatory Analysis,

Attachment 14

**Community-Oriented Connectivity Broadband Grant Program
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Rural Utilities Service, U.S. Department of Agriculture, 1400 Independence Ave. SW., Stop 1522, Room 4034 South Building, Washington, DC 20250-1522.

Title: Broadband Pilot Grant Program

Type of Request: New collection.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 152 hours per response.

Respondents: Public bodies, commercial companies, cooperatives, nonprofits, Indian tribes, and limited dividend or mutual associations and must be incorporated or a limited liability company.

Estimated Number of Respondents: 105.

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual Burden on Respondents: 16,005 hours.

Copies of this information collection can be obtained from Michele Brooks, Program Development and Regulatory Analysis, at (202) 690-1078.

All responses to this information collection and recordkeeping notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

General Information

The provision of broadband transmission service is vital to the economic development, education, health, and safety of rural Americans. To further this objective, RUS will provide financial assistance to eligible entities that propose, on a “community-oriented connectivity” basis, to provide broadband transmission service that fosters economic growth and delivers enhanced educational, health care, and public safety services. RUS will provide this assistance in the form of grants. RUS

will give priority to rural areas that it believes have the greatest need for broadband transmission services.

Twenty million dollars in grant authority will be utilized to deploy broadband infrastructure to extremely rural, lower income communities on a “community-oriented connectivity” basis. The “community-oriented connectivity” concept integrates the deployment of broadband infrastructure with the practical, everyday uses and applications of the facilities. This broadband access is intended to promote economic development and provide enhanced educational and health care opportunities. RUS will provide financial assistance to eligible entities that are proposing to deploy broadband transmission service in rural communities where such service does not currently exist and who will connect the critical community facilities including the local schools, libraries, hospitals, police, fire and rescue services and who will operate a community center that provides free and open access to residents. Under this Notice, grants will be made available, on a competitive basis, for the deployment of broadband transmission services to critical community facilities, rural residents, and rural businesses and for the construction, acquisition, or expansion and operation of a community center that provides free access to broadband transmission services to community residents for at least two years. Funding is also available for end-user equipment, software, and installation costs. A state-of-the-art community center will not only provide improved access but will aid rural residents in developing on-line businesses and will allow them to reap the benefits of Internet-based advanced placement courses, and continuing adult education. An application is limited to including only one project, as defined in this notice. Applicants wishing to serve multiple projects must

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submit an application for each project. Applicants will be required to provide a minimum matching contribution that is equal to 15 percent of the grant amount awarded.

Agency Contacts

For application information, contact the following individuals:

Applications from: Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, Virgin Islands, West Virginia, Wisconsin:

Mr. Kenneth Kuchno, Director, Eastern Area, Telecommunications, Rural Utilities Service, USDA, STOP 1599, 1400 Independence Avenue SW., Washington, DC 20250-1599, Telephone (202) 690-4673.

Applications from: Alaska, Idaho, Iowa, Minnesota, Missouri, Montana, North Dakota, Oregon, South Dakota, Washington, Wyoming:

Mr. Jerry Brent, Director, Northwest Area, Telecommunications, Rural Utilities Service, USDA, STOP 1595, 1400 Independence Avenue SW., Washington, DC 20250-1595, Telephone (202) 720-1025.

Applications from: Arizona, Arkansas, California, Colorado, Hawaii, Kansas, Louisiana, Nebraska, Nevada, New Mexico, Oklahoma, Texas, Utah, American Samoa, Federated States of Micronesia, Guam, Republic of Marshall Islands, Republic of Palau, Commonwealth of the Northern Marianas Islands:

Mr. Ken Chandler, Director, Southwest Area, Telecommunications, Rural Utilities Service, USDA, STOP 1597, 1400

Independence Avenue SW., Washington, DC 20250-1597, Telephone (202) 720-0800.

Definitions

As used in this notice:

Bandwidth means the capacity of the radio frequency band or physical facility needed to carry the broadband transmission services.

Basic broadband transmission service means the broadband transmission service level provided by the applicant at the lowest rate or service package level for residential or business customers, as appropriate, providing such service meets the requirements of this notice.

Broadband transmission service means providing an information rate equivalent to at least 200 kilobits/second in the consumer's connection to the network, both from the provider to the consumer (downstream) and from the consumer to the provider (upstream).

Community means any incorporated or unincorporated city, town, village, or borough.

Community center means a public building, or a section of a public building, that is used solely for the purposes of providing free access to and/or instruction in the use of broadband Internet service, and is of the appropriate size to accommodate this sole purpose. The community center must be open and accessible to area residents before and after normal working hours and on Saturday or Sunday. Examples of facilities that may be partially used for the described purposes include school, library, or city hall.

Computer access points means a new computer terminal with access to basic broadband transmission service.

Critical community facility means a public school, public library, public medical clinic, public hospital, community

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college, public university, or law enforcement, fire and ambulance stations.

Eligible applicant shall have the meaning set forth in that paragraph entitled “Eligible Applicant.”

Eligible grant purposes shall have the meaning set forth in that paragraph entitled “Eligible Grant Purposes.”

End-user equipment means computer hardware and software, audio or video equipment, computer network components, telecommunications terminal equipment, inside wiring, interactive video equipment, or other facilities required for the provision and use of broadband transmission services.

Matching contribution means the applicant's qualified contribution to the project.

Project means the approved purposes financed by the grant and the applicant's matching contribution to serve one community and the contiguous, unincorporated areas located outside the community's boundaries.

Rural area means any area of the United States not included within the boundaries of any incorporated or unincorporated city, town, village, or borough having a population of more than 20,000 inhabitants.

Service area means a single community and the contiguous, unincorporated areas located outside the community's boundaries.

Spectrum means a defined band of frequencies that will accommodate the broadband transmission services.

Telecommunications terminal equipment means the assembly of telecommunications equipment at the end of a circuit or path of a signal, including but not limited to facilities that receive or transmit over the air broadcast, satellite, and microwave, normally located on the premises of the end user, that interfaces with

telecommunications transmission facilities, and that is used to modify, convert, encode, or otherwise prepare signals to be transmitted via such telecommunications facilities, or that is used to modify, reconvert, or carry signals received from such facilities, the purpose of which is to accomplish the goal for which the circuit or signal was established.

Eligible Applicant

To be eligible for a grant, the applicant must:

(a) Be a public body; an Indian tribe; a cooperative, nonprofit, limited dividend or mutual association; municipality; an incorporated or limited liability company; or other legally organized entity. The applicant may not be an individual or a partnership; and

(b) Have the legal authority to own and operate the broadband facilities as proposed in its application, to enter into contracts and to otherwise comply with applicable Federal statutes and regulations.

Eligible Project

To be eligible for a grant, the project must:

(a) Propose to serve a rural area where broadband transmission service does not currently exist;

(b) Propose to serve one community;

(c) Deploy basic broadband transmission service, free of all charges for at least 2 years, to all critical community facilities located within the proposed service area;

(d) Deploy basic broadband transmission service, free of all charges for at least 2 years, to the community center;

(e) Offer basic broadband transmission service to all residential and

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business customers within the proposed service area; and

(f) Provide a community center within the proposed service area and make broadband transmission service available, free of all charges to users within the center for at least 2 years. The community center must have, as a minimum, 10 computer access points or computer access points equal to 1 percent of the service area's population, whichever is greater.

Eligible Grant Purposes

Grant funds may be used to finance:

- (a) The construction, acquisition, or lease of facilities, including spectrum, to deploy broadband transmission services to all critical community facilities and to offer such service to all residential and business customers located within the proposed service area;
- (b) The improvement, expansion, construction, or acquisition of a community center that furnishes free access to broadband Internet service, provided that the community center is open and accessible to area residents before and after normal working hours and on Saturday or Sunday. Grant funds provided for such costs shall not exceed the greater of 5 percent of the grant amount requested or \$100,000;
- (c) End-user equipment needed to carry out the project;
- (d) Operating expenses incurred in providing broadband transmission service to critical community facilities for the first 2 years of operations and to provide training and instruction. Salary and administrative expenses will be subject to review, and may be limited, by RUS for reasonableness in relation to the scope of the project; and
- (e) The purchase of land, buildings, or building construction needed to carry out the project.

Grant funds may not be used to finance the duplication of any existing broadband transmission services provided by other entities.

Facilities financed with grant funds cannot be utilized, in any way, to provide local exchange telecommunications service to any person or entity already receiving such services.

Matching Contributions

The grant applicant's minimum matching contribution must equal 15 percent of the grant amount requested and shall be in the form of:

- (a) Cash for eligible grant purposes; and
- (b) In-kind contributions of purposes that could have been financed with grant funds under this notice. In-kind contributions must be new or non-depreciated assets with established monetary values. Manufacturers' or service providers' discounts are not matching contributions.
- (c) The rental value of space provided within an existing community center, provided that the space is provided free of charge to the applicant;
- (d) Salary expenses incurred for the individual(s) operating the community center.
- (e) Expenses incurred in operating the community center.

Cost incurred by the applicant, or others on behalf of the applicant, for facilities or equipment installed, or other services rendered prior to submission of a completed application, shall not be considered as an eligible grant purpose or matching contribution.

Rental values of space provided must be substantiated by rental agreements documenting the cost of space of a similar size in a similar location.

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Rental values, salaries, and other expenses incurred in operating the community center will be subject to review by RUS for reasonableness in relation to the scope of the project.

Any financial assistance from Federal sources will not be considered as matching contributions unless there is a Federal statutory exception specifically authorizing the Federal financial assistance to be considered as a matching contribution.

Completed Application

A completed application must include the following documentation, studies, reports and information in a form satisfactory to RUS. Applications should be prepared in conformance with the provisions of this notice and applicable USDA regulations including 7 CFR parts 3015, 3016, and 3019. Completed applications must include the following:

- (a) *An application for Federal Assistance.* A completed Standard Form 424.
- (b) *An executive summary of the project.* The applicant must provide RUS with a general project overview that addresses the following categories:
 - (1) A description of why the project is needed;
 - (2) A description of the applicant;
 - (3) An explanation of the total project cost;
 - (4) A general overview of the broadband telecommunications system to be developed, including the types of equipment, technologies, and facilities used;
 - (5) Documentation describing the procedures used to determine the unavailability of existing broadband transmission service; and
 - (6) A description of the participating community organizations (such

as schools, health care providers, police and fire departments, etc.).

(c) *Scoring criteria documentation.* Each grant applicant must address and provide documentation on how it meets each of the scoring criteria detailed in the “Scoring of Applications” section hereafter.

(d) *System Design.* The applicant must submit a system design that contains the following, satisfactory to RUS:

(1) A narrative discussing the proposed community center and all costs of the project, all existing and proposed facilities that are a part of the project, the services to be provided by the project, and the proposed service area;

(2) Engineering design studies providing an economical and practical engineering design of the project, including a detailed description of the facilities to be funded, technical specifications, data rates, and costs; and

(3) A map of the proposed service area reflecting the proposed location of the community center and critical community facilities; and

(e) *A scope of work.* The scope of work must include, at a minimum:

(1) The specific activities and services to be performed under the project;

(2) Who will carry out the activities and services;

(3) The time-frames for accomplishing the project objectives and activities; and

(4) A budget for all capital and administrative expenditures reflecting the line item costs for eligible purposes for the grant funds, the matching contributions, and other sources of funds necessary to complete the project.

(f) *Community-oriented connectivity plan.* The applicant must provide a community-oriented connectivity plan consisting of the following:

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(1) A listing of all critical community facilities to be connected, including public schools, public libraries, public medical clinics, public hospitals, community colleges, public universities, and law enforcement, fire and ambulance stations. The applicant must provide documentation of consultation with these groups, including commitments to participate in the proposed project;

(2) A description of the services available to local residents through the use of the community center;

(3) A listing of the proposed telecommunications terminal equipment, telecommunications transmission facilities, data terminal equipment, interactive video equipment, computer hardware and software systems, and components that process data for transmission via telecommunications, computer network components, communication satellite ground station equipment, or any other elements of the broadband telecommunications system designed to further the deployment and use of broadband transmission services, that the applicant intends to build or fund using RUS grant funds and matching contribution; and

(4) A description of the consultations with the appropriate telecommunications carriers (including interexchange carriers, cable television operators, enhanced service providers, providers of satellite services and telecommunications equipment manufacturers and distributors) and the anticipated role of such providers in the proposed broadband telecommunications system.

(g) *Financial information and sustainability.* The applicant must provide a narrative description demonstrating sustainability of the project, including having sufficient resources and expertise necessary to undertake and complete the project and how the project will be sustained

following completion. The following financial information is required:

(1) Certified financial statements, if available; and

(2) 5 years of pro-forma financial information, evidencing the sustainability of the project.

(h) *A statement of experience.* Information on the owners and principal employees' relevant work experience that would ensure the success of the project. The applicant must provide a written narrative describing its demonstrated capability and experience, if any, in operating a broadband telecommunications system.

(i) Evidence of legal authority and existence. The applicant must provide evidence of its legal existence and authority to enter into a grant agreement with RUS and perform the activities proposed under the grant application.

(j) *Funding commitment from other sources.* If the project requires additional funding from other sources in addition to the RUS grant, the applicant must provide evidence that funding agreements have been obtained to ensure completion of the project.

(k) *Compliance with other Federal statutes.* The applicant must provide evidence of compliance with other Federal statutes and regulations, including, but not limited to the following:

(1) 7 CFR part 15, subpart A--Nondiscrimination in Federally Assisted Programs of the Department of Agriculture--Effectuation of Title VI of the Civil Rights Act of 1964.

(2) 7 CFR part 3015--Uniform Federal Assistance Regulations.

(3) 7 CFR part 3017--Government wide Debarment and Suspension (Nonprocurement).

(4) Government wide Requirements for Drug-Free Workplace.

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- (5) 7 CFR part 3018--New Restrictions on Lobbying.
- (6) Certification regarding Architectural Barriers.
- (7) Certification regarding Flood Hazard Precautions.
- (8) An environmental report, in accordance with 7 CFR 1794.
- (9) Certification that grant funds will not be used to duplicate lines, facilities, or systems providing broadband transmission services.
- (10) Federal Obligation Certification on Delinquent Debt.

Review of Grant Applications

(a) All applications for grants must be delivered to RUS at the address listed above or postmarked no later than November 5, 2002 to be considered eligible for FY 2002 grant funding. RUS will review each application for conformance with the provisions of this Notice. RUS may contact the applicant for additional information or clarification.

(b) Incomplete applications as of the deadline for submission will not be considered. If an application is determined to be incomplete, the applicant will be notified in writing and the application will be returned with no further action.

(c) Applications conforming with this Notice will then be evaluated competitively by a panel of RUS employees selected by the Administrator, RUS, and be awarded points as described in the scoring criteria section below. The applications will be ranked and grants awarded in rank order until all grant funds are expended.

(d) Regardless of the score an application receives, if RUS determines that the project is technically or financially infeasible, RUS will notify the applicant, in writing, and the application will be returned with no further action.

Scoring of Applications

(a) All eligible applications will receive points for the following scoring criteria:

- (1) The rurality of the project;
- (2) The economic need of the project's service area (up to 20 points); and
- (3) The benefits derived from the proposed service (up to 30 points).

(b) Scoring criteria:

(1) *The rurality of the project*--up to 40 points.

(i) This criterion will be used to evaluate the rurality of the community served by the project, in accordance with the following method of scoring. Rurality shall be determined by the 2000 population data contained in the U.S. Bureau of the Census at <http://frwebgate.access.gpo.gov/cgi-bin/leaving.cgi?from=leavingFR.html&log=linklog&to=http://factfinder.census.gov/servlet/BasicFactsServlet>. The following categories are used in the evaluation of rurality:

(A) Level 1 means any community having a population of less than 500 inhabitants.

(B) Level 2 means any community having a population of at least 500 and not in excess of 1,000 inhabitants.

(C) Level 3 means any community having a population over 1,000 and not in excess of 2,000 inhabitants.

(D) Level 4 means any community having a population over 2,000 and not in excess of 3,000 inhabitants.

(E) Level 5 means any community having a population over 3,000 and not in excess of 4,000 inhabitants.

(F) Level 6 means any community having a population over 4,000 and not in excess of 5,000 inhabitants.

(G) Level 7 means any community having a population over 5,000 and not in excess of 10,000 inhabitants.

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(H) Level 8 means any community having a population over 10,000 and not in excess of 20,000 inhabitants.

(ii) Each application will receive points based on the location of the facilities financed using the definitions above.

(A) For a service area that includes a Level 1 community, it will receive 40 points.

(B) For a service area that includes a Level 2 community, it will receive 35 points.

(C) For a service area that includes a Level 3 community, it will receive 30 points.

(D) For a service area that includes a Level 4 community, it will receive 25 points.

(E) For a service area that includes a Level 5 community, it will receive 20 points.

(F) For a service area that includes a Level 6 community, it will receive 15 points.

(G) For a service area that includes a Level 7 community, it will receive 10 points.

(H) For a service area that includes a Level 8 community, it will receive 5 points.

(2) *The economic need of the project service area--up to 30 points.*

(i) This criterion will be used to evaluate the economic need of the service area. Applicants must utilize the per capita personal income by County, as determined by the Bureau of Economic Analysis, U.S. Department of Commerce, at <http://frwebgate.access.gpo.gov/cgi-bin/leaving.cgi?from=leavingFR.html&log=linklog&to=http://www.bea.doc.gov/bea/regional/reis/>. Applicants will be awarded points as outlined below for service provided in each county where the per capita personal income (PCI) is less than 70

percent of the national average per capita personal income (NAPCI):

(A) PCI is 75 percent or greater of NAPCI; 0 points;

(B) PCI is less than 75 percent and greater than or equal to 70 percent of NAPCI; 5 points;

(C) PCI is less than 70 percent and greater than or equal to 65 percent of NAPCI; 10 points;

(D) PCI is less than 65 percent and greater than or equal to 60 percent of NAPCI; 15 points;

(E) PCI is less than 60 percent and greater than or equal to 55 percent of NAPCI; 20 points;

(F) PCI is less than 55 percent and greater than or equal to 50 percent of NAPCI; 25 points;

(G) PCPI is less than 50 percent of NAPCI; 30 points;

(ii) If an applicant proposes service in more than one county, an average score will be calculated based on each county's individual scores.

(3) *The benefits derived from the proposed service--up to 30 points.*

(i) This criterion will be used to score applications based on the documentation in support of the need for services, benefits derived from the services proposed by the project, and local community involvement in planning and implementation of the project. Applicants may receive up to 30 points for documenting the need for services and benefits derived from service as explained in this section.

(ii) RUS will consider:

(A) The extent of the applicant's documentation explaining the economic, education, health care, and public safety issues facing the community and the applicant's proposed plan to address these challenges on a community-wide basis;

(B) The extent of the project's planning, development, and support by local

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residents, institutions, and community facilities will be considered. This includes evidence of community-wide involvement, as exemplified in community meetings, public forums, and surveys. In addition, applicants should provide evidence of local residents' participation in the project planning and development;

(C) The extent to which the community center will be used for instructional purposes including Internet usage, Web-based curricula, and Web page development; and

(D) Web-based community resources enabled or provided by the applicant, such as community bulletin boards, directories, public web-hosting, notices, etc.

Grant Documents

The terms and conditions of grants shall be set forth in grant documents prepared by RUS. The documents shall require the applicant to own all equipment and facilities financed by the grant. Among other matters, RUS may prescribe conditions to the advance of funds that address concerns regarding the project feasibility and sustainability. RUS may also prescribe terms and conditions applicable to the construction and operation of the project and the delivery of broadband transmission services to rural areas.

The U.S. Department of Agriculture prohibits discrimination in its programs on the basis of race, color, National origin, sex, religion, age disability, political beliefs, and marital or family status. (Not all bases apply to all programs.) Persons with disabilities who require alternative means for communications of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center on (202) 720-1127 (TDD). USDA is an equal opportunity employer.

