

NUSF 108 Broadband Deployment Support (BDS) Project Notice and Reimbursement Guidelines

Project Notice

After an NUSF-108 order that approves the model support for any given year is approved, the Commission will publish a list of blocks on our website ([link](#)) that are eligible for NUSF broadband deployment support (BDS), as well as the NUSF broadband deployment support for capped locations (BDS-CL).

Once the NUSF model for the funding year is published, carriers can access their SBCM modeled Total Investment, which represents the maximum amount that a company would be reimbursed for projects that bring service to locations within those census blocks. Carriers can request a list of maximum reimbursable amounts up to which build-out expenses can be reimbursed on a block level. Carriers will be required to have an account set up with CostQuest and have signed a Non-Disclosure Agreement (NDA) to access the SBCM data.

Companies should submit a project notice to the Commission that indicates the estimated cost for the project, and the census blocks in which they plan to extend service. NUSF Projects filed prior to January 1, 2022, must provide a minimum of 25/3 Mbps capable service to all eligible locations that are part of the project notice. NUSF Projects filed effective January 1, 2022, and after, must provide a minimum of 100/100 Mbps pursuant to Neb. Rev. Stat. 86-324.01.

Project notices should include:

- List of all blocks involved in the project (BDS, BDS-CL, and non-BDS eligible blocks).
- A statement indicating whether the minimum service speed will be provided to all eligible locations that are part of the project notice. As of January 1, 2022, the minimum speed requirement for NUSF is 100/100 Mbps.
- Cost Estimate.

Cost estimate requirements:

- Cost estimates should be based on a list of allowable and disallowable expenses for NUSF-108 BDS. If non allowable expenses are included in cost estimates, they will not be reimbursed just because the project site and estimates were approved.
- The cost estimate should indicate the total estimated cost for the entire project, including BDS, BDS-CL, non-BDS eligible locations, as well as the total NUSF BDS amount the carrier is requesting to have allocated to the project.
- If applicable, the cost estimate should contain a separate breakdown of costs for BDS eligible blocks, BDS-CL eligible blocks, and costs for any non-BDS eligible census blocks involved in the build. If a project involves BDS/BDS-CL and non-BDS areas, an explanation regarding the proposed cost allocation should also be provided. However, only the costs for BDS/BDS-CL eligible areas should be considered when determining the initial NUSF BDS allocation.
- Please note that if non-allowable expenses and/or non-BDS eligible blocks are included in your estimates, the non-allowable or non-eligible costs will not be reimbursed just because the project site and estimates were filed with the Commission.

- The NUSF BDS or BDS-CL allocation amount requested for a project should not exceed the sum of the maximum allowable investment calculated by the SBCM for all census blocks that comprise a project. NUSF BDS and NUSF BDS-CL allocations should be kept separate in the estimate.

Funding available from the previous years can be carried over for one year.

Project notices can be submitted at any time. After a project notice is filed with the Commission, carriers will have two years to complete the project.

Below are examples of how available funding is calculated:

Example 1, available funding calculation with carry-over from prior year

Funding Year 1:	\$ 50,000
Submitted project notice with cost estimate:	\$ 30,000
Available funding end of year	
- Year 1:	\$ 20,000
Funding Year 2:	\$ 70,000 (\$ 50,000 Year 2 funding + \$ 20,000 leftover Year 1 funding)

Example 2, available funding calculation and one year limit for fund carry-over:

Funding Year 1:	\$ 50,000
Submitted project notice with cost estimate:	\$ 20,000
Available funding end of year	
- Year 1:	\$ 30,000
Funding Year 2:	\$ 80,000 (\$ 50,000 Year 2 funding + \$ 30,000 leftover Year 1 funding)
Submitted project notice with cost estimate:	\$ 20,000 (deducted from Year 1 leftover funding)
Available funding end of year	
- Year 1:	\$ 10,000 (this amount cannot be carried over for more than one year and it will be returned to unallocated NUSF funds)
- Year 2:	\$ 50,000
Funding Year 3:	\$ 100,000 (\$ 50,000 Year 3 funding + \$ 50,000 Left over Year 2 funding; Year 1 leftover funding is not carried over)

Example 3, application cost estimate with only BDS blocks:

List of blocks in the project notice:	Maximum reimbursable amount according to the data provided by the Commission:
Block #1111	\$ 10,000
Block #2222	\$ 6,000
Block #3333	\$ 12,000
Maximum BDS allocation for project notice:	\$ 28,000

Example 4, application cost estimate with mixed BDS, BDS-CL, and non-BDS eligible blocks:

List of blocks in the project notice:	Total Estimated Costs (based on allowable costs)	BDS-MRA according to the current NUSF model data:
<u>BDS blocks</u>		
Block #1111	\$ 11,000	\$ 10,000
Block #2222	\$ 7,000	\$ 6,000
<u>BDS-CL blocks</u>		
Block #3333	\$ 8,000	\$ 9,000
Block #4444	\$ 5,000	\$ 6,000
<u>Non-BDS eligible blocks</u>		
Block #5555	\$ 10,000	\$ 0.00
Summary		
BDS blocks	\$ 18,000	\$ 16,000
BDS-CL blocks	\$ 20,000	\$ 21,000
Non-BDS blocks	\$ 10,000	\$ 0
Total	\$ 46,000	\$ 37,000

Maximum BDS allocation for project notice:	Allocation Request	BDS-MRA
Max Allocation for BDS blocks	\$ 16,000	\$ 16,000
Max Allocation for BDS-CL blocks	\$ 20,000	\$ 21,000

Project Reimbursement Request

For reimbursement of costs incurred for previously filed project notices, companies should submit documentation for allowable project expenses. Reimbursement requests will be paid out after review by the Commission staff. A list of allowable expenses can be found on the Commissions website ([Link](#)).

Expenses related to the project filed with the Commission can exceed estimated cost and can be reimbursed up to the lesser of:

- Sum of maximum allowable investment as calculated by SBCM for all census blocks that comprise a project
- Total allocated BDS at the time of the reimbursement request

Therefore, if you have multiple projects filed with the Commission under NUSF-108 and you exceed a cost estimate on one project, it can decrease the amount of support available to the other project(s).

Please note that a census block receiving NUSF support in a given funding year is removed from modeled BDS support in subsequent years. After a NUSF BDS project is final and complete, the blocks that comprise such projects will be deemed as eligible for ongoing OpEx support since the Commission will be reimbursing CapEx required to build out the project. Once the buildout in the blocks is complete, the carrier should report updated service metrics on their subsequent FCC Form 477 filing.

Reimbursement Request Checklist

Reimbursement requests for BDS projects under NUSF-108 should include the following documentation:

- A cover letter that should contain the date of submission, the project name, the amount of reimbursement requested, and whether the project is in-process or complete. If complete, the date of completion should be stated in the cover letter. If the request for reimbursement is final, it should also be stated in the cover letter.
- A table with the total amount requested to be reimbursed by census block should be included. For projects involving a mix of BDS, BDS-CL and non-BDS blocks, an explanation of how project costs are allocated to the census blocks is required.
- A summary of costs covered by the reimbursement request should be included. The following information should be included:
 - o Project site (in case there are multiple sites)
 - o Date (date of the invoice, month for which the salary is paid, etc.)
 - o Amount
 - o Supporting documentation description (i.e. vendor name on the invoice or label the documentation that is attached to the request) – see example below
 - o Description of the cost
- Supporting documentation (invoices, cost accounting documents, etc.).
- A breakdown by category for any internal direct labor costs (i.e. wages, FUTA/SUTA, workers compensation, FICA, benefit categories, etc).
- Explanation of cost allocation, if applicable. For example, if the company allocates cost of vehicles or equipment to projects as a normal course of their accounting process and the costs are related to the construction of the project, a description as to how those amounts are calculated should be provided.

For details on what the Commission has determined are allowable and disallowed expenses, please consult the following on the Commissions website ([Link](#)).

Supporting documentation should be provided for all line items that exceed \$1,000. Commission staff may request documentation for line items below \$1,000. If your company has an agreement with vendors regarding paperless billing, you must notify the Commission in the cover letter submitted with the reimbursement. In the case of paperless billing, print outs from internal accounting system that state the date, amount, invoice/PO number, vendor and description of the cost must be included. Reimbursement requests can be submitted only after the expense is incurred. They can be submitted either at any point during the project, or within a year after the project is completed. Monthly reimbursements can be submitted. Reimbursement request will be paid out, after PSC staff review, in the monthly NUSF payment at the end of the month following the month of submission. Incomplete or complex reimbursement requests may be delayed.

Example of the Cost Summary Table:

Site	Date	Amount	Document Description	Cost Description
Site A	2/1/2019	\$ 17,000	Invoice ABC	Electronics
Site A	3/1/2019	\$ 4,000	Invoice 123	Site inspection
Site B	2/28/2019	\$ 10,000	Invoice 234	Contract Labor
Site B	March 2019	\$ 7,000	Attachment A	Internal Labor

If you have questions regarding this document, please contact us at psc.nusf@nebraska.gov.