



OFFICE OF STATEWIDE BROADBAND

Connect Maryland: FY24 Network Infrastructure Grant Program – Smith Island

REQUEST FOR APPLICATIONS

Issued December 28, 2023



WES MOORE
Governor
ARUNA MILLER
Lt. Governor
JACOB R. DAY
Secretary
JULIA GLANZ
Deputy Secretary



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Introduction and General Information

Office of Statewide Broadband

Connect Maryland: Network Infrastructure Grant – Smith Island

The State of Maryland is utilizing \$3 million in Federal Coronavirus Capital Projects Funding received by the Department of Housing and Community Development (“Department”) to support the Office of Statewide Broadband (“OSB”) in its efforts to assist in expansion of broadband into the unserved area of Smith Island, Maryland. The funding source for this budgeted expense is the American Rescue Plan Act (ARPA) Capital Projects Fund (CPF) administered by the US Treasury and the funded project must comply with the ARPA requirements. All federal rules regarding this funding must be adhered to by the applicant should an award be made.

The Maryland Network Infrastructure Grant Program – Smith Island (MDNI Smith Island) is intended to provide financial assistance to construct broadband infrastructure necessary to provide service at the Broadband Grant Speed to the areas of Smith Island where broadband service does not currently exist. Grant funds may be used to construct infrastructure necessary to deploy service at the Broadband Grant Speed to all residents, businesses and anchor institutions on the island. Grants will be awarded on a competitive basis for entities to serve all unserved premises in eligible areas at the Broadband Grant Speed.

The OSB is providing up to \$3 million for this program. The program will provide a grant of up to 90% of the capital construction costs for broadband infrastructure necessary to bring service to all locations on Smith Island.

Applications will consist of several written sections with a number of required worksheets and attachments. Applications must be prepared as described in this Guide.

When and Where to Submit Application:

GRANT applications must be submitted or postmarked by 11:59pm ET: January 31, 2024.

Applications must be submitted in one of the following ways:

Postmarked or shipped paper copy of a completed application, with original signatures, accompanied by an electronic version on a USB Flash Drive. Except for file formats specifically called out in this guide, files should be converted to pdf's prior to being loaded onto the USB flash drive. Each file should be named to clearly reflect the information it contains. The paper application and the USB Flash Drive may be submitted to:

Kenrick M. Gordon, P.E.

Director, OSB of Statewide Broadband

Department of Housing and Community Development

7800 Harkins Road

Lanham, MD 20706

Applications Delivered by Mail:

Paper applications must show proof of mailing or shipping consisting of one of the following:

- 1 A legibly dated U.S. Postal Service (USPS) postmark;
- 2 A legible mail receipt with the date of mailing stamped by the USPS; or
- 3 A dated shipping label, invoice, or receipt from a commercial carrier showing the commercial carrier received the package on or before the application submittal deadline. Self-generated shipping labels where the actual pickup by the carrier occurs after the application submittal deadline are not acceptable.

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

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

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

Applications Submitted Electronically:

Applications may be submitted via email. If emailed, the message subject line should read "Maryland Network Infrastructure Grant Application – Smith Island – *your company name*". Files should be attached as a zipped file to ensure data integrity. Except for file formats specifically called out in this guide, files should be converted to pdf's prior to sending. Each file should be

named to clearly reflect the information it contains. If files are too large to be sent in a single email, they may be split into multiple emails with each being labeled “1 of 2”, “2 of 2”, etc. Emailed submissions must be sent to **OSB.MD@maryland.gov**.

Applicants that submit their applications after the deadline noted above will be notified that their applications will not be considered for funding and their applications will be returned.

Prior to official submission of applications, applicants may request technical assistance or other application guidance from the OSB, as long as such requests are made prior to, January 19, 2024. Technical assistance is not meant to create or edit an application, be an analysis or assessment of the quality of the materials submitted, a substitute for OSB review of completed applications, nor a determination of eligibility, if such determination requires in-depth analysis. The OSB will not solicit or consider scoring related information that is submitted after the application deadline. The OSB reserves the right to contact applicants to seek clarification information on materials contained in the submitted application.

Major Definitions and Limits:

1. Grant Request Limits:
 - a. The minimum grant request amount is: \$1,000,000
 - b. The maximum grant request amount is: \$3,000,000
2. Broadband Speeds:
 - a. Broadband Service means any terrestrial technology having the capacity to provide transmission facilities that enable subscribers of the service to originate and receive high-quality voice, data, graphics, and video at the minimum data rate of one hundred (100) megabits per second downstream and twenty (20) megabit per second upstream with a maximum of 50 millisecond latency for fixed internet service. Any proposed service area that is currently served with broadband service is ineligible to receive funding.
 - b. Broadband Grant Speed means the minimum data rate of one hundred (100) megabits per second downstream and one hundred (100) megabits per second upstream (100x100) with a maximum 50 millisecond latency for fixed internet service that an applicant must propose to deliver to every premise in the identified service area in order for the OSB to approve a broadband grant. A reduced network requirement is allowable under certain circumstances; see “Project Eligibility” for additional information.
3. Identified Service Area (ISA) – The ISA for this project includes all locations on Smith Island, Maryland. Latitude/longitude coordinates for each location requiring service are included in Appendix A. If, during construction, addresses are found to be incorrect in some manner, the subgrantee will have the opportunity to amend the listing.
4. Matching Fund Contribution - The matching contribution the applicant is required to contribute towards the project is a minimum of 10% of the total construction cost (11.11% of the requested grant amount) as presented in the section “Matching Funds Requirements”. Except as outlined in the “Matching Funds Requirement” section, the match must be in cash and cannot be used to fund operational costs of the project. The match must be in the form of cash that is available or shown to be available upon execution of the Grant Agreement. In-kind contributions are not eligible to be used to satisfy the required match.
5. Capital Expenses - Grant eligible expenses are capital expenses defined as expenses that are capitalized. All grant eligible capital expenditures must be for new, non-depreciated items and can include the construction of outside plant, both last mile and middle mile and electronic equipment necessary to deliver service including equipment shelters, wireless radios and antenna and other capital costs that are directly necessary to provide broadband service to the end user. Except as noted in the section “Matching Funds

Requirements”, purchase or construction of towers, tower structural upgrades, land, or buildings or building renovations are not allowable capital expenses, nor is the acquisition of facilities or companies. Laptops, handsets, tablets and similar customer devices are also not eligible expenses for the program.

6. Operating Expenses – Except as noted in the section “Matching Funds Requirements”, Operating expenses are not an eligible grant purpose. Operating expenses are any ongoing cost necessary for operating a business, system or network. This includes leases of any kind, bandwidth and spectrum expenses and salaries not directly related to the construction of the network including, but not limited to, salaries and overhead related to engineering, project management, accounting, administration or marketing.
7. End User means the premise passed by the broadband network, be it a household, business or other use. The end user may or may not be a subscriber to the service offered by the broadband network.
8. Supplanting Federal Funds - If other federal funds have been awarded for broadband construction within the ISA contained in this application, those federal funds can only be supplemented, not supplanted. Any grant offered by this program cannot supplant the previously awarded federal funds.

Post Award Grant Agreement and Funding

Grant Agreement

All Applicants offered a grant must enter into an agreement with the Department. A sample grant agreement is available at <https://dhcd.maryland.gov/broadband>.

Funding Procedures

Grant funds are disbursed in accordance with the Broadband Infrastructure Grant Program Contracting and Funds Request Procedures Guide as occasionally updated available at <https://dhcd.maryland.gov/broadband>.

Applying for a Grant

Grant Processing

Completed applications must be postmarked, shipped or received via email by 11:59pm ET on January 31, 2024 in order to be considered for funding.

Applicant Eligibility

1. Only entities legally organized as one of the following are eligible for funding:
 - a. A Maryland local jurisdiction;
 - b. Incorporated organization that is recognized as a partner by the local jurisdiction;

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

- c. Any other legal entity, including a cooperative, private corporation, or limited liability company organized on a for-profit or not-for-profit basis that is recognized as a partner by the local jurisdiction.

Applicants must have the legal capacity and authority to own and operate the broadband facilities as proposed in the application, to enter into contracts and to otherwise comply with applicable federal or state statutes and regulations.

If the applicant is seeking to partner with another entity to operate the system, an agreement or draft agreement to do so must be provided with the application. This agreement must address the specific financial terms of this partnership and the specific entity or entities must be identified along with their qualifications to operate the system. Applications that rely on such a relationship but do not provide pertinent details may be rejected, as the OSB cannot determine the technical and financial feasibility of the project lacking such information. The OSB may consider an

application based on such an agreement submitted with the application, but if the application is ultimately awarded, the OSB reserves the right to require modifications to such agreements if they are found to contain terms that are unacceptable to the State of Maryland. The relationship between the applicant and the partner must be fully explained in the Executive Summary of the application.

Project Eligibility

To be eligible for a grant, the Project must:

1. Serve the entire Identified Service Area (ISA) where Broadband Service does not currently exist, to be verified by the OSB prior to the award of the grant
2. OSB will only support Projects that are able to provide a minimum internet connectivity of 100 Mbps down and 100 Mbps up with a maximum latency of 50 milliseconds measured at the served subscribers' location. The network must be capable of providing the minimum connectivity to all subscribers within the proposed Project area. Proposed subscribers must all be offered the minimum connectivity or higher. Subscriber offerings of less than the minimum connectivity are allowable, but only in conjunction with offerings that include or exceed the minimum connectivity.
 - a. The OSB will support Projects that are able to provide a minimum internet connectivity of 100 Mbps down and 20 Mbps up with a maximum latency of 50 milliseconds measured at the served subscribers' location only if the network is scalable to a minimum of 100 Mbps symmetrical for download and upload speeds with a maximum latency of 50 milliseconds measured at the served subscriber location based on future technology advances. The ISP utilizing this reduced requirement will be required to submit a Certificate as to circumstances preventing the ISP from achieving the minimum connectivity required. The circumstances preventing the minimum connectivity from being provided must be related to geography, topography or excessive cost.
3. Applicants may use their own internal business models for service installation. For instance, if an Applicant typically provides connection to a customer within 300 feet of a service line for free, but charges an installation charge for customers beyond that distance, the Applicant may implement that model for grant served areas. If fees for customer connections or installs are part of the Applicants business model, they should be included in the revenue shown on Schedule G-1 and fully explained on Schedule G-2. This should also be discussed in the system design portion of the application.

Eligible Grant Purposes

NOTE: Costs incurred by the applicant, or others on behalf of the applicant, for facilities, installed equipment, or other services rendered prior to submission of a completed application, shall not be considered as eligible grant or match purposes.

Grant funds may be used to finance:

1. The construction of facilities used to deploy service at the Broadband Grant Speed to all end users located within the ISA.
2. Middle mile infrastructure directly necessary to provide service to an end user including, but not limited to, fiber optic cabling and microwave equipment. Middle mile infrastructure is only eligible if another middle mile provider is not able to provide suitable service. Details of middle mile availability should be discussed in the system design portion of the application.
3. Electronics necessary to deliver service to an end user including, but not limited to, OLT's, ONT's, routers, switches, firewalls, wireless radio equipment, antennae, access points and any necessary equipment cabinets or shelters. Customer installation and equipment (CPE) beyond the ONT or fixed wireless antenna or within the subscriber's premise is not an eligible purpose. If the CPE is installed within the subscribers premise, the equipment is considered eligible, but any interior installation labor is not.
4. All grant funded costs must be capital expenses with the final asset being owned by the applicant.
5. Tower construction and/or tower structural improvements is an eligible cost, but may only be treated as match per Matching Funds Exceptions listed below.

NOTE: All equipment and materials purchased for this Project must be new and non-depreciated.

Ineligible Grant Purposes

1. Duplication of any existing Broadband Service provided by other entities.
2. Middle mile infrastructure not directly necessary to provide service to an end user.
3. Expenses related to the provision of telephone or video service that is not necessary for the delivery of broadband services.
4. The purchase of towers, land or buildings, or building renovations.
5. Operating expenses are ineligible.
6. Supplanting other federal funding.

Matching Funds Requirements

Except as noted herein, when the application is submitted, the awardee must provide or demonstrate available cash reserves equal to the required match at the time of award.

1. **Exception:** An exception to the Match requirement may be made for applicants applying for federal funding and requesting that the federal funds be considered as Match. Only eligible federal funding may be used as Match. It is the applicant's responsibility to ensure that the federal funds may be used for match for this program and this program's funding source. Funds from this program may be used to supplement the federally awarded funds, but may not supplant those funds.

This exception must be clearly requested in the Executive Summary and on the Application Form. If the exception is requested, a full description of how the grant funds will be used with the potential federal funding must be included in the Executive Summary and Pro Forma portion of the application. If the application is selected for an award, a grant agreement conditioned on the federal award will be issued.

If utilizing this exception, only the portion of the federal grant applicable to the ISA premises applied for under this program may be utilized for match. Additionally, only the portion of the federal grant that will be available each year through the 3 year build period may be utilized for match.

2. **Exception:** A maximum of three years of the cost of backhaul service to be provided by the Maryland Broadband Cooperative (MBDC) may be included as Match and considered a credit towards the Match at the start of the pro-forma. A draft of the agreement between the MBDC and the applicant indicating the cost of backhaul service must be included with the application. Grant funds may not be used to pay for the backhaul service.
3. **Exception:** The cost for tower construction or the cost of tower structural improvements necessary to provide service to an end user can be considered match and credited towards the Match at the time of the construction activity. However, the purchase or leasing of towers is not an eligible match or grant purpose. Constructed towers must be owned by the applicant.

Except as stated herein, matching funds must be in the form of **cash** and may only be used for eligible capital expenses related to the project.

Ineligible sources of matching contributions:

1. Manufacturer or vendor discounts.
2. In-kind contributions.
3. Income generated from the proposed project.
4. All non-cash items.

Completing the Grant Application

This section addresses all of the information that must be submitted in order for an application to be deemed complete and considered for funding. Please make sure that all the necessary information is included in the appropriate section.

- A. Broadband Grant Application Form and Other Documentation
- B. Executive Summary of the Project
- C. Scoring Criteria Documentation
- D. System Design
- E. Scope of Work
- F. Financial Information and Sustainability
- G. Statement of Experience
- H. Additional Funding
- I. Reporting and Compliance

Only entities legally organized as one of the following are eligible for funding:

1. A local jurisdiction;
2. Incorporated organization recognized as a partner by the local jurisdiction;
3. Other legal entity, including a cooperative, private corporation, or limited liability company organized on a for-profit or not-for-profit basis that is recognized as a partner by the local jurisdiction.

NOTE: In order to be considered a recognized partner, the applicant must submit a letter from the local jurisdiction identifying the applicant as a partner and outlining the partnership including, if applicable, any resource sharing, financial commitments or other offers of assistance. Any legal agreements between the local jurisdiction and the applicant should also be included.

A. Broadband Grant Application Form and Other Documentation

Complete the Broadband Grant Application Form (Schedule A-1).

Attach your entities IRS W-9 Form (Schedule A-2).

Provide acceptable evidence of good standing, legal existence and jurisdictional partnership (when applicable).

Local Jurisdictional Partners must provide a letter from the sponsoring jurisdiction acknowledging the partnership. The letter must document the extent of participation and any support offered by the Local Jurisdiction. Any legal agreements between the Local Jurisdiction and the applicant should also be included, whether draft or final. If multiple Local Jurisdictions are included in the ISA, documentation from each Local Jurisdiction must be provided.

Corporations or LLCs must provide evidence of good standing in accordance with the laws of the State. Proof of good standing with The State of Maryland can be evidenced by providing a printout of The Maryland Department of Assessments and Taxation corporate general information page showing that the business is in good standing.

Your DUNS Number is your proof of legal existence. The Entity Name, W-9 and DUNS Number must be for the applicant and match across documents. The information cannot be for a parent, subsidiary or other affiliated entity.

All applicants must have a Unique Entity ID provided by SAM.gov. A Unique Entity ID can be obtained free of charge from <https://sam.gov/content/home>.

Evidence of tax status from the Internal Revenue Service or a state department of taxation is not evidence of legal existence.

Applications that do not demonstrate both the applicant's legal existence and its good standing with The State of Maryland will be returned as ineligible.

Local Jurisdictions recognized by the Maryland Manual On-Line website (<https://msa.maryland.gov/msa/mdmanual/01glance/html/locgov.html>) are recognized as having legal existence.

All applicants must attach a current IRS Form W-9 to the application form.

B. Executive Summary of the Project

The Executive Summary of the project is one of the most important parts of the application. It gives the OSB its first overall view of the area to be served, what problems the residents face, and how the proposed project will help alleviate those problems, increase the quality of life, and enhance opportunities for businesses and rural residents. This is your opportunity to discuss the core aspects of the project and why you think the project deserves funding. Be clear and provide convincing links between the project and the benefits to the ISA.

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

1. A description of the ISA and why the project is needed, what benefits the project will bring to the ultimate subscribers and the number of households and businesses passed that will be offered service. This section should tie to the demographics presented in Section E, "Service Area Demographics";
2. A description of the applicant that includes, but is not limited to, the history of the organization and any past or current projects and community related activities or awards.
 - a. If the applicant is not a local jurisdiction, but is a partner to a local jurisdiction, provide a description of the partnership including how the partnership was developed and any financial or shared resource commitments;
3. An explanation of the total Project costs;
4. A general overview of the broadband system to be constructed, including the types of equipment, technologies, and facilities that will be used;

Publicly Releasable Information:

Applicants are advised that, upon request from a third party under the Maryland Public Information Act (Maryland Code, General Provisions Article, §§ 4-101 through 4-601), the Department is required to make an independent determination as to whether any information contained in any particular application may or must be disclosed. Confidential commercial information, trade secret information, and confidential financial information are exempt from disclosure under the Act.

C. Scoring Criteria

Applications will be scored and awards made based on high to low scores as funding permits. The maximum score is 200 points based on the criteria presented below. Responses to each requested sub-section should be provided in full or each subsection, even if already covered in other parts of the document.

1. Project Strength (up to 50 points):

a. Project Description (up to 30 points):

Points will be awarded based on the documented response to the following:

1. Scope of the project;
2. Areas covered and premises served;
3. Parties involved (partnerships);
4. Technologies used, network design, and route map
5. Needs for Service for the premises being served and project benefits for the community;
6. A description of how the project will be developed (design and construction planning) and how construction will be executed;

b. Contribution above eligible match percentage (up to 20 points): Points are awarded for financial contributions of above the minimum match percentage for the project.

< =10% = 0 points

>10% and ≤20 % = 5 points

>20% and ≤30% = 10 points

>30% and ≤40% = 15 points

>40% = 20 points

2. Applicant experience (up to 25 points):

- a. Qualifications and abilities of the key personnel (e.g. CIO, Chief Network Engineer, Field Supervisor, etc.) who will construct, manage, and operate the broadband network. Include any past experiences and successes of operating a broadband network that is similar to the proposed broadband network. If the applicant is a local jurisdiction with an operating partner, include information from all parties.

3. Local jurisdiction and public participation (up to 20 points):

- a. Verified Non-Financial strong involvement of local community in planning and implementing the project (up to 10 points): Evidence that the local community is involved in some non-financial aspects of the project. Document the local jurisdictional involvement in planning and implementation of the Project. If a local jurisdiction is

applying directly, they will receive due credit for local jurisdictional participation.

Preference will be given to applications that show support from residential, business, and local, state or Federal interests shown to be within the ISA applied. Support letters provided, if any, should be from those located within the ISA and should address specific needs and benefits the writer believes they will receive from the proposed project.

Copies of letters notifying the State Senator(s) and Delegate(s) representing the ISA of the project's application must also be included.

- b. Verified financial commitment from local community: As percentage of total project cost (up to 10 points): Evidence showing the local community has financial involvement in the project. This should show the exact monetary amount as well as the local community's financial contribution as a percentage of the total project cost.

- < 5% = 0 points

- 5% = 3 points

- >5% and ≤10% = 5 points

- >10% and ≤20% = 10 points

4. Network Delivery Speed (up to 25 points):

- a. Points will be awarded for proposed networks designed to meet one of the following criteria:

- 100Mbps x 20 Mbps = 0 points

- 100Mbps x 100 Mbps = 15 points

- 1Gbps x 1Gbps or better = 25 points

5. Maximum Latency (up to 20 points):

- a. Points will be awarded for proposed networks designed to meet one of the following criteria:

- >40ms and ≤50ms = 0 points

- >30ms and ≤40ms = 6 points

- >20ms and ≤30ms = 12 points

- >10ms and ≤20ms = 15 points

- ≤10ms = 20 points

6. Affordability and Service Limitations (ACP @ 100x20mbps is required) (up to 25 points):

- a. Low cost offering speed (up to 10 points): The grantee offers a discounted plan for low/moderate income subscribers (may utilize ACP requirements for eligibility). Eligibility terms for subscribers should be provided.

= 100Mbps x 20Mbps = 0 points
≥100Mbps x 100Mbps = 5 points
≥200Mbps x 200Mbps = 10 points

- b. No data usage penalty and no data caps (up to 5 points): Describe any data caps or service limitations for low/moderate income as well as other subscriber plans.
- c. Adoption Assistance measures (up to 10 points):
 - 1. Document your specific plan on how you will actively increase broadband adoption by marketing/promotion of newly available broadband service to low/moderate income subscribers (up to 5 points).
 - 2. Document the number of marketing/public awareness campaigns planned per year (up to 5 points):
 - < 2 = 0 points
 - 2 to 3 = 2 points
 - ≥4 = 5pts

7. Readiness to build, operate and maintain the project (up to 15 points):

- a. Demonstration of the applicant's readiness to build as evidenced by the engineering and design contained within the system design portion of the application, provided construction cost estimate, secured financing (if required), other approvals secured or in process (e.g. environmental, historic, FCC, etc.) and a thorough and complete project schedule (up to 10 points).
- b. Evidence of being prepared to begin construction within 120 days following a grant award with a complete project schedule, network design detail and diagrams/maps being provided (up to 5 points).

8. Sustainability Plan (up to 15 points):

- a. Document memberships in technical groups and organizations that assist with cyber security, operational expertise, technical expertise, and continuing education (up to 5 points).
- b. Identified Execution Risks and Mitigation Plans: Document your plan for the following (up to 10 points):
 - 1. Future upgrade and scalability;
 - 2. Cybersecurity;
 - 3. Disaster recovery and business continuity.

9. Economic Development and Community Impact (up to 5 points)

- a. Provide a narrative on the project's benefit to the local economy and community. This

narrative should explain the specific short, medium, and long term impacts of the proposed plan (up to 5 points).

Note: Director's Consideration

In making the final selection among and between applications with comparable rankings, the Director may take into consideration the characteristics and needs of the ISA. Only information that is provided in the application will be considered; therefore, the OSB strongly encourages the applicant to specifically address each of the following criteria to differentiate their application(s) from other applications:

- a. Median income of counties that will be served by the ISA. Comparison of the county median income with the median income of State may be considered;
- b. Out-migration communities (continuous movement of population out of the community) that will be served by the ISA;
- c. Any other items that will further the efforts of the State in providing broadband to those most in need.

D. System Design

The system design contains all the technical information on the applicant's existing (if applicable) and the proposed system. The following information must be included in this section:

1. A detailed description of the applicants **existing** network, if applicable, which includes the following:

For multi-state service providers with more than 10,000 subscribers, the current service area discussion can be confined to Maryland jurisdictions.

- a. The **current** service area(s);

An electronic .shp or .kml/.kmz file map showing the applicants existing service area(s) within Maryland including boundary data for each area must be included with the application.

- b. The types of services (voice, video and/or data) offered and the number of subscribers taking each type of service;
- c. The types of technologies used in the network;
- d. The total number of end users served;
 1. For wireline networks, specify the number of end users passed with the network;
 2. For wireless networks, specify the total number of end users covered by the network;
- e. A description of the current transport network utilized by the applicant.

2. A detailed description of the **proposed** network which includes the following:

NOTE: When designing and constructing the network proposed in the application, the applicant must adhere to all federal, state, and local requirements. Therefore, the System Design must be prepared by a qualified PROFESSIONAL ENGINEER licensed in Maryland or by qualified personnel on the applicant's staff with experience in designing the type of broadband system proposed in the application. The person providing the design must be identified and their Maryland Professional Engineer's license information provided, if applicable. If the person providing the design is on the applicant's staff, their qualifications must be included as part of the Scoring Criteria, section C.2, Applicant experience.

- a. A line diagram of the proposed network infrastructure;

Wireline Service: A separate electronic .shp or .kml/.kmz file map that shows an accurate representation of the proposed wireline path within the ISA. Middle mile and Last mile should be clearly differentiated. The length of the wireline path should match the wire material length for ISA outside plant and Middle Mile/Interconnection outside plant included the budget.

Wireless Service: A separate electronic .shp or .kml/.kmz file map that shows an accurate representation of the proposed tower locations within the ISA. Backhaul facilities should be clearly differentiated. The number of towers should match the towers and backhaul facilities included the budget.

- b. Any upgrades that will be made to the existing network, if applicable; (grant and match funds are only eligible for work necessary to provide service to the ISA);
- c. The types of technology to be deployed in the ISA and how the technology will facilitate the offering of service at the Broadband Grant Speed (including technology standards, whether the technologies are in current use and manufacturers of the technology);
- d. The estimated number of end users to be offered service. Provide detailed engineering justification showing that all end users within the ISA will be offered broadband service at the Broadband Grant Speed when the system is complete.
1. For wireline networks, specify the number of end users passed with the network.
 2. For wireless networks, specify the total number of end users covered by the funded network, any assumptions regarding foliage and obstructions, and the engineering justification for those assumptions;
 3. Describe any restrictions or costs associated with end user service including typical connection fees or extra costs for excessive drop lengths.

- e. The types of services (voice, video and/or data) to be offered in the ISA, the cost and the number of subscribers expected to take each type of service. If you are planning “over-the-top” services, include a description of the service provider or potential service provider and how you will deliver the service from a technical (peering, caching) and business (marketing, contracts) perspective. This data should match the data provided in your pro-forma calculations.
 - f. A description of the network operation center.
- 3. A description of the proposed connection or connections to the upstream Service Provider and any changes needed to the existing system to accommodate additional capacity; connection to any data center, and whether and how resiliency and redundancy are built into the connection(s).
 - 4. A description of the design parameters used in engineering the system. Examples include oversubscription ratio calculations, bandwidth consumption per user, link loss, data rates per link, redundancy requirements, and component technical specifications.
 - 5. A description of any licenses and/or agreements required to construct and operate the network and the status of securing those licenses/agreements. These may include, but are not limited to, pole attachment agreements, rights-of-way agreements, spectrum licenses, fiber lease agreements, capacity lease agreements, antenna site agreements and franchise agreements.
 - 6. A network diagram (Schedule D-1) of the applicant’s existing network (if applicable) and the proposed network. This diagram shall be a block diagram that clearly shows how the traffic flows through the network from the interconnection points with the backbone service providers to the end users. The following information must be shown on the network diagram:
 - a. The location of all major network elements;
 - b. The route miles between each network element;
 - c. The bandwidth capacity between the network elements;
 - d. The types of facilities (fiber, copper, microwave, etc.) that are or will be used for establishing the connection between the network elements and the points-of-connection with the backbone service providers;
 - e. The location of any leased facilities and the owner of these facilities including any cloud or managed service providers.
 - 7. A description of the main areas of risk in the project and the applicant’s mitigation plan for addressing each risk. At a minimum, the following should be discussed:
 - a. Future upgrade and scalability;
 - b. Cybersecurity;

- c. Disaster recovery and business continuity.
- 8. Due to the impact of geography and technological choices on performance of wireless network projects, wireless projects should provide the following additional information:
 - a. Electronic .shp or kml/.kmz file of the location of the unserved households and project coverage area including tower locations with geotag information showing tower height, equipment height, construction type and ownership.
 - b. Document existing and new infrastructure locations
 - c. Provide an end-to-end conceptual design of the network including core and radio elements. The conceptual design should include the following:
 - 1. Radio Frequency (RF) heat maps showing signal strength with the tower radio equipment placement for each radio identified (assumed height above grade, antenna angle and declination characteristics);
 - (a) The assumed Customer Premise Equipment (CPE) height above ground level to be a maximum of 35 feet or lower depending on CPE type and installation, for design purposes.
 - 2. Overall system network diagram;
 - 3. Height of equipment on existing infrastructure (towers, rooftops, etc.);
 - 4. Backhaul methods and routes;
 - 5. Method of subscriber connection;
 - 6. Link budget, documenting all the gains and losses in the system from the transmitter to the receiver (in both the downlink and uplink direction);
 - 7. Assumptions such as design requirements, RF inputs (technology selection and migration path, use cases, frequency band selection, system bandwidth, base station antenna, end user device), target coverage areas, asset preferences, geographic information, prediction tools, etc.;
 - 8. Core network conceptual design and deployment options (cloud, on premise, distributed with edge gateways, virtual, bare metal), and capacity and coverage;
 - 9. OEM selection and equipment list;
 - 10. Description of network management system.

E. Scope of Work

The scope of work must include the following:

- 1. A description of the specific activities and services to be performed as part of the project.
- 2. Who will carry out the activities and services? Indicate whether construction will be

performed by in-house or contracted services.

3. A construction build-out schedule with project milestones, showing the time frames for accomplishing the Project objectives and activities on a quarterly basis (Schedule F-1). This schedule should list all the major network build-out phases and milestones to demonstrate that the network deployment will be completed and the grant purposes will be fulfilled within the designated grant period as well as assumptions regarding equipment supply chain. A sample format is available for download at <https://dhcd.maryland.gov/broadband>.
4. A detailed budget (Schedule F-2) of all expenditures related to eligible Grant purposes. The budget should include a descriptive name for each capitalized item or group of items in each category whether grant eligible or not. Any ineligible costs necessary for the project, such as building renovations, or similar, must be listed with the costs in the other sources of funding column. A budget form is included in this section, and available for download as an Excel file at <https://dhcd.maryland.gov/broadband>. Applicants **must** provide their budget in this same format, modifying or adding lines as necessary to provide sufficient detail to evaluate your proposal. A sample budget is available at <https://dhcd.maryland.gov/broadband> and a brief description of each budget category is provided on the sample budget to assist in determining which items should fall under each category, though applicants should modify this description to address the specific items included in the project budget.

Schedule F-1 and F-2 must be submitted as both a pdf file and an electronic Excel spreadsheet.

NOTE: Any ineligible items included in the budget will not be considered for grant funding and could affect the eligibility of the application. All capital expenditures necessary for carrying out the project must be included in the budget, whether the costs will be funded with grant funds or not. Grant application budgets will also be reviewed to determine cost allowability.

F. Financial Information and Sustainability

The applicant must provide a narrative description demonstrating sustainability of the project from the commencement of the construction to completion and beyond the grant period; the sufficiency of resources; how the matching requirement is met; and the expertise necessary to undertake and complete the project. The following financial information is required:

1. If the applicant is an existing company, it must provide complete copies of audited financial statements, if available, for the two fiscal years preceding the application submission. If audited statements are unavailable, the applicant must submit unaudited financial statements for those fiscal years. This information must be provided separately from the Pro-Forma workbook provided by the OSB as Schedule G-1. Applications from start-up

entities must, at a minimum, provide an opening balance sheet dated within 30 days of the application submission date.

2. Annual financial projections in the form of a balance sheet, income statement, and statement of cash flows for a forecast period of five years, which prove the sustainability of the project for that period and beyond. This Pro-Forma Financial Forecast must be inclusive of the applicant's existing operations and the proposed project, and must be supported by a detailed narrative that fully explains the methodology and assumptions used to develop the projections, including details on the number of subscribers projected to take the applicant's service. Applicants should use the provided workbook, Schedule G-1, to provide these annual financial projections. A copy of the template is available <https://dhcd.maryland.gov/broadband>.
 - a. **Exception:** If the applicant is a publically traded company, three years of publicly available audits, balance sheets, income statements, cash flow statements and corporate projections may be substituted for the pro-forma. For this application, a publicly traded company is a company whose ownership is organized via shares of stock that are intended to be freely traded on a stock exchange. This exception does **not** relieve the publically traded company from any other application requirements.

Schedule G-1 includes separate worksheets, consisting of a Data, fixed Assets and Depreciation, Debt Activity, Grant Activity, Income Statement, Balance Sheet, and Statement of Cash Flows worksheets. The schedule is completed by starting with the DATA worksheet, completing all the relevant information and moving onto the next worksheet and so on. Progressing in this manner will pre-populate much of the financial forms.

Schedule G-1 must be submitted as both a pdf file and an electronic Excel spreadsheet.

The financial forecast must cover at least five years and be inclusive of **all** operations of the applicant (existing and proposed). It will be used by the OSB to determine whether the proposed project is financially feasible and sustainable and whether this is a viable operation.

The projections must include detailed financial assumptions, attached as Schedule G-2, taking into account the applicant's best estimates for start-up costs (if any), revenues, expenses, ability to make a profit and all financial data related to any subsidiaries. Each row of the income statement, balance sheet and statement of cash flows that has projections included must include an entry on Schedule G-2 explaining the assumptions used to provide the projection. Additionally, the subscriber projections contained in the DATA tab drive the revenue on the Income Statement, the forecast of subscriber projections should be sufficiently explained. Schedule G-2 is expected to be in the form of a narrative with any calculations presented appropriately.

Schedule G-2 must be submitted as a pdf.

Schedule G-2 is a self-created narrative that explains assumptions and conditions related to

Schedule G-1. Schedule G-2 should discuss each assumption was made (e.g. how employee salary, healthcare, retirement costs were established; how the subscriber take rate was established; how backhaul costs were established) and how the annual increase in costs was determined.

NOTE: It is the applicants' responsibility to ensure they have sufficiently demonstrated the feasibility of their projects and existing operations, if applicable.

Tips for Successful Application

- Ensure that the appropriate Schedule is prepared by a financial consultant, accountant, or other individual qualified to prepare financial forecasts.
- Follow the guidance on developing financial projections in this section.
- Ensure that the OSB can determine exactly how every line item was calculated in each forecast year.
- Ensure that the information you provide is consistent with the details of other sections in your application. This includes historical financial statements, subscriber projections and service tiers, and Scope of Work.
- Pro-Forma financial statements must be for the applicant, not for parent organizations.

General Pro-Forma Financial Forecast Guidance

Every Pro-Forma Financial Forecast consists of an Income Statement, Balance Sheet, and Statement of Cash Flows. Columns should be clearly labeled with the appropriate year. Start-up organizations can leave the historical columns blank, except for the opening Balance Sheet, which should be included in the historical column immediately prior to the forecast years.

Historical and forecast years can be based on either calendar years or fiscal years, but if the applicant reports by fiscal years, the applicant should note the fiscal year period in the Assumptions that must accompany the Pro-Forma Financial Forecast.

Schedule G-1 is an Excel spreadsheet that includes tabs for subscriber projections and expense assumptions data, fixed assets and depreciation input, debt service input, grant costs, income statement, balance sheet and statement of cash flows. The spreadsheet should be reviewed in its entirety prior to beginning input. The tan colored cells are for user input, the white cells populate based on input. Assume calendar year for the fiscal year and a second quarter, 2024 project start.

The following provide guidance for worksheet completion by tab:

Data

Provisions for input of subscriber forecast and rates for each type of potential product are included. The projections should match the information provided in other parts of the application.

The next portion of the spreadsheet allows for the projection of cost related to grant construction and the projected percent increase or decrease of an expense category year by year. This information is used as input for the later sheets. There are “blank” rows to allow additional categories to be added, if necessary.

The last part of the spreadsheet allows the input of your projected tax rate used to calculate the income tax portion of the Income Statement.

How each assumption was reached must be explained in detail on the Financial Assumptions worksheet (Schedule G-2).

Fixed Assets and Depreciation

This spreadsheet provides for the input of existing and grant related plant and equipment costs and calculates the straight-line depreciation for inclusion on the balance sheet. Plant and equipment necessary for any expansion or improvements to the existing network are input separately from the grant related assets. The plant and equipment costs for the grant related assets should be the same as shown on the capital budget worksheet (Schedule F-2). Straight-line depreciation is the only acceptable depreciation for the application.

Debt Activity

Debt activity is existing and any new borrowing by the applicant. Principal and interest payment amounts for existing and new debt are entered in their respective areas.

Grant Activity

The grant activity worksheet provides information to populate the deferred grant revenue category on the Balance Sheet. The plant and equipment costs for the grant related assets should be the same as shown on the capital budget worksheet (Schedule F-2).

Income Statement

The tab is pre-populated with preferred revenue and expense categories. Applicants must use these exact categories in order to facilitate the processing of applications. Applicants can use their Financial Assumptions worksheet (Schedule G-2) to provide any detail they feel is necessary to explain how the revenue and expenses per line were established for those cells that are not populated by one of the previous worksheets.

The following is a brief description of the pre-populated revenue and expense categories contained on the Income Statement worksheet in this template.

OPERATING REVENUES

1. Operating Revenues:

- a. Broadband Service revenues are derived from the provision of broadband data services

to customers. Broadband service revenues should relate to the number of subscribers and price per subscriber information contained in the Pro-Forma Financial Assumptions. Present broadband service revenues for existing services and grant funded service separately.

- b. Video Service revenues are derived from the provision of video services to customers. Video service revenues should relate to the number of video service subscribers and price per subscriber information contained in the Pro-Forma Financial Assumptions. This should include set-top box revenue, basic, expanded basic, digital, premium channel packs and video on demand subscribers. Present video service revenues for existing services and grant funded service separately.
 - c. VoIP (Voice over Internet Protocol) revenues are derived from the provision of local voice services to customers. Local voice service revenues should relate to the number of local voice service subscribers and price per subscriber information contained in the Pro-Forma Financial Assumptions. This should include revenue from residential, single-line businesses, multi-line businesses, and optional features. Present VoIP service revenues for existing services and grant funded service separately.
2. Other Operating Revenues are all other revenues derived from sources other than those described above. These revenues may be from middle mile transport, customer installation charges, sale of equipment to customers, other revenue from other grant sources or any other revenue sources. Present Other Operating Revenues for existing services and grant funded service separately.

OPERATING EXPENSES

- 1. Backhaul expenses are associated with transporting voice and broadband data network traffic from the customer premises equipment (CPE) to the point of interconnection to the Internet.
- 2. IP/Interconnection expenses are associated with interconnecting with and transferring traffic across the Internet.
- 3. Video Content Costs are related to the provision of video services revenue and consist of video programming costs and fees.
- 4. Spectrum expenses are related to leasing spectrum from others in a wireless services network. Amortized spectrum acquisition expenses related to purchased spectrum should be included in the Amortization Expense category described below.
- 5. Network Maintenance/Monitoring expenses are the personnel and related costs of maintaining/monitoring the network and customer premises equipment.
- 6. Utilities expense is the cost of utilities related to network operations.

7. Sales/Marketing expenses are all costs associated with marketing to and obtaining customers and subscribers, including salesperson compensation, advertising and marketing promotions, and subsidies on customer premises equipment or handsets.
8. Customer Care expenses are the personnel and related costs of providing customer service operations to customers.
9. Administrative Labor expenses include personnel, occupancy, insurance, billing and collections.
10. Administrative Other expenses include all other general and administrative expenses.
11. Other Operating Expenses are all other operating expenses not included above.
12. Blanks 1-3 are provided should it be necessary for the applicant to provide additional Operating Expense Categories.
13. Amortization Expense is the amortization expense associated with intangible assets such as franchise agreements, lease agreements, service contracts, customer lists, order backlog, computer software. Present the Amortization Expenses for existing services and grant funded service separately.
14. Depreciation of Grant Assets is the depreciation expense related to all plant in service associated with the proposed Maryland Broadband Infrastructure Grant project. The depreciation method required for the purposes of this pro-forma is straight-line depreciation.
15. Depreciation Existing Assets is the depreciation expense related to the plant in service not associated with the proposed Maryland Broadband Infrastructure Grant project. The depreciation method required for the purposes of this pro-forma is straight-line depreciation.

Other Income (Expense)

1. Interest Income is interest income earned from marketable securities and/or cash.
2. Amortized MD Broadband Grant Revenues are recognized from the MD Broadband Grant Program or other grants.
3. Other Income (Expense) is the net income (expense) derived from sources other than the applicant's primary telecommunications operations.
4. Gain (Loss) on Disposal of Assets is the net difference between the original asset cost and any accumulated depreciation.
5. Gain (Loss) on Marketable Securities is the net total realized and unrealized gain or loss for the period as a result of selling or holding marketable securities.
6. Interest Expense – Existing Debt is the interest cost associated with all existing outstanding

debt, if any.

7. Interest Expense -New Debt is the interest cost associated with the applicant's new interest-bearing debt, if any.

Pretax Income

1. Federal and State Tax expenses are the costs incurred for federal and state income taxes and any other similar taxes levied on the company.

Net Income (Loss) represents the net income (loss) for the historical or forecast year.

EBITDA represents earnings before interest, taxes, depreciation, and amortization.

Balance Sheet

The Pro-Forma Balance Sheets must comply with basic GAAP requirements that state Total Assets must equal Total Liabilities and Total Equity, and loans are reflected with current and long-term positions for each Pro-Forma year. The following is a brief description of the pre-populated balance sheet categories contained on the Balance Sheet worksheet in this template.

ASSETS

Current Assets

1. Cash includes all restricted and non-restricted cash balances.
2. Accounts Receivable consists of amounts owed by customers and subscribers from the provision of services or the sale of equipment.
3. Prepaid Expenses are those expenses that are paid in advance such as insurance, leases, taxes, etc.
4. Inventory expenses are related to inventory acquired for future and ongoing work as well as the cost of storing the inventory.
5. Marketable Securities consists of all short-term investments of excess cash not required for on-going operations.
6. Maryland Broadband Grant Receivable are those funds due from grant expenditures but not yet received.
7. Other Current Assets consists of all other current assets not included above.

Other Assets

1. Other Assets consists of all other non-current assets not included elsewhere.
2. Amortizable Assets consists of intangible assets amortized over their useful life.

3. Accumulated Amortization is the total sum of amortization expense recorded for an intangible asset.
4. Land is the value of owned real property exclusive of constructed assets on the property.
5. Plant in Service contains the plant and equipment at costs associated with the network as contained in the construction budget. Annual changes to this category should relate to the Acquisition and Construction of Plant in Service category included on the Statement of Cash Flows. Present the Plant in Service assets for existing services and grant funded service separately.
6. Accumulated Depreciation consists of the accumulated depreciation of assets included in the “Plant in Service –Other Assets” categories. Accumulated Depreciation includes both grant and existing asset depreciation. Annual changes to this category should relate to the Depreciation Expense – Other Assets category included on the Income Statement.

LIABILITIES AND EQUITY

Current Liabilities

1. Accounts Payable consists of the amounts owed to trade vendors.
2. Accrued Expenses are those expenses that have been incurred but not yet paid.
3. Current– Deferred Grant Revenue consists of the total amount of deferred grant revenue that will be recognized as revenue in the following year and should relate to Amortized Grant Revenue category included on the Income Statement.
4. Current Portion LTD consists of the total principal balance related to debt that will be repaid in the following year and should relate to the “Principal Paid on Notes Payable” category included on the Statement of Cash Flows.
5. Other Current Liabilities consists of all other current liabilities not included above.

Other Liabilities

1. Notes Payable – Existing & New consists of the total outstanding principal balance related to the all existing and new sources of debt, if any, less the Current Portion – Existing Debt category.
2. Deferred Grant Revenue: Grantees should account for revenue recognized from grants. This consists of the remaining unamortized grant revenue less the Current Portion – Deferred Grant Revenue category. Rate-regulated Telecom or Electric companies may leave this item blank.
3. Other Liabilities consists of all other non-current liabilities not included above.

Equity

1. Capital Stock consists of the par value of capital stock.
2. Additional Paid in Capital consists of all other investor transactions. The category is the net change in Distributions/Dividends and Additional Paid in Capital included on the Statement of Cash Flows.
3. Retained Earnings represent after-tax profits in the company. The changes from year to year must reconcile with the Net Income category included on the Income Statement.

Statement of Cash Flows

The Pro-Forma statement of cash flows must reflect the proposed Maryland Broadband Program project funding and investments as well as any additional funding for working capital and other capital expenditures for the applicant exclusive of the Grant project. The following is a brief description of the pre-populated cash flow categories contained on the Cash Flow worksheet in this template.

Beginning Cash represents cash balances at the beginning of the period. Cash Flows from Operating Activities:

1. Net Income (Loss) is obtained from the Net Income (Loss) category on the Pro-Forma Income Statement.
2. Adjustments to Reconcile Net Income (Loss) to Net Cash Provided from Operating Activities:
 - a. Depreciation & Amortization is obtained from the Depreciation and Amortization categories on the Income Statement. Grant and Existing categories are combined for this line.
 - b. MD Broadband Grant is obtained from the Amortized MD Broadband Grant category on the Income Statement.
 - c. Gain (Loss) on Disposal of Assets is obtained from the Gain (Loss) on Disposal of Assets on the Income Statement.
 - d. Gain (Loss) on Investments is obtained from the Gain (Loss) on Investments on the Income Statement.
3. Effects of Changes in Operating Assets and Liabilities:
 - a. Accounts Receivable is the net change in the Accounts Receivable category on the Balance Sheet.
 - b. Prepaid Expenses is the net change in the Prepaid Expenses category on the Balance Sheet.

- c. Inventory is the net change in the Inventory category on the Balance Sheet.
- d. Other Current Assets is the net change in the Other Current Assets category on the Balance Sheet.
- e. Accounts Payable is the net change in the Accounts Payable category on the Balance Sheet.
- f. Accrued Expenses is the net change in the Accrued Expenses category on the Balance Sheet.
- g. Unearned Revenue is the net change in the Current -Deferred Grant Revenue category on the Balance Sheet.
- h. Other Current Liabilities is the net change in the Other Current Liabilities category on the Balance Sheet.
- i. Other Assets is the net change in the Other Assets category on the Balance Sheet.
- j. Other Liabilities is the net change in the Other Liabilities category on the Balance Sheet.

Cash Flows from Financing Activities:

- 1. Acquisition and Construction of Plant in Service is obtained from the Land and Plant in Service categories on the Income Statement. Grant and Existing categories are combined for this line.
- 2. Amortizable Assets is the net change in the Amortizable Assets category on the Balance Sheet.
- 3. Proceeds from Maryland Broadband Program grant are the cash grant proceeds received under a Maryland Broadband Program grant.
- 4. Proceeds from Notes Payable is the amount received from new sources of debt as shown on the Debt Activity worksheet.
- 5. Principal Paid on Notes Payable is the cash repayments of principal related to the all debt, if any.
- 6. Distributions/Dividends are the cash payments of dividends to the owners of capital stock or distribution of cash to investors.
- 7. Additional Paid-in-Capital are funds paid into the project by investors.

Cash Flows from Investing Activities:

- 1. Proceeds from Disposal of Assets is the amounts received from the sale of an asset.
- 2. Sale of Marketable Securities is the amount received from the sale of marketable securities.
- 3. Purchase of Marketable Securities is the net change in marketable securities from the

balance sheet plus the Gain (Loss) on Marketable Securities on the Income Statement.

Increase (Decrease) in Cash

Cash and Cash Equivalents – Beginning of Year is the prior year's Cash and Cash Equivalents End of Year.

Cash and Cash Equivalents – End of Year represents the cash balance at the end of the period and should agree with the Cash category of the Balance Sheet.

Guidance Related to the Pro-Forma Financial Assumptions (Schedule G-2)

Overview: Applicants are required to submit a detailed written narrative that documents the various Pro-Forma financial assumptions used to prepare the Pro-Forma Financial Forecast, as Schedule G-2.

Every category in the Pro-Forma financial statements must be explained with clear details so that the OSB may review and understand the basis for the financial projections. The assumptions must allow a financial analyst to re-create the Pro-Forma financial statements. If the financial forecast is not fully supported by a detailed narrative for every category, it may affect the final decision on the application.

While applicants are not required to utilize all of the categories in the workbook, applicants must provide a sufficient level of detail to provide a reasonable understanding of existing and proposed operations, including the proposed Maryland Broadband Program grant project. Any modifications to the Pro-Forma financial statements submitted must adequately document, support, and justify the information in any modified categories.

Historical Financial Reconciliation

If there are any gaps or discrepancies between the submitted historical financial statements and the historical data provided in the Pro-Forma Financial Forecast, applicants should include detailed explanations in the assumptions.

Income Statement Assumptions

Applicants must provide assumptions for all the categories on the Income Statement. The detailed network plan should link to the Pro-Forma financial statements. Applicants should describe existing capacity and give its annual cost for backhaul, IP/interconnection, and/or spectrum and video. Include proposed capacity that will be necessary to serve subscribers as well as projected annual cost. Ensure that the annual cost totals for each category reconcile with the corresponding expense items.

Backhaul should include all transport costs for taking the applicant's network traffic to its provider. IP/Interconnection should include all IP traffic costs for providing service to users. Spectrum should include all spectrum costs for providing service to users (if applicable). Video

content should include all costs associated with the provision of TV content to users (if applicable). Growth in these costs should generally correspond to projected subscriber growth for each of the various services, as applicable.

If other grant awards are being utilized for match, you must provide a complete explanation of the grant funds conditions, amounts and distribution methods. If utilizing an award that is based on subscriber connections or passings (such as the FCC RDOF program), an explanation of the funding timing and amount per household within the ISA to be received over the Connect Maryland Program construction period must be included. When utilizing other grant funds, the match must be available at the time of reimbursement. If the other grant funds are not available at the time of reimbursement request, an explanation of how the match will be provided must be included. If the match will be made via short or long term debt, that debt must be included under the debt tab of the workbook.

Balance Sheet Assumptions

Applicants must provide assumptions for all the categories on the Balance Sheet.

Statement of Cash Flows Assumptions -The Cash Flow statement should tie to the net change in the various categories from the Balance Sheet. Net Income in each year should come directly from the Income Statement.

Accounting for Grant Funds -When reporting the State's grant amounts on Pro-Forma financials or other documents submitted with your application, the grant amounts must be treated as revenue on a separate line item. Because this revenue is used to purchase capital assets, it must be amortized over the average useful life of the assets. Failure to use this accounting method can produce unfavorable outcomes in the financial review process. However, those applicants that are rate regulated Telecom or Electric companies must continue to utilize the accounting required by the respective uniform system of accounts for those industries, which require that the plant accounts be reduced by the grant funds received in the year of receipt.

5-Year Financial Forecast Workbook

Applicants must complete the entire workbook. The workbook is available at:
<https://dhcd.maryland.gov/broadband>

Applicants should complete the entire workbook and include all of the worksheets in their application as Schedule G-1. The worksheets should be in printed format (pdf) and electronic Excel Spreadsheet.

G. Statement of Experience

Applicants must provide a written narrative describing their demonstrated capability and experience, if any, in operating a telecommunications system, or any project similar to the proposed project. The applicant must include the owner and principal employees' relevant work

experience that would ensure the success of the project.

If the applicant is seeking to partner with another entity to operate the system, an agreement or draft agreement to do so must be provided with the application. This agreement must address the specific financial terms of this partnership and the specific entity/entities must be identified, along with their qualifications to assist in operating the system. Applications which rely on such a partnership, but do not provide pertinent details will be rejected, as the OSB cannot determine the technical and financial feasibility of the project lacking such information. The OSB will consider such an application on the basis of the submitted agreement, but may require modifications if an award is ultimately made if any terms of the agreement are found to be unacceptable to the OSB.

H. Additional Funding

Applicants must contribute a Matching contribution as outlined in the section “Match Funds Requirements”. The match must be in cash and be fully available at time of the agreement to be used solely for the Project. All applicants must be able to demonstrate they have sufficient resources to construct, manage and sustain the project through and beyond completion.

A grant applicant must fulfill either items 1 or 2 below:

1. Applicant has sufficient cash on hand to fund the Matching Contribution for the application. An applicant must demonstrate its financial ability to do so by submitting a recent bank statement titled in the applicant’s name. In addition, if the applicant has a significant part of its cash reserves which are from a third party loan or grant unrelated to the Connect Maryland Program, the applicant must provide the amounts of such cash which is included in the bank statement and indicate whether such funds are available for the project, and if not, how much of the cash on hand is not restricted for use on the project. If the OSB is aware that a significant amount of the cash shown on the bank statement may be unavailable for the project, but this amount is not specifically identified or the removal of a known quantity of unavailable cash would leave less than the cash match requirement, the OSB may reject the application on this basis.
2. Applicant has obtained sufficient funding commitments from another entity, outside of the Connect Maryland Program, needed to complete the submitted application. Satisfactory evidence to this effect must:
 - a. Be in the form of an agreement between the entity contributing funds and the applicant, or a letter from the entity to the applicant.
 - b. Clearly state the name and contact information of the entity that is making the commitment to the applicant.
 - c. Include the amount of the commitment.
 - d. State the purpose of the commitment.

- e. Demonstrate the financial wherewithal of the entity making the commitment to the applicant through a recent bank statement titled in the contributing entity's name.

Note: Letters must be signed by an Officer having authority to make the commitment or the Owner of the entity providing the funding.

If the appropriate funding commitments are not included in the application, the application will be deemed ineligible for consideration.

I. Reporting and Compliance

All recipients of the American Rescue Plan's Coronavirus Capital Projects Fund (CPF) grants are required to submit project and expenditure reports as required by the U.S. Department of Treasury. These reports will generally include, but are not limited to, data regarding projects, expenditures, project status, subawards, equity indicators, community engagement efforts, programmatic data, and other measures as determined by Treasury. States, territories, and freely associated states will submit project and expenditure reports quarterly. States, territories, and freely associated states are required to submit annual performance reports. Annual performance reports must include data related to program outputs and outcomes against the stated objectives of the recipient's Grant Plan.

If your application is selected for funding, you will become a subawardee of Maryland CPF funds. Subawardees are required to provide information to the grantor (DHCD/OSB) to permit the grantor to fully comply with its reporting requirements. Please refer to these Treasury's links and publications for additional information and detail:

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>

<https://home.treasury.gov/system/files/136/CPF-Reporting-Guidance-for-States.pdf>

<https://home.treasury.gov/system/files/136/Capital-Projects-Fund-Guidance-States-Territories-and-Freely-Associated-States.pdf>

https://home.treasury.gov/system/files/136/Coronavirus-Capital-Projects-Fund-FAQs_FINAL.pdf

Appendix A

<u>Street Address</u>	<u>City</u>	<u>State</u>
20600 Caleb Jones Rd	Ewell	Md
20697 Caleb Jones Rd	Ewell	Md
20721 Caleb Jones Rd	Ewell	Md
20727 Caleb Jones Rd	Ewell	Md
20741 Caleb Jones Rd	Ewell	Md
20749 Caleb Jones Rd	Ewell	Md
20755 Caleb Jones Rd	Ewell	Md
20759 Caleb Jones Rd	Ewell	Md
20763 Caleb Jones Rd	Ewell	Md
20771 Caleb Jones Rd	Ewell	Md
20781 Caleb Jones Rd	Ewell	Md
20787 Caleb Jones Rd	Ewell	Md
20791 Caleb Jones Rd	Ewell	Md
20795 Caleb Jones Rd	Ewell	Md
20802 Severn Rd	Ewell	Md
20803 Caleb Jones Rd	Ewell	Md
20803 Severn Rd	Ewell	Md
20805 Severn Rd	Ewell	Md
20806 Severn Rd	Ewell	Md
20809 Severn Rd	Ewell	Md
20810 Severn Rd	Ewell	Md
20813 Severn Rd	Ewell	Md
20820 Kitching Ln	Ewell	Md
20823 Caleb Jones Rd	Ewell	Md
20825 Caleb Jones Rd	Ewell	Md
20829 Caleb Jones Rd	Ewell	Md
20831 Caleb Jones Rd	Ewell	Md
20833 Caleb Jones Rd	Ewell	Md
20833 Caleb Jones Rd Bldg 4	Ewell	Md
20840 Caleb Jones Rd	Ewell	Md
20846 Caleb Jones Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
20863 Caleb Jones Rd	Ewell	Md
20876 Caleb Jones Rd	Ewell	Md
20880 Caleb Jones Rd	Ewell	Md
20884 Caleb Jones Rd	Ewell	Md
20885 Caleb Jones Rd	Ewell	Md
20887 Caleb Jones Rd	Ewell	Md
20888 Caleb Jones Rd	Ewell	Md
20889 Somers Rd	Ewell	Md
20891 Caleb Jones Rd	Ewell	Md
20894 Caleb Jones Rd	Ewell	Md
20895 Caleb Jones Rd	Ewell	Md
20898 Caleb Jones Rd	Ewell	Md
20899 Caleb Jones Rd	Ewell	Md
20902 Caleb Jones Rd	Ewell	Md
20903 Caleb Jones Rd	Ewell	Md
20903 Somers Rd	Ewell	Md
20905 Somers Rd	Ewell	Md
20906 Caleb Jones Rd	Ewell	Md
20907 Caleb Jones Rd	Ewell	Md
20907 Somers Rd	Ewell	Md
20909 Caleb Jones Rd	Ewell	Md
20909 Somers Rd	Ewell	Md
20910 Caleb Jones Rd	Ewell	Md
20911 Somers Rd	Ewell	Md
20915 Caleb Jones Rd	Ewell	Md
20915 Somers Rd	Ewell	Md
20916 Caleb Jones Rd	Ewell	Md
20918 Caleb Jones Rd	Ewell	Md
20920 Caleb Jones Rd	Ewell	Md
20920 Caleb Jones Rd Bldg 2	Ewell	Md
20922 Caleb Jones Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
20925 Caleb Jones Rd	Ewell	Md
20925 Somers Rd	Ewell	Md
20926 Caleb Jones Rd	Ewell	Md
20929 Caleb Jones Rd	Ewell	Md
20929 Caleb Jones Rd Bldg 2	Ewell	Md
20930 Caleb Jones Rd	Ewell	Md
20930 Somers Rd	Ewell	Md
20931 Somers Rd	Ewell	Md
20932 Caleb Jones Rd	Ewell	Md
20933 Somers Rd Bldg 2	Ewell	Md
20934 Caleb Jones Rd	Ewell	Md
20937 Caleb Jones Rd	Ewell	Md
20938 Caleb Jones Rd	Ewell	Md
20939 Somers Rd	Ewell	Md
20942 Caleb Jones Rd	Ewell	Md
20943 Somers Rd	Ewell	Md
20947 Caleb Jones Rd	Ewell	Md
20949 Somers Rd	Ewell	Md
20949 Somers Rd Bldg 2	Ewell	Md
20950 Caleb Jones Rd	Ewell	Md
20951 Caleb Jones Rd	Ewell	Md
20956 Caleb Jones Rd	Ewell	Md
20957 Caleb Jones Rd	Ewell	Md
20960 Caleb Jones Rd Bldg 2	Ewell	Md
20963 Caleb Jones Rd	Ewell	Md
20963 Caleb Jones Rd Bldg 2	Ewell	Md
20964 Caleb Jones Rd	Ewell	Md
20966 Caleb Jones Rd	Ewell	Md
20967 Caleb Jones Rd	Ewell	Md
20970 Caleb Jones Rd	Ewell	Md
20971 Caleb Jones Rd	Ewell	Md
20974 Caleb Jones Rd	Ewell	Md
20975 Caleb Jones Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
20978 Caleb Jones Rd	Ewell	Md
20979 Caleb Jones Rd	Ewell	Md
20982 Caleb Jones Rd	Ewell	Md
20985 Caleb Jones Rd	Ewell	Md
21117 Tuff St	Ewell	Md
21125 Bay Berry Dr	Ewell	Md
21132 Tuff St	Ewell	Md
21133 Tuff St	Ewell	Md
21134 Center St	Ewell	Md
21137 Center St	Ewell	Md
21141 Center St	Ewell	Md
21141 Tuff St	Ewell	Md
21145 Bugeye Rd	Ewell	Md
21147 Center St	Ewell	Md
21148 Tuff St	Ewell	Md
21149 Marshall St	Ewell	Md
21149 Tuff St	Ewell	Md
21152 Marshall St	Ewell	Md
21157 Tuff St	Ewell	Md
21159 Center St	Ewell	Md
21159 Marshall St	Ewell	Md
21162 Center St	Ewell	Md
21162 Marshall St	Ewell	Md
21162 Tuff St	Ewell	Md
21163 Tuff St	Ewell	Md
21165 Marshall St	Ewell	Md
21167 Center St	Ewell	Md
21168 Marshall St	Ewell	Md
21169 Marshall St	Ewell	Md
21170 Center St	Ewell	Md
21174 Center St	Ewell	Md
21228 Wharf Rd	Ewell	Md
21232 Wharf Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
2903 Tylerton Rd	Ewell	Md
2909 Tylerton Rd	Ewell	Md
2925 Tylerton Rd	Ewell	Md
2933 Tylerton Rd	Ewell	Md
2937 Tylerton Rd	Ewell	Md
2955 Tylerton Rd	Ewell	Md
2967 Tylerton Rd	Ewell	Md
2975 Tylerton Rd	Ewell	Md
3008 Union Church Rd	Ewell	Md
3019 Tylerton Rd	Ewell	Md
3019 Union Church Rd	Ewell	Md
3027 Tylerton Rd	Ewell	Md
3035 Union Church Rd	Ewell	Md
3036 Union Church Rd	Ewell	Md
3040 Union Church Rd	Ewell	Md
3041 Union Church Rd	Ewell	Md
3043 Tylerton Rd	Ewell	Md
3049 Union Church Rd	Ewell	Md
3053 Tylerton Rd	Ewell	Md
3054 Union Church Rd	Ewell	Md
3060 Union Church Rd	Ewell	Md
3065 Union Church Rd	Ewell	Md
3066 Union Church Rd	Ewell	Md
3067 Tylerton Rd	Ewell	Md
3069 Union Church Rd	Ewell	Md
3070 Back St	Ewell	Md
3070 Union Church Rd	Ewell	Md
3076 Back St	Ewell	Md
3141 Marsh Rd	Ewell	Md
3159 Marsh Rd	Ewell	Md
3167 Marsh Rd	Ewell	Md
3169 Marsh Rd	Ewell	Md
3177 Marsh Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
3181 Marsh Rd	Ewell	Md
3185 Marsh Rd	Ewell	Md
3189 Marsh Rd	Ewell	Md
3191 Marsh Rd	Ewell	Md
3197 Marsh Rd	Ewell	Md
3201 Marsh Rd	Ewell	Md
3211 Marsh Rd	Ewell	Md
3217 Marsh Rd	Ewell	Md
3221 Marsh Rd	Ewell	Md
3231 Marsh Rd	Ewell	Md
3239 Marsh Rd	Ewell	Md
3241 Marsh Rd	Ewell	Md
3247 Marsh Rd	Ewell	Md
3251 Marsh Rd	Ewell	Md
3255 Marsh Rd	Ewell	Md
3257 Marsh Rd	Ewell	Md
3261 Marsh Rd	Ewell	Md
3265 Marsh Rd	Ewell	Md
3269 Marsh Rd	Ewell	Md
3277 Marsh Rd	Ewell	Md
3281 Marsh Rd	Ewell	Md
3287 Marsh Rd	Ewell	Md
3293 Marsh Rd	Ewell	Md
3303 Marsh Rd	Ewell	Md
3313 Marsh Rd	Ewell	Md
3333 Marsh Rd	Ewell	Md
3341 Marsh Rd	Ewell	Md
3344 Marsh Rd	Ewell	Md
3344 Marsh Rd Bldg 2	Ewell	Md
3347 Marsh Rd	Ewell	Md
3357 Marsh Rd	Ewell	Md
3361 Marsh Rd	Ewell	Md
3376 Smith Island Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
3389 Marsh Rd	Ewell	Md
3395 Marsh Rd	Ewell	Md
3401 Marsh Rd	Ewell	Md
3408 Smith Island Rd	Ewell	Md
3411 Marsh Rd	Ewell	Md
3414 Smith Island Rd	Ewell	Md
3419 Marsh Rd	Ewell	Md
3422 Smith Island Rd	Ewell	Md
3423 Marsh Rd	Ewell	Md
3429 Marsh Rd	Ewell	Md
3438 Marsh Rd	Ewell	Md
3438 Smith Island Rd	Ewell	Md
3443 Marsh Rd	Ewell	Md
3444 Marsh Rd	Ewell	Md
3444 Smith Island Rd	Ewell	Md
3450 Marsh Rd	Ewell	Md
3455 Marsh Rd	Ewell	Md
3460 Marsh Rd	Ewell	Md
3460 Smith Island Rd	Ewell	Md
3786 Smith Island Rd	Ewell	Md
3951 Tyler Rd	Ewell	Md
3956 Tyler Rd	Ewell	Md
3959 Tyler Rd	Ewell	Md
3964 Tyler Rd Bldg 2	Ewell	Md
3969 Tyler Rd	Ewell	Md
3976 Frank Rd	Ewell	Md
3977 Tyler Rd	Ewell	Md
3978 Tyler Rd Bldg 2	Ewell	Md
3982 Smith Island Rd	Ewell	Md
3986 Smith Island Rd	Ewell	Md
3991 Smith Island Rd	Ewell	Md
4001 Tyler Rd	Ewell	Md
4002 Dize Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
4005 Smith Island Rd Bldg 2	Ewell	Md
4005 Tyler Rd	Ewell	Md
4006 Tyler Rd	Ewell	Md
4008 Dize Rd	Ewell	Md
4008 Smith Island Rd	Ewell	Md
4010 Oyster House Rd	Ewell	Md
4011 Tyler Rd	Ewell	Md
4012 Dize Rd	Ewell	Md
4014 Dize Rd	Ewell	Md
4014 Dize Rd Bldg 2	Ewell	Md
4014 Smith Island Rd	Ewell	Md
4017 Tyler Rd	Ewell	Md
4018 Smith Island Rd	Ewell	Md
4023 Tyler Rd	Ewell	Md
4025 Smith Island Rd	Ewell	Md
4026 Tyler Rd	Ewell	Md
4029 Tyler Rd	Ewell	Md
4031 Tyler Rd	Ewell	Md
4032 Smith Island Rd	Ewell	Md
4032 Tyler Rd	Ewell	Md
4033 Tyler Rd	Ewell	Md
4037 Tyler Rd	Ewell	Md
4038 Tyler Rd	Ewell	Md
4040 Evans Dock Rd	Ewell	Md
4040 Evans Dock Rd Bldg 2	Ewell	Md
4040 Smith Island Rd	Ewell	Md
4041 Tyler Rd	Ewell	Md
4042 Tyler Rd	Ewell	Md
4047 Tyler Rd	Ewell	Md
4048 Tyler Rd	Ewell	Md
4050 Tyler Rd	Ewell	Md
4053 Whitelock Rd	Ewell	Md
4054 Tyler Rd	Ewell	Md

<u>Street Address</u>	<u>City</u>	<u>State</u>
4055 Enos Rd	Ewell	Md
4061 Whitelock Rd	Ewell	Md
4061 Whitelock Rd Bldg 2	Ewell	Md
4063 Smith Island Rd	Ewell	Md
4063 Smith Island Rd Bldg 2	Ewell	Md
4063 Tyler Rd	Ewell	Md
21125 Tuff St	Tylerton	Md
21139 Bugeye Rd	Tylerton	Md
21154 Tuff St	Tylerton	Md
21177 Center St	Tylerton	Md
2997 Tylerton Rd	Tylerton	Md
3003 Union Church Rd	Tylerton	Md
3011 Union Church Rd	Tylerton	Md
3015 Union Church Rd	Tylerton	Md
3029 Union Church Rd	Tylerton	Md
3048 Union Church Rd	Tylerton	Md
3067 Back St	Tylerton	Md
3076 Union Church Rd	Tylerton	Md

Connect Maryland: Network Infrastructure Grant Program Application Checklist

Section	Description	Schedule	Complete
A	Application for Assistance		
	- Completed Broadband Grant Application Form	A-1	
	- IRS Form W-9	A-2	
B	Executive Summary of the Project		
C	Scoring Criteria Documentation		
D	System Design		
	- Network Diagram	D-1	
E	Service Area Demographics		
F	Scope of Work		
	- Construction Build-out/Project Milestones	F-1	
	- Project Budget	F-2	
G	Financial Information and Sustainability		
	- Historical Financial Statements		
	- Pro Forma Financial Statement	G-1	
	- Pro Forma Financial Statement Assumptions	G-2	
H	Statement of Experience		
I	Evidence of Funding Commitments from Other Sources		

By signing this checklist, you are certifying that you understand that to be an eligible applicant, you must have included each of the required documents. If you have any questions about your application, please contact the Governor's Office of Rural Broadband prior to submitting this application and certification.

Print Name

Title

Signature

Date



FY24 Maryland Network Infrastructure Grant Program Smith Island

Broadband Grant Application Form *(this form is the start of your application, see the application guide for additional application requirements)*

Project Name: _____

Applicant Information

Primary Applicant Legal Name (must match W9 and DUNS Number):

Federal EIN Number: _____ DUNS Number: _____

Attach a copy of your IRS Form W-9

Unique Entity ID (SAM.gov) Number: _____

Address:

Street: _____

City: _____

County: _____

State: _____ Zip: _____

Applicant Type (may be for profit or non-profit):

A local jurisdiction;

Incorporated organization recognized as a partner by the local jurisdiction;

Cooperative legally formed in Maryland and recognized as a partner by the local jurisdiction;

Limited Liability Company recognized as a partner by the local jurisdiction;

Other _____

Partnerships and sole proprietors are not eligible applicants



Contact Information

This is the primary contact for the person coordinating all elements of this application. This is the person the Office will contact with any questions regarding the application.

Name: _____ Title: _____
Email: _____ Phone: _____

Project Information

Applicant is requesting an exception to the cash match requirement based on an application for Federal funding. Applicant understands that no State funds will be disbursed until the Federal funding is approved.

Estimated Funding:

Applicant: _____
Local Jurisdiction: _____
State: _____
Other: _____
Project Total: _____

Technology used to serve the subscriber:

Check all that apply

Fiber Optics to the Premise

Unlicensed Fixed Wireless Frequency Band: _____

Licensed Fixed Wireless Frequency Band: _____

Other: _____



Identified Service Area (ISA):

ISA must be unserved with no locations receiving broadband service at 100 Mbps download by 20 Mbps upload speeds.

Unserved Households and Businesses passed:

This is your projected subscriber base

Locations: 278

Miles of wired infrastructure within the ISA: _____

Service towers providing service to the ISA _____

Average Number of homes and businesses per ISA mile (wired): _____

Average Number of homes and businesses per service tower (wireless): _____

To the best of my knowledge and belief, the information contained in this application package is true and correct and I have the authority to sign this document.

Authorized Representative Name: _____

Title: _____

Signature

Date: _____

Schedule F-1

Construction Build-out And Project Milestones

[illegible]

Schedule F-2

Project Construction Budget

Budget Category Budget Line item	Unit	No. of Units	Unit cost	Total	Grant	Match	Other Funding *	Description
BROADBAND NETWORK								Note: These items are general in nature, applicants should modify as required to describe their specific project.
Electronic Equipment (cabinets, switches, routers, wireless radios, etc.)								
Provide <u>specific</u> type of equipment to be funded	EA							
PFS/Last Mile Outside plant (fiber, coaxial, copper, etc.)								
Provide <u>specific</u> types of material to be funded including fiber line size or other identifying information	LF							
Middle Mile/Interconnection Outside plant - (fiber, coaxial, copper, etc.)								
Provide <u>specific</u> types of material to be funded including fiber line size or other identifying information	LF							
Customer Drops								
Provide a description of drop material to be funded including fiber count or other identifying information	LF							
Customer premises equipment								
Provide a description of CPE to be funded	EA							
Towers - new or upgraded New towers constructed must be owned by applicant								Not Grant Eligible
Provide description of tower study or structural improvement to be funded	EA							Not Grant Eligible
								Not Grant Eligible
Buildings – new construction or renovation	EA							Not Grant or Match Eligible
Provide description of building purchase or improvement to be funded								Not Grant or Match Eligible
								Not Grant or Match Eligible
Bandwidth Costs								Not Grant Eligible
Provide the credit being provided by MABC for the use of their infrastructure	LS							Not Grant Eligible
								Not Grant Eligible
Engineering								
Engineering costs must be tied to a Funded Capital Asset	LS							
Add lines as necessary to provide a full construction budget for the constructed network								
Total Broadband System				0.00	0.00	0.00	0.00	
OTHER CONSTRUCTION RELATED COSTS								
Provide a complete description of Other construction related costs								
Total Other Costs				0.00	0.00	0.00	0.00	
SUMMARY OF EXPENDITURES								
Broadband Network				0.00	0.00	0.00	0.00	
Other				0.00	0.00	0.00	0.00	
TOTAL PROJECT CONSTRUCTION COSTS				0.00	0.00	0.00	0.00	

* to be used for ineligible items necessary for the project

Schedule G-1 Instructions

Please read BEFORE working in the model

- 1.0 **Important!!** Enter data in cells Tan colored cells only!!
- 2.0 Template is set up to work from TABS left to right. Complete DATA tab first, then fixed assets & Depr and so on..
- 3.0 In DATA tab cell, enter the two historical years you are working with in cells B4 and C4. Enter first Projected year in cell D4. The other projected years will auto populate. For example 2018, 2019 and 2020 in cells B4-D4.
- 4.0 The DATA tab is instrumental in completing the majority of the Income Statement.
- 5.0 See specific instructions located on right side of sheet for each applicable sheet to assist in completing your financial model.
- 6.0 Use footnotes next to entry lines where necessary to explain assumptions down below the data entry for each sheet as appropriate and necessary to explain changes or how figures are derived.

Organization Name:
(as shown on W-9)

ABC Corp <<<< enter applicant name here; flows to remaining sheets

ONLY enter data in Tan Cells

The blank cells within the spreadsheet will autopopulate based on these entries.

	Prior Year		Projected Year				
	FY 2021	FY 2022	2023	2024	2025	2026	2027
Broadband Data Service - Existing Network							
Subs Beg of Year			-	-	-	-	-
Subs End of Year							
Increase (Decrease)	-	-	-	-	-	-	-
Avg \$ Rate /Sub/Month	#DIV/0!	#DIV/0!					
Broadband Data Service - Grant Network							
Subs Beg of Year			-	-	-	-	-
Subs End of Year							
Increase (Decrease)			-	-	-	-	-
Avg \$ Rate /Sub/Month							
Video Service - Existing Network							
Subs Beg of Year		-	-	-	-	-	-
Subs End of Year							
Increase (Decrease)	-	-	-	-	-	-	-
Avg \$ Rate /Sub/Month	#DIV/0!	#DIV/0!					
Video Service - Grant Network							
Subs Beg of Year			-	-	-	-	-
Subs End of Year							
Increase (Decrease)			-	-	-	-	-
Avg \$ Rate /Sub/Month							
VoIP - Existing Network							
Subs Beg of Year			-	-	-	-	-
Subs End of Year							
Increase (Decrease)	-	-	-	-	-	-	-
Avg \$ Rate /Sub/Month	#DIV/0!	#DIV/0!					
VoIP - Grant Network							
Subs Beg of Year			-	-	-	-	-
Subs End of Year							
Increase (Decrease)			-	-	-	-	-
Avg \$ Rate /Sub/Month							

Explain your logic in changes in sub counts, average dollar cost per sub each year, etc. on Schedule G-2

Assumptions for Projections:	Dollar Increase <i>Directly Related to Grant</i>					Percent Increase or decrease (-) Over Prior Year				
	2023	2024	2025	2026	2027	2023	2024	2025	2026	2027
Middle Mile Revenues	-	-	-	-	-					
Installation Revenues	-	-	-	-	-					
Programming Fees										
Head End Operation										
Head End Maintenance										
Distribution Operation										
Distribution Maintenance										
Internet Expenses										
IT Consulting Services										
Backhaul										
IP/Interconnection										
Video Content Costs										
Spectrum										
Network Maintenance/Monitoring										
Utilities										
Sales & Marketing										
Customer Care										
Admin & Engineering										
Administrative - Other										
Property Taxes										
blank 1 *										
blank 2										
blank 3										
Other Operating Expenses										

Enter gross dollar impact of any line item cost resulting from the grant in columns D-H. For example, new internet installer. Columns I - M enter normal cost increases anticipated over prior year.

Enter above and below in percent format

* Rows labeled as "blank" may be modified to include other categorical expenses as needed

Projected effective combined federal and state tax rates for projected years

Note justify your rate structure for projected years if lower than highest marginal rates for federal and state

0.00%	0.00%	0.00%	0.00%	0.00%
-------	-------	-------	-------	-------

ONLY enter data in Tan Cells

per existing depreciation reports

per existing amortization schedule

per existing amortization schedule

Enter anticipated future asset additions in this section. Segregate by purpose - additions to existing plant (regardless of grant) and asset additions due to grant funding.

For those applicants that require the plant accounts be reduced by the grant funds, enter the recognized asset as a negative amount asset above in the year the applicant recognizes the grant in its records. Allocate the negative asset amount pro rata between applicable asset lines the grant proceeds are offsetting.

Note the delineation between existing plant assets and grant funded assets. **Grant dollars should be applied to the assets purchased with the grant funds.**

ABC Corp

Existing Debt:	<u>Projected Years</u>					
	2023	2024	2025	2026	2027	2028
Annual Principal Payments						
Annual Interest Payments						

New Debt:	<u>Projected Years</u>					
	2023	2024	2025	2026	2027	2028
Proceeds from new debt						
Annual Principal Payments						
Annual Interest Payments						

The above cells populate both the income statement and balance sheet. Amortization schedules are typically available from your lender and are used to identify future years' principal and interest portions of annual payments.

ABC Corp

Summary of Project Costs by Category ⁽¹⁾	Total Category Spend	Useful Life by Category	Straight Line Annual Depreciation
Outside Plant			
Equipment			
Customer Premise Equipment			
Customer Installation			
Add categories as needed based on project			
Total Project Costs ¹	\$ -		\$ -
Weighted Average Useful Life - Based on Annual Depreciation			#DIV/0!

¹ Note: totals of these entries should match total of project costs listed in detail on Fixed Assets & Depr Tab and Construction Budget

Requested Grant Amount

Schedule G1 Income Statement

	Prior Year		Projected Year				
	FY 2021	FY 2022	2023	2024	2025	2026	2027
Operating Revenues							
Broadband Data Service - Existing			\$ -	\$ -	\$ -	\$ -	\$ -
Broadband Data Service - Grant			-	-	-	-	-
Video Service - Existing			-	-	-	-	-
Video Service - Grant			-	-	-	-	-
Local Voice Service - Existing			-	-	-	-	-
Local Voice Service - Grant			-	-	-	-	-
Other - Existing							
Other - Post Grant							
Total Revenues	-	-	-	-	-	-	-
Operating Expenses							
Backhaul			-	-	-	-	-
IP/Interconnection			-	-	-	-	-
Video Content Costs			-	-	-	-	-
Head End Operation			-	-	-	-	-
Head End Maintenance			-	-	-	-	-
Distribution Operation			-	-	-	-	-
Distribution Maintenance			-	-	-	-	-
Internet Expenses			-	-	-	-	-
IT Consulting Services			-	-	-	-	-
Spectrum			-	-	-	-	-
Network Maintenance/Monitoring			-	-	-	-	-
Utilities			-	-	-	-	-
Sales & Marketing			-	-	-	-	-
Customer Care			-	-	-	-	-
Admin & Engineering			-	-	-	-	-
Administrative - Other			-	-	-	-	-
Property Taxes			-	-	-	-	-
blank 1 *			-	-	-	-	-
blank 2			-	-	-	-	-
blank 3			-	-	-	-	-
Other			-	-	-	-	-
Amortization - Grant Assets			-	-	-	-	-
Amortization - Existing Assets			-	-	-	-	-
Depreciation - Grant Assets			-	-	-	-	-
Depreciation - Existing Assets			-	-	-	-	-
Total Operating Expenses	-	-	-	-	-	-	-
Operating Income	-	-	-	-	-	-	-
Other Income (Expense)							
Interest Income							
MD Broadband Grant			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Income							
Gain on Disposal of Assets							
Gain on Marketable Securities							
Less: Other Income (Expense)							
(Loss) on Disposal of Assets							
(Loss) on Marketable Securities							
Payment in Lieu of Taxes							
Interest Expense - Existing Debt			-	-	-	-	-
Interest Expense - New Debt			-	-	-	-	-
Total Other Income (Expense)	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Pretax Income	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Federal and State Income Taxes	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Income (Loss)	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EBITDA	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

* Rows labeled as "blank" may be modified to include other categorical expenses as needed

Schdeule G1 Balance Sheet

	Prior Years		Projected Years				
	FY 2021	FY 2022	2023	2024	2025	2026	2027
Current Assets							
Cash & Cash Equivalents			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Accounts Receivable			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Prepaid Expenses							
Inventory							
Unbilled Revenue							
Marketable Securities							
MD Broadband Grant Receivable							
Other Current Assets							
Total Current Assets	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Assets							
Other Assets							
Amortized Assets			-	-	-	-	-
Less: Accumulated Amortization			-	-	-	-	-
Land			-	-	-	-	-
Plant in Service - Existing Network			-	-	-	-	-
Plant in Service - Grant Network			-	-	-	-	-
Less: Accumulated Depreciation			-	-	-	-	-
Total Other Assets	-	-	-	-	-	-	-
Total Assets	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Current Liabilities							
Accounts Payable							
Accrued Expenses							
Current - Deferred Grant Revenue			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Current Portion LTD			-	-	-	-	-
Other Current Liabilities							
Total Current Liabilities	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Liabilities							
Notes Payable - Existing & New			-	-	-	-	-
Deferred Grant Revenue			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Liabilities							
Total Other Liabilities	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Liabilities	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Equity							
Capital Stock							
Additional Paid-in Capital							
Retained Earnings (Deficit)		-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Equity	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Liabilities and Equity	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Schdeule G1 Statement of Cash Flows

	Prior Year		Projected Years				
	FY 2021	FY 2022	2023	2024	2025	2026	2027
CASH FLOWS FROM OPERATING ACTIVITIES							
Net Income (Loss)	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operations							
Depreciation & Amortization		-	-	-	-	-	-
MD Broadband Grant			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Gain on Disposal of Assets			-	-	-	-	-
(Loss) on Disposal of Assets	-	-	-	-	-	-	-
Gain on Investments	-	-	-	-	-	-	-
(Loss) on Investments	-	-	-	-	-	-	-
Effects of Changes in Operating Assets and Liabilities:							
Accounts Receivable			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Prepaid Expenses			-	-	-	-	-
Inventory			-	-	-	-	-
Unbilled Revenue			-	-	-	-	-
Other Current Assets			-	-	-	-	-
Accounts Payable			-	-	-	-	-
Accrued Expenses			-	-	-	-	-
Unearned Revenue			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Other Current Liabilities			-	-	-	-	-
Other Assets			-	-	-	-	-
Other Liabilities			-	-	-	-	-
Total Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operations	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Cash Provided (Used) by Operating Activities	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CASH FLOWS FROM FINANCING ACTIVITIES							
Acquisition and Construction of Plant in Service			-	-	-	-	-
Amortizable Assets			-	-	-	-	-
Proceeds from MD Broadband Grant							
Proceeds from Notes Payable			-	-	-	-	-
Principal Paid on Notes Payable			-	-	-	-	-
Distributions/Dividends							
Additional Paid-In-Capital			-	-	-	-	-
Net Cash Provided (Used) by Capital & Financing Activities	-	-	-	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from Disposal of Assets							
Sale of Marketable Securities							
Purchase of Marketable Securities		-	-	-	-	-	-
Net Cash Provided (Used) by Investment Activities	-	-	-	-	-	-	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Cash and Cash Equivalents - Beginning of Year		-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ -	\$ -	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!