

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, ) Application No. C-3206  
on its own motion, to administer )  
the Nebraska Internet ) ORDER ADOPTING GRANT  
Enhancement Fund. ) DOCUMENTS AND SETTING GRANT  
 ) SCHEDULE  
 )  
 ) Entered: August 30, 2016

BY THE COMMISSION:

O P I N I O N   A N D   F I N D I N G S

The Nebraska Public Service Commission (Commission) opened the above-captioned docket, on its own motion, to administer the Nebraska Internet Enhancement Fund (NIEF) established by the Legislature pursuant to *Neb. Rev. Stat. §§ 86-579 through 86-580 (2006 Cum. Supp.)*. NIEF is to "be used to provide financial assistance to install and deliver broadband or other advanced telecommunications infrastructure and service throughout the state." *Neb. Rev. Stat. § 86-579 (2006 Cum. Supp.)*.

In furtherance of its statutory duty to "establish an application process through which any county or municipality in the state may apply for financial assistance from [the Fund]," the Commission opened grant application periods in 2004, 2006, 2008, and 2011, and has awarded thirteen grants. The Commission staff, with the assistance of the Board has evaluated the grant process and is prepared to recommend that another grant application period be opened. In furtherance of that goal, Commission staff and the Board has reviewed the grant documents including the Program Description and Grant Application Guidelines, Pre-Application Form, Application Form and Scoring Sheet and Grant Agreement. Copies of these documents are attached hereto as Exhibits A, B, C and D, respectively.

The NIEF Advisory Board recommends that the Commission approve and adopt them for use in administering the 2016 round of Grant Applications and Awards from the Fund.

The NIEF Advisory Board further recommends that the Commission adopt the following schedule for the grant application period:

September 1, 2016: The Pre-Application period opens.

October 14, 2016: The Pre-Application period ends. All Pre-Applications must be submitted to the Commission no later than 5:00 p.m.

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November 7, 2016: The Application period opens. Approved Pre-Applicants will be notified and asked to submit a full application.

January 20, 2017: The Application period ends. All Applications must be submitted to the Commission no later than 5:00 p.m.

The Advisory Board will then evaluate all Applications and submit its recommendation to the Commission as soon as possible. The Commission anticipates announcing the recipients of the grants in March 2017.

O R D E R

IT IS THEREFORE ORDERED that the Program Description and Grant Application Guidelines, Pre-Application Form, Application Form and Scoring Sheet, and Grant Agreement are approved and adopted for use in administering the Fund for a 2016 round of Grant Applications and awards.

IT IS FURTHER ORDERED that the schedule for the grant application period as described herein is adopted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 30<sup>th</sup> day of August, 2016.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Gerald L. Syp*

*Crystal Knodes*

//s//Frank E. Landis  
//s//Tim Schram

*Tim Schram*  
Chairman

ATTEST:

*Jeffrey J. Puley*  
Executive Director

## **Nebraska Internet Enhancement Fund Program Description and Grant Application Guidelines**

### **Program Description**

#### **Purpose of the NIEF Grant Program**

The Nebraska Internet Enhancement Fund (NIEF) was created by state statute in 2001 (Neb. Rev. Stat. § 86-2306) with the following purpose:

**The fund shall be used to provide financial assistance to install and deliver broadband or other advanced telecommunications infrastructure and service throughout the state.**

#### **Sources of Funding**

The Legislature appropriated \$250,000 in seed money to start the program. The fund may receive gifts, contributions, property, and equipment from public and private sources for purposes of the fund. One such source is from agencies and political subdivisions that lease dark fiber pursuant to Neb. Rev. Stat. § 86-2301 et seq., which requires that fifty percent of profits derived from such leases be remitted to the NIEF.

#### **Furthering NIEF Goals and Priorities**

The Commission is required to establish a system to prioritize applications. By law, highest priority must be given to applicants based on high-cost factors, including population scarcity and location remoteness. Other factors, including financial need, may be considered by the Commission as deemed necessary.

#### **NIEF Goals:**

The NIEF endeavors to provide start-up funding for economically viable and sustainable projects that bring Internet and advanced telecommunications services to communities where such improvements are needed. Consideration of grant applications for NIEF will be technology-neutral.

#### **NIEF Priorities:**

Grant applications will be evaluated and scored based upon the extent to which each of the following priorities are met by the proposed project:

- Provide financial assistance to communities that are subject to factors that make the provision of Internet and advanced telecommunications services particularly costly, including, but not limited to, population scarcity, location remoteness and other considerations of geographic context.

- Provide communities that demonstrate a need for the resources required to carry out projects that will provide or improve access to Internet and advanced telecommunications services.
- Support projects that will be economically viable and sustainable.
- Support projects that will provide the most benefit to the community in terms of the availability and access to the Internet and advanced telecommunications services.
- Support projects that further or enhance one or more of the following purposes: rural development, economic development, education, or telemedicine.

## **Grant Application Guidelines**

### **Deadlines**

Applicable deadlines will be announced upon approval of the Commission.

### **Eligible/Ineligible Activities**

Any project that purports (1) to provide broadband or other advanced telecommunications infrastructure to a community and/or (2) to enhance Internet service to a community in Nebraska may be eligible for funding from the NIEF.

### **Eligible Entities**

Any county or municipality in the state may apply for financial assistance from the fund. An application or pre-application may be prepared on behalf of the applicant by a third party, such as a consultant or a representative of the service provider.

### **Expected Range of Awards**

Grants may be awarded in amounts up to \$50,000, however, larger projects of exceptional merit will be considered.

### **Match Requirement**

The applicant must provide matching funds of at least 25 percent of the total projected cost. The match may be in the form of public or private funds or in-kind services including personnel, equipment, supplies and materials, etc. The value of in-kind services must be calculated at the standard or market rate,<sup>1</sup> and the applicant must set forth the basis upon which the applicant determined the standard or market rate for

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<sup>1</sup> Neb. Admin. Code Title 291, Chapter 5, Rule 006.09.

such services. The costs or value of preparing the application may not be used as part of the match nor are such costs eligible for funding from NIEF.

## **Pre-Application**

Persons and entities seeking funds from NIEF are required to submit a pre-application. The purpose of the pre-application is to help the Commission determine whether a particular project would be considered for funding as a threshold matter, in order to avoid unnecessary expense of resources associated with preparation of a full application. The NIEF Advisory Board and the Commission will review pre-applications and invite applicants with proposed projects the Board is considering for funding to participate in the full application process.

The pre-application should:

- Describe the purpose of the project;
- Provide a brief overview of the project;
- Set forth an estimated cost of the project and the grant amount requested;
- Identify the segment of the population and approximate number of people that will benefit from the project, as well as the geographic area that will be served by the project;
- Describe the internet service currently available to the community. ( e.g. Dial-up, Cable, Wireless, Satellite or DSL); and
- Include any other information that the applicant deems helpful to the Commission in reviewing pre-applications.

The NIEF Advisory Board and the Commission will review pre-applications and will invite applicants to submit a full application for funding from the program.

The Commission and the Advisory Board reserve the right to request additional information for a pre-application.

## **Application Requirements**

An application must include the following information, unless the Advisory Board or Commission otherwise specifies:

1. State total projected cost.
2. Identify service provider and the technology selected and describe the reasons for selecting the particular technology and service provider.
3. Provide terms and conditions of any agreement between the applicant and the service provider. (Copy of a contract would be sufficient) If the service provider is contributing any amounts or in-kind service toward the matching funds required, such contribution must be disclosed and the nature of the contribution described.
4. Provide a detailed project plan that:
  - a. Demonstrates the sustainability of the project;
  - b. Identifies all start-up expenses, including capital costs and equipment;

- c. Describes the overall goals and purpose of the project;
  - d. Identifies all benefits of the project (such as creation of jobs, improvement of healthcare or education, etc.);
  - e. Sets forth a timeline for completion of the project and identifies potential project milestones;
5. Identify the preparer of the application, and if different than the applicant, provide a contact person for the applicant.

### **Application Review Process**

The NIEF Advisory Board will review applications and score them, then forward its recommendations to the Commission for final approval. The attached score sheet will be used for each application.

### **Contractual Agreement**

Grant recipients will be required to sign an assurance with the NIEF Fund Administrator, which may include any terms or conditions that the Commission finds are appropriate and necessary for a particular grant.

### **Disbursement of Funds**

Funds will be awarded by a majority vote of the Commissioners, and recipients will be notified of the date by which they can expect to receive funds.

### **Reporting Requirements**

The contractual agreement will specify any reporting requirements with which the grant recipient must comply following the award of the grant, including the ability of the Commission to monitor the project and to require the recipient to report project milestones as they are achieved.

### **Right to Audit**

The Commission reserves the right to audit any project that is awarded funds from the NIEF.

Nebraska Public Service Commission  
Nebraska Internet Enhancement Fund  
Pre-Application Form

**Date:**

**Project Title:**

**Submitting Entity:**

**Grant Amount Requested:**

**Project Contact Information**

(Please include: Name, Title, Address, Telephone Number, Fax Number and E-mail Address.)

**Executive Summary**

Provide a one to two page summary of the proposed project. Within this summary please provide the following specific information:

- The purpose of the project;
- A high-level overview of the project;
- An estimated cost of the project;
- The segment of the population and approximate number of people that will benefit from the project, as well as the geographic area that will be served by the project;
- Please describe the internet service currently available to the community. (e.g. Dial-up, Cable satellite, wireless or DSL); and
- Please identify any other information that may assist the Commission in reviewing the pre-application.

The NIEF Advisory Board and the Commission reserve the right to request additional information deemed necessary to evaluate this pre-application.

Nebraska Public Service Commission  
Nebraska Internet Enhancement Fund  
Application Form

**Date:**

**Project Title:**

**Submitting Entity:**

**Grant Amount Requested:**

**Project Contact Information**

(Please include: Name, Title, Address, Telephone Number, Fax Number and E-mail Address.)

**Party Who Prepared Application**

(Please include: Name, Title, Address, Telephone Number, Fax Number and E-mail Address.)

**Executive Summary**

Provide a one to two paragraph summary of the proposed project. Within this summary identify the segment of the population and approximate number of people that will benefit from the project, as well as the geographic area that will be served by the project. Please identify any other information that may assist the Commission in reviewing the application. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project.

The Commission and the Advisory Board reserve the right to request additional information deemed necessary to properly evaluate the application.



### Goals, Objectives and Outcomes

1. Provide a detailed project plan, including:
  - Describe the overall goals and purpose of the project;
  - A problem statement and needs assessment including any high-cost factors (e.g. population scarcity location remoteness, financial need, etc.)
  - Describe the internet service currently available to the community. (e.g. Dial-up, Cable, Satellite, Wireless or DSL) and what if any efforts have been previously made to obtain said services;
  - Describe the expected outcome of this project; and
  - Describe the economic viability and sustainability of the Project. For example, provide any estimated demand for the proposed services, the rates to be charged to the user for the service, etc.

(30 points)

### Project Justification

2. Explain how the proposed project supports one or more of the goals of the fund by describing how the project:
  - Would alleviate additional costs associated with providing internet and advanced telecommunications services due to population scarcity, location remoteness and other considerations of geographic context.
  - Would provide communities that demonstrate a need with the resources required to carry out projects that will provide or improve access to Internet and advanced telecommunications services.
  - Support projects that will provide the most benefit to the community by furthering or enhancing one or more of the following purposes: rural development, economic development, education or telemedicine.

(10 points)

3. Describe the expected benefits (both tangible and intangible) of the proposed project. If applicable, include any economic benefits or long-term cost savings.  
(5 points)

### Technical Impact

4. Identify the service provider and Internet technology selected for this project and explain why these choices were made. (5 points)

5. Address any technical issues with the proposed technology including but not limited to, conformity with generally accepted industry standards; whether project will interface with other state systems; compatibility with existing institutional and/or statewide infrastructure; and reliability, security and scalability (future needs for growth or adaptation). (5 points)
6. Provide terms and conditions of any agreement between the applicant and the service provider or other vendor for the project. (A copy of the contract would be sufficient.) (5 points)

Preliminary Plan for Implementation

7. Describe the project sponsor(s) and stakeholder acceptance. If letters of support are included, list the entities or individuals submitting letters of support and briefly summarize the letter's content. Include information on any matching funds being provided by project sponsors. (5 points)
8. Describe the project team, including their roles, responsibilities, and experience. (5 points)
9. List the major milestones and a timeline for completing each milestone. (5 points)
10. Describe the project's evaluation plan, including measurement and assessment methods that will verify project outcomes. (10 points)

### Financial Analysis and Budget (20 points)

The budget will be scored on reasonableness (up to 10 points), mathematical accuracy (up to 5 points), and the strength and appropriateness of the match (up to 5 points).

Provide the following financial information:

	NIEF Grant Funding	Cash Match	In-Kind Match*	Other Funding Sources	Total
Personnel					
Contractual Services					
Start up Expenses and Capital Expenditures (Hardware, software, etc.)					
Supplies and Materials					
Telecommunications					
Training					
Travel					
Other costs					
<b>Total</b>		<b>A</b>	<b>B</b>		<b>C</b>

Match Percent = \_\_\_\_\_

Match Requirement: This grant requires a 25% match. Please calculate your match by using the formula below to ensure your application meets this requirement:

$$\frac{\text{Total Cash Match (A)} + \text{Total In-Kind Match (B)}}{\text{Total Project Cost (C)}} \geq .25$$

\* If the 25% match calculation includes in-kind expenses please attach a separate sheet further detailing the expenses included in the in-kind match (i.e. job category, job title, time spent by the employee, equipment purchased, donated, etc.)

## Financial Narrative Notes and Instruction

Several categories (see below) require further itemization.

1. Please include estimated number of hours or full-time equivalent (FTE) by position. Include separate totals for salary and fringe benefits. If it is necessary to itemize on a separate sheet, include only the subtotal in this table.
2. Please itemize other contractual expenses on a separate sheet. Please provide a copy of any contracts or agreements with any service provider or vendor or in the alternative provide detailed description of terms and conditions of any contract or agreement.
3. Please itemize capital expenditures by categories (hardware, software, network, and other) on a separate sheet.
4. Please itemize other operating expenses on a separate sheet.
5. Please indicate the source of any cash match.
6. Please indicate the source of any in-kind match and how it will be documented and calculated.
7. Please provide a breakdown of any other external funding sources. Sources of external funds may include grants from federal agencies or private foundations.

Please keep supporting documentation to a minimum. For example, rather than including a printout of a quotation from a vendor for a specific piece of equipment, include all relevant information in the budget narrative.

Nebraska Public Service Commission  
Nebraska Internet Enhancement Fund

Scoring Sheet

Application #:

Project Title:

Submitting Entity:

Reviewer:

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Review Score

	Score	Maximum
Goals, Objectives, and Outcomes		30
Project Justification		15
Technical Impact		15
Preliminary Plan for Implementation		25
Financial Analysis and Budget		20
<b>Total</b>		<b>105</b>

After completing the review, return this scoring sheet to Nichole Underhill as an e-mail attachment in Microsoft Word format to [nichole.underhill@psc.ne.gov](mailto:nichole.underhill@psc.ne.gov). Please contact Nichole Underhill via email or at 402-471-0234 if you have any questions.

## GOALS, OBJECTIVES AND OUTCOMES (30 Points)

1. Applicants were asked to describe the project, including problem statement and needs assessment, high-cost factors, goals, start-up expenses and the current state of the community's access to internet services.
  - A. How well do the project's problem statement, needs assessment and high-cost factors describe the need for this project?
    - ☐ 5... Excellent! There is a well-defined need.
    - ☐ 4... Very Good.
    - ☐ 3... Average.
    - ☐ 2... Minimally defined.
    - ☐ 1... Poorly defined.
    - ☐ 0... No information provided.
  - B. How appropriate and well-defined are the project goals and purpose?
    - ☐ 5... Excellent! Project goals are well-defined and very appropriate.
    - ☐ 4... Very Good.
    - ☐ 3... Average.
    - ☐ 2... Minimally defined and/or appropriate.
    - ☐ 1... Poorly defined and/or inappropriate.
    - ☐ 0... No information provided.
  - C. How does the current state of the community's access to Internet services indicate a need for this project?
    - ☐ 5... Excellent! There is a well-defined need.
    - ☐ 4... Very Good.
    - ☐ 3... Average.
    - ☐ 2... Minimally defined.
    - ☐ 1... Poorly defined.
    - ☐ 0... No information provided.
  - D. How appropriate and well-defined are the expected outcomes for this project?
    - ☐ 5... Excellent! Expected outcomes are well-defined and very appropriate.
    - ☐ 4... Very Good.
    - ☐ 3... Average.
    - ☐ 2... Minimally defined and/or appropriate.
    - ☐ 1... Poorly defined and/or inappropriate.
    - ☐ 0... No information provided.
  - E. How well is sustainability after this grant addressed?
    - ☐ 10... Excellent plan for sustaining the project.
    - ☐ 9....

- ☐ 8... Very Good plan for sustaining the project.
- ☐ 7...
- ☐ 6... Average plan for sustaining the project.
- ☐ 5...
- ☐ 4... Weak plan for sustaining the project.
- ☐ 3...
- ☐ 2... Inadequate plan for sustaining the project.
- ☐ 1....
- ☐ 0... No information provided.

Section Score:

Reviewer Comments:

#### PROJECT JUSTIFICATION (15 Points)

2. How well does the proposed project support one or more of the following funding priorities?
  - Would alleviate additional costs associated with providing internet and advanced telecommunications services due to population scarcity, location remoteness and other considerations of geographic context.
  - Would provide communities that demonstrate a need with the resources required to carry out projects that will provide or improve access to Internet and advanced telecommunications services.
  - Support projects that will provide the most benefit to the community by furthering or enhancing one or more of the following purposes: rural development, economic development, education or telemedicine.
  - ☐ 10... Right on! The project STRONGLY support all funding priorities.
  - ☐ 9... Excellent! The project strongly supports most funding priorities.
  - ☐ 8... Very good!. Project strongly supports at least one of the funding priorities.
  - ☐ 7... Good.
  - ☐ 6... Fairly good.
  - ☐ 5... Average.
  - ☐ 4... Not quite average.
  - ☐ 3... Project minimally supports all priorities.
  - ☐ 2... Project minimally supports some priority.
  - ☐ 1... Poor.
  - ☐ 0... Why is this project even being considered?
3. Evaluate the expected benefits (both tangible and intangible) of the proposed project.
  - ☐ 5... Excellent! Project provides clear benefits.
  - ☐ 4... Very Good.

- ☐ 3... Average.
- ☐ 2... Minimally defined or unrealistic benefits.
- ☐ 1... Poorly defined or unrealistic benefits.
- ☐ 0... No information provided.

Section Score:

Reviewer Comments:



## TECHNICAL IMPACT (15 Points)

4. Are the hardware, software, and communications requested appropriate for the project and its stated objectives?
- ☐ 5... Perfectly appropriate! (or “not applicable” and justification is acceptable).
  - ☐ 4... Very Appropriate.
  - ☐ 3... Appropriate.
  - ☐ 2... Minimally appropriate.
  - ☐ 1... Not appropriate.
  - ☐ 0... No information provided (or “not applicable” and justification is NOT acceptable).
5. If necessary, are technical issues regarding conformity with generally accepted industry standards, compatibility with existing institutional and/or statewide infrastructure; and reliability, security, and scalability adequately addressed?
- ☐ 5... I have NO concerns regarding conformity; compatibility; and reliability, security, and scalability.
  - ☐ 4... I have minimal concerns regarding conformity; compatibility; and reliability, security, and scalability.
  - ☐ 3... I have possible concerns regarding conformity; compatibility; and reliability, security, and scalability.
  - ☐ 2... I have concerns regarding conformity; compatibility; and reliability, security, and scalability..
  - ☐ 1... I see a definite problem regarding conformity; compatibility; and/or reliability, security, and scalability..
  - ☐ 0... No information provided (or “not applicable” and justification is NOT acceptable).
6. How appropriate and well-planned are the terms and conditions of any agreement between the applicant and the service provider or other vendor for the project?
- ☐ 5... Perfectly appropriate and well-defined! (or “not applicable” and justification is acceptable).
  - ☐ 4... Very Appropriate and well-defined.
  - ☐ 3... Appropriate.
  - ☐ 2... Minimally appropriate.
  - ☐ 1... Not appropriate or poorly defined.
  - ☐ 0... No information provided (or “not applicable” and justification is NOT acceptable).

Section Score:

Reviewer Comments:

## PRELIMINARY PLAN FOR IMPLEMENTATION (25 Points)

7. Does the project have the necessary support from sponsor(s) and stakeholder(s)?

- ☐ 5... Very strong support from sponsors and stakeholders..
- ☐ 4... Strong support from sponsors and stakeholders.
- ☐ 3... Adequate support from sponsors and stakeholders.
- ☐ 2... Weak support from sponsors and/or stakeholders.
- ☐ 1... Inadequate support from sponsors and/or stakeholders.
- ☐ 0... No information provided.

8. Is the project team appropriate?

- ☐ 5... Extremely strong project team.
- ☐ 4... Strong project team.
- ☐ 3... Average project team.
- ☐ 2... Weak project team.
- ☐ 1... Inadequate project team.
- ☐ 0... No information provided.

9. Are the timeline and listing of milestones realistic and appropriate?

- ☐ 5... Very detailed and realistic timeline and milestones.
- ☐ 4... Detailed and realistic timeline and milestones.
- ☐ 3... Adequate timeline and milestones.
- ☐ 2... Weak timeline and milestones.
- ☐ 1... Inadequate timeline and milestones.
- ☐ 0... No information provided.

10. How appropriate and well-planned is the evaluation plan (including measurement and assessment methods that will verify project outcomes)?

- ☐ 10... Excellent plan for evaluating the project.
- ☐ 9....
- ☐ 8... Very good plan for evaluating the project
- ☐ 7...
- ☐ 6... Adequate plan for evaluating the project.
- ☐ 5...
- ☐ 4... Weak plan for evaluating the project.
- ☐ 3...
- ☐ 2... Inadequate plan for evaluating the project.
- ☐ 1...
- ☐ 0... No information provided.

Section Score:

Reviewer Comments: FINANCIAL ANALYSIS AND BUDGET (20Points)

Based upon the financial and budget information provided in Section IX, score this section as provided below.

What is your level of confidence that the budget is reasonable?

- ☐ 10...High.
- ☐ 9...
- ☐ 8...
- ☐ 7...
- ☐ 6...
- ☐ 5... Moderate.
- ☐ 4...
- ☐ 3...
- ☐ 2...
- ☐ 1...
- ☐ 0... Low.

How strong and appropriate do you feel the match is?

- ☐ 5... Match is very strong and appropriate.
- ☐ 4... Match is strong and appropriate.
- ☐ 3... Match is adequate.
- ☐ 2... Match is weak.
- ☐ 1... Match is very weak.
- ☐ 0... Match is not appropriate and very weak.

The Advisory Board and/or Commission staff will score the mathematical accuracy of the budget (additional 5 points)

Section Score:

Reviewer Comments on Budget:

Overall Reviewer Comments:

Nebraska Public Service Commission  
Nebraska Internet Enhancement Fund  
Grant Agreement

Grant Recipient:	
Project Title:	
Authorized Representative of Grant Recipient:	

***Section 1.0 Identification of Parties.***

This Agreement is entered into by and between the Nebraska Public Service Commission ("Commission") and \_\_\_\_\_ ("Grant Recipient").

***Section 2.0 Statement of Purpose.***

Neb. Rev. Stat. §§ 86-579 and 86-580 (2002 Supp.) establish the Nebraska Internet Enhancement Fund (NIEF) to provide financial assistance to counties or municipalities in the state to install and deliver broadband or other advanced telecommunications infrastructure and service throughout the state. Pursuant to Neb. Rev. Stat. § 86-580, the Commission is responsible for administration of the fund. Administration of the NIEF by the Commission includes but is not limited to monitoring Grant Recipient's use of the grant monies, monitoring progress of the project, enforcing reporting requirements placed on Grant Recipients, and disbursement of grant funds to Grant Recipients.

Grant Recipient was selected pursuant to applicable statute, Commission rules and regulations, the NIEF Program Description and Grant Application Guidelines (NIEF Guidelines) and was awarded a grant in the amount of \$ \_\_\_\_\_. Therefore, the Commission and the Grant Recipient herein mutually agree as follows:

***Section 3.0 Project Commencement, Completion and Extension.***

The Grant Project as described in the Application submitted by the Grant Recipient shall be commenced within six (6) months of the Commission order awarding the grant ("Commencement Date"), unless a request for an extension is granted. Commencement means any action taken by the Grant Recipient or the Grant Recipient's designee in furtherance of the Grant Project. The Project shall be completed within twelve (12) months of the Commencement Date ("Completion Date"), unless a request for an extension is granted.

The Grant Recipient shall file with the Commission a notice of the commencement of the project ("Notice of Commencement") within thirty (30) days of the Commencement Date. The Notice of Commencement shall contain the expected Completion Date, a schedule of Project milestones, the dates by which Project milestones will be met, and Grant Recipient's election regarding payment of the grant amount as specified in Section 5.0 below. The Grant Recipient shall use the Notice of Commencement Form provided by the Commission and said Form shall be

accompanied by copies of all contracts between the Grant Recipient and any vendor related to the Project for which the Grant Funds were awarded.

Should an extension of the Commencement Date or the Completion Date be needed, Grant Recipient shall file a request for an extension with the Commission at least thirty (30) days prior to the Commencement Date or Completion Date. Such request shall contain the reasons for the extension and the length of extension requested. Requests for an extension will be evaluated by the Commission, and grant of an extension will be at the discretion of the Commission. The Commission will evaluate all requests based on the individual circumstances and necessity of Grant Recipient. Failure to request an extension or a denial of a request may result in the loss of any unpaid portions of the Grant Award.

#### ***Section 4.0 Reporting Requirements.***

In addition to the Notice of Commencement specified in Section 3.0 above, Grant Recipient shall submit Progress Reports to the Commission every three (3) months until completion of the Grant Project. The progress reports may be submitted to the Commission via email or in writing.

- 4.01:** The Progress Reports shall include a summary outlining the current status of the project. If the project has not commenced, the report will include an explanation of any preparation or preliminary matters still pending and an estimate of the project commencement date. If an extension of the commencement date has been granted, the report will detail any progress made toward commencement, estimate the project commencement date, and report on the current status of any circumstances causing the delays. If the project has commenced the report shall outline the progress of the project and include an accounting of any Grant Funds received and expended.
- 4.02:** Failure to submit any required reports consistent with this Agreement, Commission orders and Commission rules and regulations as described below could result in forfeiture of all or part of any unpaid portions of the Grant Award and/or repayment of all or part of any previously paid portions of the Grant Award. Should an extension of time be needed to submit any of these reports, the Grant Recipient shall submit a request for extension as outlined in Section 3.0.
- 4.03:** Upon completion of the Grant Project the Grant Recipient shall notify the Commission via email or in writing of the Project completion. A "Final Completion" report shall be submitted within thirty (30) days of the completion of the Project. This report shall include a full accounting of any Grant Funds received and expended throughout the entire Project, an accounting of all Matching Funds received and expended throughout the Project, a summary of the Project, the total cost of the Project, and a report as to the number of individuals, businesses, and community agencies that are expected to and have already benefited from the Project and how they benefited. The report shall also contain a signed and notarized affidavit by the Grant Recipient attesting that all applicable Grant Application Guidelines, NIEF Guidelines, Commission orders, Commission Rules and Regulations and applicable statutes were complied with during the Grant Project.

- 4.04:** In the event an extension to the twelve (12) month deadline for Project Completion is granted to the Grant Recipient by the Commission, the Grant Recipient shall continue to submit Progress Reports consistent with Section 4.01 of this agreement every three (3) months until the Project reaches Completion.
- 4.05:** A "Project Impact" report shall be submitted six (6) months after completion of the project and shall outline the benefits received from individuals, businesses, and community agencies as a result of the Project, the number of individuals, businesses, and community agencies using the services installed and estimates regarding the sustainability and growth of the Project.

#### ***Section 5.0 Payment of Grant Funds.***

Grant Recipient's may elect to receive partial Grant payments not to exceed 50% of the Grant Award or to receive a lump sum payment of the Grant Award at the completion of the project. Upon the election of the Grant Recipient to receive partial Grant payments, the Grant Recipient or Grant Recipient's designee shall be eligible to receive 10% of the Grant Award upon timely receipt by the Commission of the Notice of Commencement in conformity with this agreement, the NIEF guidelines, and Commission rules and regulations. Grant Recipient or Grant Recipient's designee shall then be eligible for payments of another 40% of the Grant Award for a total of up to 50% of the Grant Award upon remittance of receipts, supporting invoices, and documentation of actual costs to the Grant Recipient. The Commission may request additional information from Grant Recipient in order to process any requests for payment. Payments will not be made in excess of actual money expended or expenses incurred at that time.

Should a Grant Recipient require a payment in excess of 50% of the Grant Award to meet contractual obligations on the project, the Grant Recipient shall submit a request in writing outlining the need for the additional sums and containing all supporting documentation. Each request will be considered by the Commission on a case by case basis.

Upon completion of the project and remittance to the Commission of the Final Completion Report and all supporting invoices and documentation as required in Section 4.03, the Grant Recipient or Grant Recipient's designee shall be eligible for payment of any outstanding Grant funds not yet paid, up to actual money expended or expenses incurred.

#### ***Section 6.0 Using Less than the Projected Grant Amount***

Grant payments received by Grant Recipient cannot exceed the actual costs of completing the project minus the match requirement presented in the original application and must be used specifically for the purposes set out in the original application. Any funds received by the Grant Recipient in excess of the actual costs minus the match requirement shall be refunded to the Commission and returned to the fund and shall be available for future grants. In the event that less than the requested grant amount is needed by Grant Recipient, any additional grant funds not yet paid to Grant Recipient will be forfeited and shall be available for future grants.

#### ***Section 7.0 Auditing***

At any time after the Commencement Date, the Commission, in accordance with its grant administration duties pursuant to Neb. Rev. Stat. § 86-580, may conduct an audit of any Grant Recipient.

In the event of an audit, the Commission shall notify the Grant Recipient in writing of its intention to conduct an audit. The Grant Recipient will have thirty (30) days from the notice to make its Project records, including but not limited to contracts, accounting records, invoices, timesheets and other Project related documents available to the Commission or its designee.

***Section 8.0 Non-Availability of Funds***

If the Nebraska Legislature fails to appropriate or authorize the expenditure of sufficient funds to provide for the continuation of this Agreement or if a lawful order issued in or for any fiscal year during the Term of this Agreement reduces the funds appropriated or authorized in such amounts as to preclude making the payments set out herein, this Agreement shall terminate on the date said funds are no longer available without any termination charges or other liability incurring to the Commission. The Commission shall provide the Grant Recipient with notice not less than thirty (30) days prior to the date of cancellation, if such time is available. Otherwise, prompt notice will suffice.

***Section 9.0 Effective Date***

This agreement shall become effective on the date of signature by Grant Recipient and approval of the Commission.

The undersigned Grant Recipient has read and agrees to the terms and conditions set forth in the Agreement.

By: \_\_\_\_\_ [signature]

Name: \_\_\_\_\_ [printed]

Title: \_\_\_\_\_ [printed]

Date: \_\_\_\_\_