



## **BEAD Preregistration Guidance**

**June 2025**

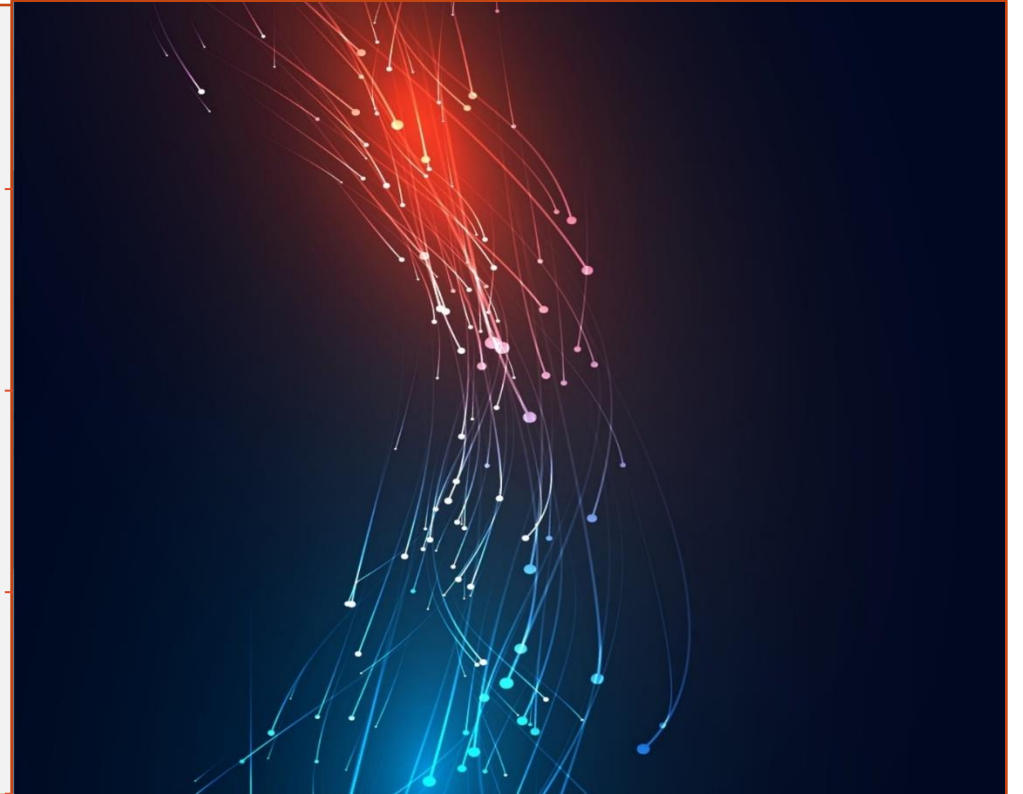
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# BEAD Program Overview & Timeline

# BEAD Program Overview

## BEAD Program Overview

To connect all homes and businesses to high-speed internet, Arizona was awarded \$993.1 million in federal Broadband Equity, Access, and Deployment (BEAD) Program funds by the National Telecommunication and Information Administration (NTIA). This BEAD funding will primarily support the deployment of broadband service to Unserved and Underserved Broadband Serviceable Locations (BSLs) and eligible Community Anchor Institutions (CAIs).

### Broadband Deployment

- Aims to expand high-speed internet access to Unserved, Underserved, and Community Anchor Institution (CAI) locations using reliable broadband technologies.
- Unserved Locations lack reliable broadband or have speeds below 25 Mbps download/3 Mbps upload, while Underserved Locations have speeds below 100 Mbps download/20 Mbps upload.
- CAIs include means an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including low-income individuals, unemployed individuals, and aged individuals.

### Eligible Project Areas Criteria

Criteria Related to Project Areas:

- Applicants are required to submit separate Project Applications for each individual Project Area they propose to serve.
- Partnerships are encouraged, with a lead Subgrantee responsible for project execution.
- An interactive mapping tool and geospatial files will be available on the ACA website for Potential Applicants.

# BEAD Subgrantee Selection Timeline

The Benefit of the Bargain Round will open on July 8, 2025. ACA strongly encourages Potential Applicants to preregister ahead of the opening of the Benefit of the Bargain Round to ensure sufficient time for application submission. Please note that Potential Applicants without preregistration approval will not be able to apply for the Benefit of the Bargain Round.

	2024		2025								
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Preregistration</b>											
Launch Pre-registration Portal (11/04/24)	★										
Webinars and Q&A Sessions (11/04/24 – 05/16/25)											
Pre-registration Intake and Review (11/04/24 – 06/30/25)											
<b>Round 1</b>											
Launch Round 1 (01/06/25)			★								
Application Intake (01/06/25 – 03/07/25)											
Application Review and Negotiations (03/08/25 – 05/30/25)											
<b>Benefit of the Bargain Round</b>											
Launch the Benefit of the Bargain Round (07/08/25)										★	
Application Intake (07/08/25 – 07/22/25)											
Application Review and Negotiations (07/23/25 – 08/15/25)											



# Preregistration Portal Demonstration



# Preregistration Process

# Preregistration Overview

## Background

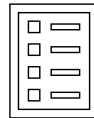
- Preregistration is a crucial first step in Arizona's BEAD application process, assessing the eligibility of Potential Applicants at the organizational level.
- This preregistration is mandatory for Potential Applicants' participation in the BEAD program. The ACA requires necessary information during preregistration, applicable to all future BEAD project applications.
- Only the primary applicant needs to preregister. Comprehensive guidelines, webinars, and documents will assist applicants, with all relevant information available on Arizona's website. The ACA will review and notify Potential Applicants of their preregistration status.
- All Potential Applicants are on Notice that the entire Grant process is governed by Federal, State and local laws, including but not limited to those cited in this Presentation, and ACA's Procurement Guidelines.

### Phase 1 – Market Sounding and Preregistration Phase



The ACA will streamline BEAD Subgrantee selection through a market sounding and preregistration phase, involving preregistration, data collection, and applicant input to assess demand, prioritize deployment, and identify infrastructure gaps.

### Phase 2 – Project Applications



Preregistered applicants will use an interactive mapping tool to submit project applications via the grant portal, with essential details required for scoring subgrant awards, and proposals evaluated for conditional awards.

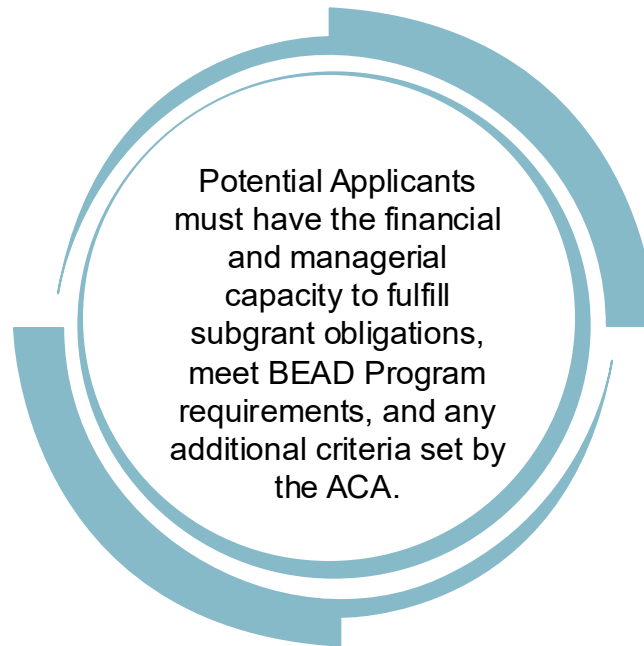
### Purpose of Preregistration Guidance

- The preregistration guidance helps Potential Applicants determine the required documentation for BEAD funding eligibility.
- Assists in gathering necessary organizational information to evaluate financial, technical, managerial, and operational capabilities per the BEAD Program requirements.
- The document includes guidelines on applicant requirements and compliance measures mandated by the NTIA and the state of Arizona.



# General Requirements

Potential Applicants must meet specific conditions before entering into any broadband deployment Subgrant agreement. The ACA will thoroughly assess each project's feasibility, compliance, and strategic fit, reviewing the application and associated information. ACA reserves the right to request additional information from Potential Applicants. This process ensures transparency, equity, and competitiveness, aiming to meet BEAD Program goals and adhere to all legal and regulatory standards. The requirements below are further described in following slides.



# Financial Capability (1/2)



## Certifications

- Potential Applicants must certify they are financially qualified to meet potential obligations, have available funds, adhere to program and administrative requirements, and possess adequate resources until disbursements are received.
- A signed statement from an authorized executive is required to certify the financial capability to implement the project.

## Audited Financial Statements (Three Years)

- Potential Applicants must submit audited financial statements from the past three years. If unavailable, unaudited information is required. Interim information is required for less than three years of operating history. Additional certifications and narrative is required in instances where audited information is unavailable.

## Performance Security

- Potential Applicants must certify their understanding to provide a performance security as a demonstration of financial capability. At the project application stage, Potential Applicants must submit either an eligible bank's commitment letter for a 25% Letter of Credit or a surety letter from an acceptable federal bonds surety committing a performance bond covering total expected subaward.

## Letter of Credit\*

- The ACA will follow NTIA guidance and the RDOF model for LOC requirements, requiring Potential Applicants to submit a signed LOC from an eligible bank for at least **25%** of the subaward, along with a legal opinion letter on bankruptcy considerations. A Conditional Programmatic Waiver of the LOC is granted only to the extent to and as described below:

### Subgrantee Option to Use Credit Unions

- The LOC requirement for using an eligible bank is waived if the Subgrantee uses a U.S. credit union insured by the National Credit Union Administration and rated B- or better by Weiss.

### Subgrantee Option to Use Performance Bonds

- As part of the updated guidance, the ACA will permit Subgrantees to use performance bonds.

### Reduction of LOC/Performance Bonds Upon Completion of Milestones

- Obtaining a new letter of credit/performance bond in a reduced amount upon achievement of specific defined deployment milestones

### Initial Alternative LOC/Performance Bonds

- LOC requirement of 25% of the subaward or a lower performance bond is allowed if funding is reimbursed every six months, and the Subgrantee maintains a 10% LOC or bond until project completion or the subaward period ends.

*\*Please note this requirement is not required as part of preregistration but will be required prior to signing a subgrant agreement. It has been included in this guidance for the awareness of Potential Applicants.*

# Financial Capability (2/2)

## Material Changes in Financial Condition

- Potential Applicants are required to provide a detailed summary of any changes in financial conditions that have occurred or are projected to occur, during the three most recent completed fiscal years and during the next fiscal year not yet captured in financial statements.

## Credit Rating

- Potential Applicants are required to provide a copy of their latest corporate credit rating from certified credit rating agencies including but not limited to S&P Global, Moody's, and Fitch Ratings.

## Bankruptcy/Insolvency Proceeding

- Potential Applicants are required to provide summary information on any current and prior insolvency events within the last three fiscal years, if applicable.

## Failure to Perform

- Potential Applicants are required to provide a list of grant projects where the Potential Applicant defaulted on the completion of a broadband deployment grant funded with local, State or Federal Funds, from January 1, 2019, up to the date of submitting the preregistration application, or any project or jurisdiction in which they have either been suspended from performance or debarred from participation in any government program, in any context, from January 1, 2019 up to the present date.



# Managerial Capability

<b>Corporate Organizational Chart(s)</b>	Submit an organizational chart, highlighting the parent company, subsidiaries, and affiliates involved in operations within Arizona. Additionally, identify the company capable of contracting, receiving, and executing grant awards in Arizona.
<b>Applicant Organizational Chart</b>	Potential Applicants must submit an applicant organizational chart including personnel within the organization who are likely to have a role on a potential broadband project.
<b>Qualifications</b>	Detail organization's qualifications by describing past broadband/telecommunications projects, or other projects of similar scale, etc.
<b>Resumes for Key Management Personnel</b>	Submit one-page resumes for all key financial, technical, and managerial personnel, designating a Project Manager, ensuring all are employees.
<b>Explanation of Roles and Responsibilities</b>	Detail the roles and responsibilities of key personnel in the BEAD broadband deployment projects in Arizona. Provide a comprehensive narrative outlining their functions in the financial, technical, and managerial domains.
<b>Organizational Readiness</b>	Showcase organizational readiness, emphasizing relevant experience, successful project management, ability to handle challenges, and outline resources, partnerships, and technological infrastructure for efficient project execution.
<b>Narrative on Managerial Readiness</b>	Submit a detailed narrative demonstrating their capability to manage a broadband network by highlighting the experience and qualifications of key management personnel, any significant organizational changes, etc.

# Technical Capability

Potential Applicants must certify that they possess the relevant technical capability to undertake broadband deployment projects under the BEAD program.

## Certification

- Potential Applicants applying for funding to develop or enhance a broadband network must certify that they are:
  - Technically qualified to complete and operate BEAD projects
  - Capable of carrying out the funded activities in a competent, workmanlike and quality manner, including that it will use an appropriately skilled and credentialed workforce and are properly licensed under all local, state and federal laws
  - Employed personnel with relevant certifications for deployment projects as mandated by State and federal law and reflective of industry best practices. The relevant personnel should include a chief technology officer, project engineer, and contractor oversight team
  - Organization and workforce deployed on projects remain current on all required credentials and licenses for the duration of the project period
- A statement signed by an executive is required to certify that your organization has the necessary technical capacity to successfully implement the project.

# Compliance with Applicable Laws



## Compliance with Laws Commitment

- An attestation confirming an understanding and commitment to comply with all laws.
- A comprehensive overview of previous records or compliance checks.
- A description of established processes, procedures, or protocols that in place to ensure continued compliance during broadband deployment projects.

01

02

## Safety and Health Requirements Commitment

- Statement confirming your commitment towards compliance with occupational safety and health requirements.
- Submit evidence of training programs or initiatives aimed at informing and ensuring that your team understands and adheres to safety and legal standards.
- Provide an attestation form that certifies that the Potential Applicant permits workers to create worker-led health and safety committees.



# Operational Capability

Potential Applicants must demonstrate their operational capabilities to be eligible for a broadband project in Arizona, with criteria varying based on their status as current broadband providers. A statement signed by an executive is required to certify your organization has the necessary operational capacity to successfully implement the project.

## History of Operations

- Evidence of operations for at least two years of providing voice, broadband, and/or electric services before applying
- Current subscriber numbers and locations
- Information on any government-funded broadband projects that have been completed or are in progress, including funding sources and timelines, and disclosure of any penalties, affiliations, or legal issues related to their projects, especially any criminal or civil cases in Arizona and instances of being a defendant should be provided

## Certification of Compliance with the FCC Regulations (Existing Providers Only)

- Confirm they have submitted FCC Form 477s and the Broadband DATA Act submission if applicable and have adhered to FCC regulations

## For New Broadband Service Providers Only

- New entrants looking to set up broadband infrastructure are required to prove they have enough operational capacity, whether from their own resources or through others.
- The proof can include resumes of important staff, details about relevant projects they're involved in or have finished, accounts from contractors, subcontractors, or partners with the needed operational experience, or similar evidence.

*Note: If resumes and project descriptions have already been submitted in earlier sections of the Preregistration Application to meet requirements of those sections, this does not need to be submitted again.*

# Ownership Information

Potential Applicants must provide a comprehensive disclosure of their ownership information, adhering to the specifics laid out in 47 CFR § 1.2112(a)(1)-(7). This regulation mandates the full disclosure of direct and indirect ownership interests, including details of any parties with a 10% or more stake, the nature of the interest, and the inter-relationships with any FCC-regulated entities.

## Potential Applicant Information

List the real party or parties with interest in the Potential Applicant.

## Stockholders Information

List the name, address, and citizenship of any party holding 10% or more of stock in the Potential Applicant.

## Limited Partners Information

List, in the case of a limited partnership, the name, address and citizenship of each limited partner whose interest in the Potential Applicant is 10% or greater.

## General Partners Information

List, in the case of a general partnership, the name, address and citizenship of each partner, and the share or interest participation in the partnership.

## Limited Liability Company Information

List, in the case of a limited liability company, the name, address, and citizenship of each of its members whose interest in the Potential Applicant is 10% or greater.

## Indirect Ownership Interest Information

List all parties holding indirect ownership interests in the Potential Applicant as determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain, that equals 10% or more of the Potential Applicant.

## FCC-Regulated Entity Information

List any FCC-regulated entity or applicant for an FCC license, in which the Potential Applicant or any of the parties identified in sections above, owns 10% or more of stock.



# Public Funding Information

Potential Applicants are required to submit a list of all publicly funded State and federal broadband deployment projects other than Arizona's BEAD Program for which they, or their affiliates, have submitted or plan to submit an application for, along with any publicly funded broadband deployment project they are undertaking or planning to undertake.

## Publicly funded broadband deployment projects include but are not limited to funds provided under:

- The Families First Coronavirus Response Act
- The CARES Act
- The Consolidated Appropriations Act, 2021
- The American Rescue Plan of 2021
- Any federal Universal Service Fund high-cost program (Rural Digital Opportunity Fund (RDOF) or Connect America Fund (CAF), etc.)
- Any Arizona or local universal service or broadband deployment funding program such as the ABDG program

# Fair Labor Practices and Highly Skilled Workforce

Potential Applicants must provide the following information related to fair labor practices and use of a highly skilled workforce if it is anticipated to be applicable to all of the Potential Applicant's projects.

To demonstrate record of compliance, Potential Applicants must certify that the Potential Applicant has disclosed any instances in which it has been found to have violated laws such as the Occupational Safety and Health Act, the Fair Labor Standards Act, or any other applicable labor and employment laws for the preceding three years, if applicable.

## Certifications

To demonstrate record of compliance, Potential Applicants must provide the following certification:

- Potential Applicants to submit a signed certificate with federal and State labor and employment laws for the past three years. It should also certify that that the Potential Applicant will plan to comply with federal labor and employment laws for the BEAD funded projects. If a new provider, the Potential Applicant must commit to robust labor and employment standards and protections, future-commitments.
- Potential Applicants must disclose any non-compliance with federal and State labor and employment laws for themselves over the past three years, if applicable.

# Environmental and National Historical Preservation

To demonstrate the Potential Applicants' intent to comply, the following must be certified:

- 01 State Historical Preservation Act (SHPA), National Environmental Policy Act (NEPA) (42 U.S.C. §§ 4321 et seq.) and National Historic Preservation Act (NHPA) (54 U.S.C. §§ 300101 et seq.)
- 02 Understands that NEPA analysis will be required for every project funded through the BEAD Program and agrees to provide sufficient information to allow for NEPA analysis such as a detailed project description, including applicable supporting documentation.
- 03 Understands that they are responsible for identifying and obtaining applicable Federal, State and Local Permits (such as easements) required to complete any BEAD projects.
- 04 Cooperate with NTIA in identifying feasible measures to reduce or avoid any identified adverse environmental impacts of their proposed projects or other eligible activities.

# Build America, Buy America Act (BABA)

All funds allocated for broadband infrastructure under the BEAD Program must adhere to the BABA regulations. This legislation mandates that every component utilized in the project or related activities, such as iron, steel, manufactured goods, and building materials, must be sourced from the United States, unless an exemption is approved.

Subgrantees must carefully review and comprehend the BABA requirements and guidance to guarantee adherence.

## Waiver

Potential Applicants have the option to seek an exemption from a Federal awarding agency if they believe there is a justified reason for a waiver. Types of waivers include:

- A public interest waiver
- Nonavailability waiver
- Unreasonable cost waiver

## Certification

Potential Applicants must certify they understand and commit to comply with the BABA requirements.

## Compliance Approach

Potential Applicants must provide detailed plans outlining their approach to remaining compliant with BABA requirements and include details of any waivers, if applicable.

# Cybersecurity and Supply Chain Risk Management Compliance

## Cybersecurity Risk Management Plan

**Potential Applicants will be required to submit a cybersecurity management plan that includes the following criteria either during preregistration or project application stage:**

- Operational status: The Potential Applicant must have a cybersecurity risk management plan in place before the grant is awarded, if the Potential Applicant is already providing services prior to the grant award. If not providing services, the Potential Applicant must demonstrate readiness to operationalize the plan upon providing service after the grant award.
- NIST Framework and Executive Order Compliance: The cybersecurity risk management plan must be based on the latest available version of the National Institute of Standards and Technology (NIST) Framework.
- Security and Privacy Controls: The plan must adhere to the standards and controls outlined in Executive Order 14028 and must specify the particular security and privacy controls being implemented.
- Evaluation and Updates: Establish a process for periodic evaluation and assessment of the cybersecurity risk management plan. Ensure that the plan will be regularly reviewed and updated.

## Supply Chain Risk Management Compliance

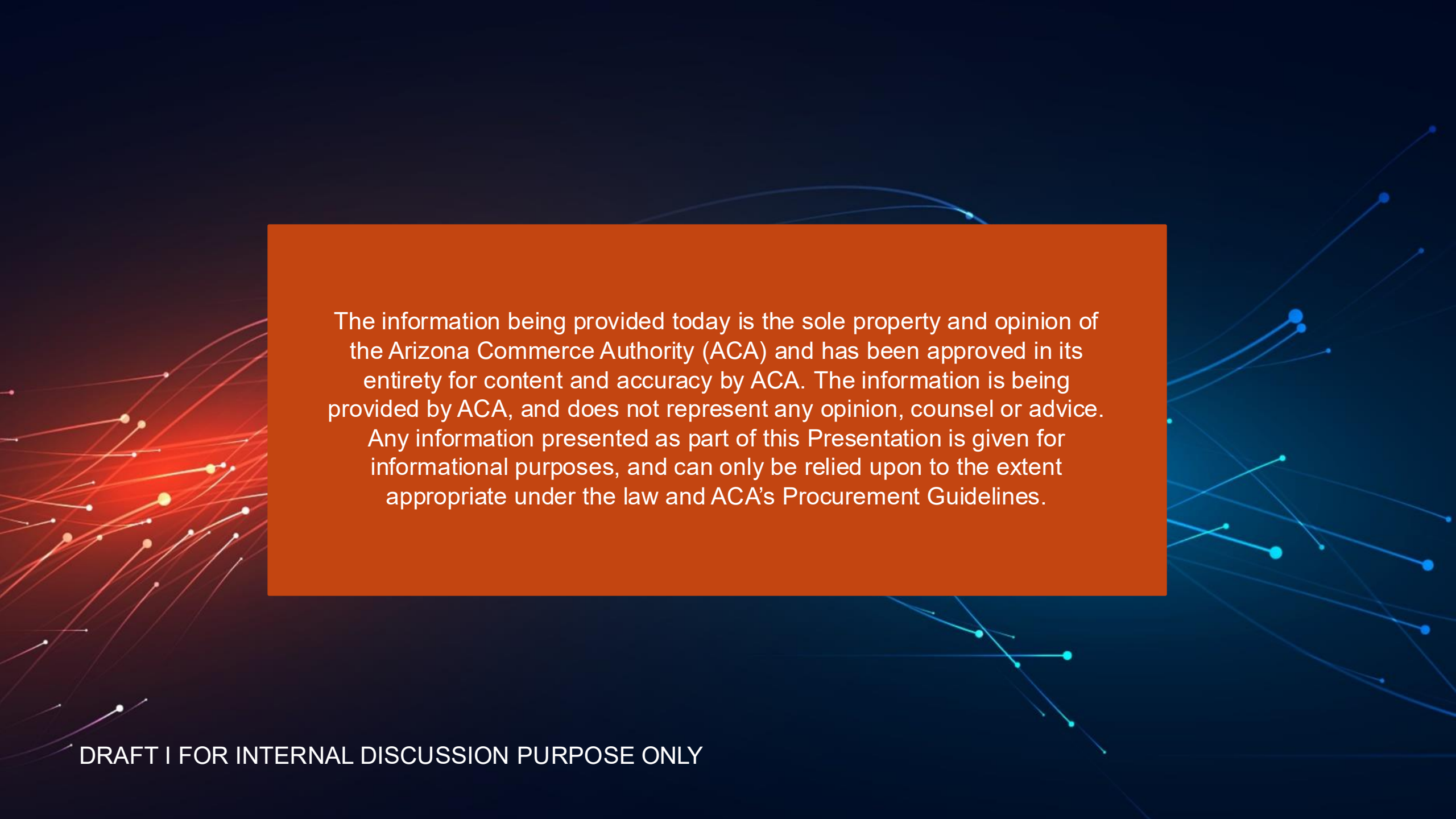
**Potential Applicants will be required to submit a Supply Chain Management Plan (SCRM) that includes the following criteria either during preregistration or project application stage:**

- Operational status: The Potential Applicant must have a SCRM in place before the grant is awarded if the Potential Applicant is already providing services at the time of the grant. If not providing services, the Potential Applicant will be required to confirm demonstration of readiness to operationalize the plan upon providing service after the grant award.
- Key Practices and Guidance: The SCRM must be based on the key practices described in the NIST publication NISTIR 8276, "Key Practices in Cyber Supply Chain Risk Management: Observations from Industry." The plan must also incorporate relevant supply chain risk management guidance from NIST, including NIST 800-161, "Cybersecurity Supply Chain Risk Management Practices for Systems and Organizations." The plan should clearly specify the supply chain risk management controls that will be implemented.
- Evaluation and Updates: The SCRM must be reevaluated and updated on a periodic basis. The plan should be regularly reviewed and updated as events warrant to address evolving supply chain risks and challenges/significant events.

Please note, if significant changes are made to the plan, a new version should be promptly submitted to ACA within 30 days (applicable until the end of the period of performance).



# Q&A



The information being provided today is the sole property and opinion of the Arizona Commerce Authority (ACA) and has been approved in its entirety for content and accuracy by ACA. The information is being provided by ACA, and does not represent any opinion, counsel or advice. Any information presented as part of this Presentation is given for informational purposes, and can only be relied upon to the extent appropriate under the law and ACA's Procurement Guidelines.

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