Nebraska Capital Projects Fund
Reimbursement Request
Frequently Asked Questions

The Commission is providing Frequently Asked Questions related to the reimbursement process. The Commission may periodically update this document during the Nebraska Capital Projects Fund grant period. Subrecipients are encouraged review frequently. Revision tracking will be implemented to allow Subrecipients to easily identify modifications.

Subrecipients are strongly encouraged to contact the Commission at psc.broadband@nebraska.gov with any questions pertaining to compliance with CPF requirements.

Q: We have completed mainline construction but only have one customer currently receiving service. Do we have to certify the project complete since the mainline is complete?

A: No. Subrecipients are encouraged to closely track obligations incurred for the project area and only submit a Certification of Project Completion once the following conditions have been met:

1. The entire project area has been constructed as planned and awarded, with every Broadband Serviceable Location (BSL) within the project area having been passed and capable of being served at the required speed.
2. Additionally, one of the following conditions has been met:
    a. The project has already incurred obligations that meet or exceed the total project costs as submitted with the application approved for funding by the Commission; or
    b. The deployment deadline (end of performance period) has been reached.

Subrecipients can continue to perform customer drops that will be applied toward the grant until such time as the above conditions have been met.

Q: We use a third-party contractor for construction and utilize billing codes similar to those used in RUS programs. How should we handle this?

A: If using RUS billing codes, we will need confirmation that the costs submitted for reimbursement through CPF are not associated with any RUS-funded projects. Additionally, we will need you to provide a document which defines what work is associated with each RUS billing code utilized. We prefer this information to be included as a new tab to the Nebraska Broadband Programs Reimbursement Template, detailing each billing code along with the corresponding definition and description of work. The Commission understands that companies frequently customize the definition of the RUS billing codes to meet their unique needs.

Q: The contractor for construction of the network is invoicing based on staking sheets. The contractor is not submitting an invoice. Is this adequate documentation for purposes of CPF?

A: No. Utilizing staking sheets in lieu of an invoice is not adequate documentation to allow the Commission to determine if the expenditures are allowable for reimbursement. A formal invoice is required. Invoices must clearly identify, at a minimum, the following information: the date of invoice, name of the vendor, quantities, service provided, date(s) of service, unit of measure, price per unit of measure, sub-total cost, sales tax, freight or shipping, and total amount invoiced. If the date(s) of service are not included on the invoice, they may need to be verified through other documentation, such as staking sheets. While staking sheets can serve as supplemental documentation, they should be maintained by the Subrecipient and can be requested by the Commission to verify the accuracy of the vendor invoice(s).

Q: Entering all line items from a vendors invoice applicable to the project onto the 1. Project Expense tab, when that same vendor issued numerous invoices over the course of the performance period, will take significant time. Is there an alternative way to provide the required information?

A: Please contact the Commission if this is a concern. We will work collaboratively to ensure collection of the required information while reducing the number of line items on the 1. Project Expense tab. A solution may not be possible in all scenarios, but likely in most.

Q: We are a current participate in other Commission funding mechanisms (NUSF & NBBP). As a result, we have created our own documentation to submit a reimbursement request. Can we submit our version of a reimbursement request for CPF?

A: No. Subrecipients must utilize the Nebraska Broadband Programs Reimbursement Template. A reimbursement request will not be processed if the required reimbursement template is not submitted.

Q: Are sales taxes eligible for reimbursement?

A: No. Taxes are a disallowed expense for purposes of the Nebraska Capital Projects Fund. Please see CPF Allowed and Disallowed Cost Examples.

Q: Is freight eligible for reimbursement?

A: Yes. Calculation of the cost per unit should include freight, calculated on a per unit basis. For example, if the price per unit is $100.00 and the freight cost is 10%, the cost per unit should be reported on the Nebraska Broadband Projects Reimbursement Template as ($100.00 * 1.10) = $110.00.

Q: The approved project budget was based on reasonable estimates at the time of the application. We are under budget in certain categories and over budget in other categories. What do we need to do?

A: The Commission recognizes that the submitted budgets were reasonable estimates. Significant deviations from the original *total* cost estimate (under or over budget) will require an explanation. Otherwise, we expect actual expenditures by budget category will not align exactly with the original budget. Subrecipients are encouraged to submit documentation of all allowable costs incurred during project deployment for the Commission's review and consideration.

Q: We purchased 100 items from our materials vendor. We used 20 of those items for the approved project. On the 1. Project Expenses tab, Column J states "Total Qty Purchased". Do we use the total 100 items purchased or do we put the 20 deployed for the project?

A: For Total Qty Purchased, input the *total* purchased, in this case 100 units. For Qty Placed in Service for Project, enter the 20 units deployed for the approved project.

Q: We purchased materials that are not included in the Expense Types for construction materials, such as splicing trays, organizers, etc. How should we categorize these expenses?

A: Please categorize as you feel most appropriate. The "Budget Categories" tab is a listing of possible combinations of category of expense and expense type. You can utilize category of expense "Construction Materials" and expense type "Fiber Splicing" for the splicing materials.

Q: We have direct internal labor costs associated with the project. What data do we need to track to claim these expenses?

A: Please review the CPF Reimbursement Guide for more detailed information. Also, review the Timesheet Example and 2. Labor Reporting tabs in the Nebraska Broadband Projects Reimbursement Template. At a minimum, the following data points should be tracked: Employee Name; Job Title; Date work was performed; Category of Expense and Expense Type; Task description; total hours. The total number of hours by category of expense and expense type and the employees hourly wage must also be reported. The hourly rate must reflect the actual wage and should not include the effective rate or other items. A detailed breakdown by category is required to assess the allowability of specific labor costs, as certain costs are not allowable. For instance, the actual hourly rate plus allowable costs such as FICA, Unemployment Tax, Workers' comp, may be considered. However, other costs such as retirement, pension, insurance, bonuses, PTO, etc. are not allowable.

Only direct labor costs related to the project design or build are eligible for reimbursement. General administrative costs, including overhead, labor expenses not directly related to the project design or build such as labor expenses for accounting, directors/managers/CFOs/CEOs, etc. are not eligible for reimbursement.

Please contact the Commission at psc.broadband@nebraska.gov with any questions pertaining to how to report direct internal labor expenses.

Q: We have inventory that can be utilized for the purposes of the approved project. Can we seek reimbursement for those costs if purchased prior to the award date?

A: Yes. When submitting for reimbursement, provide the work order/purchase order, invoice and proof of payment.

Q: Is a purchase or work order required?

A: No. If there is a purchase or work order, that documentation must be submitted along with the invoice and proof of payment. The Commission understands that some purchases are requested via email. In those situations, provide the email.

Q: The approved project area included 126 passings (locations). As of the date of project completion, 26 customers are receiving service. Can we get reimbursement for the Customer Premise Equipment for all 126 locations?

A: No. The Capital Projects Fund is a reimbursement only project and is contingent upon actual deployment. If only 26 customers are receiving service, only the cost of the CPE for those 26 customers is eligible for reimbursement. To qualify for reimbursement, the equipment must be deployed and in use for the customers receiving service by the date the project is certified as complete.

Q: We obtained multiple rights of way for the approved projects. What documentation do we need to submit for reimbursement?

A: In cases where the right of way access was granted in exchange for payment, please provide a copy of the right of way agreement or conveyance document, proof of expense, and proof of payment. If there was no financial transaction, no documentation is required.

Q: Do we have to provide proof of payment when we submit the reimbursement request?

A: Yes. This can be in the form of cancelled checks, redacted credit card statements or redacted bank statements. Any documents that are redacted need to provide identifying information for the financial institution, name of the account holder and the corresponding transaction.

Q: We purchased a quantity of materials which resulted in a credit with the vendor. We can provide proof of payment of $15,000 towards a purchase of $20,000 in materials. The vendor invoice does not show the credit. How do we handle this?

A: Please provide documentation from the vendor clearly evidencing the credit. This documentation should include details of the original purchase, the amount paid, the credit issued, and the nature of the credit. Commission staff will review the documentation to determine if it's sufficient. It's important to note that if the credit was due to returns or unused materials from the original purchase, or if it represents a discount or adjustment, it may not be eligible for reimbursement. However, if the documentation indicates that the credit stems from an unrelated transaction, it may be considered.

Q: We have submitted our reimbursement request. How long should we expect the review process to take?

A: The review process will depend on several variables. Quality and completeness of submission, number of vendor invoices, and questions to be resolved will all factor into how long the Commission takes to process the reimbursement request.

Please review the CPF Reimbursement Guide and ensure that the reimbursement request contains all required information. This will help the Commission more efficiently process the reimbursement request. If you have any questions about what should or should not be included, or how to document allocation of costs, please contact the Commission at psc.broadband@nebraska.gov.

Q: CPF is a federally funded grant. What does this mean for receiving payment for final reimbursement?

A: The Commission staff will first verify that speed test requirements have been met and will complete their review of the reimbursement request. The Commission will then submit the required forms to the US Department of Treasury to request the funds required to make final payment to the Subrecipient. Once funds have been received from Treasury, the Commission will send a payment notification email to the Subrecipient. Funds should arrive within three business days thereafter.

Revision Tracking:

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