

Awardee Administrative Manual

LAST MILE FEDERAL FUNDING ACCOUNT

January 24, 2025



**California Public
Utilities Commission**

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I. Introduction

This guide is intended to provide information to awardees regarding the awarding process and the post-award requirements for the Last Mile Federal Funding Account (FFA) grant program.¹

We encourage each awardee to review the California Public Utilities Commission's (Commission) [Decision 22-04-055 and Appendix A](#), which establishes the rules and guidelines for the FFA grant program. For more information, please visit the [Last Mile Federal Funding Account](#) website. Please submit any questions by email to FederalFundingAccount@cpuc.ca.gov.

Awardees can familiarize themselves with the aspects of the Last Mile Federal Funding Account by reviewing the following information provided on the following websites:

- [Broadband Implementation for California](#)
- [Federal Funding Account Application Resources](#)
- [Broadband Grant Portal](#)

¹ This Guide was prepared by staff in the Communication Division of the California Public Utilities Commission. This Guide does not change, replace, or waive any of the rules or guidelines adopted in Decision 22-04-055 on April 22, 2022. The contents of the Guide are for information purposes only.

II. About the Last Mile Federal Funding Account Program

The FFA grant program, administered by the Commission, is a \$2 billion grant program for last mile broadband infrastructure projects to expeditiously connect unserved and underserved Californians to reliable and affordable broadband services. The program was enacted by [Senate Bill 156](#) (Chapter 112, Statutes of 2021).

Commission Decision 22-04-055 and Appendix A provide information about what areas and entities are eligible for grants. Federal rules require that awardees invest in “projects designed to provide service to households and businesses with an identified need for additional broadband infrastructure investment.”² Consistent with federal guidelines, eligible projects must be designed to reliably offer, upon completion, speeds at or above 100 megabits per second (Mbps) for both download and upload.

² Department of the Treasury, Final Rule, Coronavirus State and Local Fiscal Recovery Funds, 31 Code of Federal Regulation (C.F.R.) Part 35, 87 FR 4338-4454 (January 27, 2022) (Final Rule), available at: <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

III. Post-Award Process

After completing the holistic review of the applications, some awards may qualify for ministerial approval, which means staff can award without a Commission vote. Ministerial awards and "Final Resolutions" adopted by the Commission will be published on the [Federal Funding Account Recommendations and Awards](#) webpage.

The Commission will issue an Award Letter to all awardees, which will provide details of the award and an overview of the reporting requirements. The Start Date of each award is the date of the approved resolution or ministerial Award Letter. Awardees seeking an alternative Start Date must submit a written request to the Director of Broadband Initiatives and provide justification for the request. Projects that were determined to be exempt under the California Environmental Quality Act (CEQA) at the time of the approved resolution or ministerial Award Letter must be completed within 18 months of award. Projects that were not determined to be CEQA exempt at the time of the approved resolution or ministerial Award Letter must be completed within 24 months of award.

A. Consent and Taxpayer Identification Forms

Awardees must complete and submit the following forms within 30 days of receiving the Award Letter:

- 1) A Consent Form, agreeing to the terms of the award letter or resolution; and
- 2) Either:
 - A [Payee Data Record \(STD 204\)](#) form, for private organizations, or
 - A [Government Agency Taxpayer ID form](#), for governmental entities

The Consent Form affirms the awardee is aware of and bound by the terms, conditions, and requirements of both the authorizing Commission decision and the Award Letter.

Awardees must complete and submit a Consent Form through the Broadband Grant Portal within 30 calendar days from the date of the Award Letter. Awardees unable to submit the Consent Form within 30 days must submit a written request for an extension to the Director of Broadband Initiatives and provide justification for the request. Failure to submit the Consent Form within the stated timeframe can void the grant.

For individuals or private businesses, a completed Payee Data Record (STD 204) is required when receiving payment from the State of California. Information provided on this form will be used by the Commission to prepare Information Returns (*i.e.*, Internal Revenue Service, Form 1099). Similarly, governmental entities awarded grants must complete the Government Agency Taxpayer ID Form. Awardees need only submit either the Payee Data Record form or the Government Agency Taxpayer ID form, not both.

Early filings are welcome. Awardees are welcome to provide required documents well before the 30-day deadline or while a potential award is under consideration by the Commission.

B. Performance

All tasks, performances, and milestones specified under the terms of any award shall be completed on or before the completion date of the project. Awardees must notify the Commission as soon as they

become aware that they may not be able to meet project deadlines. Grant payments may be withheld or the grant may be terminated if the awardee does not comply with any of the requirements set forth in its application or the FFA rules. Should the awardee fail to commence work within six months of the project Start Date or fail to complete the project by the completion deadline (18-months for projects that are CEQA exempt at time of award, 24-month for projects that are not CEQA exempt at the time of award), the Commission may terminate the award.

If the awardee fails to complete the project in accordance with the terms of approval ordered by the Commission, the awardee will be required to reimburse some or all of the FFA funds that it has received.

C. Amendments to Project

Awards are predicated on awardee's agreement to construct its project as detailed in its application and comply with all guidelines, requirements, terms, and conditions set forth in the approving resolution or ministerial Award Letter. Awardees wishing to amend the scope, budget, or timeline of the project must submit a "New Amendment Request" through the Broadband Grant Portal. Awardees are expected to submit an amendment request at least 30 days before the change is expected to be implemented. Amendment requests may be subject to approval by the Director of Broadband Initiatives or by Commission resolution before becoming effective.

IV. Reporting Requirements

Awardees are required to submit various reports to the Commission throughout the project lifecycle. Reporting includes information consistent with United States Treasury requirements.³ Required information, guidance, and related information may be updated to comply with requirements, to more efficiently or accurately collect data, and to provide guidance and direction to awardees.

All reports must be submitted through the Broadband Grant Portal.

A. Construction Progress Report

Awardees must submit their first Construction Progress Report via the Broadband Grant Portal within six weeks of the date of the Award Letter and on a monthly basis after that. Please see the [Construction Progress Report User Guide](#) for instructions on submitting Construction Progress Reports.

B. Monthly Contractor Reports

Pursuant to Public Utilities Code section 281(l), awardees must submit a Monthly Contractor Report for months in which they enter into contracts with contractors or subcontractors that are licensed with the California Contractors State License Board.

The Monthly Contractor Reports are due by the last day of the month following the month in which the contract is executed. There is no reporting requirement for months in which the awardee does not enter into contracts with licensed contractors or subcontractors.

A separate report must be submitted for each contract that is entered into with a contractor or subcontractor.

Awardees must report the following information:

- Contractor or subcontractor name
- Contractors State License Board license number
- Location of work to be performed
- Anticipated construction start date
- Anticipated construction end date

C. Quarterly Progress Reports

Awardees must submit quarterly progress reports to the Commission by the due dates below. All quarterly reports must be submitted through the Broadband Grant Portal. Reporting includes information consistent with United States Treasury requirements.⁴ Additional guidance and direction may be provided such as around changes or updates to reporting timelines and templates, and for projects funded with federal dollars.

³ Including American Rescue Plan Act (ARPA) of 2021, Capital Projects Fund (CPF) (Public Law 117-2 (March 11, 2021)), [Capital Projects Fund | U.S. Department of the Treasury](#).

⁴ Including American Rescue Plan Act (ARPA) of 2021, Capital Projects Fund (CPF) (Public Law 117-2 (March 11, 2021)), [Capital Projects Fund | U.S. Department of the Treasury](#).

Reporting Period	Project Information Due to Commission
July 1 – September 30, 2024	October 6, 2024
October 1 – December 31, 2024	January 7, 2025
January 1 – March 31, 2025	April 4, 2025
April 1 – June 30, 2025	July 3, 2025
July 1 – September 30, 2025	October 3, 2025
October 1 – December 31, 2025	January 6, 2026
January 1 – March 31, 2026	April 3, 2026
April 1 – June 30, 2026	July 6, 2026
July 1 – September 30, 2026	October 5, 2026
October 1 – December 31, 2026	January 31, 2027

Quarterly reports must contain the following information:

- Description of project accomplishments during the quarter.
- Identification of project milestones and the percentage of completion to date. If the percentage of completion is different from the estimated target milestones listed in the FFA application, a narrative description explaining what occurred is required.
- Major construction milestones (including a reporting on all CEQA mitigation implementation and monitoring activities, if CEQA review was required), date of completion of each task/milestone as well as problems/issues encountered, and actions taken to resolve these problems/issues during construction (including CEQA compliance, if applicable).
- Description of any challenges or issues and any risks faced during this past quarter in achieving planned progress on the project, including environmental compliance and permitting challenges, if applicable.
- Description of significant project milestones or accomplishments planned for the following reporting period.
- Subscribership information to date.
- Certification that each progress report is true and correct, under penalty of perjury.

In addition, awardees are required to report speed, pricing, and any data allowance information, consistent with the US Department of the Treasury’s Final Rule, for locations with connections funded by federal money in the quarter when the location is funded.

Awardees are responsible for contacting the Commission at FederalFundingAccount@cpuc.ca.gov if the information cannot be submitted on time.

D. Annual Reports

Awardees must submit annual reports that include the speed, pricing, subscription data (including number of customers enrolled in the successor to the Affordable Connectivity Program (ACP) once identified, low-cost and low-income broadband plans), and any data allowance information on all offered plans.

The report must also include a link to the awardee's public-facing website that contains information on the awardee's income-qualified and affordable plans. The webpage should provide all plan information, ways to subscribe, and any necessary forms.

V. Payments

The FFA program is a strictly reimbursement program. Awardees must incur and pay project costs prior to receiving reimbursement from the program.

A. Purchase of Equipment

The cost of purchasing equipment to construct an awarded project is reimbursable for the purposes of the FFA program. However, if equipment will be used for multiple awarded projects, the cost of the equipment cannot be claimed for more than one project. The total cost can be reimbursed with costs from a single project or the cost can be apportioned between multiple projects.

B. Restrictions

The [Federal Communications Commission](#) (FCC) bans authorization of telecommunications and video surveillance equipment deemed to pose a threat to National Security, such as Chinese telecommunications and video surveillance equipment. For additional information, please review the Public Safety and Homeland Security Bureau's [List of Equipment and Services Covered By Section 2 of The Secure Networks Act](#) (Covered List) that are deemed to pose an unacceptable risk to national security.

Purchases of equipment or services listed on the Covered List are not reimbursable for purposes of the Last Mile Federal Funding Account program.

C. California Environmental Quality Act

Awardees that are required to complete a CEQA review must contact the Energy Division at FFA_CEQA@cpuc.ca.gov for guidance on completing their CEQA review.

D. Payment Milestones

Requests for payments may be submitted at the following percentage of completion:

- 10 percent
- 35 percent
- 60 percent
- 85 percent
- 100 percent

The percentage of completion is based on the amount of expenses incurred and paid by the awardee. For example, if an award is for \$1,000,000, payment requests may be submitted once the awardee has incurred and paid expenses cumulatively totaling:

- \$100,000
- \$350,000 (\$100,000 + \$250,000)
- \$600,000 (\$350,000 + \$250,000)
- \$850,000 (\$600,000 + \$250,000)
- \$1,000,000 (\$850,000 + \$150,000)

E. Payment Requests

All payment requests must be submitted through the Broadband Grant Portal.

Awardees must submit a progress report with supporting documentation when making payment requests. This documentation can include, but is not limited to:

- Executed contracts
- Approved invoices
- Receipts
- Approved permits
- Time reports for any indirect staff costs
- Proof of payment: receipts from payees, cancelled checks, paid invoices showing \$0 due.

F. Final Payment Request

Awardees must submit completion reports with requests for final payment, which contains the following information:

- Comparison of approved versus actual costs of construction.
- Description of the project, including any changes in the project construction and alignment, if applicable.
- Milestones and completion dates for each milestone.
- Number of paying subscribers enrolled in the service provided by the funded construction, number of low-income customers enrolled in the successor to the ACP, number of customers enrolled in any low-income plans, and the number of low-cost broadband plan customers enrolled.
- Final date of completion of the project, problems/issues encountered since the last report and actions taken to resolve these issues/problems during construction (and comprehensive reporting on CEQA mitigation compliance, if applicable).
- Speed test data at the address level for the project area, including:
 - Test results for download and upload speeds.
 - A representative sample of speed test results at dispersed locations in the project area, including locations at the edge of the project area; number of tests will vary based on project.
 - Maps and associated data of speed test locations and results in a .kmz/.kml file, shapefile, or .csv spreadsheet.
 - A screenshot of results of CalSPEED, or comparable, speed tests, which can be accessed at www.calspeed.org.
 - An attestation that all locations within the project area are offered service at minimum speeds of 100 Mbps download and 100 Mbps upload or higher (or 100 Mbps download and 20 Mbps if applicable).
- Maps and associated data of all locations served:
 - The geographic coordinates of all locations that are served as plain-text, comma-separated values (.csv) file, or .kmz/.kml file or shapefile that contains geolocated street address information, including latitude and longitude, as well as census block code (GEOID).
 - Projected subscribers and actual subscribers (by subscriber type), as of the date of the completion report.
 - The actual number of current subscribers by subscriber type and subscriber speed.

- The potential number of subscribers of each type that could be served using the FFA project's existing facilities at the same minimum defined speed.
- The estimated number of low-income customers in the project area as well as the number of low-income customers subscribing to low-income plans.
- Identification of the number of served locations in the project area that have broadband availability at minimum speeds of 100 Mbps download and 100 Mbps upload or higher (or 100 Mbps download and 20 Mbps if applicable).
- Documentation of advertisements, billing inserts, and marketing information, by speed tier and prices.
- Open access interconnections (if applicable).
 - The number of interconnection requests and executed service agreements.

G. Payment Processing

Commission staff will review the payment requests to verify amounts and ensure that the expenditures incurred are consistent with those included in the FFA awardee's application. Staff may request awardees submit additional information to support their payment request.

Staff will review and submit payment requests through the Commission and State Controller's Office fiscal processes. Upon satisfactory review, the State Controller's Office will issue and distribute payments to the awardees.

VI. Post-Completion Requirements

A. Record Retention

Awardees must maintain files, invoices, and other related documentation for three years after final payment. Awardees shall make these records available to the Commission upon request and agree that these records are subject to audit, verification, and discovery by the Commission at any time within three years after the awardee incurred the expense being audited.

B. Audit Compliance

The Commission has the right to conduct any necessary audit, verification, and discovery during project implementation to ensure that FFA funds are spent in accordance with the terms of approval granted by the Commission. Per Federal rules, all recipients of federally funded grants exceeding \$750,000 (\$1 million beginning October 1, 2024) will need to include a budget for a federal audit.⁵

C. Annual Reporting

Awardees must report annually to the Commission the speed, pricing, and subscription data (including number of customers enrolled in the successor to the ACP, low-cost, and low-income broadband plans), and any data allowance information on all offered plans. The report must also include a weblink to information on the awardee's income-qualified and affordable plans. The associated webpage should provide all plan information, ways to subscribe, and any necessary forms.⁶

Annual reports must be submitted through the Broadband Grant Portal and are due July 10 each year.

D. Notification of sale or transfer

For three years after project completion, an awardee must notify the Director of the Commission's Communications Division within five days of determining that the awardee is planning to sell or transfer its assets. The awardee shall also provide documentation, including an affidavit, stating that the new entity will take full responsibility and ownership to comply with the requirements of the FFA grant and requirements of the U.S. Treasury Department. The new entity shall agree in writing to such.

Additionally, awardees must file a Tier 2 Advice Letter with the following information:

- Purchase price
- Copy of the agreement
- Binding agreement from the purchaser or lessee to fulfill the terms and conditions relating to the project after such sale or lease
- An explanation of how the transaction would be in the best interests of those served by the project.

⁵ Treasury, Coronavirus Capital Projects Fund Compliance and Reporting Guidance for States, Territories, and Freely Associated States (March 2024), available at <https://home.treasury.gov/system/files/136/Revised-CPF-State-Guidance.pdf>

⁶ Appendix A, Section 14 (p. A-26).

E. Publicity and Acknowledgment

Any publications, studies, or reports made possible or derived in whole or in part from the project, and any news articles, brochures, seminars, or other promotional materials or media through which the awardee publicizes the project should acknowledge the FFA program in the following manner: “Funding for this project has been provided in part through a grant by the Last Mile Federal Funding Account, a program administered by the California Public Utilities Commission.”