

ARPA FUNDING



# CAPITAL PROJECTS FUND

Organized by:  
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Fairfax, VA



# THE PROGRAM

The Department of the Treasury's Coronavirus Capital Projects Fund (CPF) seeks to ensure that all communities have access to the high-quality modern infrastructure needed to access critical services, including high speed broadband. CPF has provided **\$10B** in grants to states, territories, and tribal governments to carry out critical capital projects that directly enable work, education, and health monitoring.

# PROGRAM STRUCTURE

Similar to BEAD, CPF funds have been **allocated** based on a calculation of need to the states, territories, and tribal governments. These funds go into State level **programs**, which will fund **projects** that fulfill the requirements of the Capital Projects Fund. State level programs can only include one type of project, but States can have multiple programs.

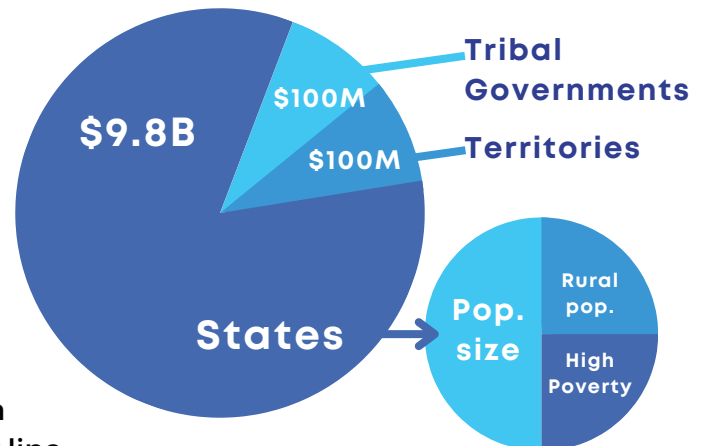
# PROGRAM GOALS

- Directly support recovery from the pandemic by sustainably improving infrastructure for remote and local work, education, and health monitoring
- Fund reliable, affordable broadband infrastructure & other digital connectivity projects
- Multi-purpose community facilities that enable work, education, and healthcare
- Address inequities in access to critical services in economically distressed areas
- Support community empowerment and adopt strong labor practices

# FUNDING SUMMARY

The Capital Projects Fund has provided \$10B, divided between the States, Territories, and Tribal Governments. These recipients will then disburse the funds as subgrants.

- **Tribal Governments: \$100M**
  - Each must receive at least \$50k
  - Hawaii can receive up to \$200k
  - Allocated \$167,504 each
- **Territories: \$100M**
  - Divided equally between the territories
  - Each have been allocated \$14,285,714
- **States, DC, & Puerto Rico: \$9.8B**
  - Allocated among the states:
    - 50% by population size
    - 25% by proportion of rural population
    - 25% by population below the poverty line





# ELIGIBLE RECIPIENTS

Much like the BEAD program, CPF funds are first allocated to states, who then develop programs for the funds to be used. The funds have been allocated on a needs-based calculation to the following recipients:

- Each of the 50 US States
- The District of Columbia
- Puerto Rico
- United States Virgin Islands
- Guam
- American Samoa
- the Commonwealth of the Northern Mariana Islands
- the Republic of the Marshall Islands
- the Federated States of Micronesia
- the Republic of Palau
- An eligible Tribal government:
  - The recognized governing body of any Indian or Alaska Native tribe or community
  - The State of Hawaii for the Dept of Hawaiian Home Lands & the Native Hawaiian Education Programs

# ELIGIBLE SUBGRANT ENTITIES

Eligible subrecipients for CPF projects include:

- Small government entities (ie, municipalities or counties)
- Networks that are owned or operated by local government
- Non-profits
- Private entities
- Co-operatives
- Electric utilities
- Other entities that build or operate broadband networks

# PROGRAM REQUIREMENTS

## CRITERIA FOR ALL CPF PROJECTS

All CPF projects must:

- Invest in capital assets designed to directly enable work, education, **and** health monitoring. It must enable **all three** of these aspects of connectivity.
- Address a critical need in that was highlighted by the coronavirus public health emergency
- Address a critical need of the community to be served by the project
- Provide affordable and/or publicly available services
- Provide service for **at least five years** from the project's completion
- Comply with Federal, State, Tribal, and local laws and regulations
- Strong labor practices to promote both high quality infrastructure and support the economic recovery



## CORE CRITERIA

### Work

Enabling the community to work remotely, search for work online, and participate in work-related training.

### Education

Providing access to knowledge and skills as part of academic learning, developmental programs, and other educational activities.

### Health Monitoring

Services to monitor an individual's health, such as telemedicine appointments and community health screening programs.

## STRONG LABOR PRACTICES

While the Federal Davis Bacon Act **does not apply** specifically to CPF funded projects outside of the District of Columbia, projects will be expected to implement the following standards:

- Project labor agreements
- Community benefits agreements
- Wages at or above the prevailing rate
- Local hire provisions
- High safety and training standards
- Professional certification
- Prioritized hiring from historically disadvantaged communities
- Direct employment, or policies to ensure contractors meet high labor standards

The entity proposing the project must also verify that they have no recent violations of Federal and State labor and employment laws. **Contracts over \$100k** that involve mechanics or laborers must also comply with the Contract Work Hours and Safety Standards Act.

## PRIORITIZATION

The primary goal of the Capital Projects Fund is to provide vital access to education, healthcare, and job creation services in areas that have a critical need. CPF also states that it intends to encourage the local economy by prioritizing **local hiring**.

While not the only use of CPF funds, **broadband** (specifically fiber) is anticipated to be the most prominent use of funds. Some states have already committed to using 70% or more of their allocation for broadband deployment.





## ELIGIBLE PROJECTS

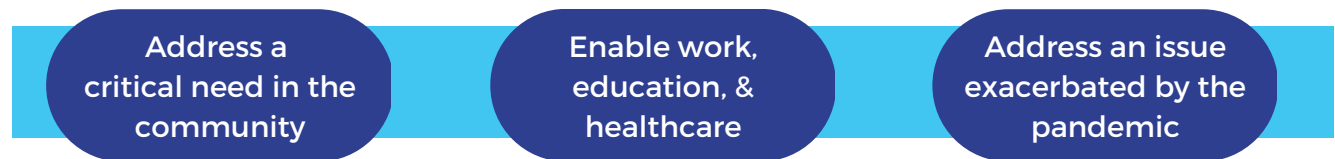
The Federal to State applications are complete, and the States are now implementing their approved plans. States, territories, and tribes will initiate **programs** to fund individual **projects**. These projects will be proposed and executed by eligible subrecipients.

### PROGRAM CATEGORIES

There are three categories described by the Treasury as 'presumptively eligible' and will qualify for CPF assuming they meet the core criteria described above:

- Investing in Capital Assets (ie, broadband infrastructure)
- Digital Connectivity Technology
- Multi-Purpose Community Facilities

The Treasury may approve other types of project and the accompanying programs, but only on a case by case basis. **All projects must fulfill the three core criteria.**



### INVESTMENT IN CAPITAL ASSETS

This includes the construction, purchase, and improvements to capital assets that enable the three core CPF criteria. May include:

- Buildings, towers, and equipment
- Digital devices
- Fiber-optic lines & broadband networks
- Project planning, broadband installation
- Community engagement, broadband adoption, digital literacy

**Broadband infrastructure** is anticipated to be the most prevalent since it's key to improving sustainable access in underserved areas.

### BROADBAND REQUIREMENTS

- Reliable **100/100 Mbps symmetrical service**. If this is impractical, 100/20 Mbps that can be scaled to 100/100 Mbps may be accepted
- The project must address affordability as part of the accessibility question
- Must participate in Federal programs that provide subsidized broadband for low-income consumers (ie, ACP)
- Must comply with the National Defense Authorization Act (NDAA)

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### ACP

The Affordable Connectivity Program (ACP) is a Federally funded benefit program that subsidizes essential broadband services for low income households.



### NDAA

The National Defense Authorization Act is released annually, authorizing Department of Defense activities for the year and addressing security concerns. The NDAA maintains a list of equipment and services that are considered to "pose an unacceptable risk to the national security of the United States" and are therefore no longer acceptable for implementation in the United States.

### BROADBAND PRIORITIES

The following standards are not requirements but are preferred and will be prioritized:

- Last-mile connections
- Middle mile projects with commitments to support new or improved last-mile service
- At least one low-cost option offered at speeds sufficient for a household to use real-time services such as remote learning, telehealth, etc.
- Fiber-optic infrastructure
- Networks owned/operated by local governments, non-profits, or co-ops
- Reaching underserved households without a wireline connection that provides reliable 100/20 Mbps

These are **Federal level guidelines**; each CPF program will have its own more specific requirements, eligibility standards, and goals within these parameters. It will be critical to consult with your state's broadband deployment office to understand each state's programs, how the funds will be deployed, and how you can take part.

### DIGITAL CONNECTIVITY TECHNOLOGY PROJECTS

This category includes the purchase or installation of devices and equipment to facilitate access where affordability has been identified as a barrier for broadband adoption. This equipment can be used for long or short term loan programs or be made available for use in public facilities.

These devices include:

- Laptops, tablets, desktop PCs
- Public wi-fi infrastructure such as access points, repeaters, routers

**Ownership of the equipment must be maintained** by the recipient (ie, the state) or the subrecipient (the entity executing the project). This equipment must be made available for **at least five years** from the completion of the project.

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### MULTI-PURPOSE COMMUNITY FACILITIES

Projects to construct or improve buildings that directly enable work, education, **and** health monitoring, such as:

- Full-service community schools
- Libraries with public internet access
- Community health centers that offer employment and education services

These facilities must offer **all three aspects** of connectivity. They can also serve other functions such as social activities or recreation. The project must show that the community has a **critical need** for this infrastructure. The subrecipient must commit to provide these services for **at least 5 years** from the completion of the project.

### INELIGIBLE PROJECTS

General construction & infrastructure projects, such as highways, bridges, schools, etc. are 'presumptively ineligible' for CPF funds.

## ELIGIBLE COSTS

- Application expenses **for the state**. This may not apply to subgrantees
- Pre-project development (feasibility studies, development, design, & permitting)
- Construction, improvement, or acquisition of property, equipment, or infrastructure
- Long-term leases of facilities required to provide qualifying broadband service
- Personnel costs for staff directly working on the Capital Project (subject matter experts, program directors, consultants, accountants, etc.)
- Implementation & adoption costs directly needed to put the capital assets to full use
- Monitoring & reporting to ensure compliance with Treasury requirements
- Collecting & analyzing performance data to evaluate and manage the project

## INELIGIBLE COSTS

- Acquisition of spectrum licenses
- Fees or costs associated with new debt
- Operating expenses
- Any settlement, judicial, or administrative fee
- Short-term operating leases
- Supporting or opposing collective bargaining
- Payments on outstanding debt

## APPLICATION

The structure, requirements, and timeline of the application process will be determined at the state level. Application expenses are considered eligible for CPF. Programs will be structured as **competitive grants** and may require matching funds. Reach out to Widelity for more state-specific information.



# TIMELINE



## 2021

- **August** - State allocations announced

## 2022

- **September** - Deadline for states to submit at least one grant plan

## Q4 2022 - 2023

- Applications open at the State level

## 2026

- **December 31** - All funds must be expended

## 2028-2031

- Continued service

States can propose new programs on a rolling basis up to their predetermined allocation. All funds must be expended by **December 31, 2026**. Projects must continue to provide service for **at least 5 years** after the project is complete.

# REPORTING

While the timing and standards may differ from program to program, at minimum all CPF projects must provide the following information:

## PROJECT & EXPENDITURE REPORTS

These will be submitted **quarterly** at the State level, and include data on:

- Expenditures
- Project status
- Civil rights compliance
- Equity indicators
- Community engagement
- Program-specific data
- Workforce plans and practices
- Subcontracted entities

## PERFORMANCE REPORTS

These will be submitted **annually** at the State level, and must include:

- Program data
- Project data
- Outcomes compared against the objectives in the state level grant plan

Report	Due
Project & Expenditure Reports	Quarterly
Performance Reports	Annually

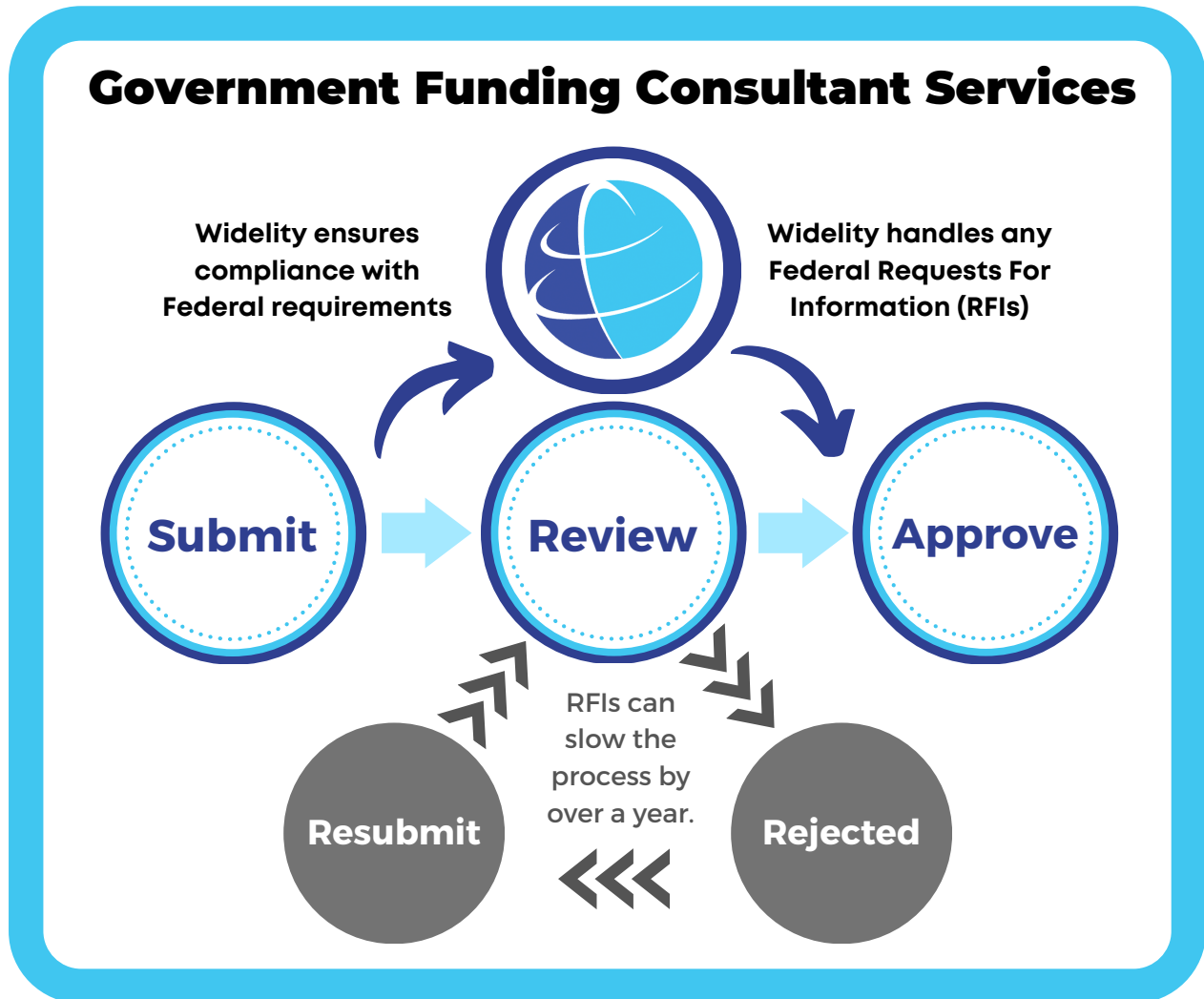
Final reports are due March 2027.





# VALUE WIDELITY PROVIDES

Widely specializes in program and project management. We have provided services to clients seeking funding from multiple jurisdictions and agencies. Our experience in deployment strategy, technology, and supply chain management uniquely qualify us to meet your needs.



## READY TO ASSIST YOU

- Determine your eligibility
- Organize application materials
- Identify potential issues
- Submit the application
- Support for all post-award compliance and reporting

## REIMBURSABLE

Most programs allow some eligible pre-application expenses to be included in the requested grant amount. **What services qualify under CPF will depend on the individual state programs and their specific requirements.**



## WHO WE ARE

Widely is a Small Business that provides eligible entities Government Funding Consulting Services (GFCS). We write and submit the application, complete any reporting and compliance documentation requirements and support clients to navigate all aspects of government funding programs.

## COMPANY DATA & METRICS

- Founded in 2006
- 100+ Personnel
- Processed over 150k documents
- Successfully completed 6k+ RFIs
- Nationwide team and client base
- \$400M in client reimbursements
- Clients on track for \$2.5B in reimbursements
- Excellent relationship with federally approved program administrators

## PAST PERFORMANCE

### Successful Government Contracts:

- Report and Catalog of Installation and Replacement Costs for the Wireless Competition Bureau (FCC) (2020 - 2021)
  - Exceptional CPARS evaluation rating
- Report and Catalog for the Media Bureau for the Broadcast Incentive Auction (FCC) (2013 - 2014)

### Successful client-focused initiatives:

- FCC Broadcast Incentive Auction
- FCC Secure and Trusted Communications Networks Reimbursement
- SBA Shuttered Venue Operators Grant (SVOG) Program
- NTIA Connecting Minority Communities (CMC) Program
- NTIA Middle Mile Grant (MMG) Program

## CONTACT US

We are experts in fulfilling all government regulatory requirements and look forward to supporting you. Please reach out to us today at [compliance.info@widely.com](mailto:compliance.info@widely.com) and let's work together to ensure you are in full compliance.