

# STATE CONTROLLER TECHNICAL GUIDANCE

## FIXED AMOUNT SUBAWARDS – SLFRF, BEAD AND CPF

The Office of the State Controller (OSC) is providing this Guidance to ensure compliance with federal guidelines and OMB Uniform Guidance regarding Fixed Amount Subawards and Broadband Infrastructure Projects using State and Local Fiscal Recovery Fund (SLFRF), Broadband Equity Access and Deployment Program (BEAD), and Capital Projects Fund (CPF) funding.

### 1) **Authorities and References**

- a. US Department of the Treasury, SLFRF and CPF Supplementary Broadband Guidance May 15, 2023.
- b. 2 CFR 200.1, 2 CFR 200.201(b), CFR 200.331.
- c. §24-30-202(12), C.R.S. (State Controller's Authority)
- d. Infrastructure Investment and Jobs Act, Section 60102, Public Law 117-58, 135 Stat. 429
- e. NTIA Policy Notice: Tailoring the Application of the Uniform Guidance to the BEAD Program

### 2) **Applicability**

- a. This Guidance applies to select broadband infrastructure subawards funded by SLFRF, BEAD, and CPF funds, including those entered into prior to the release of this policy. This policy does not apply to other projects using SLFRF, BEAD and CPF funds.

### 3) **Definitions**

- a. Fixed Amount Subaward - A grant under which a subrecipient provides a specific level of support without regard to actual costs incurred under the Federal award.
- b. Internet Service Providers (ISP) - For purposes of this Guidance, ISP includes subrecipients and contractors installing broadband infrastructure using SLFRF, BEAD and CPF funds and is not limited to entities that provide retail Internet access service. An ISP receives funding from a Recipient. OIT characterizes ISPs receiving SLFRF, BEAD and CPF funding through OIT as subrecipients, not contractors.
- c. OMB Uniform Guidance - the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- d. Recipient – An entity that receives a Federal award directly from a Federal awarding agency. For this Guidance, a Recipient includes any entity that is part of the State of Colorado government.

### 4) **Requirements and Guidance**

- a. Recipients shall follow the provisions of the Uniform Guidance relating to subrecipients.
- b. Recipients may issue Fixed Amount Subawards (*See 2 CFR 200.1, 200.201(b), and 200.333*) for broadband infrastructure projects without further approval, regardless of whether the value of the subaward exceeds \$250,000.
- c. Recipients shall follow all state fiscal rules, Procurement Code, and OSC Competition Requirements for Grants Policy and guidance.
- d. As noted in the Federal Provisions Exhibit, subrecipients shall comply with all applicable provisions of the OMB Uniform Guidance.
- e. Costs incurred by ISPs must be reasonable and allowable under the OSC's policies and guidance, as well as the SLFRF, BEAD and CPF broadband program requirements.
- f. Recipients may reimburse subrecipients only for actual costs and may require documentation from subrecipients to ensure costs are reasonable, allowable, and actual costs only.

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Robert Jaros, CPA, MBA, JD  
State Controller