

# Indiana BEAD Subgrantee Selection Overview

## Overview

The Broadband Equity, Access, and Deployment (BEAD) Program is a nationwide initiative overseen by the National Telecommunications and Information Administration (NTIA) aimed at improving high-speed internet access in underserved and unserved regions. Indiana was allocated \$868 million from this program to support broadband expansion. The Indiana Broadband Office (IBO) oversees the BEAD Program's grant requirements and the selection of sub-grant recipients for the state.

This document is meant to provide a high-level overview of the Indiana BEAD Subgrantee Selection application process, with the intent of keeping stakeholders informed of the IBO efforts throughout the process. A full guidance document will be posted ahead of the first round of subgrantee selection on the [Indiana Broadband website](#).

## Indiana Subgrantee Selection Process

### *Indiana Broadband Office Updates*

The IBO endeavors to keep ISPs updated throughout the BEAD Program. Below is an overview of the current and upcoming items that impact Indiana's Subgrantee Selection Process.

### Current and Ongoing Items

1. Eligible Location List:
  - a. The IBO is in the process of finalizing and posting the list of BEAD-eligible locations, pending NTIA approval. This list will be made publicly available on the [ConnectingIndiana](#) website and communicated to providers via the IBO website and newsletter.
    - i. The office has undergone 5 rounds of Challenge Process curing with the NTIA, as of November 15<sup>th</sup>. The IBO has budgeted two weeks of time from when the final list is posted to the first day of round one opening.
2. Pre-Qualification:
  - a. The Pre-Qualification round has now closed, with 50 ISPs currently approved to participate in the subgrantee selection rounds. No additional Pre-Qualification rounds will be held.

## Upcoming Items

1. Reminder to ISPs – Audited Financial Statements:
  - a. The deadline to submit audited financial statements to the IBO is **November 30, 2024**. Per NTIA requirements, ISP organizations applying for BEAD funding must submit financial statements from the prior fiscal year that are audited by an independent certified public accountant. If your organization only submitted unaudited financial statements during the Pre-Qualification Process, you will be required to submit the audited version by the November due date.
  
2. Round 1 of Subgrantee Selection:
  - a. The IBO aims to open the first round of subgrantee selection in mid-to-late December of 2024. Due to several rounds of data curing, the initially proposed date has been adjusted to account for the NTIA-required processes. Over the past month, the IBO was also made aware of several sizable RDOF project defaults. Adding these addresses back into eligibility required additional processes that, while necessary, further delayed the office's efforts. When they are finalized, the IBO will announce the official dates for Round 1 through the Indiana Broadband website and newsletter.
    - i. Round 1 allows ISPs to propose their own project areas made up of Census Blocks. When selecting a Census Block, providers commit to serving all unserved and underserved locations within the area. In alignment with the BEAD Notice of Funding, prospective subgrantees may also add served locations to their proposed project areas up to 20% of the total locations in the project area. Further information can be found in [Indiana's Initial Proposal Volume 2](#).
      1. Deduplication:
        - a. After the round is complete, the IBO will remove broadband serviceable locations that were preliminarily awarded, in addition to any other addresses that have changed status due to other state and federal programs. This deduplication will create the eligible address list for the subsequent round.
  
3. Rounds 2 & 3:
  - a. After Round 1, the IBO will create project areas using the remaining eligible locations. Rounds 2 and 3 will only occur as needed, depending on the remaining eligible addresses after Round 1. For example, if all addresses

can be served based on proposals in Rounds 1 and 2, Round 3 will not occur. Timing for these rounds will be announced once Round 1 has been completed and evaluated. Further deduplication will occur between the final rounds when necessary.

4. Award Announcements and NTIA Approval:

- a. The Indiana Broadband Office will notify all ISP participants about **preliminary awards** after each round of Subgrantee Selection. Preliminary awards cannot be announced publicly and are subject to NTIA changes and approval.
- b. After all rounds of subgrantee selection have been completed, the IBO will meet with the NTIA to review the preliminary awards. At that time, NTIA will grant provisional approval, and these will become **provisional awards** that can be released publicly, though noted as provisional. However, these awards are still subject to NTIA changes and final approval.
- c. The NTIA will give full approval of all award decisions after the IBO's Final Proposal is approved. It is only at this point that all awards become **final awards** and can be released publicly as such.

The IBO encourages ISPs to stay connected to the Indiana Broadband website for real-time updates, application deadlines, and important announcements regarding the BEAD Program.

### **BEAD Application Content**

To prepare for the application process, prospective applicants should review the relevant sections of Indiana's Volume 2, outlined below (parentheses show the relevant section of Volume 2):

- Project Area Selection (2.4.2 and 2.4.6)
- Project Technical Details (2.4.2)
- Project Financial Details (2.4.2)
- Optional Scored Materials - Local Coordination and Fair Labor Practices (2.4.2)
- Risk Management Plans (2.4.5)
- Business and Financial Planning (2.4.11)
- Technical Capability (2.4.13)
- Adherence to Environmental and Historic Preservation (2.4.5 and 2.11.1)
- Use of a Highly Skilled Workforce (2.4.2; 2.7.2; 2.8.1; 2.8.2; and 2.9.1)

Further information can be found in [Indiana's approved Volume 2](#), the [BEAD NOFO](#), and additional relevant NTIA guidance. For questions regarding subgrantee selection, the IBO is happy to connect. Please email ([indianabroadband@iot.IN.gov](mailto:indianabroadband@iot.IN.gov)).

### Scoring

Section 2.4.2 of Indiana's Volume 2 outlines the scoring process for all projects. All applications will be scored against identical, neutral criteria that do not favor one type of provider over another.

The NTIA prioritizes end-to-end fiber deployments in the BEAD program. Accordingly, the IBO will consider **priority broadband projects**, referring to service via end-to-end fiber-optic facilities to each end-user's premises. and **other last-mile broadband deployment projects**, those where the provision of service is in part or whole by non-fiber-optic technology. Scoring processes for each are similar but not identical.

All priority broadband projects will be scored against the following rubric:

Category	Maximum Points Available
Minimum BEAD Program Outlay	45
Affordability	20
Fair Labor Practices	15
Service Levels in Project Area	12
Local Coordination	5
Speed to Deployment	3
<b>TOTAL</b>	<b>100</b>

All other last-mile broadband deployment projects will be scored against the following rubric:

Category	Maximum Points Available
Minimum BEAD Program Outlay	45
Affordability	20
Fair Labor Practices	15
Service Levels in Project Area	12
Local Coordination	5
Speed to Deployment	1.5
Speed of Network and Other Technical Capabilities	1.5
<b>TOTAL</b>	<b>100</b>

A high-level summary of each scoring category is laid out below. Please refer to Volume 2 for extensive details about project scoring.

### Primary Criteria (80 total points)

#### 1. Minimal BEAD Program Outlay – 45% (45 total points)

- **Definition:** This criterion assesses the total BEAD funding required for project completion, including a proposed match covering at least 25% of the project cost.
- **Scoring:**
  - **BEAD Outlay Per BSL:** The IBO calculates the BEAD outlay per broadband serviceable location (BSL) for unserved and underserved areas. The most cost-efficient application receives 40 points, with others receiving points based on their relative efficiency.
  - **Provider Match Percentage:** Projects must provide a minimum of 25% match to BEAD funds, with scoring based on the percentage of applicant funding.

#### 2. Affordability – 20% (20 total points)

- **Definition:** Measures the commitment to offer the most affordable price for 1 Gbps/1 Gbps service for priority projects and 100/200 Mbps for other last-mile broadband projects.
- **Scoring:** For priority projects, applications proposing \$100 or less receive full points, with reductions for higher prices based on a 5% increment. For other projects, applications proposing \$70 or less receive full points, with reductions for higher prices based on a 5% increment.

#### 3. Fair Labor Practices – 15% (15 total points)

- **Definition:** Applicants must show compliance with federal labor laws.
- **Scoring:** Points awarded based on compliance narratives, plans for utilizing a qualified workforce, and history of OSHA violations.

### Secondary Criteria (20 total points)

#### 4. Service Levels in Project Area – 12% (12 total points)

- **Definition:** Based on the submission of total broadband serviceable locations in the project area and the status of those locations.
- **Scoring:**
  - **Unserved Percentage:** The IBO will sum the total number of unserved and underserved locations and calculate the percentage that is unserved. The applicant receives 1 point for every 10% that is unserved, up to 10 points.

- **Served Locations:** Applicants will be scored on the percent of total project BSLs that is served. See BEAD Volume 2 for scale.
- 5. **Speed to Deployment – 3 or 1.5% (3 or 1.5 total points for priority/other)**
  - **Definition:** Commitment to complete deployment within four years, preferring earlier dates.
  - **Scoring:** Points awarded based on years before the four-year deadline.
- 6. **Local Coordination and Support – 5% (5 total points)**
  - **Definition:** Emphasizes local coordination and support from government entities.
  - **Scoring:** Points based on letters of support and the nature of coordination with local governments.
- 7. **Speed of Network and Other Technical Capabilities – 1.5% (1.5 total points, other projects only)**
  - **Definition:** Weighs the technical capabilities of proposed technologies.
  - **Scoring:** Based on maximum speeds offered.

### ***Extremely High Cost per Location Threshold***

The Extremely High Cost per Location Threshold (EHCT) is a per-location financial benchmark unique to each state that helps identify broadband deployment projects with high costs that may be completed more cost-effectively using a different technology type. Most importantly, the **EHCT benchmark provides a per-location dollar amount at which the Indiana Broadband Office can prioritize other last-mile broadband projects over fiber deployments.** For example, if two identical project areas are proposed, one serving the area with fiber and one with another technology, the IBO can only choose the non-fiber project when the cost per location is over the EHCT. The EHCT is necessary so that the IBO maximizes the use of fiber, but also utilizes BEAD funds judiciously and can ensure that all locations will be served. Please note that the EHCT does not indicate the cost at which the IBO may submit a waiver to NTIA to waive the ISP match requirements.

The Indiana Broadband Office will establish the EHCT immediately after Round 1 of subgrantee selection has concluded so that the office can utilize data from the projects submitted to make the EHCT as accurate as possible to current economic constraints. Once established, the IBO will apply this threshold during Rounds 2 and 3 of the subgrantee selection process to optimize the distribution of BEAD funds. All submissions, including priority and other last-mile projects, will be assessed for cost per passing and compared to the EHCT. If any projects exceed this threshold, the IBO will perform a cost-reasonable assessment to understand the factors contributing to high costs and evaluate the project's viability.

Section 2.4.9 in Indiana's Initial Proposal Volume 2 further outlines the model's methodology and parameters.

### **High-Cost Areas**

A high-cost area (HCA) is an NTIA-defined area where at least 80% of the locations in A Census Block Group are unserved and where the costs associated with deploying broadband service are significantly higher than the average costs in similarly defined unserved areas. The NTIA identified HCAs in each state as part of the BEAD allocation process completed in 2023.

The NTIA defined two HCAs in Indiana, the following Census Block Groups:

- 180731012001
- 181279800021

Internet service providers who apply for projects in these two Census Block Groups will be eligible for a reduced or waived 25% project match requirement.