



Subrecipient Monitoring and Reporting Plan

The New Hampshire Department of Business and Economic Affairs (BEA) Office of Broadband Initiatives is responsible for oversight of the Broadband Equity, Access, and Deployment (BEAD) program to ensure compliance with applicable federal requirements and that performance expectations are being achieved by all subrecipients. 2 CFR 200.332 requires pass-through entities such as BEA to monitor subrecipients to ensure federal funds are used in accordance with federal, state, and local requirements and with the terms and conditions of the federal award. This document serves to outline the plan that the monitoring team will use to monitor subrecipients of the BEAD program. This monitoring and reporting plan complies with federal and state requirements and allows BEA to receive critical project updates on the performance of BEAD-funded projects.

Monitoring Plan and Process

BEA will pursue a risk-based approach to subrecipient monitoring to protect against fraud, waste, and abuse while not burdening subrecipients with unnecessary oversight. BEA's ultimate goal is for subrecipients to successfully complete their projects and offer broadband service in a timely and cost-effective manner. The monitoring activities outlined in this plan, as well as subrecipients' regular reports, will provide actionable data to BEA that can be used to inform and direct technical assistance to subrecipients as well as corrective action and enforcement measures as needed.

Risk Assessment

Following the selection of a subrecipient for at least one Project Service Area, BEA will conduct a risk assessment of the subrecipient to assess the subrecipient's ability to comply with federal and State policies, statutes, regulations, fiscal capacity requirements, internal control requirements, and administrative and reporting requirements. Through this process BEA will assign a risk level for the subrecipient which will determine the frequency of subrecipient monitoring. Based on findings of ongoing monitoring processes, this risk level may be updated during the period of performance.

Subrecipient Monitoring

Each round of subrecipient monitoring will start by sending the subrecipients three tools: the Desk Review Questionnaire, the Contracts and Subawards Workbook, and the Transaction Testing Template.



Desk Review Questionnaire

To ensure proper deployment of projects, subrecipients will be subject to regular desk reviews based upon the assigned risk level of the subrecipient. As part of this desk review, the subrecipient will answer several questions to confirm that they are in compliance with all award terms and conditions, provide information on any contracts and subawards entered into for the BEAD project, and provide project status updates including construction, financial, and performance reporting.

Contracts and Subawards Workbook

The Contracts and Subawards Workbook documents any contracts or subawards the subrecipient is using to complete the project. The workbook has two tabs: one for contracts, and one for subawards. Each tab separates out new, existing, and completed or terminated contracts or subawards and asks for a variety of details about the contract or subawards.

For new contracts, the workbook asks the subrecipient to detail the contract amount, the start and end date of the contract, a description of services to be performed, whether this is the first contract with this vendor, whether a conflict of interest exists between the subrecipient and the contractor, and any additional notes. For existing contracts, the workbook asks the subrecipient to update the contract amount, the amount paid this period, the total amount of the contract to date, the amount remaining on contract, any changes in the contract details, whether or not the contractor is on budget, whether or not the contractor is on time, and any additional notes, including performance concerns or any newly identified conflicts of interest. For completed/terminated contracts, the subrecipients must provide the contract termination date, the amount paid this period, the total amount paid, how much the contractor was over/under budget, how many days over/under the quoted time the contractor took, whether or not the contract was terminated for any reason other than satisfactory completion, whether the subrecipient would work with this contractor going forward, and any additional notes.

For new subawards, the workbook asks the subrecipient for the award amount, the award start and end date, how the funds will be disbursed, whether an award has been made to this subrecipient previously, a description of the monitoring plan the subrecipient will use to assure subrecipient compliance, and additional notes. For existing subawards, the workbook asks for the amount of award funds expended by the subrecipient during the monitoring period, the total amount of award funds expended by the subrecipient during all periods, unexpended funds held by the subrecipient, amount of award funds disbursed to the recipient during the monitoring period, amount of award funds disbursed to the subrecipient during all periods, remaining undisbursed award funds, any changes in the award, whether the project is on budget and on schedule, additional notes, and, for awards that are a loan or line of credit, the maturation date.



Finally, for completed or terminated subawards, the subrecipient must provide the award amount, amount of award funds expended by the subrecipient during the monitoring period, amount of award funds expended by the subrecipient during all periods, unexpended award funds held by the subrecipient, amount of award funds disbursed to the recipient during the monitoring period, the amount of award funds disbursed to the subrecipient during all periods, the remaining undisbursed award funds, the amount the subrecipient was over/under budget, the number of days the subrecipient was over/under the quoted performance timeline, whether the award was terminated for any reason other than satisfactory completion, whether the subrecipient would consider making an award to the entity in the future, additional notes, and, for subawards that are loans or lines of credit, the maturation date.

Transaction Template

The Transaction Template asks subrecipients to provide a record of all transactions made using BEAD funds. The template asks the subrecipient to provide the date, category, account or PO #, vendor, and description for all transactions, but, if the subrecipient can pull a report from their financial system that provides analogues for each of these fields, the subrecipient can send this report directly.

From the transactions sent by the subrecipient, a sample of 25 transactions are pulled for further testing. For the transactions pulled for further testing, the subrecipient sends documentation that supports the cost and purpose of the transaction. This documentation is then reviewed to ensure that the documentation fully supports the amount and purpose of the transaction.

Subrecipient Reporting

To ensure accurate reporting to Treasury, subrecipients receive two tools to assist them in providing BEA with necessary project information. These tools consist of the Subrecipient Reporting Tool, the Project Monitoring Form, and the Monthly Data Request.

Subrecipient Reporting Tool

The Subrecipient Reporting Tool is sent to the subrecipient semiannually prior to the due date of the BEAD Semi-Annual Report. This tool asks for general project information about the project timeline, general compliance requirements, technology and location details (such as technology to be used, amount of miles of fiber the subrecipient plans to deploy, and the total number of residences, housing units and businesses the subrecipient plans to serve with the project), and number of completed passings with take rate. Additionally, this tool asks more qualitative questions about the project's progress.



Monthly Data Request

The Monthly Data Request will be sent to subrecipients on a monthly basis. This request asks subrecipients to detail progress on the project through three metrics: the total number of completed passings, the cumulative take rate (the percentage of locations that have chosen to subscribe to broadband service after deployment), and a spreadsheet containing the location data for completed passings from project start through the date of the request.

These Monthly Data Requests allow BEA to monitor project progress and offer an additional touchpoint with BEA for subrecipients to flag any project issues.

Compliance

The New Hampshire BEAD subaward agreement establishes the obligations that subrecipients must meet in deploying their broadband project. Each subrecipient will have a subaward agreement that contains both BEA and NTIA's required award terms and conditions. The subaward agreements include terms and conditions that support BEA's monitoring plan, including requiring distribution of funding on a reimbursable basis and clawback provisions for non-compliance. A draft subaward agreement is posted on BEA's website and is included as an attachment to this Final Proposal, though BEA notes that the final version of each subaward agreement will be negotiated between BEA and the subrecipient. BEA reserves the right to, as necessary, add specific special award conditions depending upon individual circumstances, such as environmental issues or risk assessments.

Site Visit Tracker

Site visits may be carried out to ensure that subrecipients are meeting reported milestones, adhering to all award terms and conditions, and applying relevant safety standards. The site visits will be conducted consistently by utilizing a standardized agenda and checklist of items to review. After a site visit is conducted, BEA will compile a report documenting findings and conclusions. If a site visit identifies significant issues, BEA may require corrective actions to be taken by the subrecipient based on observations and conclusions drawn from the site visit.

Corrective Actions

BEA plans to work closely alongside subrecipients to proactively address any questions or issues that arise to minimize the need for corrective action plans. However, in the case that corrective actions are necessary, BEA will employ technical assistance and corrective action plans if persistent issues are identified in the course of regular subrecipient monitoring.

A corrective action plan can be used to formally document a required subrecipient action of programmatic concern (e.g., schedule or timely reporting), or address and officially document



significant non-compliance or chronic, unresolved performance issues. Any non-resolution of significant issues identified may lead to an enforcement action.

Record Keeping

BEA will maintain detailed files on each subrecipient which will include all information and documentation submitted by the subrecipient, documents created in the course of conducting a desk review or site visit, and any documentation created through pursuing a corrective action. These files will be stored to comply with all BEAD program requirements, federal requirements such as 2 C.F.R. 200, and New Hampshire laws and regulations.

Further NTIA Guidance

This monitoring plan is an outline of expected monitoring components and may be updated throughout the lifetime of the BEAD program. As NTIA releases updated guidance or communicates new information regarding monitoring and compliance, BEA will track updates and incorporate any necessary changes.