

USDA ReConnect Webinar

The Application System

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Presenter: George Voris

Q&A Speakers: Meredith Morrison and Joan Keiser

Transcript

Slide 1

George Voris: Good afternoon, everyone, and thank you for joining us. Welcome to *ReConnect Webinar: The Application System* for Round 2 of the ReConnect program. I'm a member of the USDA ReConnect Technical Support Team.

Slide 2 – Agenda

George Voris: In this webinar today, we will walk through the application system. Please bear with us for one second. If anyone cannot see the agenda slide on the webinar, please let us know, and if you have any difficulty hearing what I'm saying or what the co-presenters are saying, please submit your questions through the chat box.

The purpose of today is to go through the application system at a high level. We will provide tips for using the system, how to obtain access credentials and set your account up, the information that you need to submit with your account, the process of actually creating an application once the account and credentials have been set up, navigating the system, and then we will cover at a high level all of the sections. Throughout the webinar we will highlight nuances that may help you as you complete the data entry for the application. We will have time at the end of the webinar for questions as well.

Slide 3 – [Transition Slide] Introduction

George Voris: I will say again that the purpose is to go through the system itself, so if you have questions, we encourage participants to ask about how to use the system. We are more than happy to answer those. If we are unable to do so today, please submit them by contacting us on the ReConnect website.

Slide 4 – Tips for Using the System

George Voris: Before we take an in-depth look at the system, we want to share a few tips and best practices that will assist you in filing your application. The ReConnect application will take a significant amount of time to compile and enter into the system. We recommend to start as early as possible and not to wait prior to the deadline to enter all the information that is required into the system. In addition, the online application system is web-based, so you access this through a web browser. The best ones are Firefox, Microsoft edge, and Google Chrome. Using Safari can lead to incomplete applications, so we encourage you to use Chrome, Edge, and Firefox. It will not allow you to submit an incomplete application, nor will it correct any spelling errors. When you see a save button, click it and save frequently.

Slide 5 – Tips for Using the System (Cont.)

George Voris: This system will log you out after 10 minutes of inactivity. The system is designed so that you can progress through the project section then through the summary submit section of the application. This is important. Changes you make in one section will ripple throughout the application. You may need to revisit later sections if you change information in an earlier section or skip around. We will cover that in more detail later on. More than one person from the same organization can work within an application at the same time, but they must be authorized to work on that application. Be sure to consult the guide for detailed instructions, and there is the contact us portal.

Slide 6 – Access Credentials and Account Set-up

George Voris: Now we will advance to access credentials and account set up. For entities and users that applied for ReConnect funding in round one, you can use the ARR submitted with that account, but you cannot use the ARR account. The users that are going to work on your applications need level two credentials, and you can obtain more information about this on the ReConnect Guide on the website, and it provides comprehensive information on how to obtain those credentials. Every person on your team who needs access to the system will use these credentials to log in. In addition, you need to submit an authorized representative request to designate your organization representatives, signer or certifier. You can identify additional people at that time as well, but in order to formally create your accounts, that process needs to be completed.

Slide 7 – Account Information [Transition slide]

George Voris: Now we will look into account information highlights. Before you can provide information about your project, you should complete all portions of the account information section.

Slide 8 – Account Information Tips

George Voris: For this part, the answers you choose, as you can see on the screen, that red arrow, that carries throughout the application, so make sure to select that before you start your application. In addition, you will need to answer questions about the corporate structure, for example, if you have parent companies, affiliates, or subsidiaries. You need to set up your key contact and those are individuals who are authorized to work on your application. As we will cover, you cannot submit an application if any of the account information is incomplete. There are some guided navigation and validations to help you through that process.

Slide 9 – Account Information: PUC Depreciation Rates

George Voris: There were a few questions raised earlier around public utility items. If your organization is regulated by PUC, but they don't regulate your depreciation rates, answer "yes" to the question and upload a brief document explaining the depreciation rates are not regulated. This will be important later in the application. You can see there is a question, and you have the option to upload a document.

Slide 10 – Account Information: Real Estate Information

George Voris: On the slide, and this is new for Round 2, the applicants will be prompted to disclose whether or not they own real property. If you answer yes, you must upload a real property schedule. If you set up an account during round one, you must update the account

information to answer the real property question. Account information will be incomplete until that is completed.

Slide 11 – Account Information: Organizational Documents

George Voris: In addition to the organizational documents that are specific to your entity type, there are a number of documents that every applicant must provide. These are the baseline for information documents that you need to upload. At a minimum a statement about your broadband operations experience, a legal opinion, resumes of key management, and an organizational chart. We've covered the account information.

Slide 12 – Creating an Application [Transition Slide]

George Voris: Now, we will walk through the process of creating an application.

Slide 13 – Creating an Application: Tips

George Voris: On this slide, this is the landing page after you have logged in, you can see your account and authorization in the light blue heading at the top, and underneath that you can see your active authorizations and submitted applications. If you apply for ReConnect funding in round one and you submitted an application, you can select that tab and a PDF option will be available. You can also download that PDF. This may be helpful if you intend to reuse documents from your previous application when you do the Round 2 application. When you start a new application by selecting that, you will see a record for that generate and display on the application table. Just make a note of the application number and the funding type that you have selected. The number is the only identifier that you will see when you work in the application, so you know, if you're collaborating with other people, that is the best way to point someone to the right place. And, as I mentioned, although you can start multiple applications, you can only submit one application. Here, we have created an application, but we have not filled any data in yet.

Slide 14 – Application System Navigation

George Voris: And within that application is the green bar and selecting those green chevron's will expand the subsection. There is a triangle icon next to the project chevron. It will expand all subsections. This is for 100% grant, but the sections may vary. But for the 100% loan application, you will not see evaluation criteria. The system is laid out so you should proceed from left to right across the tabs including all the subsections and complete them before moving on, although there is some flexibility. You can skip around within the application to different sections, but keep in mind that changes in one section of the application can curb through to another, so you may have to reconcile those changes before you submit. We do encourage completing it in a left right sequence.

The system is designed so that more than one person can work simultaneously. We encourage this. If you coordinate to work with your teammates, you can reduce the amount of time it takes you to complete the application, and we encourage you to be in close contact, so you don't overwrite someone else's work.

You should complete the service areas and the network section before proceeding to the financials. In particular, the service area map should be completed because your capital investment workbooks that we will cover later will be generated when those service area polygons are saved. There are two sections that will be helpful throughout - document and

summary submit. Each section has documents like financial documents or network documents. This allows you to see and manage all the documents across all sections of the application. The summary submit tab allows you to run a validation at any time, and it will show you if your items are missing or not calculating properly along with the links you can fix discrepancies. The tab also allows you to search the application after all errors have been corrected. This tab can and should be used often when completing the application.

Slide 15 – Application System Navigation: Application Sections

George Voris: During the rest of the webinar, we will walk to each application section. Please bear in mind past and future webinars provide a tighter focus into each section, and the application guide also provides in-depth information on each subsection of the application.

Slide 16 – Application Sections [Transition Slide]

George Voris: So, we will move on, and I'll go into each section.

Slide 17 – Project

George Voris: This has two pages. You are required to complete the project information and executive summary.

Slide 18 – Project Information

George Voris: Within the project information, there is a high-level description of the project. It is the first text box in this figure. We recommend that this description be made available to the public, and then we follow it by a question about the technology types that may be used, so check all the boxes that apply. This will build up milestones which are in the network section. If you come back and change the section, you may need to adjust the information. Next, you will want to address the UPLF section. The answer of facts the capital investment schedule the depreciation schedule and the planning schedule. After that is answered, you will want to indicate whether the organization, your organization will invest any funds in a non-funded service area. This answer will also affect the capital investment workbook, the schedule, in your plan, and service schedule. The SUTA question is next. If you are requesting SUTA certification, a document will be uploaded. Next, answer yes or no if your project proposes to provide service on tribal lands. If you answer yes, a document upload will appear for your documentation, and then, finally, on this page there is a place to upload a funding request resolution. That will have a statement authorizing the application to be submitted and stating the applications funding category and maximum amount.

Slide 19 – Project Information: Executive Summary

George Voris: After the project information section, you proceed to the executive summary. This is a series of text boxes and you can copy and paste what is necessary. Each one can hold approximately 32,000 characters including spaces. This is where you will provide a detailed description of existing operations, discussion about key management, a description of the company's workforce, a description of interactions between any parent or subsidiary operation, a detailed description of the proposed project. Once all of that is entered, you will want to save. And, as you can see, each box is noted by a red asterisk, and that is required.

Slide 20 – NEPA Review

George Voris: After completing the executive summary, we will proceed to the NEPA subsection. It is a key requirement, and it asks whether or not an environmental impact statement or an environmental assessment is necessary. Or, has it already been prepared for your project? Other environmental considerations will be addressed in the environmental section of the application. Answer both questions on the screen. If you answer yes, you will be prompted to upload documents. There will be a third after answering these questions. You will be asked whether or not you contacted Rural Utility Services for further environmental guidance, and you will need to upload proof of that contact. You may not have that evidence readily available. The agency encourages you to reach out sooner rather than later. You must provide this evidence in order to submit the application.

Slide 21 – Service Areas

George Voris: Now we will proceed to the service area section. This portion of the application is where you will upload files containing your funded service areas and non-funded service areas.

Slide 22 – Service Areas: Mapping Tour – Quick Tour

George Voris: I will spend a few minutes highlighting the features of the service area mapping tool. One key consideration, the proposed funded service area and non-funded maps, as well as the evaluation criteria for 100% grant and 50/50 loan grant combinations – if you return to the service area mapping tool, if you add, modify, or delete a service area polygon after completing later sections of the application, you may have to modify or redo those because they all tied back to the service area. Before we move in to some of the features, I would like to do a quick orientation. There are zoom controls in the left corner of the figure. And then, on the right side, there is a search box and a drawing tool. The search box can help you zoom into a location. You can enter a town, county names, as well as addresses, latitude and longitude coordinates. It will allow you to search for companies and you can use the plus and minus to zoom in even further or out. And, in addition, in the upper left-hand corner you will see the three horizontal lines. That has important features. This has a map legend, and then layers.

Slide 23 – Mapping Tool: Menu

George Voris: Within the layers, you can see non-rural areas, limited eligibility protected broadband borrower service areas. Turn on the layers as you need them. Turning on all of them at the same time might reduce the performance of the map, so only activate those that are needed. You are also able to see the evaluation criteria layers. You can toggle these on and off.

Slide 24 – Mapping Tour: Menu - Layers

George Voris: Many of these criteria use the map to determine the number of points for the 100% grant and 50/50 loan grant combination. These criteria layers include farms by county, a layer that shows 100 miles from an urbanized area, and that is a town or city with at least 50,000 inhabitants. This is new for Round 2. You can still receive points for population density of fewer than six people per square mile, but you cannot score points for density and distance from a population center. There's also a layer for opportunity zones, and there are layers for healthcare facilities, education facilities and essential communication facilities.

Slide 25 – Mapping Tour – Menu – Service Areas

George Voris: On the screen, we can see the service area menu, and it allows you to modify or delete service areas and that includes PFSA and NFSA areas. Please complete these before proceeding to network and other sections. Name your areas carefully and concisely when you create them. It requires a unique name for every PFSA. You need to be able to recognize PFSA names throughout the application and so do the USDA reviewers. If you need to change boundaries but don't want to delete other sections of the application, make sure to delete the polygon record in the map. Do not delete the PFSA or NFSA name.

Slide 26 – Mapping Tool Menu - Census

George Voris: And then, this is the census slide. It is the last item we will cover in this section, and it will display some data based on the service areas that you uploaded to the map. Some of this information populates other sections like the subscriber breakdown for service areas, and some of the information may be helpful to you as you compile other items for your application. For example, your description of the proposed service area network in which congressional districts will be affected. The census data is from the 2010 Census.

Slide 27 – Network

George Voris: We have covered projects, the service area map, and now we will go to the network section. This is where you will assemble and capture items, like the project timeline, and the items addressed in this section, specifically include the network design buildout milestones, the capital investment workbook and the capital investment schedule. There is also a page where you can upload network documents to substantiate or support the data that you prepared another sections.

Slide 28 – Network: Network Design

George Voris: On the network design page, this is where you will provide narrative descriptions for your proposed technology if there's an existing network. This is not required. If you have an existing broadband network, it is advisable to provide this information. And then, also the proposed network, which is also required. In addition, there are three upload tools, and that is where you will upload your existing network diagram, the proposed network diagram, and the professional engineer network design certification. You cannot submit an application without the certification, nor can you submit an application without uploading a proposed network diagram.

Slide 29 – Network: Build-out Transition and Milestones

George Voris: Next, this is the buildout timeline and milestones. This determines how many milestones you need based on the technology type, which you chose previously. It includes fiber to the premises, hybrid fiber, wax or other types that require quarterly milestones. Each proposed milestone description must describe the milestone itself, including an explanation that supports the reasonability of the milestone, including any technical information or data points. This is the drop-down arrow and you can access the edit tool for each milestone to provide the description and support.

Slide 30 – Network: Capital Investment Workbook

George Voris: Next, we will proceed to the capital investment workbook or the CIW. It captures the description of the equipment, materials, and facilities you expect to use in your project. It is comprised of four subsections. It is vital that this section of the application be completed before moving on because data from this informs other sections of the application. Specifically, this is

where you will record costs specific to each PFSA or NFSA as applicable to your project as well as common network costs, so costs that must be prorated between a PFSA and NFSA. Add if an asset will serve more than one area, and you also have the ability to disclose other costs which will be prorated between a PFSA and NFSA.

Slide 31 – Capital Investment Workbook Summary

George Voris: And then, there is a summary section. This is where the system provides a summary, and as you're entering records on the table and you save, you can navigate to the summary page. Completing this is time sensitive. It must be completed in a timely fashion in order for you to finish other sections before the deadline. For each asset that you identify, include brief narrative description, and you must complete all narrative PFSA sections. If your project has 10, you have to complete the service area cost for every PFSA and common network costs if your project requires assets in those categories. If you created one or more non-service areas, you must complete all pertinent NFSA section. If you have no NFSA, this will not be visible.

And then, if you answered yes to NFSA and if you plan to use on advanced prior loan funds, you must complete an un-advanced prior loan fund capital investment workbook. If you see this in the network section, make sure that any changes are reflected in the summary. This is the summary. In particular, this is where a 25% match for a 100% grant is calculated and where you would put out the loan and the grant amounts if you apply for a 50-50 combination. The total project costs will need to be distributed over the funding type depending on the application, so if you have a one million-dollar project and a 100% loan, that is where you will identify you are requesting a million-dollar one loan.

Slide 32 – Network: Capital Investment Schedule

George Voris: After you have completed the capital investment workbook for PFSA and NFSA as applicable to your project, you will want to go to the capital investment schedule, and within that, you will start with the proposed funded service area. Within that, every asset that you identify in the capital investment workbook for PFSA's will be system populated on this page and this is where you will have to distribute that estimated cost over time. Each table includes a validation in the amount fully distributed that will change from red to white when you have a fully distributed, all cost over time.

Slide 33 – Network: Capital Investment Schedule - PFSA

George Voris: You will need to complete a capital investment schedule for any non-funded service areas if you have them. If you return to the workbook, this is important. To make changes, be sure to save those changes. That way you will avoid a common validation error any data mismatch, so if I make a change to my capital investment workbook, I need to return to my capital investment schedule and reconcile that change.

Slide 34 – Network: Capital Investment Schedule – Annual Capital Investment

George Voris: Once the capital investment schedule for PFSA's and NFSA's have been completed, you will navigate to the annual capital investment page, what you see on the slide. This automatically distributes the cash substitution, the loan, and/or the grant amount that you requested in the summary across the forecast period using the advanced procedures as provided in the funding opportunity announcement. If a project proposes to use other funds, use

this page to allocate the expenditure of those funds over the life of the project in the five year buildout.

Slide 35 – Financials

George Voris: We have completed the network, and we are clear to proceed to financials. We highly encourage you to fill out the service area map and project information because what is required of you to submit an application within the financial section may depend on some of the answers that you've provided. Another general tip for financials should be submitted on a counter your basis and then in addition one change we want to highlight from round one, applicants will upload their audit financial statements in the financial section. There is a pre-populated line or your audited financial that has a red asterisk, and it will indicate that you need to upload your audit here. In addition, be sure to put zeros in that field, as that field may be required. As you can see within this there are a fair amount of subsections. Not all of these will apply -- well, what you have prepared section will depend on the entity and the project. Those situations will be covered in other webinars where we target the financial section.

Slide 36 – Financials: Local Network Service Revenue – Service Offering

George Voris: This is where we report Local Network Services, capital contributions, the amortization schedule, non-operating income, in-service schedule, network access revenue, the income statement, balance sheet, and statement of cash flows. Here's the local network service revenue page. Within this section start by identifying a service offering. This is where you list each broadband service you intend to offer and show all the service areas where you intend to offer that service. This information in particular, it combines with subscriber projections which you prepare later. That will be used to calculate local network service revenues. When assigning a PFSA tree service offering, just select those PFSAs where the service will actually occur, or where there will be -- where you anticipate offering that service. Do not select service areas if it will not be offered there because it creates a blank place. The shows an empty summary. At the top is where you enter the fields. All fields must be entered before saving.

Slide 37 – Financials: Local Network Service Revenue – Subscriber Projections

George Voris: After adding service offerings, you can proceed to the subscriber projections. This subsection allows you to offer existing subscribers and you enter this information for each service area and then you also provide the following data points for historical and forecast years: the number of existing subscribers, the number of new subscribers, the number of subscribers -- or subscription cancellations, excuse me. This screen shows all services for one PFSA. Each PFSA will have a blue bark that you can open and there is one for each service local network service revenues, this is where you have an opportunity to identify other local network service revenue screens. At a minimum, you will want to say yes or no to whether there are others to report.

Slide 38 – Financials: Local Network Service Revenue – Other Resources

George Voris: This is where you would disclose revenues that you generated from inflation fees as well. Please make sure to include an assumption supporting any other revenues that you identified.

Slide 39 – Financials: Local Network Service Revenue – Subscriber Breakdown by Service Area

George Voris: Now we will proceed to the subscriber breakdown by service area. Please bear with us for a moment. The system populated subscriber breakdowns by service areas. It

populates the section using the data that is generated from the service area map and the subscriber projections that you already prepared at this point. You will see a table for every service area. One of the key items on this page is a household penetration rate which is calculated by the system. The penetration rate, if it does not agree with your internal data, you can put in alternate data in alternate household data or the subscriber breakdown by service areas.

Slide 40 – Financials: Local Network Service Revenue – Local Network Services Revenue

George Voris: Finally, once you have completed local network service revenues, everything is summarized on this page. The revenues you generate by service offering, and then a few metrics that the USDA is interested in as well as the other revenues if you had any to record. All of that is summed up and is populated for you on the income statement, which we will show shortly.

Slide 41 – Financials: Local Network Service Revenue – Other Resources

George Voris: Just like the service offerings for your entity, there is a section for you to identify competitor service offerings and it is asking for the same information, which you also want to select the appropriate service area for the competitive service offering the identified. After that, this is where on the depreciation schedule where you will provide depreciation rates for each asset that you identified in your capital investment workbook. And we mentioned a note about PUC rates. Please refer to the program guide for additional guidance on that.

Slide 42 – Financials: Depreciations Schedule – Depreciation Rates

George Voris: After you enter your depreciation rate, the depreciation expense summary page allows you to identify existing parts and equipment, and then the telecom project depreciation expense or proposed funded service area or UPLF. This is calculated for you based on the depreciation rate you have provided. And this year, there is a less grant funded plant item that is where you record that data. Just like other supporting schedules, the total depreciation expense is pulled through onto your financial statement, so make sure to save every time you make a change.

Slide 43 – Financials: Depreciations Schedule – Depreciation Expense Summary

George Voris: Within financials, you will also report your long-term debt schedule. If you have other sources of debt, whether that is funded debt from a rural telephone service, you would identify those obligations there.

Slide 44 – Financials: Long Term Debt Schedule

George Voris: And if there are other funded debt from other third-party institutions, you would record those obligations on another schedule and there is the funded debt to rural development. This is USDA RD and other long-term debt and obligations under capital leases.

Slide 45 – Financials: Long Term Debt Schedule – Example Page

George Voris: Here is an example of where you would report other long-term debt obligations. Please enter the data for every field that is noted by red asterisks.

Slide 46 – Financials: Capital Contributions

George Voris: After disclosing your long-term debt schedule, you will want to prepare the capital contribution schedule. Again, you will want to select the appropriate source gave a solid description of that source and enter the appropriate amount.

Slide 47 – Financials: Amortization Schedule

George Voris: After you have completed that, you will proceed to the amortization schedule. This is where you will amortize if you have a low component in your application, and you will be able to view the summary tables for other sources of debt that you have identified.

Slide 48 – Financials: Amortization Schedule – New RUS Debt

George Voris: Here's an example of the new RUS Debt. This is pulling through from your capital investment workbook. It is calculated for you. And if it is a 100% loan, the interest rate will be fixed, and if it is a loan component for a 50-50 grant, there is guidance in the application guide as to what the interest rate should be and then, you will want to hit the appropriate start date and calculate the payments. There is the three-year deferral.

Slide 49 – Financials: RUS Debt Summary

George Voris: You will provide for the long-term debt that you have identified and you will want to populate the interest and principal amounts and any new borrowings. This is important because your current maturity for funded debt, those pull through to your balance sheet for you, so be sure to prepare these and save them before proceeding to financials.

Slide 50 – Financials: Non-Operating Income

George Voris: For the sake of time we're going to jump through some of these financials. There are other schedules where you break out revenues and expenses like non-operating income. We can cover this in a follow-up webinar. You must complete the schedule before proceeding.

Slide 51 – Financials: Plant-In-Service Schedule

George Voris: This concludes the Network Overview webinar and we will now turn to Q&A. Please feel free to submit your questions through the chat box and we will answer as many as possible in the time remaining. Please give us a couple of minutes to transition before Farwa and Meredith begin the Q&A.

Slide 52 – Financials: Network Access Service Revenue

George Voris: Next on the slides, these were there in the Round 1 application. For now we're going to skip network access service revenue.

Slide 53 – Financials: Income Statement

George Voris: The one thing to note, as you can see, on the income statement, because you identified your network access revenues on a different page, if you need to make a change, you have to go to that schedule for to be reflected on the income statement. There are various tooltips and assumptions on this page. If you in the forecast -- for each forecast period if you enter a value that is less than or greater than zero, the assumption becomes required.

Slide 54 – Financials: Balance Sheet

George Voris: Here is the balance sheet again. There's manual data entry, and the two years preceding the bridge year are required. There is one circumstance that we can cover in a follow-

up webinar where those years do not become required, but that depends on account information and project information.

Slide 55 – Financials: Statement of Cash Flow

George Voris: Finally, after you prepared the income statement and balance sheet, and those are reconciled in the balance sheet balances, you can see most line items that flow through the statement of cash flow, and if there are other cash flows to report, you will do that here. Please be sure as you are looking over the financial statement, look over this.

Slide 56 – Environmental

George Voris: For the environmental section today, there are other webinars that will be covering the construction map.

Slide 57 – Environmental Construction Map

George Voris: Just know that the construction map as you will see on the next few slides, this is where you identify the routes for the service area. And this is where you can see the intersection of those routes with specific environmental layers.

Slide 58 – Environmental Construction Map, Cont.

George Voris: Please consult the application guide about how to successfully complete your map.

Slide 59 – Environmental: Site and Route Descriptions

George Voris: And then, after the map has been completed, will have to prepare site and route subscriptions that you have identified on your map. We can advance to these. This is a site where I will identify specific assets for that site

Slide 60 – Environmental: Site Descriptions

George Voris: These questionnaires are guided. Your answer to the first question will flow through two other questions.

Slide 61 – Environmental: Route Descriptions

George Voris: If you have any questions, please contact the Rural Utility Services.

Slide 62 – Environmental Questionnaires

George Voris: After you have done your sites and routes, you want to prepare environmental questionnaires as well as project level questionnaires and then NHPA Section 106 questionnaire.

Slide 63 – Environmental: EQs – NHPA – Determination

George Voris: Once you have done that, you should be able to see on the next slide -- I guess it is not on this presentation. There are environmental documents. For now we will skip ahead to the evaluation criteria. We will cover these quickly.

Slide 64 – Environmental: EQs

George Voris: *Skips slides 63 – 65*

Slide 65 – Environmental : Endangered Species Act

George Voris: *Skips slides 63 – 65*

Slide 66 – Evaluation Criteria

George Voris: Evaluation criteria, some of these are calculated for you, and others will require manual input. The calculations are driven from the service area map. The ones that require input would be prepared on this page. As you will see on this, it shows you how the map is layered in the intersection of data, and facilities will award the appropriate amount of points.

Slide 67 – Evaluation Criteria Input

George Voris: *Skips slides 67 – 68*

Slide 68 – Evaluation Criteria Cont.

George Voris: *Skips slides 67 – 68*

Slide 69 – Evaluation Criteria Summary

George Voris: These points are calculated for you and displayed on the summary page as seen here.

Slide 70 – Licenses and Agreements

George Voris: Finally, the last few sections where you upload licenses and agreements, you have to designate a status for each license and agreement as shown here. You must complete these before submitting your application. There is an exhaustive list and you can learn more about these in the application guide. Certifiers must complete the certification section.

Slide 71 – Licenses and Agreements (continued)

George Voris: They are explicitly described in the application guide. That is the only user that can acknowledge or check off these boxes here's a brief list of those. You can learn more of that on the website.

Slide 72 – Certifications

George Voris: *Skips slides 72 – 73*

Slide 73 – Certifications Cont.

George Voris: This concludes the Network Overview webinar and we will now turn to Q&A. Please feel free to submit your questions through the chat box and we will answer as many as possible in the time remaining. Please give us a couple of minutes to transition before Farwa and Meredith begin the Q&A.

Slide 74 – Summary/ Submit

George Voris: Finally, after you have completed certification, there is the summary and submit page. Every time that you edit or update your application, you can come to this page and validate the application. You do that by clicking the blue button, and it runs a series of checks to see if you have completed each required section successfully. As you update your application, the red exes will turn to green. We will be providing another walk-through on Friday. During that time, we will devote more time to the end.

Slide 75 – Resources

George Voris: There are various resources on the website, and there are also workshops and webinars that are ongoing throughout the application round. We highly encourage you to attend the workshops as well as the webinars, where various topics and sections of the application will be explained. With that, we will transition to questions.

Question and Answer Session

Meredith Morrison: This Meredith Morrison. I'm helping out with The Q&A. We realize we are up against the time, so I extended it for a few minutes. We may not be able to get to all of the questions, so we apologize for that. You can always submit to our help desk. We will also have another on Friday at the same. We'll be sure to devote more time for to Q&A on Friday.

George Voris: So, Meredith, we have any questions?

Meredith Morrison: This Meredith Morrison. I'm helping out with The Q&A. We realize we are up against the time, so I extended it for a few minutes. We may not be able to get to all of the questions, so we apologize for that. You can always submit to our help desk. We will also have another on Friday at the same. We'll be sure to devote more time for to Q&A on Friday.

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George Voris: So, Meredith, we have any questions?

Meredith Morrison: Yes. We have a list here, and I will just go through them as time allows. The first one is, "I have already applied under the first. I would like to apply under a new account. How do I submit a new ARR for a different company?"

George Voris: So, without knowing your specific situation, I would have to ask if you follow-up questions. You submitted an ARR, and you applied under the first FOA, and how I submit a new ARR for different company. Well, it's the same process, but the ARR form may have changed slightly between FOA 1 and FOA 2, but you would submit that ARR just like you did in the last round. The system has not changed very much.

Meredith Morrison: Alright, it looks like we have another one here. For an applicant that was awarded a 50-50 award in Round 1 and is applying around two, can the applicant select yes or no for the advanced prior loan fund?

George Voris: That is a good question. I don't know if at this moment we are able to provide you a concrete answer. So, what we can do is a follow-up with you after this and connect you with someone from the program that can help you answer that question.

Meredith Morrison: Okay.

George Voris: I am seeing some here. I'm just reviewing some of these questions here.

Meredith Morrison: I see a few coming in. While you are reviewing those, I can get those, George, I get these few questions. Are companies less than one-year-old ineligible to apply since they cannot submit an audit? I know that a company, if it does not have a financial audit from fiscal years 2018 and 2019, then they are not eligible. Well, it's just a one year audit, not two.

George Voris: Here's a question. There are only about 10% of the country eligible for 25 points based on criteria being 100 miles from a population center. With that in mind, 90% of the country is eligible based on geography. How can the rest of the country qualify if the density of homes is not greater than six per mile?

Joan Keiser: Hi, this is Joan Keiser. The distance from a population center is a new way of determining rurality for round 2. You have alternatives when determining rurality. You can use the population density criterion, or you can continue to use the population density criterion under which ReConnect will award points for density of six people per square mile in a PFSA or less. Again, it is an alternative. If it works better for population density, you can use the alternative or if it works better for the distance from a population center, you can use that. You cannot get points for both, but you can use one or the other.

Meredith Morrison: We have time for one more questions.

George Voris: I am seeing a question about how to get more information and what is needed for the financial audit. The audit is always prepared by a CPA, but if that's something new to you, I would encourage you to submit your question to the contact us portal on the ReConnect website where we can connect you to the best resources to answer that question for you. It is a required document to submit an application.

I know we ran over today. We will follow-up on Friday for another application walk-through. I think, submitting questions, are we going to leave questions open up for today?

Meredith Morrison: We will close the questions for today, but we will be sure to get back with folks that didn't get their questions answered live. We also have the contact us on a ReConnect website ,and you can submit questions through there, and our help desk will respond directly to you.

George Voris: Thank you all very much for joining us. We appreciate your time. We look forward to following up with you on Friday.

[Event Concluded/ Final Slide]